

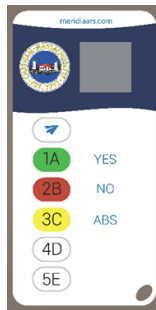
Town of Chatham



ARTICLES IN THE WARRANT for the 2026 ANNUAL TOWN MEETING

With Recommendations of the
Chatham Select Board and Finance Committee

Monday May 11, 2026 - 6:00 P.M.



ELECTRONIC VOTING AT TOWN MEETING

Childcare is available for ages 3 & up by reservation. Drop off begins at 5:30 p.m. in the Middle School Library.

Please email smobile@chatham-ma.gov with your name, address, contact phone number, your child's name, age and any medical issues no later than 12 noon on Friday, May 8, 2026.

Transportation is available. Space is limited. Please call Alexis at the Center for Active Living at 508-945-5190 to reserve a seat no later than 12 noon on Friday, May 8, 2026.

Please bring this report to the meeting for use in the proceedings at
MONOMOY REGIONAL MIDDLE SCHOOL
425 CROWELL ROAD

ANNUAL TOWN MEETING WARRANT – MAY 11, 2026

TABLE OF CONTENTS

Page #

Annual Town Meeting

Finance Committee Report.....2
Ballot Questions.....23

Article

1) Annual Town Election.....24
2) Accept Annual Reports.....24
3) FY2026 Budget Adjustments/Transfers (Current Fiscal Year).....24
4) Fix Salaries – Elected Officials.....25
5) Consolidated Revolving Funds.....26
6) Wood Waste Reclamation Facility Enterprise Fund.....28
7) Borrowing Recissions.....29
8) Town Operating Budget – FY2027.....30
9) Regional School Operating Budget – Monomoy Regional School District.....31
10) Monomoy Regional School District – PEG Fund Transfer Request.....32
11) Monomoy Regional Middle School Roof Project and Debt.....33
12) Regional School Operating Budget – Cape Cod Reg. Technical High School.....35
13) Water Department Operating Budget.....36
14) Five Year Authorization – FY2027 Capital Budget.....37
15) Expansion and Renovation of Existing Center for Active Living.....39
16) Capital Bond Project – Bulkhead Replacement at Barn Hill Landing.....49
17) Capital Bond Project – Bulkhead & Ramp Replacement at Ryder’s Cove.....51
18) Capital – Financial Software.....54
19) Wastewater Capital Stabilization.....55
20) Water Capital – Water Storage Tank Painting & Repairs.....56
21) Floor Treatment Replacements.....57
22) Capital – Dredging.....58
23) Childcare Voucher Program.....59
24) Other Post-Employment Benefits (OPEB) Liability Trust Fund.....59
25) Stabilization Fund.....60
26) Expendable Trust Fund for Retirement.....61
27) Grant Matching Account.....62
28) FY2026 Airport Matching Grant for NAVAID Replacement.....63
29) FFY2026 Airport Matching Grant for Design Aircraft Study.....63
30) PEG Cable Access and Technology.....64
31) Overlay Funding.....65
32) Attainable Housing Special Revenue Fund – Stepping Stones Road.....66
33) Acceptance of Bequest of the Property at 63 George Ryder Road.....67
34) Home Rule Petition – Year-Round Housing Occupancy Restrictions.....69
35) Attainable Housing Special Revenue Fund - Lease-to-Locals Program.....71
36) Community Preservation Committee Administrative Budget.....73
37) Community Preservation Act – Fund Appropriations.....74

ANNUAL TOWN MEETING WARRANT – MAY 11, 2026

TABLE OF CONTENTS

Page #

38) Community Preservation Act – Affordable Housing Trust – Stepping Stones.....75
39) Community Preservation Act – Assistance Resource Center.....75
40) Community Preservation Act – Lower Cape Housing Institute.....76
41) Community Preservation Act – 0 Meetinghouse Rd. Affordable Housing.....77
42) Community Preservation Act – 1533 Main St. Affordable Housing.....78
43) Community Preservation Act – Historic Harbormaster Building.....80
44) Community Preservation Act – Marconi Lattice Towers.....80
45) Community Preservation Act – People’s Cemetery Restoration.....81
46) Community Preservation Act – Mack Monument Restoration.....82
47) Community Preservation Act – Chatham Beach Signs.....83
48) Community Preservation Act – Frost Fish Creek Restoration.....84
49) Community Preservation Act – Mill Pond Overlook Accessibility Trail.....85
50) Community Preservation Act – Restore the Legacy of Kate Gould Park.....86
51) Protective (Zoning) Bylaw Amendment; Accessory Dwelling Unit.....86
52) Grant of Easement for Utility Service – 128 Training Field Rd.....91
53) Accept MGL Ch. 59 §5, clause 22G.....92
54) Accept MGL Ch. 59 §5, clause 22I.....93
55) Accept MGL Ch. 59 §5, clause 22J.....94
56) Delay of Residential Tax Exemption Implementation.....94
57) Citizen Petition; New General Bylaw – Requiring the Presentation of a
Regulatory Analysis Prior to Voting on any Implementation of Massachusetts
General Law Local Options.....96
58) Citizen Petition; Reduce Tax-Deferred Interest Rate.....96
59) Citizen Petition; Home Rule Petition to Combine Tax-Title &Tax-Deferred
Accounts to One Account and Charge Tax-Deferred Interest Rate Only.....98
60) Citizen Petition; Consistent Treatment of Public and Private Irrigation
Systems in Times of Water Conservation or Emergencies.....100
61) Citizen Petition; Acceptance of Local Option (MGL Ch. 59 §5 (O) for
Affordable Housing Tax Exemption for Year-Round Rental Properties.....101

Appendices

A) Budget Overview FY2027.....A-1
B) Town Manager’s FY2027 Fiscal Summary.....A-3
C) Town Operating Budget Detail.....A-45
D) Debt Amortization Schedule.....A-69
E) Water Department Operating Budget Detail.....A-71
F) Five Year Capital Detail.....A-73
G) Terms Used in Municipal Finance.....A-79
H) Tax Rate Information.....A-83

INTRODUCTION

Welcome to our 2026 Annual Town Meeting Warrant! Chatham's Annual Town Meeting (ATM) will be held on Monday, May 11, 2026 at 6:00 PM at the Monomoy Middle School Gym. Once again, electronic voting devices will be utilized during the meeting for articles as determined by the Moderator. Voters can express their support by pressing "Yes" or opposition by selecting "No." To ensure familiarity with the devices, practice votes will be conducted at the outset of the meeting.

Efforts have been made to enhance the comprehensiveness of this Warrant booklet to equip voters with the necessary information to act on the 61 articles. Following the format of previous years, each article is enumerated as required by law, accompanied by a suggested motion outlining the proposed action (without the intention of restricting any action), and its funding amount and source of funds. Additionally, an explanation for each article is provided as a courtesy. Please note that Article 1 is the Annual Town Election, scheduled for Thursday, May 14, 2026, at the Community Center (702 Main Street), with all precincts voting at the same location from 7:00 AM to 8:00 PM. Residents who recently established residency in Chatham must register to vote by 5:00 PM on Friday May 1, 2026, to participate in both the Annual Town Meeting and the Annual Town Election.

In addition to the Report of the Finance Committee following this Introduction, the Town Manager's FY2027 budget transmittal and budget details are provided at the end of this Warrant booklet in Appendices A, B, and C along with other useful appendices. Our Chatham TV production team has been busy developing informational materials on the Warrant articles available on Xfinity TV Channel 1072, the Town's <https://www.chatham-ma.gov/171/Chatham-TV-Formerly-Channel-18> and Town's YouTube channel - [\(30\) Chatham TV - Government Access - YouTube](#)

Everything Town Meeting is available in Town Meeting Central - <https://www.chatham-ma.gov/342/Town-Meeting-Central> with our new ClearGov digital budget book in *Budget Central* <https://www.chatham-ma.gov/214/Budget-Central>. The Town Manager's webpage <https://www.chatham-ma.gov/328/Town-Manager> includes information on Department operations in Monthly Town Manager Reports to the Select Board, Annual Town Reports, as well as the Select Board Vision Statement and Goals.

Town officials and staff dedicated considerable time and effort from October 2025 to March 2026 in public meetings meticulously reviewing each article in the Warrant with recommendations from the Select Board and Finance Committee. The foundation of Chatham's operational success is not only sound financial management but also the dedication and expertise of our professional staff (Team Chatham!), hardworking Elected Officials, committed Town Officials, countless community volunteers, and you, our informed constituents. This collected support enriches the services, programs and events that make Chatham such a special community.

Together, we are committed to *Navigating the Fiscal Year Ahead* to ensure Chatham's future through responsible fiscal management and community-focused initiatives that benefit all. Thank you in advance for your thoughtful consideration!

Jill R. Goldsmith, Chatham Town Manager, [ICMA-CM](#)

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REPORT OF THE FINANCE COMMITTEE

“The greatness of a community is most accurately measured by the compassionate actions of its members.”

- Coretta Scott King

Observations of the Chair

I have had a number of thoughts swirling around in my head these last few weeks as I contemplated the nature of this year’s Observations, and the year past in Chatham. Following the nor’easter a few weeks ago, there was my delight at the relatively clean condition of many of the roads in town on Tuesday, following the storm’s departure Monday evening. The men and women of the Department of Public Works, of the Police Department, the Fire Department, and of Natural Resources who were responsible for the storm response outdid themselves. Emblematic of the quality of our overall municipal workforce. Well done.

Looking past the blizzard to the beginning of this year and the impending wind-down of FY26 I’ve opted for a little reflecting. Town projects proceeded apace, showing considerable progress on the affordable housing initiative with the projects at 1533 Main Street, 0 Meetinghouse Rd. and Stepping Stones Road advancing. The Center for Active Living Project scored a decade-long win with Town Meeting approval of the renovation and very modest expansion of their space on Stony Hill Road. Tangentially, the Town’s first full-time Community Clinician will be completing her inaugural year in FY26, describing it as “incredibly busy with police calls, crisis calls, wandering calls, family in crisis calls, substance abuse calls, hoarding calls” and others. In July 2025 alone Outreach Services generated 238 interactions with 114 separate individuals.

On the drinking water side, Wells #10 and #11 were completed as was a temporary water treatment facility for Wells #5 and #8 while work nears completion of the permanent PFAS treatment facility. In the meantime, all PFAS sampling have returned results below State threshold for concern. Work continued as well on the wastewater system expansion with construction substantially completed on installing sewer on Meetinghouse Road, Morton Road, Mill Hill Road, and Middle Road with two wastewater pumping stations tested and approved by the State.

As I noted last year, “I am confident that Chatham is on the front foot when it comes to anticipating or addressing many of the big issues before us. The senior leadership, including Department heads, of our community is strong, as is our financial footing. We are making significant strides and addressing the issue of attainable and affordable housing. We are working to expand and harden our waterfront facilities. We seem to have a viable solution before us regarding the ongoing saga of the Center for Active Living facility. We are addressing our long-term financial obligations to our municipal retirees.”

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I retain my confidence in Chatham, its political and administrative leadership, our financial foundation and capacity, and in our dedicated, effective and committed municipal workforce. All of that noted, it would be irresponsible of me not to call out what we see in communities across the Commonwealth, shoots of which we see taking root in our area. As the Massachusetts Municipal Association recently wrote “...municipalities across the Commonwealth are confronting a convergence of relentless cost pressures, rigid revenue limits, and eroding state aid. The result is a vise-like squeeze on municipal spending in Massachusetts.”

For the first time since I joined the Finance Committee 11 years ago, I sensed a bit of unease during this budget season around the future several years out, a sense shared with other members of the Committee. I strongly encourage you to read our **Topics of Note**, below, wherein we highlight this condition under several of our essays – notably, *School Daze I*, *School Daze II—The Canary* and *Sustainability of Discretionary Spending*. We think the topic is worthy of attention from administrators, elected officials and tax-payers alike.

Overview of the FY27 Budget Process

As regular readers of our report to the Warrant are likely familiar, the budget season for Fiscal Year 2027 began in October 2025 when the starting gun fired on the Town Manager’s annual Budget Summit. This annual joint meeting of the Select Board, the Finance Committee and the Monomoy Regional School District leadership provided an opportunity for the Town Manager and Finance Director to present information and context upon which the FY27 budget is predicated on. The information conveyed and the conversation between the assembled parties allowed for the creation of a common understanding to establish priorities, understand budget drivers, and coordinate action with respect to the development of the FY27 budget. All of these allowed for the development of a paradigm with which to review and to consider the proposed FY27 budget, once presented.

The Town Manager-proposed FY27 budget is built upon a foundation of fiscal responsibility, the protection of core services and values (read – a “level service” budget) and the development of a balanced budget. Presentation by various department heads highlighted the impact of rising costs for health insurance, liability insurance and utilities, as well as the effects of inflation on construction materials related to capital projects. Funding pressure around school budgets was also called out, something we will address further later in this report.

As always, Chatham’s By-Laws require that the Finance Committee provide our initial thoughts on the proposed annual budget to the Select Board within a stipulated period following the budget’s release. This year’s initial review can be found on the Finance Committee’s page of the Town’s website, as well as on the Town’s Budget Central webpage.

The theme of the proposed FY27 budget is “*Navigating the Fiscal Year Ahead*”, continuing what appears to be an emerging trend around incorporating nautical references into the annual

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budget title. According to the Town Manager’s transmittal memo, the budget “reflects the Town’s continued commitment to stability, sustainability, and service in an increasingly complex fiscal environment.” Further, it’s noted that the “budget demonstrates a measured and disciplined approach to fiscal stewardship, preserving the full range of municipal programs and services relied upon by the community while positioning the Town for long-term financial health”. Spoiler Alert: We largely agree with that characterization.

Summary of the Proposed FY27 Budget

Executive Summary

As was the case with the development of the FY26 budget, the Town Manager and Finance Director have taken a measured approach to the proposed FY27 budget. While the proposed operating budget of \$47,295,970 (not including educational assessments) has increased 4.7% over the FY26 operating budget, much of that increase is due to contractually-agreed increases in salaries and employee benefits, the rising cost of insurance and utilities, as noted above, and the overall impact of inflation on all manner of operating costs. By means of background, personnel wages and employee benefits represent approximately 70.8% of the Town’s operating budget, excluding debt service and education. Increases for personnel services for FY27, including salary and wages, plus overtime, amounted to \$893,754, a 4.9% increase over FY26. There are no proposed additions to Town staffing positions in FY27.

The Town of Chatham’s proposed FY27 omnibus budget, including Operating, Education, In-Budget Capital Improvements, Warrant-based Capital Expenditures, CPA Articles and Debt Authorizations drops in at \$86,161,359. This figure is materially below last year’s \$112,594,725 (which, to be fair, included some \$32mm of Debt Authorizations, largely for the wastewater system build-out), and below FY24’s then-record high of \$94,782,707. Perhaps the era of modest budgetary Ozempic is upon us?

Compared to the FY26 Operating Budget (including debt service), the FY27 budget increased by 4.7%, and the Education Budget by 5.04%. In-Budget Capital Improvement Plan spending declined by 22.8%, and Warrant-Based Capital Spending (including CPA Articles) slimmed down by 91%, though this notable decrease is largely driven by the absence of FY26’s \$32,000,000 wastewater project authorization.

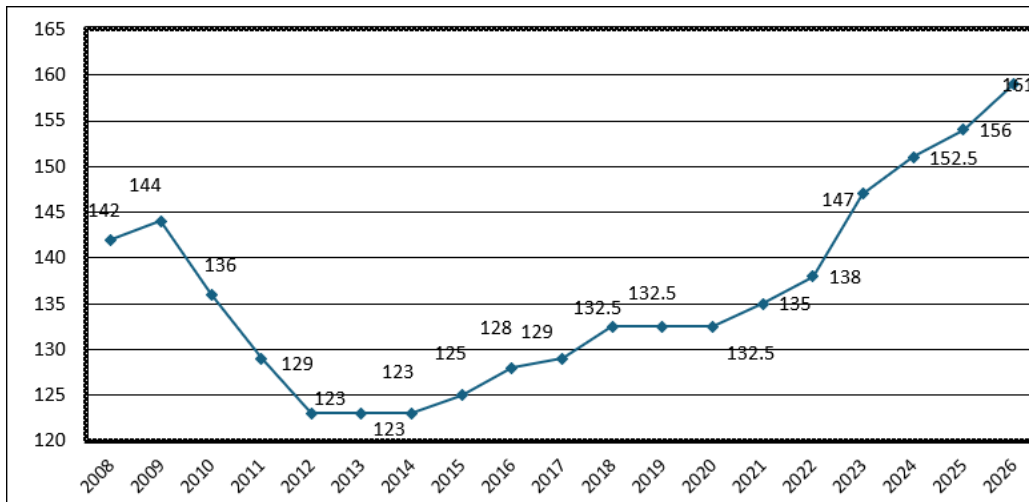
However, this year’s annual Town Meeting Warrant does not seem to have invested much in the weight loss strategy which the omnibus budget has. We are presently looking at 60 Articles on this year’s Warrant, (though that may be subject to change), close to last year’s 62 Articles. Notably, 43 of this year’s Articles are spending articles with budgetary implications, well in excess of last year’s 30 spending-related Articles.

Operating Budget

The proposed Operating Budget, excluding Educational assessments, sums to \$47,295,970 representing an increase of \$2,122,870, or 4.7%, over the approved FY26 Operating Budget. Interestingly, the proposed FY27 spending increase in both absolute dollars and percentage change reflects a decrease from the rate of change between FY25 and FY26. Regular readers will remember that the Operating Budget represents the ongoing cost of running the town, not including any cost for education, large capital expenditures or CPA Articles.

Readers (and tax-payers) may well remember that Town Meeting supported the addition of 20 ½ full-time equivalent additions to our municipal workforce from FY23 through FY26. For FY27 no incremental positions are being sought by the Town Manager.

As we noted in our *Report to the Warrant* last year, it’s the view of the Finance Committee that the Town Manager and relevant Department heads have offered appropriate justification for each of the new positions advocated for. That said, our municipal workforce has grown by 19.3% over the last six years, or by 26 new positions since 2021. That’s not an insignificant level of growth, of course, and we are pleased not to find further staffing requests in the proposed FY27 budget. We will continue to press Department heads and the Town Manager on the specific service needs as well as the objectives and goals for each proposed new hire going forward.



Full-Time Equivalent Municipal Staff

Beyond the cost of the new hires, much of the increase in the proposed Operating Budget is driven by cost increases from contractual obligations, including negotiated cost-of-living increases and step increases, both of which aid in the attraction and retention of employees. Employee Benefits increased by 8.74%, Debt Service from previously Town Meeting-approved debt is down 3.71%, and the cost of property liability insurance is projected to rise 12.3% for FY27, following increases of 9.4% in FY26 and 15.0% in FY25. Payments to the Cape Cod

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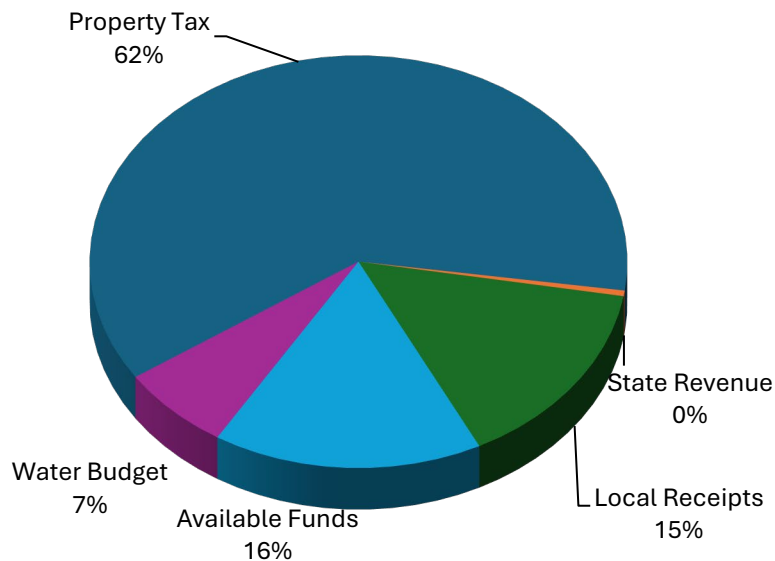
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Municipal Health Group, a regional joint purchasing group for health benefits and plan premiums are estimated to increase 8% over last year, on top of Medicare costs which increased 19.0% in January of this year.

As we note each year, a handful of departments or line items make up the bulk of the proposed Operating Budget plus Education Spending. For the FY27 proposed budget the standings find Education at 19%, Public Safety at 15%, Debt Service at 14%, Public Works & Facilities at 13% and Employee Benefits at 12%. There tends to be little shift from year-to-year in this ranking, and this year is no different, with each department holding the same place it held last year, though Employee Benefits rose to 12% of the Operating Budget plus Education up from last year's 11%.

Together, these five budget categories account for 73% of the proposed FY27 Operating Budget plus Educational Assessments, up modestly from 72% in FY26, but down from 79% in FY25. As a reminder, Debt Service can be thought of as much like the Town's mortgage payments – interest and principal paid over time on monies borrowed.

The Finance Committee voted to recommend approval of the proposed FY27 Operating Budget.



**Where Does It Come From?
FY26 Proposed**

Education Budgets

The Operating Budget for the Cape Cod Regional Technical High School (the "Tech") for FY27 is a proposed \$19,300,000. This represents a 4.5% increase, or \$833,000, over FY26. Salaries and Benefits account for 76.7% of the operating budget, down slightly from 78.6% in FY26. While the Tech again undertook a conservative approach to developing their budget, the prices for

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Materials and Services increased by 9.3% (on top of FY26's 11.9%), though Transportation costs increased by only 5.8% after last year's 19.5% increase. Insurance increased by only 2.3%, after FY26's 35.8% increase.

Since last year, Chatham's enrollment at the Tech has fallen by 1 to a current 19 students, out of a student body of 703. As a result, Chatham's total assessment from the Tech is \$560,313, down from FY26's \$587,949. Of this, \$414,791 is directed to the operating budget, while \$145,522 goes to debt service associated with the construction of the new building several years ago.

The Monomoy Regional School District ("MRSD") is facing a more complicated budgetary picture this year. MRSD also took a relatively conservative approach to their budgeting, with increases similarly being driven by negotiated salary and benefit increases, and the cost of health and property insurance and of utilities. The proposed operating budget of MRSD for FY27 is \$51,735,982, an increase of \$2,494,410, or 5.07%. Since 2016, MRSD has averaged an overall annual budget increase of 3.62%. For context, of the 395 school districts reporting data to the State for FY24, MRSD ranked 93rd in per pupil expenditure, a significant improvement over the prior year's figure.

As is more fully discussed in our observations under *School Daze II—The Canary* under **Topics of Note**, below, MRSD is under pressure from the Town of Harwich to minimize proposed budget increases as Harwich seems to be at its tax-levy limit and unwilling to consider a budget override. In their presentation to the Finance Committee, MRSD leadership outlined some of the implications of this stance including (i) not funding requests that support instruction, intervention and strategic enhancements, (ii) not funding most of the capital projects initially budgeted, (iii) not funding most of the IT requests initially budgeted and (iv) increased use of reserves. As noted in the presentation, these four efforts will "kick costs down the road and potentially set up a fiscal cliff in future years" (emphasis added). From our perspective, and as the cool kids like to say these days, "No bueno".

We will add that the MRSD Fiscal Management Goals Policy States:

"Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the District take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the educational program. This concept will be incorporated into Committee operations and into all aspects of school system management and operation."

MRSD is increasingly experiencing, what we are concerned, is beginning to manifest itself in Chatham and communities state-wide, albeit on an accelerated basis. Increasing costs, structural constraints, unfunded mandates, and the occasional lack of consideration for the

long-term implications of some initiatives are increasingly challenging the budgets and leadership of our schools and our community.

The Monomoy assessment for Chatham is \$11,737,053 an increase of \$618,242, or 5.56%.

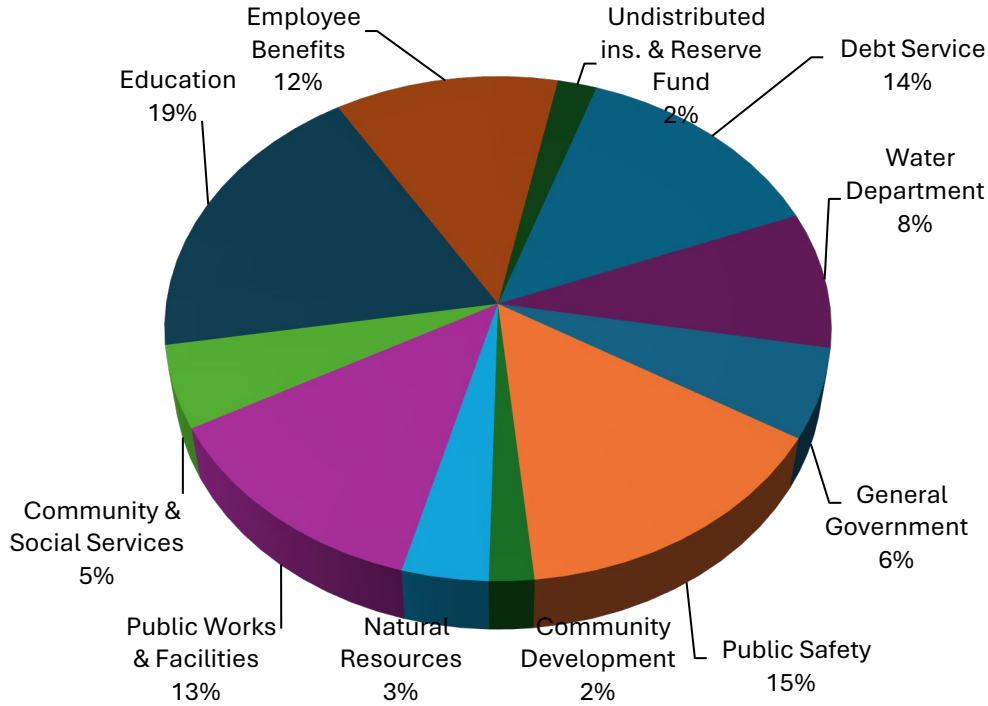
The Finance Committee voted to recommend approval of the proposed FY27 Education Operating Budgets.

In-Budget Capital Spending

Capital Spending for the Town of Chatham broadly falls into two categories (not including spending appropriated by the Community Preservation Committee, a third). Generally, Capital Spending is spending on articles typically defined as tangible assets or projects that cost more than a certain threshold (e.g., \$25,000 for Chatham) and which have an estimated useful life span of at least five years.

In-Budget Capital Spending (sometimes referred to as Capital Improvement Plan spending) covers acquisitions between \$10,000 and \$250,000 and with a useful life of five years or more. This year's Capital Spending weighs in at \$2,440,500, a 22.8% decrease from FY26. At 4.8% of the Operating Budget, this spending is well within the Town's financial policies guidelines of up to 9% of the Operating Budget.

The Finance Committee voted to recommend approval of the proposed FY27 In-Budget Capital Spending.



**Where Does It Go?
FY27 Proposed**

Warrant-Based Capital Spending

Warrant-Based Capital Spending is typically for items costing more than \$250,000. These items are separated into individual Articles to be voted on by Town Meeting, and are typically funded by all of, or a combination of, the Tax Levy and/or Free Cash. Warrant-Based Capital Spending in the proposed FY27 budget includes 20 Articles totaling \$17,493,977. In FY26 eight Articles summed to \$42,476,175, including a \$32,000,000 Debt Authorization Article for the wastewater treatment project.

The Finance Committee voted to support the proposed FY27 In-Warrant Capital Articles.

Community Preservation Act Spending

15 Articles comprise the Community Preservation Act spending this year, totaling \$2,601,260. These figures are each greater than last year when 11 articles summed to \$2,358,035. Two of these Articles are essentially Administrative/Reserve (\$465,000 or 17.9%), while the balance comprises the three buckets of (i) Historic Preservation (\$499,259 or 19.2% of total spending), (ii) Open Space (\$267,000 or 10.3% of total spending), and (iii) Affordable Housing (\$1,370,001 or 52.7% of total spending).

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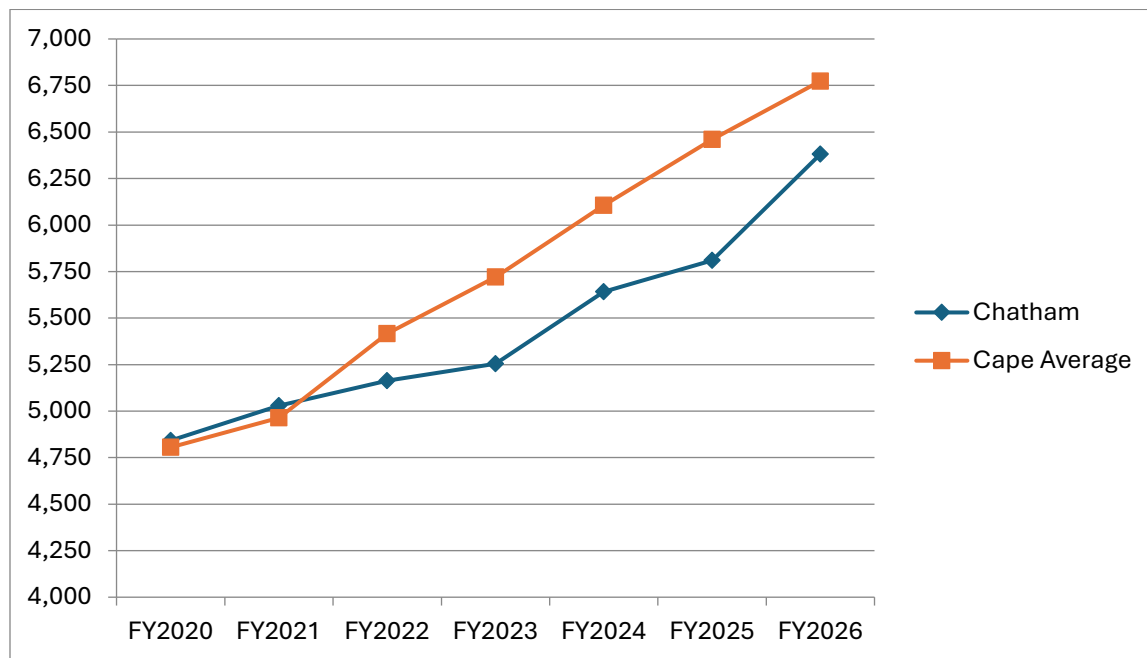
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Of note, while the CPA articles typically find broad and often unanimous support from the Finance Committee, this year found somewhat less consensus around three of the Affordable Housing-related articles. Each of the Articles related to Town financial contributions to the three projects in town currently underway. Article 39 (Stepping Stones) was supported by a vote of 5 to 2, while Articles 41 (0 Meetinghouse Road) and 42 (1533 Main Street) each resulted in a split 3 to 3 vote. Additionally, Article 50, relating to the restoration of Kate Gould Park, failed to garner support with a 2 in favor, and 4 against vote. This result largely stemmed from both a lack of clarity around who had ultimate responsibility for the project and concern over the specific role of the Chamber of Commerce in the project.

Apart from the four Articles referenced above, the Finance Committee voted to recommend approval of the proposed FY27 Community Preservation Act Articles.

Estimated Tax Rate

Based upon the proposed budget, including educational assessments and the passage of all proposed warrant articles, it is estimated that the tax rate for FY27 will be \$3.75 per \$1000 of valuation, an 8-cent increase from the approved FY26 tax rate of \$3.67 (while noting an increase in property evaluations over the past year). Please see the following chart for insight into the growth of the average Chatham tax bill over the last seven years. Over the past seven years the average Chatham tax bill has increased by \$1,539 or 27.43%.



A more detailed presentation of the sources and uses of budgetary funds is attached hereto as Schedule 1

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Topics of Note

Residential Tax Exemption

It may have escaped the reader's notice that the Finance Committee has unanimously (and vigorously) weighed in against the proposed implementation of a Residential Tax Exemption ("RTE") in the Town of Chatham. To be very clear upfront, we firmly believe in doing whatever we can to assist those in need in our town within the parameters of appropriate and fair social support and prudent financial management. Simply put though, we don't think that reorganizing the tax system for 7500 properties in town is the right way to achieve that goal. Further, we believe the overall process around the evaluation of the RTE could have been better, and more inclusive, given the impact the RTE will have.

We also would've expected a more articulate definition of what problem the Select Board is specifically attempting to solve rather than "helping to keep Chatham residents in town". We obviously are unable to help keep every resident in their current home so who, precisely, are we hoping to keep here? Residents over 80 years old on a fixed income? Single-parent families with young children in the school district? Families who have lived in town for four generations or more? It's simply not clear what the target cohort is. We don't understand how one goes about solving a problem when the problem has not been defined clearly and concisely.

We will confess that we were surprised and disappointed that the process undertaken by the Select Board did not include input from various stakeholder groups, including the Finance Committee and the Summer Residents Advisory Committee. This has nothing to do with ego but rather about seeking all available and relevant information and inputs with which to reach a conclusion when attempting to solve a problem. We acknowledge that the Select Board has the sole right to determine tax rates in town, but we would've expected something more inclusive and engaging than a 60-minute conversation at a Select Board meeting.

The Town of Chatham currently provides a significant array of community-supporting programs, which can and do provide aid for the very youngest in our community to and including our eldest residents. These programs run from day care support to tuition assistance to senior tax work off programs. Additionally, there are a number of State assistance programs administered by the Assessors' office, which generally provide tax relief or abatement for seniors, veterans, and those with certain medical challenges.

The Finance Committee has undertaken two initiatives with respect to the RTE. The first is to sponsor Article 56, which requests a delay in the implementation of the Residential Tax Exemption pending study by a Finance Committee working group (the second initiative) to more fully develop the thinking around possible approaches or initiatives which might be created in lieu of the RTE. The result of this Article does not bind the Select Board to any particular action,

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though we certainly hope that if Town Meeting supports the Article the Select Board will put the pencils down and wait for the results of the working group's activities.

Should Town Meeting vote to support the proposed Article and the Select Board orders a pause in implementation, the working group will spend the time between Town Meeting in May and the September Tax Classification Hearing in developing and presenting alternatives for consideration.

In the meantime, please standby for a summary of initial thoughts and considerations from the working group to be issued prior to Town Meeting.

School Daze I?

Nearly four years ago, Chatham reached an agreement with the Town of Harwich for each to assume responsibility for the operating cost of their elementary school, rather than have the cost shared through the Monomoy Regional School District assessment formula. As the decline of elementary school students attending Chatham Elementary School ("CES") continued, Harwich was effectively increasingly contributing to the cost of operating CES, much to the consternation of the Harwich Select Board and Finance Committee.

At the time of the new funding agreement, it was estimated that it would cost roughly \$750,000 for Chatham to operate CES for the first year under the agreement. Four years later, that number is now up to \$2,500,000 for FY27. At the same time, enrollment at CES continues to decline, with eight fewer students projected to attend CES in FY27 compared to FY26, a 5% decline.

All of this begs a possibly uncomfortable question: For how long is the heady mix of significantly increasing cost and a material reduction in student enrollment sustainable?

We raise this issue not to prescribe a solution but, rather, to highlight an issue that we suspect will be increasingly front and center over the next few years. As we continue to assess not only the cost of educating our local elementary school scholars, but the optimal environment in which to educate them, the ever-increasing cost of operating CES as a standalone educational institution will only increase. Additionally, it is the view of the MRSD leadership that enrollment in both Chatham and Harwich will continue its decline over time. It's something we believe that Town leadership should begin earnestly focusing on sooner rather than later, and it needs to be considered in conjunction with *School Daze II*, below.

School Daze II? —The Canary

In some respects, the issues highlighted in *School Daze I*, above, reflect a greater and more pressing issue – the ever-increasing costs faced by municipalities and school districts, generally exacerbated by both the decline in enrollment and the increase in educational opportunities

inside and outside of local districts. Ever increasing fixed costs spread over an annually declining number of students is not a welcome scenario for the budget-minded.

To that end, members of the Finance Committee were struck this year when the Harwich Select Board initially sought to cap their contribution to the MRSD Operating Budget at 4.70%, down from the 7.67% sought by District leadership. In what to us was something of a canary in the coal mine moment Harwich declared they had no more financial capacity to support MRSD as their annual levy limit-based taxation was at an end, and an override was not going to be contemplated. The resulting gap between Harwich's number and the MRSD budget hearing estimate was \$1,245,000, a significant hit for the District, and its students, to take.

Negotiations over the budget ultimately ended in a 5.07% increase over FY26. Importantly, the issue at the heart of it all had been made clear. After years of Harwich grouching about the school budget, and its request to have each Town assume the financial responsibilities for its elementary school, Harwich made clear it was no longer willing, or able, to support MRSD at a level its professional leadership believes necessary to maintain its mission of academic excellence. It is not an exaggeration to assert that the implications for the District, both towns, and the families and children which rely on MRSD might be profound.

As Superintendent Carpenter and Finance Director of MacMillan noted in their presentation to us:

Impacts to the educational program, reduction in opportunities for children, and parental worries about the stability of local schools fuel school choice flight.

Once students are gone, they are gone. It will take years to win families back and to bring back funding lost to other districts and to the charter schools.

Sustainability of Discretionary Spending

Reflecting on elements of **Observations of the Chair**, above, leads us to highlight growing concern around structural growth drivers and the sustainability of discretionary spending. For example, Employee Benefits have risen from roughly \$5,000,000 in FY22 to \$7,169,700 in FY26 and are budgeted to be \$7,913,990 in FY27, representing a 58% increase over six years. Health insurance premiums are rising approximately 10% annually. The Town's budget presentation noted that general property and liability insurance has been increasing 15% to 30% annually. (This is a largely uncontrollable cost, but it warrants aggressive shopping of carriers and exploring municipal risk pools.)

Capital projects have also grown considerably more expensive since the pandemic. The much-admired return of the Coast Guard boathouse to our shoreline will, at the end of the project,

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cost the Town somewhere between \$10,000,000 and \$11,000,000. While it is impossible to confidently gaze into the future or to see the unforeseen (the Unknown Unknowns!) would Town Meeting have proceeded if the total cost had been known? Was there any way to scale back the project, a question that was frequently asked by this Committee but rarely answered by Town proponents?

There's also been considerable growth in the community and social services budgets, something that this Committee began advocating for six or seven years ago. Key drivers include costs around the Center for Active Living and its expansion, the new Ryders Cove Adult Supportive Day program, which was initially grant funded but has since transitioned to tax-levy funding, the Childcare Voucher Program, which is up 60% from \$125,000 in FY25 to a budgeted \$200,000 in FY27. It has not been clearly explained to us why that program needs a 60% increase over three years.

A positive story around the increase in cost-committed programming is the Dr. Florence Seldon Preschool Family Support Program. The program is a tuition support scheme for three and four-year-olds whose parents live or work in Chatham. The program began in 2023 with a \$5000 allocation to the Human Services budget. In FY24 there was a separate article for \$75,000 for the program, followed by a \$125,000 Article for FY25. At the time the program aided ten 4-year-olds and seven 3-year-olds. In each of FY26 and FY27 there was no funding request as balances in its account were deemed appropriate. This post-inception review is laudable, though we are uncertain why a similar approach is not taken with other programs in the Town portfolio.

Include the MRSD assessments, which have grown to \$11.7mm for FY27 and the cost of Chatham Elementary School, which has grown from roughly \$750,000 to a FY27 budgeted \$2,500,000 over the past four years (a 233% rate of cost increase) and one can begin to see where the cost pressures are.

While all of these are individually worthy programs, each currently represents a permanent recurring cost commitment. Further, there is no systematic sunset review or performance measurement framework to evaluate whether these programs are achieving their intended outcomes relative to cost. As recurring annual costs, all the examples listed above, and others, limit the Town of Chatham's flexibility when it comes to budgeting, as do overall consumables-related cost pressures, negotiated and scheduled increases in wages and benefits, ever increasing project costs, and the cost associated with the periodic replacement of life-limited fixed assets. Going forward, we firmly believe we need to be more attentive to the constraints the decisions made today may develop into in the future.

Free Cash (Redux)

Hopefully, many of you will remember the following nuggets from last year's *Report to the Warrant*.

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It shall be the goal of the Town to achieve and maintain an annual certification of Free Cash in the amount of 3% to 5% of the Town’s general fund operating budget.

--Town of Chatham Budget and Financial Management Policies

***Town of Chatham Certified Free Cash, FY16-FY25
(as a percentage of the Operating Budget)***

<i>FY16—7.3%</i>	<i>FY17—8.9%</i>	<i>FY18—7.6%</i>
<i>FY19—5.0%</i>	<i>FY20—14%</i>	<i>FY21—13%</i>
<i>FY22—10%</i>	<i>FY23—20%</i>	<i>FY24—16.8%</i>
<div style="border: 1px solid black; padding: 5px; display: inline-block;"><i>FY25—25.3%</i></div>		

BOLD is within policy range.

We will admit it. We were cautiously optimistic that our repeated banging of the drum regarding the Free Cash percentages the Town has been running for the last decade was going to be heard over the din of life at 549 Main Street. Sadly, that was not the case.

In FY26 Free Cash was certified at \$5,002,874, or 11.3% against an Operating Budget of \$44,154,028. We’re familiar with the retorts – “The rating agencies love Free Cash!”, for example. To which we say, “Eh. The taxpayers, not so much.” We will again sincerely acknowledge that Free Cash determination is something of a dark art – a lot of math embedded with a high percentage of art. We might even go so far as to say “11.3%? Hey—at least it’s the second lowest in the last five years!”

We might, but we won’t. In all seriousness, we really do wish that more attention would be paid to the perennial over-taxing of our citizenry. Care to do something about the challenges of affordability in Chatham? How about bringing the Free Cash percentage to something closer to Policy range, thereby giving all Chatham tax-payers a tax break.

“Farebox” Recovery?

For several years now we have patiently been encouraging the Town to consider developing (i) an articulated policy on the rationale behind fee and rate setting relative to the cost of services provided, and (ii) a schedule for how frequently any such fees or rates are to be reviewed and assessed for potential change. Are we looking to capture the complete cost of service through our rate structures? To capture a stipulated percentage of the cost of service? We are aware that cost recovery from municipal services is rarely covered through the “farebox”, as it’s known,

but we have long believed it would be in our collective interest to have some guidelines around the topic.

We are pleased to acknowledge that efforts are now being made by Town administrators in that direction. Community Services recently reviewed their construction-related fees for the first time in 18 years and have made thoughtful changes to their rate card. At a request of the Select Board, the Economic Development Committee was tasked with providing thinking around a new rate structure at the Transfer Station. The Finance Committee was more than happy to provide a review of their recommendations, which we fully supported, prior to its referral back to the Select Board. That work has similarly resulted in an increase in the overall fee structure, with a goal of recovering cost of service by the end of two years.

Similarly, the Select Board recently tucked into the issue of water rates, which is something we highlighted in last year's *Report to the Warrant*. Their work resulted in changes to that rate structure, which more appropriately reflect the cost of this critical municipal asset. Lastly, pricing of beach access stickers was also recently revised. Given the support expressed by our Finance Director for consistent and periodic reviews of fee schedules on a going forward basis, we probably couldn't be happier.

Back to the Future

After nearly a year of teases from both the Town and MassDOT that the 25% design phase plan for the Crowell Road-Route 28 realignment project is nearing completion and will soon be presented to Town officials, it seems increasingly likely that that will soon be the case. Regular readers of our public statements on the project can imagine our joy at the prospect.

As we wrote in last year's warrant, "We cannot over emphasize our unanimous opposition to this project, and the everlasting adverse impact we believe it will have on the face and shape of our community's public gateway. We fully appreciate public safety concerns, especially regarding fire department egress through the intersection, but believe there are materially less expensive and disruptive opportunities to address those concerns, including a traffic signal pre-emption system (the transmitters for which our emergency vehicles are already equipped). We would also hope there would be a way to work with the State with respect to crosswalks, and their attended signaling, at this intersection."

While the Select Board which will next be evaluating the proposed State-controlled project will be somewhat different in membership from the Select Board which approved the move to a 25% design completion phase, we will recall the discomfort many on that Select Board expressed with respect to the proposed project. Hopefully that discomfort will continue to be shared amongst members of the Select Board who will make the appropriate decision and not pursue the urbanization of this important gateway to our small town.

Chamber of Commerce

Hopefully, even the casual reader of our *Report to the Warrant* will recall the Finance Committee’s displeasure with the funding level provided by the Town to our local Chamber of Commerce. Sources of this displeasure include what we find to be a recurring lack of financial clarity, and our concern around the fact that the Town provides more funding to the Chamber’s top line than it derives from its own membership dues. Add to that our concern around the organizational structure of the enterprise where, as we have been told, the Chamber of Commerce and the Merchants Association share an identical membership roster, but the Merchants carry the majority of the revenues, while the Chamber carries most of the expenses, each on a different and separate profit and loss statement. Is obfuscation of the Chamber’s true economic condition the goal of such an arrangement? We wish we knew, but no succinct explanation has been forthcoming.

We readily acknowledged that the Chamber is currently absent an Executive Director and that a search is ongoing for someone new to fill that position. Nevertheless, we would hope that senior leadership of the organization would have greater insight to its fiscal management. Further, we also acknowledge that the dollar amount we are speaking about here is, in some ways mere budgetary dust when reviewing a \$86,161,359 omnibus budget. Nevertheless, at some point, it becomes a matter of principle.

For FY27 the Town of Chatham has agreed to provide \$95,000 in funding to the Chamber of Commerce. By means of comparison and context, the Brewster Board of Selectmen recently denied a request by the Brewster Chamber of Commerce to increase its current \$35,000 budget by \$15,000, for a total funding request of \$50,000. The request was unanimously denied by the Selectmen. In Orleans, the Town provides their Chamber of Commerce \$50,000 annually, along with \$13,000 in time from the DPW, Police and Fire Departments. The Harwich Chamber receives \$50,000 in town funding.

We have no insight into the transparency of our neighboring Chamber of Commerce organizations, but do find it unsettling that, given the issues we have noted above, the Town of Chatham still is providing 2 to 3 times the funding levels found in neighboring communities.

We also must admit to a certain frustration that budget season after budget season we raise concerns that seem to go unaddressed by those in a position to address them. Perhaps we just need to add the Chamber of Commerce to the Crowell Road project and the topic of Free Cash?

Other Post-Employment Benefits (“OPEB”)

Hopefully by now tax-payers and readers will recall that “Other Post-Employment Benefits” are funds set aside in a Trust for the benefit of retired employees and their dependents, and for payments of required contributions by Chatham for group health benefits provided to retired

employees. Trust By-Laws require that Trustees include two members of the Select Board, the Chair of the Finance Committee, the Town Finance Director, Town Treasurer and Town Manager.

A decade ago, the Trustees of the Town's OPEB Trust decided to more actively address this long-term funding liability. A significant advance was made following the expiration of the 3% Land Bank surcharge on January 1, 2020, when half of that expiring tax was directed for the ongoing benefit of the OPEB Trust, in addition to an annual budget contribution from the Town to the trust fund.

Chatham's total net OPEB liability ("NOL") is the difference between our total OPEB liability and the market value of the fund's assets from time to time. According to a December 2025 report from Segal (our OPEB fund administrator) as of June 30, 2025 (the most recent data available), Chatham's NOL decreased from \$16,250,404 as of June 30, 2024 to \$10,051,215 as of June 30, 2025. As a result, our funded percentage jumped from 27.46% to 43.05%, one of the highest in the State. Good news on the OPEB front.

Book 'em Danno

We note with respect the pending retirement of Police Chief Mike Anderson. Chief Anderson has been on the force for 30 years and has certainly earned an opportunity to put his feet up for a while. Chief Anderson succeeded Mark Pawlina as Chief of the Department four years ago and earnestly continued Chief Pawlina's efforts to make the Department a better and more engaging member of our community, fostering a community-focused culture at one time seemingly foreign to the Department.

Under Chief Anderson the number of patrol officers grew modestly, but for the first time in 41 years. Chief Anderson was also focused on upgrading the Department's technology for the benefit of both the officers and our community.

Thanks Chief. You will be missed. Over and out.

The Finance Committee notes and respects the significant effort which goes into the development of the Town's annual budget. We thank Town Manager Jill Goldsmith and Finance Director Carrie Mazerolle for their stewardship of that process, and Town staff for their engagement. Like last year, we would again single out Carrie for a hearty shout-out for her work for both the Town and in support of the Finance Committee. Like all our Town department heads Carrie is the consummate professional: Always on the front foot, always working for the benefit of Chatham and its residents. We are fortunate as a community, and as a Committee, to have her on our side.

We also express our gratitude for the support of Cathy Lewis and Shanna Nealy in the Town Manager's office. Cathy and Shanna are exquisite wranglers of the stray cats we are often in search of, whether in the form of missing documents, an open conference room, or the attention of someone at 549 Main Street.

We also extend our thanks to the Town's Department heads and staff for their hard work on behalf of the Town, its residents, and our visitors. We are fortunate to live in such a special community managed and supported by such an accomplished workforce.

Our gratitude as well for the efforts of Ann Ryan, our exceptional recording secretary, for her diligence in keeping track of all that we do, and for the support of Mark Van Bork and Brianna Fitzpatrick of the ChathamTV team for keeping us all connected with our community.

Respectfully submitted,

Stephen S. Daniel, Chairman

Kristin Andres

Tommy Doane

Barbara Matteson

John Pappalardo

Tracy Shields

Jo Ann Sprague

Eric Whiteley

Andy Young

March 27, 2026

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
This is a courtesy document; motions may change and are not intended to restrict any action.

SCHEDULE 1

		TABLE 1 – Spending			
		2025	2026	2027	2026 vs. 2025
Article #	Description	Actual	Budget	Budget	Higher/(Lower)
Article - Town Operating (ex.debt)		\$ 32,022,172	\$ 35,829,698	\$ 38,299,435	\$ 2,469,737
	Debt Service	\$ 7,795,707	\$ 9,343,402	\$ 8,996,535	\$ (346,867)
		\$ 39,817,879	\$ 45,173,100	\$ 47,295,970	\$ 2,122,870
Article - School Operating Budget		\$ 10,884,419	\$ 11,706,760	\$ 12,297,366	\$ 590,606
	(incl. Cape Cod Tech)				
Article – Water Operating Budget		\$ 4,687,964	\$ 5,447,828	\$ 5,703,016	\$ 255,188
Article - Capital Borrowing		\$ 4,000,000	\$ 32,000,000	\$ 5,500,000	
Article - Capital Plan Authorization		\$ 2,338,220	\$ 3,162,650	\$ 2,440,500	\$ (722,150)
Article – Water Cap Bud. (note B)		\$ 500,000	\$ -	\$ 2,300,000	\$ 2,300,000
Articles (CPA/Land Bank)		\$ 1,706,786	\$ 2,358,035	\$ 2,136,200	\$ (221,835)
Articles - Pre-K, Dredging, cap projects		\$ 4,178,303	\$ 11,501,106	\$ 7,233,232	\$ (4,267,874)
State/Cty chgs/misc. items (note A)		\$ 1,222,300	\$ 1,245,246	\$ 1,255,075	\$ 9,829
Total		\$ 69,335,871	\$ 112,594,725	\$ 86,161,359	\$ 66,634
		TABLE 2 – Funding			
		2025	2026	2027	2026 vs. 2025
Funding Sources for Items above		Actual	Budget	Budget	Higher/(Lower)
	Property Tax Levy	\$ 42,330,440	\$ 46,752,751	\$ 48,339,114	\$ 1,586,363
	Water Dep’t (Rev/Bond) (note B)	\$ 4,142,398	\$ 5,047,828	\$ 7,603,016	\$ 2,555,188
	Local Receipts/Fees (note C)	\$ 13,006,203	\$ 11,891,515	\$ 11,681,202	\$ (210,313)
	Free Cash/Available Funds	\$ 7,435,029	\$ 16,587,123	\$ 12,695,980	\$ (3,891,143)
	Capital Borrowing/Bond	\$ 4,000,000	\$ 32,000,000	\$ 5,500,000	
	State Support/Other	\$ 257,087	\$ 315,508	\$ 342,047	\$ 26,539
	Total	\$ 71,171,157	\$ 112,594,725	\$ 86,161,359	\$ 66,634
		\$ 1,835,286	\$ -	\$ -	\$ -
Notes to the items in the Tables above:					
A) Includes routine articles, state and county charges, overlay abatements, misc. items.					
B) The Water Capital articles are all funded from water surplus and a borrowing authorizations.					
C) Local receipts revenues include hotel, motel, and meals tax; excise taxes; user fees for town services.					

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COMMONWEALTH OF MASSACHUSETTS

**TOWN OF CHATHAM
TOWN MEETING WARRANT
MONDAY MAY 11, 2026**

THE COMMONWEALTH OF MASSACHUSETTS

Barnstable, ss.

GREETINGS:

To any of the Constables in the Town of Chatham in the County of Barnstable.

IN THE NAME OF THE COMMONWEALTH OF MASSACHUSETTS, you are hereby directed to NOTIFY and WARN the INHABITANTS OF THE TOWN OF CHATHAM, qualified to vote in elections and Town affairs to meet Monomoy Regional Middle School at 425 Crowell Road, in said Chatham on the 11th day of May, 2026 at 6:00 o'clock in the evening, then and there to act on any business that may legally come before said meeting, and to meet again in the Community Center at 702 Main Street on Thursday, the 14th day of May, 2026 to elect the necessary Town Officers as contained in the Warrant. Polls for the election of Officers will open at 7:00 a.m. and will close at 8:00 p.m.

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Resolution: Resolved that the Town vote to adopt the following rules of procedure for the Town Meeting of May 11, 2026.

- A) The Moderator shall have the option of reading each Article in the Warrant verbatim or summarizing the subject matter therein in general terms, at his discretion.
- B) Upon an Article having been disposed of by vote, the Moderator shall entertain a motion to reconsider said Article or to accept a Resolution pertaining to said Article only during the same session during which said vote was acted upon.
- C) A motion to move the previous question shall require a two-thirds vote and may not be debated.
- D) The Moderator shall not accept a motion to move the previous question by any person discussing the Article until after an intervening speaker has discussed the Article.
- E) A non-voter may request the privilege of addressing the meeting on a motion made under any Article or Resolution offered, the request to be granted by the Moderator unless there is an objection by a voter. Upon objection, the Moderator shall poll the meeting by voice or count, at his discretion, and a majority vote in favor shall entitle said non-voter to address the meeting. However, the Moderator may grant the privilege of the floor to any non-resident Town Department Head without necessity of a vote.
- F) The Moderator shall not entertain the question of the presence of a quorum at any point at which a motion to move the previous question has already been voted.
- G) Speakers addressing the meeting shall be limited to five (5) minutes within which to present their remarks. The Moderator will not recognize anyone who has previously spoken on the Article until all persons wishing to address the meeting have had an opportunity to speak. The Moderator may exercise reasonable discretion in enforcement of this rule.

The foregoing rules are not intended to alter or change the traditional conduct of the Town Meetings in Chatham except as specifically stated above.

Ballot Questions

Question 1 - Debt Exclusion Waterfront Infrastructure (Barn Hill Landing Bulkhead – Article 16)

Shall the Town of Chatham be allowed to exempt from the provisions of Proposition Two and One-Half, so called, the amount required to pay for the bond issued for the purpose of paying the costs of design, engineering, and construction of the Barn Hill Town Landing Bulkhead, and for the payment of all other costs incidental and related thereto?

Question 2 - Debt Exclusion Waterfront Infrastructure (Ryder's Cove Landing Bulkhead and Ramp Replacement – Article 17)

Shall the Town of Chatham be allowed to exempt from the provisions of Proposition Two and One-Half, so called, the amount required to pay for the bond issued for the purpose of paying the costs of design, engineering, and construction of the Ryder's Cove Town Landing Bulkhead and Boat Ramp, and for the payment of all other costs incidental and related thereto?

Article 1 – Annual Town Election

To bring in their votes on one ballot to elect the following Town Officers:

One Select Board Member for a three (3) year term
Two Monomoy Regional School Committee (Chatham) Members for three (3) year terms
One Housing Authority Member for a five (5) year term

No Motion

Article 2 – Accept Annual Reports

To hear the reports of various Town Officers and Committees and see what action the Town will take relative to the appointment of officers not chosen by ballot; or take any other action in relation thereto.

(Select Board)

Motion: By Dean P. Nicastro, Chair, Select Board
I move that the Town Moderator and Select Board be authorized to appoint the necessary Town Officers whose appointments are not otherwise provided for and that the Town hear and accept the reports of various Town Officers and Committees as they appear in the Town Report.

Speaker: William G. Litchfield, Moderator

Explanation: *The purpose of this Article is to enable a Town Officer or committee member to address the Town Meeting. The Town's Annual Report is available on the Town's website <https://www.chatham-ma.gov/561/Warrants-Town-Reports-Documents-and-Poli> and at the Office of the Select Board/Town Manager.*

Article 3 – FY2026 Budget Adjustments/Transfers (Current Fiscal Year)

To see if the Town will vote to raise and appropriate or transfer from available funds, such sums of money as it determines necessary to balance the following line items noted below within the FY2026 budget approved under Article 9 of the 2025 Annual Town Meeting and/or for the period beginning July 1, 2025 and ending June 30, 2026 inclusive; or take any other action in relation thereto.

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	FROM	TO	AMOUNT
1	Insurance Budget	Snow and Ice Operating	\$100,000
2	Debt Service	Snow and Ice Operating	\$110,000
3	Debt Service	February 2026 Blizzard Expenses	\$300,000

(Select Board)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
 I move that the Town vote to transfer a total of \$ 510,000 from the available funds as printed in the warrant, as follows: the Town transfer \$100,000 from the Insurance Operating Budget to the Snow and Ice Operating Budget Expense Line, transfer \$110,000 from the Debt Service Operating Budget expense line to the Snow and Ice Operating Budget Expense Line, and transfer \$300,000 from the Debt Service Operating Budget to cover the unexpected costs for the Snow and Ice Operating Budget Expense and February FY2026 Blizzard Expenses.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This article authorizes several budget transfers to address necessary adjustments to the FY2026 operating budget due to higher-than-anticipated winter weather costs. The article proposes transferring \$410,000 from the Debt Service Operating Budget and \$100,000 from the Insurance Operating Budget, for the Snow and Ice Operating Budget to cover unanticipated snow and ice removal expenses incurred earlier in FY2026 and additional costs associated with the February FY2026 winter Blizzard “Hernando”. While it is anticipated that the Town may receive FEMA reimbursement for these unanticipated expenses, we do not know the timing or amount of the reimbursement as some expenses may not qualify.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 4 – Fix Salaries – Elected Officials

To fix salaries of elected Town Officers for the fiscal year beginning July 1, 2026; or take any other action in relation thereto.

<u>Officer</u>	<u>FY2026 Voted</u>	<u>FY2027 Request</u>
Moderator	\$ 1,200	\$ 1,500
Select Board Member – Each	\$ 4,000	\$ 6,000

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Chairman – Extra	\$ 1,000	\$ 1,500 (Select Board)
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Motion: By Dean P. Nicastro, Chair, Select Board
I move that the Town vote to fix the salaries of the elected Town Officers in accordance with the positions and amounts as presented in Article 4 of the Warrant.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *In accordance with Massachusetts General Law, Chapter 41, Section 108, salaries and compensation of elected officers must be fixed annually by vote of the Town at an Annual Town Meeting. This Article fixes (sets) but does not appropriate these salaries. Actual appropriation of funds for these salaries occurs under Article 8 – Town Operating Budget.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 3-3-0**

Article 5 – Consolidated Revolving Funds

To see if the Town will vote to establish the following spending limits for the fiscal year commencing on July 1, 2026 with respect to the Revolving Funds established by Chapter 37, Article I of the General Bylaws, or take any other action in relation thereto:

A. **Bassett House Revolving Fund**

\$8,000 may be expended from this fund during Fiscal Year 2027.

B. **Inspectional Services Revolving Fund**

\$150,000 may be expended from this fund during Fiscal Year 2027.

C. **Recycling Revolving Fund**

\$5,000 may be expended from this fund during Fiscal Year 2027.

D. **Marconi Station Revolving Fund**

\$10,000 may be expended from this fund during Fiscal Year 2027.

E. **Waterways User Fee Revolving Fund**

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\$1,000,000 may be expended from this fund during Fiscal Year 2027.

F. Airport Revolving Fund

\$200,000 may be expended from this fund during Fiscal Year 2027.

G. Ryder’s Cove Respite Adult Supportive Day Program

\$50,000 may be expended from this fund during the Fiscal Year 2027.

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
 I move that the Town authorize and approve the Revolving Fund spending limits for Fiscal Year 2027 in the amounts listed in Article 5 of the Warrant.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *The purpose of these revolving funds is to segregate revenues generated by each of these operations and to restrict use of those revenues to the purpose for which they are collected. The increase of the Airport Revolving Fund from \$150,000 to \$200,000 is requested to better align with actual revenues received and needed expenditures to ensure compliance with the requirements set forth under Chapter 37, Article I of the General Bylaw.*

As required by State statute, the following is an accounting of these funds for the prior fiscal year through December 31, 2025:

Bassett House Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$43,573.09	\$3,000.00	\$0.00	\$46,573.09
FY2026	\$46,573.09	\$1,500.00	\$0.00	\$48,073.09
				(Thru 12/31/2025)

Inspectional Services Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$286.38	\$167,770.89	\$109,117.50	\$58,939.77
FY2026	\$58,939.77	\$103,562.04	\$45,990.00	\$116,511.81
				(Thru 12/31/2025)

Recycling Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$785.02	\$16.94	\$0.00	\$801.96

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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FY2026	\$801.96	\$0.00	\$0.00	\$801.96
				<i>(Thru 12/31/2025)</i>

Marconi Station Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$38,103.80	\$21,000.00	\$8,864.09	\$50,239.71
FY2026	\$50,239.71	\$10,500.00	\$0.00	\$60,739.71
				<i>(Thru 12/31/2025)</i>

Waterways User Fee Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$1,943,782.39	\$305,665.99	\$961,755.86	\$1,287,692.52
FY2026	\$1,287,692.52	\$212,434.15	\$59,786.61	\$1,440,340.06
				<i>(Thru 12/31/2025)</i>

Airport Revolving Fund

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	\$86,012.86	\$105,714.92	\$165,408.958	\$26,318.83
FY2026	\$26,318.83	\$62,230.40	\$69,528.40	\$19,020.83
				<i>(Thru 12/31/2025)</i>

Ryder's Cove Respite Adult Supportive Day Program

	<u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Balance</u>
FY2025	N/A	N/A	N/A	N/A
FY2026	N/A	\$14,775.00	\$6,995.59	\$7,779.41
				<i>(Thru 12/31/2025)</i>

Select Board Recommendation:	Approve 4-0-0
Finance Committee Recommendation:	Approve 8-0-0

Article 6 – Wood Waste Reclamation Facility Enterprise Fund

To see if the Town will vote to raise and appropriate \$50,000 to operate the Wood Waste Reclamation Facility Enterprise Fund; or take any other action in relation thereto.

Lease Revenue	\$50,000
Operating Expenses	\$50,000

(Select Board)

Motion: By Stuart F. X. Smith, Clerk, Select Board
 I move that the Town vote to appropriate \$50,000 for the operation of the Wood Waste Reclamation Facility Enterprise Fund, to be funded through lease revenue, or other available funds for appropriation.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *Town Meeting voted to adopt Chapter 44, Section 53F ½ of the Massachusetts General Laws establishing an Enterprise Fund. An enterprise fund establishes a separate accounting and financial reporting system to support a specific business activity, in this case the Wood Waste Reclamation Facility. The current lease of the property expires December 31, 2029.*

One of the requirements of an enterprise fund is that a budget must be adopted at Town Meeting every year. The Wood Waste Reclamation Facility Enterprise Fund appropriation has increased from \$25,000 to \$50,000 in FY2027. The additional costs are necessary to comply with the lease agreement, including meeting reclamation and stump dump removal requirements and conducting an environmental survey to ensure the project remains on track with current cleanup deadlines. The Wood Waste Reclamation Enterprise Fund currently has a fund balance of \$442,034 as of December 31, 2025.

Select Board Recommendation: Approve 4-0-0
Finance Committee Recommendation: Approve 8-0-0

Article 7 – Borrowing Rescissions

To see if the Town will vote to rescind the remainder of the borrowing authorizations as listed below:

Date of Vote	Art #	Purpose/Description	Project Authorization	Authorization to be Rescinded
May 8, 2006	#10	Well & Pump Station	\$ 1,500,000	\$ 560,000
May 11, 2009	#14	Wastewater Treatment	\$ 59,508,000	\$ 99,893
May 14, 2012	#13	Water Mains	\$ 1,000,000	\$ 478,185

Or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that the Town vote to rescind the following borrowing authorizations: \$560,000 under Article 10 for design and construction of a new water supply well and pump house approved at ATM 5/8/2006, \$99,983 under Article 14 for designing, remodeling, construction of a wastewater treatment facility approved at ATM 5/11/2009, and \$478,185 under Article 13 for design and construction for the replacement of water mains approved at ATM 5/14/2012.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This is a ‘housekeeping’ article required to remove the borrowing authorization from the books. The amounts authorized under these articles were not fully borrowed, are no longer needed as the projects have been completed, cost less than anticipated, or in the case of Article 13 Water Mains, Chapter 90 Grant funds were used to reduce the amount necessary to borrow.*

Select Board Recommendation: **Approve 4-0-0**
Finance Committee Recommendation: **Approve 8-0-0**

Article 8 – Town Operating Budget – FY2027

To see if the Town will vote to raise and appropriate and/or transfer from available funds \$47,295,970 for Town expenses and charges, including without limitation of the foregoing, debt and interest, wages, salaries, and expenses for operation of the Town’s departments and offices, all for the fiscal year beginning July 1, 2026, and ending June 30, 2027 inclusive; or take any other action in relation thereto.

(Select Board)

FY2027 Town Operating Budget Overview

Budget Category	FY2026 - Budget	Proposed Budget FY2027	Percentage Change
General Government	3,585,361	3,767,530	5.08%
Public Safety	9,259,517	9,706,392	4.83%
Community Development	1,246,610	1,297,089	4.05%
Natural Resources	2,394,071	2,503,233	4.56%
Public Works & Facilities	7,758,133	8,413,419	8.45%
Community & Social Services	3,193,471	3,454,192	8.16%
Employee Benefits	7,169,700	7,796,414	8.74%
Undistributed Ins.& Reserve Fund	1,222,835	1,361,167	11.31%
Debt Service	9,343,402	8,996,535	-3.71%
Operating Budget Total	45,173,100	47,295,970	4.70%

*Explanations are for informational purposes only.
The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.*

Motion: By Dean P. Nicastro, Chair, Select Board
I move that the Town vote to appropriate the sum of \$47,295,970 to fund the Operating Budget for the Town for the fiscal year beginning July 1, 2026 for the purposes and amounts designated in the column titled “Proposed Budget FY2027” of Article 8 of the Warrant and to meet said appropriation, the Town raise \$46,233,810 through taxation; and transfer \$180,000 from the Waterways Improvement Fund, \$37,000 from the Conservation Fund, \$180,000 from the PEG Cable Access Fund, \$20,000 from Cemetery Perpetual Care Fund, \$25,000 from Sales of Lots and Graves, \$5,000 from the Railroad Museum Fund, and \$615,160 from the Cape Cod Islands Water Protection Fund for Debt Service.

Speaker: Jill R. Goldsmith, Town Manager

Explanation: *A full explanation of this funding request and its fiscal context is provided in Appendix B: Town Manager’s Budget Summary. The Regional Schools’ Operating Budgets are not included in this Article and are presented in Articles 9 and 12.*

The FY2027 Operating Budget, without the education assessments, totals \$47,295,970 for an increase of \$2,122,870 or 4.70% over the FY2026 Operating Budget.

Please visit the Budget Central section on the Town’s website for the Town Manager’s FY2027 Budget message and links to the Budget Book: <https://www.chatham-ma.gov/214/Budget-Central>. Town and Regional Schools’ budget details and financial documents past and present can also be found there.

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 5-0-0**

Article 9 – Regional School Operating Budget - Monomoy Regional School District

To see if the Town will vote to raise and appropriate a \$11,737,053 for Chatham’s share of the Regional Educational and School expenses and charges, including without limitation of the foregoing, debt and interest, wages, salaries, and expenses for operation of the Monomoy Regional School District for the fiscal year beginning July 1, 2026, and ending June 30, 2027 inclusive; or take any other action in relation thereto.

(Select Board)

FY2027 MRSD Operating Budget Overview

EDUCATION				PROPOSED FY2027 BUDGET
DESCRIPTION	FY2025 VOTED	FY2026 VOTED	FY2027 REQUEST	
Operating Budgets (Expenses)				
Monomoy Regional School District	10,308,940	11,118,811	11,737,053	11,737,053

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
 I move that the Town vote to appropriate the sum of \$11,737,053 to fund the Operating Budget for the Monomoy Regional School District for the fiscal year beginning July 1, 2026 for the purposes and amounts designated in the column titled “Proposed Budget FY2027” of Article 9 of the Warrant and to meet said appropriation, the Town raise \$11,702,053 through taxation; and transfer \$35,000 from the Educational Cable Access Fund.

Speaker: By Bradford Schiff, Vice Chair, Monomoy Regional School Committee

Explanation: *This article seeks funding for Chatham’s obligation to the Monomoy Regional School District as a separate “assessment” within the Town’s budget. For FY2027, the article presented represents an increase in the assessment of 5.56% (\$618,242) over FY2026. In 2022, Town Meeting amended the Regional Agreement where each member town funds its own elementary school; for FY2027 the amount for CES is \$2,484,197. The total School Budget of \$51,735,982 is an increase of 5.07% or \$2,494,410 over the FY2026 budget, while maintaining all existing services and programs. This article funds the Chatham portion of the Monomoy Regional School District as voted by the Monomoy Regional School Committee on March 26, 2026.*

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 9-0-0

Article 10 – Monomoy Regional School District – PEG Access Fund Transfer Request

To see if the Town will vote to transfer from the Educational Cable Access Fund the sum of \$14,274 for the purpose of funding the replacement of TV Studio equipment at the Monomoy Regional High School; or take any other action in relation thereto.

(Select Board)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board

I move that the Town vote to transfer the sum of \$14,274 from the Educational Cable Access Fund for the purpose of funding the replacement of TV Studio Equipment at the Monomoy Regional High School (MRHS).

Speaker: By Bradford Schiff, Vice Chair, Monomoy Regional School Committee

Explanation: *This capital expenditure for equipment at the MRHS is funded by the Educational Cable Access Program Receipts Reserved for Appropriation Account which requires a vote of the legislative body. The cost is split between the Town of Chatham and the Town of Harwich based on the capital assessment percentages in the regional agreement. The total projected project cost is \$61,413, Harwich Share is \$47,139 and Chatham's Share is \$14,274. This purchase includes replacement of TV Studio equipment located at the Monomoy Regional High School; this fund can only be used for Education cable access purposes and is not available for "Public" or "Government" cable related expenses.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 7-0-0**

Article 11 – Monomoy Regional Middle School Roof Project and Debt

To see if the Town will approve the \$11,801,239 borrowing authorized by the Monomoy Regional School District for the purpose of paying costs of a roof replacement project at Monomoy Regional Middle School, 425 Crowell Road, Chatham, including the payment of all costs incidental or related thereto (the "Project"), which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, and for which the District may be eligible for a school construction grant from the Massachusetts School Building Authority ("MSBA"), said amount to be expended at the direction of the School Committee. The MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any Project costs the District incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the District and its member municipalities. Any grant that the District may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty seven and thirty-two hundredths percent (37.32%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, including the payment of all costs incidental and related thereto; or take any other action relative thereto.

(Monomoy Regional School District Committee)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board

I move that the Town approves the \$11,801,239 debt authorized by Monomoy Regional School District for the purpose of paying costs of a roof replacement project at Monomoy Regional Middle School, 425 Crowell Road, Chatham including the payment of all costs incidental or related thereto (the “Project”), which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, and for which the District may be eligible for a school construction grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended at the direction of the School Committee; that the Town acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any Project costs the District incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the District and its member municipalities; provided further that any grant that District may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty seven and thirty-two hundredths percent (37.32%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA and that the amount of borrowing authorized by the District shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the District and the MSBA.

Speaker: By Bradford Schiff, Vice Chair, Monomoy Regional School District Committee

Explanation: *The District has been accepted into the Massachusetts School Building Authority (MSBA) Accelerated Repair Program to replace the roof at the Middle School. The project has successfully completed the feasibility study phase, and the proposed construction budget has been submitted to the MSBA Board of Directors for approval.*

The total estimated project cost is \$11,801,239, with a maximum reimbursement grant of \$3,766,302. Based on these figures, the District’s anticipated net cost after reimbursement would be \$8,034,937. Reimbursement through this program is limited and does not cover certain costs that fall outside MSBA eligibility requirements, including age-related criteria.

The roof replacement project will significantly extend the building’s useful life and protect an asset that continues to support the District’s educational program. The MSBA grant program is a discretionary, non-entitlement program awarded based on demonstrated need, as determined by the MSBA. Any project costs incurred by the District that exceed the amount approved and reimbursed by the MSBA will be the sole responsibility of the District and its member municipalities.

Speaker: James M. Upson, Chatham Representative to the Cape Cod Regional Technical High School Committee

Explanation: *This article requests funding for Chatham’s obligation to the Cape Cod Regional Technical High School as a separate “assessment” within the Town’s budget. Compared to FY2026, the FY2027 budget reflects a decrease of -\$27,636 for Cape Tech as voted by the CCRTHS School Committee. The budget covers costs for nineteen (19) Chatham students and includes the debt service, \$145,522, for the new school building.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 13 – Water Department Operating Budget

To see if the Town will vote to raise and appropriate and/or transfer from available funds \$5,703,016 necessary for expenses and charges, including without limitation of the foregoing, debt and interest, wages, salaries, and expenses for operation of the Town Water Department for the fiscal year beginning July 1, 2026 and ending June 30, 2027 inclusive; or take any other action in relation thereto.

(Select Board)

FY2027 Water Operating Budget Overview

WATER FUND				Water Budget
Description	FY2025 Actual	FY2026 Voted	FY2027 Request	FY2027 Proposed
Water Costs				
Operating				
Salaries	270,209	\$288,725	\$304,803	\$304,803
Expenses	\$2,217,171	\$2,278,798	\$2,458,500	\$2,458,500
Sub-total Operating	\$2,487,380	\$2,567,523	\$2,763,303	\$2,763,303
Debt				
Principal	\$1,400,011	\$2,047,342	\$2,142,565	\$2,142,565
Interest – Long-term	\$465,844	\$441,487	\$393,717	\$393,717

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Interest – Short-term	\$4,800	\$50,000	\$50,000	\$50,000
Subtotal Debt	\$1,870,654	\$2,538,827	\$2,586,283	\$2,586,283
Total Water Direct Costs	\$4,358,034	\$5,106,350	\$5,349,586	\$5,349,586
Overhead – Indirect Costs	\$329,930	\$341,478	\$353,430	\$353,430
Subtotal Overhead	\$329,930	\$341,478	\$353,430	\$353,430
Water Operating Budget	\$4,687,964	\$5,447,828	\$5,703,016	\$5,703,016

Motion: By Dean P. Nicastro, Chair, Select Board
 I move that the Town vote to appropriate \$5,349,586 for direct costs, and further that an additional \$353,430 be transferred to the General Fund to be applied to overhead and indirect costs associated with the Water Department Operating Budget of the Town for the fiscal year beginning July 1, 2026, for the purposes and in the amounts designated in the column titled “Proposed Water Budget FY2027” of Article 13 of the Warrant and to meet said appropriation, the Town raise \$5,303,016 through water receipts and raise \$400,000 through taxation for a total of \$5,703,016.

Speaker: Rob Faley, Director of Public Works

Explanation: *The FY2027 Water Department budget is directed towards continuing to improve the quality of water provided, customer service, and providing a high level of reliability to the water supply and distribution system to ensure the Town has safe drinking water and the required flows for fire suppression.*

Select Board Recommendation: Approve 5-0-0

Finance Committee Recommendation: Approve 9-0-0

Article 14 – Five Year Capital Improvements Plan Authorization – FY2027 Capital Budget

To see if the Town will vote to appropriate and transfer from available funds \$2,440,500 to be expended for capital projects, equipment, and expenses; or take any other action in relation thereto.

(Select Board)

FY2027 Capital Budget Overview

Description	FY2026 Actual	FY2026 Request	FY2027 Proposed
CAPITAL PROGRAM & BUDGET SUMMARY			
General Government	\$350,000	\$780,000	\$335,000
Public Safety	\$265,000	\$468,000	\$363,000
Community Services	\$50,000	\$59,500	\$27,500
Natural Resources	\$300,000	\$6,185,000	\$245,000
Public Works (without Water)	\$852,650	\$1,720,000	\$725,000
Equipment	\$1,345,000	\$2,495,000	\$745,000
Total Town Funded Capital Budget	\$3,162,650	\$11,707,500	\$2,440,500

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
 I move that the Town vote to appropriate \$2,440,500 for the purpose of funding the FY2027 Capital Budget in the column titled “FY2027 Proposed” of Article 14 of the Warrant and to meet said appropriation, the Town transfer \$2,212,034 from Free Cash, \$115,000 from Waterways Improvement Fund, \$30,000 from the PEG Cable Access Fund, \$10,000 from the Conservation Fund and \$73,466 from Article 1 STM 9/14 Monomoy USFWS Response.

Speaker: Jill R. Goldsmith, Town Manager

Explanation: *Items in the Capital Improvement budget fall into the categories of maintenance projects (not ongoing maintenance), equipment, and new projects within the range of \$10,000-\$250,000. These items are deemed necessary to provide essential services in a safe and efficient manner and can be initiated July 1 or shortly thereafter. Where possible items have been identified that contribute to workplace safety, and/or to increase efficiency of operations. The Capital Plan presented represents 4.80% of the Operating Budget (net of Debt), in adherence to the Town’s Financial Policies. There is no reliance on the tax levy for the FY2027 Capital Budget. Please refer to Appendix F for details specific to FY2027 appropriations and the five-year plan as a whole.*

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 5-0-0

Article 15 - Additional Funding for Expansion and Renovation of the Existing Center for Active Living (CFAL) at 193 Stony Hill Road

To see if the Town will vote to appropriate and transfer from available funds the sum of up to \$200,000 for the purposes of expanding and renovating of the existing Center for Active Living (CFAL) located at 193 Stony Hill Road. And, further, to authorize the Select Board to modify, grant and/or accept easements to implement the Site Plan on file with the Town Clerk, including, without limitation, the discontinuation of the current through-access between the abutting properties by updating the deeds for 193 Stony Hill Road (Book 9412 Page 269) and 195/197 Stony Hill Road (Book 9703 Page 107), and authorizing work on the property at 195/197 Stony Hill Road (Book 9703 Page 107); or take any other action in relation thereto.

(Select Board)



Rendering of the Center for Active Living Proposed Renovations and Expansion

Motion: By Stuart F. X. Smith, Clerk, Select Board

I move that the Town vote to appropriate and transfer from available funds the sum of up to \$200,000 from Free Cash for the purposes of expanding and renovating of the existing Center for Active Living (CFAL) located at 193 Stony Hill Road. And, further, to authorize the Select Board to modify, grant and/or accept easements to implement the Site Plan on file with the Town Clerk, including, without limitation, the discontinuation of the current through-access between the abutting properties by updating the deeds for 193 Stony Hill Road (Book 9412 Page 269) and 195/197 Stony Hill Road (Book 9703 Page 107), and authorizing work on the property at 195/197 Stony Hill Road (Book 9703 Page 107).

Explanations are for informational purposes only.

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Speaker: Jill R. Goldsmith, Town Manager

Explanation: *Voters at the 2025 Annual Town Meeting approved the expenditure of \$5,000,000 to expand and renovate the existing Center for Active Living (CFAL) at 193 Stony Hill Road.*

As part of the Design Development process to move concept level plans to detailed construction level plans, an interim estimate was conducted which resulted in a total project cost exceeding the \$5,000,000 funding allocation. In response, the Project Team, developed a value engineered plan with the intent to keep project costs under the original funding allocation. However, it was apparent that this plan did not meet the projects' design objective to provide an improved facility that meets the needs of Chatham's seniors.

After hearing from the Project Team, the Select Board chose to establish a Building Working Group (BWG) to receive broader input on meeting original design goals and pursuing a "Bid-in-Hand" procurement approach through Massachusetts Procurement Law requirements to remove cost uncertainties.

The Town Manager established CFAL BWG worked in conjunction with the Project Team to assist in refining the design of the project to develop a project meeting the Town's needs and building longevity. The design developed by the BWG resulted in an estimated total cost of \$6,880,000; \$1,880,000 over the 2025 appropriation.

While this was a higher total project cost estimate, the revised plan not only fully meets the Town's design objectives but also adds building components/elements that will be more cost effective in the long run (e.g., more durable siding with lower maintenance requirements with a longer life cycle).

The core design components of the concept approved by voters at the 2025 Annual Town Meeting remain. The proposed improvements to the lower-level focus on better accommodation of the Adult Supportive Day Program, creating a formalized, protected and accessible lower-level drop-off for clients, improving the flexibility/use of existing limited multi-purpose rooms by making structural improvement to remove obstructions and increasing storage potential. Main level improvements provide improved handicap/functional safety access, expansion of dining and storage area, and reconfigured office layout meeting staff needs. Proposed Upper-level changes consider adding dormers to increase the functionality of existing meeting and programming space (primarily through increased headspace) and the addition of a new office as well. Site improvements

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center upon enhancing access for less mobile patrons and formalizing parking and circulation for increased efficiency and safety for site visitors.

The improvements on the design made by the CFAL BWG include removal of all vertical structural obstructions in public assembly areas, an all-new building envelope, kitchen renovation, new deeper basement windows, improved parking and pedestrian improvements and temporary relocation of the CFAL during the construction process.

The pursuit of a “Bid-in-Hand” approach was selected to bring a definitive project cost to 2026 Annual Town Meeting based upon actual construction bids received, the only way to get a precise price in the municipal sector. The cost proposal from the lowest, most responsible bidder forms the basis for this Article’s funding request.

After the March 20th bid opening, it has been identified that the additional funding needed for the CFAL expansion and renovations is \$200,000 compared to the original \$1,880,000 that was originally estimated.

Project Cost	2025 Schematic Base Estimate	2026 Design Development Estimate ¹	2026 Bid-in-Hand Project Cost	Differential (Base Estimate vs. Bid-in-Hand Cost)
Construction Cost (Hard Costs) ²	\$3,991,623	\$5,199,979	\$3,447,000	-\$544,623
Owner's Project Costs (Soft Costs)	\$890,743	\$1,153,825	\$1,378,440	\$487,697
Owner's Contingency ³	\$117,634	\$500,000	\$344,700	\$227,066
Total Project Budget	\$5,000,000	\$6,853,804	\$5,170,140	\$170,140
Article ## Funding Request				
Bid-In-Hand Total Cost				\$5,170,140
2025 ATM Funding Approval - Article 17				\$5,000,000
2026 ATM Supplemental Funding Request				\$170,140
Notes:				
¹ Estimate for final plans developed with the Building Working Group				
² Includes all renovations, additions, and sitework				
³ 10% for Bid-in-Hand Project Cost				

If this project is approved, construction is targeted to commence on July 1, 2026, with a targeted opening date of August 1, 2027.

Key Construction Completion Milestones Targets:

- Annual Town Meeting Approval – May 11, 2026
- General Contractor (GC) Contract Award – May 15, 2026

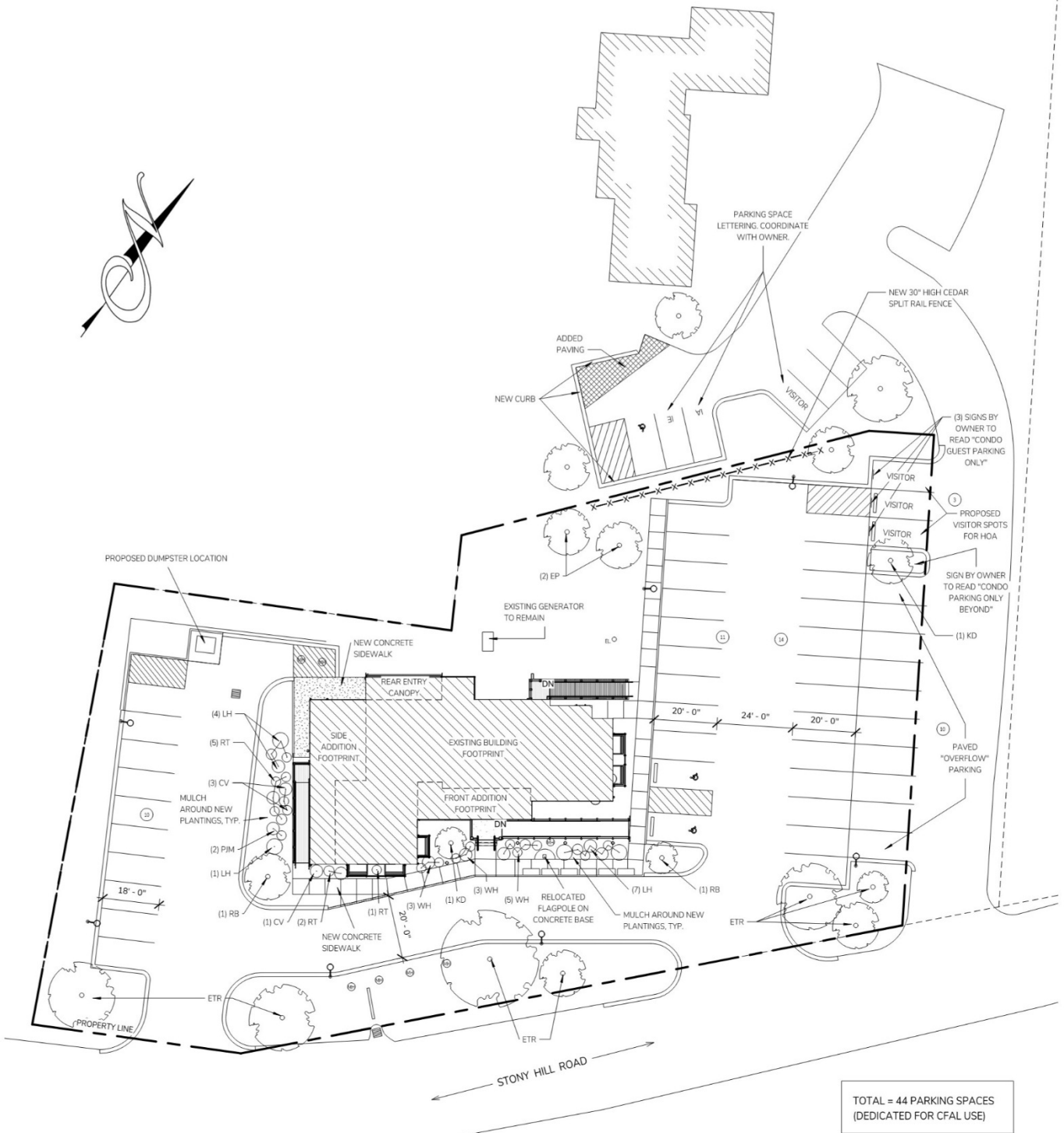
Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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- *GC Notice to Proceed Issued - June 1, 2026*
- *GC Mobilization/Permitting – June 30, 2026*
- *Completion of Temporary Relocation Preparation at Community Center - June 19, 2026*
- *CFAL Staff Move out of 193 Stony Hill - June 30, 2026*
- *GC Construction Start at 193 Stony Hill - July 1, 2026*
- *CFAL Staff Move Back to 193 Stony Hill - August 1, 2027*

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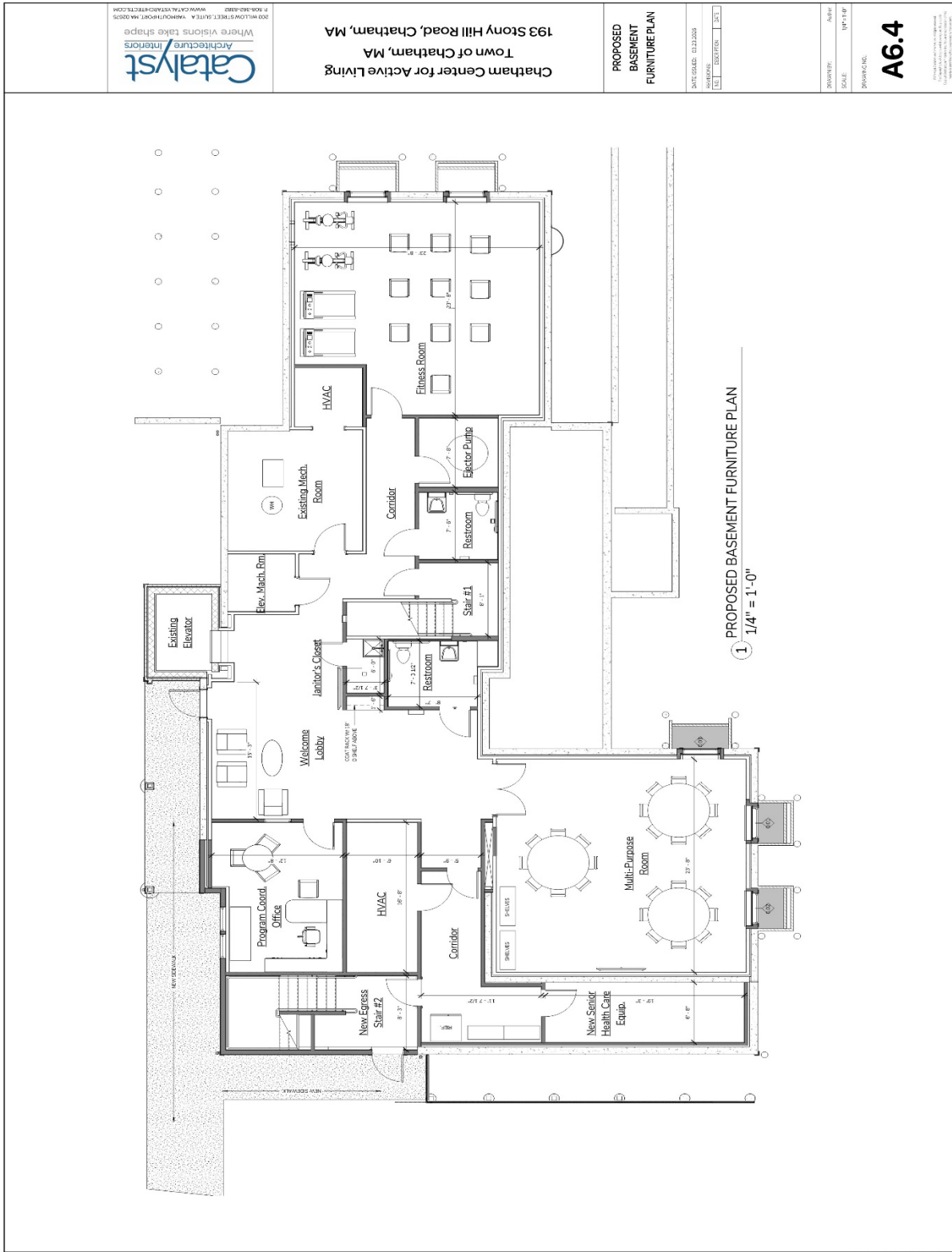
Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Above: Area Site Plan

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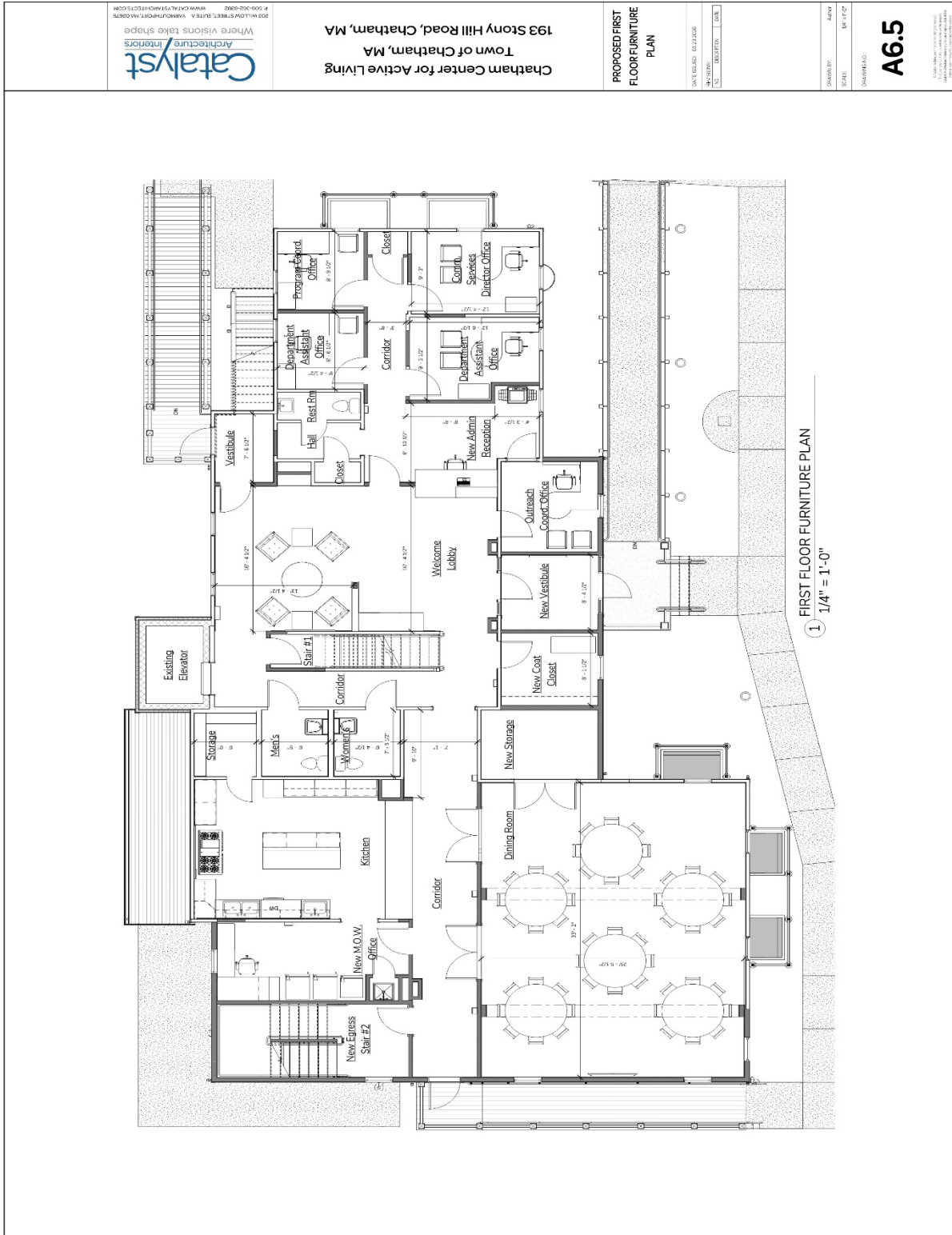
Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Above: Proposed Basement Floor Plan

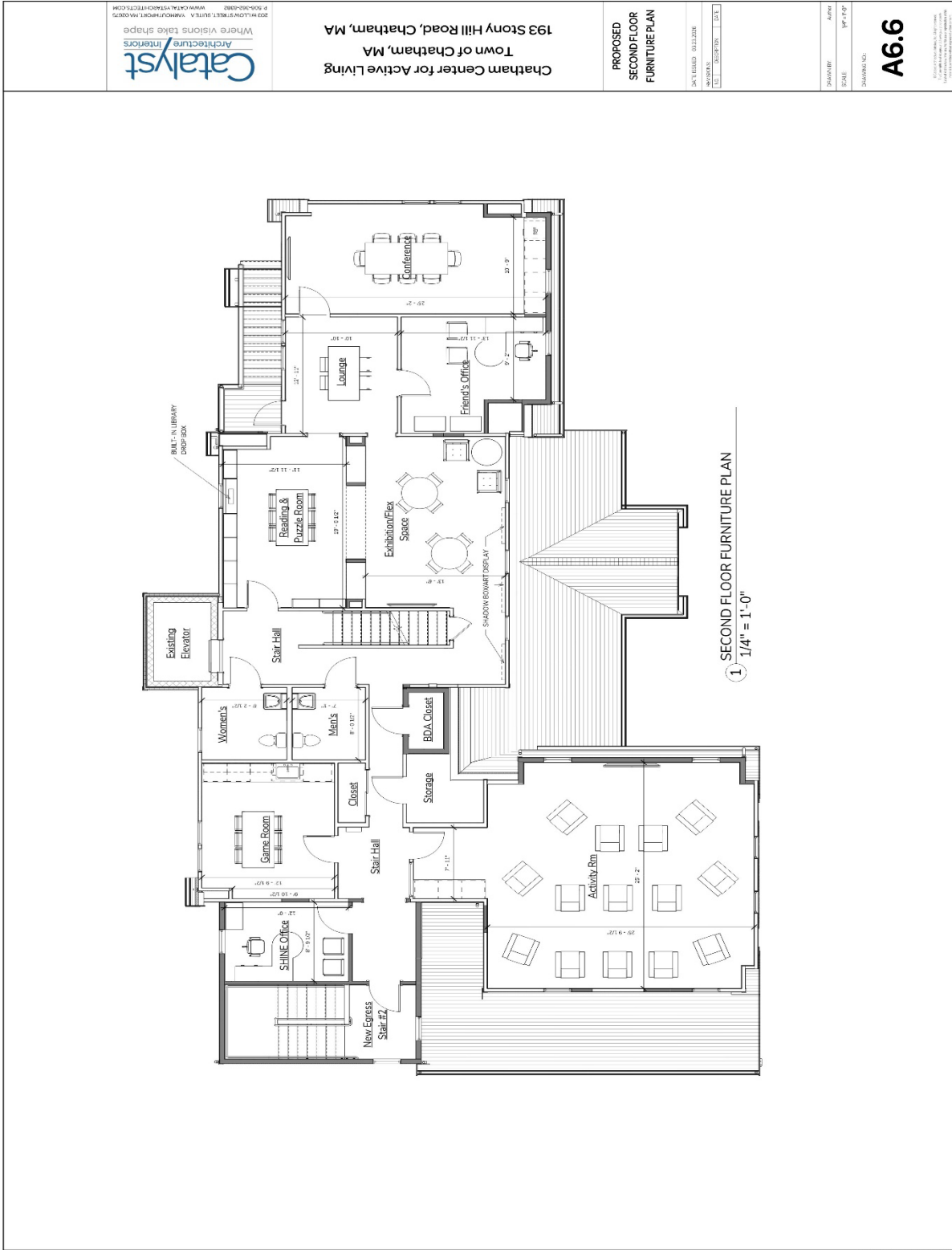
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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Above: Proposed First Floor Plan

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Above: Proposed Second Floor Plan

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Chatham Center for Active Living
 Town of Chatham, MA
 193 Stony Hill Road, Chatham, MA

PROPOSED EXTERIOR ELEVATIONS

DATE: 05.02.2025	DATE: 05.02.2025
NO. 0000000000	NO. 0000000000
DESIGNER: J. J. J.	DATE: 05.02.2025

DRAWN BY: J. J. J.
 SCALE: 1/4" = 1'-0"
 ELEVATION NO.: A2.1

1 PROPOSED EAST ELEVATION
 1/4" = 1'-0"

2 PROPOSED NORTH ELEVATION
 1/4" = 1'-0"

Above: East and North Elevations

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Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 7-0-0**
Two-Thirds Majority Vote Required

Article 16 – Capital Bond Project – Bulkhead Replacement at Barn Hill Landing

To see if the Town will vote to appropriate \$2,000,000 for the purpose of paying costs related to replacing the bulkhead at Barn Hill Landing including costs for engineering, permitting, and construction, including all costs incidental and related thereto; to determine whether this appropriation shall be raised through taxation, borrowing or otherwise; or take any other action relative thereto provided, however, that the borrowing authorized hereunder is contingent upon passage of so called debt exclusion referendum vote pursuant to G.L c.59, § 21C (Proposition 2 ½); or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that \$2,000,000 be appropriated for the purpose of paying costs related to replacing the bulkhead at Barn Hill Landing including costs for engineering, permitting, and construction, including all costs incidental and related thereto; and to authorize the Treasurer, with the approval of the Select Board, to borrow said sum under and pursuant to Chapter 44, §7(1) of the General Laws, or pursuant to any other enabling authority to meet this appropriation, and to issue bonds or notes of the Town therefore; provided however that borrowing authorized hereunder is contingent upon passage of so called debt exclusion referendum vote pursuant to Chapter 59, section 21C of the General Laws (Proposition 2 ½), and further, that the Select Board is authorized to apply for and accept any grants or contributions that may be available toward the cost of said project from the Federal Government, the Commonwealth of Massachusetts or otherwise.

Speaker: Greg Berman, Director of Natural Resources

Explanation: *Barn Hill Landing is an important public access point on Oyster Pond River, supporting shellfish harvesters, recreational boaters, and residents who rely on safe and functional waterfront infrastructure. A recent structural inspection of the steel sheet-pile bulkhead confirmed that the existing structure is no longer safe for normal use and has reached the end of its service life. Reconstructing the bulkhead and updating the site layout are necessary to maintain access, improve safety, and ensure the long-term resilience of the landing.*

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.



Above: Photograph from the bulkhead inspection showing widespread corrosion of bulkhead.

In 2025, \$49,000 from the Waterways User Fee (WUF) Revolving Fund was authorized to complete design, survey, and environmental permitting for improvements at Barn Hill Landing. This funding supported engineering, topographic and bathymetric survey work, wetland delineation, alternatives development, and preparation of permit-level plans. The project will include full replacement of the deteriorated bulkhead,

evaluation of improvements to the boat ramp and float configuration, and development of a more resilient and functional site layout.

A structural inspection completed by GEI Consultants documented severe deterioration of the steel sheet-pile bulkhead. Ultrasonic testing showed section losses of 65–70% in the sheeting, with corrosion holes observed directly below the bulkhead cap and widespread failure of the external wale. Corrosion rates indicate that the structure is well beyond its intended lifespan. GEI estimated only 4–6 years of remaining service life under reduced loading and concluded that the bulkhead no longer provides reliable support.

Due to the severely corroded bulkhead wale and advanced section loss, GEI recommended restricting all vehicle loading within ten feet of the bulkhead to prevent surcharge stress on the compromised structure. The Town implemented these restrictions immediately by installing concrete barriers along the bulkhead edge. GEI advised that only full replacement will resolve the structural deficiencies, though temporary reinforcement is underway to reestablish limited access.

The design and permitting phase now underway is addressing these findings and refining a replacement approach that will include installing new sheet piles in front of the existing wall, reconfiguring the boat ramp and floats, improving drainage and circulation, and incorporating coastal resilience measures where feasible. Barn Hill Landing remains a valuable public access point, and reconstruction is necessary to maintain its function and safety into the future.

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Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**
Two-Thirds Majority Vote Required

Article 17 – Capital Bond Project – Bulkhead and Ramp Replacement at Ryder’s Cove

To see if the Town will vote to appropriate \$3,500,000 for the purpose of paying costs related to improvements at Ryder’s Cove Landing consisting of replacement of the boat ramp and timber bulkhead, float expansion and reconfiguration, parking and drainage improvements, utilities, site work, and associated construction oversight, including all costs incidental and related thereto; to determine whether this appropriation shall be raised through taxation, borrowing or otherwise; or take any other action relative thereto provided, however, that the borrowing authorized hereunder is contingent upon passage of so called debt exclusion referendum vote pursuant to G.L. c.59, § 21C (Proposition 2 ½); or take any other action in relation thereto.

(Select Board)

Explanations are for informational purposes only.
The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

Motion: By Cory J. Metters, Select Board
I move that the Town raise and appropriate \$3,500,000 for the purpose of paying costs related to improvements at Ryder’s Cove Landing consisting of replacement of the boat ramp and timber bulkhead, float expansion and reconfiguration, parking and drainage improvements, utilities, site work, and associated construction oversight, including all costs incidental and related thereto; , and to authorize the Treasurer, with the approval of the Select Board, to borrow said sum under and pursuant to Chapter 44, §7(1) of the General Laws, or pursuant to any other enabling authority to meet this appropriation, and to issue bonds or notes of the Town therefore; provided however that borrowing authorized hereunder is contingent upon passage of so called debt exclusion referendum vote pursuant to Chapter 59, section 21C of the General Laws (Proposition 2 ½), and further, that the Select Board is authorized to apply for and accept any grants or contributions that may be available toward the cost of said project from the Federal Government, the Commonwealth of Massachusetts or otherwise

Speaker: Greg Berman, Director of Natural Resources

Explanation: *Ryder’s Cove Landing is one of the Town’s most heavily used public boating access points, supporting commercial fishermen, charter operators, and recreational boaters. The current infrastructure is no longer adequate, safe, or compliant with present-day standards. Replacing and modernizing these elements is necessary to ensure continued access, improve safety and efficiency, meet ADA requirements, and strengthen the site’s long-term resilience to coastal change.*

In 2024, \$140,000 from the Waterways User Fee (WUF) Revolving Fund was authorized to complete design and permitting for the Ryder’s Cove Landing Improvement Project. That initial funding allowed the Town to begin engineering, site survey, and environmental permitting needed to replace aging infrastructure at the landing. The design/permitting contract was approved unanimously by the Waterways Advisory Committee, Aunt Lydia’s Cove Committee (now named the

Working Waterfront Advisory Committee), South Coastal Harbor Plan Committee, and Shellfish Advisory Committee and addresses the replacement of the deteriorated boat ramp and timber bulkhead, improvements to the float system, and reconfiguration of the parking area for greater efficiency and accessibility.

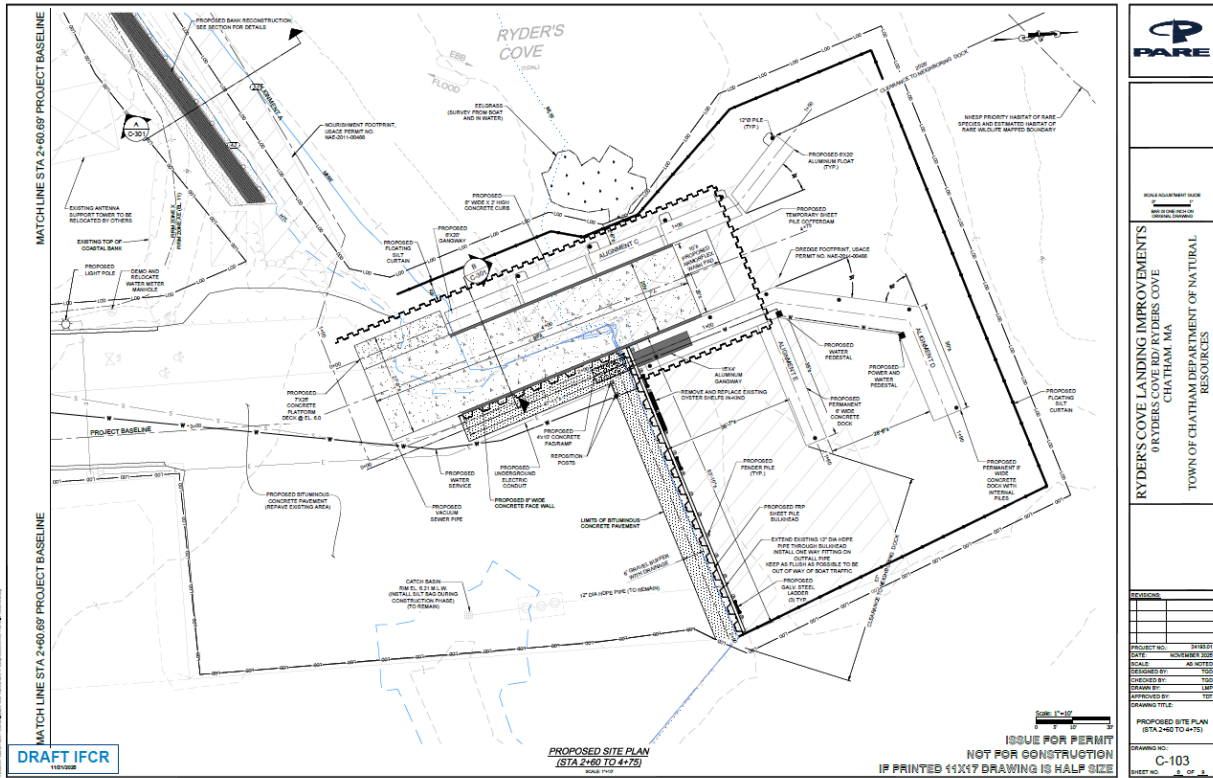
Ryder’s Cove Landing has several known deficiencies. The concrete boat ramp and timber bulkhead are both at, or near, the end of their service life. The ramp is misaligned with Ryders Cove Road, creating operational inefficiencies, and water depth at the ramp’s end has been reduced by shoaling. The float system is undersized for current demand, and the facility lacks ADA-compliant access. Parking layout and circulation are also inefficient and require grading and drainage upgrades. The site is directly affected by erosion, sea-level rise, and resource-area constraints, and these factors have been integrated into the planned design.



Above: A leak in the Ryder’s Cove bulkhead was identified in Fall 2025, prompting a temporary repair.

The design/permitting phase is nearing completion and confirms the need for full replacement of the boat ramp, bulkhead over-sheeting with resilient FRP sheeting, expanded and better-aligned floats, improved trailer parking circulation, upgraded utilities, and drainage improvements.

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
This is a courtesy document; motions may change and are not intended to restrict any action.



Above: Early site plan (November 2025) illustrating proposed improvements at Ryder's Cove Landing. As of December 2025, this preliminary layout is pending permitting and Town committee review, anticipated during winter 2025–2026

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**
Two-Thirds Majority Vote Required

Article 18 – Capital - Financial Software

To see if the Town will vote to appropriate and transfer from Free Cash the sum of \$280,000 for the purpose of funding new financial software; or take any other action in relation thereto.

(Select Board)

Motion: By Dean P. Nicastro, Chair, Select Board
I move that the Town transfer the sum of \$280,000 from Free Cash for the purpose of funding new Financial Software.

Speaker: Carrie Mazerolle, Director of Finance

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Explanation: *These funds will be used to convert the Town’s financial software to improve efficiency, controls, and reporting. The Town is taking an important step toward improving its Financial Software by initiating the purchase of a new, Town-wide Financial Management software system. The current platform—implemented in 2007—has reached the limits of its capabilities. With outdated technology and minimal room for upgrades, it no longer meets the growing demands of the Town’s operations or the expectations of a modern community. In March 2026, the Town was awarded a \$120,000 State grant to offset the cost which reduced the amount originally requested for this article to \$280,000.*

Select Board Recommendation: **Approve 4-0-0**
Finance Committee Recommendation: **Approve 7-1-0**

Article 19 – Wastewater Capital Stabilization

To see if the Town will vote to appropriate and transfer \$2,000,000 from the Wastewater Capital Stabilization Fund to cover Phase 1D costs as it relates to Article #18 from the Annual Town Meeting on May 8, 2017; or take any other action in relation thereto.

(Select Board)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
I move that the Town vote to transfer the sum of \$2,000,000 from the Wastewater Capital Stabilization Fund for the purpose covering Phase 1D costs of the wastewater expansion project contemplated under Article #18 of the May 8, 2017 Annual Town Meeting.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This article seeks Town Meeting approval to transfer \$2,000,000 from the Wastewater Capital Stabilization Fund to cover costs for Article #18 from the May 8, 2017 Annual Town Meeting. The article stated that a portion of the estimated costs not eligible for reimbursement from the State Revolving Fund for Phase 1D would be offset by contributions from the Town of Harwich through the Chatham–Harwich Intermunicipal Agreement once implemented. This action will accomplish such.*

Article 18 (ATM 2017) authorized borrowing for the Wastewater Project Expansion projects identified in the Comprehensive Wastewater Management Plan (CWMP), specifically Phases 1C and 1D. These phases included wastewater

system improvements in the Route 137 and Morton Road areas, as well as replacement of a portion of the original 1969–1970 sewer main along Main Street. Phase 1D-2A was subsequently added, extending sewer infrastructure along Route 137 (Meetinghouse Road), Morton Road (north of Twine Field Drive), Middle Road (between Route 137 and the wastewater treatment plant entrance), Old Queen Anne Road from the Harwich town line to Muddy Creek, Stage Coach Drive, and Mill Hill Road.

The total capital request is \$2,000,000, to be funded from the Wastewater Capital Stabilization Fund, which has a balance of \$4,097,463 as of December 31, 2025. The Wastewater Capital Stabilization Fund is comprised of payments received from the Town of Harwich under the Intermunicipal Agreement and is intended to cover additional costs not funded through the Clean Water Trust or the initial borrowing as Article 18 (ATM 2017) was written.

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 20 – Water Capital –Water Storage Tank Painting and Repairs

To see if the Town will vote to appropriate a sum of \$2,300,000 for painting and repairs to the 1.25-million-gallon water storage tank, and for all costs incidental and related thereto, and to determine whether this appropriation shall be raised by borrowing or otherwise; or take any other action in relation thereto.

(Select Board)

Motion: By Stuart F. X. Smith, Clerk, Select Board
I move that the Town appropriate \$2,300,000 for the painting and repairs the 1.25 million gallon water storage tank, and for all costs incidental and related thereto; that to meet this appropriation, the Treasurer with the approval of the Select Board is authorized to borrow \$2,300,000 under G.L. Chapter 44, Sections 7 and/or 8 or any other enabling authority; that the Treasurer with the approval of the Select Board is authorized to contract for any federal or state aid available for the project provided that the amount of the authorized borrowing shall be reduced by the amount of such aid received prior to the issuance of the bonds or notes under this vote; and that the Select Board is authorized to take any other action necessary to carry out this project. Any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter

44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Speaker: Rob Faley, Director, Department of Public Works

Explanation: *The American Water Works Association (AWWA) highly recommends that the protective coating on a water storage tank be reapplied every ten (10) years in order to ensure the structural integrity of the tank and maintain the water quality. The outside coating of the tank has a life expectancy of between eight (8) and ten (10) years, dependent on the weather conditions. This particular tank was last painted in 2011 which currently makes it 5 years overdue for critical maintenance. The proposed cost includes necessary structural repairs to the tank, installation of intrusion alarm, associated gaskets and appurtenances, sandblasting, painting, engineering, overflow and drainage pit repairs and onsite inspection services.*

Select Board Recommendation: Approve 5-0-0

Finance Committee Recommendation: Approve 9-0-0

Two-Thirds Majority Vote Required

Article 21 – Floor Treatment Replacements

To see if the Town will vote to appropriate and transfer from Free Cash the sum of \$475,000 for the purpose of funding the replacement of flooring at the Community Center, Dispatch area at the Police Station, and Town Offices at 549 Main Street; or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that the Town vote to transfer \$475,000 from Free Cash, for the purpose of funding the replacement of flooring at the Community Center, Police Station Police Dispatch area, and Town Offices at 549 Main Street.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This request is for the proposed changeout of all carpet flooring at the Community Center, Police Dispatch, and remaining areas at the Town Offices to hard surface flooring. The existing carpet in these facilities has reached its useful life, they are aged and worn. Hard surface flooring will provide a more durable, hygienic, and cost-effective solution, particularly in high-traffic public spaces. The proposed*

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upgrade will improve cleanliness, accessibility, and long-term maintenance efficiency while enhancing the overall appearance and functionality of these municipal buildings.

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Article 22 – Capital - Dredging

To see if the Town will vote to raise and appropriate \$400,000 for the purpose of paying costs related to dredging within Chatham’s waterways including costs for engineering, permitting, and construction, including all costs incidental and related thereto; and to meet this appropriation raise \$400,000 through taxation; or to take any other action in relation thereto.

(Select Board)

Motion: By Cory J. Metters, Select Board
I move that the Town raise and appropriate the sum of \$400,000 for the purpose of paying costs related to dredging within Chatham’s waterways including costs for engineering, permitting, and construction, including all costs incidental and related thereto; and to meet this appropriation raise \$400,000 through taxation.

Speaker: Greg Berman, Director of Natural Resources

Explanation: *Maintaining safe navigable channels is critically important to preserve Chatham’s maritime interests. These channels service Chatham’s commercial fishing fleet, the largest on Cape Cod, Coast Guard search and rescue operations, and thousands of local and visiting recreational boaters. Ongoing changes to the eastern barrier beaches and inlets have intensified shoaling and sediment movement in Chatham Harbor and, more alarmingly, at the entrance to Stage Harbor.*

This is an annual request for dredging and dredging related expenses such as engineering, permitting, monitoring, aerial photos and disposal area maintenance. There are two significant uncertainties governing future funding requirements for dredging. The first is related to the impact of the new inlet on shoaling in Aunt Lydia’s Cove, Chatham Harbor, and Pleasant Bay. The second is the future commitment of the Corps of Engineers to maintenance dredging of Aunt Lydia’s Cove and Stage Harbor. Both issues could significantly expand future Town funding needs for dredging its harbors.

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 9-0-0

Article 23 – Childcare Voucher Program

To see if the Town will vote to raise and appropriate the sum of \$200,000 to fund the Chatham Childcare Voucher Program through taxation; or take any other action in relation thereto.
(Select Board)

Motion: By Dean P. Nicastro, Chair, Select Board
I move that the Town raise and appropriate the sum of \$200,000 to fund the Chatham Childcare Voucher Program, and for all costs incidental and related thereto, and to raise said amount through taxation.

Speaker: Jill R. Goldsmith, Town Manager

Explanation: *This article seeks funds for the Chatham Childcare Voucher Program, currently administrated by a third party (presently Monomoy Community Services). Funding approved at the 2025 Annual Town Meeting (Article 33) was \$175,000. With the recommendation of the Human Services Committee, this Article seeks increased funding of \$25,000 (for a total of \$200,000) for the program to assist and support a greater number of families with young children in Chatham. Awards paid to licensed childcare/summer camp/before school/after school providers directly range from \$500 to \$1,500. This Article ensures the continued ability to provide year-round childcare assistance for families living and working in Chatham. The application packet is available on the Town’s website: <https://www.chatham-ma.gov/792/Preschool-Childcare-Programs>.*

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 8-0-0

Article 24 – Other Post-Employment Benefits (OPEB) Liability Trust Fund Appropriation

To see if the Town will vote to appropriate and transfer from Free Cash the sum of \$150,000 for the purpose of funding the Other Post-Employment Benefits (OPEB) Liability Trust Fund; or take any other action in relation thereto.

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board

I move that the Town vote to transfer the sum of \$150,000 from Free Cash for the purpose of funding the Other Post-Employment Benefits (OPEB) Liability Trust Fund.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This article seeks Town Meeting approval to transfer \$150,000 from Free Cash into the Other Post-Employment Benefits (OPEB) Liability Trust Fund. The Town established this fund in 2012 in compliance with GASB Statements 74 and 75 (which replaced GASB 43 and 45) and MGL Chapter 32B, §20. The OPEB Trust Fund provides the mechanism to set aside resources to meet the Town’s future financial obligations for retiree health insurance benefits, excluding pensions.*

The Town’s unfunded OPEB liability as of June 30, 2025 was \$10,051,215, and the Trust’s ending market value was \$7,598,943 as of June 30, 2025. The OPEB Trustees have recommended a funding strategy that achieves full funding within 15 years. This transfer, combined with the repurposed 1.5% Land Bank surcharge (part of the former 3% surcharge that expired on January 1, 2020 and was reallocated by the May 2019 Annual Town Meeting) and the anticipated long-term investment return of 4%, supports achieving this goal. Regularly funding the OPEB liability is considered a strong fiscal practice and is viewed positively by bond rating agencies.

Select Board Recommendation: **Approve 3-0-0**
Finance Committee Recommendation: **Approve 8-0-0**

Article 25 – Stabilization Fund

To see if the Town will vote to appropriate and transfer from available funds the sum of \$350,000 for the purpose of funding the Stabilization Fund; or take any other action in relation thereto.
(Select Board)

Motion: By Shareen Davis, Select Board
I move that the Town vote to transfer \$330,058 from Free Cash and \$19,942 from Article 14 of May 10, 2010 Annual Town Meeting (Stabilization-Budget Supplemental Article), for the purpose of funding the Stabilization Fund.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *This article seeks Town Meeting approval to transfer \$350,000 into the Stabilization Trust Fund. The Town’s Financial Policies call for maintaining a Stabilization Fund balance equal to 5% of the Operating Budget (less debt service). With the continued growth of the Operating Budget in recent years, it is prudent to increase the Stabilization Fund to remain in compliance with these policies.*

The Balance in the Stabilization Fund is \$2,590,574 as of December 31, 2025. This transfer will strengthen the Town’s financial reserves and support long-term fiscal stability. Free Cash is an available source of funding and its use for this purpose will not affect the tax rate.

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 8-0-0**

Article 26 – Expendable Trust Fund for Retirement

To see if the Town will vote to appropriate and transfer from Free Cash the sum of \$50,000 for the purpose of funding the Retirement Trust Fund; or take any other action in relation thereto.
(Select Board)

Motion: By Stuart F. X. Smith, Clerk, Select Board
I move that the Town vote to appropriate and transfer the sum of \$50,000 from Free Cash for the purpose of funding the Retirement Trust Fund.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *The Town of Chatham has an obligation to pay out accrued vacation and sick leave as governed by Collective Bargaining Agreements and/or the Personnel Policies. With the recent retirement of several employees, we see that future retirements may place a burden on the financial health of the Town should a long-serving employee retire at the end of the fiscal year, as budgets may not have funding to support pay-outs.*

The Town established a Retirement Trust Fund in the early 1990’s but only recently appropriated \$95,000 at the 2023 Annual Town Meeting (Article 36) to fund it. This Retirement Trust fund differs from the Other Post-Employment (OPEB) Trust Fund as the purpose would be to fund cash payouts for unused sick leave and vacation time when an employee retires, with no contribution for retiree benefits. To reduce the risk of over-expending a budget as well as planning for future retirements, it would be prudent to appropriate funds to the Retirement Trust Fund. The balance in the Retirement Trust Fund is \$64,340.00

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 8-0-0**

Article 27 – Grant Match Account

To see if the Town will vote to transfer from available funds the sum of \$50,000 to a grant match account, to be used to provide for the Town’s local match for gifts and/or grants committed to and/or received by the Town from time to time, such sums to be expended under the direction of the Select Board and/or Town Manager; or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board
I move that the Town transfer the sum of \$50,000 from Free Cash, to be expended under the direction of the Select Board and/or Town Manager to be used to provide for the Town’s local match for gifts and/or grants committed to and/or received by the Town from time to time.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *The funds appropriated under this article will dedicate funds to support the Town’s pursuit of competitive federal, state, and other grant opportunities.*

Many discretionary grant programs require applicants to demonstrate a secured local match at the time of application or shortly thereafter as a condition of award. Grant programs often include firm submission deadlines, cost-sharing requirements, and project timelines that do not align with the Town Meeting cycle. The absence of a readily available local funding source may delay or prevent the Town from submitting competitive applications or accepting awarded funds.

The matching funds may be used to satisfy required non-federal or non-state cost share obligations for grants for which the Town has applied or received an award. Disbursement will be contingent upon successful grant award.

Appropriating funds will position the Town to respond promptly to time-sensitive funding opportunities, leverage external resources, and maximize the return on local taxpayer investment.

This expenditure of funds shall be overseen by the Town Manager and the Select Board. Approval from both shall be required when a grant requiring a Town match is awarded.

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 7-1-0

Article 28 - Airport Matching Grant for NAVAID Replacement

To see if the Town will vote to appropriate and transfer from Free Cash the sum of \$17,500 for the purpose of funding the Airport's local matching portion of the grant for NAVAID Replacement at the Chatham Municipal Airport; or take any other action in relation thereto.

(Select Board)

Motion: By Cory J. Metters, Select Board
I move that the Town transfer the sum of \$17,500 from Free Cash for the purpose of funding the Airport's local matching portion of the grant for NAVAID Replacement at the Chatham Municipal Airport.

Speaker: Huntley Harrison, Chair, Airport Commission

Explanation: *This Article seeks funding to provide local match for the aviation safety project identified for implementation in Chatham Municipal Airport's Capital Improvement Plan (CIP). The \$17,500 requested is the local funding required for the NAVAID replacement of field lighting (Runway End Identifier Lights - REILs & Precision Approach Path Indicator - PAPIs), rotating beacon, and windsock. If approved the local funding match leverages \$682,500 in Federal and State funding covering 97.5% of the identified project's total cost. This funding was first requested as part of a multi-project/bundled request in Article 26 of the 2025 Annual Town Meeting and was not approved at that time.*

Select Board Recommendation: Approve 4-0-0
Finance Committee Recommendation: Approve 9-0-0

Article 29 – Airport Matching Grant for Design Aircraft Study

To see if the Town will vote to appropriate and transfer the sum of \$7,500 from Free Cash for the purpose of funding the Airport's local matching portion of a grant for a Design Aircraft Study at the Chatham Municipal Airport; or take any other action in relation thereto.

(Select Board)

Motion: By Dean P. Nicastro, Chair, Select Board

I move that the Town vote to appropriate and transfer the sum of \$7,500 from Free Cash for the purpose of funding the Airport's local matching portion of a grant for a Design Aircraft Study at the Chatham Municipal Airport.

Speaker: Huntley Harrison, Chair, Airport Commission

Explanation: *This article requests \$7,500 in local funds to allow the Town to receive approximately \$142,500 in federal and state grant funding for a Design Aircraft Study at Chatham Municipal Airport. These grants would fund 95% of the project cost, with the Town providing the remaining 5% local match.*

In recent years, a somewhat larger aircraft type has used the Airport more frequently – more than 500 annual operations over the past five years. Federal Aviation Administration (FAA) guidance recommends that airports periodically review their design aircraft, which is the aircraft type used to establish airport safety design standards.

Conducting this study will allow aviation planning professionals working with the FAA and MassDOT Aeronautics to evaluate current aircraft activity and determine whether the Airport's existing design standards remain appropriate.

The study will examine current operations, airport geometry, and safety areas and document how existing conditions align with FAA safety guidance. The results may confirm the Airport's current design aircraft classification or identify operational procedures, mitigation measures, or other alternatives for the FAA and the Town to consider.

This article funds only the study itself. It does not authorize airport expansion, construction, land acquisition, or changes to airport operations. Approval of this article would allow the Town to leverage \$142,500 in federal and state funding to complete the study.

Select Board Recommendation: **Approve 3-1-1**
Finance Committee Recommendation: **Approve 9-0-0**

Article 30 – Public/Education/Government (PEG) Cable Access and Technology

To see if the Town will vote to transfer the sum of \$76,458 from the Receipts Reserved Cable Television PEG Access Special Revenue Fund, for the support of Public Education General Government access service and programming; or take any other action in relation thereto.

(Select Board)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
I move that the Town vote to transfer from the Receipts Reserved Cable Television PEG Access Special Revenue Fund in the amount of \$76,458 for the support of providing public access television to the citizens of Chatham.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *The Town of Chatham receives funding from Comcast cable subscriber fees to fund and maintain Public, Education and Government television stations (PEG access). Under the current 10-year agreement with Comcast the Town will allocate funds directly for Public Cable Access. The funding was previously paid directly from Comcast. The appropriation sum has been based on calendar year 2025 actual revenue into the fund.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 8-0-0**

Article 31 – Overlay Funding

To see if the Town will vote to transfer from available funds the sum of \$500,000 to fund the Town’s Overlay account for the implementation of the Residential Tax Exemption; or take any other action in relation thereto.

(Select Board)

Motion: By Stuart F. X. Smith, Clerk, Select Board
I move that the Town transfer the sum of \$500,000 from Free Cash, to fund the Town’s Overlay account for the implementation of the Residential Tax Exemption.

Speaker: Carrie Mazerolle, Director of Finance

Explanation: *The overlay account is a municipal finance tool used to fund property tax abatements and exemptions. Abatements reduce assessed values, while exemptions provide tax relief to eligible individuals.*

are subject to further appropriation by a majority vote of the Town Meeting. The funds must be used to support attainable housing in the Town of Chatham.

The \$2,100,000 in Attainable Housing funds requested will be used to subsidize the attainable portion of the housing development proposed by Housing Assistance Corporation (HAC) in response to the Town’s Request for Proposals and subject to a Land Disposition Agreement between the Town and HAC. The proposed development consists of 14 ownership homes, of which 10 are attainable and four are affordable.

71.4% of the Town subsidy for the development (to subsidize 10 out of the 14 homeownership units) will come from the Attainable Housing Fund. The Affordable portion of the development (28.6% or 4 out of the 14 units) will be funded separately through Affordable Housing Trust (AHT) Funds.

The use of Attainable Housing Funds does not impact the Town’s budget as 1% of the Town’s Short-term Rental tax revenues are automatically deposited into the Attainable Housing Fund on a quarterly basis by the State. These funds are collected and have accumulated for the specific purpose of funding Attainable Housing projects and programs. They cannot be used for any other purpose.

The balance of the Attainable Housing Fund as of Dec. 31, 2025 is \$3,098,591.96. Any unused funds from the requested \$2,100,000 will be returned to the Attainable Housing Fund.

Select Board Recommendation:

Approve 5-0-0

Finance Committee Recommendation:

Approve 8-0-0

**Article 33 – Acceptance of Bequest from the Estate of Priscilla Ford
of the Property at 63 George Ryder Road**

To see if the Town will vote to authorize the Select Board to accept, for the Town, a bequest from the estate of the late Priscilla (Pat) Ford of her land at 63 George Ryder Road, Chatham, as shown on Assessor’s Map 8E-42-17, together with the buildings/improvements thereon, and to authorize the Town to convey or lease said property thereunder for affordable housing purposes; and, further, to authorize the Town to accept and/or convey affordable housing restrictions on such property. Alternatively, the Town shall be authorized to sell such property at market value, provided that the proceeds are used for affordable housing purposes. Said property to be accepted with the provision that the property, or disposition thereof, be for such affordable housing purposes as the Select Board shall deem to be in the Town’s interest. There is no condition or restriction imposed with respect to the preservation of any structure or improvements existing on the property at the time of the bequest, and the Town may remove,

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renovate, alter, or reconstruct any such structures or improvements as it deems appropriate solely in furtherance of its affordable housing objectives; or take any other action in relation thereto.

(Select Board)

Motion: By Cory J. Metters, Select Board

I move that the Town vote to accept the bequest of the property described in this article and to authorize and instruct the Select Board to carry out its provisions, as printed in Article 33 of the warrant.

Speaker: Gloria McPherson, Housing and Sustainability Director

Explanation: *Priscilla (Pat) Ford, passed in May 2023 and under the terms of her will, has devised her property located at 63 George Ryder Road, Chatham, to the Town of Chatham to be held and dedicated to the use by the Town, as determined by the Select Board, for affordable housing purposes.*

While the will is specific that the purpose of the bequest is to further the Town's affordable housing purposes, there is no condition or restriction imposed with respect to the preservation of any structure or improvements existing on the property at the time of the bequest, and the Town may remove, renovate, alter, or reconstruct any such structures or improvements as it deems appropriate solely in furtherance of its affordable housing objectives.

An affirmative vote of the Town Meeting body is required to accept a bequest of property before the Town can take ownership/possession of the property. The property is currently owned by the estate of Pat Ford.

The will was formally adjudicated on April 29, 2024 and over the course of the following year, the heirs have slowly emptied the house of some items they wished to save.

The property is subject to a MassHealth Notice of Claim in the amount of \$46,321.94 and there are some back taxes owed, as well. The Town, through Town Counsel, worked with MassHealth to attempt to get the Claim waived or reduced since the affordable housing purposes of the will would constitute a public purpose. We were not able to get the Claim reduced or waived.

There is nothing that would specifically prohibit the Town from accepting the bequest subject to liens (MassHealth and back taxes) on the property. The process is as follows:

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

- 1) *The Town votes to accept the property at Town Meeting, subject to the tax debt and MassHealth lien. (The Town could also vote to decline the bequest and not take the property due to the existing encumbrances on the property or any other reason. In that case, it would not have to address the MassHealth issue, but would have to pursue taxes owed by the estate through the new tax title process.)*
- 2) *If the Town votes to accept the distribution and ownership of the property, it is then transferred to the Town by the estate of Pat Ford, subject to the tax debt and the MassHealth lien;*
- 3) *The Select Board holds a public meeting to make a determination and vote on the best use of the property for affordable housing purposes. Possible options may include (a) retaining the property, renovating the structure or demolishing the structure and building new, with the renovated or new structure(s) being deed restricted as affordable housing and rented – this could be used for employee housing under Seasonal Communities; (b) selling the property with a deed restriction for affordable housing and through an RFP process, selecting another entity manage the redevelopment of the property for affordable housing purposes, either ownership or rental; (c) selling the property as is and with no deed restriction, with proceeds being transferred to the Affordable Housing Trust Fund, funds of which are required to be used solely for affordable housing purposes. This last option was confirmed by Town Counsel as appropriate to and meeting the terms of the bequest for affordable housing purposes.*

In any of the above scenarios, the acceptance of the property would have no fiscal impact to the Town's budget as any funds that would be required to clear up the liens would either come from the sale of the property or from the Affordable Housing Trust Fund, which is a dedicated account that does not require Town Meeting vote.

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 8-0-0**
Two-thirds Majority Vote Required

Article 34 - Home Rule Petition to Allow Year-round Housing Occupancy Restrictions and Attainable Housing Restrictions to be Held in Perpetuity under MGL Ch. 184, sec 31

To see if the Town will vote to authorize the Select Board to petition the General Court for special legislation in substantially the following form to include Year-round Housing Occupancy Restrictions and Attainable Housing Restrictions, as defined in 760 CMR 76.00: Seasonal

Communities, among the restrictions defined in MGL Ch. 184, sec 31 and able to be held in perpetuity within the Town of Chatham:

AN ACT RELATIVE TO THE INCLUSION OF YEAR-ROUND HOUSING OCCUPANCY
RESTRICTIONS AND ATTAINABLE HOUSING RESTRICTIONS AS DEFINED IN 760 CMR
76.00: SEASONAL COMMUNITIES TO BE INCLUDED IN AND GRANTED THE BENEFITS
OF CHAPTER 184 SECTION 31 OF THE MASSACHUSETTS GENERAL LAWS

Section 1. Notwithstanding the Restrictions set forth and defined in MGL Chapter 184 Section 31, the Town of Chatham may expend funds for the purchase of, or otherwise acquire; or may convey, Year-round Housing Occupancy Restrictions and Attainable Housing Restrictions, as defined in 760 CMR 76.00: Seasonal Communities, which serve a critical and necessary public purpose similar to Affordable Housing Restrictions, either in perpetuity or for a specified number of years, whether stated in the form of a restriction, easement, covenant or condition in any deed, mortgage, will, agreement, or other instrument executed by or on behalf of the owner of the land appropriate to (a) limiting the use of all or part of the land to year-round occupancy or occupancy by persons, or households of attainable income up to 250% AMI, in either rental housing or other housing; (b) restricting the resale price of all or part of the property in order to assure its affordability by future year-round occupant purchasers or attainable income purchasers; (c) in any way limiting or restricting the use or enjoyment of all or any portion of the land for the purpose of encouraging or assuring creation or retention of rental and other housing for year-round occupancy or occupancy by attainable income persons and households.

Section 2. Any restriction contemplated and executed hereunder shall not require the approval or execution of the Executive Office of Housing and Livable Communities (as successor to the Department of Housing and Community Development) as may otherwise be required under Section 32 of Chapter 184 of the General Laws.

Section 3. This act shall take effect upon its passage.

Or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that the Town vote to authorize the Select Board to petition the General Court for special legislation to authorize year-round housing occupancy restrictions and attainable housing restrictions as defined in 760 CMR 76.00: Seasonal Communities be included in and granted the benefits of Chapter 184 Section 31 of the Massachusetts General Laws as printed in Article 34 of the Town Meeting Warrant and authorize the Town to agree to any insubstantial changes as may be required by the legislature.

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

Speaker: Gloria McPherson, Housing and Sustainability Director

Explanation: *The Massachusetts General Laws govern the maximum term of a “restriction,” or how long it may be held or is in effect. There is a default to a maximum term of 30 years, with some very specific exceptions of restrictions that are allowed to be held in perpetuity: (1) conservation restrictions, (2) historic preservation restrictions, (3) agricultural preservation restrictions, (4) watershed preservation restrictions, and (5) affordable housing restrictions.*

The adoption of Seasonal Communities by the 2025 Town Meeting body enabled the Town to acquire Year-round Housing Occupancy Restrictions and Attainable Housing Restrictions; however, it did not enable those restrictions, which are so important for Chatham to address the full range of our housing need, to be held in perpetuity.

At this time, and without this Home Rule Petition, any Year-round Housing Occupancy Restriction and Attainable Housing Restriction that the Town may acquire, purchase or be granted, would have a 30-yr term; meaning, at the end of 30 years, the restrictions would no longer be in effect and the properties would convert to unrestricted market rate properties. The Seasonal Communities Regulations that enabled these types of restrictions cannot legally allow Attainable or Year-round Housing Occupancy Restrictions to be held in perpetuity because all restrictions which may be held in perpetuity, as enumerated above, are included in MGL c.184 § 31. These new restrictions were not included in, or granted the benefits of, this section of statute.

This Home Rule Petition would enable Chatham to hold Year-round Housing Occupancy Restrictions and Attainable Housing Restrictions in perpetuity by including them in and granting them the same benefits of the other restrictions in MGL c. 184 § 31. It is very important that when the Town acquires these deed restrictions, we know that they will be in perpetuity and will not expire after 30 years, similar to the deed restrictions on the CHOP properties that have a term of 40 years and will expire soon.

Select Board Recommendation: Approve 5-0-0

Finance Committee Recommendation: Approve 8-0-0

Article 35 – Appropriation from the Attainable Housing Special Revenue Fund
Lease to Locals Program

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

To see if the Town will vote to transfer \$312,500 from the Receipts Reserve Attainable Housing Special Revenue Fund, established under Chapter 121 of the Acts of 2024 for funding a Chatham Lease to Locals Program; or take any action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that the Town vote to appropriate up to \$312,500 and to meet this appropriation, that it transfers from available funds in the Receipts Reserve Attainable Housing Special Revenue Fund, established under Chapter 121 of the Acts of 2024, for the purpose of funding a Chatham Lease to Locals Program.

Speaker: Gloria McPherson, Housing and Sustainability Director

Explanation: *The Town of Chatham established a special revenue account, the Attainable Housing Special Revenue Fund, under Chapter 44 Section 53 of the MGLs. One per cent of the amount of room occupancy excise collected under Chapter 64G by the Town is credited to the Attainable Housing Special Revenue Fund. Said funds are subject to further appropriation by a majority vote of the Town Meeting. The funds must be used to support attainable housing in the town of Chatham.*

The \$312,500 in Attainable Housing funds requested will be used to fund a Lease to Locals Program, similar to those that were recently launched in Provincetown, Orleans, and Eastham. The program will provide rental subsidies to property owners to incentivize year-round rental opportunities for qualified attainable-income households. The goal of the program is to increase the supply of long-term rental housing available to residents and local employees by helping to close the gap between the rent a property owner could achieve through a Short-term Rental and the year-round rental.

In addition to providing a rental subsidy, the funds would also be used to hire a program administrator to verify the rental properties, verify tenant income and work/residency requirements, and help match tenants with property owners, although the landlord has the final choice – tenants apply directly to property owners after they are verified.

The use of Attainable Housing Funds does not impact the Town's budget as 1% of the Town's Short-term Rental tax revenues are automatically deposited into the Attainable Housing Fund on a quarterly basis by the State. These funds are collected and have accumulated for the specific purpose of funding Attainable Housing projects and programs. They cannot be used for any other purpose.

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

The balance of the Attainable Housing Fund as of Dec 31, 2025 is \$3,098,591.96. If Article 35 is approved, the available balance to fund this Article is \$998,591.96. Any unused funds from the requested \$312,500 will be returned to the Attainable Housing Fund.

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 8-0-0**

Article 36 – Community Preservation Committee Administrative Budget

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Estimated Revenues in accordance with the provisions of MGL, Ch. 44B, §5, the sum of \$15,000 for the purpose of funding administrative expenses associated with the Community Preservation Act, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from Community Preservation Fund Estimated Revenues in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$15,000 for the purpose of funding administrative costs associated with the Community Preservation Act, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Community Preservation Act allows Town Meeting to appropriate up to 5% of Estimated Revenues for the Community Preservation Committee to carry out its statutory duties. The CPA generates approximately \$1.48M per year; \$1,223,452 from the 3% surcharge and matching funds from the state; estimated at \$262,314 for FY2027. This year \$15,000 is being requested for clerical expenses, appraisals, consulting, and legal services.*

Community Preservation Committee Recommendation: **Approve 9-0-0**
Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Article 37 - Community Preservation Act – 10% Reserve Fund Appropriations

To see if the Town will vote to appropriate and transfer, pursuant to the provisions of MGL Ch. 44B, §6 to Reserve from the Community Preservation Fund Estimated Revenues the following amounts:

\$ 150,000 for Open Space Purposes
\$ 150,000 for Historic Purposes
\$ 150,000 for Community Housing Purposes

Total Reserves of \$450,000

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town appropriate and transfer, pursuant to the provisions of MGL Ch. 44B, §6 to Reserve from the Community Preservation Fund Estimated Revenues the following amounts:

Open Space	\$150,000
Historic Resources	\$150,000
Community Housing	<u>\$150,000</u>
Total Reserves	\$450,000

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Community Preservation Act requires that each year 10% of estimated revenue be reserved or expended for each of the following categories: Open Space, Community Housing, and Historic Resources. This article fulfills that requirement. In subsequent articles, the motions presented transfer these funds out of these reserves to fund the projects. If one or more of the articles does not receive Town Meeting approval, the funding remains in the reserve accounts per the statutory requirement.*

Community Preservation Committee Recommendation: **Approve 9-0-0**
Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

**Article 38 - Community Preservation Act – Affordable Housing Trust Fund;
Stepping Stones Road**

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Estimated Revenues and Community Housing Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$750,000 for the purpose of funding the Affordable Housing Trust Fund, to subsidize the affordable homeownership units created on Stepping Stones Road, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer, in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$150,000 from Community Preservation Community Housing Reserves and the sum of \$600,000 from Community Preservation Estimated Revenues, for the purpose of funding the Affordable Housing Trust Fund, to subsidize the affordable homeownership units created on Stepping Stones Road, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Affordable Housing Trust Fund (AHTF) was created by Town Meeting in 2006 and is administered by the AHTF trustees. Past CPA funding to the AHTF contributed to the Town's purchase of 558 Crowell Road, 1533 Main Street (the former Buckley property) and land on Meetinghouse Road (former Fall River Diocese property). The need for affordable and attainable housing continues to be significant not only in Chatham, but Cape-wide. One of the two upcoming projects on Town-owned property which will need significant support from the AHTF is the housing development on Stepping Stones Road. This small-scale ownership project will not qualify for state and federal housing subsidies. AHTF will provide the subsidies for the affordable homeownership units created.*

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 9-0-0

Article 39 - Community Preservation Act – Assistance Resource Center

To see if the Town will vote to appropriate and transfer from Community Preservation Fund Estimated Revenues in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$100,000,

for the purpose of funding a new Assistance Resource Center (ARC) providing shelter and services for homeless individuals, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from Community Preservation Fund Estimated Revenues, the sum of \$100,000, for the purpose of funding a new Assistance Resource Center providing shelter and services for homeless people, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *In partnership with Catholic Charities of the Diocese of Fall River, the Housing Assistance Corporation is seeking \$100,000 from the Chatham Community Preservation Fund that will go to support the new Assistance Resource Center which will serve as the region’s emergency shelter for homeless individuals on Cape Cod and the Islands. Located at 460 West Main Street in Hyannis, the ARC will offer a single point of entry for the region’s most vulnerable, connecting them to the medical and behavioral health services, social services, case management, a structured day program, and referral services needed to move them into safe, stable housing.*

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 5-2-0

Article 40 - Community Preservation Act – Lower Cape Housing Institute

To see if the Town will vote to appropriate and transfer from Community Preservation Fund Estimated Revenues in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$20,000, for the purpose of funding the Lower Cape Housing Institute, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Estimated Revenues, the sum of \$20,000, for the purpose of funding the Lower Cape Housing Institute, including necessary costs and

expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *This article seeks two years of funding for The Lower Cape Housing Institute, which provides training and technical assistance to help the Town of Chatham create, preserve and support community housing in the Town and across the Lower and Outer Cape region. The Lower Cape Housing Institute is a component of the Lower Cape Housing Partnership and helps develop a comprehensive response to insufficient affordable and attainable housing in Chatham and throughout the Lower and Outer Cape. The Town of Chatham Community Preservation Fund helped support this program in FY2025.*

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 9-0-0

Article 41 - Community Preservation Act – 0 Meetinghouse Road Affordable Housing

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Undesignated Fund Balance and Community Preservation Fund Estimated Revenues in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$100,001, for the purpose of funding the 0 Meetinghouse Road Affordable Housing Development, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.
(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer \$45,000 from the Community Preservation Fund Undesignated Fund Balance and \$55,001 from Community Preservation Fund Estimated Revenues for the purpose of funding the 0 Meetinghouse Road Affordable Housing Development, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *Applicant Pennrose, LLC (the developer) was selected via a competitive RFP process as the designated developer for the Town-owned site known as 0 Meetinghouse Road in Chatham, MA. The RFP was issued by the Town of*

Chatham with the stated goal of creating affordable and workforce housing on a currently undeveloped municipal parcel.

In accordance with the Town’s RFP, the proposed development offers 42 affordable and workforce rental units. The project will include the new construction of eight two- and three-story village-style town homes, along with a community building attached to one of the western residential structures.

The majority of the costs to develop and construct O Meetinghouse Road will be financed through Federal and State Low-Income Housing Tax Credits, EOHLIC subordinate funding, and permanent debt. To supplement these competitive funding sources and to help document strong local and regional support, Pennrose has applied for Community Preservation Act (CPA) funding from Chatham and several nearby Cape Cod communities.

Pennrose’s proposal, accepted by the Town of Chatham, states that “Assistance from the Town” will include requesting “\$200,000 of CPC Funds”. The Community Preservation Committee believes funding a portion of their request will help Pennrose demonstrate to the State and to neighboring Towns that the Town of Chatham supports their efforts to develop affordable housing in the Town of Chatham.

Community Preservation Committee Recommendation:	Approve 6-1-2
Select Board Recommendation:	Approve 2-3-0
Finance Committee Recommendation:	Approve 3-3-0

Article 42 - Community Preservation Act – 1533 Main Street Affordable Housing

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Undesignated Fund Balance in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$400,000, for the funding of the 1533 Main Street Affordable Housing Development, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Undesignated Fund Balance, the sum of \$400,000, for the purpose of funding of the 1533 Main Street Affordable Housing Development,

including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *Applicant Pennrose, LLC (the developer) was selected via competitive RFP process as the designated developer for the Town-owned site known as 1533 Main Street in Chatham, MA. The RFP was issued by the Town of Chatham, with the stated aim of creating affordable housing on the relatively undeveloped site.*

In line with the RFP issued by the Town of Chatham, the proposed development offers 48 affordable and workforce housing units. The project will feature the new construction of 9 two- and 2.5-story village style townhomes with a one-story community building overlooking Main Street. In addition to the community building, the residential units will be situated around a central green space, with several outdoor amenities, such as playgrounds, gardening spaces, and lounge areas for resident use.

The majority of the costs to develop and construct 1533 Main Street will be financed through Federal and State Low-Income Housing Tax Credits, EOHLC subordinate funding, and permanent debt. To supplement these highly competitive state and federal resources and to help document strong local and regional support, Pennrose has applied for Community Preservation Act (CPA) funding from Chatham and several nearby Cape communities.

Pennrose’s proposal, accepted by the Town of Chatham, states that “Assistance from the Town” will include requesting “\$500,000 of CPC Funds”. The Community Preservation Committee believes funding a significant portion of their request will help Pennrose demonstrate to the State and to neighboring Towns that the Town of Chatham supports their efforts to develop affordable housing in the Town of Chatham.

Community Preservation Committee Recommendation:	Approve 8-1-0
Select Board Recommendation:	Approve 2-3-0
Finance Committee Recommendation:	Approve 3-3-0

Explanations are for informational purposes only.

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**Article 43 - Community Preservation Act – Exterior Restoration
of Historic Harbormaster Building**

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Historic Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$100,000, for the purpose of funding the Exterior Restoration of the Chatham Historic Harbormaster Building, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Historic Reserves, the sum of \$100,000, for the purpose of funding the Exterior Restoration of Chatham Historic Harbormaster Building, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Town of Chatham, through its Department of Natural Resources is seeking Community Preservation Act (CPA) funding to restore and preserve the Chatham Harbormaster Building at 613 Stage Harbor Road.*

The building's deck has deteriorated over time due to marine exposure and is currently shored for safety. The existing exterior stairs (believed to have been reconstructed in the 1980s) do not meet current building code and are not consistent with the structure's historic character. The primary objective of this project is to develop a comprehensive historic preservation plan for the building and to reconstruct the deck and stairs in a manner that ensures long-term safety, structural integrity, and historic accuracy.

Community Preservation Committee Recommendation: Approve 9-0-0
Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 9-0-0

**Article 44 - Community Preservation Act – Marconi Lattice Towers Preservation, Restoration
& Structural Repairs**

To see if the Town will vote to appropriate and transfer from Community Preservation Fund Undesignated Fund Balance and Community Preservation Fund Historic Reserves in accordance

with the provisions of MGL Ch. 44B, §5, the sum of \$200,000, for the purpose of funding the Marconi Lattice Towers Preservation, Restoration & Structural Repairs, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer the sum of \$177,000 from Community Preservation Fund Undesignated Fund Balance and the sum of \$23,000 from Community Preservation Fund Historic Reserves, for the purpose of funding the Marconi Lattice Towers Preservation, Restoration & Structural Repairs, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Town of Chatham seeks to follow up on the previous funding allocated in Article 49 at the 2023 Annual Town Meeting where work on only one tower could be accommodated within the allocation due to high costs after two rounds of bids and a limited number of vendors. This funding would allow structural rehabilitation and restoration of a second steel lattice style tower located within the Marconi RCA National Register District.*

Community Preservation Committee Recommendation: **Approve 8-0-1**

Select Board Recommendation: **Approve 0-5-0**

Finance Committee Recommendation: **Approve 5-0-0**

Article 45 - Community Preservation Act – People's Cemetery Restoration

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Undesignated Fund Balance in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$100,399, for the funding of the People’s Cemetery Restoration, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Undesignated Fund Balance, the sum of \$100,399, for the funding of the People’s Cemetery Restoration, including necessary costs and

expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Chatham Cemetery Commission and Department of Public Works Cemetery division have identified 741 gravestones in need of professional cleaning and over 60 monuments and family lots in need of reconstruction/restoration at People’s Cemetery. People’s Cemetery is one of the community’s oldest and most culturally significant cemeteries. The restoration plan encompasses the oldest portion of the cemetery, extending from Avenue M to Avenue F, and includes both cleaning and repair of deteriorated historic stones.*

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 9-0-0

Article 46 - Community Preservation Act – Mack Monument Restoration

To see if the Town will vote to appropriate and transfer from Community Preservation Fund Open Space Reserves and Community Preservation Fund Historic Reserves, the sum of \$98,860, in accordance with the provisions of MGL Ch. 44B, §5, for the funding of Mack Monument Restoration, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer the sum of \$71,860 from the Community Preservation Fund Open Space Reserves and the sum of \$27,000 from Community Preservation Fund Historic Reserves, for the purpose of funding Mack Monument Restoration, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Town of Chatham, through its Cemetery Commission, seeks Community Preservation Act (CPA) funding for the restoration and site improvement of the Mack Monument, located at 63 Main Street, Chatham, near Lighthouse Beach and the Chatham Lighthouse.*

The Mack Monument honors local maritime history and stands as a civic landmark viewed daily by residents and visitors alike. Over the years, the surrounding walkways and landscape have deteriorated, creating safety concerns and diminishing the monument's appearance.

This project will replace failing concrete walkways with Blue Mist Granite, install new granite posts and chain fencing, regrade and seed the surrounding grounds, and professionally clean the monument. The restoration will preserve the monument's integrity, enhance safety and accessibility, ensuring that this important public landmark continues to represent Chatham's maritime heritage with dignity.

Community Preservation Committee Recommendation: **Approve 9-0-0**
Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Article 47 - Community Preservation Act – Chatham Beach Signs

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$17,000, for the funding of new Chatham Beach Signs, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves, the sum of \$17,000, for the purpose of funding new Chatham Beach Signs, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Town of Chatham, through its Parks & Recreation Commission, seeks Community Preservation Act (CPA) funding for new updated beach signs. Recognizing the importance of these treasured spaces, the Parks & Recreation Commission has made it a priority over the past several years to create more welcoming and visually appealing entrances to our Town beaches.*

Currently, the beach signs are constructed of plywood and primarily serve as a space to post important information for visitors. While these signs are functional

and necessary, the Commission would like to enhance their appearance to better reflect the charm and character of Chatham.

To achieve this, the proposed project will replace the existing plywood signs with new PVC signs that are durable and weather resistant that require minimal maintenance and provide long-lasting quality. Each sign will feature a cohesive design and include the name of the beach, creating a consistent and inviting look across all Town beaches.

Community Preservation Committee Recommendation: **Approve 9-0-0**
Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Article 48 - Community Preservation Act – Frost Fish Creek Restoration & Revitalization

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$100,000, for the funding of the Chatham Conservation Foundation’s Frost Fish Creek Restoration & Revitalization project, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves, the sum of \$100,000, for the purpose of funding the Chatham Conservation Foundation’s Frost Fish Creek Restoration & Revitalization project, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Frost Fish Creek Restoration & Revitalization is a work in progress, originally started by Chatham Conservation Foundation in 2019 as a study to prepare for salt marsh migration in the face of rising sea level. More recently, the State plans to enlarge the inlet under Route 28 and enhance tidal exchange, thus returning the full 55 acres of the preserve to an estuarine wetland. The Frost Fish Creek project will provide essential information needed to maintain the health of the wetlands and to restore the trails, including the assessment of impacts to structures that must be addressed through permitting.*

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 9-0-0

Article 49 - Community Preservation Act – Mill Pond Overlook Accessibility Trail

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$125,000, for the funding of the Chatham Conservation Foundation’s Mill Pond Overlook Accessibility Trail, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves, the sum of \$125,000, for the purpose of funding the Chatham Conservation Foundation’s Mill Pond Overlook Accessibility Trail, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Chatham Conservation Foundation project includes an accessible ADA path to a bench overlooking the Mitchell River, so that visiting the area will be accessible to visitors with mobility issues. The project includes removing invasive species, replacing them with native varieties, and labeling all specimens with interpretive signage. All of these are significant improvements to the area but, more importantly, all are critical aspects of community engagement and education in climate change resilience.*

The proposed plan will include creating 2 parking spots off Stage Harbor Road which will lead visitors straight onto the new trail. This will require hiring contractors to remove the extensive overgrowth of invasive species, revegetating the open space with native species and working with another contractor to install the walkway to meet ADA specifications.

Community Preservation Committee Recommendation:	Approve 9-0-0
Select Board Recommendation:	Approve 5-0-0
Finance Committee Recommendation:	Approve 6-0-0

Article 50 - Community Preservation Act – Restore the Legacy of Kate Gould Park

To see if the Town will vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves in accordance with the provisions of MGL Ch. 44B, §5, the sum of \$25,000, for the funding the Restore the Legacy of Kate Gould Park project, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

(Community Preservation Committee)

Motion: By Gary Toenniessen, Chair, Community Preservation Committee
I move that the Town vote to appropriate and transfer from the Community Preservation Fund Open Space Reserves, the sum of \$25,000 for the purpose of funding the Restore the Legacy of Kate Gould Park project, including necessary costs and expenses related thereto, as recommended by the Community Preservation Committee.

Speaker: Gary Toenniessen, Chair, Community Preservation Committee

Explanation: *The Chamber of Commerce is seeking funds for Phase 1 of a multi-stakeholder project designed to Restore the Legacy of Kate Gould Park, which focuses on public engagement, education, and collaborative planning to ensure that the restoration of this historic downtown landmark reflects the values, history, and vision of the Chatham community.*

Community Preservation Committee Recommendation: Approve 8-0-1

Select Board Recommendation: Approve 5-0-0

Finance Committee Recommendation: Approve 2-4-0

Article 51 – Protective (Zoning) Bylaw Amendment
Accessory Dwelling Unit (ADU)

~~Strikethrough~~ indicated language proposed for deletion

Underline indicates language proposed for inclusion

Bold Italicized Words are defined in the existing Bylaw

To see if the Town will vote to amend the Town of Chatham Protective Bylaw with respect to Accessory Dwelling Units, as follows:

By replacing the definition of “Dwelling Unit, Accessory (ADU)” in Section II of the Zoning Bylaws with the following:

“Dwelling Unit, Accessory (ADU)” is an attached or detached Dwelling Unit that is accessory to a principal Dwelling and is otherwise defined in accordance with the provisions of G.L. c. 40A, §1A and 760 CMR 71.00 et seq, as may be amended and as further defined in Section VII.B.19.

And by replacing Section VII.B.19 of the Zoning Bylaws with the following Accessory Dwelling Units bylaw, as follows:

19. Accessory Dwelling Unit (ADU)

A. Purpose.

1. Broaden the range of housing opportunities for households of all incomes, ages and sizes in order to support a strong, stable and diverse year-round community, a viable healthy local workforce and to prevent the displacement of Chatham residents.
2. Promote a more economic and energy efficient use of the Town’s housing supply while maintaining the character of the Town’s existing neighborhoods.
3. Encourage greater diversity of population, including young adult citizens and to allow for “aging in place” for the Town’s senior citizens.

B. Definitions

Accessory Dwelling Unit (ADU): A self-contained housing unit, inclusive of sleeping, cooking, and sanitary facilities on the same Lot as a Principal Dwelling, subject to otherwise applicable dimensional and parking requirements, that maintains a separate entrance, either directly from the outside or through an entry hall or corridor shared with the Principal Dwelling sufficient to meet the requirements of the Building and Fire Code for safe egress. ADUs may be detached, attached, or internal to the Principal Dwelling.

Dwelling Unit: One (1) or more rooms designed to be used as separate living quarters, with cooking, sleeping and sanitary for one (1) family.

EOHLC: The Executive Office of Housing and Livable Communities.

Gross Floor Area (GFA): The sum of the areas of all stories of the building of compliant ceiling height pursuant to the Building Code, including basements, lofts, and intermediate floored tiers, measured from the interior faces of exterior walls or from the centerline of walls separating building or dwelling units but excluding crawl spaces, garage parking areas, attics, enclosed porches, and similar spaces. Where

there are multiple Principal Dwellings on the Lot, the GFA of the largest Principal Dwelling shall be used for determining the maximum size of a Protected Use ADU.

Pre-Existing Nonconforming Structure: A structure that does not conform to, and was built prior to, the current dimensional requirements of this Protective Bylaw.

Principal Dwelling: A structure, regardless of whether it, or the Lot it is situated on, conforms to zoning, including use requirements and dimensional requirements, such as setbacks, bulk, and height, that contains at least one (1) Dwelling Unit and is, or will be, located on the same Lot as a Protected Use ADU.

Protected Use ADU: An attached, detached or internal ADU that is located, or is proposed to be located, on a Lot in a Single-Family Residential Zoning District and is not larger in Gross Floor Area than ½ the Gross Floor Areas of the Principal Dwelling or 900 square feet, whichever is smaller, provided that only one ADU on a Lot may qualify as a Protected Use ADU.

Short-Term Rental: An owner-occupied, tenant-occupied, or non-owner occupied property as defined in MGL c. 64G § 1, including, but not limited to, an apartment, house, cottage, condominium or a furnished accommodations that is not a hotel, motel, lodging house or bed and breakfast establishment, where: (i) at least one room or unit is rented to an occupant or sub-occupant for a period of 31 consecutive days or less; and (ii) all accommodations are reserved in advance; provided, however, that a private owner-occupied property shall be considered a single unit if leased or rented as such.

Single-Family Residential Dwelling Unit: A structure on a Lot containing not more than one Dwelling Unit.

Single-Family Residential Zoning District: Any zoning district where Single-Family Residential Dwellings are a permitted or an allowable use, including any zoning district where Single-Family Residential Dwellings are allowed as-of-right, or by Special Permit.

Transit Station: A Subway Station, Commuter Rail Station, Ferry Terminal, or Bus Station.

Bus Station includes any location serving as a point of embarkation for any bus operated by a transit authority.

C. Use Schedule.

1. ADUs are allowed as a matter of right in the R60, R40, R40A, R30, R20, R20A, SB and GB Zoning Districts, subject to the requirements of this Section. ADUs are prohibited in all other districts.
2. Only one ADU is allowed as a matter of right on any lot.
3. ADUs may not be used as Short-Term Rentals. In order to address the Town's need for year-round housing, an ADU shall be actively rented and/or leased on a year-round basis until such time as the ADU no longer meets the definition of "Accessory Dwelling Unit" as defined by Section II of this Protective Bylaw. A one-year waiver may be granted for ADUs that are unable to be rented due to the need for repairs or unforeseen circumstances.
4. The Board of Health must have documented to the Building Commissioner that either a sewer connection is available or sewage disposal will be satisfactorily provided for in accordance with the provisions of Title 5 and local Board of Health regulations, including provisions for an appropriate reserve are on the site. The principal dwelling unit and ADU shall meet all wastewater requirements for the combined number of bedrooms/ wastewater flow on the lot.
5. An ADU does not require a minimum acreage of buildable upland.
6. ADUs shall remain in common or single ownership with the principal Dwelling Unit.

D. Dimensional Requirements.

1. An ADU may be no larger in gross floor area than one half of the gross floor area of the principal Dwelling Unit on the property or 900 square feet, whichever is less.
2. ADUs shall comply with the applicable district's most permissive applicable setback, height, building coverage and lot coverage requirements, as may be applicable to dwellings, as contained in the dimensional requirements of this Zoning Bylaw and the tables attached thereto.
 - a. The Zoning Board of Appeals may waive setback and coverage requirements by Special Permit, provided however that the setback shall not be less than 10 feet unless already allowed by Zoning District.

3. Conversions of existing non-residential accessory structures to ADUs are permitted provided that either: (1) the existing accessory structure complies with the above-described dimensional requirements; or (2) a conversion of an existing pre-existing nonconforming accessory structure is not externally enlarged or expanded unless enlargement or expansion receives a finding from the Zoning Board of Appeals that the converted structure shall not be substantially more detrimental than the existing nonconforming structure to the neighborhood.

E. Parking.

1. At least one (1) off-street parking space must be provided for all ADUs. No parking space shall be required if the subject property is located within one half mile of a Transit Station as such term is defined under 760 CMR 71.02.
2. Parking may be in a driveway or a garage, but the parking space may not be a tandem space with a parking space for the primary dwelling.
3. The construction of a new garage to serve an ADU shall require a Special Permit from the Zoning Board of Appeals.

F. Relationship to non-conformities. If an attached ADU is proposed for a pre-existing, non-conforming single-family primary residence, a finding shall be required from the Zoning Board of Appeals that the structure shall not be substantially more detrimental than the existing nonconforming structure to the neighborhood, provided that no finding may consider the ADU use or impose conditions on such use.

And to amend the table of use regulations, attached to the Zoning Bylaws so as to conform to the foregoing amendments, with deleted text shown in ~~strikethrough~~.

[Accessory Dwelling Unit](#)

R60	*R40 R40A	R30	R20	R20A	SB	GB	I	M/ C***	M
P⁷ P	P⁷ P	P⁷ P	P⁷ P	P⁷ P	P⁷ P	P⁷⁻⁸ P ⁷	X	X	X

⁷ ~~In certain cases, a Special Permit is required pursuant to Section VII.B.19 of the Protective Bylaw. (5/13/19-ATM)~~

⁷ Allowed for legally pre-existing nonconforming and special permitted single family dwellings in the GB zones. (5/13/19 ATM)

Or take any other action in relation thereto.

(Zoning Board of Appeals)

Motion: By Arthur Spruch, Chair, Planning Board
I move that the Town vote to amend its existing Protective (Zoning) Bylaw as printed in Article 51 of the Town Meeting warrant.

Speaker: Arthur Spruch, Chair, Planning Board

Explanation: *The warrant article would replace Section VII.B.19 of the Town of Chatham Protective Bylaw (Zoning) with a new Accessory Dwelling Unit bylaw in order to ensure compliance with the requirements of State Regulation 760 CMR 71:00 while meeting the needs of the Town of Chatham. For the purpose of:*

- 1. Broadening the range of housing opportunities for households of all incomes, ages and sizes in order to support a strong, stable and diverse year-round community, a viable healthy local workforce and to prevent the displacement of Chatham residents.*
- 2. Promoting a more economic and energy efficient use of the Town’s housing supply while maintaining the character of the Town’s existing neighborhoods.*
- 3. Encouraging greater diversity of population, including young adult citizens and to allow for “aging in place” for the Town’s senior citizens.*

Planning Board Recommendation: Approve 6-0-0
Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 9-0-0

Article 52 – Grant of Easement for Utility Service – 128 Training Field Road

To see if the Town will vote to authorize the Select Board to grant the right and easements for the installation and erection of Gas Facilities with the gas pipe being the centerline of said easement on a certain parcel of land (the “Premises” as more particularly described in the Deed filed in the Barnstable County Registry of Deeds in Book 2620, Page 130) owned by the Town and located at 128 Training Field Road, Chatham, Massachusetts which is approximately shown on a sketch labeled Parcel A recorded with the Barnstable Registry in Plan Book 317, Plan No. 97, and

to authorize the Select Board to do all things necessary to carry out the provisions of this Article, or take any other action relative thereto.

(Select Board)

Motion: By Jeffrey S. Dykens, Vice Chair, Select Board
I move that the Town vote to authorize the Select Board to grant the right and easements for the installation and erection of Gas Facilities with the gas pipe being the centerline of said easement area located on the Premises (the “Premises” as more particularly described in the Deed filed in the Barnstable County Registry of Deeds in Book 2620, Page 130) owned by the Town and located at 128 Training Field Road, Chatham, Massachusetts which is approximately shown on a sketch labeled Parcel A recorded with the Barnstable Registry in Plan Book 317, Plan No. 97, and to authorize the Select Board to do all things necessary to carry out the provisions of this Article.

Speaker: Rob Faley, Director, Department of Public Works

Explanation: *The Select Board has the authority to grant a revocable license (approved 10/28/2025) for utilities to install, construct, reconstruct, alter, extend, operate, inspect, maintain, repair, replace and remove equipment until such time as an easement is granted upon authorization by Town Meeting. This article, if approved, will authorize the Select Board to transfer an easement interest in the subject property to Boston Gas Company for the stated utility purposes, to provide gas service to the new Town Water Treatment Plant on Training Field Road (Wells 5 & 8).*

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 7-0-0**
Two-Thirds Majority Vote Required

Article 53 – Accept Massachusetts General Law Ch. 59 – Assessment of Local Taxes §5 - Property; Exemptions, Clause 22G – BRAVE Act

To see if the town will vote to accept the provisions of General Laws Chapter 59 § 5, Clause 22 G, which allows a veteran to qualify for the exemption granted under Chapter 59 § 5 if the property is transferred into a trust and the taxpayer is not the trustee for any fiscal year beginning on or after July 1, 2026; or take any other action in relation thereto.

(Select Board)

Motion: By Stuart F. X. Smith, Clerk, Select Board

I move that the Town accept the provisions of General Laws Chapter 59 – Assessment of Local Taxes, § 5 Property: Exemptions, Clause 22 G.

Speaker: Candace Cook, Assessing Director

Explanation: *Adopting this local option would allow qualified individuals whose legal domicile is owned by a trust, of which they are a trustee or beneficiary, to be able to apply for any exemptions specific to disabled veterans as listed in section 5. Typically, properties held in trust are not eligible for these exemptions.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 54 - Accept Massachusetts General Law Ch. 59 Assessment of Local Taxes
Section 5 Property; Exemptions Clause 22I – HERO Act

To see if the town will vote to accept the provisions of Massachusetts General Laws Chapter 59, Section 5 Property, Clause 22I; or take any other action in relation thereto.

(Select Board)

Motion: By Shareen Davis, Select Board

I move that the Town accept the provisions of Massachusetts General Laws Chapter 59, Section 5, Clause 22I.

Speaker: Candace Cook, Assessing Director

Explanation: *Acceptance of this local option would allow the Town to automatically adjust annual property tax exemptions for eligible veterans and their surviving spouses for whom Chatham is their legal domicile based on the cost-of-living index. Veterans who currently receive exemptions would see modest annual increases in pace with inflation. This increase is the result of the passage of the HERO Act (An Act Honoring, Empowering, and Recognizing our Servicemembers and Veterans) in 2024 by the Massachusetts legislature. The financial impact to the Town is minimal, while offering meaningful support to approximately 63 qualified veterans.*

Select Board Recommendation: **Approve 5-0-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 55 – Accept Massachusetts General Law Ch. 59 Assessment of Local Taxes
Section 5 Property Exemptions – Clause 22J – HERO Act

To see if the Town will vote to accept the provisions of Massachusetts General Laws Chapter 59, Section 5, Clause 22J; or take any other action in relation thereto.

(Select Board)

Motion: By Cory J. Metters, Select Board
I move that Town accept the provisions of Massachusetts General Laws Chapter 59 - Assessment of Local Taxes, Section 5 Property; Exemptions, Clause 22J.

Speaker: Candace Cook, Assessing Director

Explanation: *Acceptance of this local option will allow a taxpayer who qualifies for an exemption as a disabled veteran, and their surviving spouses, for whom Chatham is their legal domicile a 100% increase in their exemption amount. This increase is possible through the passage of the HERO Act (An Act Honoring, Empowering, and Recognizing our Servicemembers and Veterans) in 2024 by the Massachusetts legislature. Chatham currently has 63 qualified veterans that would benefit from acceptance of Clause 22J.*

Select Board Recommendation: **Approve 5-0-0**
Finance Committee Recommendation: **Approve 9-0-0**

Article 56 – Delay of Residential Tax Exemption Implementation

To see if the Town will vote to request the Select Board delay implementation of the Residential Tax Exemption for at least one year. The purpose is to allow more time for the Town government and residents to learn more about the financial and legal costs and opportunities involved with adopting the Residential Tax Exemption and to evaluate whether there are more targeted means of providing tax relief to full-time resident taxpayers in need, or take any other action in relation thereto.

(Finance Committee)

Motion: By Stephen Daniel, Chair, Finance Committee
I move that the Town vote to request the Select Board delay implementation of the Residential Tax Exemption for at least one year. The purpose is to allow more time for the Town government and residents to learn more about the financial and legal costs and opportunities involved with adopting the Residential Tax

Exemption and to evaluate whether there are more targeted means of providing tax relief to full-time resident taxpayers in need.

Speaker: Stephen Daniel, Chair, Finance Committee

Explanation: *This Article, submitted at the unanimous request of the Finance Committee, seeks to address the widespread concerns expressed by both year-round and seasonal residents regarding the adoption of the Residential Tax Exemption (the “RTE”) under existing M.G.L. Ch. 59, s.5C. It seems increasingly clear that the full impacts of the RTE were not fully evaluated prior to the vote to impose it at the September 2025 tax classification hearing.*

The not-fully-considered impacts include, but are not limited to (i) the impact of the RTE on the Town’s Overlay Surplus fund, (ii) the inability of homes owned by full-time residents through limited liability companies to qualify for the RTE thus increasing the property tax on these homes, regardless of residency, (iii) the impact on the roughly 1500 homes in town owned by Trusts (some of which that will not qualify for the RTE if the full-time resident, trustee and beneficiary of the trust are not the same individual) thus increasing the property tax on these homes, (iv) the cost imposed on full-time residents needing to change the legal structure of their home ownership in order to qualify for the RTE, (v) the potential for an increase in rental rates as homeowners seek to recover increased costs as a result of the increase in the property tax due to the RTE and (vi) the potential for reduced charitable contributions to local not-for-profits as those adversely affected by the RTE reduce their contributions in order to pay for the higher property taxes.

Additionally, the Select Board has never publicly asserted what parties in Town, specifically, they are seeking to assist with the implementation of the RTE. To seek to drastically change the application of the Town tax code without identifying a specific and targeted goal for such action does not represent the ideal means of making policy.

This article is non-binding.

Select Board Recommendation: **Approve 2-3-0**

Finance Committee Recommendation: **Approve 9-0-0**

Article 57 – Citizen Petition - New General Bylaw – Requiring the Presentation of a Regulatory Analysis Prior to Voting on any Implementation of Massachusetts General Law Local Options

To see if the town will amend its bylaws by adding a bylaw that reads:

“Prior to voting on the implementation of any Massachusetts General Law that is at the discretion of the Select Board (eg. MGL Chapter 59 Section 5C) the board shall prepare and present in full at a public meeting a regulatory analysis including the following three basic elements: (1) a statement of the need for the proposed action, and quantitative data on the groups impacted (2) an examination of alternative approaches considered, and (3) an evaluation of the pros, cons, benefits and costs—quantitative and qualitative—of the proposed action and the main alternatives identified by the analysis for each group impacted. The analysis will include an assessment and recommendation by the Finance committee and shall be presented at a separate prior meeting to the holding of a vote on the implementation.

Or take any other action in relation thereto.

Motion: By Christopher Paul Richard Wray, Petitioner
I move that the Town vote to amend its Bylaws as set forth in this Article 57.

Speaker: Christopher Paul Richard Wray, Petitioner

Explanation by the Petitioner:

Massachusetts General Law (MGL) contains many options which may be implemented by the Select Board at their discretion. Currently there is no requirement for any kind of analysis whatsoever to explain to the townspeople the Select Board’s motivation for moving such an option, still less an analysis of costs and benefits, and options considered and rejected. This bylaw addition will ensure that a transparent regulatory analysis and justification has been provided, considered by the Finance Committee, and presented in public meeting before any vote.

Select Board Recommendation: Approve 0-5-0
Finance Committee Recommendation: Approve 7-2-0

Article 58 – Citizen Petition – Reduce Tax-Deferred Interest Rate

Motion: By Seth Taylor, Petitioner
Pursuant to MGL Chapter 59, Section 5, Clause 41A, Paragraph 3, Item (1): I move that the Town of Chatham shall adopt and assess an annual interest rate of

five-tenths of one percent (0.5%), against the outstanding tax-deferred account balances held by the town, and that officials of the town who are authorized to effect the terms of this Article shall do so, and that they shall take such action relative thereto, as may be necessary, or otherwise required by law.

Explanation by the Petitioner:

The local option authority for setting the interest rate for Tax Deferred Accounts, effective July 1, 2016, states: “(1) that no sale or transfer of such real property may be consummated unless the taxes which would otherwise have been assessed on such portion of the real property as is so exempt have been paid, with interest at the rate of eight per cent per annum or such lesser rate as may be determined by the legislative body of the city or town, subject to its charter, no later than the beginning of the fiscal year to which the tax relates;”

Article 58, the companion Article to Article 59, seeks Town Meeting approval to reduce the amount of interest that the town applies annually against its Tax-Deferred accounts, which are available to low-income seniors. The wording of the law that grants Chatham the authority to reduce the interest rate charged against Tax-Deferred accounts is found immediately under the Motion for Article 58, as printed in the Warrant. It should be noted that Tax-Deferred accounts, just like Tax-Title accounts, create an unpaid liability that specifically applies to low-income senior citizens. The law allows a town, by vote of Town Meeting, to set the interest rate to any number (less than 8%). Petition Article 58 asks Town Meeting to reduce the interest rate for Tax-Deferred accounts to 0.5%. If approved by voters, the reduced rate will be applied against the outstanding tax-debt of our qualifying low-income seniors. The requested accommodation reduces the interest rate growth on tax-payer’s unpaid balances held in Tax-Deferred accounts significantly, making it reasonable and affordable for them to enter a repayment plan with the town, should they so choose.

When taken in combination, Citizen Petition Articles, (58 & 59) act to redress the “wrong” an onerous 16% interest-rate had on low-income taxpayers, which literally forced folks from their homes. The financial demands that such an unprincipled rate of interest historically caused low-income taxpayers--forcing them to leave their homes or shovel any equity they held into the ocean--hurt untold numbers and continues to hurt our most vulnerable citizens today. The Special Act serves as both a stand-alone benefit and for the multiplier-effect it will have on qualifying low-income seniors under the provisions for Tax-Deferred accounts with the proposed reduced rate of interest. Taken together, passing Petition

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

Articles 58 & 59 will show the town’s dedication to supporting our low-income residents, allowing them to remain in what was once “affordable housing.”

Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 0-7-0

Article 59 – Citizen Petition – Home Rule Petition to Combine Tax-Title and Tax-Deferred Accounts to One Account and Charge Tax-Deferred Interest Rate Only

Motion: By Seth Taylor, Petitioner
I move that the Town of Chatham shall petition the Commonwealth of Massachusetts for a Special Act of the Legislature, which upon approval through the legislature process will:

Grant the Town of Chatham authority to consolidate Tax-Title Accounts into Tax-Deferred Accounts, where both accounts exist in force against the same parcel of residential property. Such consolidation shall only be granted to the taxpayer(s) of record for the property under consideration, provided that at least one resident is 65 years of age or disabled, the household income for all residents therein is not more than fifty-thousand dollars (from all sources), and the taxpayer liable for payment of the accounts has maintained the property as their primary residence for a minimum of five (5) years.

Upon consolidation of accounts, the amount of all tax and interest due the town, which was previously subject to the Tax-Title rules promulgated under Chapter 60, Massachusetts General Law (MGL), shall be subject only to the conditions and requirements provided by Chapter 59, MGL, as modified by local option, or otherwise as may occur from time to time.

Officials of the town who are authorized to carry-out the provisions of this Article, shall do so, and they shall take such other action as may be necessary or required by law to accomplish its terms.

Explanation by the Petitioner:

Article 59 requests that the voters agree to send the Massachusetts Legislature a request to advance and approve a Special Act. This Special Act would allow Chatham to roll Tax-Title accounts into Tax-Deferred accounts for any senior tax payer with outstanding tax debt, including accrued interest, in both a Tax-Title account and a Tax-Deferred account, provided they are held against the same piece of residential property.

Support:

Prior to November 2024, statutory language in Title 60 of the General Laws of the Commonwealth required towns to put a delinquent taxpayer into “Tax-Title,” causing a tax lien to be placed against the property for which taxes were owed. The law also required that the unpaid balance held in Tax-Title would be assessed an interest rate of 16% per annum (compounding daily). The law further required that any sum paid to the town by a taxpayer against which Tax-Title was held would first be applied against interest before crediting the outstanding principal owed.

By complying with the tax-law, as explained above, towns were effectively forcing low-income taxpayers to make one of three untenable choices: 1) they could sell their homes and move, taking whatever equity they might salvage in a forced-sale, 2) stop paying taxes altogether and watch whatever equity they held slip away until the town foreclosed, or 3) enter into a tax-payment-plan with the Town Treasurer, which, although unlikely to retire their debt, likely meant the town wouldn’t foreclose on their property and throw them in the street. Most folks facing these choices would almost certainly choose to leave their homes with whatever a “forced sale” would bring them before their next year’s tax bill took another bite out of equity. We will never know how many of our low-income resident citizens were chased out of town by the Commonwealth’s enforced usury rules. Some, for whom the concept of “home” is more important than anything else, have stayed, living a reduced quality of life while trying to catch-up to an ever-increasing debt. We can provide a current example of what happens if you try to stay in your family home:

A low-income, senior citizen, resident home-owner got behind during a difficult year in the early 2000’s. That individual, desirous of remaining in their family home, entered into a payment plan with the Tax Collector as soon as they could, beginning by paying the annual tax amount and an extra \$50, in monthly instalments. Seeing that wasn’t improving things, the tax-payer increased their monthly payments to \$600 a month and leveraged the tax-work-off program to apply another \$500 against their debt. With an annual income of \$15,000, and an annual tax liability of approximately \$2,500 the tax-payer not only couldn’t catch-up, they saw their liability to the town grow to more than \$50,000 because of the interest rate and the repayment of debt rules. With the tax-payer’s equity fast eroding, real-estate interests were soon in touch, offering a “golden handshake”. Only the tax-payer’s commitment to prior generations and a need to honor their memory could provide such a visceral demand to

Explanations are for informational purposes only.

The inclusion of such items cannot be construed as a conclusion as to the binding effect or legality of the same.

The passage of this article would treat public and private irrigation wells consistently in times of declared water supply conservation or emergencies. All of Chatham’s water, whether public or private, is drawn from the same lens as our sole-source aquifer.

Select Board Recommendation: **Approve 3-0-0**
Finance Committee Recommendation: **Approve 5-2-0**

Article 61 – Citizen Petition – Acceptance of Local Option (MGL Ch 59, Sec 5 O) For Affordable Housing Tax Exemption for Year-Round Rental Properties

To see if the Town will vote to accept the provisions of MGL Ch. 59, Section 5 O, and authorize the Select Board to establish a tax exemption for qualifying real property that provides affordable housing units, as provided in said section, effective starting in fiscal year 2027. And further, that the Select Board shall have the authority to establish the qualifying criteria for such exemption, consistent with the requirements of MGL Ch 59, Sec 5 O, including, but not limited to, the determination of affordable housing rates, household income limits (not to exceed 200% of the area median income), and the exemption amount. And further, that the Assessors' Office be authorized to administer the exemption in accordance with said section and any guidelines or regulations established by the Select Board and the Massachusetts Department of Revenue, or to take any other action relative thereto.

Motion: By Brian Phillips, Petitioner

Speaker: Brian Phillips, Petitioner

Explanation by Petitioner:

The passage of this article would adopt a local-option provision of Massachusetts General Law that authorizes municipalities to institute an affordable housing tax exemption. This tax exemption, made available by legislation passed in October 2023, allows a municipality to provide a tax exemption to residential property owners who rent their units to income qualifying persons at affordable rates on a year-round, annual basis. Upon approval by Town Meeting, the Select Board is responsible for setting the following:

- *The maximum amount of the exemption (cannot be in excess of the tax due on the parcel);*
- *The maximum annual occupant household income; (cannot exceed 200% of the Area Median Income);*
- *The affordable housing rate of rent;*
- *Any domiciliary requirements for the property owner; and*

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- *Any other restrictions or regulations consistent with the intent of the law if elects to implement.*

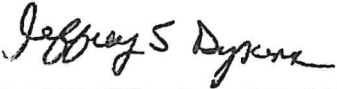
Select Board Recommendation: Approve 5-0-0
Finance Committee Recommendation: Approve 1-6-0

And you are directed to serve this Warrant by posting attested copies thereof at the several Post Offices in said Town, fourteen days at least, before the time of holding said meeting. Hereof fail not and make due return of the Warrant, with your doings thereon, to the Town Clerk, at the time and place of meeting as aforesaid.

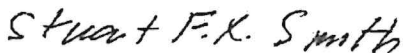
Given under our hands this 24th day of March in the year of our Lord, Two Thousand and Twenty-Six.



Dean P. Nicastro, Chair



Jeffrey Dykens, Vice Chair



Stuart F. X. Smith, Clerk




Shareen Davis, Member



Cory Metters, Member

Select Board

A True Copy, Attest


Julie Smith, Town Clerk

Barnstable, ss.

Pursuant to the written WARRANT, I have notified and warned the inhabitants of the Town of Chatham by posting attested copies of the same in each of the Post Offices of said Town at least fourteen days before May 11, 2026, on March 27, 2026.


Constable

March 27, 2026
Date

APPENDIX A

Budget Overview

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
This is a courtesy document; motions may change and are not intended to restrict any action.

Town of Chatham, Massachusetts
 Budget Overview
 Fiscal 2027

REVENUES

<u>Sources</u>	<u>General</u>	<u>%</u>	<u>Water</u>	<u>%</u>	<u>Total</u>	<u>% of</u>
	<u>Fund</u>		<u>Fund</u>			<u>overall</u>
Property Taxes (net of overlay)	\$ 47,939,114	61.34%	\$ 400,000	5.00%	48,339,114	56.10%
Local Receipts	11,681,202	14.95%			11,681,202	13.56%
Water Revenues	-	0.00%	5,303,016	66.26%	5,303,016	6.15%
Free Cash	4,272,034	5.47%			4,272,034	4.96%
State Aid	342,047	0.44%			342,047	0.40%
Other Available Funds	6,287,746	8.04%	-	0.00%	6,287,746	7.30%
Community Preservation/Land Bank Funds	2,136,200	2.73%			2,136,200	2.48%
Bond Authorization	<u>5,500,000</u>	<u>7.04%</u>	<u>2,300,000</u>	<u>28.74%</u>	<u>7,800,000</u>	<u>9.05%</u>
Total Revenues	<u>\$ 78,158,343</u>	100.00%	<u>\$ 8,003,016</u>	100.00%	<u>86,161,359</u>	100.00%

EXPENDITURES

	<u>General</u>	<u>%</u>	<u>Water</u>	<u>%</u>	<u>Total</u>	<u>% of</u>
	<u>Fund</u>		<u>Fund</u>			<u>overall</u>
Operating Budget:						
General Government	3,767,530	4.82%			3,767,530	4.37%
Public Safety	9,706,392	12.42%			9,706,392	11.27%
Community Development	1,297,089	1.66%			1,297,089	1.51%
Natural Resources	2,503,233	3.20%			2,503,233	2.91%
Water Operations		0.00%	3,116,733	38.94%	3,116,733	3.62%
Public Works & Facilities	8,413,419	10.76%			8,413,419	9.76%
Community & Social Services	3,454,192	4.42%			3,454,192	4.01%
Education	12,297,366	15.73%			12,297,366	14.27%
Employee Benefits	7,796,414	9.98%			7,796,414	9.05%
Undistributed Insurance & Reserve Fund	1,361,167	1.74%			1,361,167	1.58%
Debt Service	<u>8,996,535</u>	<u>11.51%</u>	<u>2,586,283</u>	<u>32.32%</u>	<u>11,582,818</u>	<u>13.44%</u>
Total Operating Budget	59,593,337		5,703,016	71.26%	65,296,353	
Capital Budget (non-Bonding)	2,440,500	3.12%	-	0.00%	2,440,500	2.83%
Capital (Bond Authorizations)	5,500,000	7.04%	2,300,000	28.74%	7,800,000	9.05%
Town Meeting Articles/Assessments	8,488,306	10.86%			8,488,306	9.85%
Community Preservation/Land Bank Projects	<u>2,136,200</u>	<u>2.73%</u>	-		<u>2,136,200</u>	<u>2.48%</u>
Total Expenditures	<u>\$ 78,158,343</u>	100.00%	<u>\$ 8,003,016</u>	71.26%	<u>86,161,359</u>	100.00%

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APPENDIX B

Town Manager's FY2027 Fiscal Summary



Town of Chatham

549 Main Street, Chatham, MA 02633

(508) 945-5100

www.chatham-ma.gov




Select Board

Dean P. Nicastro, Chair
Jeffrey Dykens, Vice Chair
Stuart Smith, Clerk
Shareen Davis, Member
Cory Metters, Member

Town Manager

Jill R. Goldsmith
jgoldsmith@chatham-ma.gov
Phone: 508-945-5105

TO: Honorable Town Meeting Voters

FROM: Jill R. Goldsmith, Town Manager 

DATE: March 26, 2026 (for the Annual Town Meeting of May 11, 2026)

SUBJECT: Appendix B - Town Manager's Fiscal Year 2027 Budget Summary
(July 1, 2026- June 30, 2027) – *Navigating the Fiscal Year Ahead*

FY2027 BUDGET HIGHLIGHTS

- Operating Budget, without education assessments, at \$47,295,970 for an increase of \$2,122,870 or 4.70% over FY2026 (No new positions). **Select Board Vote to Favorably Recommend 5-0; Finance Committee Vote to Favorably Recommend 5-0**
- Capital Plan at \$2,440,500 or 4.80% (within the range of 9% per Chatham's Budget and Financial Management Policy) of the Operating Budget and funded through free cash and other available funds – *no use of the tax levy*. **Select Board Vote to Favorably Recommend 5-0; Finance Committee Vote to Favorably Recommend 5-0**
- Considering all FY2027 warrant articles, the projected FY2027 tax rate is \$3.75; 2.16 % increase not including Town valuation offsets.

Please view the FY2027 Digital Budget Book for details: <https://town-chatham-ma-cleardoc.cleargov.com/11180>

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Navigating the Fiscal Year Ahead reflects the Town’s continued commitment to stability, sustainability, and service in an increasingly complex fiscal environment. The FY2027 budget demonstrates a measured and disciplined approach to fiscal stewardship, preserving the full range of municipal programs and services relied upon by the community while positioning the Town for long-term financial health.

Our dedicated staff continues to drive our priorities forward, seizing opportunities to improve and innovate services that support our Town as a whole. This fiscal year, our budget directive, developed in consultation with the Select Board, reflects a commitment to fiscal prudence while funding programs and services to benefit the entire community.

Budgets reflect priorities. The FY2027 Operating and Capital Budgets align with community initiatives, Select Board directives, and fiscal discipline, ensuring adequate resources to support shared goals. Consistent with this approach, the FY2027 budget advances the Town’s Vision Statement and the Fiscal Year 2027/Calendar Year 2026 goals adopted by the Select Board on January 6, 2026, with continued focus on envisioning Chatham in 2030.

VISION STATEMENT

Vision Statement Chatham in 2030 will be a forward-looking, engaged, and inclusive community of demographically diverse year-round citizens that maintains a unique integration of preservation of its pristine environment, promotion of a healthy economy encouraging year-round employment using Chatham and Cape Cod citizens, fiscally responsible and responsive leadership, and a welcoming environment for all to Chatham

GOALS



Year-Round Housing: Over the next five years 200 units of affordable/attainable/workforce housing will be added around Chatham.



Educational Excellence: The Town will support the educational excellence of the Monomoy Regional School District through funding for capital infrastructure, support for needed, innovative student programs and activities and stimulation of enrollment growth over the next 3 -5 years.



Foster a Vibrant and Sustainable Local Economy: Develop a strategic plan to support and expand the Chatham local economy with a year-round focus.

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Environmental Conservation, Coastal Resiliency, and Natural Resources: Over the next five years the Town will integrate climate change projections together with decarbonization initiatives to establish strategies that ensure environmental sustainability, promote coastal resiliency and protect natural resources.



Water Management: Optimize the Comprehensive Wastewater Management Plan and maximize the secure supply of the Town’s potable water.



Respond Effectively to the Needs of a Diverse, Welcoming, Safe, Healthy, and Livable Chatham: Provide facilities, programs and infrastructure necessary for safe, nourishing community connections, high quality recreational and cultural experiences and a sense of secure belonging.

<https://www.chatham-ma.gov/DocumentCenter/View/9498/Select-Board-Goals-and-Objectives-Voted-01-06-2026-PDF>

Continuing from FY2026, we leveraged the ClearGov digital platform for the FY2027 Budget <https://town-chatham-ma-budget-book.cleargov.com/19302>. This platform facilitates direct input of budget requests by Department/Division Heads, allowing real-time updates through the budget review process. Our commitment to transparency extends to providing additional information in the budget books including demographic details, fund balances, organizational charts, department personnel and expense expenditures, and prior year (2025) accomplishments. Visual presentations using charts/graphs enhance the accessibility of operating and capital budget recommendations.

The FY2027 budget responds to continued cost increases in core operating areas, including health insurance, utilities, technology, insurance, and contractual services, as well as ongoing needs related to infrastructure, system upgrades, and coastal resiliency. Total expenditures are 4.70% higher than FY2026, following an 8.19% increase in FY2026 over FY2025. The budget maintains level services with no new positions and reflects careful alignment of available resources with current obligations while managing financial risk.

The Capital Programs/Improvement Plan (CIP) recommendations for FY2027 align with the strategy in the Operating Budget, maintaining level services while addressing backlog requests from our COVID-19 Financial Plan. Capital Improvement Plan/Program requested funding for capital items between \$10,000 and \$250,000 include images of items or requested equipment, along with historic expenditure data related to replacements. Our approach involves a thorough

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review of potential funding sources, remaining balances from previously approved accounts and articles, non-tax levy funds, and exploring shared resources. Following the Town’s policy, funding for the Town’s Capital Improvement Plan and Budget does not exceed 9% of the Operating Budget (4.80% for FY2027). This emphasizes our commitment to a balanced, strategic funding approach across departments, utilizing available funds rather than relying solely on the tax rate or borrowing.

The FY2027-2031 Capital Plan contains a comprehensive inventory of all infrastructure projects and fleet management, aligning with our established investment strategy. Originating from a grant-funded project with the Edward J. Collins Center at UMASS Boston in 2019, this inventory is regularly updated by Department Heads when submitting requests beginning in July. Serving as a guide for Town Officials, it aids in prioritizing and making financial decisions in conjunction with an investment plan. The Collins Center Plan incorporates review/rating criteria and establishes a scoring mechanism to integrate Board policy direction received through its Goals and Objectives. This prioritization process begins through discussions at the Fall Annual Budget Summit, and Select Board annual goals review, encompassing both Capital and community priorities. These efforts not only involve prioritizing items in the Collins Center comprehensive inventory but also securing funding for community priorities beyond equipment such as affordable housing, drinking water infrastructure, and other initiatives contributing to the preservation of community values. Such items are presented separately as warrant articles for funding consideration at the 2026 Annual Town Meeting or programmed for future/out-year consideration.

I invite the public to explore Budget Central on the Town website <https://www.chatham-ma.gov/214/Budget-Central>. This serves as a central hub for budget-related news, documents, presentations, and real-time updates concerning the Town’s budget process and planning. It also contains communications from the Town’s Financial Administration and links useful to the public, including historical budget and financial documents.

I also recommend that the public visit the Town Manager’s Department page on the Town website to review Monthly Reports <https://www.chatham-ma.gov/DocumentCenter/Index/250>. These reports contain up-to-date information and insight on Town operations and projects by Department and Division, benchmarking operations for performance management. A real-time status of all capital projects can be found on the Town’s website main page, Town Projects tab - <https://www.chatham-ma.gov/267/Town-Projects>.

FY2027 Budget Executive Summary – A Balanced Budget; Navigating the Fiscal Year Ahead

The formula for a successful budget review is the generation of operational and financial plans, program review and public engagement, and establishment of goals and objectives that will serve

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all citizens of the community in this and future years. Using data - historical trends (prior year actual receipts/ revenues and expenditures), conservative forecasts and assumptions, the budget directive for FY2026 was for a level-services budget.

The Town’s FY2027 Operating Budget (Article 8) without the education assessments is \$47,295,970; an increase of \$2,122,870 or 4.70% over the FY2026 budget. This includes contractual obligations and fixed costs increases. A contributing factor to all budget increases is our human capital - labor cost pressures due to the limited regional labor market and compensating employees at a livable wage to stay. Details of proposed budget increases are described in this transmittal with education/school assessments (Articles 9 and 12) voted separately at the Annual Town Meeting (ATM). The figures presented in Appendices A through C provide a complete financial picture of revenue forecasts and expenditures with funding set aside for warrant articles.

The FY2027 Operating and Capital Budget, as presented, do not use any reserves (Stabilization or “rainy day” Fund). Free Cash is designated for one-time capital program expenses based on policy. It is a balanced budget without the use of one-time revenues within the allowable growth of MA Proposition 2½, and provides for unused/excess tax levy capacity, i.e., funds available for appropriation within the tax levy, but for which we are not proposing to allocate.

Tax Rate Projections

At the May 2025 Annual Town Meeting, we had estimated the FY2026 tax rate at \$3.75 considering all articles funded through the tax rate, but not including property valuation increases. The actual FY2026 tax rate of \$3.67 an increase of 0.20¢ per thousand dollars of assessed value from FY2025. The valuation of the Town has increased over the past three years and is at its highest level since FY2010 at \$12,869,437,800; an increase of 4.28% from FY2025 valuation of \$12,341,273,730. For FY2026/Calendar Year 2025 the Average Single-Family Dwelling Value was \$1,738,711.

The projected tax rate for FY2027 is \$3.75, an increase of .08¢ considering all warrant articles but not including Town valuation offsets.

Tax Rate History	
<i>FY2017</i>	<i>\$5.03</i>
<i>FY2018</i>	<i>\$4.87</i>
<i>FY2019</i>	<i>\$4.85</i>
<i>FY2020</i>	<i>\$4.82</i>
<i>FY2021</i>	<i>\$4.98</i>
<i>FY2022</i>	<i>\$4.62</i>
<i>FY2023</i>	<i>\$3.88</i>

FY2024	\$3.57
FY2025	\$3.47
FY2026	\$3.67
Est. FY2027	\$3.75

REVENUE

As part of our annual fiscal planning, we determine how much revenue is available within the limits of Proposition 2½ in order to balance operating costs. Per State law, the amount the Town can raise through property taxation is allowed to grow each year by 2½ percent of the prior year’s levy limit plus new growth and any overrides or exclusions. In FY2027, the amount the Town may raise through the property tax is as follows:

Tax Levy	FY2027
Base (prior year limit)	39,516,557
X 2.5%	987,914
New Growth	375,000
Debt Exclusions – prior approved debt	8,665,249
Estimated exempt short-term interest	-20,491
Barnstable County Tax	<u>347,392</u>
Less: MBA – School Debt	<u>-451,392</u>
<i>Total Estimated Allowable Levy “Ceiling”</i>	\$49,420,229
Excess Levy Capacity – Not Used	-1,081,115
<i>Total Estimated Tax Levy</i>	\$48,339,114

However, the recommendation is not to tax/raise to the limit/ceiling thereby leaving ‘excess’ levy capacity. Another component of revenues is “Local Receipts” defined as excise tax, user fees, charges, and other revenues such as traditional and short-term rentals. Some are dictated by statute (i.e., motor vehicle excise, hunting licenses and firearms permits) while others may be negotiated (i.e., investment income and in-lieu-of-tax payments). Other local receipts are established through local action – such as recreation fees and transfer station/beach stickers. The MA Department of Revenue guidelines for estimating local receipts revenues is capped at 90% of prior year actuals.

Sources of Funding (Local Receipts for Meals and Room Occupancy Tax Revenues)

The Town continues to benefit from strong revenue performance in local option surcharges, which play a critical role in funding municipal operations and capital projects while offsetting the tax rate.

The Town adopted a 4% surcharge to the State Room Occupancy Tax of 5.7%, later increasing it to 6% (local share) in May 2022, with legislative enactment in June 2024 creating two special

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revenue funds. This additional 2% surcharge is dedicated equally at 1% to Attainable Housing and 1% to the Chatham Elementary School assessment, with each fund requiring a Town Meeting vote for appropriations. As of December 31, 2025, the fund balance for each stands at \$3,071,264, including accrued interest and quarterly payments.

The FY2020 State expansion of the Room Occupancy Tax to include short-term rentals has bolstered revenues further. An additional 2.75% surcharge for the Cape Cod & Islands Water Protection Fund (CCIWPF) was implemented to fund Wastewater projects. The Town has already received \$1,845,450 over three fiscal years (FY2023–FY2025) to offset pre-existing wastewater debt, with future subsidies applied directly to principal debt for Clean Water Trust projects. Room Occupancy Tax receipts have remained consistent, with only slight variances year over year. Revenue increased by 0.85% in the first quarter of FY2025 compared to the same period in FY2024, indicating stability in both traditional and short-term rental markets.

Room Occupancy Tax (including short-term rentals effective 7/1/2020)

Fiscal Year	1st Quarter	Difference	2nd Quarter	Difference	YTD Diff
FY2023	\$1,829,356	\$304,792	\$1,619,351	(\$57,155)	\$247,637
FY2024	\$1,858,742	\$29,386	\$1,614,459	\$-4,892	\$24,494
FY2025	\$1,874,712	\$15,970	\$1,611,139	\$-3,320	\$12,650
FY2026	2,036,810	\$162,098	\$1,757,220	\$146,081	\$308,179

The YTD (Year-to-Date) difference of \$308,179 reflects a positive upward trend, underscoring the continued importance of this funding source.

The Town’s 0.75% surcharge on the State Meals Tax of 6.25% has also proven to be a resilient source of revenue. Meals Tax receipts showed a positive growth in the first two quarters of FY2026 (July – September and October – December), outperforming FY2024 and FY2025, which experienced only modest increases. In the first two quarters of FY2026, revenue increased by 182% or \$93,547, compared to the same period in FY2025. These fluctuations highlight the elastic nature of this revenue stream, as it is closely tied to economic conditions and consumer spending patterns.

Meals Tax

Fiscal Year	1st Quarter	Difference	2nd Quarter	Difference	YTD Diff
FY2023	\$262,292	\$56,462	\$252,307	\$30,789	\$87,251
FY2024	\$267,664	\$5,372	\$253,496	\$1,189	\$6,561

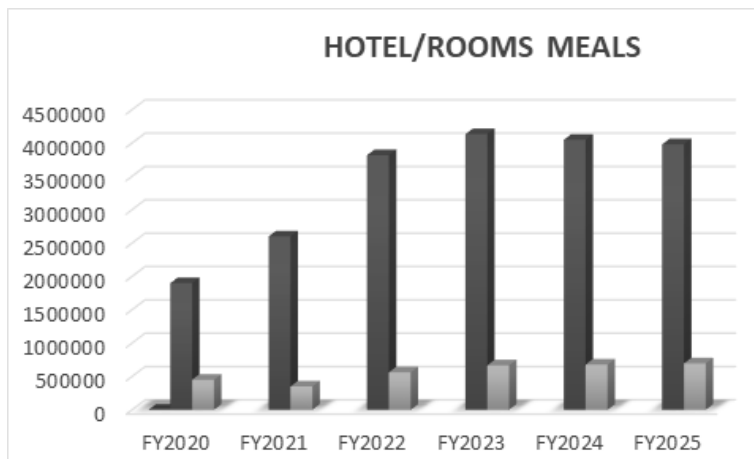
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FY2025	\$257,225	\$-10,439	\$268,492	\$14,996	\$4,559
FY2026	\$308,108	\$47,883	\$318,715	\$50,223	\$98,106

Local receipts from the Meals Tax are conservatively estimated annually due to their elasticity. The upward trajectory in the second quarter of FY2026 demonstrates resilience in this revenue stream and reinforces its role in supporting municipal budgets.

Combined, Meals and Room Occupancy Tax revenues reached \$4.6 million in FY2025 and have remained strong in subsequent fiscal years. Increases in both Room Occupancy Tax revenues and Meals Tax receipts in FY2026 highlight the stability and growth potential of these funding sources.

Figure 1: Hotel & Meals Tax Receipts



Moving forward, the Town will continue to monitor trends in local receipts closely to ensure accurate forecasting and prudent fiscal management. The preliminary FY2027 Revenue forecast reflects the following:

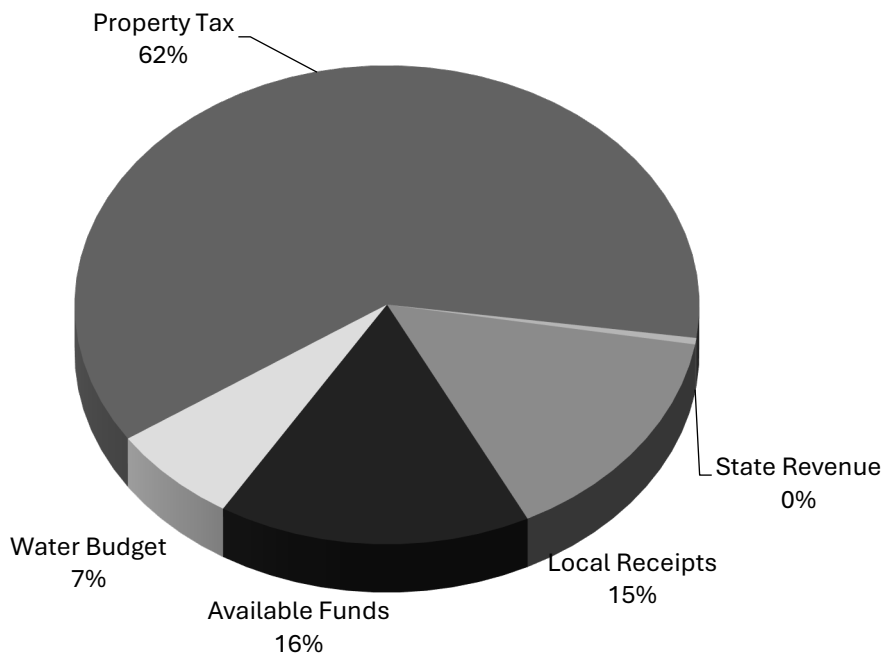
- New Growth is projected at \$375,000; this is slightly lower than the actual in FY2026 but is a conservative estimate based on the economic trends.
- Debt Schedule/Structure - FY2027 debt schedule reflects a slight decrease of \$-346,867 of \$over FY2026 budget or -3.77%% for General Fund principal and interest for previously approved Town projects with the issuance of General Obligation bonds at the end of FY2025 and Clean Water Trust (State Revolving Funds) loans at zero percent interest. Short-term debt, proposed at \$150,000, will cover any borrowing previously approved, but not bonded at the time of this transmittal. We have a multi-year debt schedule for financial planning purposes as well as investment and reserve policies.

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- Local receipts are estimated to be approximately 88.0% of the actual revenues received in FY2025, an increase of 10.73% over the estimate from the prior year actual. Any revenue received more than estimated will close to Fund Balance (reserves) at the end of the fiscal year; viewed positively by rating agencies. The amount raised through Local Receipts offsets the amount raised through the Tax Levy. Any one-time revenue received is not included in subsequent forecasts per the Town’s Budget and Financial Management Policy.
- Cherry Sheet (State Aid) Assessments are estimated at a 8.4% increase compared to FY2026, this is based on the Governor’s house budget for FY2027.

Figure 2: Revenues



National Opioid Settlement Funds

The Town has been awarded \$354,356 under the statewide opioid settlement with payments made from July 2022 through July 2038. To date, the Town has received \$235,609 in funds that must be used for prevention, harm reduction, treatment, and recovery programs. These funds have been used to fund a Regional Recovery Coach via Outer Cape Health Services, who is available to all residents and Town employees at no cost. The Town has spent \$113,688 year to date and currently has a balance of \$121,921.

PFAS (per- and polyfluoroalkyl substance) Settlement Proceeds

On December 4, 2023, Governor Healey signed Chapter 77 of the Acts of 2023, Section 9 of which provides, in part, for an exception to the general rule that all receipts are to be recorded as

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general fund revenue per G.L. c. 44, § 53. Pursuant to the new Clause 5 of G.L. c. 44, § 53, the Director of Accounts has determined that cities and towns that receive PFAS settlement proceeds may place these proceeds in a dedicated special revenue fund and may be expended with appropriation (Receipts reserved for appropriation). The Town of Chatham has received a total of \$807,987. The settlements are specifically designed to address PFAS contamination in public drinking water, with funds approved for a range of remediation activities. Eligible uses include testing and monitoring for PFAS through baseline and ongoing sampling to detect contamination levels; planning and designing appropriate treatment systems; and constructing and installing technologies such as granular activated carbon or reverse osmosis systems to remove PFAS. These expenditures align with both the intent and the explicit requirements of the settlement agreements.

Free Cash (Unreserved/Undesignated Fund Balance)

Free Cash is defined as remaining unrestricted funds from the previous year. The balance increases when actual collected revenues (local receipts, not taxes) are in excess of estimated budgeted revenues, and/or when actual expenditures are less than appropriated expenditures. Chatham uses Free Cash for nonrecurring expenditures, such as for land purchases, capital and equipment purchases or for appropriation to a stabilization fund, and to maintain a reserve fund that is adequate to address unforeseen circumstances. Free Cash is not used to balance operating budgets. At the end of FY2025 Free Cash was certified by the MA Department of Revenue (DOR) on October 8, 2025 in the amount of \$5,002,874.

Free Cash programmed for the FY2027 Capital Budget Article is \$2,440,500, utilizing \$2,212,034 of Free Cash and other capital projects such as; \$280,000 for Financial Software, \$475,000 for Flooring for Town Buildings, \$200,000 for Center for Active Living Renovations, and \$25,000 for Airport Capital. Additional Items include \$150,000 for OPEB, \$50,000 towards the retirement accrued liability fund, \$330,000 for Stabilization, \$50,000 for a Grant Matching fund, and \$500,000 for funding Overlay. Leaving a remaining balance of \$730,840.

EXPENDITURES

Like prior budgets, the FY2027 Budget for expenditures relies on projections regarding available revenue, thereby accepting the limits of the Town's financial resources when reviewing operational expenditure budgets. The following presents proposed funding by key budget categories along with percentage changes as compared to FY2026.

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
This is a courtesy document; motions may change and are not intended to restrict any action.

Table 3: General Operating Budget (With Education Assessments)

Budget Category	FY 2024	FY 2025	FY 2026	FY 2027	FY 2027	% Diff
	Actual	Actual	Budget	Dept. Request	Town Manager	FY2026/ FY2027
General Government	3,032,595	3,196,387	3,585,361	3,760,678	3,767,530	5.08%
Public Safety	7,472,325	8,399,870	9,259,517	9,734,648	9,706,392	4.83%
Community Development	991,803	1,052,215	1,246,610	1,287,258	1,297,089	4.05%
Natural Resources	1,901,578	2,081,370	2,394,071	2,511,795	2,503,233	4.56%
Public Works & Facilities	6,601,725	7,319,317	7,758,133	8,357,551	8,413,419	8.45%
Community & Social Services	2,403,538	2,643,802	3,193,471	3,415,473	3,454,192	8.16%
Education	10,078,235	10,884,419	11,706,760	12,597,069	12,297,366	5.04%
Employee Benefits	5,711,444	6,257,837	7,169,700	7,913,990	7,796,414	8.74%
Undistributed Ins. & Reserve Fund	937,693	1,071,373	1,222,835	1,361,167	1,361,167	11.31%
Debt Service	6,855,968	7,795,707	9,343,402	8,996,535	8,996,535	-3.71%
Operating Budget Total	\$45,986,904	\$50,702,298	\$56,879,860	\$59,936,163	\$59,593,366	4.77%
MINUS Education Assessments	35,908,669	39,817,879	45,173,100	47,339,094	47,295,970	4.70%

FY2027 Budget Drivers

The proposed FY2027 budget reflects a commitment to maintaining essential services and meeting our financial obligations. The primary drivers of this year’s budget increase are salaries, employee benefits, general liability insurance, and the rising costs of utilities and the cost of software has increased.

Personnel wages and employee benefits represent approximately 70.81% of the Town’s operating budget (excluding debt service and education). Increases are required for Personnel Services (salary/wages, including overtime) amounting to \$893,750, 4.87% over FY2026. Competitive compensation is vital for attracting and retaining skilled staff to deliver high-quality services to our community. The increase in salaries includes cost-of-living adjustments, step increases, and contractual obligations. Rising health insurance costs and pension contributions reflect broader market trends. These benefits are critical for supporting our workforce and ensuring long-term financial sustainability. The increases in general liability insurance costs reflect market-wide rate adjustments to adequately protect the Town assets from potential risks. This coverage ensures that the Town is safeguarded against financial exposure from unforeseen events.

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<u>Other key budget drivers include:</u>	<u>% Difference to FY2026</u>
• Employee Benefits	\$ 529,618 (14.60%)
• Insurance Budget	\$138,332 (12.60%)
• Utilities, Electric Budget	\$216,000 (25.5%)
• IT Purchase of Services Budget	\$50,000 (12.5%)

Non-discretionary (Fixed) Costs/Undistributed Expenses and Other Budgets

Costs of retirement/pensions/health benefits/liability insurance are presented in Centralized Budgets (below) as undistributed expenses encompassing all Departments/Employees/ Buildings - versus presentation as a direct offset or as a cost-center. However, in budget discussions with the Finance Committee, we present personnel “cost-centers” by Department for discussion purposes to illustrate total compensation.

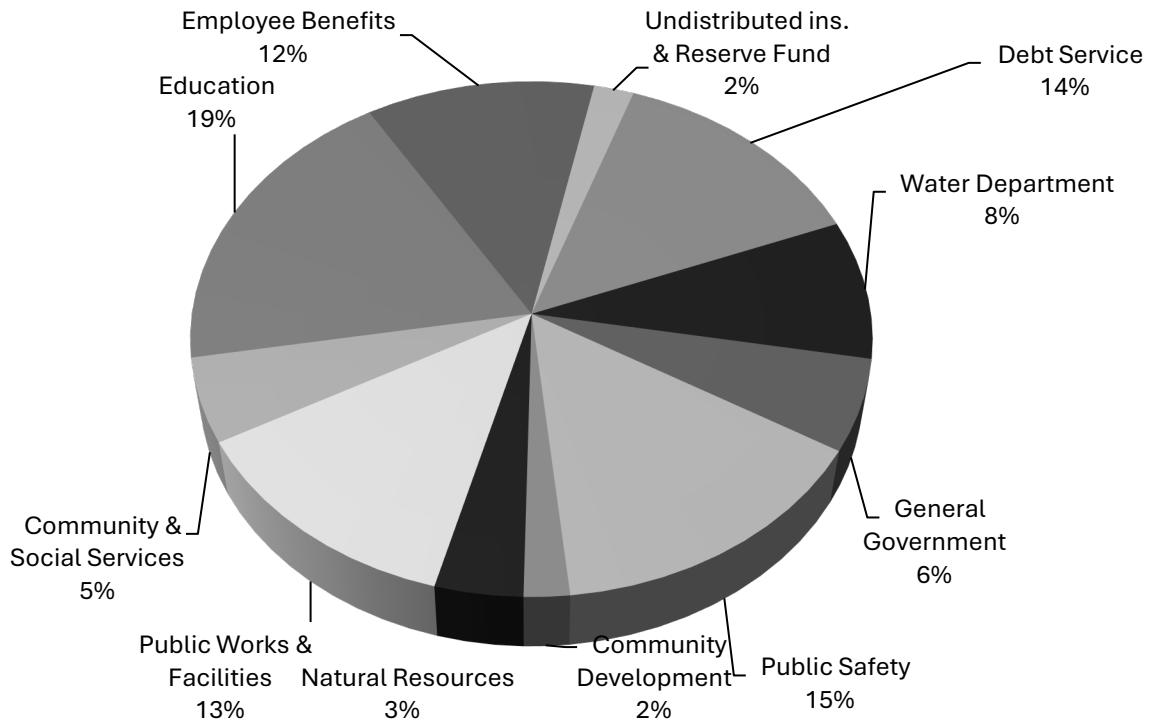
Each year there are cost increases resulting from newly State mandated requirements, previous commitments voted by the Town Meeting, or cost of providing the same level of service. Our balanced budget includes fixed cost increases, but with mitigation offsets.

- Chatham employees contribute a range of 9% to 11% of their salaries for retirement to the Barnstable [CM1.1] County Retirement Board/System and do not contribute to Social Security nor does the Town as the employer. Overall retirements/pensions continue to impact Town expenses. The Barnstable County Retirement line item includes a increase of \$156,467 or 5.02% for the FY2027 budget. The Town’s assessment is based on the overall salary of the Town as reported on October 1st of the prior year.
- The Town is a member of the Cape Cod Municipal Health Group (CCMHG) – a regional joint purchase group/trust for health benefits/plan premiums. The figures presented in the Budget summary represent a 12.20% increase in the Health Insurance. This also includes increased costs for Medicare which increased 19% in January 2026.
- Property liability insurance increased by 15.00% in FY2025 and 9.43% for FY2026 (due to the value of Town properties) and we again project an increase of 12.31% for FY2027. This budget has increased due to the projections by insurance companies that provide coverage for Coastal Communities which includes increasing inflation projections for renewals around 10% - 15% to compensate for rising costs. The Town has flood insurance on three (3) buildings and the cost of this insurance has increased over the past several years; vehicle insurance is based on the number of vehicles (including boats). Cybersecurity/Data coverage was added several years ago, and the cost of this item has also increased. We continue to review risk control measures, and our Insurer offers periodic employee trainings to reduce risk and exposure.
- Worker’s Compensation insurance is budgeted with an increase of 3.85% for FY2027 as it is based on 3-years’ experience. The Town sought quotations and has contracted with the

Massachusetts Interlocal Insurance Association (MIIA) since FY2019. MIIA provides numerous free training opportunities and incentives to ensure the best service and rates for the Town.

- Debt Structure (financing schedule for previously approved Town projects) - The fiscal policy of using “debt drop off” to fund the Town’s Capital Facility Plan has been very effective in the past and the debt for FY2027 is funded at \$150,000 under Short Term Debt and for the costs associated with bonding during the fiscal year.

Figure 4: Expenses



Wage/Salary Overview

For FY2027, the cost-of-living adjustment (COLA) calculated through the Town’s local economic performance formula is 2.06%, compared to 3.0% in the prior year. That, along with contractual adjustments for step increases, resulted in a net increase in salaries of \$893,750, a 4.87% increase from FY2026 to FY2027.

In FY2024, salaries were adjusted based on work initiated in 2019 through a grant-funded Classification and Compensation Review conducted by the UMASS Boston Collins Center for non–

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public safety employees, including those covered by the Personnel Policies, the Chatham Municipal Employees Association (CMEA), and the Chatham Managers Association (CMA). In FY2025, salaries for Public Safety positions were similarly adjusted, and in FY2026, CMEA employees working 35 hours per week were increased to a 40-hour workweek. The resulting salary schedule reflects regional market conditions and supports the Town’s goal of remaining competitive in the recruitment and retention of professional employees.

The FY2027 salaries listed below reflect the final year of the current Police, Dispatchers/Animal Control, Fire, CMA, and CMEA collective bargaining agreements (July 1, 2024 – June 30, 2027). The following outlines changes in salary line items by budget category.

Salary Only	Voted FY2026	TM Rec. FY2027	\$ Incr./ (Decr.)	%
I. General Government	\$2,296,036	\$2,402,803	\$106,767	4.65%
II. Public Safety	\$8,524,718	\$8,918,935	\$394,216	4.62%
III. Community Development	\$1,029,110	\$1,069,258	\$40,148	3.90%
IV. Natural Resources	\$1,957,656	\$2,055,609	\$97,953	5.00%
V. Public Works	\$2,789,286	\$2,870,831	\$81,545	2.92%
VI. Community Services	<u>\$1,748,165</u>	<u>\$1,921,287</u>	<u>\$173,122</u>	9.90%
Subtotal, I-VI	\$18,344,971	\$19,238,722	\$893,750	4.87%

Department Staffing Requests - 0 New Positions Funded for FY2027

Each year, Department Heads evaluate staffing needs to strengthen critical operations and support effective service delivery and long-term sustainability. Given recent staffing additions and the ongoing evaluation of workload impacts, a measured approach was taken in FY2027, and **no** additional staffing positions are recommended. As vacancies occur, every effort is made to re-examine positions with a view toward restructuring, when possible, to better serve the community. Staffing details and historical information by division are available in the Budget Book.

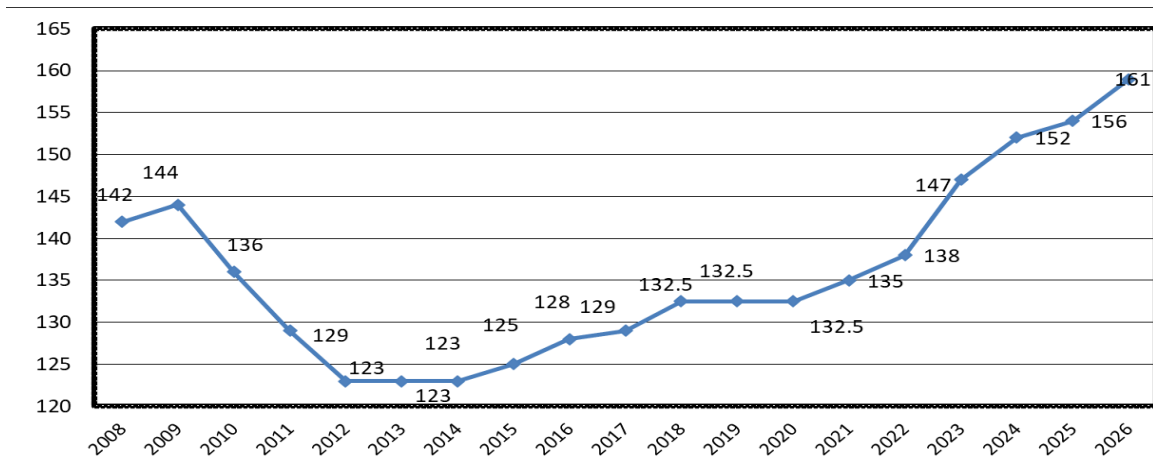
The Town relies on part-time, seasonal, and intermittent staffing throughout the year, representing more than 44% of the workforce, to address the seasonality of Town operations. Recruitment for seasonal and intermittent positions has become increasingly challenging, particularly for lifeguards, harbor patrol, and skilled labor positions within the Department of Public Works. For FY2027, the Seasonal and Intermittent Compensation Schedule was updated to improve competitiveness in a constrained labor market.

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All unions previously agreed to a tiered benefit structure for employees hired beginning in 2013, which included higher employee contributions toward health insurance premiums (increasing from 30% to 35%), reduced longevity pay, elimination of sick leave buyback at separation, and other negotiated cost offsets. These measures were implemented in response to fiscal constraints at that time. To remain competitive within the regional employment market, including comparable Cape Cod municipalities, the Town annually evaluates total compensation impacts. As a result of this review and upon completion of collective bargaining, the two-tiered benefit structure was discontinued in FY2025, and all employees now contribute 30% toward health insurance premiums.

For FY2027, as stated above, departmental budgets include a 2.06% cost-of-living adjustment and contractual step increases. All of the Town’s collective bargaining agreements are set to expire on June 30, 2027.

Figure 5: Number of Town Employees 2008-2026



Other Post-Employment Benefits (OPEB) - Article 24

Other Post-Employment Benefits (OPEB) are benefits, other than retiree pensions, offered to municipal and school retirees and their dependents. These benefits mainly consist of medical insurance. The Town contributes 50% to retiree health premiums. OPEB liability is the present value of benefits for retired and vested employees. An unfunded liability reflects an incurred obligation, payable in the future, for which no reserves have been set aside. While the Town funds retirees’ benefits on a pay-as-you-go funding strategy in the annual budget, the Town is required to comply with Federal mandates, GASB 74 and GASB 75, to account, via an actuarial study, for the Town’s future unfunded liability. We are at the point where the number of Town retirees exceeds the number of active employees. Bond rating companies look

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favorably at municipalities that have established and funded OPEB Trust Funds, and we established such in 2013, with a funding appropriation of \$150,000 from Overlay Surplus funds. As you may recall, in 2018, via a Home Rule petition (H4781), Town Meeting approved a ‘reallocation’ of a 1.5% of the 3% Landbank surtax which expired in January 2020. The accompanying funding of the 1.5% redirection to OPEB was included beginning with the FY2021 tax bills; in FY2026 this raised over \$358,067 to fund OPEB through December 31,2025 and \$635,875 in FY2025.

The Town is part of a Barnstable County joint purchase group to contract for required actuarial studies. The Net OPEB Liability represents the difference between the Total OPEB Liability and the Plan’s fiduciary net position, which is measured at the market value of assets. The Net OPEB Liability decreased from \$16,250,404 as of June 30, 2024 to \$10,051,215 as of June 30, 2025. During the same period, the Plan’s fiduciary net position as a percentage of the Total OPEB Liability increased from 27.46% to 43.05. The balance in the OPEB Trust Fund as of June 30, 2025 was \$6,708,757. Please see the following link to the report for further detail. <https://www.chatham-ma.gov/DocumentCenter/View/9522/Governmental-Accounting-Standards-Board-Statements-GASB-June-30-2025-PD>

Debt Schedule – Appendix D

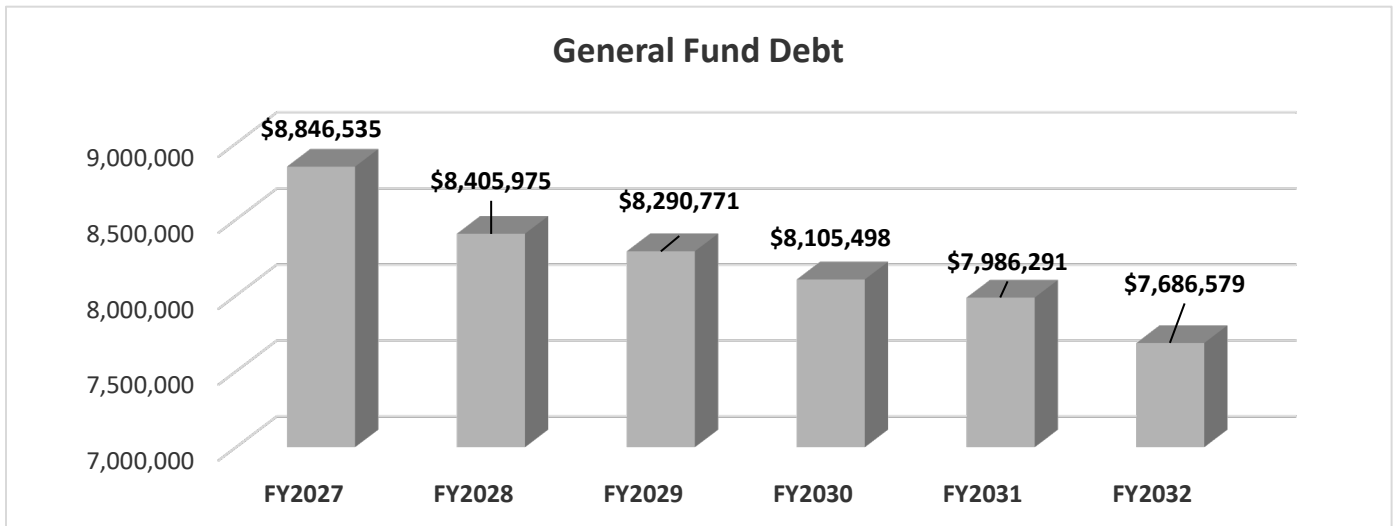
The fiscal policy of using “debt drop off” to fund the Town’s Capital Facility Plan has been very effective as it has enabled the Town to issue new debt without large spikes to the tax rate. The Town continues to take advantage of the highly competitive loans through the Clean Water Trust (“Trust”) or State Revolving Fund (SRF) at zero (0%) percent interest to reduce borrowing costs while continuing the wastewater project. As previously noted, the Town has been awarded a subsidy of \$6,151,603 over a ten-year period from the Cape Cod and Islands Water Protection Fund (CCIWPF) for pre-existing wastewater debt; payments will be applied annually to offset the amount raised through the tax levy. Upon the closing of the Massachusetts Clean Water Trust’s CW-21-46, CW-22-30, CW-22-33, CW-23-42, and DWEC-23-107 loans in December 2025, the following loan forgiveness and subsidies were provided. Loan CW-21-46 received loan forgiveness of \$396,258 and a Cape Cod Fund subsidy of \$308,285. Loan CW-22-30 received loan forgiveness of \$3,150,962 and a Cape Cod Fund subsidy of \$787,741. Loan CW-22-33 received loan forgiveness of \$721,134 and a Cape Cod Fund subsidy of \$180,284. Loan CW-23-42 received loan forgiveness of \$73,432 and debt service relief of \$1,250,000. Loan DWEC-23-107 received loan forgiveness of \$2,025,000. A total of \$8,893,096 loan forgiveness and subsidies were received from the Clean Water Trust for these loans. All of these amounts reduce the final amount financed through the Clean Water Trust and all loans carry a 0% interest rate.

In April 2025, the Town also issued General Obligation Bonds for Wastewater project costs not eligible for funding through the Trust as well as bonding for Water Projects (paid from the Water

Fund). A multi-year debt schedule is presented so that decisions impacting future years can be known at the time of Annual Town Meeting.

The Town’s S&P Global Bond AAA Ratings was affirmed on April 23, 2025, with a stable outlook. It is the fifth Bond Rating review during and subsequent to the COVID-19 Pandemic. AAA is the highest bond rating for municipalities. The rating further reflects S&P’s opinion of Chatham’s very strong economy; very strong management, with strong financial policies; strong budgetary performance; very strong budgetary flexibility and cautious budget assumptions; very strong liquidity; manageable direct debt and retirement costs, and strong institutional framework score. Our conservative budgeting, strong reserves, cyber security planning, coastal resiliency efforts and OPEB funding also contributed to maintaining our S&P Bond AAA rating and with a stable outlook. Here is the link to the full ratings report [Standard--Poors-Bond-Rating-2025-PDF_](#).

Figure 6: Existing Debt Schedule (General Fund) – See Appendix D for Details



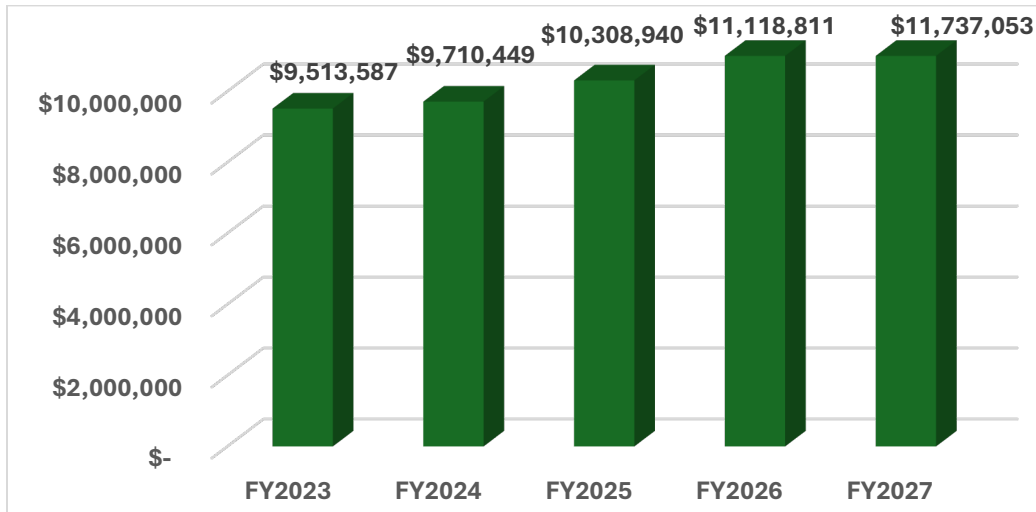
Education Budgets - Voted as Separate Town Meeting Articles - Articles 9 and 12

Monomoy Regional School Budget (Article 9) - The Monomoy Regional School Committee approved the FY2027 budget of \$51,735,982 on March 26, 2026, reflecting a 5.07% increase from FY2026. The assessments for FY2027 are allocated at 76.67% to Harwich and 23.33% to Chatham. The FY2027 assessment for Chatham is \$11,737,053, an increase of 5.56% over FY2026 which includes debt service. This is based on elementary school budgets, total foundation enrollment, grades 5-12 foundation enrollment and District enrollment, and the minimum local contributions

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calculated by the State. The district estimates that Chatham's share of the three-year foundation enrollment average is 22.97%, down from 23.19% in FY2026.

Figure 7: Monomoy Regional School District

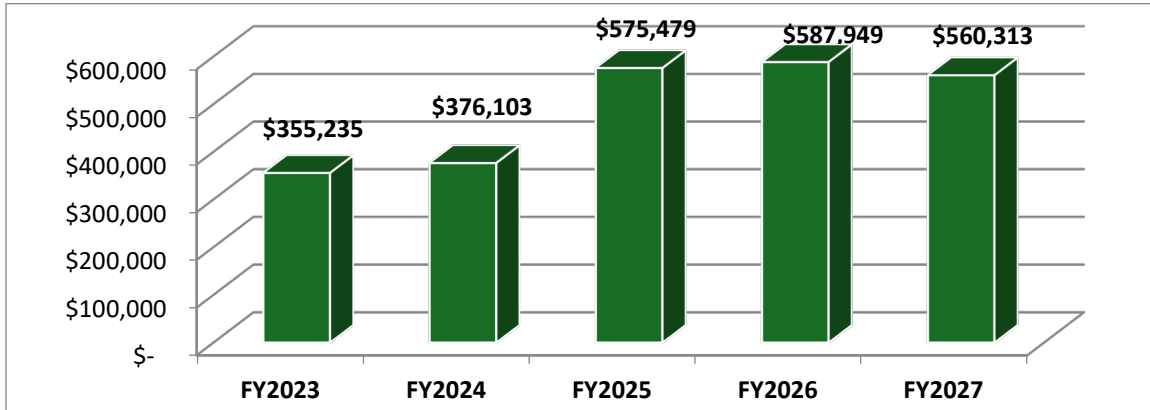


The Annual Town Meeting in 2023 approved the “Alternative Assessment” methodology which provides that each member Town fund their own Elementary School. The Chatham Elementary Assessment for the past three years is as follows; FY2025 \$1,921,698, FY2026 \$2,215,978 and for FY2027 \$2,530,088.

Cape Cod Regional Technical High School (Article 12) -The FY2027 CCRTHS Operating Budget was voted by the School Committee on March 26, 2026. The CCRTHS total budget is \$20,296,344, reflecting an increase of \$903,000(4.89%) over FY2026. Chatham’s assessment is \$414,791 with an additional debt service of \$145,522, bringing the total to \$560,313—an overall decrease of – 4.70%. The number of Chatham students attending CCRTHS is 19, representing 2.7% of the school’s total enrollment.

The net effect of both schools’ assessments for the FY2027 budget is \$12,453,478 an increase of 6.38% over FY2026.

Figure 8: Cape Cod Regional Technical High School Budget



Monomoy Regional School District Capital Borrowing Authorization (Article 11)

This article requests that both the towns of Chatham and Harwich authorize the District’s borrowing of \$11,801,239 to pay for the roof replacement of the Monomoy Regional Middle School including all work incidental and related thereto. The borrowing authorization is expected to be over 20 years. Based upon the Regional Agreement and the current three-year average foundation enrollment, Harwich's share of the project is \$9,090,494 (77.03%) and Chatham’s share is \$2,710,745 (22.97%). The District has applied and been accepted into the Massachusetts School Building Authority (MSBA) accelerated repair program which provides reimbursement for the cost of the project. The estimated amount for this reimbursement would be a maximum amount of \$3,766,302. Based on these figures, the District’s anticipated net cost after the reimbursement would be \$8,034,937, bringing the share for the project for Harwich to \$6,189,312 (77.03%) and Chatham’s share at \$1,845,625 (22.97%). The first payment will be in the FY2028 District assessment for Chatham.

FY2027 Water Department Operating Budget (Article 13)

The DPW Water Department Operating Budget is funded by revenues generated through water receipts paid by ratepayers. Rate adjustments adopted by the Town became effective on July 1 of the current fiscal year (FY2026). These adjustments have provided sufficient revenue to support the Water Department’s FY2026 Operating Budget. The proposed Water Department Operating Budget for FY2027 represents an overall increase of 4.68%. Please see Appendix E for details.

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450 Water Operating Fund	FY2025 Actual	FY26 Voted	TM FY27 Recommend	Percent Change - %
Water Fund Salary	\$270,209	\$288,725	\$304,803	
Water Fund Expenses	\$2,217,171	\$2,278,798	\$2,458,500	
Overhead	\$329,930	\$341,478	\$353,430	
Debt Service	<u>\$1,870,654</u>	<u>\$2,538,827</u>	<u>\$2,586,283</u>	
TOTAL COSTS	\$4,687,964	\$5,447,828	\$5,703,016	4.68%

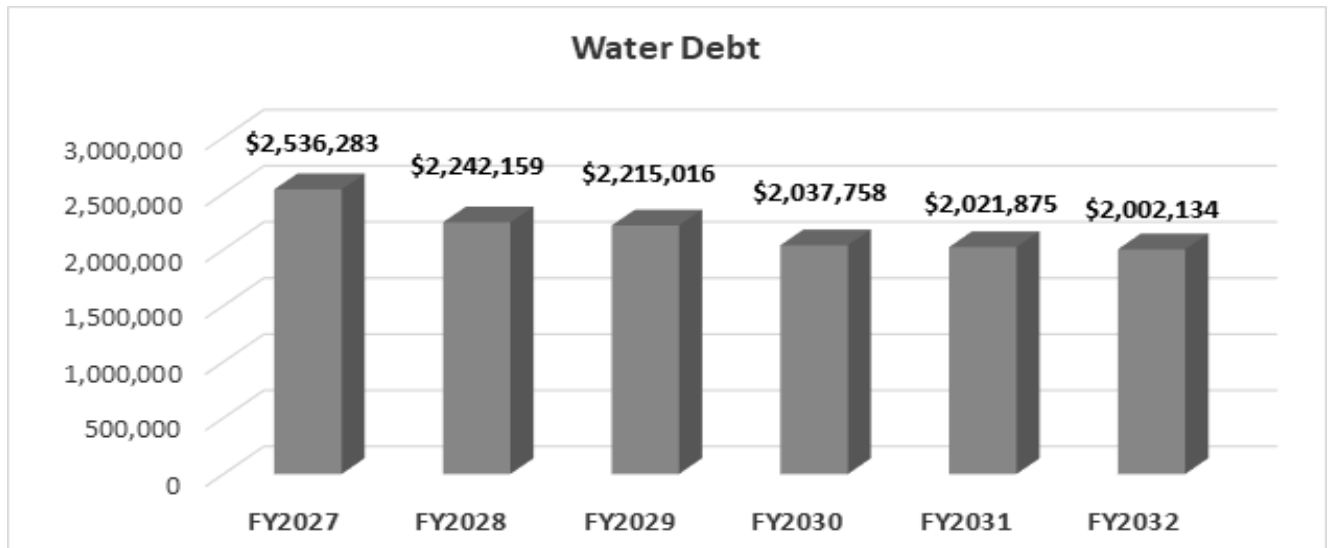
Water Department Five-Year Capital Improvement Plan (CIP)

The DPW Water Department has a separate capital budget, funded by revenue from water usage charges and is a component of the Town’s overall CIP. The Town has been aggressive in this capital plan to ensure its water infrastructure provides sufficient quality and quantity of water throughout the year. Special Town Meeting in October 2021 approved two Articles to ensure safe drinking water for the Town; \$1.4M for the design and engineering to mitigate/treat PFAS at Wells 5 & 8 and \$4.5M to bring Wells 10 & 11 on-line. In May 2023, \$19.8M was approved for the construction of Chatham’s first PFAS and iron & manganese treatment plant which is expected to go on-line in Spring 2026. Water Capital continues to be programmed into future years as water debt declines and new projects can be programmed into the budget. Staff and the Water & Sewer Advisory Committee are working on a more comprehensive water capital and investment plan.

Water Department Bond Article 20 - 1.25 MG Water Storage Tank Repairs & Painting (Borrowing/Debt) Article 20

Water capital articles are funded by the Water Fund (ratepayers), not funded via the tax levy. The Water Department has submitted a Capital request for FY2027 totaling \$2.3M for Water Storage Tank Painting and Repairs. The American Water Works Association (AWWA) highly recommends that the protective coating on a water storage tank be reapplied every ten (10) years in order to ensure the structural integrity of the tank and maintain the water quality. The outside coating of the tank has a life expectancy of between eight (8) and ten (10) years, dependent on the weather conditions. This particular tank was last painted in 2011 which currently makes it 5 years overdue for critical maintenance. The proposed cost includes necessary structural repairs to the tank, installation of intrusion alarm, associated gaskets and appurtenances, sandblasting, painting, engineering, overflow and drainage pit repairs and onsite inspection services.

Figure 9: Projected Water Debt – 2% State Revolving Fund (SRF) for 5 Years



Five-Year Capital Improvement Plan Authorization - FY2027 Capital Budget (Article 14)

The FY2027 Capital Budget Article voted at the Annual Town Meeting provides funding for capital items between \$10,000 and \$250,000; and items with a useful life of 5+ years. In working with the UMASS Collins Center for Public Management, many annual maintenance items were reallocated to the operating budget as were small capital items.

In FY2027 we continue to direct our focus on capital improvement and equipment to provide essential services. In evaluating Departments’ requests, Town priorities affecting Department needs are considered. In our internal budget review meetings, Departments provide the Town Manager with information relative to the request, such as vehicle maintenance costs and life expectancies for equipment requests. Each request is assessed on its own merit and categorized according to that assessment, taking into consideration our standard best practices with the development of a plan, such as:

- ✓ Safety – reduces potential legal liability/threat to operations or personnel;
- ✓ State/Federal/Legal mandates - consequences of noncompliance/cost of compliance;
- ✓ Conformity to Town plans and goals – sustainability, aesthetics, cultural, environmental, historical, and recreational opportunities;
- ✓ Future operating budget impact/offsets; productivity - return on investment, useful life; and
- ✓ Cost effectiveness – increase efficiencies.

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The UMASS Collins Center developed an extensive inventory of all capital projects and a detail review with a rating system. The inventory has since been updated on an annual basis. Below is a description of the categories:

- Preserve or enhance Town assets – Does the proposed project maintain or improve an existing facility? What is the anticipated useful life of the investment? Does the proposed project replace a piece of equipment needed to provide public services? Is the vehicle beyond its reasonable life? Is the acquisition part of a scheduled replacement plan that will keep vehicles operational and preclude major repair costs?
- Increase efficiency and effectiveness of government – Does the project reduce operating costs (e.g., eliminate costly repairs) or increase the effectiveness of government? Does the project reduce potential legal liability (e.g., repair of a broken sidewalk) or threats to operations (e.g., replacement of a needed street sweeper before it breaks down completely)? Does it improve customer service or provide a new, needed service?
- Be a good steward of public resources – Does the project increase revenues? Are outside grant funds available to cover a portion or all costs?
- Specific impacts on operating budget – What types of ongoing savings might be realized from the project? Does the project increase operating costs?

In addition, each project was evaluated to see how it would influence a series of key policy areas. These included:

- Aesthetics / Historic Preservation
- Cultural and Recreational Opportunities
- Utilization by Community
- Contextually Appropriate Community or Economic Opportunity (“Chatham Factor”)
- Youth, Families, Older Adults
- Environmental Sustainability
- Public Health
- Public Safety

These categories were weighted based on the Town’s values, policies, and priorities, infrastructure replacement criteria, or financial considerations. For available funding considerations, we reviewed potential funding sources, balances remaining from previously approved articles, opportunities for grants or Community Preservation Act (CPA) funds and expanded opportunities for shared resources. The FY2027 Capital Plan is a balanced funding approach to cross-departmental requests.

The Town’s Budget and Financial Management policy recommends the percentage for the Annual Capital Budget not to exceed 9% of the Operating Budget funded with available funds (not the

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tax rate or borrowing). For FY2027 the Capital Plan is recommended at \$2,440,550 or 4.80% and is funded through Free Cash and other available funds. The FY2027 Capital Budget proposes no use of the tax levy.

For more details on previously approved projects/status, please visit the Town’s website [Town Projects | Chatham, MA \(chatham-ma.gov\)](http://TownProjects|Chatham,MA(chatham-ma.gov))

Table 9: FY2027 Capital Program Budget Summary and Funding Sources

DESCRIPTION	FY2026 Actual	FY2027 Dept. Request	FY2027 Proposed
CAPITAL PROGRAM & BUDGET SUMMARY			
General Government	\$350,000	\$780,000	\$335,000
Public Safety	\$265,000	\$468,000	\$363,000
Community Center	\$50,000	\$59,500	\$27,500
Natural Resources	\$300,000	\$6,535,000	\$245,000
Public Works (without Water)	\$852,650	\$1,720,000	\$925,000
Equipment	\$1,345,000	\$2,035,000	\$545,000
Total Town Funded Capital Budget	\$3,162,650	\$11,597,500	\$2,440,500
Funding Sources:			
Free Cash	\$2,575,950		\$2,212,033
Waterways Improvement Funds	\$70,000		\$115,000
Cemetery Sale of Lots	\$25,000		0
PEG Access Fund	\$130,000		\$30,000
Prior Articles	\$361,700		\$73,466
Conservation	0		\$10,000
Total Funding Sources	\$3,162,650		\$2,440,500

The chart below shows the itemized requests for Article 14. Items presented as separate articles to Town Meeting and those are not included in the chart below but included in our total financial plan. Please see Appendix F to review the five-year Capital Plan.

FY2027 Capital Improvement Project Requests	Dept.	FY27 Dept Request	FY27 TMGR Rec 2/19/26
Annual Maintenance of Assess Controls	IT	\$25,000	\$10,000
Police Department Server Upgrade	IT	\$80,000	\$80,000
HVAC System Software Upgrades	IT	\$100,000	\$100,000
Annual Camera Upgrade	IT	\$25,000	\$25,000
Town computer/technology Equipment	IT	\$50,000	\$50,000
Land Management, Assessment & GIS	IT	\$50,000	\$45,000

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Chatham TV Equipment	IT	\$30,000	\$30,000
Consulting & Engineering	TM	\$100,000	\$75,000
Generator(s)	EM/BG	\$40,000	\$40,000
Stretchers and Stair Chairs	FD	\$150,000	\$65,000
Firefighter PPE	FD	\$75,000	\$75,000
SCBA bottles	FD	\$15,000	\$15,000
Radios - mobile and portable	FD	\$10,000	\$10,000
Two (2) Cruiser Vehicles Replacements	PD	\$160,000	\$160,000
Portable Radio & Recording System Replacement	PD	\$203,000	\$203,000
Drainage/Storm Water Management	NR	\$50,000	\$50,000
Jackknife Beach Improvements	NR/CR	\$50,000	\$50,000
Town Landing Infrastructure Improvements	NR/CR	\$10,000	\$10,000
Conservation Lands Management	NR/CON	\$10,000	\$10,000
Mitchell River Bridge Maintenance	NR/HR	\$75,000	\$45,000
Navigation Aids	NR/HR	\$20,000	\$20,000
Household Hazardous Waste collections	NR/HTH	\$70,000	\$60,000
Road Resurfacing	HWY	\$350,000	\$100,000
Emergency Road Repair	HWY	\$30,000	\$20,000
Road Maintenance	HWY	\$35,000	\$25,000
Sidewalk Construction	HWY	\$100,000	\$100,000
Bike Trail Maintenance	HWY	\$10,000	\$5,000
Catch Basins (Installation & Repairs)	HWY	\$60,000	\$25,000
Replace Front End Loader- Transfer Station	TRNS	\$310,000	\$200,000
Water Main Replacement	DPW	\$10,000	\$10,000
Facility/Safety Equipment upgrades	DPW	\$60,000	\$20,000
Athletic Field Line Striper	PG	\$14,000	\$14,000
Parks and Grounds Mowers	PG	\$26,000	\$26,000
Rehabilitation of Depot Street Tennis Courts	REC	\$27,500	\$27,500
Property Management - All Buildings	BG	\$200,000	\$200,000
Public Restroom Improvements	BG	\$30,000	\$20,000
ADA Improvements - All Buildings	BG	\$250,000	\$250,000
Town Annex Fire Equipment	BG	\$80,000	\$80,000
Police Department Fire Equipment	BG	\$90,000	\$90,000
TOTAL		\$3,080,500	\$2,440,500

The following Capital items exceed the cost or funding thresholds of the Capital Plan but are included in our overall inventory and financial tracking. They are presented as separate warrant articles for the 2026 Annual Town Meeting.

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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2026 Annual Town Meeting Articles	Amount
Article 22, Capital -Dredging (Tax Levy)	\$400,000
Article 16, Capital Bond Project, Ballot Question 1 -Bulkhead Replacement at Barn Hill Landing (Borrowing)	\$2,000,000
Article 17, Capital Bond Project, Ballot Question 2 -Bulkhead and Ramp Replacement at Ryder’s Cove (Borrowing)	\$3,500,000
Article 15, Additional Funding for Expansion and Renovation of the Existing Center for Active Living (CFAL) at 193 Stony Hill Rd (Free Cash)	\$200,000
Article 18, Capital -Financial Software (Free Cash)	\$280,000
Article 21, Floor Treatment Replacements (Free Cash)	\$475,000
Article 19, Wastewater Capital Stabilization	\$2,000,000
Article 24, Other Post Employment Benefits (OPEB) Liability Trust Fund Appropriation (Free Cash)	\$150,000
Article 20, Water Capital -Water Storage Tank Painting and Repairs (Water Borrowing)	\$2,300,000
Article 25, Transfer to Stabilization (Free Cash & Re-Appropriate Old Article)	\$350,000
Article 27, NEW Grant Match Account (Free Cash)	\$50,000
Article 26, Expendable Trust Fund for Retirement (Free Cash)	\$50,000
Article 28, Airport Matching Grant for NAVAID Replacement (Free Cash)	\$17,500
Article 29, Airport Matching Grant for Design Aircraft Study (Free Cash)	\$7,500
Article 30, PEG (Public/Education/Government) Cable Access and Technology (Town)	\$76,458
Article 10, PEG (Public/Education/Government) MRSD Education Funding	\$14,274
Article 31, Overlay Funding (Free Cash)	\$ 500,000
Article 11, Monomoy Regional Middle School Roof Project and Debt	\$2,710,745
Article 32, Appropriation from the Attainable Housing Special Revenue Fund; Attainable Ownership Housing at Stepping Stones Road	\$2,100,000
Article 35, Appropriation from the Attainable Housing Special Revenue Fund Lease to Locals Program	\$312,500

Center for Active Living (CFAL) Renovation at 193 Stony Hill Road – Additional Funding Request \$200,000 (Article 15)

This project involves renovating and upgrading the Center for Active Living (CFAL) at 193 Stony Hill Road to address its outdated design and enhance its functionality, making it better suited to meet current and future needs.

Following the appropriation of \$5,000,000 at 2025 Annual Town Meeting based on concept level plans, an interim estimate was conducted which resulted in a total project cost exceeding the funding allocation. In response the Select Board (SB) established a Building Working Group (BWG) to receive broader input on design goals and pursuing a “Bid-in-Hand” procurement approach through Massachusetts Procurement Law requirements to remove cost uncertainties.

The Town Manager established CFAL BWG worked in conjunction with the Project Team to assist in refining the design of the project to meet the Town’s needs and achieve the best value. The design developed by the BWG resulted in an *estimated* total cost of \$6,880,000; \$1,880,000 over the 2025 appropriation. While this is a higher total project cost estimate, the revised plan not only fully meets the Town’s design objectives but also adds building components/elements that will be more cost effective in the long run.

The core design components approved by voters at the 2025 Annual Town Meeting remain including lower-level improvements to better accommodate the Adult Supportive Day Program, creating a formalized, protected and accessible lower-level drop-off for clients, improving the flexibility/use of existing limited multi-purpose rooms and increasing storage potential. Main level improvements provide improved handicap/functional safety access, expansion of dining and storage area, and reconfigured office layout. Upper-level changes add dormers to increase the functionality of meeting and programming space and the addition of a new office. Site improvements center upon enhancing access for less mobile patrons and formalizing parking and circulation for increased efficiency and safety.

The improvements made by the CFAL BWG include removal of all vertical structural obstructions in public areas, an all-new building envelope, kitchen renovation, new deeper basement windows, and additional parking and pedestrian improvements.

If this project is approved, construction is targeted to commence on July 1, 2026, with a targeted opening date of August 1, 2027.

Waterfront Bulkhead Projects - Debt Authorizations

The Town’s waterfront infrastructure program includes a range of facilities that support commercial fishing, recreational boating, shellfishing, and public coastal access. These facilities are critical to the Town’s working waterfront and require ongoing investment to address aging

infrastructure, regulatory requirements, safety concerns, and the impacts of sea level rise and coastal storms.

In 2017, Annual Town Meeting voters approved an \$11.3 million Capital Bond to fund multiple waterfront infrastructure projects. The bond was initially anticipated to be fully expended by 2024. Project priorities and schedules evolved while additional funding was sought, however design, permitting, and construction progressed. At the May 2024 Annual Town Meeting, Article 18 did not receive the required two-thirds vote to authorize an additional \$11.4 million for the remaining unfunded waterfront projects, including 90 Bridge Street, the Fish Pier South Jog Walkway, Little Mill Pond Pier, Ryder’s Cove Landing, and Barn Hill Landing. Following that vote, water-related committees indicated a preference for considering waterfront projects as individual capital articles rather than as a single bundled request. Subsequently, a Special Town Meeting held on September 16, 2024 approved a \$4.0 million capital appropriation specifically to complete the 90 Bridge Street project.

Ballot Question 1 (Article 16) – Bulkhead Replacement at Barn Hill Landing \$2,000,000

Barn Hill Landing is a public waterfront facility on the Oyster Pond River that supports commercial shellfishing, recreational boating, and public coastal access. A recent structural evaluation confirmed that the existing steel sheet-pile bulkhead has reached the end of its serviceable life as there is extensive corrosion and material loss, including severe deterioration of the steel sheeting and failure of key structural components. As a result, the Town was required to immediately restrict vehicle loading near the bulkhead and install concrete barriers to reduce safety risks. While temporary measures are in place to maintain limited access, full replacement of the bulkhead is required to restore safe use of the facility. In 2025, the Town authorized \$49,000 from the Waterways User Fee Revolving Fund to advance design, survey, and environmental permitting. This work is underway and includes engineering analysis, topographic and bathymetric surveys, wetland delineation, alternatives development, and preparation of permit-level plans. Construction funding is requested through this Capital Article and Debt Exclusion Ballot Question.

Ballot Question 2 (Article 17) – Bulkhead and Ramp Replacement at Ryder’s Cove Landing \$3,500,000

Ryder’s Cove Landing is one of the Town’s most heavily used public boating facilities, supporting commercial fishing operations, charter vessels, and recreational boating. The existing infrastructure is aging and functionally deficient. In 2024, the Town authorized \$140,000 from the Waterways User Fee Revolving Fund to complete engineering, site survey, and environmental permitting for improvements at Ryder’s Cove Landing. That work is nearing completion and confirms that key facility components, which include the concrete boat ramp and timber bulkhead, are at or near the end of their serviceable life. The design effort evaluated ramp alignment, float capacity, parking layout, utilities, drainage, accessibility, and coastal resource constraints. The proposed improvements include replacement of the boat ramp, replacement or

over-sheeting of the timber bulkhead with more resilient materials, expansion and reconfiguration of the float system, parking and drainage improvements, utility upgrades, and associated site work. Construction funding is requested through this Capital Article and Debt Exclusion Ballot Question.

A status report on other major waterfront infrastructure projects is provided later in this report.

Wastewater Revenue

The Town continues to qualify for 0% interest loans through the Massachusetts Clean Water Trust State Revolving Fund, loan forgiveness from ARPA, and the Cape Cod & Islands Water Protection Fund. The Intermunicipal Agreement (IMA) with the Town of Harwich provides for milestone payments as well as reimbursement for operating costs of the Water Pollution Control Facility – referred to as Capacity Purchase Fees. The first milestone payment of \$2,265,000 was received on July 1, 2017, and closed to undesignated fund balance (Free Cash) at the end of FY2018. At the May ATM2023 for Fiscal Year FY2024, Article 38 created a new Wastewater Capital Stabilization Fund (M.G.L. Ch 40, Section 5b) to direct all future milestone payments and/or project share costs received by Chatham from Harwich pursuant to the June 20, 2017 Intermunicipal Agreement for Wastewater Collection and Treatment by and between the Towns of Chatham and Harwich, to be deposited into said Wastewater Capital Stabilization Fund.

IMA Payment Date	Capacity Purchase Fee	
6/20/2017	2,265,000.00	received July 1, 2017 (FY2018)
FY2022-23	1,500,000.00	received January 20, 2023 (FY2023)
6/18/2024	1,500,000.00	not greater than 7 years (received 8/23/24- FY2025)
6/18/2026	1,500,000.00	not greater than 9 years (FY2026)
	\$ 6,765,000.00	TOTAL

Wastewater Capital Stabilization Fund (Article 19)

For FY2027, an article is proposed to transfer \$2,000,000 to Wastewater Article 18, which was approved at the Annual Town Meeting on May 8, 2017. That article stated that a portion of the estimated costs for Phase 1D would be offset by contributions from the Town of Harwich through the Chatham–Harwich Intermunicipal Agreement once implemented, for ineligible costs through the state revolving fund. This action will accomplish such.

Article 18 in 2017 related to the Wastewater Project Expansion/Borrowing projects in the Comprehensive Wastewater Management Plan (CWMP) for Phase 1C and 1D. This phase included wastewater improvements in the areas around Route 137 and Morton Road, as well as the replacement of a portion of the original 1969–1970 sewer main along Main Street. Phase

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1D-2A in part extended sewers along Route 137 (Meetinghouse Rd), Morton Rd (north of Twine Field Dr.), Middle Road (between Rte. 137 and the treatment plant entrance), Old Queen Anne Road from the Harwich Line to Muddy Creek, Stage Coach Dr., and Mill Hill Road.

The total capital request is \$2,000,000, to be funded from the Wastewater Capital Stabilization Fund, which had a balance of \$4,097,463 as of December 31, 2025. The Wastewater Capital Stabilization Fund is comprised of payments received from the Town of Harwich under the Intermunicipal Agreement and is intended to cover additional costs not funded through the Clean Water Trust or the initial borrowing as article 18 was written. [2017-Annual-Town-Meeting-Warrant-PDF](#)

Community Preservation Act (Articles 36 through 50)

For FY2027, thirteen (13) project applications were received by the November 1 deadline. The Community Preservation Committee (CPC) voted on the applications on February 2, 2026, in the amount of \$2,136,200. In addition, the Town is required to appropriate 10% of revenues to each of the reserve accounts, and \$15,000 will be allocated for administrative costs. The 10% of reserves will be applied to the articles being presented at the Annual Town Meeting. The CPC estimates total receipts of \$1,485,766, with an Open Space fund balance of \$418,000 and an undesignated fund balance of \$725,828. This results in total available funds of approximately \$2,629,594.

Community Preservation Act Project Applications		Amount Requested	Amount Voted by CPC
Housing	Affordable Housing Trust – Stepping Stones	\$750,000	\$750,000
Housing	Assistance Resource Center	\$100,000	\$100,000
Housing	1533 Main Street - Pennrose	\$500,000	\$400,000
Housing	0 Meetinghouse Rd - Pennrose	\$500,000	\$100,001
Housing	Lower Cape Housing Institute	\$20,000	\$20,000
Open Space/Rec	Restore Legacy of Kate Gould Park	\$25,000	\$25,000
Open Space/Rec	Mill Pond Overlook Accessibility Trail	\$125,000	\$125,000
Open Space/Rec	Frost Fish Creek Restoration	\$100,000	\$100,000
Open Space/Rec	Chatham Beach Signs	\$17,000	\$17,000
Historic	Peoples Cemetery Restoration	\$100,399	\$100,399
Historic	Marconi Lattice Towers Preservation	\$455,400	\$200,000
Historic	Exterior Restoration of Historic Harbormaster Building	\$50,000	\$100,000
Historic & Open Space/Rec	Mack Monument Restoration	\$98,860	\$27,000 & \$78,800

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TOTAL PROJECTS		\$2,841,659	\$2,136,200
Other	Administrative Budget	\$15,000	\$15,000
Other	10% Reserve Fund Allocation	<u>\$445,730</u>	<u>\$450,000</u>
		\$3,302,389	\$2,601,200

Community Initiatives/Project Status

Many great community initiatives have been instituted that focus on preservation of our social infrastructure and resiliency of our community. Through our annual budget process, we work to ensure what lies before us is a pathway to sustainability and investment in our community. For a comprehensive listing of the achievements by Departments in the prior calendar year (2025), please refer to the FY2027 Digital Budget Book narratives - [ClearGov Document - FY2027 Budget Book](#). The following highlights the positive impacts of our ongoing initiatives:

Community Connections - Keeping You Connected

Our Information Technology (IT) Division continues to rise to the task to give us innovative tools for Town officials and staff to conduct Town business. Our Chatham TV Team (formerly Channel 18) continued efforts to keep our community connected by recording or streaming community events on the Town’s YouTube Channel <https://www.youtube.com/chathamchannel18>. There you can also find behind the scenes limited series on Town operations and *The Flash* COA video newsletter. Our Communications Manager (Shanna Nealy) uses our enhanced website to receive comments through our Community Voice portal – 24/7 – in addition to curating the Town’s social media outlets (website, Facebook, X (formerly Twitter), YouTube, LinkedIn, Instagram). We enhanced community outreach using on-line Community Updates - *The Mainsheet* - <https://www.chatham-ma.gov/list.aspx?PRVMSG=240>, as well as our Swift 911 phone/text/email systems. We also partnered with the Chatham Chamber for direct business outreach efforts such as on road improvement projects, new business ribbon cuttings and pushing information in conjunction with the Town’s social media.

Social Infrastructure Initiatives

Senior Tax Work-Off Program

The Senior Tax Work-Off Program, established in 2012, offers residents aged 60+ the opportunity to receive property tax relief by sharing their skills and experience through meaningful contributions to Town operations. In its 13th year (FY2026), 14 participants contributed 535.75 hours toward tax abatements, with an additional 537.50 volunteer hours provided. Now halfway through its 15th year, The Chatham Tax Work-Off program continues to provide valuable support to Town Departments, with 17 participants placed across various areas of service. As of December 31st, 2025, participants have contributed 419 program hours, including 121 hours of

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volunteer service. The program exemplifies how Chatham’s talent strengthens Town operations while fostering intergenerational connections.

Childcare Voucher Program

Since FY2010, the Childcare Voucher Program has provided crucial support for families in Chatham. Starting with a modest \$5,000 annual budget, it has grown significantly, reaching \$200,000 as requested under Article 23 for FY2027 as recommended by the Human Services Committee. This funding supports year-round childcare assistance, ensuring that families living and working in Chatham can access affordable care, contributing to family stability and workforce retention.

Dr. Florence Seldin Preschool Family Support Program

The Dr. Florence Seldin Preschool Family Support Program, now in its fourth year, offers financial assistance to families with three- and four-year-olds attending approved preschool programs. Testimonies from participating families highlight the program’s transformative impact:

- *“Thank you for continuing to offer the Dr. Florence Seldin Family Support Program. It’s wonderful & reassuring that our town leaders prioritize education & equity.”*
- *“We love raising our kids in Chatham and this funding helps us to do that!”*
- *“Receiving this generous funding is the main reason I have been able to remain living in Chatham near my family.”*

Currently, 9 four-year-olds and 8 three-year-olds are enrolled, with \$130,000 in allocated funds for FY2026. Any unexpended funds will roll over to the next fiscal year, ensuring continued support for families in need. More information on this program is available on the Department of Community Services webpage. More information on this and the Childcare voucher program can be found at [Preschool & Childcare Programs | Chatham, MA](#).

Community Housing Initiatives:

Expanding year-round housing opportunities remains one of the Select Board’s highest priorities, and 2025 marked meaningful forward movement toward the Board’s five-year goal of creating 200 affordable and attainable housing units. During the year, the Town finalized a Land Disposition Agreement with Pennrose for the Meetinghouse Road property and advanced two significant Chapter 40B developments. The Zoning Board of Appeals approved a 48-unit Comprehensive Permit for 1533 Main Street in December, and the Meetinghouse Road proposal—representing up to 42 units—continued through the public hearing process. In support of the Main Street development, the Town secured a \$574,000 HousingWorks Infrastructure Grant to fund access, water, sewer, and streetscape improvements, reinforcing our commitment to pairing housing production with infrastructure readiness.

We also continued to position Town-owned properties for responsible housing development. An RFP was issued for the Stepping Stones Road parcel for ownership units, with both affordable and attainable components. Housing Assistance Corporation (HAC) was awarded the development rights for up to 14 units (Article 32). At 127 Old Harbor Road, refined test fits and forthcoming design guidelines will help shape a future development solicitation that balances housing needs with neighborhood character. These efforts reflect a deliberate and strategic approach to strengthening the housing pipeline through thoughtful planning and public-private collaboration.

In addition, the Affordable Housing Trust completed renovations to its property at 558 Crowell Road and advanced the home through a deed-restricted resale process to an income-qualified buyer. Altogether, projects approved, under review, or in procurement during 2025 account for 103 housing units in the active development pipeline. While work remains to reach our five-year target, the progress made this year establishes strong momentum and demonstrates the Town’s continued commitment to increasing housing opportunities for residents and the local workforce.

Select Board Five-Year Goal: 200 affordable and attainable year-round housing units

2025 Pipeline Progress:

- 48 units – 1533 Main Street (Approved)
- Up to 42 units – Meetinghouse Road (In permitting)
- Minimum 12 units – Stepping Stones Road (RFP issued)
- 1 unit – 558 Crowell Road (Completed)

Total Active Units: 103

Remaining to Reach Goal: 97

More than half of the five-year housing production target is now represented in projects that are approved, in permitting, or in procurement—positioning the Town for continued progress in 2026 and beyond. Please visit the Town’s website for more information - [Chatham Housing Office | Chatham, MA](#).

Communication Initiatives - Town Website and Social Media



For the year 2025, the Town website had a total of 711,939 views, which is approximately 40,000 more views than 2024. Excluding the home page the top 5 viewed pages on the website were:

1. Search – 51,913 views
2. Assessing – 42,706 views
3. Online Services – 19,838 views

4. Online Payments – 15,595 views
5. Jobs – 15,034 views

There were 188,385 active users who accumulated these views. This metric contains the number of unique users who engaged with the site during the time period. The average user viewed 3.78 pages and spent 1 minute 16 seconds on the site. The dips in the line chart below show weekends, which tend to average about half the number of views when compared to weekdays.

The Town's social media presence continued to grow, reaching 5,769 followers on Facebook, with 2.1M content views and 23.1K content interactions. The Town's Instagram account has 1122 followers and 123.9K content views in 2025. The Town's X/Twitter account maintained 334 followers despite limited use, while the Town's LinkedIn presence, focused on showcasing staff activities and achievements, reinforcing the Town as an engaged and dynamic employer, grew with 535 followers. Departments such as Police, Fire, and Community Services maintained additional social media accounts, ensuring broad access to critical emergency updates and educational content on Town programs and services.

The Town Manager's weekly e-newsletter, The Mainsheet, reaches 1,695 direct subscribers with an impressive 68% average open rate and is also accessible through the Town's social media platforms. To subscribe, please visit [Stay Informed | Chatham, MA](#).

Online Permitting/Services - [Online Services | Chatham, MA](#)

Community Development, Natural Resources (& Health) and Public Works have been using a cloud-based online permitting system since 2020 - OpenGov Citizen Services, enhancing accessibility for staff and applicants. This system allows for remote access to permit information; processing, reviewing, and issuing permits online; and direct communication with staff, digital permit approvals, and online inspection requests. In 2025, IT staff expanded OpenGov to include additional Department of Public Works permits. Links to the system are available on the Town's website, under the Building, Conservation, and Health Departments and Department of Public Works. Staff are continually improving and expanding the application types for the public's convenience and coordination between departments

The IT department continues to implement Brightly Work Order Systems. This system has been expanded to all internal staff and Veolia Contractors at the Water and Sewer Divisions. The systems supports IT, DPW, and Water/Sewer Departments work order request. The public can make public works requests through the link on the Town website.

The Mooring Management Permit Program, introduced in FY2022, continued to streamline online renewals, with Mooring and Waitlist Permits due by December 31st each year. <https://chamma.mooringinfo.com/ndr/menu.php>

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Geographic Information Systems (GIS)

The Town's GIS Division, led by the GIS Planner, expanded data layers in 2025, improving tracking for Water Supply and Sewer infrastructure, Drainage structures, Coastal development and FEMA updates, and supporting multiple land use planning efforts. These additions build on the existing GIS foundation, which requires ongoing updates to water mains, sewer lines, snow plowing routes, and parcel layers. Moving into 2026, the Town is transitioning the system to the "cloud based" ArcGIS Online platform for better integration with newer and future software programs. Moving to this new platform will also increase management efficiencies and broader provision of data to the staff and the public.

Chatham TV

Rebranded in 2023, Chatham TV (Xfinity Channel 1072) continues to offer live and on-demand broadcasts, enhancing community engagement and government transparency.

2025 Highlights:

486 meetings recorded and archived; 18,724 Live Stream and On-Demand views; 13,509 YouTube views

Chatham TV continued to produce informative content for broadcast, social media, and archival:

Highlights

[Coastal Water Nutrient Monitoring Program | Discussion with Robert Duncanson and Greg Berman](#); [A.T.M. 2025 E-Voting P.S.A.](#); [A.T.M. 2025 Preview Show](#); [West Chatham Neighborhood Center District and Zoning Map | F.A.Q.](#); [Seasonal Communities Q&A | Articles 49 and 50 Annual Town Meeting | May 10, 2025](#); [Choose the Old Colony Rail Trail | P.S.A.](#); [North Beach and North Beach Island Best Practices and Safety](#); [Emergency Preparedness | Build a Kit, Make a Plan, Stay Informed](#); [First Night Chatham 2025/2026](#); [Holiday Magic in Chatham](#)

Backstage Episodes:

[Backstage | Sewering 2025](#); [Backstage | C.F.A.L. Walk-Through 2025](#); [Backstage | Department of Public Works | Transfer Station](#); [Backstage | Coastal Resilience - Barnstable County Dredge](#); [Backstage | Town of Chatham, MA Unified Response Drill - I. Safety Briefing](#); [Backstage | Town of Chatham, MA Unified Response Drill - II. Highlight Reel](#); [Backstage | Town of Chatham, MA Unified Response Drill - III. Shore Side Search](#); [Backstage | Town of Chatham, MA Unified Response Drill - IV. Simulated Search Debriefing](#)

Additional Support:

Health Division Listening Sessions for the Opioid Settlement Funding; [Climate Impacts in Chatham](#)
[Community Safety Forum](#); "We're Moving" CFAL Relocation Video Produced, Not yet released.

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Through informational videos, live streams of community events, and public service content, Chatham TV continues to serve as a key communication tool, ensuring the public stays informed and engaged at their convenience.

Renewable Energy, Electric Vehicles, and Climate Policy

The Town of Chatham continues to advance its climate, energy, and sustainability objectives through a coordinated approach that aligns municipal operations, capital planning, and procurement practices with adopted bylaws and climate policy. These efforts are guided by Chapter 35 of the Town’s General Bylaws, *Energy Efficiencies in Procurement*, and Chapter 130, *Climate Policy*, both adopted by 2021 Town Meeting and serving as the policy framework for reducing greenhouse gas emissions, managing long-term energy costs, and improving operational efficiency.

Policy Framework

Chapter 35 establishes requirements for incorporating energy efficiency and emissions reduction considerations into Town procurement and capital planning. Article I requires early-stage evaluation of energy-efficient and net-zero design options for new public buildings, ensuring that feasibility, cost, and long-term impacts are assessed before design decisions are finalized. Article II directs the Town to transition its municipal vehicle fleet to zero-emission vehicles at the earliest feasible time as vehicles are replaced or added. These provisions apply to procurements completed on or after January 1, 2022.

In addition, Chapter 130 formally recognizes climate change as an imminent threat to public health, safety, and economic security and establishes the Town’s policy objective of reducing net greenhouse gas emissions from municipal and community activities to zero as soon as technically and economically feasible. Together, these bylaws guide energy sustainability initiatives, capital investments, and participation in regional and state programs.

Renewable Energy Production and Power Supply

The Town’s renewable energy portfolio continues to expand and perform reliably. With more than six years of operation at the Fire Station photovoltaic (PV) installation, all six municipal PV systems were fully operational throughout calendar year 2025. These installations remain a cornerstone of the Town’s strategy to offset municipal electrical demand with locally generated renewable energy.

In FY2025, PV systems at the capped former landfill, Water Pollution Control Facility, Water Treatment Plant, Police Department, Town Offices Annex, and Fire Department generated 2,565,797 kilowatt-hours (kWh) of electricity. This production offset approximately 72.6% of total municipal electrical demand. When combined with Cape and Vineyard Electric Cooperative (CVEC) “off-taker” agreements—including solar projects in other member communities, a wind

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generation project in Plymouth, and a ground-mounted solar array in Dartmouth—approximately 82.8% of the Town’s total electrical use in FY2025 came from sustainable sources.

The financial performance of these initiatives remains strong. FY2025 net benefits from Town-owned PV systems totaled \$407,304 and remain on track to exceed \$3.6 million in cumulative savings over the 20-year power purchase agreement terms. Off-taker agreements generated an additional \$36,958 in FY2025, further offsetting municipal electrical costs to a total value of \$444,262. Looking ahead to 2026, a new rooftop PV system with battery storage at the Community Center is anticipated to come online, further advancing the Town’s renewable energy goals and improving energy resilience.

Energy Procurement and Cost Management

The Town continues to benefit from participation in the Cape Light Compact’s municipal power supply aggregation. During FY2025, the negotiated electric rate averaged 13.102 cents per kWh, slightly below Eversource’s average summer/winter rate of 13.184 cents per kWh. For the remaining term of the Compact’s agreement through FY2026, the Town’s rate of 13.253 cents per kWh compares favorably to Eversource’s blended rate of 15.150 cents per kWh, resulting in projected savings of just over 14% on electrical charges.

Fleet Electrification and EV Infrastructure

Consistent with Chapter 35 requirements, the Town continues to integrate electric and hybrid vehicles into its municipal fleet. Four plug-in hybrid electric vehicles (PHEVs) were placed into service in 2018. In FY2025, the fleet expanded to eight electric vehicles with the addition of three all-electric vehicles: two Ford Lightning pickups assigned to Community Development and Natural Resources, and one Subaru Solterra assigned to Natural Resources.

In 2025, the Town also completed installation of public EV charging infrastructure at the former Eldredge Garage site, now converted to a municipal parking lot. The site includes four Level II and four Level III charging stations. Over approximately nine months of operation, the stations recorded 334 Level II charging sessions and 643 Level III sessions, generating \$2,187.32 and \$12,692.15 in revenue respectively.

Energy Efficiency and Green Communities Initiatives

Long-term investments in energy efficiency continue to produce measurable savings. Since completion of the Town-wide LED streetlight conversion, annual street lighting costs have declined significantly. The FY2014 appropriation of \$46,000 has been reduced to \$22,500, a level that has remained consistent into FY2026, reflecting sustained operational efficiencies and reduced maintenance needs.

In 2025, the Town completed multiple Green Communities projects identified in its Energy Reduction Plan, including equipment upgrades and LED lighting improvements at the Water

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Pollution Control Facility, Department of Public Works Complex, and Center for Active Living (CFAL). At the CFAL, additional improvements included installation of energy recovery ventilation (ERV), electric heat pumps, and weatherization measures, effectively electrifying the building's HVAC system.

Another major energy efficiency project remains underway at the Eldredge Public Library, where the existing HVAC system is being converted to an electric heat pump-based system. The Town submitted its fifth required Annual Report to the Massachusetts Department of Energy Resources (DOER), maintaining eligibility for future Green Communities grant funding in 2026. Staff will continue to work with Cape Light Compact to advance electrification planning and identify additional energy conservation measures across remaining municipal buildings.

Collectively, these initiatives demonstrate steady progress toward reducing the Town's reliance on non-sustainable energy sources while delivering measurable fiscal benefits. Investments in renewable energy production, regional power supply agreements, energy efficiency upgrades, and fleet electrification have reduced operating costs, stabilized energy expenditures, and supported compliance with state and local policy objectives.

As the Town moves into 2026, staff will continue to monitor emerging energy opportunities, pursue grant funding, and advance electrification and efficiency projects where practical. These efforts are intended to further reduce energy consumption, manage long-term capital and operating costs, and support the Town's broader climate and sustainability goals within the context of responsible fiscal planning.

The Town is currently in the process of updating its Multi-Hazard Mitigation Plan in collaboration with the Cape Cod Commission. The updated plan is anticipated to be completed by Fall 2026, if not sooner. The previous plan was last updated in 2018 also through a joint effort between Town staff and the Cape Cod Commission. Since that time, many of the action items identified in the 2018 plan have been completed or remain ongoing, while others have been deferred. As part of the current update, additional action items and mitigation strategies are being identified and will be incorporated into the new plan.

Chatham maintains a Class 7 rating in the National Flood Insurance Program's Community Rating System, providing a 15% flood insurance discount to approximately 423 policyholders.

(Other) Major Waterfront Infrastructure Projects

90 Bridge Street – fully funded and construction underway

The 90 Bridge Street project involves redevelopment of Town-owned waterfront property to provide multi-use access for commercial and recreational users and to accommodate the relocated Town shellfish upweller system. Following initial endorsement by the Select Board,

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project design and permitting have advanced with regular updates provided to the Select Board and the public. The permitting is complete and construction has been underway since 2024. The project is being constructed in phases to align with funding availability and permitting milestones.

The installation of a bulkhead and timber pier was Phase 1, completed in winter of 2024 Phase 2 includes construction of the pile-supported pier for the upweller, extension of the existing T-pier, and installation of new floats and is expected to be substantially complete by April 2026. Procurement is underway for the final phase of the project, Phase 3, which includes restoration and repurposing of the historic Stage Harbor Coast Guard Boathouse to house the new shellfish upwelling facility and a bathhouse. The relocated upweller intake will be situated away from vessel fueling and boat washing activities, which have adversely affected the existing system.

The former Coast Guard Boathouse, accepted by the Select Board as a donation for use in this project, has been transported from storage at a Quincy shipyard and is currently staged in New Bedford for preparation prior to its return to Stage Harbor. Over the past year, the Town secured more than \$1.5 million in grant funding through the Seaport Economic Council and the Massachusetts Department of Agricultural Resources Food Security Infrastructure Grant program, reducing the amount of local funding required to complete the project.

Fish Pier South Jog Walkway - fully funded and construction underway

The South Jog Walkway at the Fish Pier is a pedestrian walkway proposed along the south side of the filled South Jog pier. The walkway is intended to separate public pedestrian access to the public float from active fish offloading operations. This feature was originally part of the South Jog Bulkhead project but was separated due to permitting constraints. Including the walkway in the bulkhead project would have delayed bulkhead construction by at least one year. As a result, the bulkhead was constructed independently, and the walkway was permitted as a standalone project.

A temporary pedestrian route, delineated with Jersey barriers, is currently in place along the South Jog pier to maintain public access until construction of the walkway proceeds. Engineering and permitting for the bulkhead and related work were performed by Foth Engineering and Environmental, LLC, with Pomroy Associates serving as Owner’s Representative. Procurement for construction was finalized in January 2026 and construction is anticipated to be complete by mid-April 2026.

Little Mill Pond Pier – fully funded and design/permit stage

The Little Mill Pond Pier provides public access for recreational boating, fishing, and shellfishing. The original pile foundation dates back to the 1930s, and while the timber superstructure was replaced in the late 1980s, the pier has reached the end of its serviceable life.

At the May 2025 Annual Town Meeting, voters approved \$500,000 in Community Preservation Act funding to support design, permitting, and reconstruction of the pier. The engineering consultant Pare is currently advancing survey, design, and environmental permitting. The project anticipates full replacement of the pier structure and incorporation of measures to address current safety standards and projected impacts from sea level rise and coastal storms.

Main Funding Sources for Waterfront Infrastructure Projects – January 2026

- ATM Article 21, 5/8/2017
 - \$11,355,000 authorized
 - Expenses total \$9,093,850.81
 - Remaining balance \$2,261,149.19
- STM Article 1, 9/16/2024
 - \$4,000,000 authorized
 - Expenses total \$1,744,974.90
 - Remaining balance \$2,255,025.10

These balances are largely associated with projects already underway or in close-out phases. Projects currently in design or permitting will require separate construction appropriations for advancement.

Other Funding Sources for Waterfront Infrastructure Projects

In addition to bonded funds, the Town utilizes the Waterways User Fee Revolving Fund (WUF) to support waterfront capital projects. As of February 13, 2026, the WUF balance was \$1,484,925. The fund receives revenue from the Waterways User Fee, Fish Pier docking permits, Fish Pier lease revenue, and Fish Pier fuel sales. Expenditures from the WUF are limited to \$1,000,000 per fiscal year and may be used for design, permitting, construction, major repair, or replacement of public waterfront infrastructure.

The Town has also received grant funding for waterfront projects through the Seaport Economic Council and the Massachusetts Department of Agricultural Resources Food Security Infrastructure Grant program, as well as Community Preservation Act funding under the recreational and historic criteria. Current project outside funding sources total **\$4,593,266** as detailed below:

- FY26 Seaport Economic Council Grant
 - \$857,049 – 90 Bridge
- FY26 Food Security Infrastructure Grant Program
 - \$730,620 – 90 Bridge
- State Dredging Grant
 - \$267,347 – 90 Bridge

- Seaport Economic Council Grant
 - \$1,000,000 – 90 Bridge
- Seaport Economic Council Grant
 - \$295,000 – 90 Bridge
- FY22/24/25/26 Community Preservation Act Funds
 - FY22 \$243,250 – 90 Bridge
 - FY24 \$350,000 – 90 Bridge
 - FY25 \$350,000 – 90 Bridge
 - FY26 \$500,000 – Little Mill Pond Pier

Through thoughtful capital investments, sustainability-focused policies, and forward-looking climate resilience initiatives, Chatham will continue working to lower greenhouse gas emissions, improve energy performance, and protect the community’s natural resources for generations to come.

The efforts noted above reflect the Town’s dedication to responsible governance, financial stewardship, and community engagement. As we move forward, we remain committed to upholding the values and priorities that define Chatham's character.

FINAL NOTES

Strategic budgeting initiatives dating back to 2012, coupled with the Town’s resilient COVID-19 Financial Management Plans spanning FY2020 to FY2023 and efforts in FY2024 - FY2026, have strengthened Chatham's financial standing compared to many other municipalities in the Commonwealth. The affirmation of our S&P AAA Bond Rating in April 2025, is a testament to the Town’s responsible fiscal practices, coastal resiliency efforts, proactive cybersecurity planning, and the success of our COVID Financial Plan. Additionally, on March 25, 2026, for the third consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Town of Chatham for our Annual Comprehensive Financial Report for the fiscal year ending June 30, 2024 (FY2024).

The ongoing challenge remains meeting service-level expectations across the entire community within defined financial parameters, while continuing to uphold our prestigious AAA Bond Rating in alignment with municipal guidelines used by rating agencies. *FY2027 Navigating the Fiscal Year Ahead Budget* delivers such and continues to advance community initiatives and Select Board directives, providing the necessary resources to meet these objectives with cautious budgeting/fiscal restraint while maintaining excellent and sustainable service.

The foundation of Chatham’s operational success is not only sound financial management but also the dedication and expertise of our professional staff (Team Chatham!), supportive Elected

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Officials, committed Town Officials, countless community volunteers, and informed voters. This collected support enriches the services, programs and events that make Chatham such a special community. I am committed to continuing our collaborative approach to financial management and thoughtful discussions about the services our community needs and desires, with transparency in government operations.

This Budget is the product of many months of effort by my team, led by Director of Finance Carrie Mazerolle working closely with all Department Heads and the efforts of the Finance Division staff. I extend my sincere appreciation to all Town Department staff for their time, collaboration, and strategic insights as I prepared my 14th Town Manager Budget Message for the FY2027 *Navigating the Fiscal Year Ahead* Budget. Thank you to IT Director Craig Rowe, Executive Assistant Cathy Lewis, and Finance Administrator Chris Mazulis for their instrumental contributions to enhance the digital budget book, ensuring it serves as an accessible and comprehensive resource for the community.

A special acknowledgment goes to Team Chatham for their exceptional professionalism and teamwork demonstrated daily. I am also deeply grateful for the knowledge, historical perspective, feedback, and support provided by our taxpayers, who care so passionately about our beautiful community. It remains an honor to serve as your Town Manager.

Thank you in advance for your thoughtful consideration.

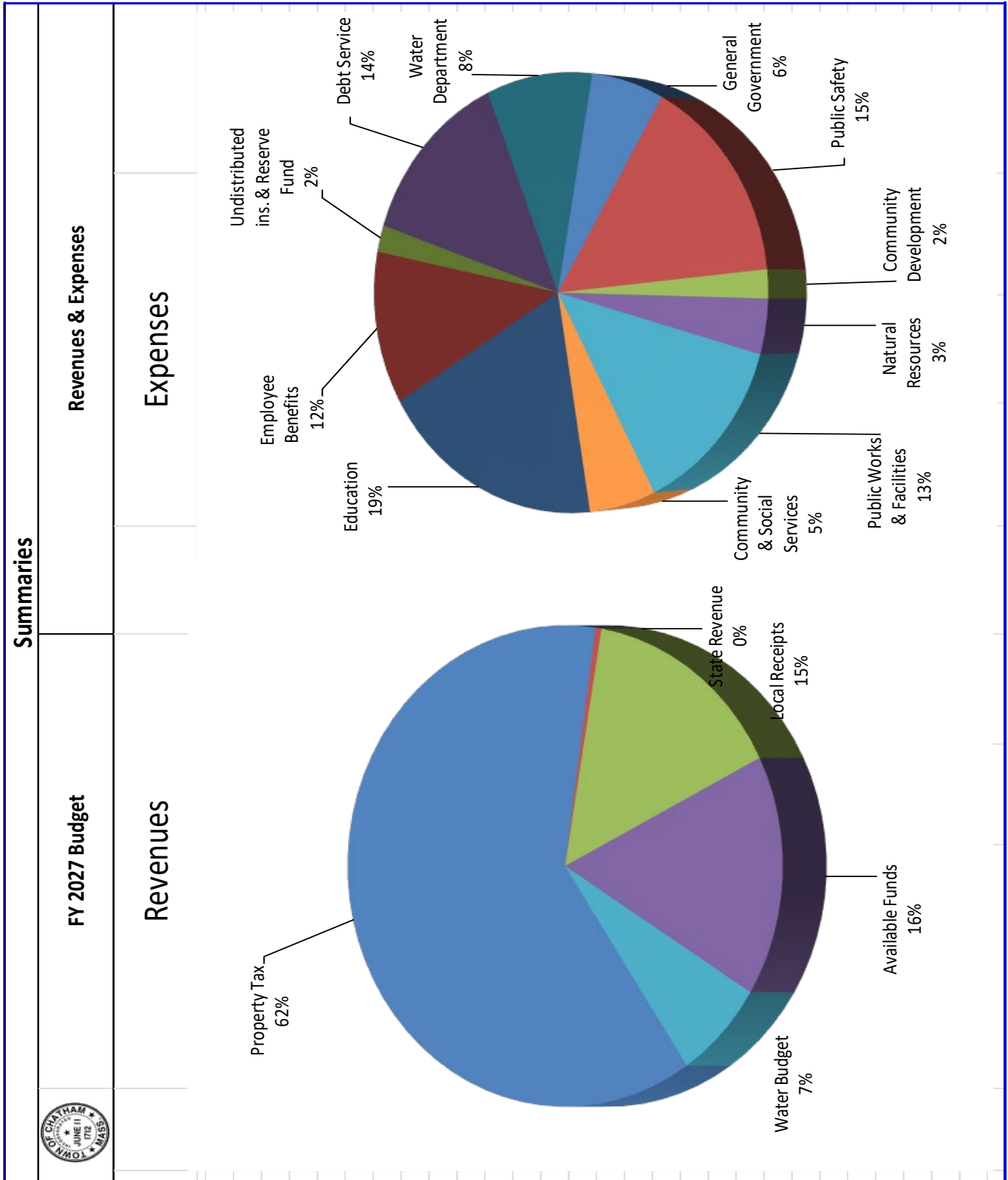
Respectfully submitted,
Jill R. Goldsmith, Chatham Town Manager, [ICMA-CM](#)

Attached, please find the Town's Organizational Chart and Appendices related to the FY2027 Budget:

- C. Town Operating Budget Details*
- D. Debt Amortization Schedule*
- E. Water Department Operating Budget Detail*
- F. Five Year Capital Plan Detail*

APPENDIX C

Town Operating Budget Detail




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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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FY 2027 Budget		Sources of Funding/Revenues				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager
Sources of Funding (Summary)						
Property Tax	40,994,781	42,330,440	46,752,751	48,702,593	48,339,114	3.39%
State Revenue	247,123	257,087	315,508	315,508	342,047	8.41%
Local Receipts	12,824,255	13,006,203	11,891,515	11,681,202	11,681,202	-1.77%
Available Funds	11,854,505	7,435,029	16,587,123	13,131,038	12,695,980	-23.46%
Sub-Total Sources of Funding	65,920,665	63,028,758	75,546,897	73,830,341	73,058,343	-3.29%
Other Funds						
G.F Bonding (w/o Water)	9,320,000	4,000,000	32,000,000	5,500,000	5,500,000	-82.81%
Capital Exclusion		0	0	1,330,000	0	0.00%
Water Revenue, Direct	3,522,604	3,642,398	5,047,828	5,303,016	5,303,016	5.06%
Water Bonding/Surplus	20,350,000	500,000	0	2,300,000	2,300,000	0
Sub-Total	33,192,604	8,142,398	37,047,828	14,433,016	13,103,016	-64.63%
Total Revenue	99,113,269	71,171,157	112,594,725	88,263,357	86,161,359	-23.48%
Tax Levy						
Base	35,369,595	36,856,135	38,142,381	39,516,557	39,516,557	3.60%
x2.5%	884,230	921,360	953,560	987,914	987,914	3.60%
Growth	602,702	366,616	421,047	375,000	375,000	-10.94%
Adjustment	-392	-1,730	-430	0	0	
Debt Exclusions - Form DE-1	7,601,135	7,264,903	8,612,191	8,665,249	8,665,249	0.62%
Less: MSBA - School Debt	-427,692	-467,745	-451,392	-451,392	-451,392	
Estimated exempt short term inte	-29,479	-26,035	-22,704	-20,491	-20,491	-9.75%
Barnstable County Tax	329,705	333,295	340,580	347,392	347,392	2.00%
Excess Levy Capacity - Not Used	-3,335,023	-2,916,359	-1,242,481	-717,636	-1,081,115	-12.99%
Total Est. Tax Levy	40,994,781	42,330,440	46,752,751	48,702,593	48,339,114	3.39%

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Summaries							
 FY 2027 Budget	Sources of Funding/Revenues						
	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager	% Difference FY2026 - Town Manager	
General Government							
Unrestricted General Governmen	179,913	185,311	187,349	187,349	192,022	2.43%	
Veterans' Benefits	24,497	24,805	41,540	41,540	44,494	6.64%	
Exemptions Vets/Blind/Etc.	29,298	32,677	72,531	72,531	91,207	20.48%	
Exemptions Elderly	0	0	0	0	0		
Public Libraries	13,415	14,294	14,088	14,088	14,324	1.65%	
Subtotal General Government	247,123	257,087	315,508	315,508	342,047	7.76%	
Total State Revenue	247,123	257,087	315,508	315,508	342,047	7.76%	

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026


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		Summaries					
		FY 2027 Budget			Sources of Funding/Revenues		
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager	% Difference FY2026 - Town Manager
	Local Revenue						
	Motor Vehicle Excise	1,604,353	1,717,517	1,677,409	1,650,000	1,650,000	-1.63%
	Meals Tax	677,107	695,107	650,000	650,000	650,000	0.00%
	Hotel/Motel Excise - Traditional	2,328,337	2,418,359	2,200,000	2,200,000	2,200,000	0.00%
	Short-term Rental	1,719,068	1,561,659	1,500,000	1,550,000	1,550,000	3.33%
	Penalties & Interest	164,687	162,435	150,000	150,000	150,000	0.00%
	Payments in Lieu	541,388	514,959	480,000	480,000	480,000	0.00%
	Chg's for Services: Sewer	639,134	715,826	630,000	630,000	630,000	0.00%
	Chg's for Services: Trash	1,479,068	1,675,855	1,475,000	1,475,000	1,475,000	0.00%
	Other Charges - Includes Ambular	915,287	909,422	825,000	800,000	800,000	-3.03%
	Fees	99,833	95,765	85,000	85,000	85,000	0.00%
	Rentals	156,619	166,859	150,000	150,000	150,000	0.00%
	Recreation Revenue	758,814	649,851	625,000	625,000	625,000	0.00%
	Other Dept'l Revenue	7,878	31,585	25,000	15,000	15,000	-40.00%
	Licenses & Permits	811,877	694,612	600,000	550,000	550,000	-8.33%
	Special Assessments	15,255	10,248	10,000	10,000	10,000	0.00%
	Fines & Forfeits	61,575	101,839	85,200	60,000	60,000	-29.58%
	Interest Earnings	755,809	827,261	700,000	600,000	600,000	-14.29%
	Misc.	1,841	1,202	1,202	1,202	1,202	0.00%
	Misc. non-recurring	86,325	55,842	22,704	0	0	-100.00%
	Sub-Total Local Revenue	12,824,255	13,006,203	11,891,515	11,681,202	11,681,202	-1.77%

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Summaries		Sources of Funding/Revenues							
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager	% Difference FY2026 - Town Manager		
	FY 2027 Budget								
	Available Funds								
	Free Cash	7,534,966	2,205,330	10,942,150	4,707,092	4,272,034			-60.96%
	Overlay Surplus	150,000	150,000	150,000	0	0			0.00%
	Stabilization Fund - Waste Water	0	1,735,000	1,070,000	2,000,000	2,000,000			0.00%
	Retirement Fund	0	0	0	0	0			0.00%
	Enterprise Funds	25,000	25,000	25,000	50,000	50,000			50.00%
	Other :	0	0	0	0	0			0.00%
	CCIWPF Grant	615,160	615,160	615,160	615,160	615,160			0.00%
	Attainable Housing Trust	0	0	0	2,412,500	2,412,500			0.00%
	Community Preservation Fund	2,684,330	1,706,786	2,358,035	2,136,200	2,136,200			0.00%
	Water Overhead	318,773	329,930	341,478	353,430	353,430			3.50%
	Cemetery Perpetual Care	5,000	10,000	20,000	20,000	20,000			0.00%
	Sale of Lots & Graves	35,000	35,000	25,000	25,000	25,000			0.00%
	Wetland Protection Fund	55,000	55,000	30,000	0	0			-100.00%
	Conservation Fund				47,000	47,000			0.00%
	Waterway Improvement Fund	250,000	250,000	250,000	295,000	295,000			18.00%
	Prior Year Articles	0	88,220	361,700	128,925	128,925			-64.36%
	School/ PEG Access Funds	28,276	35,000	35,000	49,274	49,274			40.78%
	Railroad Museum RRFA	3,000	3,000	5,000	5,000	5,000			0.00%
	PEG Access Funds RRFA	150,000	191,603	358,600	286,458	286,458			-20.12%
	Sub-Total Available Funds	11,854,505	7,435,029	16,587,123	13,131,038	12,695,980			-23.46%

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Summaries		FY 2027 Budget					Financing Uses/Expenditures						
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager	% Difference FY2026 - Town Manager						
Expenses													
Operating Budgets													
	General Government	3,032,595	3,196,387	3,585,361	3,760,678	3,767,530				5.08%			
	Public Safety	7,472,325	8,399,870	9,259,517	9,734,648	9,706,392				4.83%			
	Community Development	991,803	1,052,215	1,246,610	1,287,258	1,297,089				4.05%			
	Natural Resources (formerly H & S)	1,901,578	2,081,370	2,394,071	2,511,795	2,503,233				4.56%			
	Public Works & Facilities	6,599,044	7,319,317	7,758,133	8,357,551	8,413,419				8.45%			
	Community & Social Services	2,403,538	2,643,802	3,193,471	3,415,473	3,454,192				8.16%			
	Education	10,078,235	10,884,419	11,706,760	12,597,069	12,297,366				5.04%			
	Employee Benefits	5,711,444	6,257,837	7,169,700	7,913,990	7,796,414				8.74%			
	Undistributed Ins. & Reserve Fur	937,693	1,071,373	1,222,835	1,361,167	1,361,167				11.31%			
	Debt Service	6,855,968	7,795,707	9,343,402	8,996,535	8,996,535				-3.71%			
	Operating Budget Total	45,984,222	50,702,298	56,879,860	59,936,163	59,593,336				4.77%			
Capital Budget													
	Five Year Capital Plan	3,674,000	2,338,220	3,162,650	2,440,500	2,440,500				-22.83%			
	Water w/ Bonding	20,350,000	500,000	0	2,300,000	2,300,000				0.00%			
	Capital Exclusion				1,330,000	0				0.00%			
	Bonding/ G.F.	9,320,000	4,000,000	32,000,000	5,500,000	5,500,000				-82.81%			
	Capital Budget Total	33,344,000	6,838,220	35,162,650	11,570,500	10,240,500				-70.88%			

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Summaries									
FY 2027 Budget					Financing Uses/Expenditures				
	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2027 Dept Request	FY 2027 Town Manager	% Difference FY2026 - Town Manager			
Water Operating Budget	3,913,572	4,720,017	5,447,828	5,703,016	5,703,016	4.68%			
Articles-Routine at ATM (levy)	1,493,114	2,076,700	1,765,500	600,000	600,000	-66.02%			
Attainable Housing Trust	0	0	0	2,412,500	2,412,500	0.00%			
Community Preservation	2,684,330	1,706,786	2,358,035	2,136,200	2,136,200	-9.41%			
PEG Article		41,603	78,600	90,732	90,732	15.44%			
Enterprise Fund	25,000	25,000	25,000	50,000	50,000	100.00%			
Wastewater Stabilization	0	1,735,000	1,070,000	2,000,000	2,000,000	86.92%			
Stabilization Fund/OPEB Trust	150,000	300,000	150,000	500,000	500,000	233.33%			
Total Town Meeting Approp	8,266,016	10,605,106	10,894,963	13,492,448	13,492,448	23.84%			
Overlay for Abateements	225,656	254,973	246,000	250,000	250,000	1.63%			
Charges: State & County	895,531	953,033	985,158	985,158	990,751	0.57%			
Other Articles (free cash)	3,860,997	0	8,412,006	2,015,000	1,580,000	-81.22%			
Court Judgements & Other Deficit	0	0	0	0	0	0.00%			
State Aid - Offsets (Lunch & Libr'y)	13,415	14,294	14,088	14,088	14,324	1.68%			
Total Expenses	92,589,837	69,367,923	112,594,725	88,263,357	86,161,359	-23.48%			

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		Summaries									
		FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference			
GENERAL GOVERNMENT											
Dept - 114 Town Moderator											
	Personnel Services	0	0	1,200	0	1,200	1,500		25.00%		
	Expenses	40	40	50	60	50	100		100.00%		
	Total Town Moderator	40	40	1,250	60	1,250	1,600		28.00%		
Dept - 131 Finance Committee											
	Personnel Services	1,772	1,772	2,000	36	2,000	2,000		0.00%		
	Expenses	418	307	600	201	600	600		0.00%		
	Total Finance Committee	2,190	2,080	2,600	237	2,600	2,600		0.00%		
Dept - 122 Select Board											
	Personnel Services	21,000	21,000	21,000	10,500	21,000	31,500		50.00%		
	Expenses	3,736	4,489	3,050	1,589	3,050	3,050		0.00%		
	Total Select Board	24,736	25,489	24,050	12,089	24,050	34,550		43.66%		
Dept -123 Town Manager											
	Personnel Services	387,560	404,446	421,950	200,660	436,988	431,988		2.38%		
	Expenses	205,847	191,544	221,250	75,350	221,250	221,250		0.00%		
	Total Town Manager	593,408	595,990	643,200	276,010	658,238	653,238		1.56%		
Dept - 130 Human Resources											
	Personnel Services	138,879	180,912	212,161	95,042	221,110	221,110		4.22%		
	Expenses	20,428	29,634	30,350	15,436	37,850	37,850		24.71%		
	Total Human Resources	159,307	210,546	242,511	110,478	258,960	258,960		6.78%		

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		Summaries									
		FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	FY 2026 - Town Manager			
Dept - 151 Legal											
	Personnel Services	0	0	0	0	0	0				
	Expenses	190,558	185,890	235,000	70,905	235,000	235,000			0.00%	
	Total Legal	190,558	185,890	235,000	70,905	235,000	235,000			0.00%	
Dept - 148 Audit											
	Personnel Services	0	0	0	0	0	0				
	Expenses	59,960	58,160	65,000	31,200	65,000	65,000			0.00%	
	Total Audit	59,960	58,160	65,000	31,200	65,000	65,000			0.00%	
Dept - 135 Accounting											
	Personnel Services	331,581	286,938	402,625	189,665	421,480	421,480			4.68%	
	Expenses	5,830	6,619	8,200	2,276	8,700	8,700			6.10%	
	Total Accounting	337,411	293,557	410,825	191,941	430,180	430,180			4.71%	
Dept - 141 Assessing											
	Personnel Services	248,196	261,475	280,813	140,740	275,210	275,210			-2.00%	
	Expenses	51,074	65,153	88,600	109,965	90,200	90,200			1.81%	
	Total Assessing	299,270	326,628	369,413	250,705	365,410	365,410			-1.08%	
Dept - 146 Treasurer/Collector											
	Personnel Services	209,410	229,843	248,713	123,595	259,989	259,989			4.53%	
	Expenses	10,886	13,773	25,400	7,013	25,400	25,400			0.00%	
	Total Treasurer/Collector	220,296	243,616	274,113	130,608	285,389	285,389			4.11%	

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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager		% Difference FY2026 - Town Manager
Dept - 155 Information Technologies									
	Personnel Services	403,896	430,269	458,277	223,160	485,297	485,297		5.90%
	Expenses	431,934	498,000	507,750	419,955	557,750	557,750		9.85%
	Total Information Technologies	835,831	928,270	966,027	643,115	1,043,047	1,043,047		7.97%
Dept - 161 Town Clerk									
	Personnel Services	171,116	187,209	202,317	95,293	214,351	214,351		5.95%
	Expenses	8,122	8,845	12,615	4,961	13,065	13,065		3.57%
	Total Town Clerk	179,239	196,055	214,932	100,255	227,416	227,416		5.81%
Dept - 162 Elections									
	Personnel Services	1,350	11,253	7,668	175	26,227	26,781		249.26%
	Expenses	48,965	43,775	50,110	8,280	58,610	58,610		16.96%
	Total Elections	50,315	55,028	57,778	8,455	84,837	85,391		47.79%
Dept - 124 Summer Residents Advisory Committee									
	Personnel Services	0	0	0	0	0	0		
	Expenses	1,849	913	2,000	991	2,000	2,000		0.00%
	Total Summer Residents Advisory	1,849	913	2,000	991	2,000	2,000		0.00%
Dept - 125 Parking Clerk									
	Personnel Services	6,000	4,000	6,000	2,000	6,000	6,000		0.00%
	Expenses	398	410	2,500	418	2,500	2,500		0.00%
	Total Parking Clerk	6,398	4,410	8,500	2,418	8,500	8,500		0.00%


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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager		% Difference FY2026 - Town Manager
PUBLIC SAFETY									
Dept - 210 Police									
	Personnel Services	3,026,038	3,425,925	3,696,928	1,880,379	3,853,427	3,853,427		4.23%
	Expenses	222,991	264,046	284,912	132,201	287,428	287,428		0.88%
	Total Police	3,249,029	3,689,972	3,981,840	2,012,580	4,140,855	4,140,855		3.99%
Dept - 216 Emergency Management									
	Personnel Services	28,500	37,500	44,033	20,085	41,000	41,000		-6.89%
	Expenses	8,409	4,764	10,100	1,441	10,600	10,600		4.95%
	Total Emergency Management	36,909	42,264	54,133	21,526	51,600	51,600		-4.68%
Dept - 215 Animal Control									
	Personnel Services	71,528	76,972	81,530	39,198	83,437	83,437		2.34%
	Expenses	900	645	1,950	556	1,950	1,950		0.00%
	Total Animal Control	72,429	77,617	83,480	39,754	85,387	85,387		2.29%
Dept - 220 Fire									
	Personnel Services	3,827,335	4,256,233	4,702,228	2,334,323	4,941,069	4,941,069		5.08%
	Expenses	280,883	328,285	369,549	146,284	391,788	391,788		6.02%
	Total Fire	4,108,218	4,584,518	5,071,777	2,480,607	5,332,857	5,332,857		5.15%
Dept - 222 Cape and Islands EMS									
	Personnel Services	0	0	0	0	0	0		0.00%
	Expenses	5,500	5,500	6,500	6,000	0	0		-100.00%
	Total Cape and Islands EMS	5,500	5,500	6,500	6,000	0	0		-100.00%

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Summaries										
	FY 2027 Budget				Department Expenses					
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager		
	Dept - 224 Oil Pollution Control									
	Personnel Services	0	0	0	0	0	0	0	0.00%	
	Expenses	239	0	500	0	0	0	0	0.00%	
	Total Oil Pollution Control	239	0	500	0	0	0	0	0.00%	
	Dept -219 Regional Dispatch									
	Personnel Services	0	0	0	0	0	0	0	0.00%	
	Expenses	0	0	61,288	61,258	123,948	95,692	95,692	35.95%	
	Total Dispatch	0	0	61,288	61,258	123,948	95,692	95,692	35.95%	

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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager		% Difference FY2026 - Town Manager
COMMUNITY DEVELOPMENT									
Dept - 240	Community Development								
	Personnel Services	839,316	877,529	1,029,110	463,243	1,069,258	1,079,089		4.86%
	Expenses	57,486	79,686	122,500	37,121	123,000	123,000		0.41%
	Total Community Development	896,803	957,215	1,151,610	500,364	1,192,258	1,202,089		4.38%
Dept - 182 Economic Development - Chamber of Commerce									
	Personnel Services	0	0	0	0	0	0		0.00%
	Expenses	95,000	95,000	95,000	59,294	95,000	95,000		0.00%
	Total Economic Development Chamber of Commerce	95,000	95,000	95,000	59,294	95,000	95,000		0.00%

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Summaries									
FY 2027 Budget					Department Expenses				
	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager		
NATURAL RESOURCES									
Dept - 510 Health & Natural Resources									
Personnel Services	395,943	493,206	532,408	243,841	552,879	540,868			1.59%
Expenses	93,293	101,123	89,100	16,474	99,500	99,500			11.67%
Total Health	489,237	594,329	621,508	260,315	652,379	640,368			3.03%
Dept - 171 Conservation									
Personnel Services	217,007	275,715	366,257	140,239	382,624	382,624			4.47%
Expenses	39,883	34,207	56,700	3,683	58,500	58,500			3.17%
Total Conservation	256,890	309,922	422,957	143,922	441,124	441,124			4.30%
Dept - 280 Pleasant Bay Management									
Personnel Services	0	0	0	0	0	0			
Expenses	54,738	60,428	63,085	63,085	69,356	69,356			9.94%
Total Pleasant Bay Management	54,738	60,428	63,085	63,085	69,356	69,356			9.94%
Dept - 270 Harbormaster									
Personnel Services	574,643	549,318	693,405	368,543	741,553	745,001			7.44%
Expenses	179,772	199,050	181,080	89,544	182,080	182,080			0.55%
Total Harbormaster	754,415	748,369	874,485	458,087	923,633	927,081			6.01%
Dept - 295 Coastal Resources									
Personnel Services	107,802	122,736	136,077	58,825	132,530	132,530			-2.61%
Expenses	19,850	21,315	24,050	7,945	24,550	24,550			2.08%
Total Coastal Resources	127,652	144,051	160,127	66,770	157,080	157,080			-1.90%

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		Summaries									
		FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference			
Dept - 247 Shellfish											
	Personnel Services	202,555	209,231	227,610	125,446	244,123	244,123		7.25%		
	Expenses	13,894	12,846	21,300	6,337	21,100	21,100		-0.94%		
	Total Shellfish	216,449	222,077	248,910	131,783	265,223	265,223		6.55%		
Dept - 291 South Coast Harbor Plan Committee											
	Personnel Services	583	791	500	161	500	500		0.00%		
	Expenses	0	0	500	0	500	500		0.00%		
	Total South Coast Harbor Plan Committee	583	791	1,000	161	1,000	1,000		0.00%		
Dept - 248 Shellfish Advisory Committee											
	Personnel Services	814	874	800	202	800	800		0.00%		
	Expenses	0	0	200	0	200	200		0.00%		
	Total Shellfish Advisory Committee	814	874	1,000	202	1,000	1,000		0.00%		
Dept - 189 Waterways Advisory Committee											
	Personnel Services	601	529	600	285	600	600		0.00%		
	Expenses	200	0	400	0	400	400		0.00%		
	Total Water Advisory Committee	801	529	1,000	285	1,000	1,000		0.00%		

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	FY 2026 - Town Manager	% Difference
DEPARTMENT OF PUBLIC WORKS									
Dept - 192 Facilities									
	Personnel Services	500,386	205,504	230,648	105,735	240,945	240,945		4.46%
	Expenses	1,310,515	1,390,622	1,448,050	654,648	1,553,050	1,553,050		7.25%
	Total Facilities	1,810,901	1,596,126	1,678,698	760,382	1,793,995	1,793,995		6.87%
Dept - 420 Highway									
	Personnel Services	614,992	534,830	859,222	287,386	870,657	870,657		1.33%
	Expenses	89,921	99,182	98,400	72,487	103,400	103,400		5.08%
	Total Highway	704,912	634,012	957,622	0	974,057	974,057		1.72%
Dept - 423 Snow and Ice									
	Personnel Services	21,823	39,855	20,000	15,413	20,000	40,000		100.00%
	Expenses	56,128	113,239	75,000	21,600	75,000	110,000		46.67%
	Total Snow and Ice	77,951	153,094	95,000	37,013	95,000	150,000		57.89%
Dept - 424 Street Lighting									
	Expenses	11,845	15,687	22,500	4,332	22,500	22,500		0.00%
	Total Street Lighting	11,845	15,687	22,500	4,332	22,500	22,500		0.00%
Dept - 430 Transfer Station									
	Personnel Services	551,716	658,552	664,026	308,660	688,555	688,555		3.69%
	Expenses	1,258,722	1,431,319	1,271,070	733,156	1,501,070	1,501,070		18.09%
	Total Transfer Station	1,810,437	2,089,871	1,935,096	1,041,817	2,189,625	2,189,625		13.15%

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager	
Dept - 425 Fuel Depot									
	Expenses	220,503	213,519	235,000	82,678	235,000	235,000		0.00%
	Total Fuel Depot	220,503	213,519	235,000	82,678	235,000	235,000		0.00%
Dept - 443 Sewer									
	Personnel Services	30,212	32,343	34,513	16,632	35,923	35,923		4.09%
	Expenses	1,436,996	1,682,507	1,714,777	846,243	1,870,650	1,870,650		9.09%
	Total Sewer	1,467,208	1,714,850	1,749,290	862,875	1,906,573	1,906,573		8.99%
Dept - 491 Cemetary									
	Personnel Services	39,908	49,964	58,814	29,247	61,970	61,970		5.37%
	Expenses	55,998	73,355	9,450	2,346	9,450	9,450		0.00%
	Total Cemetary	95,907	123,319	68,264	31,593	71,420	71,420		4.62%
Dept - 650 Grounds									
	Personnel Services	331,774	401,403	613,684	250,124	632,266	633,135		3.17%
	Expenses	67,606	68,427	89,750	54,190	109,750	109,750		22.28%
	Total Grounds	399,380	469,830	703,434	304,314	742,016	742,885		5.61%
Dept -190 Projects & Administration									
	Personnel Services	0	304,741	308,378	150,494	320,514	320,514		3.94%
	Expenses	0	4,269	4,850	2,759	6,850	6,850		41.24%
	Total Project & Admin	0	309,010	313,228	153,253	327,364	327,364		4.51%

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 Summaries		Department Expenses						
		FY 2027 Budget	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager
COMMUNITY SERVICES DEPARTMENT/HUMAN SERVICES								
Dept - 541 Center for Active Living								
	Personnel Services	390,543	437,162	632,545	308,250	723,687	724,178	14.49%
	Expenses	46,769	51,193	53,584	19,084	57,369	57,369	7.06%
	Total Center for Active Living	437,312	488,355	686,129	327,334	781,056	781,547	13.91%
Dept -543 Veterans Services								
	Personnel Services	0	0	0	0	0	0	0.00%
	Expenses	109,791	136,682	129,908	115,347	153,403	164,550	26.67%
	Total Veterans Services	109,791	136,682	129,908	115,347	153,403	164,550	26.67%
Dept -560 Human Services								
	Personnel Services	0	0	0	0	0	0	0.00%
	Expenses	293,472	289,281	328,550	101,397	346,550	346,550	5.48%
	Total Human Services	293,472	289,281	328,550	101,397	346,550	346,550	5.48%
Dept - 610 Libraries								
	Eldredge Public Library	651,473	677,531	701,244	350,622	701,244	701,244	0.00%
	So. Chatham Public Library	10,000	12,000	13,000	0	13,500	13,500	3.85%
	Total Libraries	661,473	689,531	714,244	350,622	714,744	714,744	0.07%
Dept - 640 Recreation & Beaches								
	Personnel Services	681,831	814,660	1,060,148	510,841	1,133,888	1,144,087	7.92%
	Expenses	162,766	137,797	171,820	42,109	174,920	174,920	1.80%
	Total Recreation and Beaches	844,596	952,457	1,231,968	552,950	1,308,808	1,319,007	7.07%

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager		% Difference FY2026 - Town Manager
Dept - 645 Lighthouse Beach									
Personnel Services		30,472	49,251	55,472	40,022	63,712	78,094		40.78%
Expenses		8,553	7,214	11,200	3,505	11,200	11,200		0.00%
Total Lighthouse Beach		39,024	56,465	66,672	43,527	74,912	89,294		33.93%
Dept - 692 Public Ceremonies									
Personnel Services		0	0	0	0	0	0		0.00%
Expenses		8,110	16,612	21,000	13,493	21,000	21,000		0.00%
Total Public Ceremonies		8,110	16,612	21,000	13,493	21,000	21,000		0.00%
Dept - 699 Other Public Events/Chatham Band									
Personnel Services		0	0	0	0	0	0		0.00%
Expenses		7,500	10,000	10,000	0	10,000	12,500		25.00%
Total Other Public Events/Chatham Band		7,500	10,000	10,000	0	10,000	12,500		25.00%
Dept - 670 Railroad Museum									
Personnel Services		0	0	0	0	0	0		0.00%
Expenses		2,259	4,420	5,000	722	5,000	5,000		0.00%
Total Railroad Museum		2,259	4,420	5,000	722	5,000	5,000		0.00%

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Page A- 65

Summaries									
FY 2027 Budget					Department Expenses				
	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager		
EDUCATION									
Chatham Public Schools/Monomoy RSD.									
Assessment	9,710,449	10,308,940	11,118,811	4,765,206	11,979,723	11,737,053			5.56%
Total Chatham/Monomoy Schools	9,710,449	10,308,940	11,118,811	4,765,206	11,979,723	11,737,053			5.56%
CC Tech. Regional High School									
Assessment	367,786	575,479	587,949	352,933	617,346	560,313			-4.70%
Total	367,786	575,479	587,949	352,933	617,346	560,313			-4.70%
Total Education	10,078,235	10,884,419	11,706,760	5,118,139	12,597,069	12,297,366			5.04%

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Summaries									
FY 2027 Budget					Department Expenses				
	FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Req	FY 2027 Town Manager	% Difference FY2026 - Town Manager		
EMPLOYEE BENEFITS									
Dept - 920 Employee Benefits									
Personnel Services	0	0	0	0	0	0	0	0	0%
Expenses	5,711,444	6,257,837	7,169,700	5,452,154	7,913,990	7,796,414	7,913,990	7,796,414	8.74%
Total Employee Benefits	5,711,444	6,257,837	7,169,700	5,452,154	7,913,990	7,796,414	7,913,990	7,796,414	8.74%
UNDISTRIBUTED									
Dept - 945 Insurance									
Personnel Services	0	0	0	0	0	0	0	0	0.00%
Expenses	892,693	1,026,373	1,122,835	933,676	1,261,167	1,261,167	1,261,167	1,261,167	12.32%
Total Insurance	892,693	1,026,373	1,122,835	933,676	1,261,167	1,261,167	1,261,167	1,261,167	12.32%
Reserve Fund									
Expenses	45,000	45,000	100,000	29,539	100,000	100,000	100,000	100,000	0.00%
Total Reserve Fund	45,000	45,000	100,000	29,539	100,000	100,000	100,000	100,000	0.00%
DEBT SERVICES									
Dept - 710 Debt Service									
Principal	5,102,549	5,934,252	7,212,163	2,092,524	7,005,953	7,005,953	7,005,953	7,005,953	-2.86%
Interest	1,753,419	1,861,456	2,131,239	843,950	1,990,581	1,990,581	1,990,581	1,990,581	-6.60%
Total Debt Service	6,855,968	7,795,707	9,343,402	2,936,475	8,996,535	8,996,535	8,996,535	8,996,535	-3.71%

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Summaries									
FY 2027 Budget					Department Expenses				
		FY 2024 Actual	FY 2025 Actual	FY 2026 Budget	FY 2026 YTD 12/31/25	FY 2027 Dept Rq	FY 2027 Town Manager		% Difference FY2026 - Town Manager
Dept - 450 Water									
	Personnel Services	287,754	270,209	288,725	141,008	304,803	304,803		5.57%
	Expenses	1,775,440	2,217,171	2,278,798	1,252,559	2,458,500	2,458,500		7.89%
	Water Operating Expenses	2,063,194	2,487,380	2,567,523	1,393,567	2,763,303	2,763,303		7.63%
	Total Overhead	318,773	329,930	341,478	341,478	353,430	353,430		3.50%
	Total Debt Service	1,576,323	1,870,654	2,538,827	970,517	2,586,283	2,586,283		1.87%
	Water Grand Total	3,958,290	4,687,964	5,447,828	2,705,562	5,703,016	5,703,016		4.68%

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APPENDIX D

Debt Amortization Schedule

APPENDIX E

Water Department Operating Budget Detail

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Art #	WATER FUND			Water Budget	Proposed	
16				Water Budget	Water Budget	FY26-FY27
	Description	24 Actual	25 Actual	FY 26	FY 27	% Difference
	Water Costs					
	Operating					
	Salaries	287,754	270,209	288,725	307,803	6.61%
	Expenses	1,775,440	2,217,171	2,278,798	2,458,500	7.89%
	Sub-total Operating	2,063,194	2,487,380	2,567,523	2,766,303	7.74%
	Debt					
	Principal	809,215	1,400,011	2,047,342	2,142,565	4.65%
	Interest - Long-term	228,019	465,844	441,485	393,717	-10.82%
	Interest - Short-term	100,000	4,800	50,000	50,000	0.00%
	Subtotal Debt	1,137,234	1,870,655	2,538,827	2,586,282	1.87%
	Total Water Direct Costs	3,200,428	4,358,035	5,106,350	5,352,585	4.82%
	Overhead - Indirect Costs	318,773	329,930	341,478	353,430	3.50%
	Overhead - GF Loan Repayment					
	Overhead - Rate payback for Bett		0	0		
	Overhead - Deficit payback					
	Subtotal Overhead	318,773	329,930	341,478	353,430	3.50%
	Water Operating Budget	3,519,201	4,687,965	5,447,828	5,706,015	4.74%
	Water Capital - Cash Basis					
	Various Projects - See Capital					
	Total Water Costs (no bonds)	3,519,201	4,687,965	5,447,828	5,706,015	4.74%
	Water Capital - Bonding Basis					
	Various Projects - See Capital					
	Total Water Costs (with bonds)	3,519,201	4,687,965	5,447,828	5,706,015	4.74%
	Water Revenue					
	Rate Charges	3,069,810	3,287,256	5,447,828	5,706,015	4.74%
	Miscellaneous Revenues	795,234	355,142			
	Water Bonds					
	Variance:					
	Revenues over(under) Costs					
	Town Subsidy-Fire Protection	-400,000	-400,000	-400,000	-400,000	0.00%
	Town Subsidy-Debt Prepay					
	Town Subsidy-Additional					
	Transfer from Gen.Fund	400,000	400,000	400,000	400,000	0.00%
	Surplus (Shortfall)	345,843	-1,045,567	0	0	

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APPENDIX F

Five Year Capital Detail

Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Department	Project Number	Request Title	Project Total	Budgeted - FY2027	Budgeted - FY2028	Budgeted - FY2029	Budgeted - FY2030	Budgeted - FY2031	Total Budgeted
Airport		Design/Permit/Build for Main Apron Reconstruction	\$225,000.00		\$225,000.00				\$225,000.00
		Construction of New Taxiways for Hangars	\$125,000.00				\$125,000.00		\$125,000.00
		Rehabilitate Main Apron	\$275,000.00		\$125,000.00	\$150,000.00			\$275,000.00
		Jet A Fuel Facility	\$40,250.00			\$40,250.00			\$40,250.00
Total Airport			\$665,250.00	\$0.00	\$350,000.00	\$190,250.00	\$125,000.00	\$0.00	\$665,250.00
Coastal Resources		Dredging Program	\$2,400,000.00	\$400,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$2,400,000.00
		Jackknife Beach Improvements	\$100,000.00	\$50,000.00			\$50,000.00		\$100,000.00
		Water Street East Stormwater Drainage Improvements	\$570,000.00		\$70,000.00	\$500,000.00			\$570,000.00
		Chaplain Road Stormwater Infiltration Replacement	\$300,000.00			\$50,000.00	\$250,000.00		\$300,000.00
		Morris Island Road Tide Gate Replacement	\$850,000.00			\$100,000.00	\$750,000.00		\$850,000.00
		Town Landing Infrastructure Improvements	\$50,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$50,000.00
		Truck replacement - North Beach and land management	\$60,000.00		\$60,000.00				\$60,000.00
		Barn Hill landing bulkhead improvements	\$2,000,000.00	\$2,000,000.00					\$2,000,000.00
		Ryder's Cove Landing Improvements	\$3,500,000.00	\$3,500,000.00					\$3,500,000.00
		Nantucket Sound Shoreline Beach Nourishment	\$1,500,000.00			\$1,000,000.00		\$500,000.00	\$1,500,000.00
		Mill Creek Jetty Rehabilitation	\$650,000.00			\$50,000.00	\$600,000.00		\$650,000.00
Total Coastal Resources			\$11,980,000.00	\$5,960,000.00	\$640,000.00	\$2,210,000.00	\$2,160,000.00	\$1,010,000.00	\$11,980,000.00
Conservation		Conservation Lands Management	\$60,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$50,000.00
Total Conservation			\$60,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$50,000.00
Council On Aging		Commercial Stove/Oven	\$15,000.00	\$15,000.00					\$15,000.00
		Furniture Upgrades	\$18,000.00		\$18,000.00				\$18,000.00

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026
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Department	Project Number	Request Title	Project Total	Budgeted - FY2027	Budgeted - FY2028	Budgeted - FY2029	Budgeted - FY2030	Budgeted - FY2031	Total Budgeted
		Building Upgrades and Improvements	\$35,000.00		\$35,000.00				\$35,000.00
Total Council On Aging			\$68,000.00	\$15,000.00	\$53,000.00	\$0.00	\$0.00	\$0.00	\$68,000.00
Dept. of Public Works		Water Main Replacement	\$30,000.00	\$10,000.00	\$10,000.00	\$10,000.00			\$30,000.00
		Facility/Safety Equipment Upgrades Required	\$140,000.00	\$20,000.00	\$60,000.00	\$60,000.00			\$140,000.00
		Replace Sand/Salt Storage Shed	\$3,000,000.00		\$1,500,000.00	\$1,500,000.00			\$3,000,000.00
Total Dept. of Public Works			\$3,170,000.00	\$30,000.00	\$1,570,000.00	\$1,570,000.00	\$0.00	\$0.00	\$3,170,000.00
Emergency Management		Generators	\$200,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$200,000.00
Total Emergency Management			\$200,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$200,000.00
Fire		Stretchers and Stair Chairs	\$65,000.00	\$65,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$65,000.00
		Service/Support Vehicle	\$300,000.00		\$105,000.00	\$95,000.00	\$0.00	\$100,000.00	\$300,000.00
		Firefighter PPE	\$375,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$375,000.00
		SCBA bottles	\$75,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$75,000.00
		Radios - mobile and portable	\$50,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$50,000.00
		Ambulance	\$920,000.00		\$440,000.00		\$480,000.00		\$920,000.00
		Fire Engine	\$1,500,000.00	\$0.00	\$0.00	\$0.00	\$1,500,000.00	\$0.00	\$1,500,000.00
		Cardiac Monitors	\$160,000.00	\$0.00	\$0.00	\$160,000.00	\$0.00	\$0.00	\$160,000.00
Total Fire			\$3,445,000.00	\$165,000.00	\$645,000.00	\$355,000.00	\$2,080,000.00	\$200,000.00	\$3,445,000.00
Harbormaster		Joint Harbormaster and Shellfish Storage and Maintenance Facility	\$400,000.00		\$400,000.00				\$400,000.00
		HM outboard replacement	\$150,000.00		\$50,000.00	\$25,000.00	\$50,000.00	\$25,000.00	\$150,000.00
		Harbormaster Boathouse/Workshop Replacement	\$650,000.00			\$50,000.00	\$600,000.00		\$650,000.00
		Mitchell River Bridge Maintenance	\$270,000.00	\$45,000.00	\$75,000.00	\$75,000.00	\$75,000.00		\$270,000.00
		Navigation Aids	\$100,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$100,000.00
		1st Floor repurposing of Harbormaster building	\$200,000.00		\$200,000.00				\$200,000.00

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Department	Project Number	Request Title	Project Total	Budgeted - FY2027	Budgeted - FY2028	Budgeted - FY2029	Budgeted - FY2030	Budgeted - FY2031	Total Budgeted
		Truck Replacement M-3	\$60,000.00	\$60,000.00					\$60,000.00
		Exterior rehab of Harbormaster Office at OMBY	\$50,000.00	\$50,000.00					\$50,000.00
		Boat Replacement H-16	\$40,000.00	\$40,000.00					\$40,000.00
Total Harbormaster			\$1,920,000.00	\$115,000.00	\$645,000.00	\$170,000.00	\$745,000.00	\$45,000.00	\$1,920,000.00
Health And Environment		Household Hazardous Waste collections	\$390,000.00	\$60,000.00	\$75,000.00	\$80,000.00	\$85,000.00	\$90,000.00	\$390,000.00
Total Health And Environment			\$390,000.00	\$60,000.00	\$75,000.00	\$80,000.00	\$85,000.00	\$90,000.00	\$390,000.00
Highway Department		Bike Trail Maintenance	\$25,000.00	\$5,000.00	\$10,000.00	\$10,000.00			\$25,000.00
		Emergency Road Repairs	\$85,000.00	\$20,000.00	\$30,000.00	\$35,000.00			\$85,000.00
		Annual Road Maintenance	\$105,000.00	\$25,000.00	\$40,000.00	\$40,000.00			\$105,000.00
		Road Resurfacing	\$800,000.00	\$100,000.00	\$350,000.00	\$350,000.00			\$800,000.00
		Catch Basins (Installation and Repairs)	\$145,000.00	\$25,000.00	\$60,000.00	\$60,000.00			\$145,000.00
		Sidewalk Construction	\$200,000.00	\$100,000.00	\$100,000.00				\$200,000.00
		Replace Front End Loader - Highway Division	\$280,000.00	\$280,000.00					\$280,000.00
Total Highway Department			\$1,640,000.00	\$275,000.00	\$870,000.00	\$495,000.00	\$0.00	\$0.00	\$1,640,000.00
Information Systems		Annual Maintenance of Assess Controls	\$110,000.00	\$10,000.00	\$25,000.00	\$25,000.00			\$110,000.00
		Police Department Server Upgrade	\$80,000.00	\$80,000.00					\$80,000.00
		HVAC System Software Upgrades	\$100,000.00	\$100,000.00					\$100,000.00
		Annual Camera Upgrade	\$125,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$125,000.00
		Financial Management Software	\$400,000.00	\$400,000.00					\$400,000.00
		Town computer/technology Equipment	\$250,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$250,000.00
		Land Management, Assessment & GIS	\$245,000.00	\$45,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$245,000.00
		Chatham TV Equipment	\$150,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$150,000.00

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Department	Project Number	Request Title	Project Total	Budgeted - FY2027	Budgeted - FY2028	Budgeted - FY2029	Budgeted - FY2030	Budgeted - FY2031	Total Budgeted
Total Information Systems			\$1,460,000.00	\$740,000.00	\$180,000.00	\$180,000.00	\$180,000.00	\$180,000.00	\$1,460,000.00
Municipal Buildings		Floor Treatment Renovations	\$475,000.00	\$475,000.00					\$475,000.00
		Public Restroom Improvements	\$80,000.00	\$20,000.00	\$30,000.00	\$30,000.00			\$80,000.00
		ADA Improvements - All Buildings	\$500,000.00	\$250,000.00	\$250,000.00				\$500,000.00
		Town Offices Parking Lot Reconstruction	\$4,000,000.00			\$4,000,000.00			\$4,000,000.00
		Rehabilitation of DPW Roofs	\$300,000.00		\$300,000.00				\$300,000.00
		Town Annex Fire Equipment	\$80,000.00	\$80,000.00					\$80,000.00
		Police Department Fire Equipment	\$90,000.00	\$90,000.00					\$90,000.00
Total Municipal Buildings			\$5,525,000.00	\$915,000.00	\$550,000.00	\$4,030,000.00	\$0.00	\$0.00	\$5,525,000.00
Natural Resources		Replacement for 2018 Natural Resources vehicle	\$35,000.00		\$35,000.00				\$35,000.00
Total Natural Resources			\$300,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$250,000.00
Parks & Grounds		Stormwater Management - MS4	\$335,000.00	\$50,000.00	\$85,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$285,000.00
		Athletic Field Line Striper	\$14,000.00	\$14,000.00					\$14,000.00
		Parks and Grounds Mowers	\$26,000.00	\$26,000.00					\$26,000.00
Total Parks & Grounds			\$40,000.00	\$40,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00
Police		Two (2) Cruiser Vehicles Replacements	\$480,000.00	\$160,000.00	\$160,000.00	\$160,000.00			\$480,000.00
		Portable Radio & Recording System Replacement	\$203,000.00	\$203,000.00					\$203,000.00
Total Police			\$683,000.00	\$363,000.00	\$160,000.00	\$160,000.00	\$0.00	\$0.00	\$683,000.00
Projects Administration		Property Management/Building Maintenance Projects	\$1,000,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$1,000,000.00
Total Projects Administration			\$1,000,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$1,000,000.00
Recreation And Beaches		Rehabilitation of Depot Street Tennis Courts	\$27,500.00	\$27,500.00					\$27,500.00
		Beach Signs	\$17,000.00	\$17,000.00					\$17,000.00

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Annual Town Meeting Warrant with Suggested Motions – May 11, 2026

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Department	Project Number	Request Title	Project Total	Budgeted - FY2027	Budgeted - FY2028	Budgeted - FY2029	Budgeted - FY2030	Budgeted - FY2031	Total Budgeted
		Cardio Fitness Equipment	\$14,000.00		\$14,000.00				\$14,000.00
		ATV Lighthouse Beach	\$15,000.00		\$15,000.00				\$15,000.00
Total Recreation And Beaches			\$73,500.00	\$44,500.00	\$29,000.00	\$0.00	\$0.00	\$0.00	\$73,500.00
Sewer Department		Original Sewer Collection System Repairs	\$340,000.00		\$170,000.00	\$170,000.00			\$340,000.00
Total Sewer Department			\$340,000.00	\$0.00	\$170,000.00	\$170,000.00	\$0.00	\$0.00	\$340,000.00
Shellfish		Truck replacement for Shellfish	\$60,000.00		\$60,000.00				\$60,000.00
Total Shellfish			\$60,000.00	\$0.00	\$60,000.00	\$0.00	\$0.00	\$0.00	\$60,000.00
Solid Waste Management		Replace Front End Loader - Transfer Station	\$310,000.00	\$310,000.00					\$310,000.00
Total Solid Waste Management			\$310,000.00	\$310,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$310,000.00
Town Manager		Consulting and Engineering	\$375,000.00	\$75,000.00	\$100,000.00	\$100,000.00	\$100,000.00		\$375,000.00
Total Town Manager			\$375,000.00	\$75,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$0.00	\$375,000.00
Water Department		1.25 MG Water Storage Tank Repairs & Painting	\$2,300,000.00	\$2,300,000.00					\$2,300,000.00
Total Water Department			\$2,300,000.00	\$2,300,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,300,000.00
Total Departments			\$36,039,750.00	\$11,707,500.00	\$6,662,000.00	\$10,010,250.00	\$5,775,000.00	\$1,825,000.00	\$35,979,750.00

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APPENDIX G

Terms Used in Municipal Finance

TERMS USED IN MUNICIPAL FINANCE

APPROPRIATION: An authorization granted by Town Meeting to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

AVAILABLE FUNDS: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs. Examples of available funds include free cash, stabilization fund, overlay surplus, waterways account, cemetery funds and continued appropriations left in Articles voted at previous Town Meetings.

BOND RATING (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. State otherwise, a rating help prospective investor determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poor's, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

CHERRY SHEET: Named for the cherry-colored paper on which they were originally printed, the Cherry Sheet is the official notification to the town of the next fiscal year's state aid and assessments. The aid is in the form of distributions, which provide funds based on formulas and reimbursements that provide funds for costs incurred during a prior period for certain programs or services.

ESTIMATED RECEIPTS: A term that typically refers to anticipated local revenues listed on page three of the Tax Recapitulation Sheet. Projections of local revenues are often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (Also Local Receipts)

FREE CASH: Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the Town Accountant. Important: free cash is not available for appropriation until certified by the Director of Accounts at the Department of Revenue. Once certified, Town Meeting may appropriate Free Cash for any lawful purpose.

OVERLAY: (ALSO CALLED ALLOWANCE FOR ABATEMENTS AND EXEMPTIONS): The amount raised by the Assessors to be used for potential abatement of property taxes. The Overlay

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Surplus is the portion of each year’s Overlay Account no longer required to cover the property abatements. Overlay surplus may be appropriated for any lawful purpose.

RAISE AND APPROPRIATE: A phrase used to identify a funding source for an expenditure or expenditures, which refers to money generated by the tax levy or other local receipt.

RESERVE FUND: An amount set aside annually within the budget of a town by the voters at an Annual Town Meeting. Transfers from the Reserve Fund are within the exclusive control of the Finance Committee and are for “extraordinary and unforeseen” expenditures.

STABILIZATION FUND: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose (MGL Ch. 40 §5B). A two-thirds vote of town meeting is required to establish, amend the purpose of, or appropriate money into or from the stabilization fund.

TAX RATE RECAPITULATION SHEET (Recap Sheet): A document submitted by the Town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate.

TRANSFER: The authorization to use an appropriation for a different purpose; in most cases only the Town meeting may authorize a transfer.

PROPOSITION 2 ½ TERMS

Chapter 59, §21C of the Massachusetts General Laws commonly referred to as Proposition 2 ½ (Prop 2 ½) or the Tax Limiting Law for Cities and Towns in Massachusetts.

LEVY: The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2 ½ provisions. The levy is the largest source of revenue for the Town.

LEVY CEILING: This is the maximum amount of the levy limit. It states that, in any year, the real and personal property taxes imposed may not exceed 2.5% of the total full and fair cash value of all taxable property.

LEVY LIMIT: A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 ½). It states that the real and personal property tax imposed by a city or town may only grow each year by 2 ½ percent of the prior year’s levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a

capital expenditure exclusion, debt exclusion or special exclusion. The limit is based on the previous year's levy plus certain allowable increases.

NEW GROWTH: The increase in the levy limit attributable to new construction, renovations and new parcel subdivisions. It does not include value increase caused by normal market forces or by revaluations.

OVERRIDE: A community can increase its levy limit by vote on a referendum to exceed the limit. There are three types of overrides; general override, debt exclusion and capital outlay expenditure exclusion.

GENERAL OVERRIDE: A general override ballot question can be placed on a referendum if a majority of the Select Board votes to do so. If the ballot question is approved by a majority of the voters, the Town's levy limit is permanently increased by the amount voted at the referendum. The levy limit increases may not exceed the Town's levy ceiling.

DEBT EXCLUSION: The additional amount necessary to pay debt service costs for a particular project is added to the levy limit or levy ceiling for the life of the debt only. The amount is added to the levy limit for the life of the debt only and may increase the levy above the levy ceiling. Unlike overrides, exclusions do not become part of the base upon which the levy limit is calculated for future years.

CAPITAL OUTLAY EXPENDITURE EXCLUSION: A temporary increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions require two-thirds vote of the Select Board or city council (sometimes with the mayor's approval) and a majority vote in a community-wide referendum. The exclusion is added to the tax levy only during the one-year in which the project is being funded and may increase the tax levy above the levy ceiling.

APPENDIX H

Tax Rate Information

TAX RATE INFORMATION
Estimated for Fiscal Year 2027

RE Valuation	12,869,437,800
Average Value	1,738,711
Tax Rate	3.67
Average Tax Bill FY2026	6,381

Per tax rate increment		
Tax Rate Increase	Municipal Revenue Raised	Tax Impact on \$1,738,711 Property
\$ 0.01	\$ 128,694	17.39
\$ 0.05	\$ 643,472	86.94
\$ 0.10	\$ 1,286,944	173.87
\$ 0.15	\$ 1,930,416	260.81
\$ 0.20	\$ 2,573,888	347.74
\$ 0.25	\$ 3,217,359	434.68
\$ 0.30	\$ 3,860,831	521.61
\$ 0.35	\$ 4,504,303	608.55
\$ 0.40	\$ 5,147,775	695.48
\$ 0.45	\$ 5,791,247	782.42
\$ 0.50	\$ 6,434,719	869.36
\$ 0.55	\$ 7,078,191	956.29
\$ 0.60	\$ 7,721,663	1,043.23
\$ 0.65	\$ 8,365,135	1,130.16
\$ 0.70	\$ 9,008,606	1,217.10
\$ 0.75	\$ 9,652,078	1,304.03
\$ 0.80	\$ 10,295,550	1,390.97
\$ 0.85	\$ 10,939,022	1,477.90
\$ 0.90	\$ 11,582,494	1,564.84
\$ 0.95	\$ 12,225,966	1,651.78
\$ 1.00	\$ 12,869,438	1,738.71

The above calculations are based on the Town's valuation for Fiscal Year 2026. As valuations change annually these are to be considered estimates only.

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Select Board
549 Main Street
Chatham, MA 02633

Presorted Bound
Printed Matter
US Postage Paid
Providence, RI
Permit No. 2475

OFFICIAL DOCUMENT

ANNUAL TOWN MEETING WARRANT – May 11, 2026

Anyone in need of special accommodation for the Town Meeting, please contact the Office of the Select Board at 508-945-5105 by May 1, 2026 so that we can attempt to make reasonable accommodation.