CAPITAL SPENDING

Town departments need to acquire, upgrade, and maintain their physical assets that are outside their normal operating budget. These projects are added to the **Capital Improvement Plan (CIP)**. The CIP looks ahead five years, allowing the town to budget appropriately and avoid surprising expenses. The Town's financial and economical strategy has helped maintain a manageable debt burden and a AAA credit rating on the Town's general obligation bonds, reaffirmed by S&P Global Ratings in February 2026.

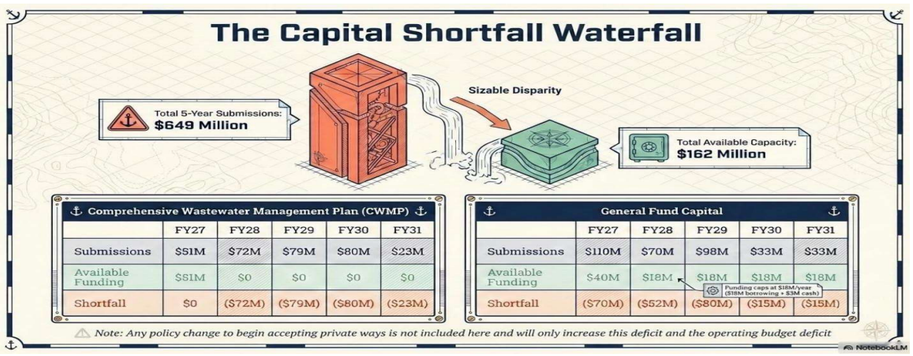
FY2027 — 39 NEW PROJECTS, $82.6 MILLION

This year, Town Council voted to fund **39 new capital projects.** These approved projects represent an approximate **18% reduction** from FY2026 new projects, as can be seen in the review of the prior five year project appropriations summary.

	Approved Total	FY27	Δ FY27-FY26	FY26	FY25	FY24	FY23
Enterprise Funds		$15.1M	75.6%	$8.6M	$60.5M	$22.8M	$23.9M
Water Pollution Control Enterprise Fund	$6.18M						
Airport Enterprise Fund	$4.59M						
Water Supply Enterprise Fund	$3.95M						
Golf Enterprise Fund	$0.40M						
Departments		$16.8M	(35.1%)	$25.9M	$38.9M	$50.2M	$56.5M
General Fund — roads, bridges, public facilities	$10.77M						
Barnstable Public Schools	$4.14M						
Marina / Sandy Neck / Community Facilities	$1.91M						
CWMP		$50.7M	(23.5%)	$66.3M	$169.7M	$33.5M	$5.3M
Comprehensive Wastewater Management Plan	$50.65M						
Total	$82.59M	$82.6M	(18.1%)	$100.8M	$269.1M	$106.5M	$85.7M

THE FUNDING GAP

Enterprise Fund capital project costs are financed primarily from their respective surplus funds while department and CWMP capital projects are generally funded by the General Fund. Big EF and General Fund projects are financed through general obligation bonds, state loans, or federal and state grants.



The anticipated needs over the next five years predict **$649 million** of new capital projects, of which only **$162 million** can be accommodated under the current levy — a **$487 million funding gap**. To fiscally support these essential projects, like sewer expansion and school roofs, without seeing cuts in other town services and departments, Barnstable Town Council can ask voters to approve one or more targeted tax increases:

- a temporary **debt exclusion override** tied to a specific project that disappears once paid off;
- a permanent Water Infrastructure Investment Fund **(WIIF)** of up to 3%, dedicated only for water/sewer work; and/or
- a permanent pool of extra tax capacity via a **stabilization fund override** to be annually approved by Town Council.

Barnstable Town Council has recently voted to offer a debt exclusion override on the May 2027 town ballot specifically identifying eight (8) CWMP projects anticipated in the next few years. If approved by voters, appropriation of the bonds would still require further Town Council deliberation and final approval.

Town of Barnstable, Massachusetts
CFAC Financial Report

Fiscal Year Budget Ending June 30, 2027

As part of Barnstable's commitment to keeping you informed of how your tax dollars are being spent, the Comprehensive Financial Advisory Committee is providing you with this Financial Report.

The figures in this report are drawn from the **FY2027 budgets** adopted by the Town Council, the Comprehensive Financial Advisory Committee's report to the Council, the Town's CWMP funding model, and the State's Division of Local Services (mass.gov/dor).

These figures are presented on the **budgetary basis** the Town uses to adopt its annual budgets. That is not the same as the full accrual basis required under Generally Accepted Accounting Principles: the Town's **audited** financial statements are published separately in the Annual Comprehensive Financial Report, most recently for the year ended 30 June 2025. This report summarizes; it does not present the entire financial reporting entity, and it is not audited.

The adopted FY2027 budgets and the audited Annual Comprehensive Financial Report are both published on the Finance Department pages at **townofbarnstable.us**. The Town's Open Budget site, cleargov.com/massachusetts/barnstable/town/barnstable, tracks spending against the current year as it happens.



Centerville Playground
Recently completed capital project
Photo: @recsbyrach (Instagram)

THE TOWN OF BARNSTABLE

Barnstable was settled in 1638, as one of the first towns in Plymouth Colony. It was incorporated on September 4, 1639. Soon after the town's founding, agriculture, fishing and saltworks became its major industries. By the end of the 19th century, there were some 804 ships harbored in the town. By the late 19th century, Barnstable was becoming world-renowned as a tourist destination.

Today, tourists flock to Barnstable during the summer months to enjoy our beaches, boating, ferries to Nantucket/Martha's Vineyard, museums, shops and restaurants.

With the largest land area and population, Barnstable is one of thirteen Massachusetts municipalities that have been granted city forms of government by the Commonwealth of Massachusetts but wish to retain "the town" in their official names.

At the 2020 census it had a population of 48,916. The town contains several villages (one of which is also named Barnstable) within its boundaries. Barnstable's largest village, Hyannis, is the central business district of the Cape and home to the Cape Cod Gateway Airport. Additionally, Barnstable is a 2007 winner of the All-America City Award.

Barnstable has a council–manager government. It was created in 1989, when the Town rewrote its charter and changed from a selectmen-town meeting form of government. The council hires the town manager. Mark Ells is the current Town Manager and has served in this capacity since 2016.

IN THIS REPORT

The information in this report is a snapshot of the Town's financial condition, a summary of where Barnstable stands going into Fiscal Year 2027. It covers four subjects: the General Fund, Schools, Enterprise Funds, and sewer construction (CWMP).

The General Fund shows, where Barnstable's money comes from and where it goes. The Town's single largest revenue source is the property tax, followed by intergovernmental aid. Alongside it is a budget summary comparing FY2026 and FY2027 that gives more detail on the year-to-year growth of the Town budget.

Schools continue to be a top priority in Barnstable, accounting for 60% of the Town budget. The Town's nine **Enterprise Funds** are primarily funded by service fees.

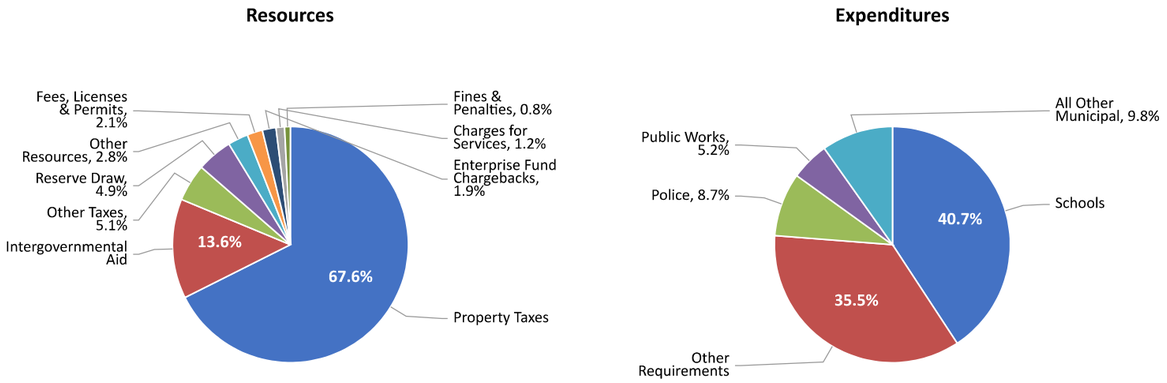
The **Comprehensive Wastewater Management Plan (CWMP)** is the Town's 30-year sewer construction program, the biggest investment in its history and the single largest claim on its borrowing capacity.

YOUR TAX BILL

Homeowners who claim Barnstable as their primary residence for tax filing purposes receive a residential exemption that lowers their Town taxes. In FY2026 this reduced the median Barnstable home from an assessed **$633,000** to **$358,213** resulting in a tax bill of about **$2,436** instead of **$4,304**, a difference of **$1,868**.

Where the Money Comes From ...and Where it Goes

FY2027 General Fund Budget
$236,838,263



Budget Summary & FY2027 Projection

The summary below compares what the Town actually took in and spent in Fiscal Year 2026 with what it has budgeted for Fiscal Year 2027. Massachusetts requires municipalities to adopt a balanced budget each year, which is why the FY2027 columns are equal. In FY2026 the Town drew **$2.9 million** from reserves to cover spending above its other resources.

Overall General Fund Budget Summary

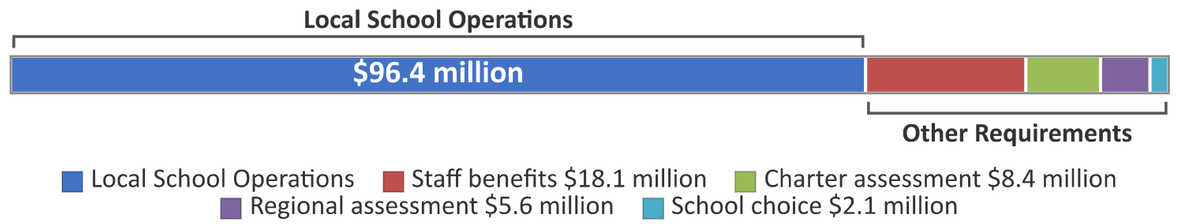
	FY2026 Actual	FY2027 Budget	Change	
			$	%
RESOURCES				
Property Taxes	$154,718,434	$160,152,814	$5,434,380	3.51%
Intergovernmental Aid (mostly Chapter 70)	$32,263,489	$32,288,856	$25,367	0.08%
Other Taxes (motor vehicle, rooms, boat)	$13,092,659	$12,140,000	($952,659)	-7.28%
Fees, Licenses & Permits	$6,228,415	$4,999,900	($1,228,515)	-19.72%
Enterprise Fund Chargebacks	$4,072,098	$4,455,841	$383,743	9.42%
Charges for Services	$3,083,621	$2,802,700	($280,921)	-9.11%
Fines & Penalties	$2,521,373	$1,843,000	($678,373)	-26.90%
Other (special revenue, trust, misc.)	$7,969,162	$6,615,571	($1,353,591)	-16.99%
Reserve Draw	$2,860,452	$11,539,581	$8,679,129	303.42%
TOTAL RESOURCES	**$226,809,703**	**$236,838,263**	**$10,028,560**	**4.42%**
EXPENDITURES				
Local Schools Operations (including the savings draw)	$93,350,469	$96,436,131	$3,085,662	3.31%
Other Requirements (fixed costs)	$77,817,884	$84,124,451	$6,306,567	8.10%
Municipal Operations (all Town departments)	$55,641,350	$56,277,681	$636,331	1.14%
TOTAL EXPENDITURES	**$226,809,703**	**$236,838,263**	**$10,028,560**	**4.42%**

The FY2027 budget is **4.42%** above what the Town actually spent in FY2026. Most of that growth is in **Other Requirements** — the Town's costs, including employee benefits, school assessments and debt service — which rise **8.10%** to **$84.1 million**. Schools rise **3.31%** to **$96.4 million** and municipal operations **1.14%** to **$56.3 million**. Those costs are projected to keep outpacing the growth in resources, which is why FY2027 budgets an **$11.5 million** draw on reserves to balance.

Our Schools... ...and the Funds That Pay Their Own Way

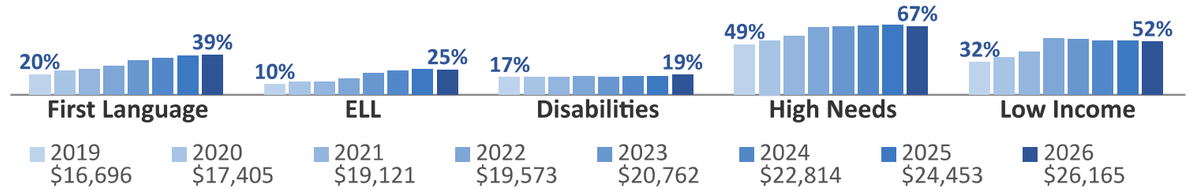
The school appropriation is the single largest line item in the Town budget. The approved School Department local operations budget for FY27 is **$96.4 million**, of which **$26.8 million** is state provided Chapter 70 aid and **$3.9 million** drawn from the school savings account. Total School and Education budget items amount to **$130.6 million** as broken down below. The schools' three largest capital projects—roofs for the high school and intermediate school and HVAC for Barnstable United Elementary—are estimated to cost $32.0 million. These projects will require future funding.

How the $130.6 Million Education Figure Is Built



Enrollment Trends and Funding per Pupil, 2019–2026

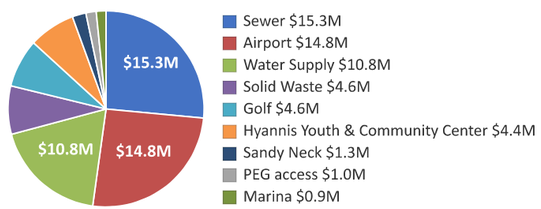
Local School Operations costs are rising with need: since FY2019 the share of students classified high needs has grown from 49% to 67% of students.



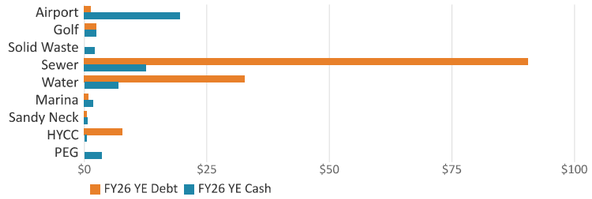
Bars show each group as a share of enrollment; dollars below each year are Town funding per pupil, not adjusted for inflation, 2026 estimated. Sources: DESE, compiled by CFAC; per-pupil figures confirmed by the Finance Director.

ENTERPRISE FUNDS

Resources by Fund



FY26 Year-end Debt & Cash ($M)



The FY2027 Budget for the Town of Barnstable includes nine Enterprise Funds ("EFs") with combined resources of approximately **$57.7 million** and expenses of **$58.8 million**. The Airport, Sewer, and Water EFs account for **71%** of total Enterprise Fund Resources. Most EFs cover their expenses with charges and fees for the services they provide. The exceptions are the Sewer and HYCC EFs, which rely on transfers from the General Fund expected to total **$10.9 million** in FY2027.

As of June 30, 2026, the EFs collectively held **$80.6 million** in cash and **$137.6 million** of outstanding loans, all of which are guaranteed by the Town of Barnstable. The Airport, Sewer, and Water EFs have surplus cash balances while both Sewer and Water also have the biggest debt. The Sewer EF alone accounted for approximately two-thirds of the outstanding loans, principally related to the CWMP. Note that several EFs are budgeted to draw a combined total of **$1.1 million** from their respective surplus funds in FY2027 to cover small operating deficits.