



FISCAL YEAR 2027

ANNUAL TOWN MEETING

VOTER INFORMATION PACKET

PLACE: CHESHIRE COMMUNITY HOUSE, CAFETERIA

191 Church Street

Date: Monday, June 8, 2026

Time: 7:00 PM

Town of Cheshire Registered Voters,

The proposed Annual Town Meeting budget consists of probable expenditures and an estimate of income from all sources of revenue for Fiscal Year 2027. Please remember that the budget is based on estimated revenues, as the Governor's Budget will not be adopted until July. Our budget process begins in December. This year has been a particularly difficult budget season; departments were asked to level fund or decrease expenses. The Town's use of Free Cash to stay under the levy is \$386,513, this number reflects the total deficit number. Some cost increases are out of the Town's control such as contracts, insurance, and technology costs. The Board of Selectmen voted unanimously to support all the FY27 warrant articles, individual members recused themselves from discussions related to family member salaries throughout the budget process.

In this packet, you will find a copy of the FY27 Annual Town Meeting warrant, School District's Operating Budgets, as well as other pertinent information.

For decades, the Town has been utilizing Free Cash and sometimes Stabilization Funds (amount of unrestricted funds, at the end of a fiscal year) to stay under the 2 ½ levy constraints. The current certified **Free Cash is \$ 677,991**. With the use of **Free Cash to stay under the levy** in the amount of **\$386,513**, the **McCann Roof Project Interest Only in the amount of \$14,137**, and the **minimum amount to retain according to the financial policies in the amount of \$252,212**, it leaves the town with **VERY** limited funds to balance the FY27 budget.

Free cash is intended for one-time or non-recurring uses and should be used for funding capital projects, paying one-time expenses, and replenishing other reserves. It should not be used to balance the operating budget as it has been for decades in the Town of Cheshire.

The Town currently maintains four Stabilization Funds, which are funds established to set money aside to be used for emergencies, unforeseen expenses, or any lawful municipal purpose. Our three Stabilization Accounts are:

- **General Stabilization** - current balance of **\$ 493,099.66**
- **Capital Stabilization Account** – current balance of **\$ 329,894.95**
- **Radio Communications Stabilization Account** – current balance of **\$ 41,441.32**
- **Assessors Stabilization Account**- current balance of **\$5,000**. Will not be funded in FY27

### **Salary Adjustments**

The Town was awarded a grant and completed a Classification and Compensation Study in FY24. The report showed many Town positions are paid under the median market rate. The board has worked the past two fiscal years to bring the wages closer to the median market rates outlined in the study, recognizing that the study is now two years old. In this budget, employees received a 3% COLA increase. Some positions also received a dollar increment raise to bring the position closer to the market rate. Below are the positions that the study indicated were below market rate. Alongside each position is the amount that each position is still under the market median average after the FY27 increases. The intent is

to continue to bring salaries within the market rate to retain and attract qualified employees. Senior Center Meals Coordinator- (\$1.86)

- Highway Equipment Operators – (\$.79)
- Transfer Station- (\$.19)
- Town Administrator- (\$1.01)
- Police Chief - Salary Range for new hire is set between \$95,000- \$110,000 per year
- Full Time Police Officers- \$2.59

**Budget Snapshot**

Total Budget (includes proposed State/County Cherry Sheet Charges and Overlay)	\$ 8,535,480
Total Proposed State/County Cherry Sheet Charges and Overlay	\$ 128,420
Total Operating Budget minus Schools	\$ 3,840,314
Total Schools	\$ 3,998,414
Total Enterprise Funds (Water and Transfer Station)	\$ 568,332

**Average Single Family Tax Bill**

FY26 Tax Rate	\$10.58
FY26 Single Family Home Value	\$338,951
FY26 Single Family Home Tax Bill	\$3,586

With limited growth of the town’s tax base and undetermined local aid, it is difficult to budget and present accurate tax impacts to residents. The local aide figures used in this budget are from the proposed House of Representatives budget, the final figures will be set in early fall prior to setting the tax rate.

**Berkshire County Single Family Tax Bill/Assessed Value/Tax Rate Comparison**

Town	Single Family Tax Bill	Single Family Assessed Value	Tax Rate
Adams	\$4,138	\$264,725	\$15.63
Becket	\$3,670	\$383,895	\$9.56
Clarksburg	\$3,295	\$268,129	\$12.29
<b>Cheshire</b>	<b>\$3,586</b>	<b>\$338,951</b>	<b>\$10.58</b>
Dalton	\$6,011	\$356,286	\$16.87
Egremont	\$5,573	\$846,991	\$6.58
Hancock	\$835	\$383,147	\$2.18
Lanesborough	\$6,135	\$354,810	\$17.29
Lee	\$4,813	\$429,359	\$11.21
Lenox	\$6,621	\$672,163	\$9.85
Mount Washington	\$3,720	\$623,166	\$5.97
New Ashford	\$2,795	\$493,775	\$5.66
New Marlborough	\$5,050	\$700,388	\$7.21
North Adams	\$3,894	\$243,823	\$15.97
Otis	\$3,365	\$564,608	\$5.96
Peru	\$4,689	\$291,441	16.09
Richmond	\$6,630	\$646,796	\$10.25

Sandisfield	\$3,489	\$442,227	\$7.89
Savoy	\$3,995	\$275,143	\$14.52
Sheffield	\$5,809	\$491,473	\$11.82
Stockbridge	\$6,284	\$925,514	\$6.79
Washington	\$5,204	\$376,551	\$13.82
West Stockbridge	\$6,943	\$671,463	\$10.34
Williamstown	\$7,996	\$563,078	\$14.20
Windsor	\$2,846	\$301,854	\$9.43

**Notable Impacts to The Budget**

- POLICE DEPARTMENT** - Following years of staffing struggles, and the regulations surrounding the Massachusetts Peace Officers Standards and Training Commission (POST), the Town is looking to fill the open Police Chief and Police Officer positions with competent, qualified candidates. The new structure and schedule will provide proper shift coverage for the Town during peak hours of the day throughout the year. The pay rates for the Police Chief and Police Officers have increased to attract qualified candidates and align our department with other similar sized agencies. The Interim Police Chief and Board of Selectmen recognize the importance of a Police Department that is dedicated to patrolling the Town and is readily available for our residents when the need arises.
- ELECTIONS- FY27** has three elections: Annual Town Election State Primary, and State Election-with the possibility of a fourth, a Special Election.
- EMERGENCY RADIO COMMUNICATIONS-** The Town entered a lease in which the first three fiscal years’ payments were paid with ARPA funds. A radio communications stabilization fund was set up two years ago to alleviate the impact on the budget in year four. Article 13 requests \$18,726 in appropriated funds and Article 14 seeks to use funds from the radio communications fund in the amount of \$18,726.
- BOARD OF HEALTH, HEALTH INSPECTOR SERVICES-** The Town continues to utilize the Public Health Alliance Health Inspectors who are trained and licensed to enforce Public Health Laws and regulations while protecting the safety and well-being of the community. The Health Inspectors handle Septic (Title V, Installations, Percolation Test, Soil Evaluations), Housing (Condemnations, Lodging facilities, Complaints), Food Establishments (Permitting, Inspections), Animal Inspections (Annual Barn, Rabies, Quarantines), Public Health Monitoring (communicable disease outbreaks, health emergency preparedness planning). The Board of Health members’ stipends were reduced to align with other boards and committees that meet once a month and have support.
- WATER DEPARTMENT ENTERPRISE FUND-** The proposed Water Department Enterprise Fund will use retained earnings which will balance the increase with the intent of holding water usage rates for the water users.
- HOOSAC VALLEY REGIONAL SCHOOL DISTRICT-** The increase is \$196,901 or 6.1% for Fiscal Year 2027.

## Other Warrant Articles

**Local Option — Room Occupancy Excise Tax-** Like the Meals Excise Tax, the Room Occupancy Excise Tax applies to room rentals including Short Term Rentals of 90 days or less. The room occupancy tax is collected and paid to the Department of Revenue by the operator of the establishment. The town is proposing a 6% Room Occupancy Tax which would be paid by the guests of the establishment or short-term rental. There are approximately fifteen properties that would be impacted by the Room Occupancy Excise Tax.

**School District Amendment-** A committee was formed by the Superintendent of Schools, Aaron Dean, to review and make recommendations to the District Agreement. The representatives to the committee were Town Administrator, Jennifer Morse and Board of Selectmen Members, Shawn McGrath and Ron DeAngelis. The committee agreed to implement a five-year rolling average which will be based on the average pupil enrollment of each member of town over the preceding five years. The purpose of the rolling average is to smooth out fluctuations and provide a more stable, long-term picture of student numbers for planning and funding purposes.

## Bylaws

### Zoning Bylaw – Accessory Dwelling Units and Short-Term Rentals

The Affordable Homes Act (effective January 31, 2025) made ADUs a protected “by-right” use in all single-family zoning districts statewide, meaning no towns can restrict or require a permit in any district. The Planning Board with support of the Berkshire Regional Planning Commission reviewed the Affordable Homes Act regulations and proposes an amendment to the Accessory Dwelling Bylaw. This bylaw also allows for Short Term Rentals within the use table.

### Quarterly Tax Coming in Fiscal Year 2027

At the 2025 Annual Town Meeting last June voters approved the transition to quarterly tax billing starting in Fiscal Year 2027 (July 1, 2026-June 30, 2027). Your total annual tax obligation **DOES NOT** change- it is simply divided into four smaller payments

Bill	Due Date	Amount
1 <sup>st</sup> Quarter	August 1, 2026	25% of prior year bill
2 <sup>nd</sup> Quarter	November 1, 2026	25% of prior year bill
3 <sup>rd</sup> Quarter	February 1, 2027	Actual Bill (50% /2)
4 <sup>th</sup> Quarter	May 1, 2027	Remaining Balance

The 1<sup>st</sup> and 2<sup>nd</sup> quarter bills are **PRELIMINARY** – based on 25% of your prior year’s tax, with no tax rate or assessment information show. Both will be mailed together by June 30, 2026. The 3<sup>rd</sup> and 4<sup>th</sup> bills are your actual assessed bills and will be mailed by December 31, 2026. You may pay the 1<sup>st</sup> and 2<sup>nd</sup> quarters at the same time, and the 3<sup>rd</sup> and 4<sup>th</sup> quarters at the same time, if you choose.

**Note: Abatement and Exemptions will be applied after the actual bill (3<sup>rd</sup> Quarter) is issued. Abatement applications are due by February 1, 2027, and the exemption applications by April 1, 2027.**

### **Grants – Summer 2027 Projects**

In the past four years that Town has received more than **\$4,188,591** in grant funds for Large Infrastructure Projects, Water Line and Meter Upgrades, Cultural and Recreation, Cybersecurity/IT, Public Safety, and Best Practices Financial Management. This summer, three large projects will be taking place including: resurfacing Fred Mason Road (\$430,000), Reservoir Road, Main Street, and Church Street; Bridge Replacement on West Mountain Road (\$770,000); and Engineering Route 116 (S-Turns)(\$100,000).

### **Attachments:**

- FY27 Annual Town Meeting Warrant