

Town of Otis



Town Administrator

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April 28, 2026

Re: Annual Town Meeting Information

Dear Otis Voters and Residents,

Here are some highlights of the Fiscal Year 2027 budget and warrant.

The proposed **FY27** operating budget is **\$7,111,341.74**. This represents a 5% increase over last year or \$362,748.63. The FRRSD assessment makes up half of that increase. Some of the other impacts you will see include a 4% cost of living adjustment for general employee wages, stipends for managing short term rental registrations and inspections, shared Animal Control, increasing the Treasurer's hours and employee health insurance increasing 8.75%.

There are three main factors that impact your tax rate; 1) what we need to raise to operate and provide quality services in the next year, 2) how much revenue and state aid we receive and 3) changes to our property valuations. Changes include new construction and how well things are selling in the real estate market. Property values are adjusted every year. Historically our tax rate is lower in Otis than 90% of the cities and towns in Massachusetts. Revenue sources remain consistent.

Capital items include replacing the Police Tahoe, purchasing an F600 truck for Highway, road paving and an additional \$150,000 to complete the roof project for Town Hall.

Article 18 requests authorization to borrow \$9,300,000 for the Library Building project. The Town expects to receive \$6,402,354 from the MPLCP grant program. This puts our estimated cost at \$2,897,646. The expected impact on taxpayers from the borrowing is \$17.00 per hundred thousand and would not begin until the following fiscal year (FY28).

Current Cash Reserves:	Balances if Town Meeting approves all requests:
Free Cash (General Fund): \$ 1,510,938	Free Cash (General Fund): \$ 591,600
Stabilization Fund: \$ 1,058,645	Stabilization Fund: \$ 1,058,645
Total: \$ 2,569,583	Total: \$ 1,650,246

The Department of Revenue recommends that Towns retain a minimum balance in both Free Cash and Stabilization equivalent to 5% of the operating budget. If town meeting approves all the warrant articles funded by Free Cash, the balance in Free Cash will be 8.3% of the FY27 operating budget, while the balance in Stabilization will be 14.8% of the operating budget. The Town continues to retain appropriate financial reserves for a community of its size.

Respectfully Yours,

Brandi Page
Town Administrator