Memorandum
Subject: Board of Selectmen Budget Reductions and the Reality of Future Budget Decisions

Since the beginning of the budget process, the Board of Selectmen budget has undergone multiple rounds of reductions totaling approximately **$377,000**.

These reductions were not achieved by eliminating unnecessary spending. They were achieved through a comprehensive review of the budget and by reducing costs wherever possible. The Town has already made difficult decisions and absorbed significant reductions across operations, programs, contracts, and personnel-related costs.

Initial Budget Reductions – Approximately $104,566

The first round of reductions focused on identifying operational savings, including:

- Repairs and maintenance reductions
- Radio tower and warning system maintenance reductions
- Municipal solid waste disposal and pickup reductions
- Recycling hauling and disposal reductions
- Utility reductions
- General supply reductions
- Program expense reductions
- Professional and technical service reductions
- Other operating expense reductions

These reductions targeted available efficiencies while attempting to minimize impacts on residents.

Second Referendum Reductions – Approximately $55,000

Additional reductions were identified during the second referendum process, including:

- Employee wage reductions
- Software and professional service reductions
- Equipment and supply reductions
- Reductions to community service funding, including programs that provide direct assistance to residents

At this stage, reductions were no longer limited to internal efficiencies. They began affecting programs and services available to the community.

Third Referendum Reductions and Adjustments – Approximately $117,467

Further reductions and adjustments included:

- Personnel adjustments
- Professional service reductions
- Software reductions
- Equipment contract reductions
- Reductions in training and professional development
- Postage, advertising, printing, and administrative expense reductions
- Elimination of prior year refund appropriations
- Additional budget adjustments required to balance the budget

Employee Benefits Reduction – $100,000

An additional $100,000 reduction was achieved through employee benefit adjustments.

Total Reductions Identified: Approximately $377,000

The Impact of Reductions Already Made

The reductions implemented during this budget process have moved beyond individual budget line items. The Town has already reached the point where reductions are directly changing municipal operations and how residents access services.

As part of the budget reductions, **Town Hall operations will be reduced to four days per week.**

This is not simply an accounting adjustment or a reduction in a budget line. It is a direct operational change that affects residents, employees, and the daily delivery of municipal services.

Reducing Town Hall hours demonstrates that the Town has already moved beyond identifying minor efficiencies. The reductions are now visible in the way government services are provided.

The Reality of the Remaining Budget

After absorbing approximately **$377,000 in reductions**, the remaining Board of Selectmen budget is not primarily comprised of discretionary spending.

Approximately **67% of the BOS budget consists of fixed and essential costs before accounting for any salaries or wages**, including:

- Utilities
- Contracts and fixed charges
- Building repairs and maintenance

These costs exist because the Town must continue to operate. Municipal buildings must remain functional, required contracts must be fulfilled, and essential maintenance must continue.

Significantly reducing these costs is not a simple budget exercise. It requires changes to operations, reductions in services, or decisions that may create future costs through deferred maintenance or unmet obligations.

The remaining flexible portion of the budget is largely associated with personnel and direct services. Therefore, additional significant reductions cannot be achieved through minor line-item reductions or additional efficiencies alone.

The Consequences of Continued Reductions

The Town has already reduced discretionary spending, eliminated available savings opportunities, and made difficult choices to balance the budget.

At this point, further reductions cannot be achieved without directly changing the services residents receive or changing how those services are funded.

If additional budget reductions continue to be required, the Town will have to consider significant policy changes, including transitioning certain services away from General Fund support and toward a user-funded model.

One example is **trash collection and bulky waste disposal**. These services represent a significant ongoing expense within the Board of Selectmen budget. Currently, these costs are funded through the General Fund, meaning all taxpayers collectively support the cost of providing the service.

If further reductions are required, one option may be to transition these services to a user-fee model, meaning residents who utilize the service would pay directly for trash collection rather than the entire cost being supported through property taxes.

This type of change would not eliminate the cost of providing the service; it would change how that cost is distributed. The community would need to determine whether services such as trash collection should continue to be funded collectively through property taxes or whether users should contribute directly toward the cost.

Conclusion

The Town has moved beyond the stage of finding minor efficiencies. The difficult reductions have already been made.

The remaining decisions are no longer about finding another small line item to reduce. They are decisions about the level of municipal services the community expects, how those services are delivered, and how they are funded.

The Town cannot continue to reduce costs without changing the services, staffing, operating structure, or funding model of municipal government.

Every additional reduction will have a direct and visible impact on the community.