



MEMO

To: Select Board

CC: Derek Horne, Town Administrator

From: Zachary A. Hofland, Finance Director

Date: January 13, 2026

Re: Budget Transfer Request – 2024 Aggregate Overage

Purpose: Reassign and transfer budgetary funds needed to cover the 53rd payroll elected for disbursement from the 2025 budget, where departments were over-expended as a result of this decision.

Background: It was identified during the 2026 budget preparation that the first payroll of 2026 would need to be paid out on 12/31/2025 as a result of the timing of New Years Day on Thursday. In an effort to mitigate timing issues, as well as provide some proposed budgetary savings in 2026, Administration elected to expend a 53rd payroll from the 2025 budget, to be covered by benefit cost savings as a result of various vacancies throughout 2025. **The Select Board approved this approach 09/22/25.**

In order to cover the budget deficit in several individual departments at year-end, a budget transfer is needed. Without the 53rd payroll expended from these departmental budgets, they would not otherwise be over-expended. Only departments already over-expended, or reasonably close to being over-expended, are covered with this transfer. Uncovered departments had sufficient room in their budget as a result of various vacancies within their department resulting in wage cost savings in 2025.

Financial Impact:

- Total of **\$184,594.97** would need to be transferred from 15500000-43110 Insurances-Benefits budget to the following departments:
 - Fire Department (22010000): \$ 74,757.45
 - Department of Public Works-Highways (31110000): \$ 62,938.23
 - Department of Public Works-Garage (31900000): \$ 9,942.13
 - Department of Public Works-Solid Waste (32300000): \$ 14,250.73
 - Department of Public Works-Cemetery (19500000): \$ 1,995.28
 - Parks and Recreation (52010000): \$ 6,915.94
 - Library (55010000): \$ 13,795.21

Proposed Motion, if the Board concurs with the staff recommendations:

Motion to approve the budget transfer request for the reallocation of \$184,594.97 from Benefits line to the departmental wage, tax and retirement lines, as presented.

