

STATE OF THE TOWN ADDRESS (March 12, 2011)

Town Manager David R. Caron delivered the "*State of the Town*" address:

This year's proposed operating budget is designed to maintain most current services only; this maintenance budget reflects a 0.98% decrease in expenses over the current operating budget, which is about \$1.3M less than a default budget. Overall, the Council's budget and other recommended warrant articles anticipate a level tax rate, at \$4.74, which will result in a reduction in headcount and prioritization of services and responsibilities.

The sluggish economy is again impacting how the Town manages its budget and prepares for the future. The recommended reductions for long-term and capital planning purposes, such as Capital Reserve Funds and the Expendable Maintenance Trust, were first introduced in 2009. This action was necessary to address impacts upon the Town budget attributable to the economy. We had planned to return to historical investment levels in these funds by FY13; however, we have had to extend the recovery plan out until 2015, as revenues to the Town remain stagnant.

Due to our partnership with the State of New Hampshire and the federal government, we have been able to complete several projects this year in an extremely competitive bidding climate. We completed construction of the North/West Fire Station on Grenier Field Road, rebuilt intersections at Litchfield/Mammoth and Page/28, and expanded Pillsbury Cemetery. All of these projects came in about 30% under estimated budget. We are taking further advantage of this climate by improving the drop-off center off West Road utilizing funds from the motor vehicle permit fees as authorized by the voters in 2003. Town staff, elected and appointed officials continue to work very hard seeking outside sources of financial assistance for the Pettengill Road project. This project is anticipated to provide significant benefits to the community; however, it will also benefit the entire region and the State of New Hampshire. As such, we continue to interact with regional, state and federal representatives and private property owners in an attempt to insure that any funding package developed for this project accurately reflects anticipated benefits at all levels.

Lastly, staff is completing an upgrade of the Town's website, which should be completed in late Spring. A feature which should be of particular interest to citizens is the E-Alert, which will allow residents and taxpayers to automatically receive as much information as desired, including emergency alerts, meeting agenda and minutes, road closures and similar pieces of information. We believe E-Alert will help us keep all of you better informed about the activities of your town government.

On behalf of the town staff, we thank you for your support and assistance.