



**Town Manager Annual Report**  
**STATE OF THE TOWN ADDRESS**  
**KEVIN H. SMITH**  
**2015**

Members of the Town Council, the Budget Committee, other elected officials, Town employees, and citizens of Londonderry:

Over the past year, we have seen a number of positive events transpire seemingly overnight. On the economic development front, Pettengill Road is becoming a reality. Over one million square feet of new development, including a 600,000 square foot showcase center for jet engine manufacturer Pratt Whitney is under way as well as a large distribution center for Fed Ex, and a new home for the regional company, Milton Caterpillar. At full build-out, these new facilities will generate nearly 1,000 new jobs to the area. As if that weren't enough, Londonderry is also starting to see redevelopment along the Rt. 102 and 28 corridors, as outdated gas terminals are being refurbished into modern-day retail stops. A new Exit 5 Travel Center will house both a Red Arrow Diner and a NH State Liquor Outlet store. Town Fair Tire is also slated to soon occupy the existing Gulf Station. Londonderry also continues to call itself home to a number of existing and new small business enterprises, including two craft-beer breweries, and a wine meadery, making Londonderry, along with its apple orchards, a visitor's delight for tourists passing through any time of the year.

As incredible as it is to think that all of this new development has come to fruition over the past year, there is even more just on the horizon. A locally-based manufacturing company has plans to build a new 62,000 square foot facility by the airport later this year. Plans are in the works for a new high-end wine and bistro along Route 102, and we should also start to see the preliminary phase of the 600-acre

Woodmont Commons development begin to take shape!

As our saying goes, ***Business is Good, Life is Better!***, it's no wonder, with all of the new business development, people want to live in Londonderry as well. As such, Londonderry continues to see its fair share of diversified new residential housing developments and as a result of these new options, the desires of many wishing to call Londonderry their home will now be obtainable. In 2015, these new developments will include senior apartments, an assisted living facility, one and two-bedroom condominiums, some of which have been slated for work-force housing, as well as a few new single-family home subdivisions.

It goes without saying that all of this new development has made our Planning, Public Works, Assessing, and Building Departments very busy, and I commend them for doing an exceptional job. In particular, I wish to thank Janusz Czyzowski, Cynthia May, Karen Marchant, and Richard Canuel for their expertise and leadership as they work with and guide all of the various developers and builders to make the process of doing business in Londonderry as positive an experience as possible.

On the financial side of Town, Londonderry finished FY14 in a very strong position. After going through one budget cycle in which we did not use any of our undesignated fund balance to offset expenses for FY15, through fiscal prudence and some unexpected revenue, we were able to return nearly \$1.4 million to our fund balance at the end of FY14. This allowed us to use a portion of those monies to fund vital programs as part of the FY16 budget, without having to raise property taxes.

Speaking of property taxes, for the first time since 2007, the Town saw a decrease in its property tax rate of two cents from \$5.19 to \$5.17 per thousand. Once again, this decrease was due to the Town's overall valuation increase as a result of favorable economic conditions, an increase in anticipated revenue from the state, and a decrease in overall budget expenditures from the previous year.

As mentioned previously, this surplus was returned to our fund balance, which enabled this year's budget to fund programs such as our Expendable and Roadway Maintenance Trust Funds, and Capital Reserve for vehicles and cemeteries. We were also able to purchase life-saving equipment for our three

ambulances, re-write our entire zoning-code, and establish a new Capital Reserve for our GIS mapping program without having to raise any taxpayer dollars.

The proposed operating budget is also under the default budget for the third straight year by about \$18,000. In total, should the entire warrant pass as it has been proposed, the tax impact would result in a level funded Town-side tax rate of \$5.17.

The process of crafting a budget each cycle begins in late August and requires a great deal of staff time. The process continues to work its way through many machinations until it meets its final destination at the deliberative session in February. Not surprisingly, many of those staff hours are put in by the Finance Department. I would like to thank our controller, Doug Smith, for stepping up at a moment's notice this past fall, to seamlessly guide the budget process through to the end. Doug's leadership and steady hand during this time of transition was greatly appreciated.

In our efforts to continue to improve the way we deliver services to our residents, and those looking to do business in Londonderry, our Public Works Department now offers single-stream recycling. Also, a new policy was created to replace mailboxes that are damaged during winter storm plowing – and despite the fact that it seemingly snows nearly every day, our plow operators, led by Paul Schacht, continue to do a great job clearing our roads after each storm. On the planning and economic development side, three new very helpful websites were created. These include a revamped economic development page, a site for visitors, tourists, and prospective home-buyers, as well as an outdoor recreation guide. Lastly, I would be remiss if I didn't mention the great job done by our Town Clerk, Sherry Farrell, and Executive Assistant, Kirby Wade, in creating the new monthly community newsletter. It's a great way of keeping the citizens of Londonderry apprised of what's happening in and around Town Hall!

Ladies and Gentlemen, it goes without saying that the State of our Town is strong, Londonderry Strong! But the strength of our Town is not measured by budgets or economic planning alone, rather it is measured most by how the people in this community coalesce around and comfort one-another in times of need and crisis. While there was no shortage of positive happenings in Town over the last year,

unfortunately, we dealt with our share of challenges and tragedy as well. We had a tremendous loss as a number of current and former Lancers, left us much too soon. One of our very own Town Councilors was hospitalized for weeks, and an early winter storm knocked out power to thousands for days.

But through these very difficult times, I witnessed the best in the people who make up this community – and in no place was this more evident than in the corners of our Town where brave men and women dwell, who wear the uniform and call themselves first-responders. They are first to show up on scene and usually the last to leave. I recall driving home late one frigid night a few months ago, and seeing the flashing of many blue and red lights off in the distance on Rt. 102 toward Hudson. When I pulled up to the scene, I realized it was the aftermath of an earlier accident in which a vehicle had gone through the kitchen of an existing home. I got out of my car and approached the first responders that were still on scene. Needless to say, the closer I got to the accident scene, the more I realized just how much carnage there had been hours prior. After speaking with a few members of both the Fire and Police Departments, and getting debriefed on the accident, I got back in my car and continued driving home. As I was driving, what struck me wasn't just how remarkably professional and calm the members of each department were during the midst of a terrible and tragic accident, but also realizing that a similar event could happen again at a moment's notice – they do not know where or when the next accident or tragedy will be, or who's going to be involved, but *they* will be ready nonetheless to heed the call to help their fellow man, woman, or child in need.

Chief O'Brien, Chief Hart, our community owes you and your staff a debt of gratitude for your courage and dedication, and for heeding the call of service to keep the men, women, and children of this community safe. We commend you all on a job very well done indeed.

In closing, I'd like to thank the Town Council for their continued trust and confidence, the Department Heads and Staff for their professionalism, expertise, and continued guidance, and the Citizens for your support and willingness to help make Londonderry the great community that it is. It continues to be an honor to serve you as your Town Manager. May God bless the great Town of Londonderry.