

TOWN MANAGER – 2023 ANNUAL REPORT

Please find enclosed my annual report for the Town Manager for the year ending December 31st, 2023. This is my 19th report as Town Manager and I'm glad our community of 16,000-plus residents is thriving. While this happens, Town government continues to meet the challenges of a 33 million dollar plus municipal operation.

Early in 2023, the Town was concentrating on the Annual Town Budget and Town Warrant. All articles passed at the Town Ballot with the exception of the new Police Station/Fire Substation project, which lost by a narrow 45 votes. Town voters weathered a snowstorm the day of the Town Election and approved 5 separate bond issues along with the Town Operating Budgets and several financial warrant articles.

The Town continued to receive great service from all of our Department Managers in 2023. I would like to thank Paul Vlasich, our long time Town Engineer, who fulfilled the DPW Director's role for all of 2023 while the Town underwent a recruitment process to replace Jennifer Perry, who retired in December 2022. The Town was fortunate to be able to hire a new DPW Director in December 2023, Stephen Cronin. Steve joins us from his position as DPW Director in Westford, MA and we wish him the very best in his new role with the Town.

2023 will be known as the year the Town joined community power. This effort, spearheaded by a volunteer committee, was a major success. Initial electric supply rates included a 24% savings off the Unitil default rate. This is a major victory for ratepayers in the face of ever rising electric rates. The CPCNH (Community Power Coalition of New Hampshire) is the administrative backstop of all things Community Power, and Kristen Murphy will continue to serve as the Town's liaison to the process.

A major challenge in 2023 was the Squamscott River Sewer Siphons capital project. Due to several equipment failures, and finding additional ledge below the river bed, the project had to endure major modifications beyond budget. The Select Board, Town Manager, Assistant Town Manager, and Interim DPW Director worked diligently to find solutions to the issues. This resulted in the need to have a Special Town Meeting to appropriate additional funds. Voters supported the additional funding by a wide margin in August of 2023. The first siphon pipe was successfully installed in August, and the second and final pipe is scheduled to be installed in early 2024. This project is an absolute necessity for the Town's sewer system as over 30% of flow goes through the siphon barrels.

In terms of the local economy, 2023 was a different kind of year. The Town encountered historic challenges at filling positions as several positions went vacant, particularly in Public Works. In September, 2023, the Select Board approved a classification and compensation update in an attempt to make Town wages more competitive. By taking this action, the Board and Administration are expressing widespread support in the area of employee retention and recruitment in what is a very different labor market.

Planning and Economic Development continued to be active in 2023. The Epping Road TIF District now exceeds 83.3 million dollars in value with more projects in the pipeline. In 2024, the Town expects to see the "Monahan Project" continue construction, which will include 224 units of housing and a commercial use in the front of the property.

In June 2023, the Select Board commissioned Keegan Associates to conduct an organizational review to include recommendations on organizational improvements and succession plans. The report is expected in February 2024.

In October 2023, the Town Manager and Assistant Town Manager participated, along with Board Chair Niko Papakonstantis, in MILO police training. This simulation of real life situations gave us more than an appreciation of what our law enforcement officers go through on a daily basis. Throughout the process we were briefed by the trainers and administrative personnel to evaluate our responses. Thank you to the Police Department for providing this valuable insightful training.

2023 also saw the completion of a major water/sewer rate study by Underwood Engineers. The results of this study were utilized by the Select Board in setting new water/sewer rates. These rates will go into effect in January 2024 and are set to recover operating/maintenance and capital costs of the water/sewer systems. The Town's groundwater program continued to progress in 2023 as the Town worked with PEA on a Drinkwater Road site favorable for groundwater development. In addition, the Town's Wastewater Facility continued to perform in excellent fashion, operating well below the interim limit of 5 mg/l of nitrogen set by the most recent EPA permit. These investments are and continue to be critical in assuring Exeter remains current with regulatory requirements as well as providing the population with quality drinking water and efficient disposal of wastewater.

In November 2023, the town's tax rate was set at \$26.78/1,000 of assessed value, an increase of \$2.03 per 1,000 over 2022. The Town's share of the rate increased 27 cents per 1,000 from 5.96 to 6.23. Local education, regional education and the county make up the remainder of the tax bill. The Town's share of the overall tax levy remained at 23%. As part of the rate setting process, the Select Board approved \$300,000 to be applied to lower the rate.

In late November 2023, the Select Board and Town Manager agreed on a new 1-year employment contract. This process was followed by an article in the local newspaper highlighting the fact I am now the Town's longest serving Town Manager since the form of government was adopted back in 1953. I feel privileged to say that, and I thank everyone for their support over the years.

In late November and December 2023, the Town was fortunate to be offered the property at 23 Water Street by Elliott Berkowitz and Nancy Phillips to be held in perpetuity as a public park. On December 28th the Select Board accepted the property, and on the 29th the closing occurred, and the Town became owners of 23 Water Street. We sincerely thank Elliott and Nancy for their generous donation that will serve the Town for years to come.

In closing, I would like to again thank and acknowledge the efforts of our team of Department Managers, including Assistant Town Manager Melissa Roy and Finance Director Corey Stevens, Senior Executive Assistant Pam McElroy, all of our Town employees, and our volunteer Boards and Committees. Thank you to the Select Board for your support throughout the year. It's been another great year for the Town of Exeter.

Respectfully submitted,

Russ Dean
Town Manager