

Town of Hancock

# Capital Improvements Program

**Supplement**

November 2014

## **Introduction**

In December 2004, this Committee submitted a Capital Improvements Program report. Among other things, it made the following recommendation:

We urge our successors to update the CIP frequently. Each year, all town departments and committees should submit information for the new sixth year, along with any recommendations for revisions to prior years projects if necessary. Every few years, Hancock's demographic, financial and statistical data should be updated by the Planning Board or CIP Committee, and the trends should be studied in light of the long term planning goals of the town.

This brief report implements that recommendation for the current year, 2014.

## **Population Trends and Projections**

As we have reported in prior years, the census returns for 2010 showed a decrease in population since the 2000 census of 85 people or 5% of the population, resulting in a 2010 population of 1,654.

This decline was particularly striking among the younger population where the absolute number of younger children declined by 137 (38%) and their proportion relative to the general population also fell. Hancock is rapidly aging.

During the same period, the *housing stock* increased from 814 to 864, or by 50 units (or 6%). Of the 864 total houses, 140 were vacant on census day in 2010. Of these, 91 were seasonal residences and 34 were "in transition" – that is, being held for sale or rental – leaving only a small number truly vacant.

The property market has been characterized by slow turnover. Only 3 housing starts have been reported since 2011.

## **Municipal Financial Projections**

During 2014, Hancock made the largest capital expenditure in living memory to restore the Hancock Meeting House. At the time of our last report in November 2013, plans were not sufficiently advanced to permit

more than a heads' up report (*see* 2013 CIP Report, page 5); nevertheless, those plans were finalized in early 2014 and presented to a the Town Meeting in March where the voters approved an expenditure of \$817,412 on this project and further approved corresponding borrowing. To date, about \$302,000 of the expense has been covered by private donations and pledges, but the balance will be paid through public borrowing. As we write, the project is virtually complete.

Hancock's municipal departments have continued to experience unusual financial strains, largely due to the aftermath of the near collapse of the financial markets and a resulting virtual recession in late 2008. State and federal funding for municipal activities has been curtailed. The NH statehouse has downshifted substantial financial responsibilities to local governments and school districts while the US Congress has been dysfunctional, falling in the public esteem to levels not seen since the Great Depression. In the face of this, the town – like all local governments - is tightening its belt.

In late 2014, the Committee re-canvassed other contributors to this report to update their financial projections for capital expenses expected over the next six years. In October and November, all contributors were asked by telephone call, visit or e-mail to provide updated information. Notes of these contacts are appended to the archive copies of this report.

The information collected is summarized in the table appended to this report which supersedes Exhibit #8 in the 2004 Report and by the following notes which supplement the 2004 through 2013 Reports.

*Direct but Presently Non-Quantifiable Capital Requirement:*

*Conservation Commission:* No capital expenditures are anticipated at this time.<sup>1</sup>

*Police Department:* Exhibit 8 budgets for new police cruisers in 2015 and 2018.

Other future needs are outlined as follows:

---

<sup>1</sup> Interview by Alison Rossiter with Roberta LaPlant, Chairman (November 2014).

Chief Wood wishes to have an All Terrain Vehicle (ATV) for use on trails where police vehicles cannot travel without risk of damage or injury. This would provide officers the ability to respond to vandalism and parties on the remote trails and allow them to bring needed equipment to the scene quicker as opposed to hiking in. He also noted a new ATV might be purchased for \$12,000 and used one for between \$5,000 and \$7,000.

He would also like to request funds for expanding the police station to provide more operational room, privacy for questioning and record storage. Funds needed approximate \$50,000.

*Fire Department:* The Fire Department does not have plans for capital expenditures which would call on taxpayer funds within the next five years.<sup>2</sup> According to Chief Cassidy, The next major expenditure will be the replacement of the 1996 pumper sometime around the 25 year mark, that is, in 2021 or later.

*Commons Commissioners:* The Commons Commission has completed restoration of the bandstand and will not ask for any additional funding from the town taxpayers during the period of this report.<sup>3</sup>

*Library:* The Library Trustees intend to replace carpeting at a cost of about \$20,000 but at present do not have a timetable.<sup>4</sup> We have assigned this to 2020.

*Recreation Department:* The Rec Department has no plans for capital expenditures above \$5,000 during the period of this report.<sup>5</sup>

*Selectboard:* The board is in the midst of a five-year town-wide property revaluation as required by RSA 21-J and started last year. The total estimated cost of about \$80,000 is shown, for this purpose, at \$16,000 per year.<sup>6</sup>

---

<sup>2</sup> Interview by Hunt Dowse with Nevin Cassidy (November 2014).

<sup>3</sup> Interview by Alison Rossiter with Alison Kerwin, Chairman (November 2013).

<sup>4</sup> Interview by Hunt Dowse with Amy Markus (November 2014)

<sup>5</sup> Communication for Kary Shumway to Alison Rossiter (November 2014).

<sup>6</sup> See 2012 Report.

The Selectboard may also spend about \$5,000 to \$6,000 on chairs for the newly refurbished space on the lower level of the meeting house.<sup>7</sup>

Two additional items – carried forward from our 2012 and 2103 Reports - are known but not presently quantified:

- The Town Barn will require a sprinkler system or, alternatively, the town will require a separate building to replace part of the functions of the town barn. No schedule exists and no costings have been obtained.<sup>8</sup>
- The boat landing at Nubanusit will require substantial work. No schedule exists and no costings have been obtained.<sup>9</sup>

*Other Matters not directly affecting the town Capital Budget*

*Post Office:* The Post Office does not anticipate any new capital requirements during the period of our report.<sup>10</sup>

*Cemetery Trustees:* The Cemetery Trustees will complete a regrading program over three fiscal years.<sup>11</sup>

*Water Department:* No additional capital projects are planned.<sup>12</sup>

*School District:* We have reported in prior years that the Conval School District was considering a series of options relating to reorganization of the school district to cope with a declining school population but the voters have rejected its favored proposals. At present, we understand that the Board will not address this issue for two or three years. The problem remains: because of declines in school-aged population, the District is not using existing classroom space in an economically or pedagogically efficient way.

It is also worthy of note that the elementary school population in Hancock has fallen to about 55 students<sup>13</sup> (spread over kindergarten and grades one to

---

<sup>7</sup> Communication from Erik Spitzbarth, Selectman, to Larry Schwartz (November 2014)

<sup>8</sup> See 2012 Report

<sup>9</sup> See 2013 Report

<sup>10</sup> Interview by Stephen Froling with Stan Buckjune, Acting Postmaster (October 2014)

<sup>11</sup> Interview by Larry Schwartz with Kurt Grasset (November 2014)

<sup>12</sup> Interview by Alison Rossiter with Jeff Wilder (November 2014).

<sup>13</sup> Interview by Stephen Froling with Marianne Adams (November 2014)

four) a figure which is less than ideal from a financial or educational perspective.<sup>14</sup>

The School Board is also considering a series of capital proposals amounting to \$472,350, including one to repave the second half of the ConVal High School parking lot for \$265,350. No definite proposals have been put forward as to cost or timing.<sup>15</sup>

---

<sup>14</sup> See 2012 Report.

<sup>15</sup> Email from Pierce Rigrod, Hancock School Board Representative (November 2014)

Exhibit 8 revised

Departments and	Aggregate Cost of Multi-Year Projects	Financing Method <sup>16</sup>	2015	2016	2017	2018	2019	2020
<b>Capital Items</b>								
<b>Highway Department<sup>i</sup></b>								
Loader	\$130,000	Bond				\$26,000	\$26,000	\$26,000
F-550	\$130,000	Bond	\$26,000	\$26,000	\$26,000			
International (replace)	\$150,000	Bond	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	
Truck Leasing	indefinite	Lease		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>Bridge Maintenance</b>								
Old Dublin Road								
Longview Road	See note	Bond?				\$160,000 <sup>17</sup>		
<b>Road Projects</b>								
Phase II	\$180,000				\$90,000	\$90,000		
<b>Transfer Station</b>								
Forklift								
Storage Shed								
<b>Town Buildings</b>								
Paint Post Office			\$19,500					

<sup>16</sup> Generally, the Town proposes to finance by direct taxation in the incurred except for items in excess of \$100,000 which it proposes to bond.

<sup>17</sup> The net impact should be substantially less since these funds will be drawn largely from a Capital Reserve Fund and state reimbursement.

<b>Town Cemeteries</b>									
Regrading	\$45,000		15,000	15,000	15,000				
<b>Police Department</b>									
New Cruisers			\$35,000			\$35,000			
<b>Library</b>									
Carpet									\$20,000
<b>Selectboard</b>									
Revaluation	\$80,000		\$16,000	\$16,000	\$16,000				
Bridge Capital Reserve Fund	\$100,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000		
Meetinghouse Capital Reserve Fund									
<b>Existing Bond Obligations</b>									
Prospect Hill Road Project (2011 – 2.5%)		Bond	\$74,109	\$ 72,336					
Transfer Station Addition (1.625%)		Bond	\$17,792	\$17,792	\$17,792	\$17,792			
Replacement of Ford F-550 Truck (1.625%)		Bond	\$15,678	\$15,678	\$15,678	\$15,678			
Meetinghouse Renovation		Bond	\$66,872	\$66,872	\$66,872	\$66,872	\$66,872	\$66,872	\$66,872
<b>Total</b>			\$335,951	\$299,678	\$317,342	\$481,342	\$162,872		\$ 132,872