

Town of Hancock

Capital Improvements Program

Supplement

November 2015

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, 2015.

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.

In October, 2015, the Board of Selectmen reported that a statistical update for the town shows we have approximately 1,365 properties comprised of 768 improved residential lots, 407 vacant lots, 59 tax exempt lots, 10 manufactured housing, 3 vacant commercial lots, 10 improved commercial lots, 3 utility ROW (Right of Way) poles & conduit operations owned by Eversource, Comcast, and Fairpoint, 1 cell tower & array, and a campground with, give or take, 36 trailers.

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

Municipal Financial Projections

As we reported last year, in 2014 Hancock made the largest capital expenditure in living memory to restore the Hancock Meeting House. That work is now 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 2015, 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 2014 Reports.

Direct but Presently Non-Quantifiable Capital Requirement:

Conservation Commission: No capital expenditures are anticipated at this time.¹

Police Department: Exhibit 8 budgets for a new police cruiser in 2016, as requested by the Chief.² This proposal has attracted little support on the Board of Selectmen.³ The department has no other plans at this time.

¹ Interview by Alison Rossiter with Roberta LaPlant, Chairman (November 2015).

² Email from Chief Woods to Richard Lefebvre (November 2015)

³ Interview by Rick Lefebvre of Erik Spitzbarth (November 2015)

Fire Department: The Fire Department does not have plans for capital expenditures which would call on taxpayer funds within the next five years.⁴ 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 been working with the Hancock Improvement Association and the committee responsible for the Meetinghouse improvements with a view to creating a final landscaping plan for this area. Its plans have not progressed to the point of approving a budget but they believe that the Town will submit a warrant article for this project in the current year.⁵

Library: The Library Trustees intend to replace carpeting at a cost of about \$20,000 but at present do not have a timetable.⁶ We have assigned this to 2016 and 2020.

Recreation Department: The Rec Department proposes the following projects which are reflected in Exhibit 8.

1. Replacing the swim raft and docks at the town beach in the current year;
2. Installing a “perched beach” at the same location which would bring the beach area into compliance with state requirements; and
3. Improving the area behind the ball field for volleyball or play equipment.⁷

Selectboard: The board is in the midst of a five-year town-wide property revaluation as required by RSA 21-J and started in 2013. The total estimated cost of about \$80,000 is shown, for this purpose, at \$16,000 per year.⁸ Apart from items shown in other departmental budgets, the BOS has no plans for capital expenditures in the mid-term future.⁹

⁴ Interview by Hunt Dowse with Nevin Cassidy (November 2014).

⁵ Interview by Alison Rossiter with Alison Kerwin, Chairman (November 2015).

⁶ Interview by Hunt Dowse with Amy Markus (November 2014)

⁷ Communication from Kary Shumway to Alison Rossiter (November 2015).

⁸ See 2012 Report.

⁹ Interview by Rick Lefevbre with Erik Spitzbarth (November 2015).

Other Matters not directly affecting the town Capital Budget

Post Office: The Post Office will require re-painting at the expense of its landlord, the Town. This is shown in Exhibit 8. It does not anticipate any new capital requirements during the period of our report.¹⁰

Cemetery Trustees: The Cemetery Trustees will complete a regrading program over three fiscal years.¹¹

Water Department: No additional capital projects are planned.¹²

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.

Conval plans no capital expenditures in Hancock in 2016. Overall, the school district is deferring capital outlays because it has been faced with cut-backs in state support and large increases in health care costs. In 2016-17, the roof and heating/cooling system at Conval will require attention; thereafter, it will apparently turn to science and technology upgrades. In Hancock, significant expenditures will be needed for parking lot re-paving and the security system. Details are given in the appendices.¹³

¹⁰ Interview by Stephen Froling with Dave Duvall (November 2015)

¹¹ Interview by Larry Schwartz with Kurt Grassett (November 2014)

¹² Interview by Alison Rossiter with Jeff Wilder (November 2014).

¹³ Report of Pierce Rigrod, Hancock School Board Member (November 2015)

Exhibit 8 revised

Departments and	Aggregate Cost of Multi-Year Projects	Financing Method ¹⁴	2016	2017	2018	2019	2020	2021
Capital Items								
Highway Departmentⁱ								
Loader	\$130,000	Bond	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	
International (replace)	\$133,500	Bond	\$26,700	\$26,700	\$26,700	\$26,700	\$26,700	
Truck Leasing	indefinite	Lease		27,000	27,000	27,000	27,000	27,000
Bridge Maintenance								
Longview Road					\$40,000			
Road Projects								
Phase II	\$450,000			\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
Transfer Station								
Forklift								
Storage Shed								
Town Buildings								
Paint Post Office			\$19,500					
Town Cemeteries								
Regrading	\$45,000		\$15,000	\$15,000	\$15,000			

¹⁴ 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.

Police Department									
New Cruiser			\$35,000						
Library									
Carpet			\$5,000					\$15,000	
Selectboard									
Revaluation	\$80,000		\$16,000	\$16,000					
Bridge Capital Reserve Fund	\$100,000		\$20,000	\$20,000	\$20,000	\$20,000	\$2,000		
Meetinghouse Capital Reserve Fund	\$30,000		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Recreation Department									
Replace Swim Raft/Docks			\$7,500						
Perched Beach				\$10,000					
Improve area behind ball field					\$20,000				
Existing Bond Obligations									
Prospect Hill Road Project (2011 – 2.5%)		Bond	\$ 72,336						
Transfer Station Addition (1.625%)		Bond	\$17,792	\$17,792	\$17,792				
Replacement of Ford F-550 Truck (1.625%)		Bond	\$15,678	\$15,678	\$15,678				
Meetinghouse Renovation		Bond	\$51,766	\$51,766	\$51,766	\$51,766	\$51,766	\$51,766	\$51,766
Total			\$333,272	\$320,936	\$354,936	\$219,493	\$ 261,466	\$173,766	