

Town of Hancock

Capital Improvements Program

Supplement

November 2012

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, 2012

Population Trends and Projections

The committee has received census returns for 2010. We can report the following headlines:

During the period 2000 to 2010, the population of Hancock declined from 1,739 to 1,654, a fall of 85 or nearly 5%:

This decline was particularly striking among the younger population where the absolute number of younger children has declined by 137 (38%) and their proportion relative to the general population has also fallen:

Age	2000	2000 % of total	2010	2010 % of total	Change
Under 5	81	4.7	55	3.3	-26
5-9	128	7.4	85	5.1	-43
9-14	147	8.5	79	4.8	-68
	356	20.6	219	13.2	-137

We also note that, since 2000, the median age of the population has risen from 42.8 to 50.8 years. Hancock is rapidly aging.

During the same period, the *housing stock* has 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.

Municipal Financial Projections

During 2012, Hancock’s municipal departments 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 spending, especially funding of municipalities, was then seriously curtailed. Generous federal stimulus packages available in 2010 have now dried up. And, as we write, the country faces a “fiscal cliff” at a federal level and great uncertainty as to whether the US Congress has the ability or will to act. Simply stated, the town – like all local governments - is tightening its belt.

In late 2012, 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, 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 2011 Reports.

Direct but Presently Non-Quantifiable Capital Requirement:

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

Police Department: Apart from the replacement of police patrol vehicles, the Police Department suggests the following as priority capital items in addition to those shown on the 2011 report.² It is uncertain when they will be brought forward as part of a town budget:

- Chief Wood would like to accelerate replacement of an existing Ford Sedan vehicle with a Ford Police Interceptor at a cost of about

¹ Interview by Alison Rossiter with Eric Masterson, Chairman (October 2012).

² Interview by Rich Lefebvre with Chief Andy Wood (October 2012).

- \$35,000. This vehicle would allow all-weather, emergency response. Chief Wood believes that a four-year replacement cycle would be more cost effective than the six-year cycle now in effect; and
- The Chief would also like to acquire an all terrain vehicle (“ATV”) for use on trails where other police vehicles cannot be used without risk of damage or injury. Chief Wood suggests that the cost would be in the range of \$5,000 to \$12,000. Such a vehicle would allow officers to respond to vandalism and trail emergencies and to haul equipment to remote locations.

Fire Department: The Fire Department does not have plans for capital expenditures which would call on taxpayer funds.³ The next major replacement will be Engine No 1 but Chief Cassidy believes that that will not be necessary until about 2017 and has not estimated the cost.

Commons Commissioners: The Commons Commission is now moving forward with restoration of the bandstand but will not ask for any additional funding from the town taxpayers.⁴

Library: The Library Trustees intend to replace carpeting but at present do not have either a timetable or reliable cost estimates.⁵

Recreation Department: The department wishes to resurface the tennis courts at Moose Brook Park at a cost of about \$5,000, some of which may be raised by fundraising.⁶ Discussions with the Selectboard are ongoing.

Selectboard: The board plans to carry out a town-wide property revaluation as required by RSA 21-J in stages over the next five years. This should cost about \$90,000 but will be carried as an ongoing expense, not as a capital item.⁸

The Selectboard has established reserve funds for two items, a Bridge Capital Reserve Fund and a Meeting House Capital Reserve Fund, and

³ Interview by Hunt Dowse with Nevin Cassidy (October 2012).

⁴ Interview by Alison Rossiter with Alison Kerwin, Chairman (October 2012).

⁵ Interview by Hunt Dowse with Amy Markus (October 2012)

⁶ Interview by Alison Rossiter with Jeff Wilder (October 2012).

⁸ Interview by Rich Lefebvre with John Jordan (October 2012) and Barbara Caverly (November 2012).

intends to contribute \$5,000 each to these funds commencing in fiscal 2013 and continuing for at least nine years.

Two additional items 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.
- Engineering studies are now underway to determine the scope of repairs required on the Meeting House, especially its roof. No schedule exists and no costings have been obtained.

Other Matters not directly affecting the town Capital Budget

Post Office: Last year, the Post Office reported that it had completed substantial refurbishments which will satisfy its capital requirements for the foreseeable future and that, due to a national reorganization, it had lost the sorting function to Antrim, thus reducing pressure on space. It does not anticipate any other capital requirements during the period of our report.¹⁰

Cemetery Trustees: The Cemetery Trustees expect to carry out engineering studies (\$3,000) in 2013 and regrading works in 2015 (\$30,000).¹¹

Water Department: The water department will install a secondary disinfection back-up system by 2014, as required by the state. Engineering consultations have been obtained, and the permitting and approval process is currently ongoing. The system will cost approximately \$100,000. Funds will be obtained via a bond raised and paid by water users, not taxpayers.¹²

School District: The Conval School District is considering several options relating to the realignment of elementary and middle schools. In September, a committee of the board circulated a poll to taxpayers in the district outlining the options under consideration ranging from “no change” to significant school closures and requirements for new school facilities. At least two of the options would have significant implications for the school

¹⁰ Interview by Stephen Froling with Elaine Merritt, Post Master (September 2012).

¹¹ Interview by Larry Schwartz with Kurt Grassett (October 2012)

¹² Interview by Alison Rossiter with Sean Kerwin (October 2012).

district's capital budget. That committee is now giving further consideration to the results of the poll and expects to make detailed recommendations to the full board in time for its consideration in December. If it so decides, the full board will put forward warrant articles – including possibly an article to amend the existing Articles of Agreement among the towns in the district – for consideration by the voters in March 2013. The committee does not believe that any actual expenditures will be made prior to 2014 and then only if further warrant articles have then been approved. While passage of this proposal would have an impact on the voters in Hancock, it has no direct impact on the town's finances.

It is also worthy of note that the elementary school population in Hancock has fallen to about 77 (spread over four grades) a figure which is less than ideal from a financial or educational perspective.¹³

¹³ Interview by Stephen Froling with George Kidd, School Board Member (October 2012).

Exhibit 8 revised

Departments and	Aggregate Cost of Multi-Year Projects	Financing Method ⁱ	2013	2014	2015	2016	2017	2018
Capital Items								
Highway Departmentⁱⁱ								
Loader	\$130,000	Bond			\$26,000	\$26,000	\$26,000	\$26,000
F-550		Bond		\$26,000	\$26,000	\$26,000	\$26,000	
International (rebuild)					\$30,000			
Bridge Maintenance								
Old Dublin Road ¹⁴			\$30,000					
Longview Road		Bond?					\$160,000	
Road Projects								
Phase II							\$90,000	\$90,000
Transfer Station								
Forklift					\$31,000			
Storage Shed			\$50,000					
Town Buildings								
Meeting House – Engineering			\$30,000					
Meeting House - Reconstruction	\$500,000	Bond					???	
Paint Post Office			\$19,500					

¹⁴ This item is eligible for state Bridge Aid, and is thus potentially reimbursable for 80% of this cost

Town Cemeteries									
Engineering			\$3,000						
Regrading					\$30,000				
Police Department									
New Cruisers					\$35,000				\$35,000
Library									
Carpet				tbd					
Selectboard									
Bridge Capital Reserve Fund			\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Meetinghouse Capital Reserve Fund			\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Existing Bond Obligations									
2007 Bond (Prospect Hill Land)	\$377,403	Bond	\$44,300	\$44,300	\$44,300	\$44,300	\$44,300	\$44,300	
2011 Bond (Prospect Hill Roads)	????	Bond	\$77,650	\$75,885	\$74,110	\$72,336			
Total			\$264,450	\$156,185	\$306,410	\$178,636	\$356,300	\$161,000	

ⁱ Generally, the Town proposes to finance by direct taxation in the year incurred except for items in excess of \$100,000 which it proposes to bond.