

4. Business Composition and Employment Trends

Between 1997 and 2008 Rindge experienced a 151% increase in the number of businesses and a 127% increase in employment

The previous section characterized the working people who live in Rindge and the types of work that they do. This section looks at the characteristics of businesses that are located in Rindge.¹

Number of Businesses

Figure 20 provides a breakdown of the numbers of businesses in Rindge by major industry type. The highest numbers of businesses are in the *construction, retail and accommodation/food services* sectors which account for 91 of the 144 businesses (63%) that are located in Rindge.

Figure 21 offers a detailed look at the number of businesses by sector and how the number of businesses have changed in the decade from 1997-2008 for Rindge, the county and the

Figure 20

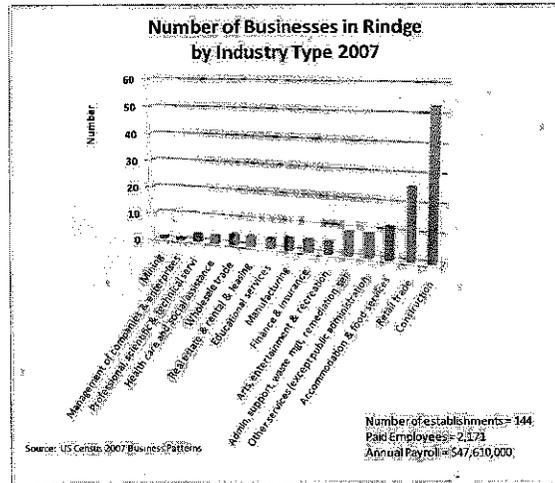
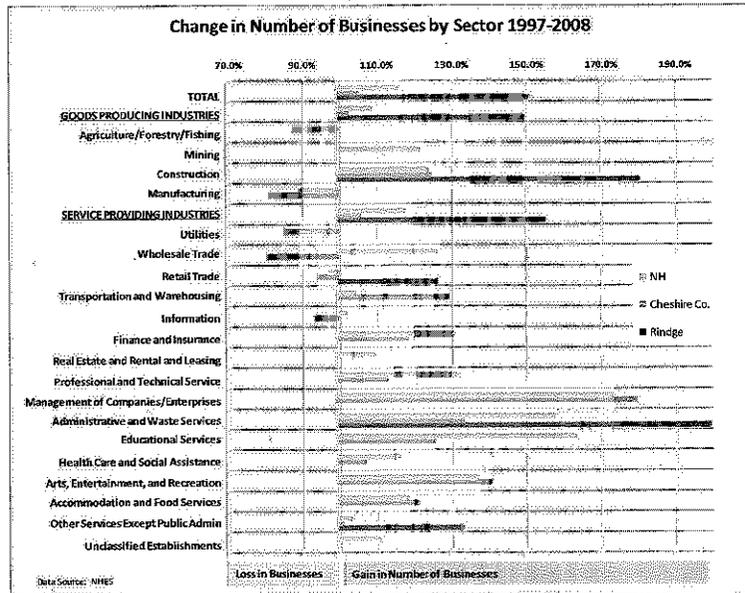


Figure 21



¹ The types and number of businesses, number of employees and much of the other data provided in this section are derived primarily from two government data sources; the NH Department of Employment Security and the US Bureau of Labor Statistics. These data sources are important because they rely on regular reporting from private businesses that are required to contribute to unemployment compensation insurance and report their employment levels monthly. Most importantly, these data sources only report information from employers that are required to pay unemployment compensation insurance. Based on the data presented in figure 14, about 82% of Rindge's workers are covered by this information, leaving approximately 400 individuals who are not included in this data set. These workers are either government workers, self-employed individuals or unpaid family workers.

state. This chart also includes two “super sector” categories of *goods producing* and *service providing* industries.

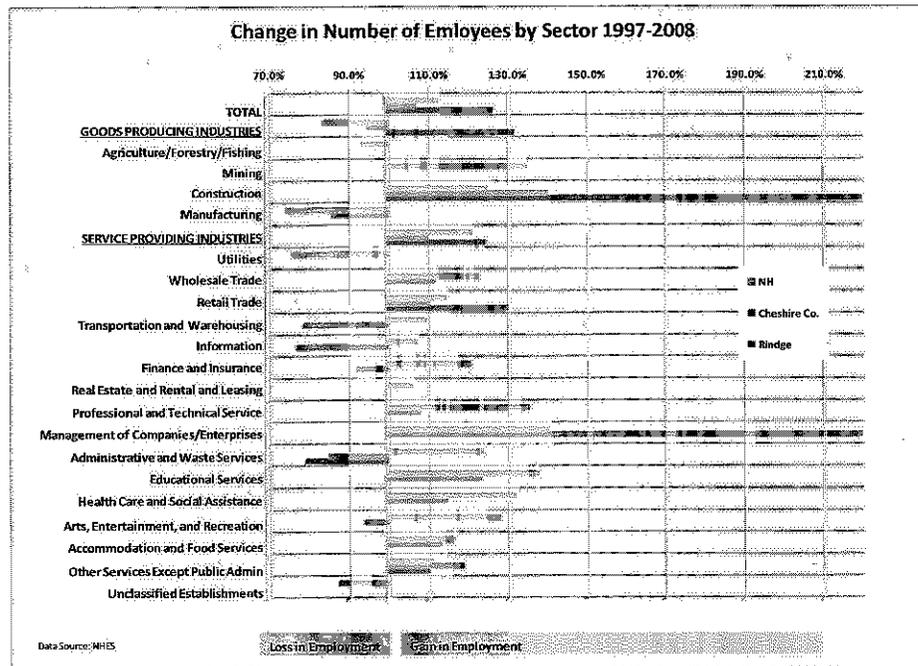
Overall, Rindge has shown a 151% increase in the number of businesses in town with comparable large gains in both super sectors as compared to either the county or state. The *goods producing* super sector gains were driven by a 70% increase in the *construction* industry with little or no gain in either *mining* or *manufacturing*. The *service providing* super sector increases came from a doubling of the number of businesses in the *administrative and support and waste management and remediation services* sector and a 27% gain in retail trade.

Number of Employees

Data changes for most of the other sectors are not available for Rindge because of the small numbers of businesses in those sectors and the data confidentiality restrictions of the NH Department of Employment Security. Even with those data limitations, we can see the other sectors that gained and lost, particularly for Cheshire County. Sectors that lost businesses in the county were in *manufacturing, wholesale trade, retail trade* and *information*. It is important to note that Rindge showed significant gains in retailing while the county, and state had losses in this sector. Most of the other service-providing sectors produced meaningful gains in Cheshire County as well as New Hampshire, suggesting that opportunities may exist in many of these areas for Rindge to grow.

The number of businesses in a given industry sector paints part of the picture for Rindge’s local economic condition. The number of employees that those businesses employ adds more detail to that picture. Figure 22 provides the change in employment by industry sector,

Figure 22



giving more specific information about where employment has gained and lost. As with figure 21, *construction* and *retail trade* showed important gains. Where figure 21 showed large gains in the number of *administrative and support and waste management and remediation services* businesses, figure 22 indicates that this sector actually posted losses in the number of employees. In short, there were more, smaller businesses in that category with fewer employees overall. Cheshire County recorded losses in *transportation/warehousing, information, finance & insurance* and in the *arts/recreation/entertainment* sectors.

Largest Employers

Following is a list of the twenty-five largest employers in Rindge as identified by the NH Department of Employment Security and verified by town staff. This list includes 16% educational institutions, 12% retail, 32% accommodations and food services and 24% construction.

Figure 23. 25 LARGEST EMPLOYERS IN RINDGE – 2010

Employer	Partial Address	City	Employer Size
Franklin Pierce College	University Dr	Rindge	500 - 999
Walmart	US Route 202	Rindge	100 - 249
Market Basket	US Route 202 # 1	Rindge	100 - 249
Hannaford Supermarket & Pharmacy	US Route 202	Rindge	100 - 249
Rindge Memorial School	School St	Rindge	50 - 99
Lilly's on the Pond Restaurant	US Route 202	Rindge	20 - 49
Woodbound Lodge Inc	Woodbound Rd	Rindge	20 - 49
Charles Everett Technologies	Main St	Rindge	20 - 49
Boss Contractors Inc	NH Route 119	Rindge	20 - 49
Aylmer's Grille	Woodbound Rd	Rindge	20 - 49
Seppala Construction	Hunt Hill Rd	Rindge	20 - 49
KFC	Sonja Dr	Rindge	20 - 49
Van Dyke Construction	US Route 202	Rindge	20 - 49
Rindge Town Fire Dept	Main St	Rindge	20 - 49
Allen & Mathewson Energy Corp	US Route 202	Rindge	20 - 49
Pizza Haven	NH Route 119	Rindge	20 - 49
Hampshire Country School	Patey Cir	Rindge	20 - 49
Hidden Hills Banquet Facility	Route 202	Rindge	10 - 19
Four Star Catering	Route 202	Rindge	10 - 19
Mohadnock Erectors	NH Route 119	Rindge	10 - 19
Atlas Fireworks Factory Inc	US Route 202	Rindge	10 - 19
Rindge Food Pantry	NH Route 119	Rindge	10 - 19
Meeting School	Thomas Rd	Rindge	10 - 19
Ji-Cal Masonry Inc	Lisa Dr	Rindge	10 - 19
Dunkin' Donuts	Cathedral Rd	Rindge	10 - 19

Source: NHES and Info USA

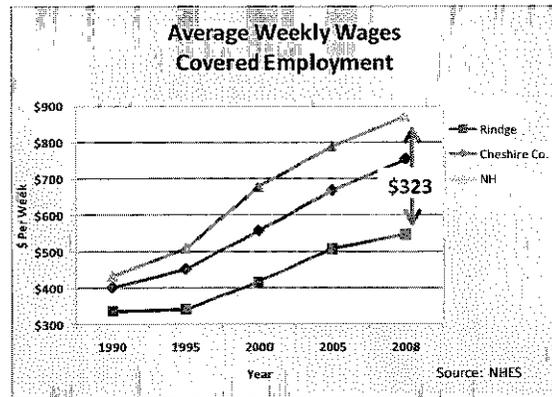
Wages

For the past thirty years, Rindge workers have consistently had weekly wages that lag behind both Cheshire County and the state of New Hampshire as depicted in figure 24. In 2008, the most recent year for which this data is available, Rindge had average weekly wages that were \$323 lower than that of the state and \$206 below the average for Cheshire County.

Location Quotient Analysis – A Comparison of Local Sector Employment to the State’s

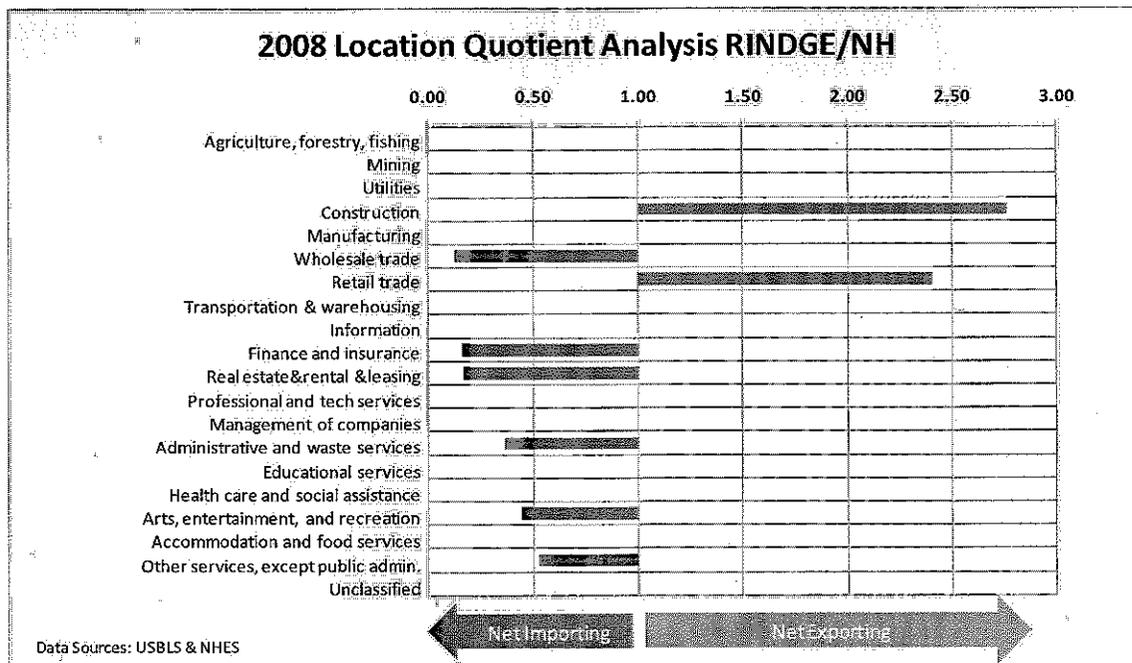
Location Quotient (LQ) analysis provides a means of comparing the relative strength of individual industry sectors in a local area to a larger region. This is done by looking at the employment in each sector compared to the total employment in the local area and then comparing that percentage to the comparable sector percentages for the larger region. The resulting numerical relationship will show that the local area is either below, the same as, or higher than the larger region to which it is being compared. Figure 25 shows the results of this analysis in a comparison of Rindge employment to total New Hampshire employment.

Figure 24



In the construction sector the LQ figure is considerably higher than 1.00, meaning that Rindge’s percentage of construction employment is significantly higher than the statewide percentage of construction employment. This indicates that in the

Figure 25



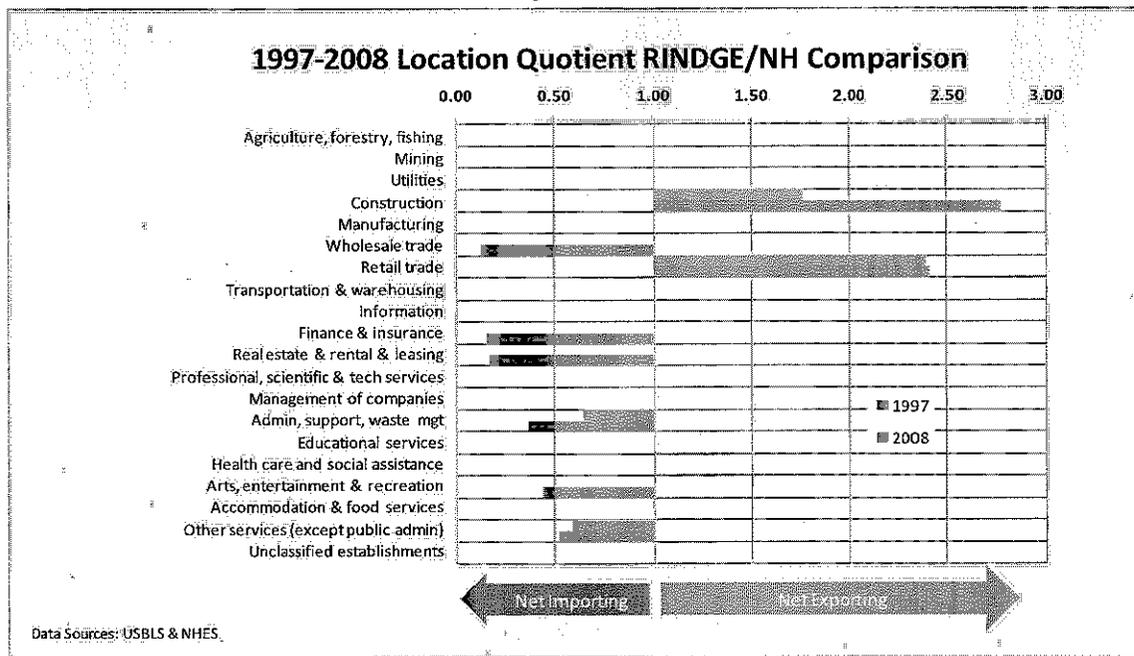
construction sector, Rindge has proportionately more jobs than does the state and is therefore a net exporter of construction services. The other major net exporting sector is retail trade. Conversely, Rindge has lower employment than the state percentage in:

- ◆ Wholesale Trade
- ◆ Finance & Insurance
- ◆ Real Estate, rental and leasing
- ◆ Administrative, support, waste management and remediation services
- ◆ Arts, Entertainment and recreation services, and
- ◆ Other services not including public administration

A number of sectors have no location quotient results. As previously discussed, this is because there were so few businesses in Rindge in those sectors that the data is suppressed to ensure confidentiality of individual businesses by the state and federal agencies that collect the information.

Having looked at the employment sectors for Rindge compared to the state for 2008 it is helpful to look at the same information for two different time periods to see what sectors are expanding or contracting. Figure 26 compares the location quotient results for Rindge in 2008 and 1997. This chart points out that construction employment is significantly stronger than it was in 1997 with retail trade also being strong but staying about the same for both years, relative to state ratios.

Figure 26



“Administrative, support, waste management and remediation services” actually got less well represented in 2008 as compared to 1997. The four other categories shown with 2008 data in figure 26 did not have data for 1997, so no comparisons are possible.

In order to see more in-depth sector comparisons and avoid the data suppression problems encountered for Rindge in the previous two figures, we can look at the location quotient analysis for all of Cheshire County as it compares to the state. This does not give us location quotient results that are specific to Rindge but we can see the resulting data for many more sectors and make comparative assumptions about their applicability to Rindge.

The more detailed county data shown in figure 27 reveals that employment ratios for Cheshire County are below the state (net importing sectors) in the following sectors:

- ◆ Utilities
- ◆ Wholesale Trade
- ◆ Transportation & Warehousing
- ◆ Information
- ◆ Real Estate, rental and leasing
- ◆ Professional, scientific and technical services
- ◆ Administrative, support, waste management and remediation services
- ◆ Health care and social assistance
- ◆ Arts, entertainment and recreation
- ◆ Accommodation and food services

The County's strong employment sectors (net exporting) are:

- ◆ Construction
- ◆ Manufacturing
- ◆ Retail Trade
- ◆ Finance & Insurance
- ◆ Management of Companies
- ◆ Educational Services
- ◆ Other (except public administration)

Figure 27

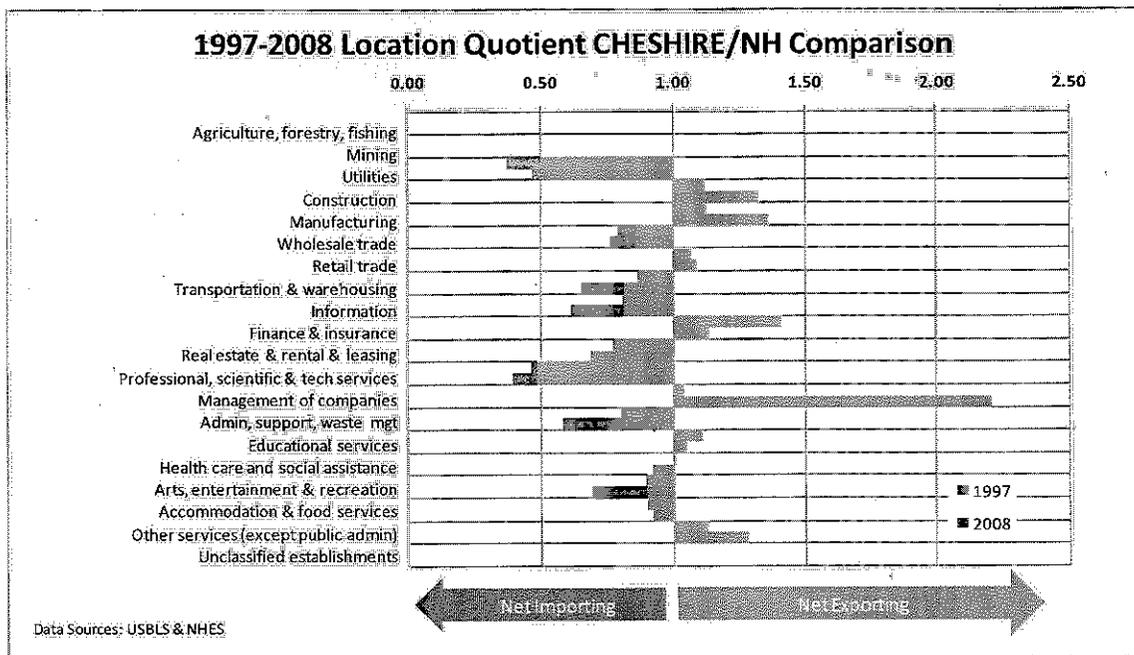
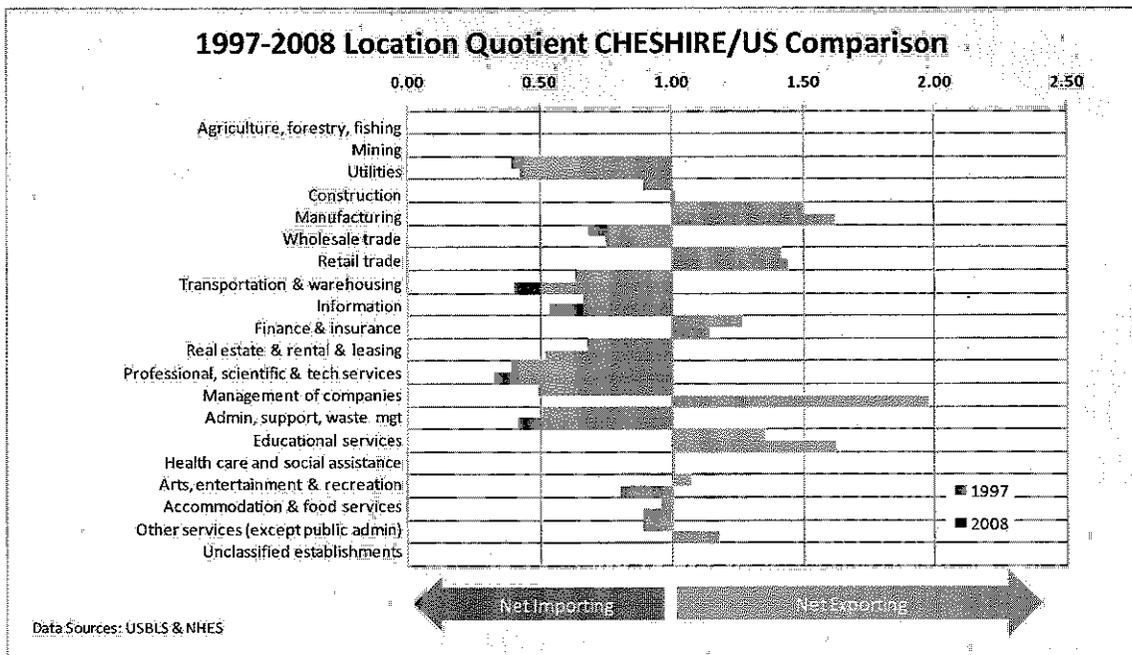


Figure 27 also points up the sectors that got stronger or weaker, compared to the state, between 1997 and 2008. Construction, manufacturing, and management of companies posted significant gains. Sectors that showed significantly lower employment compared to the state were transportation and warehousing, information, administrative/support/waste management and remediation services, and arts/entertainment/recreation.

Figure 28 takes the LQ analysis a further step and compares Cheshire County to the entire United States workforce. This comparison shows us where the county has a truly unique employment base relative to the entire US economy. Many of the patterns that

Figure 28



we saw in figure 27, comparing Cheshire County to NH are still apparent in the Cheshire-US comparison. We see that construction for the county is only slightly higher than the national ratio but manufacturing in the county is a strength even at the national scale. The county also shows particularly strong employment in the retail trade sector, management of companies and educational services. The “net importing” sectors for this comparison show the similar patterns to for the Cheshire/NH comparison.

What does all the Location Quotient analysis mean for Rindge?

The “net exporting” sectors shown in figures 25-28 indicate that Rindge and/or the county have proportionately more employment than the state and US in these areas.

These sectors are therefore economic leaders for Rindge and/or the county. They point to the fact that there are people currently working in the Rindge area with specific marketable skills that could be used to grow existing businesses and/or encourage new businesses with similar skill needs to locate in town. Of particular note in the Cheshire/US comparison is the strength of *educational services*. Between Franklin Pierce University and the educational institutions in Keene, education related employment compares very favorably with national employment ratios.

The “net importing” sectors point up some important limiting characteristics of Rindge and Cheshire County. First, the county and town are not located on major transportation corridors and are net importers of many goods. For these reasons utilities, wholesale trade, and transportation & warehousing are not strong employers in the region. They also do not attract high numbers of professional, scientific, management or information technology employers which seems somewhat surprising since the town and county have a high quality of life. The low “real estate/rental/leasing” sector is understandable because the region has not shared the strong real estate growth seen in the southeast part of the state.

Shift Share Analysis

Shift Share Analysis is another economic evaluation tool that can be used to assess recent trends in employment change. Shift share analysis looks at changes in employment over time between a local area and the entire country. It is used to explain how much of an industrial sector’s employment gains or losses over time can be attributed to

- (1) total growth (or loss) in employment at the national level;
- (2) growth or loss of employment nationally in a specific industrial sector, and;
- (3) how much of the growth or loss of jobs at the local level is due exclusively to local factors.

Figure 29 shows the results of the shift share analysis completed for Cheshire County and for Rindge. Both of these analyses needed to be completed because of small numbers in many of the industrial sectors in Rindge that caused the state data sources to suppress data due to their confidentiality restrictions. Due to the data limitations, we will need to look at both the local and county data and infer trends between them. In figure 29 we have highlighted more notable employment gains and losses in both the national industrial mix and regional share columns. The pink highlights represent employment losses in that sector and the green highlights sector gains. Following is a discussion of the important *gains* and *losses* by sector.

Figure 29

Construction: As we have already seen, construction is a strong sector in Rindge with 44 out of the 53 local jobs having been created due to high local demand between 2001 and 2008 and only nine being a result of national growth and strength of this sector nationally. Although the data is not yet available, the current economic recession will show a significant negative effect on this sector.

Manufacturing: Although Rindge data is not available, the county had a net loss of 862 jobs in the 2001-08 timeframe. Total national employment growth produced an additional 223 jobs in this sector and the strength of local manufacturing added another 289 jobs. The proportion of manufacturing jobs nationally (industrial mix) continued to show sizeable losses that caused a 1,374 employee loss, more than offsetting the gains noted above.

2001- 2008 Cheshire County Shift Share Analysis					Rindge Shift Share Analysis			
Industry	National Share	Industrial Mix	Regional Share	Total Change	National Share	Industrial Mix	Regional Share	Total Change
NAICS 11 Agriculture, forestry, fishing and hunting	6.40	-6.63	R	R	R	R	R	R
NAICS 21 Mining, quarrying, and oil and gas extraction	R	R	R	R	R	R	R	R
NAICS 22 Utilities	R	R	R	R	R	R	R	R
NAICS 23 Construction	56.32	25.90	136.78	219.00	6.08	2.79	44.13	53.00
NAICS 31-33 Manufacturing	223.07	-1,373.73	288.66	-862.00	R	R	R	R
NAICS 42 Wholesale trade	31.84	3.29	187.88	223.00	0.71	0.07	-9.78	-9.00
NAICS 44-45 Retail trade	188.39	-143.62	159.23	204.00	25.51	-19.45	-1.06	5.00
NAICS 48-49 Transportation and warehousing	16.66	-1.50	-55.17	-40.00	R	R	R	R
NAICS 51 Information	17.27	-98.83	-4.44	-86.00	R	R	R	R
NAICS 52 Finance and insurance	63.71	4.45	-189.16	-121.00	R	R	R	R
NAICS 53 Real estate and rental and leasing	11.30	0.40	R	R	R	R	R	R
NAICS 54 Professional and technical services	22.31	64.10	-81.42	5.00	R	R	R	R
NAICS 55 Management of companies and enterprises	12.79	24.82	539.39	577.00	R	R	R	R
NAICS 56 Administrative and waste services	36.67	-2.58	-233.08	-199.00	R	R	R	R
NAICS 61 Educational services	30.45	189.42	-114.87	105.00	R	R	R	R
NAICS 62 Health care and social assistance	123.26	578.02	-253.29	448.00	R	R	R	R
NAICS 71 Arts, entertainment, and recreation	14.92	30.77	-69.70	-24.00	R	R	R	R
NAICS 72 Accommodation and food services	86.66	231.20	-217.87	100.00	5.79	15.45	10.76	32.00
NAICS 81 Other services, except public administration	43.56	37.63	14.81	96.00	R	R	R	R
NAICS 99 Unclassified	R	R	R	R	R	R	R	R

Data Sources: US Bureau of Labor Statistics, NH Employment Security | R = Data restricted to maintain confidentiality

Wholesale Trade: This sector gained nationally and on the county level, adding a total of 223 jobs in Cheshire County but Rindge lost nine jobs in this sector during this time frame.

Retail Trade: Cheshire County gained 204 retail jobs in this time period, largely as a result of strong national overall employment gains and county sector expansion. This

growth was in spite of the smaller national percentage in this sector. Rindge saw a net gain of nine retail employees during the 2001-08 time period.

Transportation & Warehousing: The County lost 40 jobs in this sector, a result of significantly lower sector employment figures nationally.

Information: The national industry mix is the apparent cause for the job losses in this sector for the County.

Finance & Insurance: Although there was sector growth attributable to both the national share and the industry mix, Cheshire County had a significant downturn in employment that resulted in an overall net loss of 121 jobs.

Professional & Technical Services: Even with significant Cheshire County losses in this sector, strengths at the national level resulted in a net five person employment gain.

Management of Companies & Enterprises: On a county level, this sector showed large gains totaling 577 additional employees that resulted predominantly from county growth factors. This large growth was influenced only slightly by national and industry mix gains.

Administrative, support, waste management and remediation services: This sector declined significantly as a result of Cheshire County drops in sector employment in spite of some gains in the national share.

Educational Services: Gains to the national share and industry mix offset some losses at the county level that resulted in a net gain of 105 employees during this time period.

Arts, Entertainment & Recreation: Modest gains nationally were overpowered by county-wide losses that resulted in a net loss of 24 jobs.

Accommodations & food services: This sector also showed reasonable gains resulting from the national trends that offset significant losses at the county level to produce a net gain of 100 employees. On the other hand, Rindge experienced an overall gain in this sector of 32 jobs.

Employment Projections

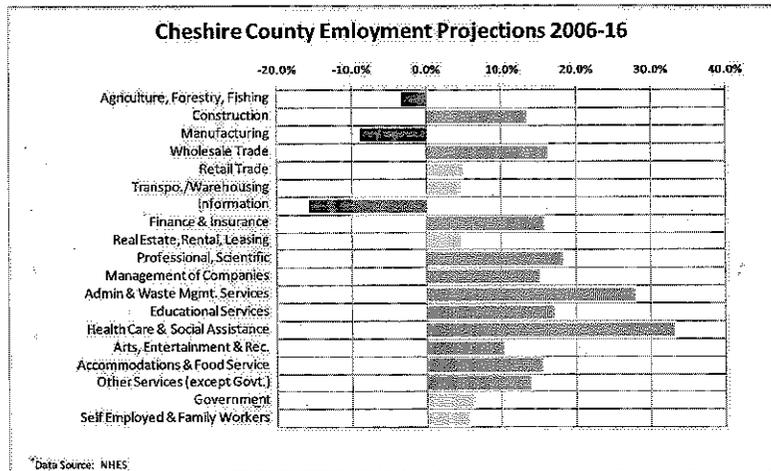
The longer term outlook for employment by industry sector is projected by the NH Department of Employment Security. The projections are based on both state and national trends. Figure 30

displays the most recent DES projections for Cheshire County that were developed for the decade ending in 2016. The projections reinforce recent downward trends in both the manufacturing and information sectors.

Most of the sectors show the potential for positive growth.

The only sectors that are projected to grow by less than 10% are in retail trade, transportation/warehousing, real estate/rental/leasing, government and self employed/family workers. The remaining sectors are predicted to have growth in the range of 10-30%+.

Figure 30



5. Tax Base and Real Estate

Rindge has a relatively small total real estate tax valuation. This contributes to it having a tax rate that is in the top one-fifth of all of the towns in the state

Tax Rate Comparisons

There are a number of ways to compare Rindge's tax rate to other communities in the state, this report looks at three.

The simplest comparison is to look at basic full value tax rate for Rindge and compare it to communities with similar tax rates. Figure 31 shows this in order of increasing full value tax rate. It also shows the

Figure 31. Similar Full-Value Tax Rates

MUNICIPALITY	2008 OEP POPULATION ESTIMATE	POPULATION PER SQ. ML	2008 TOTAL EQUALIZED VALUATION Including UTILITIES	2008 VALUATION PER CAPITA	2008 FULL VALUE TAX RATE	2008 FULL VALUE TAX RATE RANKING*	
Similar Full Value Tax Rate							
Danville	4,427	382	\$397,417,687	\$89,771	\$22.29	203	
Jaffrey	5,709	149	\$527,537,775	\$92,405	\$22.31	204	
Hillsborough	5,857	134	\$559,680,189	\$95,557	\$22.51	205	
Colebrook	2,422	59	\$184,132,940	\$76,025	\$22.64	206	
Swanzey	7,158	159	\$591,234,259	\$82,598	\$22.68	207	
Rindge	6,180	167	\$575,665,944	\$93,150	\$23.02	208	
Bethlehem	2,459	27	\$284,348,420	\$115,636	\$23.10	209	
Gorham	2,903	91	\$295,217,741	\$101,694	\$23.21	210	
Boscawen	3,938	158	\$272,799,847	\$69,274	\$23.53	211	
Fremont	4,159	240	\$407,187,336	\$97,905	\$23.64	212	
Troy	2,025	116	\$136,586,219	\$67,450	\$23.70	213	
Lowest Full Value Tax Rate	New Castle	1,018	1273	\$706,258,451	\$693,771	\$4.68	1
Highest Full Value Tax Rate	Berlin	10,170	165	\$409,632,082	\$40,278	\$33.56	234

*Higher number = higher tax rate

Data Source: NH DRA & NHOEP

lowest tax rate in the state (New Castle) and the highest (Berlin). Rindge ranks 208 in full value tax rate out of 234 communities in the state; a high number means higher tax burden. At just over \$23 per thousand dollar of valuation, Rindge's tax rate is similar to several area towns: Jaffrey, Swanzey and Troy. There are 70 other communities –like Rindge - that have a full value tax rate in the \$20-30 range. 165 communities have full value rates that are below \$20, resulting in a lower tax burden.

Another method of comparison is to look at the total valuation in a community and divide it by the number of people in that community to see how much real estate value there is per capita. Figure 32 shows communities with similar per capita valuation to the Town of Rindge. For every person who lives in Rindge there is \$93,150 in assessed value in the community. Rindge ranks 190 out of 234 communities in per capita valuation (#1 having the highest valuation per capita). The state average per capita valuation is just under \$130,000. Berlin has the lowest per capita valuation at \$40,278 and Waterville Valley has the highest at \$1,364,727.

Figure 32. Similar Per Capita Valuation

Another comparison is to look at the tax rates of neighboring communities to Rindge. Figure 33 shows this information in order of valuation per capita. What this comparison highlights is that Rindge has a lower valuation per capita than six of the ten area towns and a tax rate that is third from the highest.

MUNICIPALITY	2008 OEP POPULATION ESTIMATE	POPULATION PER SQ. ML	2008 TOTAL EQUALIZED VALUATION Including UTILITIES	2008 VALUATION PER CAPITA	2008 VALUATION PER CAPITA RANKING*	2008 FULL VALUE TAX RATE	
Similar Valuation Per Capita							
Milan	1,368	21	\$122,319,066	\$89,415	195	\$17.41	
Darville	4,427	382	\$397,417,687	\$89,771	194	\$22.29	
Warren	939	19	\$85,902,908	\$91,483	193	\$19.41	
Jaffrey	5,709	149	\$527,537,775	\$92,405	192	\$22.31	
Alstead	2,016	52	\$186,958,522	\$92,737	191	\$20.92	
Rindge	6,180	167	\$575,665,944	\$93,150	190	\$23.02	
Dalton	1,019	37	\$95,038,166	\$93,266	189	\$19.08	
Weare	8,993	152	\$840,567,949	\$93,469	188	\$17.35	
Epsom	4,625	134	\$433,560,482	\$93,743	187	\$17.78	
Whitefield	2,079	61	\$194,893,874	\$93,744	186	\$22.06	
Richmond	1,143	30	\$107,342,248	\$93,913	185	\$21.87	
Lowest Per Capita Valuation	Berlin	10,170	165	\$409,832,082	\$40,278	234	\$33.56
Highest Per Capita Valuation	Waterville Valley	285	4	\$388,947,061	\$1,364,727	1	\$10.50

*Lower number = higher valuation per capita
Data Source: NHDRA & NHOEP

Figure 33. Tax Comparisons - Rindge & Surrounding Communities

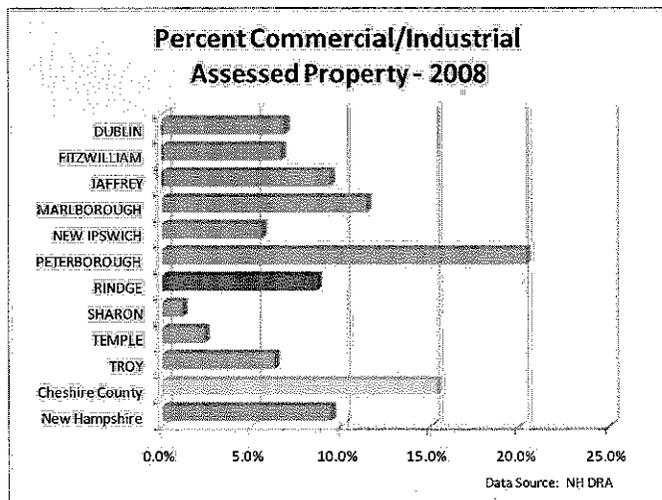
MUNICIPALITY	2008 OEP POPULATION ESTIMATE	POPULATION PER SQ. ML	2008 TOTAL EQUALIZED VALUATION Including UTILITIES	2008 VALUATION PER CAPITA	2008 VALUATION PER CAPITA RANKING*	2008 FULL VALUE TAX RATE	2008 FULL VALUE TAX RATE RANKING**
Rindge Area Towns							
Sharon	382	24	\$65,095,010	\$170,406	58	\$14.46	49
Dublin	1,548	55	\$260,147,353	\$168,054	60	\$20.66	172
Peterborough	6,172	162	\$792,279,595	\$128,367	102	\$19.79	160
Fitzwilliam	2,271	66	\$279,377,751	\$123,020	118	\$24.01	218
Temple	1,536	69	\$177,314,799	\$115,439	138	\$17.59	107
Marlborough	2,074	102	\$195,354,010	\$94,192	184	\$20.97	178
Rindge	6,180	167	\$575,665,944	\$93,150	190	\$23.02	208
Jaffrey	5,709	149	\$527,537,775	\$92,405	192	\$22.31	204
New Ipswich	5,211	159	\$429,726,864	\$82,465	207	\$18.00	118
Troy	2,025	116	\$136,586,219	\$67,450	224	\$23.70	213

*Lower number = higher valuation per capita
**Higher number = higher tax rate
Data Source: NH DRA & NHOEP

Commercial/Industrial Tax Base

Figure 34 offers a glimpse at the percentage of land that is assessed as commercial/industrial in Rindge and the surrounding towns. The highest in this comparison is Peterborough, followed by Marlborough, Jaffrey and then Rindge. Rindge has a commercial/ industrial percentage that is similar to the state but well behind the Cheshire County rate.

Figure 34

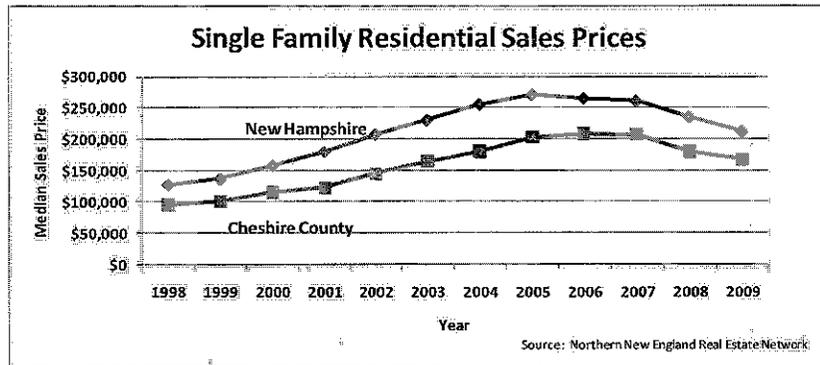


Real Estate Trends in Home Sales

New Hampshire experienced a lengthy period of residential real estate appreciation that peaked in 2005-6. Figure 35 shows the rise in average residential sales prices from 1998 to 2009 and the decline in

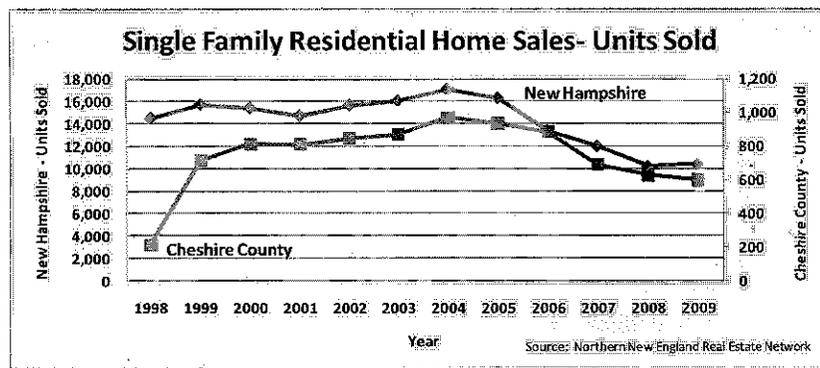
average prices even prior to the national 2008 economic recession. Preliminary 2010 data (August, 2010) indicate that average sales prices in the county are at \$150,000.

Figure 35



Along with the drop in average sales prices, the numbers of homes sold in the state and county has also declined since 2005. Preliminary 2010 county data show that the number of units sold is slightly ahead of the 2009 figures.

Figure 36



A further indication of the slow residential real estate market is evident in the length of time that homes stay on the market before they are sold. Figure 37 shows this trend. Preliminary 2010 county data indicate that the average number of days on the market has improved slightly to 124 days (August 2010).

Figure 37

