

EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
UNH Coop Extension Conference Room
3855 Dartmouth College Highway
North Haverhill, NH
June 10th 2022

PRESENT: Representatives Sykes, Gordon, Murphy, Simon, Weston, and Greeson.
Commissioners Piper and Ahern, County Administrator Libby, Administrative Asst. Norcross.

OTHERS PRESENT: Farm Manager Nelson, Register Monahan

Rep. Sykes called the meeting to order at 8:00 AM and began with the Pledge of Allegiance.

Rep. Weston called the roll. Six (6) members were present and a quorum was declared.

Grafton Regional Development Corporation – Commissioner Piper

Commissioner Piper reported that the Commissioners were pleased to fund the GRDC this year. She noted that they have visited the business incubators and Anne Duncan Cooley has been very innovative with the fallout of Covid. She started a new initiative where she has expanded the number of programs that are available and is offering trainings for residents and businesses. The primary work of the organization are the loans that they provide for businesses. Commissioner Piper stated that A. Duncan Cooley has also been involved in conversations with Coos County about coming together to address the need of childcare across the state. The Commissioners recommend funding the \$45,000. This is the salary of the loan officer.

Social Services – Commissioner Piper

Commissioner Piper stated that the Commissioners have recommended level funding for all agencies with the exception of one (1) agency that requested a \$500 decrease. There were a number of organizations that had requested an increase and the Commissioners did not feel they were in a position to increase funding for any of the agencies. The only agency that gave any rationale for an increase in funding was West Central.

Rep. Gordon stated that NANA was incorporated into Lakes Region Visiting Nurses Association and they asked for money separately. CA Libby explained that Lakes Region VNA requested money specifically for the service area of the former NANA.

Farm – Manager Nelson

Revenue

Sale of Milk – FM Nelson reported that milk prices have increased significantly from a year ago and therefore he is able to increase the revenue. He has budgeted \$22/hundred weight.

Sale of Wood – FM Nelson explained that the County Forester is planning to do a timber sale and has budgeted \$25,000 in revenue. CA Libby noted that the timber sale was budgeted for this year but the Forester was unable to mark the trees. He is hoping to get it done late summer or early fall.

Expenses

Veterinarian Fees – FM Nelson stated that they have had supply chain issues with getting certain medications for the cows and the hourly rates have increased as well. He noted that this increase occurs in the Breeding, Testing line as well.

Gas & Oil – He had to increase this line due to the current cost of fuel.

Seed fertilizer and Spray – FM Nelson noted that some commercial fertilizer is nearly twice as much as it was a year ago.

Custom Cropping – There is an increase in this line due to the increase in fuel.

Dairy Feed – FM Nelson explained that for most of last year, the price one of the major feed components in their mix was staying steady at \$430 a ton and now it is around \$500 a ton. He noted that he does not anticipate it to go higher but it is contingent upon how successful the grain farmers are with their crop.

Rep. Weston asked if there was a way to use more manure from the farm rather than buying more commercial fertilizer. FM Nelson explained that their manure pit is currently empty; they use most of it during the spring when planting corn.

Rep. Murphy stated that the business model for the Farm has not changed and it appears that inflation is what has increased this budget. FM Nelson stated that was correct.

Register of Deeds – Register Monahan

Revenue

Register Monahan stated that they are seeing a slowdown in document count across the state. They are starting to see citizens nervous with foreclosure activity. She stated that she follows national trends and it is looking bleaker with rise in interest rates and lack of inventory. She did reach out to ten (10) or so realtors in Grafton County and they all have said the same thing. She stated that, in her opinion, marginalized people are moving out and being forced out by property taxes and investors coming in. She stated that this is a switch in gears from what they have seen in the last two (2) years as New Hampshire was a safe haven during the pandemic and therefore saw an influx of people.

Online Services Fees – Register Monahan explained that there are opportunities for choice whether users want to use the free search or Laredo.

Transfer Tax – Register Monahan stated that she does not foresee them continuing at the pace they have been on sales for real estate transfer tax.

Rep. Sykes stated that the inventory is low but the prices are high and asked if that was enough to offset the revenue loss. Register Monahan stated that with the real estate transfer tax is only 4% to the county and therefore not enough to make up the loss in revenue.

Rep. Gordon asked why the LCHIP fees are up where recording fees are down. Register Monahan explained that LCHIP fees come in on other documents as well not just mortgage sales.

Rep. Weston asked how they make revenue off of Tapestry. Register Monahan explained that it is the cost for copies. She stated that the title industry is in favor of Tapestry because it is in 280 counties and therefore they do not have a separate system to learn. They can bounce around state to state for their daily work and then pass the fee over to their user. It is expensive to use but it is their business choice, they make the copy in that program which is more expensive and the money for credit card processing goes to Fidlar. She explained that the county is not dealing with any liability because Fidlar acts as a middleman for distribution with credit card fees.

Rep. Gordon stated that he is able to go on the computer via Tapestry in Bristol and search the registry. If there are documents he wants, he can print them out.

Expenses

Clerical – Register Monahan stated that they are one of the only, if not the only county, that could not have workers work remotely during Covid due to a lack of high-speed internet or internet at her staff members homes. She stated that they are concerned that they have lost a veteran staff member who understood the indexing process. As they are hoping for high-speed internet to happen in Grafton County, she has included \$20,000 for remote work, should they need it. She stated that should they get into the trouble that Coos and Merrimack Counties are in with losing their Deputy Registers, the counties are going to be looking at a cooperative program within the County Register of Deeds Offices. If one registry is down staff, a member from another county can come assist at night or early morning to make sure documents are indexed and on record overnight. She noted that they have lost two (2) veteran members in her office and brought in two (2) new staff who are lower on the wage chart. Therefore, her line has decreased. She noted that she is not going to hire the Records Clerk position right now; as they have outsourced the digitization project, which is what had been done during their downtime. They are now training the two (2) new staff members to be indexers as well.

Education & Conference – Register Monahan stated that she has decreased this line due to not traveling to Concord as much and attending more meetings via Zoom.

Postage – Register Monahan reported that postage has decreased some due to e-recording.

Microfilm – Register Monahan stated that due to the mass need to go to US Imaging with the ARPA funds, all of the registries did it, and now there is a backlog. The money approved last year for the microfilm project has not been spent. She explained that she held off on the microfilm project due to the digitization project and wanting to complete it together with a better image. She stated that she would likely be encumbering the microfilm storage cost and she has spoken with CA Libby about consolidating lines so everything that has to do with Microfilm is in one line. She stated that the digitization project is almost complete. They appropriated \$150,000 through ARPA for this project and it came in at \$127,000. The microfilm will not be starting until this month and therefore have not used any storage. Going forward it will cost \$2,000 a month to produce that year's microfilm.

Rep. Greeson asked if the microfilm storage could come out of surcharge. He asked if they could pay for the large project out of Surcharge then why not maintain it going forward with Surcharge. Register Monahan stated that it is the definition of the account that they need to look into.

She explained that the reason she was able to save up the \$172,000 in surcharge was that they have scheduled their equipment costs. They are on an equipment schedule with all of their big printers and hardware equipment. They will try to stretch it to a sixth year but they are looking at a \$100,000 in a year or two for equipment replacement. She noted that the next time ARPA comes up she would be discussing a restoration project that will cost roughly \$500,000. She stated that she tries to be reasonable to the county. When she first took office, \$10,000 of surcharge got taken to the general fund. The needs of deeds, because they are so large, are tossed to the side. She has been able to talk about the needs and bring in consultants to discuss what the needs are. She noted that they have a need to get into the new courthouse and have a vault that is not under sprinklers. Those bigger picture discussions need to be had. She stated that they are able to put the annual microfilm \$2,000 cost into surcharge.

Computer Software Contract – Register Monahan explained that this is based on volume, charge per document and it is capped.

Surcharge

Register Monahan noted that they would need to add \$5,000 for any unplanned large expenses. That number was left out of the proposed budget.

Rep. Gordon asked how much is in the surcharge account. CA Libby stated that there is \$222,000 in that account without the May deposit. Register Monahan noted that \$172,000 was approved for the microfilm project.

Budget Review – CA Libby

CA Libby stated that the Commissioners had a new proposal for the budget that would allow the tax rate to decrease and there would be no use of ARPA funds for operating expenses in the FY 23 budget. This is due to increases in revenues that were unknown at the time the Commissioners original budget was prepared.

CA Libby explained that she has increased the nursing home ProShare revenue by \$500,000 for next year. She stated that in the last four (4) fiscal years, the proshare payment has been no less than \$3.2 million and therefore she is comfortable raising the revenue from \$2 million to \$2.5 million. She stated that she is also comfortable raising the surplus to use to reduce taxes to \$5 million. This would allow them to put back all of the expenses that were proposed to be covered using ARPA funds and the new amount to be raised by taxes would be a .64% reduction. The total budget would be \$50,127,588, which is a 2.85% over current operating budget and there would be no ARPA funds used for operating expenses.

CA Libby reported that her undesignated fund balance estimate is \$9,821,037.61 or 19.6%. She explained that the Commissioners fund balance policy is between 8-16% of the operating budget. If the Commissioners were to change that to 17% that would cover two (2) months of operating expenses. This new proposal shows the true operating budget.

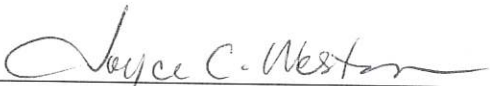
Rep. Greeson asked if there is any possibility that, in regards to the \$5 million in proshare, can they say that they overpaid the County. CA Libby stated that she has never seen that happen. This is based off the county's Medicaid days and Medicaid expenses off the Medicaid cost report.

Rep. Gordon stated that three (3) new positions have been requested and he asked if it is possible to provide information of the total costs of these positions. CA Libby stated that she has that information put together already and will email it to the Committee.

Rep. Gordon asked about the Finance Director position. Commissioner Piper stated that the position is in the budget and they would be looking to hire this summer.

10:53 AM with no further business the meeting adjourned.

Sincerely,



Joyce Weston, Clerk