

GRAFTON COUNTY COMMISSIONERS' BUDGET MEETING
Administration Building
North Haverhill, NH 03774
April 28, 2022

PRESENT: Commissioners Piper, Lauer and Ahern, County Administrator Libby,
Administrative Assistant Norcross.

OTHERS PRESENT: HR Director Clough, HR Senior Generalist Fuller, Tiffany LaPoint, Sarah Pepper, Andre Sanders, Susan Cunningham, Tom Andross, Eric James, Karen Bragg, Peter Chierichetti, Dennis McLam, Donna Lee, Teresa Locke, Dan Hamilton, Jill Myers, Elizabeth Marshall, Steve Whitcomb and Leon Pennock. Others attended via Zoom.

Commissioner Piper called the meeting to order at 9:00 AM and began with the Pledge of Allegiance.

Wage Chart Discussion

Commissioner Piper started the discussion on the new wage chart by stating that after the Commissioners discussed the wage chart with the project team that consisted of County Administrator Libby, HR Director Clough and Sr. HR Generalist Fuller, the Commissioners are happy to implement the new wage chart and are proud of the changes that it makes as well. Their goal in seeking out this research was to bring all positions up to current market value, knowing what a tight labor market it is right now and the problems posed by inflation. The purpose of the wage study was an effort to solve the challenges the County is currently having with recruiting and retaining employees as well as revising the current step and grade system. Commissioner Piper stated that the cost to the County to get everyone onto the new wage scale is \$750,000. She explained that the highest increases are going to the employees at the bottom of the wage scale and the positions that are having the highest vacancy rates. She also noted that this new wage chart would bring 85% of maxed out employees back onto the scale. There are 30 grades on the new chart with 12 steps in each grade, a 5% spread between grades and a 40% spread between steps within each grade. She explained that each employee will go onto the chart at the closest to his or her current step, with a minimum of a \$0.50 increase and employees are still eligible for their steps.

Commissioner Piper noted that the original wage study also showed that Grafton County is in line with the market regarding its medical benefits; above market for its paid leave accruals for vacation and sick leave; and holidays were slightly better as well. She explained that the reason they did not adopt the original wage study that PayPoint HR presented was due to the comparators that were used. The comparators they used were Hanover, NH, Portland ME, and cities in southern New Hampshire. Lt. James stated that Hanover should be used as a comparator because it is in Grafton County and one of the towns they cover. Commissioner Lauer stated that even using the comparators in the original study, the wage chart they implemented is the same as the wage chart that was proposed based on those comparators. The grade placement of people on the chart is virtually identical as what was proposed. The main difference is that they eliminated the top two (2) grades that were proposed. Many employees are being placed where the study

said they should be. The differences are positions that were moved up a grade from where PayPoint HR said they should be.

Lt. James asked about the discussions and negotiations for a COLA in relation to this wage chart. HR Director Clough explained that typically when a study like this done and you implement changes from that study, those are in lieu of any other adjustments. Lt. James stated that there are positions in the study that were 30% under market. If positions are that far below market value, he asked how they are going to catch up with just these proposed increases. HR Director Clough explained that every position has been put into a marketable labor grade. CA Libby noted that it is important to remember that the product that everyone saw from PayPoint HR was using comparators that were identified as not comparable to Grafton County such as South Portland Maine, Dover NH, Merrimack NH, Derry NH and Londonderry NH.

HR Director Clough explained that PayPoint HR used the socioeconomic scale of Grafton County as a whole, which skewed everything. In a County where you can travel to the County Complex from any part of the County, that may be accurate, but that approach does not represent the labor pool of Grafton County. In terms of comparison, they look at apples to apples. She used the Sheriff's Department as an example and asked if the Grafton County Sheriff's Department is doing and serving the same amount as police departments in Southern New Hampshire and Massachusetts.

S. Whitcomb asked what radius was used to determine where people would travel from to work at the County. HR Director Clough reported that they used Lincoln, Plymouth, and areas in Vermont. They looked at where they are drawing their labor pool from, and asked if the comparators are in the same socioeconomic position as Grafton County. Commissioner Piper stated that they do not draw their labor pool from Hanover. A. Sanders stated that the labor pool from here is pulled to Hanover. If Hanover is paying more to work there and they are not a part of our labor pool, then if the County paid more, they could draw more people from there. CA Libby stated that Hanover was not their main concern with the comparators but the metropolitan areas in southern New Hampshire, Massachusetts and Maine that were used because that is not where they are drawing employees from. She explained that PayPoint HR has their own proprietary formula that looks at Grafton County as a whole and the project team argued that they did not agree with that formula. When PayPoint HR used that formula, the results that were received were not accurate. She explained that when the comparators were changed, the numbers changed. The County went from 13% below market to 2.2% below market based on the accurate comparators.

T. LaPoint stated that she feels the COLA should be on the table and not completely disregarded. HR Senior Generalist D. Fuller explained that this new wage chart gives an initial increase July 1st to staff members and those employees are still eligible for their merit increases in the upcoming year. Employees who are not at max will still receive two (2) increases this year if they qualify for their merit increase.

D. McLam stated that he has been at the top of the wage scale for years and he feels that he should continue to be at the top of the wage scale. The COLA that has been given in the past has been less than the actual CPI and if this continues and he goes down on the wage scale, he will

not come back up to what is equitable. HR Director Clough explained that steps are not transferrable; their policies do not make steps transferrable. Steps establish a marketable rate of pay. The salary that is transitioning onto the new wage charts is a result of the step increases. She stated that he would not be losing any money just because he is not transferring to the same step.

HR Director Clough explained that PayPoint HR says the Federal Reserve has stated that they anticipate that the CPI will return to more historical numbers in the near future and if that is true then the 10-year, annualized CPI of 1.84% will be appropriate for salary adjustments next year. She stated that this is a payout scenario.

There were concerns expressed regarding employees who receive a promotion receiving a minimal increase with these wage charts. HR Director Clough explained that the industry standard is 5% between grades but noted that according to the promotion policy, the promoting supervisor has the ability to promote an employee to the next step closest to what they are currently making plus a step.

Director Andross asked what is being used from PayPoint HR's original study. CA Libby explained that they used the framework that was given to them by PayPoint HR. The scale is identical minus the two (2) grades at the top.

There was further discussion regarding the COLA. CA Libby stated that they always try to be close to the CPI, but they have to consider taxpayers as well. HR Director Clough noted that the employees receive step increases during the year as well and as a public employee, it is everyone's responsibility to look at the big picture and ask where in the private sector can they go and receive a 5% increase every year. Commissioner Piper stated that there are many benefits including job stability that the private sector does not provide. She noted that employees were also given a \$6,000 bonus out of ARPA funds.

Commissioner Lauer noted that there have been concerns brought up about not keeping up with the CPI every year. She explained that this is why they have these wage studies performed every 5-6 years; it brings the wage charts to where they should be in the event that they fall below the market rate.

A. Sanders stated that a concern that has been brought up to him is if an employee is currently on a step 3 and are looking at going to a step 1 on the new scale, they are going to be making the same as a new employee. He asked if there has been any consideration of putting those employees at a step 2 given their years of service.

Commissioner Ahern thanked everyone for all of their hard work.

A. Sanders asked HR Director Clough if there was another time where they could sit down and discuss other options for employees. HR Director Clough stated that they have a list of options they are putting together of items they can offer employees at little cost as a group, and they can discuss those options. A. Sanders stated that he understands the budget increases and the effect on the taxpayers. He is trying to come up with ideas for employees that do not affect the budget.

CA Libby stated that she believes the Irving fuel quote that was accepted had an employee discount with it and she would look further into that.

The Employee Council members and other employees left and the Commissioners moved onto discussing the fiscal year 2023 budget requests.

GRDC

The Commissioners agreed to level fund the Grafton Regional Development Corporation. Commissioner Piper stated that she was very impressed with the educational sessions that the GRDC was providing to the public and that Anne Duncan Cooley was increasing programs and outreach to meet the needs of clients during this challenging time. She was very impressed with the work regarding Child Care that Ms. Cooley noted in Coos County and was hopeful that similar collaborative efforts between providers and the GRDC could be available here in Grafton County. Commissioner Lauer stated that this organization is doing a lot for Grafton County.

Farm

Commissioner Ahern stated that with the increase in costs, he is not sure if the farm needs to have some of the items they are purchasing, such as fertilizers and amendments going into the dairy cattle to increase the milk production. CA Libby stated that the farm uses commercial fertilizer, especially after the first and second cut. She explained that FM Nelson has stated that you get out of it what you put into it. The quality and quantity to feed animals is a product of how they take care of the land. Commissioner Lauer stated that FM Nelson is an experienced lifelong farmer and she does not feel qualified to speak to the need of fertilizer, she relies on FM Nelson. Commissioner Ahern stated that he is asking if there are any adjustments that could be made due to the exigent circumstances they are in. He would like to ask FM Nelson if he could decrease his fertilizer budget. Commissioner Ahern stated that he asked FM Nelson to contact Cersosimo's in Rumney regarding shavings and sawdust as purchasing from the company in Pittsburg is more expensive. CA Libby stated that she is unsure if he has contacted them.

Maintenance

Commissioner Piper noted that the Commissioners had asked if Supt. Oakes could not top off the fuel tanks in order to reduce his budget. CA Libby stated that she spoke with Supt. Oakes and the County agreed to a contract with Irving, which includes the quantities that are in the budget and therefore they have to top off the tanks.

Social Services

The Commissioners agreed to level fund with the exception of the Burch House who requested a reduction.

Nursing Home

Dietary

Food Supplies – CA Libby noted the Nursing Home reduced this line by \$20,000.

Salary lines – CA Libby explained that because the Nursing Home is below staff, the Administration felt that instead of raising wages up to what they would budget for total FTEs, they would leave them as is including the new wage scale adjustments. If they happen to fill positions, they will be using less in contract nursing and can pull from that line to cover the salary line.

Capital Reserve

The Commissioners asked NHA Labore to prioritize his capital reserve requests.

CA Libby stated that, with the new wage charts included and changes the Commissioners have already made, they are at a 6.89% increase in the amount to be raised by taxes and a 2.97% increase in expenses.

CA Libby noted that with all the new positions included there would be a 7.26% increase in the amount to be raised by taxes. If the Commissioners were to approve only the Maintenance and Dispatch positions, it is a 6.89% increase, and the savings to take out the Maintenance position is .2%

CA Libby requested to go into nonpublic session.

MOTION: * 11:18 AM Commissioner Ahern moved to enter into non-public session for the purposes of the dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted according to RSA 91-A: 3, II (a). Commissioner Lauer seconded the motion. This motion requires a roll call vote. Commissioner Piper called the roll. Commissioner Lauer “yes”; Commissioner Ahern “yes” Commissioner Piper “yes” Commissioner Piper stated that a majority of the board voted “yes” and would now go into non-public session.

* 11:44 AM Commissioner Piper declared the meeting back in public session.

MOTION: Commissioner Lauer moved to permanently seal the minutes from the just completed non-public session because they could affect the reputation of someone other than those of the Board of Commissioners. Commissioner Ahern seconded the motion. Commissioner Piper called the roll. Commissioner Lauer “yes” Commissioner Ahern “yes” Commissioner Piper “yes”. Commissioner Piper stated that a majority of the board voted “yes” and the motion passes.

ARPA Discussion

CA Libby explained that Counties are able to use revenue loss for general government services up to the revenue loss amount. Grafton County has elected to use the \$10 million standard

allowance for lost revenue, which means they are able to use up to \$10 million for general government services out of the \$17 million in ARPA funding. She reviewed what is eligible under lost revenue noting that it is essentially any general government services. CA Libby stated that to date the County has committed to spending \$2,883,570.10 of lost revenue and there is \$7,116,430 remaining. She stated that so far out of the total APRA funds they have committed \$10.2 million and have \$7.2 million left.

CA Libby noted that any reoccurring expenses that they take out and offset with ARPA money would come back in future years in the budget.

CA Libby stated that she has completed her undesignated fund balance projection and it is at \$7,889,509.65. She noted that she increased the amount used to reduce taxes to \$4.5 million and she is not comfortable increasing that any further.

Commissioner Piper stated that they have agreed to use ARPA funds to offset some expenses.

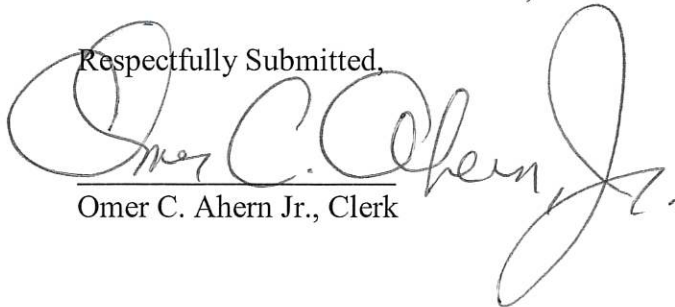
CA Libby stated that they could potentially look at funding NCIC out of ARPA to allow them to help the Broadband Committee in event that they need their assistance.

Commissioner Lauer stated that she would like to see 3% or under for a tax increase. Commissioner Ahern stated that he would like a 0% tax increase. The Commissioners agreed that they would like to get the budget as low as they can responsibly go.

Commissioner Ahern noted that he still feels as though the County is being taken advantage of by Woodsville Water & Light. CA Libby stated that two (2) of Supt. Oakes' initiatives for this spring is to get the municipal wells and septic feasibility study. If all works out with those studies, they can use ARPA funds to install those systems.

12:13 PM With no further business, the meeting adjourned.

Respectfully Submitted,

A large, stylized handwritten signature in black ink, appearing to read "Omer C. Ahern Jr.", is written over the typed name and title.

Omer C. Ahern Jr., Clerk