

Legislative Agenda #7 and #8.

According to Legislative Bulletin #7, the City side of Dover's budget stands to lose almost \$1,900,000 in state funding from the rooms and meals tax that was anticipated in the past. Keep in mind the fact that the City side of the budget comes in at around \$29,000,000. (Remember how in working out the 2008/09 budget we struggled to find \$64,000 to keep the pool open?)

In addition the State is reducing its contribution to the New Hampshire Retirement System by over \$73,000.

Between these two items our Governor's plan withholds \$1,885,127 from just the City side of the Dover annual budget. That constitutes a 6% reduction in support, which then must be made up by Dover's taxpayers.

Yet, many Dover citizens think Dover's high tax problems are due to mismanagement by the City administration! The facts show the City Manager has steadily reduced the number of full time employees, consolidated management positions and lowered the cost of benefits over the last five years. If our state government were more oriented to the local taxpayer, these problems could be solved.

While, initially, the Governor stated that he anticipated that the Federal Stimulus package would likely make up the Cities' shortfall, the Governor has now stated that because of the strings attached, the Governor may not accept all of the Stimulus package being offered to New Hampshire. While it is a good decision to avoid support dollars that will cost taxpayers more in the long run, it is also true that the governor's expectation of amounts equal to the Cities' losses would make up the shortfall were unrealistically optimistic.

This budget season will hold many unpleasant but not unexpected reductions.

A bit of good news is that, according to Legislative Bulletin #8, the House passed HB 223 which delays the effective date of the 'Spiking Rule'. Now we need it to go through the Senate, which is where the Unions will arm twist our Senators. We need to convince Senator Merrill to not only vote to support the bill but to work for passage, but also to convince other senators to do the same.