

12D-7

January 30, 2007

To: Strafford County Delegation Members  
From: Scott Myers, Dover Mayor

Thank you for the opportunity to address you during the public hearing on the Proposed 2007 Strafford County Budget. Unfortunately, the Dover City Council is in workshop session so I cannot address you in person. I wish to thank the Strafford County Commissioners and their staff for their efforts in preparing the proposed budget. Also, the comments contained in this letter are solely my comments, and do not reflect any formal position taken by the Dover City Council.

I am pleased at the continued growth in revenues at the House of Corrections and with the implementation of community based programs including the Drug Court, the Academy and the Community Corrections program. Also, the city of Dover has benefited from the County Inmate Work Program and I have heard nothing but positive comments about the operations of this service.

My concerns over the budget focus mainly on the escalating costs of benefits as they pertain to wages paid. Health insurance costs continue to rise at an alarming rate. Even after factoring in employee contributions towards insurance, this budget reflects an increase in health insurance costs of over 18% from the previous year. In both the public and private sector, the national trend is for employees to share more in this cost. I would urge the County to take additional steps to address this issue.

The increase in payments required to the New Hampshire Retirement System is going to be a major strain on ALL local and County budgets this year, and I understand that this line item is out of the control of the Commissioners. With that being said, I would urge the Legislative Members of the delegation to make addressing changes to the NHRS a top priority during this legislative session. The city of Dover has taken a formal position on this issue with our local delegation and in addition, has contacted other cities & towns across the State as to the impact and importance of this issue. Escalating retirement contributions will cause hardship to ALL communities and taxpayers during their upcoming budget deliberations.

The continued operating deficit of the Riverside Rest Home is an issue that needs to be addressed. This comment in no way reflects negatively on the dedicated staff and the quality level of operations at RRH. They provide an excellent service. I certainly am not an expert on Medicaid, Medicare or other insurance reimbursements but it is obvious that the gap between revenues and expenditures continues to widen. Whatever the specifics of the issue are, they need to be addressed. It appears that revenues are projected to increase 6.8% year over year, but expenditures are projected to increase by 8.1% over the same period. That would put the estimated shortfall in operations at \$3.87 million for 2007 versus an estimated \$3.41 million for 2006, or an anticipated increase in operational deficit of over \$450,000.

I appreciate the opportunity to share my comments with you during this budget deliberation process. I also wish to thank you all for your service and dedication in serving the residents of Strafford County. I remain available to you at any time on this matter or any others. My hope is that we can continue to improve the communication and information sharing between the State, County and local government level. My telephone number is 749.6276 and my e-mail is [s.myers@ci.dover.nh.us](mailto:s.myers@ci.dover.nh.us)

Regards,

Scott Myers  
Mayor, Dover