



THE STATE OF NEW HAMPSHIRE 1:15  
DEPARTMENT OF TRANSPORTATION



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Victoria F. Sheehan  
Commissioner

William Cass, P.E.  
Assistant Commissioner

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court and

Division of Operations  
January 19, 2022

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 228:12, authorize the Department of Transportation to transfer \$1,645,000.00 from the Highway Surplus Account to fund winter maintenance activities effective upon Fiscal Committee and Governor and Council approval through June 30, 2022. 100% Highway Funds.

Funds are to be budgeted as follows:

**From:** 04-096-096-960015-363615-0000 Highway Surplus Account \$1,645,000

| 04-096-096-960515-2928                     | Current Budget<br>FY2022 | Requested<br>Change | Revised Budget<br>FY2022 |
|--|--------------------------|---------------------|--------------------------|
| <b>Winter Maintenance</b>                  |                          |                     |                          |
| <b>Expenses:</b>                           |                          |                     |                          |
| 017 500147 FT Employees Special Payment    | \$547,680                | \$0                 | \$547,680                |
| 018 500106 Overtime                        | 5,070,366                | 0                   | 5,070,366                |
| 019 500105 Holiday Pay                     | 34,847                   | 0                   | 34,847                   |
| 020 500200 Current Expense                 | 13,261,993               | 600,000             | 13,861,993               |
| 022 500257 Rents-Leases Other than State   | 8,706,885                | 1,000,000           | 9,706,885                |
| 023 500291 Heat, Electricity, Water        | 967,132                  | 0                   | 967,132                  |
| 024 500225 Maint. Other than Bldg-Grounds  | 61,000                   | 0                   | 61,000                   |
| 030 500311 Equipment New Replacement       | 595,400                  | 0                   | 595,400                  |
| 037 500174 Technology-Hardware             | 50,000                   | 0                   | 50,000                   |
| 038 500175 Technology-Software             | 75,100                   | 0                   | 75,100                   |
| 039 500180 Telecommunications              | 117,119                  | 0                   | 117,119                  |
| 047 500240 Own Forces Maint Bldgs & Grnds  | 10,000                   | 0                   | 10,000                   |
| 048 500226 Contractual Maint Bldgs & Grnds | 44,000                   | 0                   | 44,000                   |
| 050 500109 Personal Service Temp           | 189,450                  | 20,000              | 209,450                  |
| 060 500601 Benefits                        | 1,268,305                | 5,000               | 1,273,305                |
| 070 500704 In-State Travel Reimbursement   | 140,291                  | 20,000              | 160,291                  |
| 103 500741 Contracts for Op Services       | 136,111                  | 0                   | 136,111                  |
| <b>Total</b>                               | <b>\$31,275,679</b>      | <b>\$1,645,000</b>  | <b>\$32,920,679</b>      |
| <b>Source of Funds</b>                     |                          |                     |                          |
| <b>Revenue:</b>                            |                          |                     |                          |
| 000-000015 Highway Funds                   | \$31,275,679             | \$1,645,000         | \$32,920,679             |
| <b>Total</b>                               | <b>\$31,275,679</b>      | <b>\$1,645,000</b>  | <b>\$32,920,679</b>      |

**EXPLANATION**

The Department requests authorization to transfer from the Highway Surplus Account, the amount of \$1,645,000 for winter maintenance activities. Specific explanations relating to the Department's spending requests are as follows:

**Winter Maintenance (2928) 100% Highway Funds**

Class 020      Increase Current Expense by \$600,000  
Class 022      Increase Rents-Leases Other than State by \$1,000,000  
Class 050      Increase Personal Service-Temp-Appointed by \$20,000  
Class 060      Increase Benefits by \$5,000  
Class 070      Increase In-State Travel Reimbursement by \$20,000

Due to projected costs of winter maintenance, the expenditures in the above class lines for snow removal and related activities will exceed the budget. Specifically, there are projected increased costs in salt (Class 20), rented equipment usage (Class 22), regular pay for non-Highway Maintainer employees who plow (Class 50), associated taxes & benefits (Class 60) and additional callouts (Class 70).

For budgeting purposes, the Department estimates winter maintenance activities over a three-year average. Due to projected costs of winter maintenance, the expenditures in the above class lines for snow removal activities and related hired equipment usage will exceed the budget. Both salt and rented snow equipment costs have increased since the budget was approved. At winter week 11 or 44% through the winter, the Department has expended 48% of the winter maintenance budget. At this time, the Department is requesting an additional \$1,645,000.00 from the Undesignated Highway Fund balance for winter maintenance. This will ensure that sufficient funds are available to pay vendors and contractors. Any funds not expended will be lapsed back into the Highway Fund during Fiscal Year end close.

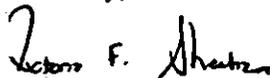
Transfer requests and amounts lapsed for winter maintenance activities for the past five years (2017-2021):

| <b>Fiscal Year</b>   | <b>2017</b>        | <b>2018</b>         | <b>2019</b>        | <b>2020</b>      | <b>2021</b>        |
|--|--------------------|---------------------|--------------------|------------------|--------------------|
| <b>Transfer Requested</b>  | \$9,105,750        | \$10,197,000        | \$11,126,400       | \$7,310,000      | \$4,992,900        |
| <b>Lapsed Funds related to Winter Maintenance Transfer Request</b> | 562,396            | 1,304,343           | 1,529,174          | 6,337,677        | 2,574,212          |
| <b>Transfer Funds Expended For Winter Maintenance Activities</b>   | <b>\$8,543,354</b> | <b>\$ 8,892,657</b> | <b>\$9,597,226</b> | <b>\$972,323</b> | <b>\$2,418,688</b> |

See attached surplus schedule for available balance.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan  
Commissioner

Attachment

State of New Hampshire-Dept of Administrative Services  
 Surplus Statement - Highway Fund  
 Fiscal Years 2020/2021 Actual with 2022/2023 Budget

FINAL

12/20/2021

(expressed in millions)

|   | Actual<br>Per ACFR | Actual<br>Per ACFR | Revised HB2<br>CoFC | Budget<br>CoFC* | Budget<br>CoFC* |
|---|--------------------|--------------------|---------------------|-----------------|-----------------|
|   | FY 2020            | FY 2021            | FY 2021             | FY 2022         | FY 2023         |
| <b>Undesignated Fund Balance, July 1 (Budgetary)</b>                        | \$ 68.0            | \$ 63.7            | \$ 63.7             | \$ 69.9         | \$ 128.7        |
| <b>Additions:</b>   |                    |                    |                     |                 |                 |
| Unrestricted Revenue  |                    |                    |                     |                 |                 |
| Gasoline Tax  | 119.8              | 118.4              | 116.1               | 120.3           | 132.3           |
| Motor Vehicle Fees (actual includes Plea by Mail / Real ID)                 | 128.8              | 130.0              | 126.2               | 130.4           | 114.9           |
| Other   | 0.2                | 0.5                | 0.2                 | 0.2             | 0.2             |
| Less: Cost of Collection, net of lapse-DOS                                  | (28.0)             | (27.1)             | (29.7)              | (29.5)          | (32.2)          |
| Other Credits (FY21 \$8.1M and FY22 \$50M transfer per HB2 of 2021 session) | 4.0                | 8.1                | 8.1                 | 50.0            | -               |
| <b>Total Additions</b>  | <b>224.8</b>       | <b>229.9</b>       | <b>220.9</b>        | <b>271.4</b>    | <b>215.2</b>    |
| <b>Deductions:</b>  |                    |                    |                     |                 |                 |
| Appropriations Net of Estimated Revenues-DOT                                | (230.1)            | (230.5)            | (230.0)             | (189.0)         | (224.6)         |
| Appropriations Net of Estimated Revenues-DOS/Other                          | (33.4)             | (34.3)             | (36.2)              | (37.6)          | (38.8)          |
| Misc Budget Adjustments (DoIT and pay raise)                                |                    |                    |                     | (1.5)           | (2.8)           |
| <b>Appropriations Net of Estimated Revenue SUBTOTAL</b>                     | <b>(263.5)</b>     | <b>(264.8)</b>     | <b>(266.2)</b>      | <b>(228.1)</b>  | <b>(266.2)</b>  |
| <b>Additional Appropriations:</b>   |                    |                    |                     |                 |                 |
| Transfer from Highway Surplus - Winter Maintenance RSA 228:12               | -                  | (5.0)              | (5.0)               |                 |                 |
| Other Appropriation Adjustments   | -                  | -                  |                     |                 |                 |
| <b>Less Lapse:</b>  |                    |                    |                     |                 |                 |
| Lapse-DOT   | 37.8               | 41.3               | 30.2                | 13.0            | 13.5            |
| Lapse-DOS/Other   | 3.3                | 6.8                | -                   | 4.0             | 4.0             |
| <b>Subtotal Lapse</b>   | <b>41.1</b>        | <b>48.1</b>        | <b>30.2</b>         | <b>17.0</b>     | <b>17.5</b>     |
| Other (Debits)  | (6.7)              | (2.0)              | (1.5)               | (1.5)           | (1.5)           |
| <b>Total Deductions</b>   | <b>(229.1)</b>     | <b>(223.7)</b>     | <b>(242.5)</b>      | <b>(212.6)</b>  | <b>(250.2)</b>  |
| <b>Current Year Activity</b>  | <b>(4.3)</b>       | <b>6.2</b>         | <b>(21.6)</b>       | <b>58.8</b>     | <b>(35.0)</b>   |
| <b>Total Fund Balance, June 30 (Budgetary)</b>                              | <b>63.7</b>        | <b>69.9</b>        | <b>42.1</b>         | <b>128.7</b>    | <b>93.7</b>     |
| <b>GAAP and Other Adjustments</b>   | <b>(27.8)</b>      | <b>(34.6)</b>      | <b>(27.0)</b>       | <b>(27.0)</b>   | <b>(22.5)</b>   |
| <b>Undesignated Fund Balance, June 30 (GAAP)</b>                            | <b>35.9</b>        | <b>35.3</b>        | <b>15.1</b>         | <b>101.7</b>    | <b>71.2</b>     |

\* Per Committee of Conference surplus statement for enacted '22-23 budget; adjusted to reflect CAFR beginning budgetary surplus balance

Note: Budgetary balances and GAAP adjustments do not include bonds authorized/unissued.