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THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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
February 23, 2022

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

REQUESTED ACTIONS

1. Pursuant to RSA 9:16-a, authorize the Department of Transportation to transfer \$500,000 between various classes effective upon Fiscal Committee and the date of Governor and Council approval through June 30, 2022. 100% Highway Funds.
2. Pursuant to RSA 228:12, authorize the Department of Transportation to transfer \$1,800,000 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.

1. Funds are to be budgeted as follows:

04-096-096-960515-2928	Current Budget FY2022	Requested Change	Revised Budget FY2022
Winter Maintenance			
Expenses:			
017 500147 FT Employees Special Payment	\$547,680	\$0	\$547,680
018 500106 Overtime	5,070,366	(500,000)	4,570,366
019 500105 Holiday Pay	34,847	15,000	49,847
020 500200 Current Expense	14,910,919	0	14,910,919
022 500257 Rents-Leases Other than State	9,706,885	485,000	10,191,885
023 500291 Heat, Electricity, Water	967,132	0	967,132
024 500225 Maint. Other than Bldg-Grounds	119,802	0	119,802
030 500311 Equipment New Replacement	684,266	0	684,266
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	209,450	0	209,450
060 500601 Benefits	1,276,604	0	1,276,604
070 500704 In-State Travel Reimbursement	160,291	0	160,291
103 500741 Contracts for Op Services	137,111	0	137,111
Total	\$34,121,572	\$0	\$34,121,572
Source of Funds			
Revenue:			
000-000015 Highway Funds	\$34,121,572	\$0	\$34,121,572
Total	\$34,121,572	\$0	\$34,121,572

2. Funds are to be budgeted as follows:

From: 04-096-096-960015-363615-0000 Highway Surplus Account \$1,800,000

04-096-096-960515-2928	Current Budget FY2022	Requested Change	Revised Budget FY2022
Winter Maintenance			
Expenses:			
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	14,910,919	1,800,000	16,710,919
022 500257 Rents-Leases Other than State	9,706,885	0	9,706,885
023 500291 Heat, Electricity, Water	967,132	0	967,132
024 500225 Maint. Other than Bldg-Grounds	119,802	0	119,802
030 500311 Equipment New Replacement	684,266	0	684,266
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	209,450	0	209,450
060 500601 Benefits	1,276,604	0	1,276,604
070 500704 In-State Travel Reimbursement	160,291	0	160,291
103 500741 Contracts for Op Services	137,111	0	137,111
Total	\$34,121,572	\$1,800,000	\$35,921,572
Source of Funds			
Revenue:			
000-000015 Highway Funds	\$34,121,572	\$1,800,000	\$35,921,572
Total	\$34,121,572	\$1,800,000	\$35,921,572

EXPLANATION

1. The Department requests authorization to transfer between classes within Winter Maintenance the amount of \$500,000 for winter maintenance activities. Specific explanations relating to the Department's spending requests are as follows:

Winter Maintenance (2928) 100% Highway Funds

- Class 019 Increase Holiday Pay by \$15,000. This increase is to cover snow removal activities on holidays.
- Class 022 Increase Rents Leases Other than State by \$485,000. This increase is requested to cover use of outside contractors in assisting with snow removal activities due to the high vacancy levels within the Highway Maintenance bureau.
- Class 018 Decrease Overtime by \$500,000. Funds are available within this class due to the high vacancy rate within the Highway Maintenance bureau.

- The Department requests authorization to transfer from the Highway Surplus Account, the amount of \$1,800,000 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 \$1,800,000. Due to projected costs of winter maintenance, the expenditures for salt will exceed the budget.

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 will exceed the budget. Due to the high rate of vacancies within the Highway Operations bureau, it is necessary to hire more outside contractors to support the snow removal activities. Expenditures for salt also reflect increased material costs. At winter week 15 or 60% through the winter, the Department has expended 70% of the winter maintenance budget. These transfers 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.

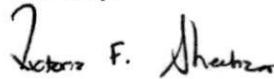
Transfer requests and amounts lapsed for winter maintenance activities (2017–2022):

Fiscal Year	2017	2018	2019	2020	2021	2022
Transfer Requested/Approved	\$9,105,750	\$10,197,000	\$11,126,400	\$7,310,000	\$4,992,900	\$1,650,000
Lapsed Funds related to Winter Maintenance Transfer Request	562,396	1,304,343	1,529,174	6,337,677	2,574,212	TBD
Transfer Funds Expended For Winter Maintenance Activities	\$8,543,354	\$ 8,892,657	\$9,597,226	\$972,323	\$2,418,688	\$1,650,000

See attached surplus schedule for available balance.

Your approval of these resolutions 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)

	<i>Actual</i> Per ACFR	<i>Actual</i> Per ACFR	<i>Revised HB2</i> CofC	<i>Budget</i> CofC*	<i>Budget</i> CofC*
	FY 2020	FY 2021	FY 2021	FY 2022	FY 2023
Undesignated Fund Balance, July 1 (Budgetary)	\$ 68.0	\$ 63.7	\$ 63.7	\$ 69.9	\$ 128.7
Additions:					
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	-
Total Additions	224.8	229.9	220.9	271.4	215.2
Deductions:					
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)
Appropriations Net of Estimated Revenue SUBTOTAL	(263.5)	(264.8)	(266.2)	(228.1)	(266.2)
Additional Appropriations:					
Transfer from Highway Surplus - Winter Maintenance RSA 228:12	-	(5.0)	(5.0)		
Other Appropriation Adjustments	-	-			
Less Lapse:					
Lapse-DOT	37.8	41.3	30.2	13.0	13.5
Lapse-DOS/Other	3.3	6.8	-	4.0	4.0
Subtotal Lapse	41.1	48.1	30.2	17.0	17.5
Other (Debits)	(6.7)	(2.0)	(1.5)	(1.5)	(1.5)
Total Deductions	(229.1)	(223.7)	(242.5)	(212.6)	(250.2)
Current Year Activity	(4.3)	6.2	(21.6)	58.8	(35.0)
Total Fund Balance, June 30 (Budgetary)	63.7	69.9	42.1	128.7	93.7
GAAP and Other Adjustments	(27.8)	(34.6)	(27.0)	(27.0)	(22.5)
Undesignated Fund Balance, June 30 (GAAP)	35.9	35.3	15.1	101.7	71.2

* 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.