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Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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, NH 03301

REQUESTED ACTION

Pursuant to RSA 9:16-a, authorize the Department of Transportation to transfer \$1,595,000.00 between various Accounting Units and classes effective upon Fiscal Committee and the date of Governor and Council approval through June 30, 2023. 100% Highway Funds.

04-096-096-960015-29380000	Current Budget FY2022	Requested Change	Revised Budget FY2022
Debt Service			
Expenses:			
043 500401 Debt Service Treasury	\$12,724,244	(\$250,000)	\$12,474,244
Total	\$12,724,244	(\$250,000)	\$12,474,244
Source of Funds			
Revenue:			
000-000015 Highway Funds	\$12,724,244	(\$250,000)	\$12,474,244
Total	\$12,724,244	(\$250,000)	\$12,474,244

04-096-096-960515-30050000	Current Budget FY2022	Requested Change	Revised Budget FY2022
Mechanical Services			
Expenses:			
010 500100 Permanent Personal Services	\$4,080,642	\$0	\$4,080,642
017 500147 FT Employee Special Payments	25,920	0	25,920
018 500106 Overtime	115,000	0	115,000
019 500105 Holiday Pay	1,500	0	1,500
020 500200 Current Expense	4,187,550	(700,000)	3,487,550
022 500257 Rent & Lease Non-State	30,264	0	30,264
023 500264 Heat-Electricity-Water	45,600	0	45,600
024 500225 Maint Other Than Build-Grnds	403,362	0	403,362
026 500251 Organizational Dues	750	0	750

04-096-096-960515-30050000	Current Budget FY2022	Requested Change	Revised Budget FY2022
028 582814 Transfers to General Services	334,747	0	334,747
030 500320 Equipment New/Replacement	10,369,981	0	10,369,981
037 500174 Technology-Hardware	58,553	0	58,553
038 509038 Technology-Software	12,125	0	12,125
039 500188 Telecommunications	24,230	0	24,230
046 500416 Consultants	199	0	199
047 500240 Own Forces Maint Build-Grnds	21,000	0	21,000
048 500226 Contractual Maint Build-Grnds	36,000	0	36,000
050 500109 Personal Service-Temp-Appointed	30,000	0	30,000
057 500535 Books Periodicals Subscriptions	4,125	0	4,125
060 500602 Benefits	2,574,565	0	2,574,565
066 500543 Employee Training	23,105	0	23,105
070 500704 In State Travel	1,000	0	1,000
080 500713 Out of State Travel	10,875	0	10,875
103 500741 Contracts for Op Services	31,000	(15,000)	16,000
Total	\$22,422,093	(\$715,000)	\$21,707,093
Source of Funds			
Revenue:			
004 408189 Intra Agency Transfers	\$548,952	\$0	\$548,952
007 407073 Agency Income	338,728	0	338,728
009 407228 Agency Income	400,000	0	400,000
00C 401350 Agency Indirect Cost Recov	255,531	0	255,531
000 000015 Highway Funds	20,878,882	(715,000)	20,163,882
Total	\$22,422,093	(\$715,000)	\$21,707,093

04-096-096-960515-30070000	Current Budget FY2022	Requested Change	Revised Budget FY2022
Highway Maintenance			
Expenses:			
010 500100 Permanent Personal Services	\$30,242,574	\$0	\$30,242,574
018 500106 Overtime	1,172,717	(60,000)	1,112,717
019 500105 Holiday Pay	5,207	0	5,207
020 500200 Current Expense	4,108,964	(120,000)	3,988,964
022 500257 Rent & Lease Non-State	4,295,008	(50,000)	4,245,008
023 500291 Heat-Electricity-Water	587,328	0	587,328
024 500225 Maint Other Than Build-Grnds	227,438	0	227,438
030 500305 Equipment New/Replacement	661,426	974,900	1,636,326
037 500174 Technology-Hardware	100	0	100
038 500175 Technology-Software	100	0	100
039 500189 Telecommunications	144,471	0	144,471
046 500463 Consultants	121,932	0	121,932

04-096-096-960515-30070000	Current Budget FY2022	Requested Change	Revised Budget FY2022
047 500240 Own Forces Maint Build-Grnds	190,873	0	190,873
048 500226 Contractual Maint Build-Grnds	178,028	0	178,028
050 500109 Personal Service-Temp-Appointed	319,784	(120,000)	199,784
057 500535 Books Periodicals Subscriptions	200	0	200
060 500602 Benefits	21,605,669	0	21,605,669
066 500543 Employee Training	124,800	0	124,800
070 500704 In State Travel	142,500	0	142,500
080 500717 Out of State Travel	10,000	0	10,000
103 502664 Contracts for Op Services	428,890	0	428,890
400 500871 Construction Repair Materials	1,000	0	1,000
406 500882 Environment Expense	219,892	(50,000)	169,892
Total	\$64,788,901	\$574,900	\$65,363,801
Source of Funds			
Revenue:			
000 409151 Federal Funds	\$34,181,104	\$0	\$34,181,104
004 408189 Intra Agency Transfers	15,000	0	15,000
009 403669 Agency Income	35,330	0	35,330
000 000015 Highway Funds	30,557,467	574,900	31,132,367
Total	\$64,788,901	\$574,900	\$65,363,801

04-096-096-960515-30080000	Current Budget FY2022	Requested Change	Revised Budget FY2022
Bridge Maintenance			
Expenses:			
010 500100 Permanent Personal Services	\$4,010,429	\$0	\$4,010,429
018 500106 Overtime	102,000	0	102,000
019 500105 Holiday Pay	500	0	500
020 500200 Current Expense	814,671	0	814,671
022 500257 Rent & Lease Non-State	107,335	0	107,335
023 500291 Heat-Electricity-Water	48,000	0	48,000
024 500225 Maint Other Than Build-Grnds	31,030	0	31,030
030 500325 Equipment New/Replacement	360,770	620,100	980,870
037 500173 Technology-Hardware	50	0	50
039 500190 Telecommunications	33,400	0	33,400
046 500464 Consultants	17,976	0	17,976
047 500240 Own Forces Maint Build-Grnds	7,500	0	7,500
048 500226 Contractual Maint Build-Grnds	7,500	0	7,500
050 500109 Personal Service-Temp-Appointed	20,000	0	20,000
060 500602 Benefits	2,871,298	0	2,871,298
066 500555 Employee Training	47,750	(15,000)	32,750
070 500704 In State Travel	315,000	(140,000)	175,000
080 500717 Out of State Travel	100	0	100

04-096-096-960515-30080000	Current Budget FY2022	Requested Change	Revised Budget FY2022
103 502664 Contracts for Op Services	100	0	100
400 500870 Construction Repair Materials	100	0	100
Total	\$8,795,509	\$465,100	\$9,260,609
Source of Funds			
Revenue:			
000 409151 Federal Funds	\$2,926,890	\$0	\$2,926,890
004 408189 Intra Agency Transfer	573,267	0	573,267
00C 401350 Agency Indirect Cost Recov	246,933	0	246,933
000 000015 Highway Funds	5,048,419	465,100	5,513,519
Total	\$8,795,509	\$465,100	\$9,260,609

04-096-096-960515-50340000	Current Budget FY2022	Requested Change	Revised Budget FY2022
Lift Bridge Operations			
Expenses:			
010 500100 Permanent Personal Services	\$898,164	\$0	\$898,164
018 500106 Overtime	130,000	0	130,000
019 500105 Holiday Pay	25,000	0	25,000
020 500200 Current Expense	41,931	0	41,931
022 500257 Rent & Lease Non-State	10,238	0	10,238
023 500291 Heat-Electricity-Water	124,000	0	124,000
024 500225 Maint Other Than Build-Grnds	249,829	(75,000)	174,829
030 500325 Equipment New/Replacement	32,899	0	32,899
037 500173 Technology-Hardware	755	0	755
038 500175 Technology-Software	4,300	0	4,300
039 500188 Telecommunications	4,200	0	4,200
046 500463 Consultants	5,000	0	5,000
047 500240 Own Forces Maint Build-Grnds	8,000	0	8,000
048 500226 Contractual Maint Build-Grnds	2,000	0	2,000
050 500109 Personal Service-Temp-Appointed	126,112	0	126,112
060 500602 Benefits	669,207	0	669,207
066 500546 Employee Training	3,000	0	3,000
070 500704 In State Travel	3,000	0	3,000
103 500741 Contracts for Op Services	100	0	100
400 500869 Construction Repair Materials	100	0	100
Total	\$2,337,835	(\$75,000)	\$2,262,835
Source of Funds			
Revenue:			
005 402852 Agency Income	\$654,857	\$0	\$654,857
000 000015 Highway Funds	1,682,978	(75,000)	1,607,978
Total	\$2,337,835	(\$75,000)	\$2,262,835

EXPLANATION

The Department requests authorization to transfer budgeted account funds among the various Accounting Units and classes in order to continue to meet the State's transportation demands. This transfer is requested to specifically purchase automated flagging devices and various pieces of equipment to be utilized throughout the highway maintenance districts and bridge maintenance crews, as well as to address the rapidly rising costs of all equipment purchases. With the ongoing staffing shortage exceeding 100 positions in Highway Maintenance, the flagging devices would allow districts to reassign personnel normally on traffic control duties to other functions such as maintenance work and the operation of equipment. The Department requested equipment replacement in the budget process as 'additional needs', however, due to constraints relative to revenue loss in the Highway Fund and the prioritization of fleet equipment, they were not funded. Additional equipment requests include trailers, message boards, mowers, trailer-mounted traffic signals, forklift, concrete pump and trailer mounted welders. These items will replace equipment that are costly to maintain, inefficient, and well beyond their useful life thus increasing operational efficiency and productivity. In addition, the level of funding over several biennia in Operation's equipment budget, along with rising inflation, has diminished the Department's ability to maintain a replacement program for Bureau-owned equipment necessitating additional funds. Specific explanations relating to the Department's spending requests are as follows:

Debt Service (2938) 100% Highway Funds

Class 043 Decrease Debt Service Treasury by \$250,000. Funds are available due to interest savings related to Treasury refunding and a delay in bonding projects as all projects were put on hold during the pandemic due to funding uncertainty related to the loss in revenue within the Highway Fund.

Mechanical Services (3005) 2.4% Intra-Agency Transfers, 3.3% Agency Income, 1.1% Agency Indirect Cost Recovery and 93.2% Highway Funds

Class 020 Decrease Current Expenses by \$700,000. The delay in receiving new fleet vehicles has reduced the current need for additional parts and supplies required for upfit, therefore expenditures in this class line will be reduced.

Class 103 Decrease Contracts for Operational Services by \$15,000. Lower costs of disposal services within the Bureau.

Highway Maintenance (3007) 100% Highway Funds

Class 018 Decrease Overtime by \$60,000. Fewer personnel are available resulting in anticipated reductions in this account. Additionally, the purchase of automated flaggers will allow a reallocation of employees to perform other duties on a project thus reducing the need for overtime.

Class 020 Decrease Current Expenses by \$120,000. A reduction in needed operational supplies due to vacancies, therefore expenditures in this class line will be reduced.

Class 022 Decrease Rent & Lease Non-State by \$50,000 due to fewer available operators resulting in a reduction in equipment rentals. The purchase of automated flaggers will further reduce the need to rent similar units.

Class 050 Decrease Personal Service-Temp-Appointed by \$120,000. The inability to hire PT employees to perform operations such as flagging has reduced costs in this class.

Class 406 Decrease Environmental Expense by \$50,000. Expenditures in this class have been lower this fiscal year and will not be needed.

Class 030 Increase Equipment New/Replacement by \$974,900. The purchase of automated flaggers will free up personnel to perform other functions. The additional funding will also be used to purchase replacement equipment for items that are costly to maintain, inefficient, and well beyond useful life thus increasing operational efficiency and productivity.

Bridge Maintenance (3008) 33.3% Federal Funds, 6.5% Intra-Agency Transfers, 2.8% Agency Indirect Cost Recovery and 57.4% Highway Funds

Class 066 Decrease Employee Training by \$15,000. The vacancies in the Bureau directly correlate to a reduction in employee training activities, therefore expenditures in this class line will be reduced.

Class 070 Decrease In-State Travel Reimbursement by \$140,000. Fewer personnel within the Bureau have resulted in lower costs of in-state travel generating the savings in this class line.

Class 030 Increase Equipment New / Replacement by \$620,100. Additional funds are requested to replace equipment that has reached its useful life and has become unreliable, thus increasing operational efficiency and productivity. This request would allow purchase of trailer mounted traffic signals for job sites where traffic patterns need to be temporarily adjusted. These funds would also cover the cost of replacing trailer mounted pumps and welders, forklift, pavement hot box and concrete pump that are frequently used at bridge maintenance job sites.

Lift Bridge Operations (5034) 29.8% Private Local Funds and 70.2% Highway Funds

Class 024 Decrease Maintenance Other than Build-Grounds by \$75,000. A reduction in non-mandatory maintenance projects results in a savings in this class line.

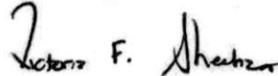
The following is provided in accordance with the Budget Officer's instructional memorandum dated April 17, 1985 to support the above requested actions:

1. Does transfer involve continuing programs or one-time projects?
This transfer is for continuing programs (not one-time).
2. Is this transfer required to maintain existing program level or will it increase program level?
This transfer is to maintain existing program levels (no increase in program level).
3. Cite any requirements, which make this program necessary.
RSA 21-L:2, in part, establishes that the Department will be responsible for planning, developing, and maintaining a state transportation network. This transfer will facilitate the accomplishment of this responsibility.
4. Identify the source of funds on all accounts listed on this transfer.
The source of funds are Federal Fund, Agency Income, Intra-Agency Income, Agency Indirect Cost Recovery Funds, Private Local Funds and Highway Funds.
5. Will there be any effect on revenue if this transfer is approved or disapproved?
This transfer will have no effect on revenue.

6. Are funds expected to lapse if this transfer is not approved?
Should funds lapse as a result of not approving this request to purchase equipment, such funds will lapse to their respective account fund balances.
7. Are personal services involved?
This transfer does not result in any new positions.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan
Commissioner