



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
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196

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May 28, 2024

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

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

REQUESTED ACTION

Pursuant to Chapter 106 Laws of 2023 “Agency Footnote”, the Department of Administrative Services (DAS), Division of Plant and Property, requests that a warrant be drawn from money in the Treasury not otherwise appropriated in the amount of \$157,120 to cover unanticipated utility appropriation budgetary shortfall in electricity, natural gas, water, and sewer in FY24. DAS requests funding be appropriated in the respective agency budgets as documented below to provide Agencies with sufficient funding to pay Administrative Services for remaining utility expenditures for FY24. This request shall be effective upon Fiscal Committee and Governor and Council approval through June 30, 2024. **41% General Funds, 59% Highway Funds.**

TABLE 1: Funding to Support Administrative Services Utility Request

Agency	Class Paid Out Of	Amount	Accounting Unit	FY 2024 Source of Funds
Dept of Administrative Services	Class 023 - Heat Electricity Water	65,120	21380000	100% General Funds
Dept of Transportation	Class 028 - Transfers to Plant & Property	92,000	29400000	100% Highway Funds

TABLE 2: Administrative Services Accounting Unit Breakdown

Division	Accounting Unit	FY 2024 Amount
Central Facilities Bureau	21380000-LAKES REGION FACILITY	65,120
Central Facilities Bureau	29520000-DOT BUILDINGS	92,000
	Total	\$157,120

Please see a detailed request by accounting unit and class in the Attachment A, Table 1, Table 2, and Table 3.

EXPLANATION

DAS is requesting that \$157,120 be appropriated to the utility class line as funding is required to continue to process FY24 payments pursuant to Chapter 106 Laws of 2023:

Department of Administrative Services appropriations budgeted in class 023 Heat-Electricity-Water, shall not lapse until June 30, 2025. In the event the expenditures are greater than amounts appropriated, the Commissioner may request, with prior approval of the Fiscal Committee, that Governor and Council authorize additional funding. Upon Fiscal Committee, and Governor and Council approval, the Governor is authorized to draw a warrant from money in the Treasury not otherwise appropriated.

DAS, Plant & Property, pays building utility expenses from class 023 and bills agencies occupying space in DAS buildings for utility expenses and other building maintenance expenses quarterly. Agencies reimburse the DAS from class 28 – transfers to Plant & Property and DAS records revenue in class 001 – transfers from other agencies. This approach also necessitates the fund total be required to pay vendors to be budgeted in the DAS budget for payment and in the source agency to reimburse DAS. DAS will revisit utility costs in FY25 for updated fiscal year needs.

The Lakes Region Facility is the only non-municipal member of the Winnepesaukee River Basin Program, a state-run sewer system serving communities in the Lakes Region. The annual bill assessed on Administrative Services went up dramatically resulting in a class 23 shortfall of \$65,120 in that accounting unit.

In 2022, DAS went out to bid for another Energy Savings Performance Contract (ESPC) per RSA 21-I:19-d. An ESPC allows agencies to procure energy savings and facility improvements with no up-front capital costs or special appropriations. It is a partnership between an agency and an Energy Service Company (ESCO). In June 2022, Governor and Council approved the DAS contract with Energy Systems Group (ESG) to begin the ESPC project. Since the project was not completed until March 2024 and the payments became due prior to completion, DAS has paid both the ESPC payments and regular utility payments concurrently as the delay in energy savings was not anticipated. This resulted in a shortfall in utility funds for DOT Buildings, Accounting Unit 29520000 class 023. At this time, the DAS is requesting highway funds to cover the \$92,000 projected shortfall in DOT Buildings class 023 utilities budget for the remainder of FY24.

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Fiscal Committee of the General Court

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Page 3 of 3

The ESPC contracts are now fully operational, and the State has begun to see the benefits of having such a contract in place in terms of the energy savings that it provides.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner
Department of Administrative Services

Attachment A

Table 1
01-014-014-141510, DIVISION OF PLANT & PROPERTY, LAKES REGION FACILITY

Acct Unit	Class	Account	Class Description	FY24 Current Modified	Requested Amount	FY24 Adjusted Budget
21380000			GENERAL FUNDS	249,652	65,120	314,772
			TOTAL REVENUE	249,652	65,120	314,772
21380000	020	500200	CURRENT EXPENSES	2,710		2,710
21380000	022	500248	RENT-LEASES OTHER THAN STA	1		1
21380000	023	500291	HEAT ELECTRICITY WATER	131,711	65,120	196,831
21380000	030	500311	EQUIPMENT NEW REPLACEMENT	0		0
21380000	039	500188	TELECOMMUNICATIONS	2,071		2,071
21380000	047	500263	OWN FORCES MAINT BUILO-GRN	5,917		5,917
21380000	048	500266	CONTRACTUAL MAINT BUILO-GRN	81,302		81,302
21380000	050	500109	PERSONAL SERVICE TEMP APPOI	0		0
21380000	060	500602	BENEFITS	4,000		4,000
21380000	070	500704	IN STATE TRAVEL REIMBURSEME	1		1
21380000	103	500735	CONTRACTS FOR OP SERVICES	21,939		21,939
			TOTAL EXPENSE	249,652	65,120	314,772

Table 2
01-014-014-141510, DIVISION OF PLANT & PROPERTY, DOT BUILDINGS

Acct Unit	Class	Account	Class Description	FY24 Current Modified	Requested Amount	FY24 Adjusted Budget
29520000	001	482896-69	TRANS. FROM OTHER AGENCIES	1,912,248	92,000	2,004,248
			TOTAL REVENUE	1,912,248	92,000	2,004,248
29520000	020	500200	CURRENT EXPENSES	28,870		28,870
29520000	023	500291	HEAT ELECTRICITY WATER	725,907	92,000	817,907
29520000	029	500290	INTRA-AGENCY TRANSFERS	802,452		802,452
29520000	039	500188	TELECOMMUNICATIONS	2,184		2,184
29520000	047	500263	OWN FORCES MAINT BUILO-GRN	1,844		1,844
29520000	048	500266	CONTRACTUAL MAINT BUILO-GRN	287,400		287,400
29520000	050	500109	PERSONAL SERVICE TEMP APPOI	33,543		33,543
29520000	060	500602	BENEFITS	3,120		3,120
29520000	103	500735	CONTRACTS FOR OP SERVICES	26,928		26,928
			TOTAL EXPENSE	1,912,248	92,000	2,004,248

Table 3

04-096-096-960015, ADMINISTRATION, GENERAL FUND OVERHEAD

				FY24 Current	Requested	FY24 Adjusted
Acct Unit	Class	Account	Class Description	Modified	Amount	Budget
29400000			HIGHWAY FUNDS	3,188,413	92,000	3,280,413
29400000	001	484914-69	TRANSFERS FROM OTHER AGENCY	47,031		47,031
			TOTAL REVENUE	3,235,444	92,000	3,327,444
29400000	028	582814	TRANS TO GENERAL SERVICES	1,255,700	92,000	1,347,700
29400000	040	500800	INDIRECT COSTS	1,814,042		1,814,042
29400000	089	501543	TRANSFER TO DAS MAINT FUND	165,702		165,702
			TOTAL EXPENSE	3,235,444	92,000	3,327,444