Jan

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION

22

William Cass, P.E.
Commissioner

David Rodrigue, P.E.
Assistant Commissioner

Andre Briere, Colonel, USAF (RET)
Deputy Commissioner

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court and

Division of Operations
February 18, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 228:12, authorize the Department of Transportation to transfer $4,295,000 from the Highway Surplus Account to fund winter maintenance activities, effective upon Fiscal Committee and Governor and Council approval through June 30, 2025. 100% Highway Funds.

Funds are to be budgeted as follows:

From: 04-096-096-960015-363615-0000 Highway Surplus Account $4,295,000

04-096-096-960515-2928	Current Budget FY2025	Requested Change	Revised Budget FY2025
Winter Maintenance			
Expenses:			
017 500147 FT Employees Special Payment	$3,598,840	$0	$3,598,840
018 500106 Overtime	5,678,810	0	5,678,810
019 500105 Holiday Pay	44,800	0	44,800
020 500200 Current Expense	15,801,187	1,000,000	16,801,187
022 500257 Rents-Leases Other than State	11,516,885	3,000,000	14,516,885
023 500291 Heat, Electricity, Water	1,067,000	0	1,067,000
024 500225 Maint. Other than Bldg-Grounds	242,953	0	242,953
030 500311 Equipment New Replacement	1,051,082	0	1,051,082
037 500174 Technology-Hardware	98,213	0	98,213
038 500175 Technology-Software	25,100	0	25,100
039 500180 Telecommunications	169,000	0	169,000
047 500240 Own Forces Maint Bldgs & Grnds	20,093	0	20,093
048 500226 Contractual Maint Bldgs & Grnds	54,749	20,000	74,749
049 584914 Class 049 Interagency 014 Expense	100,000	0	100,000
050 500109 Personal Service Temp	302,205	100,000	402,205
060 500601 Benefits	1,991,056	150,000	2,141,056
070 500704 In-State Travel Reimbursement	165,291	25,000	190,291
103 500741 Contracts for Op Services	86,111	0	86,111
Total	$42,013,375	$4,295,000	$46,308,375

	Current Budget FY2025	Requested Change	Revised Budget FY2025
Source of Funds			
Revenue:			
000-000015 Highway Funds	$42,013,375	$4,295,000	$46,308,375
Total	$42,013,375	$4,295,000	$46,308,375

EXPLANATION

The Department requests authorization to transfer from the Highway Surplus Account, the amount of $4,295,000 for additional winter maintenance expenditures. Specific explanations relating to the Department's spending requests from the Highway Surplus account are as follows:

Winter Maintenance (2928) 100% Highway Funds

Class 020 Increase Current Expense by $1,000,000. This increase is to cover increased anti-icing material usage during winter storms.

Class 022 Increase Rents-Leases Other than State by $3,000,000. This increase is to cover increased use of private contractors and equipment who assist with snow removal activities.

Class 048 Increase Contractual Maint Bldgs & Grnds by $20,000. This increase is to cover higher than anticipated costs due to needed emergency repair and replacement of several heating systems in highway maintenance patrol facilities.

Class 050 Increase Personal Service Temp by $100,000. This increase is to cover increased usage of part-time and seasonal employees assisting with winter maintenance activities.

Class 060 Increase Benefits by $150,000. Additional benefit expenses are result of increase overtime usage to clear roads during and after winter storm events.

Class 070 Increase In-State Travel Reimbursement by $25,000. This increase is to cover additional employee call-back mileage as prescribed in the Collective Bargaining Agreement for winter maintenance cleanup activities.

Due to current projected costs of winter maintenance, the expenditures in the above class lines for snow removal activities are anticipated to exceed the current budget plus previous increases from the Highway Fund to meet current actual need.

As noted in previous request, although 2025 salt per ton cost rates have decreased from 2024 rates, the average per-ton cost remains 15.0% higher than current budget estimates developed in 2022. The average per-ton cost for salt over the last four years is shown in the table below:

Fiscal Year	2022	2023	2024	2025
Salt per ton cost	$70.36	$84.58	$82.58	$80.94
Percentage change from prior year	--	20.21%	(2.36%)	(2.00%)

These transfers are required to address negative lapses associated with employee pay, to increase funding available for temporary and seasonal help, and to ensure vendors and contractors are paid for services provided on a timely basis.

As in previous years, 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 (2021–2025) are identified below:

Fiscal Year	2021	2022	2023	2024	2025
Transfer Requested	$4,992,900	$3,945,000	$9,695,000	$6,555,000	$10,001,710
Lapsed Funds related to Winter Maintenance Transfer Request	2,574,212	402,606	2,606,653	2,650,380	TBD
Transfer Funds Expended for Winter Maintenance Activities	**$2,418,688**	**$3,542,394**	**$7,088,347**	**$3,904,620**	**TBD**

See attached surplus schedule for available balance.

Your approval of this resolution is respectfully requested.

Sincerely,

William J. Cass, P.E.
Commissioner

Attachment

State of New Hampshire
Surplus Statement - Highway Fund
Fiscal Years 2023-2025
(expressed in millions)

	Actual Per ACFR	*Actual* Unaudited[1]	*Budget* Projected[1]
	FY 2023	**FY 2024**	**FY 2025**
Undesignated Fund Balance, July 1 (Budgetary)	**$ 147.8**	**$ 148.4**	**$ 123.9**
Additions:			
Unrestricted Revenue			
Gasoline Tax	126.8	128.5	128.2
Motor Vehicle Fees (actual includes Plea by Mail / Real ID)	126.7	137.3	133.5
Other	2.0	0.9	1.0
Less: Cost of Collection, net of lapse-DOS	(28.1)	(31.3)	(34.0)
Other Credits (FY21 $8.1M; FY22 $50M andFY23 $10M)	10.0	-	-
Total Additions	**237.4**	**235.4**	**228.7**
Deductions:			
Appropriations Net of Estimated Revenues-DOT	(227.0)	(244.3)	(250.1)
Appropriations Net of Estimated Revenues-DOS/Other	(37.0)	(39.9)	(44.4)
Appropriations Net of Estimated Revenue SUBTOTAL	**(264.0)**	**(284.2)**	**(294.5)**
Additional Appropriations:			
Transfer from Highway Surplus - Winter Maintenance RSA 228:12 [3]	(9.7)	(6.6)	(10.0)
Transfer from Highway Surplus - Winter Maintenance Retention Bonus	(4.3)	(4.2)	(3.5)
Transfer from Highway Surplus - Purchase of Leased Backhoes		(4.8)	
Transfer from Highway Surplus - CBA: Increased Winter and new Non-Winter Stipends		(1.3)	
Subtotal Additional Appropriations	**(14.0)**	**(16.9)**	**(13.5)**
Less Lapse:			
Lapse-DOT	44.7	40.9	35.0
Lapse-DOS/Other	1.7	4.4	3.3
Subtotal Lapse	**46.4**	**45.3**	**38.3**
Other (Debits)[2]	(5.2)	(4.1)	(1.5)
Total Deductions	**(236.8)**	**(259.9)**	**(271.2)**
Current Year Activity	**0.6**	**(24.5)**	**(42.5)**
Total Fund Balance, June 30 (Budgetary)	**148.4**	**123.9**	**81.4**
GAAP and Other Adjustments[2]	(35.0)	(37.7)	(20.0)
Undesignated Fund Balance, June 30 (GAAP)	**113.4**	**86.2**	**61.4**

Notes

(1) Draft FY24 numbers from Governor's Operating Budget Presentation 02/13/2025.

(2) FY24 actuals to be determined through FY24 year-end closing process

(3) Assuming approval of additional request in March, 2025.