



**THE STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF TRANSPORTATION**



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**Victoria F. Sheehan**  
**Commissioner**

**William Cass, P.E.**  
**Assistant Commissioner**

January 24, 2018  
 Division of Operations

The Honorable Neal M. Kurk, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, New Hampshire 03301

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 \$6,245,000 from Highway Surplus to fund winter maintenance activities effective upon Fiscal Committee and Governor and Council approval through June 30, 2018. 100% Highway Funds.

Funds are to be budgeted as follows:

**From:** 04-096-096-960015-363615-0000 Highway Surplus Account \$6,245,000

04-096-096-960515-2928	Current Budget FY2018	Requested Change	Revised Budget FY2018
<b>Winter Maintenance</b>			
<b>Expenses:</b>			
017 500147 FT Employees Special Payment	\$544,320	\$0	\$544,320
018 500106 Overtime	3,891,556	900,000	4,791,556
019 500105 Holiday Pay	33,109	0	33,109
020 500200 Current Expense	8,922,741	3,500,000	12,422,741
022 500255 Rents-Leases Other than State	7,345,934	1,600,000	8,945,934
023 500291 Heat, Electricity, Water	867,060	0	867,060
024 500225 Maint. Other than Bldg-Grounds	34,595	0	34,595
030 500311 Equipment New Replacement	394,584	0	394,584
037 500147 Technology	59,415	0	59,415
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	21,000	0	21,000
050 500109 Personal Service Temp	180,000	30,000	210,000
060 500601 Benefits	920,499	185,000	1,105,499
070 500704 In-State Travel Reimbursement	140,291	30,000	170,291
103 500741 Contracts for Op Services	56,111	0	56,111
Total	\$23,538,334	\$6,245,000	\$29,783,334
<b>Source of Funds</b>			
<b>Revenue:</b>			
000-000015 Highway Funds	\$23,538,334	\$6,245,000	\$29,783,334
Total	\$23,538,334	\$6,245,000	\$29,783,334

**EXPLANATION**

The Department requests authorization to transfer from the Highway Surplus Account, the amount of \$6,245,000 for winter maintenance activities. Specific explanations relating to the Department's spending requests are as follows:

**Winter Maintenance (2928) 99.10% Highway Funds; and 0.90% Intra-Agency Transfers**

Class 018      Increase Overtime by \$900,000  
Class 020      Increase Current Expense by \$3,500,000  
Class 022      Increase Rents-Leases Other than State by \$1,600,000  
Class 050      Increase Personal Services-Temporary by \$30,000  
Class 060      Increase Benefits by \$185,000  
Class 070      In-state Travel Reimbursement by \$30,000

For budgeting purposes, the Department estimates winter maintenance over a three-year average. However, for the fiscal year 2018 budget, Winter Maintenance was funded at approximately \$4.5M-\$5M below the three-year average. Due to projected costs of winter maintenance, the expenditures in the above class lines for snow removal activities and related equipment usage will exceed the budgeted amount. At winter week 11 or 44% through the winter, the Department has expended 50% of the winter maintenance budget. At this time, the Department is estimating that it will need \$6.245M from the Undesignated Highway Fund balance for winter maintenance. This projection is based on actual expenses incurred through winter week 11 plus the three-year average expenditure for the remainder of the winter season (winter week 12 - 25). 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 four years were as follows:

Fiscal Year	2014	2015	2016	2017
<b>Transfer Requested</b>	\$9,018,000	\$8,835,000	\$0	\$9,105,750
<b>Lapsed Funds related to Winter Maintenance Transfer Request</b>	<u>1,184,756</u>	<u>993,439</u>	<u>0</u>	<u>562,396</u>
<b>Transfer Funds Expended For Winter Maintenance Activities</b>	<b>\$7,833,244</b>	<b>\$7,841,561</b>	<b>\$0</b>	<b>\$8,543,354</b>

Your approval of this resolution is respectfully requested.

Sincerely,



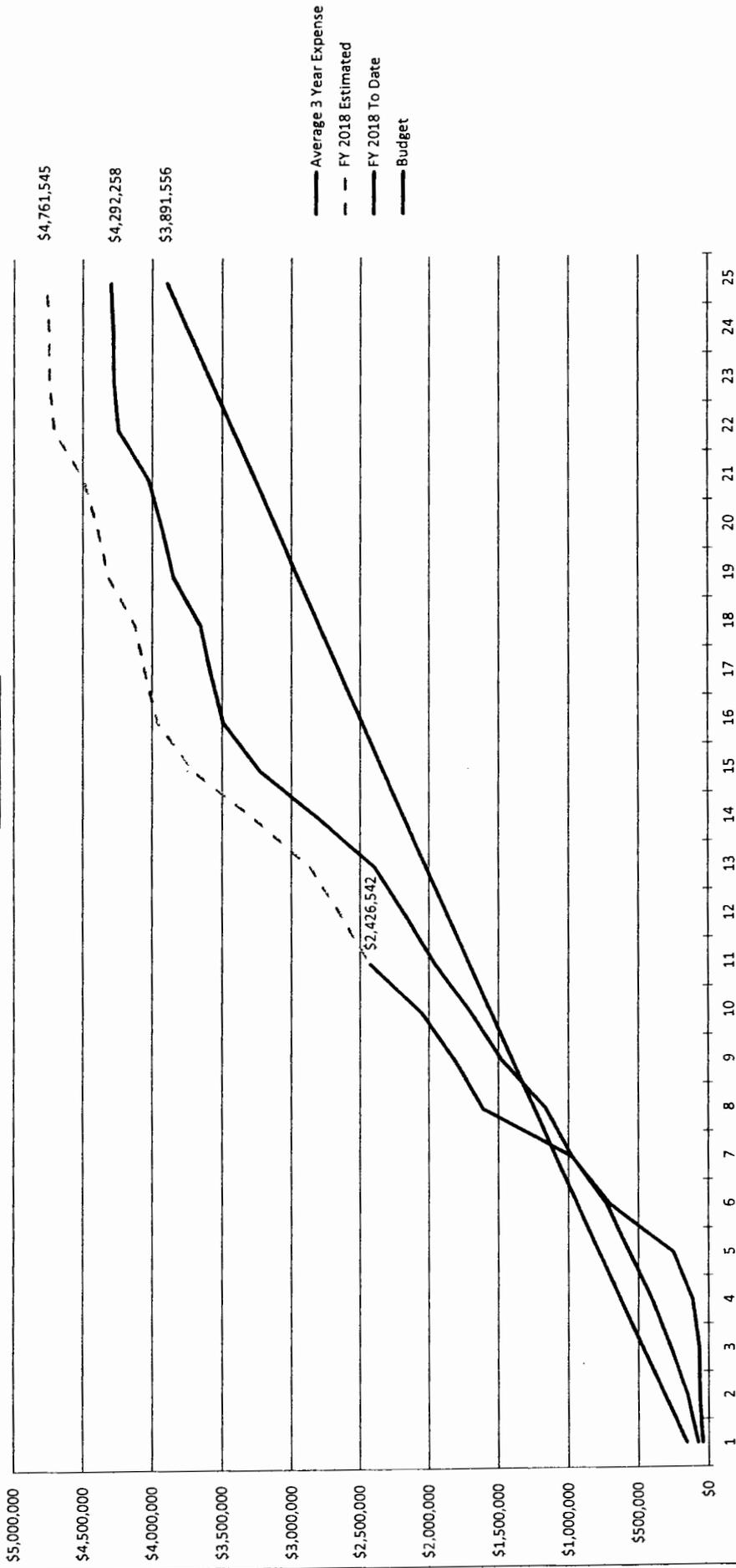
for

Victoria F. Sheehan  
Commissioner

Attachments

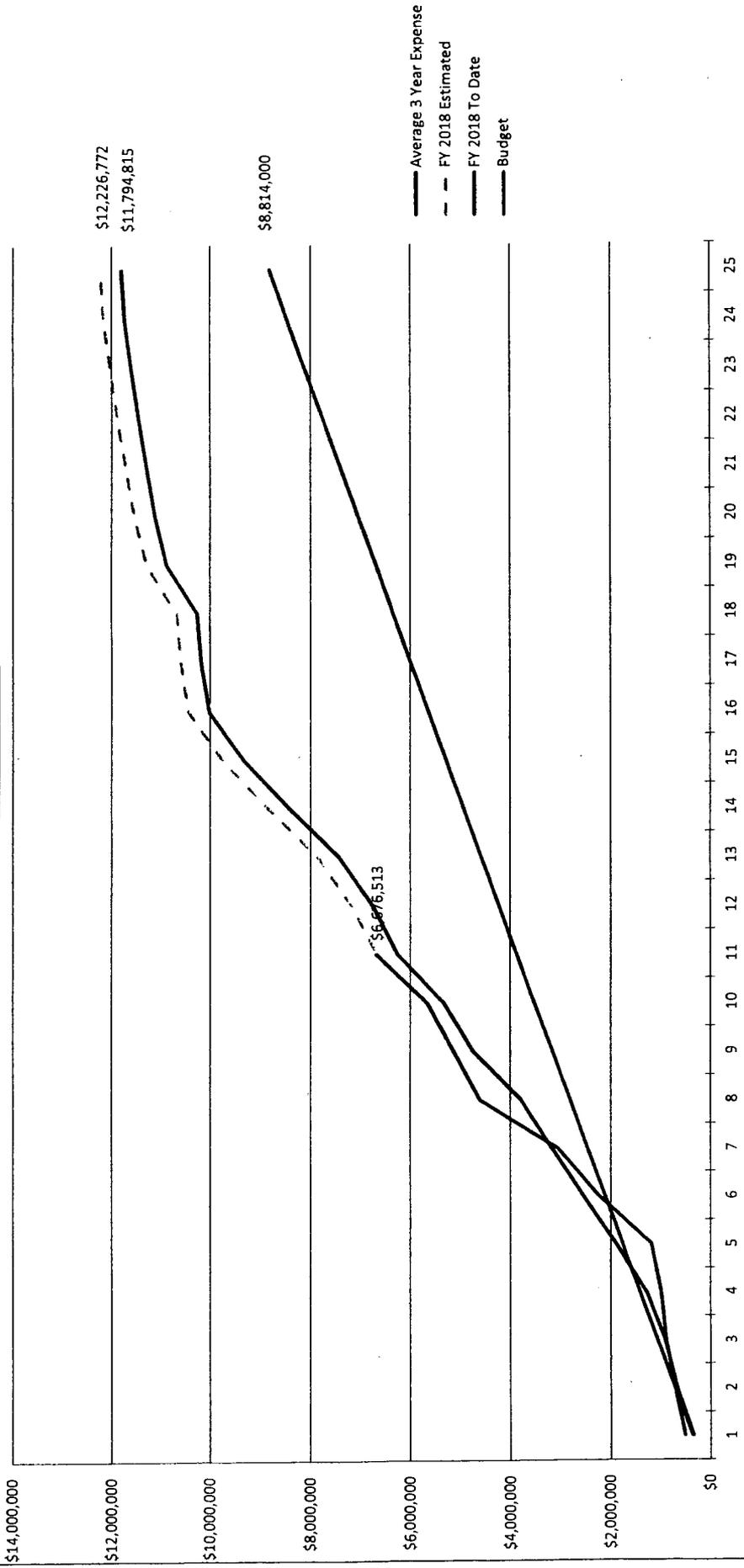
FY 18 Overtime Projection vs Budget and 3 Year Average

**Class 18**



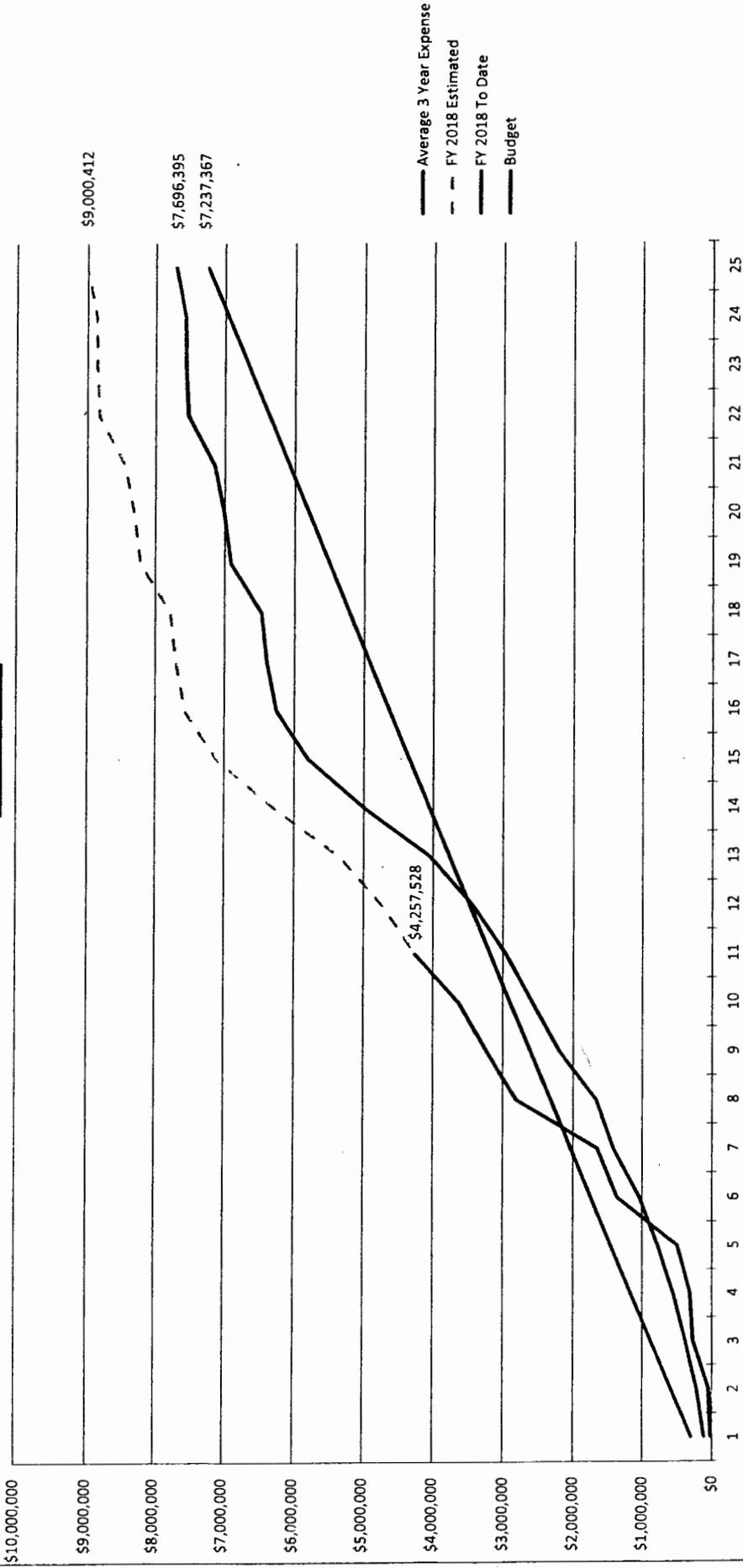
FY2018 Current Expense Projection vs Budget and 3 Year Average

**Class 20**



FY2018 Rented Equipment Projection vs Budget and 3 Year Average

**Class 22**



**State of New Hampshire - Dept of Administrative Services**  
**Preliminary Unaudited Surplus Statement - Highway Fund**  
**Fiscal Years 2017 Actual with 2018/2019 Budget**  
(expressed in millions)

1/24/2018

	Per CAFR	CofC*	CofC
	FY 2017	FY 2018	FY 2019
<b>Undesignated Fund Balance, July 1 (Budgetary)</b>	\$ 60.3	\$ 74.1	\$ 59.3
<b>Additions:</b>			
Unrestricted Revenue			
Gasoline Tax	127.5	126.3	126.3
Motor Vehicle Fees	119.5	114.6	115.7
Other	0.3	0.2	0.2
Less: Cost of Collections-DOS	(26.4)	(29.2)	(30.0)
Transfer In from General Fund	13.9	-	-
Other Credits	0.6	1.4	1.4
<b>Total Additions</b>	235.4	213.3	213.6
<b>Deductions:</b>			
HB144 Appropriations Net of Estimated Revenues-DOT	(190.0)	(202.8)	(204.9)
HB144 Appropriations Net of Estimated Revenues-DOS/Other	(33.7)	(33.3)	(33.8)
<b>Additional Appropriations:</b>			
Transfer from Highway Surplus - Winter Maintenance	(9.1)		
DOT Appropriation from FY16 Excess	(8.6)		
DOS Appropriation for SP Cruisers	(0.5)		
Employee Pay Raise	(2.2)		
Other Appropriation Adjustments	(0.3)		
Legal settlement (FY18)		(0.8)	
<b>Less Lapse:</b>			
Lapse-Transportation	21.2	9.4	9.4
Lapse-Safety/Other	3.8	1.6	1.6
<b>Total Net Appropriations</b>	(219.4)	(225.9)	(227.7)
Other Debits	(2.2)	(2.2)	(2.2)
<b>Current Year Balance</b>	13.8	(14.8)	(16.3)
<b>Undesignated Fund Balance, June 30 (Budgetary)</b>	74.1	59.3	43.0
<b>GAAP and Other Adjustments</b>			
Other	(25.7)	(24.7)	(24.6)
<b>Undesignated Fund Balance, June 30 (GAAP)</b>	48.4	34.6	18.4

\* FY18 reflects the Committee of Conference surplus statement, plus any additional appropriations through 12/31/17  
Note: Budgetary balances and GAAP adjustments do not include bonds authorized/unissued.