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STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
OFFICE OF THE COMMISSIONER

172 Pembroke Road Concord, New Hampshire 03301
Phone: 271-2411 Fax: 271-2629
TDD ACCESS: Relay NH 1-800-735-2964

August 7, 2019

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

His Excellency, Governor Christopher T. Sununu
and the Executive Council
State House
Concord, NH 03301

REQUESTED ACTION

Pursuant to the provisions of Chapter 145, subparagraph I, (a), Laws of 2019, the Department of Natural and Cultural Resources requests authorization to exceed the 3/12 limitation of said resolution for the accounts listed on the attached analysis, in the total amount of **\$33,240**, to the extent shown as projected deficits for the period of Fiscal Committee and Governor and Council approval through September 30, 2019. **53% Other Funds, 47% Federal Funds**

TEMP LABOR P/T - 100% Other Funding

Account	Bureau/AU	Class	Cont. Res. Budget	Estimated Expenditures	Projected Deficit
03-35-35-351010-35240000	SHIELING TRUST FUNDS	050	1,297	2,000	-703
03-35-35-351010-52000000	FOX FOREST TRUST FUNDS	050	12,490	23,000	-10,510
03-35-35-351510-37450000	CLH STEWARDSHIP ENDOWMENT	050	3,760	8,000	-4,240
	Other Funding		17,547	33,000	-15,453

TEMP LABOR P/T - 100% Federal Funding

Account	Bureau/AU	Class	Cont. Res. Budget	Estimated Expenditures	Projected Deficit
03-35-35-351510-37770000	NATL RECREATIONAL TRAILS FUND	050	5,533	9,000	-3,467
03-35-35-354010-14450000	FEDERAL PRESERVATION PROGRAMS	050	5,337	17,500	-12,163
	Federal Funding		10,870	26,500	-15,630

BENEFITS - 100% Other Funding

Account	Bureau/AU	Class	Cont. Res. Budget	Estimated Expenditures	Projected Deficit
03-35-35-351010-35240000	SHIELING TRUST FUNDS	060	100	500	-400
03-35-35-351010-52000000	FOX FOREST TRUST FUNDS	060	955	2,000	-1045
03-35-35-351510-37450000	CLH STEWARDSHIP ENDOWMENT	060	288	1,000	-712
	Other Funding		1,343	3,500	-2,157
	Other Funding		18,890	36,500	-17,610
	Federal Funding		10,870	26,500	-15,630
	Total Funding		29,760	63,000	-33,240

EXPLANATION

The Department of Natural and Cultural Resources (DNCR) respectfully requests that above expenditure classes in specific accounting units be increased for the amounts noted, in excess of the 3/12 limitation established pursuant to Chapter 145, subparagraph I, (a), Laws of 2019.

The deficits projected through the end of the continuing resolution, September 30, 2019, are the result of anticipated payroll and benefit obligations, which will exceed the 25% level of funding for FY 2019, as reflected in the DAS agency budget request for the FY 2020-2021 biennium.

Contributing factors to the shortfalls, unique to the Temporary Labor support need makeup of each accounting unit, may include one or more of the following:

- The effect of movement of Temporary Labor support from one federal program that has closed as of the end of FY 2019 to support for a new federal program or programs starting in FY 2020-2021.
- The effect of an additional salary increment (step) available for employees associated with the most recent collective bargaining agreements, versus the original budgeted projections.
- The timing of needed use of Temporary Labor support to be during the first and second quarter of the fiscal year for services needed for the whole year.

Listed below are answers to standard questions required of all Fiscal Committee item requests, related to RSA 9:16-a, "Transfers authorized", RSA 14:30-a, VI "Expenditure of funds over \$100,000 from any Non State Source", or RSA 124:15, "Positions Authorized", or both, and all emergency requests pursuant to "Chapter 145, subparagraph I, (a), Laws of 2019, making temporary appropriations for the expenses and encumbrances of the State of New Hampshire":

- 1. Is the action required of this request a result of the Continuing Resolution for FY 2020?** Yes, this request is a result of the Continuing Resolution. This action would not have been requested if the FY 2020-2021 Operating Budget proposal had been approved.
- 2. If this request is retroactive what is the significance and importance of the action being effective from an earlier date?** This request is not retroactive.
- 3. Is this a previously funded and ongoing program established through Fiscal Committee and Governor and Executive Council action? (If so, include as an attachment the original documents as approved and cite the specific dates of authorization and end dates for each action as part of your answer to this question.)** This request is not related to a prior Fiscal Committee and/or Governor and Council action.
- 4. Was funding for this program included in the FY 2018-2019 enacted Budget or requested and denied?** Appropriate funding for salaries and benefits was requested and authorized in the FY 2018-2019 enacted budget.
- 5. Is this program in total or in part, included in the vetoed FY 2020-2021 Operating Budget proposal currently pending for your department, or was it requested and denied?** The total funding needs to support the salaries and benefits for DNCR were requested and included in the FY 2020-2021 Operating Budget proposal currently pending.
- 6. Does this program include, either positions or consultants, and if so are the positions filled, vacant, or have offers pending? (Please provide details for each position and note whether consultant contracts have been awarded.)** This request is the result of the need for additional funding to support filled position costs associated the seven pay periods of the Continuing Resolution and other expected payroll anomalies, which occur annually.
- 7. What would be the effect should this program be discontinued or not initiated as a result of this request being denied?** The State is obligated to make payment to individuals for the work that they

perform on our behalf. The denial of the request would necessitate that DNCR return to Fiscal Committee with a transfer request compiled from any allowable expenditure class line with identical funding to mitigate the anticipated shortfalls in these salary and benefit lines. However, if DNCR is unable to transfer from other allowable classes for all of the shortfalls identified as there are insufficient funds to make such transfers to cover all of them, Temporary Labor services would need to be immediately discontinued. This will result in federal programs to be delayed and support of Forests and Lands stewardship to be discontinued resulting in improper or insufficient care of our state forests and lands.

Respectfully submitted,

(msw)



Sarah L. Stewart
Commissioner