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STATE OF NEW HAMPSHIRE  
DEPARTMENT of NATURAL and CULTURAL RESOURCES  
DIVISION OF FORESTS AND LANDS

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April 12, 2019

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

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

3/8/19

Approved by Fiscal Committee Date

**REQUESTED ACTION**

Pursuant to RSA 227-G:5, I(b), authorization is respectfully requested for the Department of Natural and Cultural Resources, Division of Forests and Lands to budget and expend \$82,500 from the Forest Management and Protection Fund for maintaining and enhancing the Forest Management Bureau programs upon Fiscal Committee and Governor and Executive Council approval through June 30, 2019. **100% Agency Income**

Forest Management and Protection Fund					
03-35-35-351010-35050000					
Fiscal Year 2019					
Class	Class Description	Account	Current Budget	Requested Change	Adjusted Budget
<b>Revenue</b>					
004	Intra Agency Transfers	408189	(\$2,241)		(\$2,241)
009	Agency Income	402059	(\$1,512,783)	(\$82,500)	(\$1,595,283)
<b>Total:</b>			<b>(\$1,515,024)</b>	<b>(\$82,500)</b>	<b>(\$1,597,524)</b>
<b>Expense</b>					
010	Personal Services- Permanent	500100	\$353,360		\$353,360
020	Current Expenses	500200	\$65,540		\$65,540
022	Rent - Leases	500255	\$41,380		\$41,380
027	Transfers to DoIT	582703	\$219,721		\$219,721
029	Intra-Agency Transfers	500290	\$341,690		\$341,690
030	Equipment	500311	\$131,888	\$82,500	\$214,388
039	Telecommunications	500188	\$20,000		\$20,000
047	Own Force Maintenance B&G	500240	\$31,380		\$31,380
048	Contractual Maintenance B&G	500226	\$5,262		\$5,262
049	Inter-Agency Transfers	584935	\$34,000		\$34,000
050	Personal Services - Temporary	500109	\$15,800		\$15,800
060	Benefits	500602	\$210,803		\$210,803

066	Employee Training	500543	\$3,000		\$3,000
070	In-State Travel	500705	\$34,700		\$34,700
073	Grants Non-Federal	500583	\$5,000		\$5,000
080	Out-of-State Travel	500710	\$1,500		\$1,500
<b>Total:</b>			<b>\$1,515,024</b>	<b>\$82,500</b>	<b>\$1,597,524</b>

### EXPLANATION

Agency Income from the Management and Protection Fund is derived from various sources, the majority of which is from the sale of timber on state lands.

We are requesting use of funds to purchase (3) vehicles not previously requested in our 2019 budget. This is under the recommendation of the Department of Administrative Services in response to the failure of automotive dealerships that have been awarded state contracts to fulfill vehicle requisitions in a timely fashion.

In 2018, due to delays beyond our control via the state contract for vehicle purchases, our forest management vehicle order was not fulfilled for two vehicles that were ordered to replace two others which became unserviceable during the year. We anticipate that this year additional vehicles will be rendered no longer serviceable within our aging fleet. The average age of our vehicle replacement is 12 years and in excess of 120,000 miles.

Going forward, with guidance from Administrative Services, we will be managing a vehicle replacement plan that will be based on a lower useful life average. We expect this will provide less maintenance costs and better predictability of anticipated unserviceable vehicles due to age and use. This more sustainable replacement strategy also takes into account growing delays in vehicle delivery dates based on industry conditions that have produced less reliability of meeting delivery date commitments as outlined within the state contracts.

In the interim, to get ahead of this compounding issue of shortfall in fleet needs and protracted delays in delivery of new vehicles, we seek to order additional vehicles immediately to replace aging ones. We have been told to expect a delay in receiving the 2019 vehicles ordered as well.

The following appropriation is requested for Fiscal Year 2019:

Class 030 - Equipment \$82,500, for 3 vehicles

Thank you for your consideration.

Respectfully submitted,

  
 Sarah L. Stewart  
 Commissioner

FISCAL SITUATION  
Forest Management and Protection Fund  
35050000

Balance Forward July 1, 2018 (Fund Balance)	\$1,466,689
Anticipated Revenue FY2019	\$1,439,060
<u>Total Revenue FY2019</u>	<u>\$2,905,749</u>
Less: Current Appropriations	(\$1,439,060)
Requested New Appropriations	(\$82,500)
<u>Estimated Ending Fund Balance for June 30, 2019</u>	<u>\$1,384,189</u>