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



*Victoria F. Sheehan*  
Commissioner

*William Cass, P.E.*  
Assistant Commissioner

Bureau of Turnpikes  
December 3, 2019

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

**REQUESTED ACTION**

Pursuant to RSA 237:15-a, Transfers from the General Reserve Account, authorize the Department of Transportation, Bureau of Turnpikes to transfer funds in the amount of \$854,000.00 from the Turnpike General Reserve Account to budget and expend revenue for costs associated with the issuance of the State of New Hampshire Turnpike System Revenue Bonds 2019 Refunding Series, increases in credit card fees, and increases in janitorial contracts to be effective upon Governor and Council approval through June 30, 2020. 100% Turnpike Funds.

**FROM:** 04-096-096-961017-363615-0000 Turnpike Fund Balance \$854,000.00

04-096-096-961017-70220000	Current Budget FY 2020	Requested Change	Revised Budget FY 2020
<b>Administration - Support</b>			
<b>Expenses:</b>			
010-500100 Personal Services – Perm	\$2,295,136	\$0	\$2,295,136
017-500147 FT Employees Special Pay	3,240	0	3,240
018-500106 Overtime	155,000	0	155,000
019-500105 Holiday Pay	2,500	0	2,500
020-500200 Current Expense	52,971	0	52,971
022-500255 Rents-Leases Other than State	115,905	0	115,905
023-500291 Heat, Electricity, Water	6,955	0	6,955
024-500225 Maint Other than Bldg-Grnds	11,033	0	11,033
026-500251 Membership Fees	115,000	0	115,000
029-500290 Intra Agency Transfers	2,461,104	0	2,461,104
030-500311 Equipment	128,923	0	128,923
037-500171 Technology Hardware	10,044	0	10,044
038-500175 Technology Software	71,048	0	71,048
039-500188 Telecommunications	86,000	0	86,000
040-500800 Indirect Costs	273,000	0	273,000
046-500463 Eng Consultants Non-Benefits	1,953,184	0	1,953,184
047-500240 Own Forces Maint - Bldg	4,000	0	4,000
048-500226 Contract Maint Bldgs & Grnds	7,800	0	7,800
049-500294 Transfers To Agencies	150,000	0	150,000
050-500109 Personal Services - Temporary	50,000	0	50,000
060-500601 Benefits	1,406,075	0	1,406,075

066-500543 Continuing Prof Education	15,000	0	15,000
068-500562 Remuneration	5,000	0	5,000
069-500567 Promotional and Marketing Exp	10,000	0	10,000
070-500704 In-State Travel	800	0	800
080-500710 Out of State Travel	5,000	0	5,000
103-500741 Contracts for Operational Svc	380,821	0	380,821
211-501530 Catastrophic Casualty Ins.	43,178	0	43,178
255-500949 Cost of Issuing Bonds	60,000	350,000	410,000
403-500878 DOT Audit Fees - LBA	110,000	0	110,000
404-500879 DOT Audit	2,974,283	0	2,974,283
Total	\$12,963,000	\$350,000	\$13,313,000
<b>Source of Funds</b>			
<b>Revenue:</b>			
000-000017 Turnpike Fund	\$12,963,000	\$350,000	\$13,313,000

04-096-096-961017-70500000	Current Budget FY 2020	Requested Change	Revised Budget FY 2020
<b>Toll Collection</b>			
<b>Expenses:</b>			
020-500200 Current Expense	\$3,963,419	\$500,000	\$4,463,419
022-500255 Rents-Leases Other than State	1,500	0	1,500
023-500291 Heat, Electricity, Water	23,149	0	23,149
024-500225 Maint Other than Bldg-Grnds	3,460,220	0	3,460,220
026-500251 Membership Fees	75,000	0	75,000
037-500171 Technology Hardware	500	0	500
046-500463 Eng Consultants Non-Benefits	3,564,448	0	3,564,448
080-500710 Out of State Travel	9,000.00	0	9,000.00
102- 500731 Contracts for Program Svc	15,810,104	0	15,810,104
103-500741 Contracts for Operational Svc	7,500	4,000	11,500
Total	\$26,914,840	\$504,000	\$27,418,840
<b>Source of Funds</b>			
<b>Revenue:</b>			
000-000017 Turnpike Fund	\$26,914,840	\$504,000	\$27,418,840

The unaudited Turnpike Fund Balance Surplus account as of June 30, 2019 was \$134.9 million, and is projected to be \$101.2 million as of June 30, 2020. See attached.

**Transfer from General Reserve Account to Administration - Support (70220000) – 100% Turnpike Funds:**

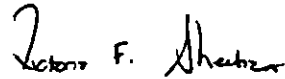
Class 255 Increase Cost of Issuing Bonds by \$350,000.00. Funds are needed to pay the costs associated with issuing the State of New Hampshire Turnpike System Revenue Bonds 2019 Refunding Series. Costs associated with issuing bonds includes: ratings agencies fees, legal counsel, financial advisory services, and underwriting. The refunding will result in net savings of \$10 million over ten years.

**Transfer from General Reserve Account to Toll Collection (70500000) – 100% Turnpike Funds:**

- Class 020 Increase Current Expenses by \$500,000.00. Additional funds are needed to pay the costs associated with E-ZPass Credit Card fees. Based on the current merchant agreement rates and increase in E-ZPass usage, the credit card fees have increased for fiscal year 2020.
- Class 103 Increase Contracts for Operational Services by \$4,000.00. Additional funds are needed to pay for unanticipated increases in janitorial contracts.

It is respectfully requested that this resolution be approved.

Sincerely,



Victoria F. Sheehan  
Commissioner

Attachment

1	2	CASH-BASED													
		Audited Accrual	Unaudited Accrual	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
5	Extant Toll Revenue	129.4	122.9	133.4	134.8	134.2	136.4	136.1	139.9	141.7	143.5	145.4	147.3	149.2	
15	Toll Revenue loss Expected from Ending Exit 11 Toll Collection as of 1/1/20			(0.9)	(1.8)	(1.8)	(1.8)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(2.0)	
17	Transponder Revenue	0.8	0.9	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
18	Other Revenue (including Violation Fee Receivables, does not include AET)	3.9	13.3	4.1	4.2	4.3	4.4	4.4	4.5	4.6	4.7	4.8	4.9	5.0	
19	Hooksett Service Area Revenue	1.0	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	
21	Interest Income projections	1.1	2.3	2.2	2.0	1.7	1.4	1.3	1.2	1.2	1.2	1.2	1.2	2.2	
22	Total Revenue	136.2	160.7	140.8	141.0	142.9	147.1	148.8	150.5	152.4	154.4	156.5	158.0	161.7	
24	Operating Expenditures														
25	Extant Operating Expenditures	27.9	22.8	35.8	35.4	35.4	36.1	36.8	37.6	38.3	39.1	39.9	40.7	41.5	
32	Operation Savings Expected from Bedford AET					(2.1)	(2.1)	(2.2)	(2.2)	(2.3)	(2.3)	(2.4)	(2.4)	(2.5)	
33	Operation Savings Expected from Dover & Rochester AET														
34	Operation Savings Expected from Ending Exit 11 Toll Collection as of 1/1/20			(0.3)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	
35	Projected Leases			(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	
36	Transponder Expense	0.8	0.8	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
37	Toll System Lane & ORT O&M Expenditures (Class 24)	2.1	1.9	2.2	2.4	2.5	2.6	2.7	2.7	2.8	2.8	2.9	2.5	2.5	
38	Toll System ORT/AET Design/Test/Implementation Expenditures (Class 46)			0.3	3.4	1.9									
39	EZPass Back Office O&M Expenditures (Class 102)	6.3	6.8	12.0	11.9	9.8	10.1	10.4	10.6	10.9	11.2	11.5	11.9	12.1	
40	EZPass Back Office Expenditures Design/Test/Implementation (Class 46)			3.8	0.2										
41	EZPass Back Office O&M Expenditures for AET (Class 102)					4.2	4.0	4.1	4.1	4.2	4.4	4.8	4.7	4.8	
42	EZPass Back Office O&M Expenditures for AET (Class 201)					0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
43	Enforcement Expenditures (Safety)	8.2	8.4	8.6	8.7	8.9	9.1	9.3	9.5	9.6	9.8	10.0	10.2	10.4	
44	Turnpike Funding of Welcome Centers (DRED)	1.0	1.0	1.1	1.1	1.1	1.1	1.2	1.3	1.3	1.4	1.4	1.4	1.4	
45	Turnpike Funding of DOT (Budget Class 029)	2.3	2.3	2.5	2.5	2.6	2.6	2.6	2.7	2.7	2.8	2.8	2.9	2.9	
46	Total Operating Expenditures	48.6	44.1	62.0	62.6	61.3	60.5	62.0	63.2	64.8	66.2	67.7	68.9	70.2	
47	Net Revenue	87.6	106.6	77.8	78.6	81.6	86.6	86.8	87.3	87.3	88.3	88.7	90.2	91.4	
49	B&B Interest Subsidy	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(2.8)	(2.6)	(2.5)	(2.5)	(2.3)	(2.0)	(1.8)	(1.6)	
51	Reduction in Subsidy due to 2019 Refunding			1.9	1.0	1.0	1.0	1.1	1.1	1.0	0.8	0.6	0.3	0.1	
52	Projected Savings on 2018 Refunding			(1.2)	(1.1)	(1.2)	(1.1)	(1.3)	(1.3)	(3.7)	(2.3)	(2.7)	(2.1)	(2.0)	
53	Debt Service on Remaining Revenue Bonds (2012A & 2012B)	13.1	13.1	11	5.3	5.7	5.5	5.4	0.0	0.0	0.0	0.0	0.0	0.0	
54	Debt Service on FY 2010 Refunding Revenue Bonds	7.4	7.4	7.4	7.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
55	Debt Service on FY 2010 Refunding Revenue Bonds	8.9	8.9	8.9	10.0	17.2	17.1	16.9	16.8	16.6	16.4	16.2	16.0	10.2	
57	Debt Service on 2012 Revenue Bonds	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	
65	Debt Service on 2015	8.3	8.3	43.0	43.1	34.3	29.3	27.5	22.5	19.4	20.6	20.0	20.4	14.7	
66	Total Revenue Bond Debt Service	44.2	44.2	43.0	43.1	34.3	29.3	27.5	22.5	19.4	20.6	20.0	20.4	14.7	
67	Net Total Revenue Bond Debt Service	41.3	41.3	41.1	41.2	34.3	27.5	26.0	20.6	17.9	18.1	18.6	18.9	13.2	
68	Existing Debt Service General Obligation Bonds	33.0	33.0	30.7	26.2	29.3	26.2	26.0	20.6	17.9	19.1	19.0	18.4	12.2	
70	Extant Turnpike Renewal and Replacement Program	8.7	9.8	10.9	12.0	13.2	14.4	13.3	13.6	13.8	14.1	14.4	14.7	15.0	
71	Portsmouth-Kittery High-Level Bridge (R&R)			12.0	10.9	0.7									
72	Carry-Over R&R (not included in debt service coverage ratios)			13.4											
73	I-95 Advanced Payment														
74	Payments from General Reserves for I-95 Acquisition														
76	Total Other Obligations	8.7	9.8	36.3	22.3	13.9	14.4	13.3	13.6	13.8	14.1	14.4	14.7	15.0	
77	Capital Additions														
78	Total Operating Annual Surplus/(Deficit)	37.8	55.5	0.2	15.0	33.4	44.7	47.5	53.1	56.1	55.1	55.7	56.6	63.2	
87	Capital Additions														
88	Turnpike Operating Transfer	37.8	55.5	0.2	15.0	33.4	44.7	47.5	53.1	56.1	55.1	55.7	56.6	63.2	
89	Bond Proceeds														
98	Bond Issuance Costs														
99	Total Capital Additions	37.8	55.5	0.2	15.0	33.4	44.7	47.5	53.1	56.1	55.1	55.7	56.6	63.2	
101	Hooksett Rest Area Acquisition														
102	Turnpike Improvement Capital Expenditures	6.3	1.4												
104	Hampton ORT, Seabrook NH107 Bridge, & Portsmouth Soundwall														
105	Hooksett ORT 15803														
106	Bedford/Merrimack ORT Conversion 16106	0.1		1.0		12.2	4.0								
107	Hawthorn-Dover (Dover End & OSB) 11238 O, S, U	15.9	17.1	18.4	12.8	12.7	10.3	8.9							
108	Spaulding Turnpike AET 29440			1.6	18.0										
109	Merrimack-Bedford FEET Widening to 3 Lanes 13761	1.2	0.6	8.7	16.1	30.7	41.3	28.7	25.0						
110	Manchester 18099-FEET Rebuild Exit 6 (18099A) and Exit 7 (18099B)	0.4	0.9	1.1		2.0	5.3	21.6	31.7	41.3	29.8	29.8			
111	Bow-Concord I-93 Widening & Improvements 13742	0.7	0.5	1.0	2.0	1.8	2.1		2.0	6.3	21.4	33.6	42.5	30.9	
112	Naahus - Concord ITS 29406	1.2	0.5	2.2	0.7	0.2	0.1								
113	Dover-Rochester-Somerworth Exit 10 Feasibility Study 40599					2.0									
114	Removal of Merrimack Exit 12 29306														
117	Total Capital Expenditures	27.6	21.1	23.9	48.6	81.4	63.1	67.2	66.7	47.6	51.2	63.4	42.5	30.9	
118	Total Annual Capital Surplus/(Deficit)	10.0	34.4	(33.7)	(34.6)	(28.0)	(18.4)	(8.7)	(5.6)	6.5	3.9	(7.7)	14.1	32.3	
121	BEGINNING Operating Cash	86.7	103.8	134.9	101.2	86.9	45.7	34.1	25.9	27.4	35.9	39.7	32.1	46.2	
122	Annual Surplus / (Deficit)	10.0	34.4	(33.7)	(34.6)	(28.0)	(18.4)	(9.7)	(5.6)	6.5	3.9	(7.7)	14.1	32.3	
123	Set aside Reserve on Proposed bonds	(6.8)			0.2	6.8	6.9	1.4	7.1					3.7	
124	Prior Period Adjustment														
125	Cash - Accrual Adjustments	5.0	(3.3)												
126	Increase in Prepaid Tolls (reserved) & Accruals														
127	Deferred Revenue Account - Prepaid Tolls														
128	Ending Operating Cash and Short Term Investments	90.3	120.1	88.2	53.0	32.7	21.1	12.9	14.4	22.9	25.7	19.1	34.3	70.5	
129	Restricted Cash (Bond Proceeds for Construction)														
130	Unrestricted Cash	103.8	134.9	101.2	68.9	45.7	34.1	25.9	27.4	35.9	39.7	32.1	46.2	82.2	