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Victoria F. Sheehan  
Commissioner

THE STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.  
Assistant Commissioner

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

August 5, 2019

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

**REQUESTED ACTION**

Pursuant to the provisions of Chapter 145, sub-paragraph I,(a), Laws of 2019, the Department of Transportation requests authorization to exceed the 3/12 limitation of said resolution for the accounts listed below, in the amount of \$1,439,120 to the extent shown as projected deficits for the period of Fiscal Committee and Governor and Council approval through September 30, 2019. 70.7% Highway Funds, 4.0 % Turnpike Funds, 0.8 % General Funds, 17.1% Federal Funds and 7.4% Other Funds.

**Personal Services Permanent 100% General Fund**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-964010-21070000	AERONAUTICS	010	84,142	90,127	(5,985)
04-96-96-964010-29310000	RAILROAD	010	34,134	37,213	(3,079)
04-96-96-964010-21070000	AERONAUTICS	011	25,589	27,929	(2,340)
<b>General Funding Source</b>			<b>143,865</b>	<b>155,269</b>	<b>(11,404)</b>

**Personal Services Permanent 100% Highway Fund**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-960515-30660000	SALTED WELLS	010	14,255	37,757	(23,502)
04-96-96-962015-33750000	OFFICE OF ASSET MGT -AMPS	010	67,732	141,003	(73,271)
<b>Highway Funding Source</b>			<b>81,987</b>	<b>178,760</b>	<b>(96,773)</b>

**Personal Services Permanent 100% Turnpike Fund**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-961017-70220000	ADMINISTRATION - SUPPORT	010	552,107	554,608	(2,501)
	Turnpike Funding Source		552,107	554,608	(2,501)

**Personal Services Permanent Mixed or Other Funding**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-960515-30050000	MECHANICAL SERVICES	O 010	117,149	126,662	(9,513)
04-96-96-960515-30050000	MECHANICAL SERVICES	H 010	883,454	955,198	(71,744)
04-96-96-960515-30070000	HIGHWAY MAINTENANCE BUREAU	O 010	3,465	3,595	(130)
04-96-96-960515-30070000	HIGHWAY MAINTENANCE BUREAU	H 010	7,276,461	7,549,861	(273,400)
04-96-96-960515-30080000	BRIDGE MAINTENANCE	F 010	421,913	425,076	(3,163)
04-96-96-960515-30080000	BRIDGE MAINTENANCE	O 010	84,201	84,832	(631)
04-96-96-960515-30080000	BRIDGE MAINTENANCE	H 010	498,568	502,305	(3,737)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	F 010	329,402	349,593	(20,191)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	O 010	27,050	28,708	(1,658)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	H 010	452,050	479,760	(27,710)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	F 010	40,464	66,749	(26,285)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	O 010	5,652	9,324	(3,672)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	H 010	107,041	176,577	(69,536)
04-96-96-962015-30250000	HIGHWAY DESIGN BUREAU	F 010	934,171	935,078	(907)
04-96-96-962015-30250000	HIGHWAY DESIGN BUREAU	O 010	187,152	187,334	(182)
04-96-96-962015-30250000	HIGHWAY DESIGN BUREAU	H 010	380,475	380,845	(370)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	F 010	60,231	86,533	(26,302)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	O 010	30,958	44,476	(13,518)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	H 010	174,094	250,119	(76,025)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	F 010	157,760	170,880	(13,120)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	O 010	75,462	81,738	(6,276)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	H 010	368,597	399,251	(30,654)
04-96-96-962015-30340000	MATERIALS - RESEARCH BUREAU	F 010	409,898	438,764	(28,866)
04-96-96-962015-30340000	MATERIALS - RESEARCH BUREAU	O 010	73,060	78,206	(5,146)
04-96-96-962015-30340000	MATERIALS - RESEARCH BUREAU	H 010	266,429	285,192	(18,763)
04-96-96-962015-30350000	CONSTRUCTION BUREAU	F 010	385,048	417,826	(32,778)
04-96-96-962015-30350000	CONSTRUCTION BUREAU	O 010	229,571	249,114	(19,543)
04-96-96-962015-30350000	CONSTRUCTION BUREAU	H 010	1,003,993	1,089,459	(85,466)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F 010	46,952	57,492	(10,540)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O 010	12,188	14,927	(2,739)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H 010	124,163	152,037	(27,874)
04-96-96-960515-30520000	TRANS MANAGEMENT CTR	O 010	90,148	98,405	(8,257)
04-96-96-960515-30520000	TRANS MANAGEMENT CTR	H 010	128,779	140,574	(11,795)
04-96-96-960515-31980000	FUEL DISTRIBUTION	O 010	44,166	50,811	(6,645)
04-96-96-960515-31980000	FUEL DISTRIBUTION	H 010	41,638	47,903	(6,265)
04-96-96-960515-50340000	LIFT BRIDGE OPERATIONS	O 010	70,445	76,624	(6,179)
04-96-96-960515-50340000	LIFT BRIDGE OPERATIONS	H 010	170,532	185,491	(14,959)
04-96-96-961017-70370000	EAST NH TPK SPAULD TPK MAINT	O 010	1,596	1,933	(337)
04-96-96-961017-70370000	EAST NH TPK SPAULD TPK MAINT	T 010	153,923	186,393	(32,470)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F 011	8,963	9,928	(965)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O 011	2,327	2,577	(250)

04-96-96-960015-30380000	EXECUTIVE OFFICE	H	011	23,702	26,256	(2,554)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F	012	8,110	8,898	(788)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O	012	2,105	2,310	(205)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H	012	21,447	23,531	(2,084)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F	013	8,783	9,623	(840)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O	013	2,280	2,498	(218)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H	013	23,228	25,448	(2,220)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F	014	8,566	9,382	(816)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O	014	2,224	2,435	(211)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H	014	22,652	24,811	(2,159)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F	015	22,756	25,037	(2,281)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O	015	5,907	6,499	(592)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H	015	60,177	66,209	(6,032)
	<b>Federal Funding Source (F)</b>			<b>2,843,017</b>	<b>3,010,859</b>	<b>(167,842)</b>
	<b>Other Funding Source (O)</b>			<b>1,067,106</b>	<b>1,153,008</b>	<b>(85,902)</b>
	<b>Highway Funding Source (H)</b>			<b>12,027,480</b>	<b>12,760,827</b>	<b>(733,347)</b>
	<b>Turnpike Funding Source (T)</b>			<b>153,923</b>	<b>186,393</b>	<b>(32,470)</b>

**Benefits 100% General Fund**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-964010-29310000	RAILROAD	060	19,228	20,240	(1,012)
	<b>General Funding Source</b>		<b>19,228</b>	<b>20,240</b>	<b>(1,012)</b>

**Benefits 100% Highway Fund**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit
04-96-96-960515-30660000	SALTED WELLS	060	7,904	13,006	(5,102)
04-96-96-962015-33750000	OFFICE OF ASSET MGT -AMPS	060	35,726	74,052	(38,326)
	<b>Highway Funding Source</b>		<b>43,630</b>	<b>87,058</b>	<b>(43,428)</b>

**Benefits Mixed or Other Funding**

Account	Bureau/Division	Class	Continuing Resolution Budget	Estimated Expenditures	Projected Deficit	
04-96-96-960515-30050000	MECHANICAL SERVICES	O	060	73,273	74,136	(863)
04-96-96-960515-30050000	MECHANICAL SERVICES	H	060	552,576	559,084	(6,508)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	F	060	204,437	205,742	(1,305)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	O	060	16,788	16,895	(107)
04-96-96-960515-30090000	TRAFFIC OPERATIONS	H	060	280,556	282,348	(1,792)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	F	060	18,536	33,320	(14,784)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	O	060	2,589	4,654	(2,065)
04-96-96-960315-30170000	HUMAN RESOURCES BUREAU	H	060	49,035	88,143	(39,108)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	F	060	34,979	46,620	(11,641)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	O	060	17,978	23,962	(5,984)
04-96-96-962015-30320000	ENVIRONMENTAL BUREAU	H	060	101,105	134,752	(33,647)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	F	060	81,420	84,114	(2,694)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	O	060	38,946	40,235	(1,289)
04-96-96-962015-30330000	BRIDGE DESIGN BUREAU	H	060	190,232	196,527	(6,295)
04-96-96-962015-30350000	CONSTRUCTION BUREAU	F	060	218,839	239,169	(20,330)

04-96-96-962015-30350000	CONSTRUCTION BUREAU	O	060	130,475	142,596	(12,121)
04-96-96-962015-30350000	CONSTRUCTION BUREAU	H	060	570,610	623,620	(53,010)
04-96-96-960015-30380000	EXECUTIVE OFFICE	F	060	44,395	46,157	(1,762)
04-96-96-960015-30380000	EXECUTIVE OFFICE	O	060	11,525	11,982	(457)
04-96-96-960015-30380000	EXECUTIVE OFFICE	H	060	117,402	122,062	(4,660)
04-96-96-960515-30520000	TRANS MANAGEMENT CTR	O	060	51,207	51,413	(206)
04-96-96-960515-30520000	TRANS MANAGEMENT CTR	H	060	73,151	73,445	(294)
04-96-96-960515-31980000	FUEL DISTRIBUTION	O	060	29,785	32,827	(3,042)
04-96-96-960515-31980000	FUEL DISTRIBUTION	H	060	28,081	30,948	(2,867)
04-96-96-960515-50340000	LIFT BRIDGE OPERATIONS	O	060	44,503	46,994	(2,491)
04-96-96-960515-50340000	LIFT BRIDGE OPERATIONS	H	060	107,734	113,762	(6,028)
04-96-96-961017-70370000	EAST NH TPK SPAULD TPK MAINT	O	060	1,041	1,340	(299)
04-96-96-961017-70370000	EAST NH TPK SPAULD TPK MAINT	T	060	100,388	129,180	(28,792)
	<b>Federal Funding Source (F)</b>			602,606	655,122	(52,516)
	<b>Other Funding Source (O)</b>			418,110	447,034	(28,924)
	<b>Highway Funding Source (H)</b>			2,070,482	2,224,691	(154,209)
	<b>Turnpike Funding Source (T)</b>			100,388	129,180	(28,792)
<b>Federal Funding Source (F)</b>				3,445,623	3,665,981	(220,358)
<b>Other Funding Source (O)</b>				1,485,216	1,600,042	(114,826)
<b>Highway Funding Source (H)</b>				14,223,579	15,251,336	(1,027,757)
<b>Turnpike Funding Source (T)</b>				806,418	870,181	(63,763)
<b>General Funding Source (G)</b>				163,093	175,509	(12,416)
<b>Total Funding</b>				<b>20,123,929</b>	<b>21,563,049</b>	<b>(1,439,120)</b>

### EXPLANATION

The Department of Transportation (DOT) 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 DOT agency budget request for the FY 2020-2021 biennium.

The primary driver for the shortfalls expected in the payroll and benefit line, is the timing of the State's bi-weekly payroll processing schedule that places 7 pay periods in the 3 month span of the Continuing Resolution. (This seventh payroll is one of two extra monthly pay periods of our annual 26 pay period cycle, which places three FY 2020 payrolls in the months of August and January 2020.)

Additional contributors to the shortfalls, unique to the personnel makeup of each accounting unit, may include one or more of the following:

- The effect of the hiring of any individual(s) at a higher level of pay or benefit plan than originally planned for in the FY 2018-2019 budget process.

- The effect of an additional salary increment (step) available for employees associated with the most recent collective bargaining agreements, versus the original budgeted projections.
- Longevity and benefit payments as the result of employee retirements or their decision to leave State service.

The list of shortfall contributors above would normally be mitigated in part by the agency's ability to seek relief from the Salary Adjustment Fund (RSA 99:4) and or the Benefit Adjustment fund (RSA 9:17,c) for these unbudgeted but normal costs of conducting the State's business.

The two funds noted above would normally be populated by the Department of Administrative Services, from a general sweep request and action, to collect salary and benefit excess appropriations from each department, normally done on a quarterly basis. Given the short term of the Continuing Resolution, and the seventh pay period due to be paid September 27, 2019, excess funds are not expected to be available to be brought into the adjustment funds.

**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":**

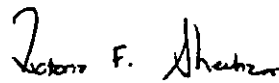
1. **Is the action required of this request a result of the Continuing Resolution for FY 2020?** Yes, this request is a result of the Continuing Resolution. This action would not have been requested if the FY 2020-2021 Operating Budget proposal had been approved.
2. **If this request is retroactive what 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 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 DOT were requested and included in the FY 2020-20201 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 with 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 DOT return to Fiscal Committee with a transfer request compiled from any allowable expenditure class line with identical funding to mitigate the anticipated shortfalls in the salary and benefit lines.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan  
Commissioner