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New Hampshire DOT
Department of Transportation

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION

CHRISTOPHER D. CLEMENT, SR
COMMISSIONER

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONEI

April 16, 2013
Division of Finance

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

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

INFORMATIONAL ITEM

Pursuant to Chapter 223:8 of the Budget Act, Laws of 2011, Highway Fund Reporting, enclosed for informational purposes is the June 30, 2012, September 30, 2012 and December 31, 2012 reports of the Comparative Statement of Operating & Capital Undesignated Surplus. For fiscal year 2012, the undesignated surplus balance is updated for audited actual revenue and expenditure activity and reported in the statewide CAFR. These schedules reflect Audited actual budgeted FY 2012 and UnAudited FY 2013 projected fund balances. Fiscal year 2013 revenue estimates provided by the Department of Safety are through April 8, 2013.

In summary, the quarter ending undesignated surplus balances (Operating & Capital - Post GAAP) are as follows:

(millions)

Balance Ending	C of C	FY 2012 Actual	FY 2013 Projected
September 30, 2011	$7.5	$25.9	$26.0
December 31, 2011	$7.5	$30.5	$33.8
March 31, 2012	$7.5	$24.7	$26.1
June 30, 2012 Audited	**$7.5**	**$34.8**	**$39.4**
September 30, 2012	$7.6	$34.8	$37.1
December 31, 2012	$7.6	$34.8	$38.5
March 31, 2013	$7.6	$34.8	$36.9

For the period ending June 30, 2012, the **AUDITED** combined post GAAP operating, construction/capital, and trust fund balances within the Highway fund surplus balance is $34.8 million. The June 30, 2013 combined surplus balance is **PROJECTED** at March 31, $36.9 million.

This FY 2012 Audited ending balance compares favorably to original legislative projected estimates of $7.5 million for the same period. The increase in fund balance is primarily attributable to the following:

Revenue Increase	$ 5.1
Net Budget Decrease (Net Appropriations less lapses)	$20.4

The Department as a result of the legislative budget process in the 2011 Session, reduced Department total highway appropriations by $27.5 million over the biennium ending FY 2013.

Non-recurring revenue enhancements to the Highway Fund for the current biennium include $26 million each fiscal year from the Turnpike fund as a result of the legislatively approved transfer of a 1.6 mile segment of I-95 in Portsmouth. One-time revenue enhancements to the Highway Fund, primarily the aforementioned transfer from the Turnpike fund, which will total $102 million for the period fiscal year 2010 through fiscal year 2013, have temporarily stabilized the Highway Fund. A temporary registration surcharge in fiscal years 2010 and 2011 provided an additional one-time revenue enhancement of $73 million (net of $17 million Betterment enhancement). The Highway Fund, without these revenue sources in the next biennium, is projected to return to operating deficits in fiscal year 2015.

The attached Comparative Statement of Operating & Capital Undesignated Surplus is presented in a format required by GARVEE Bond Debt covenants which require additional detailed financial reporting of Federal Funds. The Statewide CAFR reporting for the Highway Fund for the year ended June 30, 2012 also reflects this detail by adding a column to distinguish Federal Funds including GARVEE bond proceeds from other Highway Capital Funds. The result is a useful distinction of capital between State funded and Federal funded capital. The Surplus Statement has been modified to report in the same manner as the Statewide CAFR.

Due to budget constraints, the Department has also utilized Turnpike Toll Credits to support the Highway Fund by increasing federal participation on qualified federal reimbursed projects. The effect of this is to reduce capital construction as there is no longer a state participating hard match from the Highway Fund. In fiscal year 2012, this amounted to $28.9 million or approximately $60 million over the biennium. This credit is dependent upon future federal funding, continued federal program acceptance and annual increases in Turnpike capital expenditures in order to receive federal credit.

The projected financial information provided on the attached schedules reflect activity of the Highway Fund on a cash basis with estimated GAAP adjustments. Further adjustments for payroll, accounts receivables/payables, appropriation and lapse adjustments are anticipated and will affect the final outcome of the activity reported on these schedules.

The Department will continue to monitor revenue and expenditures of the fund. The Department is available for any questions you may have.

Sincerely,

Christopher D. Clement, Sr.
Commissioner

ATTACHMENTS

Highway Fund
Comparative Statement of Operating and Capital Undesignated Surplus
Department of Transportation

Division of Finance
(000'S)

	A	T	U	V	W	X	AB	AC	AD	AE	AF
6	MARCH 31, 2013 ACTUAL	FY 2012 - Audited					FY 2013 Budget - Projected				
7-9	TO	AUDITED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL	REVISED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL
10	Balance, July 1 (Budgetary)	58,721	(17,883)	164,314	146,431	205,152	50,269	803	296,126	296,929	347,198
11											
12	Additions:										
13	Unrestricted Revenue:										
14	Gasoline Road Toll	123,168				123,168	123,445				123,445
15	Motor Vehicle Fees	104,402				104,402	99,767				99,767
16	UCRS DOS Fees	1,770				1,770	1,735				1,735
17	Court Fine Revenue	7,832				7,832	7,200				7,200
18	Miscellaneous Revenue Sub-Total	46,661				46,661	44,000				44,000
19	Other	3,386				3,386	5,000				5,000
20	Federal OH Billing	14,945				14,945	11,000				11,000
21	ROW Property Sales	877				877	2,000				2,000
22	I-95/1.6 mile Sale	26,035				26,035	26,000				26,000
23	Retro Turnpike Toll Credits	1,418				1,418	-				-
24	Bonds Authorized & Unissued			250,000	250,000	250,000					
25	Total Additions	283,833		250,000	250,000	533,833	276,147	-	-	-	276,147
26											
27	Operating Budget Appropriations										
28	Appropriations DOT Net of Estimated Revenues	(178,695)			-	(178,695)	(171,162)			-	(171,162)
29	GARVEE Bond Proceeds	-		(114,995)	(114,995)	(114,995)	-			-	-
30	Municipal Aid (Block Grant, SAB, SAC)	(34,538)	(9,720)		(9,720)	(44,258)	(30,250)	(8,520)		(8,520)	(38,770)
31	DOT Debt Service	(11,835)			-	(11,835)	(12,325)			-	(12,325)
32	Appropriations Safety & Other Net of Estimated Revenues	(78,611)			-	(78,611)	(80,854)			-	(80,854)
33											
34	Appropriaiton Adjustments										
35	DoIT Appropriation Reduction Ch 223:10, L2011				-	-	157				157
36	DOS Appropriation Reduction Ch 223:15, L2011	1,065			-	1,065	975			-	975
37	DOT Appropriation Reduction Ch 223:19, L2011	13,730			-	13,730	13,833			-	13,833
38	DRED Appropriations & PY Adjustment Ch 223:22, L2011				-	-					-
39	Retirement System Savings 5-7% Employ Incr Ch 224:202, L2011	3,342			-	3,342	3,095				3,095
40	Compensation and Benefit Reduction Ch 224:202, L2011	5,781			-	5,781	6,942			-	6,942
41	Business Process Consolidation Ch 224:85, L2011				-	-					-
42	Settlement Payments RSA 99-D:2				-	-	(20)				(20)
43	Transfers from Highway Surplus RSA 228:12				-	-	(2,494)				(2,494)
50											
51						-					
52	Lapses DOT	10,979	485		485	11,464	6,689			-	6,689
53	Lapses Safety & Other	4,210			-	4,210	2,669			-	2,669
54											
55					-	-				-	-
56											
57	Refunded Road Toll	(2,985)				(2,985)	(3,000)			-	(3,000)
58											
59	Net Appropriations	(267,557)	(9,235)	(114,995)	(124,230)	(391,787)	(265,745)	(8,520)	-	(8,520)	(274,265)
60											
61											
62	Current Year Balance	16,276	(9,235)	135,005	125,770	142,046	10,402	(8,520)	-	(8,520)	1,882
63											
64	Transfer to Capital Account	(24,728)	27,921	(3,193)	24,728	-	(8,500)	8,500		8,500	-
65											
66	Balance, June 30 (Budgetary)	50,269	803	296,126	296,929	347,198	52,171	783	296,126	296,909	349,080
67											-
68	GAAP Adjustments	(16,397)	(803)	(295,206)	(296,009)	(312,406)	(16,400)	(803)	(295,000)	(295,803)	(312,203)
69											-
70	Balance, June 30 (GAAP)	33,872	-	920	920	34,792	35,771	(20)	1,126	1,106	36,877

Highway Fund
Comparative Statement of Operating and Capital Undesignated Surplus
Department of Transportation

Division of Finance
(000'S)

Row	DECEMBER 31, 2013 ACTUAL	FY 2012 AUDITED: AUDITED HIGHWAY OPERATING	FY 2012 AUDITED: STATE FUNDED CAPITAL	FY 2012 AUDITED: FHWA TRUST FUND	FY 2012 AUDITED: TOTAL HIGHWAY CAPITAL	FY 2012 AUDITED: TOTAL	FY 2013 Projected Budget: REVISED HIGHWAY OPERATING	FY 2013 Projected Budget: STATE FUNDED CAPITAL	FY 2013 Projected Budget: FHWA TRUST FUND	FY 2013 Projected Budget: TOTAL HIGHWAY CAPITAL	FY 2013 Projected Budget: TOTAL
		T	U	V	W	X	AB	AC	AD	AE	AF
10	Balance, July 1 (Budgetary)	58,721	(17,883)	164,314	146,431	205,152	50,269	803	296,126	296,929	347,198
11											
12	Additions:										
13	Unrestricted Revenue:										
14	Gasoline Road Toll	123,168				123,168	123,445				123,445
15	Motor Vehicle Fees	104,402				104,402	99,767				99,767
16	UCRS DOS Fees	1,770				1,770	1,735				1,735
17	Court Fine Revenue	7,832				7,832	7,200				7,200
18	Miscellaneous Revenue	46,661				46,661	44,000				44,000
19	Other	3,386				3,386	5,000				5,000
20	Federal OH Billing	14,945				14,945	11,000				11,000
21	ROW Property Sales	877				877	2,000				2,000
22	I-95/1.6 mile Sale	26,035				26,035	26,000				26,000
23	Retro Turnpike Toll Credits	1,418				1,418	-				-
24	Bonds Authorized & Unissued			250,000	250,000	250,000					
25	Total Additions	283,833	-	250,000	250,000	533,833	276,147	-	-	-	276,147
26											
27	Operating Budget Appropriations										
28	Appropriations DOT Net of Estimated Revenues	(178,695)			-	(178,695)	(171,162)			-	(171,162)
29	Appropriations - GARVEE Bond Proceeds	-		(114,995)	(114,995)	(114,995)	-			-	-
30	Municipal Aid (Block Grant, SAB, SAC)	(34,538)	(9,720)		(9,720)	(44,258)	(30,250)	(8,520)		(8,520)	(38,770)
31	Debt Service	(11,835)			-	(11,835)	(12,325)			-	(12,325)
32	Appropriations Safety & Other Net of Estimated Revenues	(78,611)			-	(78,611)	(80,854)			-	(80,854)
33											
34	Appropriaiton Adjustments										
35	DoIT Appropriation Reduction Ch 223:10, L2011				-	-	157				157
36	DOS Appropriation Reduction Ch 223:15, L2011	1,065			-	1,065	975			-	975
37	DOT Appropriation Reduction Ch 223:19, L2011	13,730			-	13,730	13,833			-	13,833
38	DRED Appropriations & PY Adjustment Ch 223:22, L2011				-	-					-
39	Retirement System Savings 5-7% Employ Incr Ch 224:202, L2011	3,342			-	3,342	3,094				3,094
40	Compensation and Benefit Reduction Ch 224:202, L2011	5,781			-	5,781	6,942			-	6,942
41	Business Process Consolidation Ch 224:85, L2011				-	-					-
42	Settlement Payments RSA 99-D:2				-	-	(20)				(20)
43	Transfers from Highway Surplus RSA 228:12				-	-	(852)				(852)
50											
51						-					
52	Lapses DOT	10,979	485		485	11,464	6,689			-	6,689
53	Lapses Safety & Other	4,210			-	4,210	2,669			-	2,669
56											
57	Refunded Road Toll	(2,985)			-	(2,985)	(3,000)			-	(3,000)
58											
59	Net Appropriations	(267,557)	(9,235)	(114,995)	(124,230)	(391,787)	(264,104)	(8,520)	-	(8,520)	(272,624)
60											
61											
62	Current Year Balance	16,276	(9,235)	135,005	125,770	142,046	12,043	(8,520)	-	(8,520)	3,523
63		-									
64	Transfer to Capital Account	(24,728)	27,921	(3,193)	24,728	-	(8,500)	8,500		8,500	-
65											
66	Balance, June 30 (Budgetary)	50,269	803	296,126	296,929	347,198	53,812	783	296,126	296,909	350,721
67											-
68	GAAP Adjustments	(16,397)	(803)	(295,206)	(296,009)	(312,406)	(16,400)	(803)	(295,000)	(295,803)	(312,203)
69											-
70	Balance, June 30 (GAAP)	33,872	-	920	920	34,792	37,412	(20)	1,126	1,106	38,518

Highway Fund
Comparative Statement of Operating and Capital Undesignated Surplus
Department of Transportation

Division of Finance
(000'S)

Row	A	T	U	V	W	X	AB	AC	AD	AE	AF
6	SEPTEMBER 30, 2013 ACTUAL	FY 2012 AUDITED					FY 2013 Projected Budget				
7-9		AUDITED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL	REVISED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL
10	Balance, July 1 (Budgetary)	58,721	(17,883)	164,314	146,431	205,152	50,269	803	296,126	296,929	347,198
11											
12	Additions:										
13	Unrestricted Revenue:										
14	Gasoline Road Toll	123,168				123,168	123,445				123,445
15	Motor Vehicle Fees	104,402				104,402	99,767				99,767
16	UCRS DOS Fees	1,770				1,770	1,735				1,735
17	Court Fine Revenue	7,832				7,832	7,200				7,200
18	Miscellaneous Revenue	46,661				46,661	44,000				44,000
19	Other	3,386				3,386	5,000				5,000
20	Federal OH Billing	14,945				14,945	11,000				11,000
21	ROW Property Sales	877				877	2,000				2,000
22	I-95/1.6 mile Sale	26,035				26,035	26,000				26,000
23	Retro Turnpike Toll Credits	1,418				1,418	-				-
24	Bonds Authorized & Unissued			250,000	250,000	250,000					
25	Total Additions	283,833	-	250,000	250,000	533,833	276,147	-	-	-	276,147
26											
27	Operating Budget Appropriations										
28	Appropriations DOT Net of Estimated Revenues	(178,695)			-	(178,695)	(171,162)			-	(171,162)
29	Appropriations - GARVEE Bond Proceeds	-		(114,995)	(114,995)	(114,995)	-			-	-
30	Municipal Aid (Block Grant, SAB, SAC)	(34,538)	(9,720)		(9,720)	(44,258)	(30,250)	(8,520)		(8,520)	(38,770)
31	Debt Service	(11,835)			-	(11,835)	(12,325)			-	(12,325)
32	Appropriations Safety & Other Net of Estimated Revenues	(78,611)			-	(78,611)	(80,854)			-	(80,854)
33											
34	Appropriaiton Adjustments										
35	DoIT Appropriation Reduction Ch 223:10, L2011				-	-	157				157
36	DOS Appropriation Reduction Ch 223:15, L2011	1,065			-	1,065	975			-	975
37	DOT Appropriation Reduction Ch 223:19, L2011	13,730			-	13,730	13,833			-	13,833
38	DRED Appropriations & PY Adjustment Ch 223:22, L2011				-	-					-
39	Retirement System Savings 5-7% Employ Incr Ch 224:202, L2011	3,342			-	3,342	3,094				3,094
40	Compensation and Benefit Reduction Ch 224:202, L2011	5,781			-	5,781	5,311			-	5,311
41	Business Process Consolidation Ch 224:85, L2011				-	-					-
42	Settlement Payments RSA 99-D:2				-	-	(20)				(20)
43	Transfers from Highway Surplus RSA 228:12				-	-	(675)				(675)
50											
51						-					
52	Lapses DOT	10,979	485		485	11,464	6,689			-	6,689
53	Lapses Safety & Other	4,210			-	4,210	2,669			-	2,669
56											
57	Refunded Road Toll	(2,985)			-	(2,985)	(3,000)			-	(3,000)
58											
59	Net Appropriations	(267,557)	(9,235)	(114,995)	(124,230)	(391,787)	(265,558)	(8,520)	-	(8,520)	(274,078)
60											
61											
62	Current Year Balance	16,276	(9,235)	135,005	125,770	142,046	10,589	(8,520)	-	(8,520)	2,069
63		-									
64	Transfer to Capital Account	(24,728)	27,921	(3,193)	24,728	-	(8,500)	8,500		8,500	-
65											
66	Balance, June 30 (Budgetary)	50,269	803	296,126	296,929	347,198	52,358	783	296,126	296,909	349,267
67											-
68	GAAP Adjustments	(16,397)	(803)	(295,206)	(296,009)	(312,406)	(16,400)	(803)	(295,000)	(295,803)	(312,203)
69											-
70	Balance, June 30 (GAAP)	33,872	-	920	920	34,792	35,958	(20)	1,126	1,106	37,064

	A	P	T	U	V	W	X	Y	AB	AC	AD	AE	AF
1													
2													
3													
4	Division of Finance												
5	(000'S)												
6	JUNE 30, 2012 AUDITED		FY 2012 AUDITED						FY 2013 Projected Budget				
7-9			AUDITED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL		REVISED HIGHWAY OPERATING	STATE FUNDED CAPITAL	FHWA TRUST FUND	TOTAL HIGHWAY CAPITAL	TOTAL
10	Balance, July 1 (Budgetary)		58,721	(17,883)	164,314	146,431	205,152		50,269	803	296,126	296,929	347,198
11													
12	Additions:												
13	Unrestricted Revenue:												
14	Gasoline Road Toll		123,168				123,168		123,445				123,445
15	Motor Vehicle Fees		104,402				104,402		99,767				99,767
16	UCRS DOS Fees		1,770				1,770		1,735				1,735
17	Court Fine Revenue		7,832				7,832		7,200				7,200
18	Miscellaneous Revenue		46,661				46,661		44,000				44,000
19	Other		3,386				3,386		5,000				5,000
20	Federal OH Billing		14,945				14,945		11,000				11,000
21	ROW Property Sales		877				877		2,000				2,000
22	I-95/1.6 mile Sale		26,035				26,035		26,000				26,000
23	Retro Turnpike Toll Credits		1,418				1,418		-				-
24	Bonds Authorized & Unissued				250,000	250,000	250,000						
25	Total Additions		283,833	-	250,000	250,000	533,833		276,147	-	-	-	276,147
26													
27	Operating Budget Appropriations												
28	Appropriations DOT Net of Estimated Revenues		(178,695)			-	(178,695)		(171,162)			-	(171,162)
29	Appropriations - GARVEE Bond Proceeds		-		(114,995)	(114,995)	(114,995)		-			-	-
30	Municipal Aid (Block Grant, SAB, SAC)		(34,538)	(9,720)		(9,720)	(44,258)		(30,250)	(8,520)		(8,520)	(38,770)
31	Debt Service		(11,835)			-	(11,835)		(12,325)			-	(12,325)
32	Appropriations Safety & Other Net of Estimated Revenues		(78,611)			-	(78,611)		(80,854)			-	(80,854)
33													
34	Appropriaiton Adjustments												
35	DoIT Appropriation Reduction Ch 223:10, L2011					-	-		157				157
36	DOS Appropriation Reduction Ch 223:15, L2011		1,065			-	1,065		975			-	975
37	DOT Appropriation Reduction Ch 223:19, L2011		13,730			-	13,730		13,833			-	13,833
38	DRED Appropriations & PY Adjustment Ch 223:22, L2011					-	-						-
39	Retirement System Savings 5-7% Employ Incr Ch 224:202, L2011		3,342				3,342		3,094				3,094
40	Compensation and Benefit Reduction Ch 224:202, L2011		5,781			-	5,781		6,942			-	6,942
41	Business Process Consolidation Ch 224:85, L2011					-	-						-
42	Settlement Payments RSA 99-D:2					-	-					-	-
43	Transfers from Highway Surplus RSA 228:12					-	-					-	-
50													-
51							-						
52	Lapses DOT		10,979	485		485	11,464		6,689			-	6,689
53	Lapses Safety & Other		4,210			-	4,210		2,669			-	2,669
56													
57	Refunded Road Toll		(2,985)			-	(2,985)		(3,000)			-	(3,000)
58													
59	Net Appropriations		(267,557)	(9,235)	(114,995)	(124,230)	(391,787)		(263,232)	(8,520)	-	(8,520)	(271,752)
60													
61													
62	Current Year Balance		16,276	(9,235)	135,005	125,770	142,046		12,915	(8,520)	-	(8,520)	4,395
63													
64	Transfer to Capital Account		(24,728)	27,921	(3,193)	24,728	-		(8,500)	8,500		8,500	-
65													
66	Balance, June 30 (Budgetary)		50,269	803	296,126	296,929	347,198		54,684	783	296,126	296,909	351,593
67													-
68	GAAP Adjustments		(16,397)	(803)	(295,206)	(296,009)	(312,406)		(16,400)	(803)	(295,000)	(295,803)	(312,203)
69													-
70	Balance, June 30 (GAAP)		33,872	-	920	920	34,792		38,284	(20)	1,126	1,106	39,390

Highway Fund

Comparative Statement of Operating and Capital Undesignated Surplus

Department of Transportation