



Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE 2019
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

Division of Operations
March 5, 2019

FIS 19-065 (Replacement)

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

REQUESTED ACTION

Pursuant to RSA 228:12, authorize the Department of Transportation to transfer \$4,646,400 from the Highway Surplus Account to fund winter maintenance activities effective upon Fiscal Committee and Governor and Council approval through June 30, 2019. 100% Highway Funds.

Funds are to be budgeted as follows:

From: 04-096-096-960015-363615-0000 Highway Surplus Account \$4,646,400

04-096-096-960515-2928	Current Budget FY2019	Requested Change	Revised Budget FY2019
Winter Maintenance			
Expenses:			
017 500147 FT Employees Special Payment	\$544,320	\$0	\$544,320
018 500106 Overtime	4,471,556	900,000	5,371,556
019 500105 Holiday Pay	33,109	0	33,109
020 500200 Current Expense	13,511,846	3,000,000	16,511,846
022 500257 Rents-Leases Other than State	9,137,367	500,000	9,637,367
023 500291 Heat, Electricity, Water	867,060	0	867,060
024 500225 Maint. Other than Bldg-Grounds	40,803	30,000	70,803
030 500311 Equipment New Replacement	454,361	0	454,361
037 500174 Technology-Hardware	42,581	0	42,581
039 500180 Telecommunications	117,119	0	117,119
047 500240 Own Forces Maint Bldgs & Grnds	12,230	0	12,230
048 500226 Contractual Maint Bldgs & Grnds	22,336	20,000	42,336
050 500109 Personal Service Temp	180,000	20,000	200,000
060 500601 Benefits	923,478	136,400	1,059,878
070 500704 In-State Travel Reimbursement	140,291	40,000	180,291
103 500741 Contracts for Op Services	56,111	0	56,111
Total	\$30,554,568	\$4,646,400	\$35,200,968
Source of Funds			
Revenue:			
000-000015 Highway Funds	\$30,554,568	\$4,646,400	\$35,200,968
Total	\$30,554,568	\$4,646,400	\$35,200,968

EXPLANATION

The Department requests authorization to transfer from the Highway Surplus Account, the amount of \$4,646,400 for winter maintenance activities. Specific explanations relating to the Department's spending requests are as follows:

Winter Maintenance (2928) 100% Highway Funds

- Class 018 Increase Overtime by \$900,000
- Class 020 Increase Current Expenses by \$3,000,000
- Class 022 Increase Rents-Leases Other than State by \$500,000
- Class 024 Increase Maint Other than Bldg-Grounds by \$30,000
- Class 048 Increase Contractual Maint Bldgs-Grnds by \$20,000
- Class 050 Increase Personal Service Temp Appoint by \$20,000
- Class 060 Increase Benefits by \$136,400
- Class 070 Increase In State Travel Reimbursement by \$40,000

Due to projected costs of winter maintenance, the expenditures in the above class lines for snow removal and related activities will exceed the budget. Specifically there are projected increased costs in overtime for Highway Maintainers (Class 18), regular pay for other non-Highway Maintainer employees who plow (Class 50), associated taxes and benefits (Class 60), additional callouts (especially in the North Country - Class 70), the need for additional salt/sand (Class 20), an increase in rented equipment (Class 22), an increase in plow repairs (Class 24), and the repair of furnaces which are under greater demand since wood stoves were banned from use per State Fire Marshall's report (Class 48).


For budgeting purposes, the Department estimates winter maintenance activities over a five-year average. However, for the fiscal year 2019 budget, winter maintenance activities were funded \$6.7M below the five-year average (2019 budget: \$41.1M vs. Five-year average: \$47.8M). In January 2019 (Fiscal Committee-January 4th and Governor & Council- January 9th, Item #12), the Department requested and was approved a transfer from the Highway Surplus Account in the amount of \$6.48M for winter maintenance activities. At this time, the Department is estimating that it will need an additional \$4.65M from the Undesignated Highway Fund balance for winter maintenance. Any funds not expended will be lapsed back into the Highway Fund during fiscal year end close.

Transfer requests and amounts lapsed for winter maintenance activities for the past five years (2014-2018) and FY 2019 needs as follows:

Fiscal Year	2014	2015	2016	2017	2018	2019
Transfer Requested	\$9,018,000	\$8,835,000	\$0	\$9,105,750	\$10,197,000	\$11,126,400
Lapsed Funds related to Winter Maintenance Transfer Request	1,184,756	993,439	0	562,396	1,304,343	0
Transfer Funds Expended For Winter Maintenance Activities	\$7,833,244	\$7,841,561	\$0	\$8,543,354	\$ 8,892,657	\$11,126,400

Your approval of this resolution is respectfully requested.

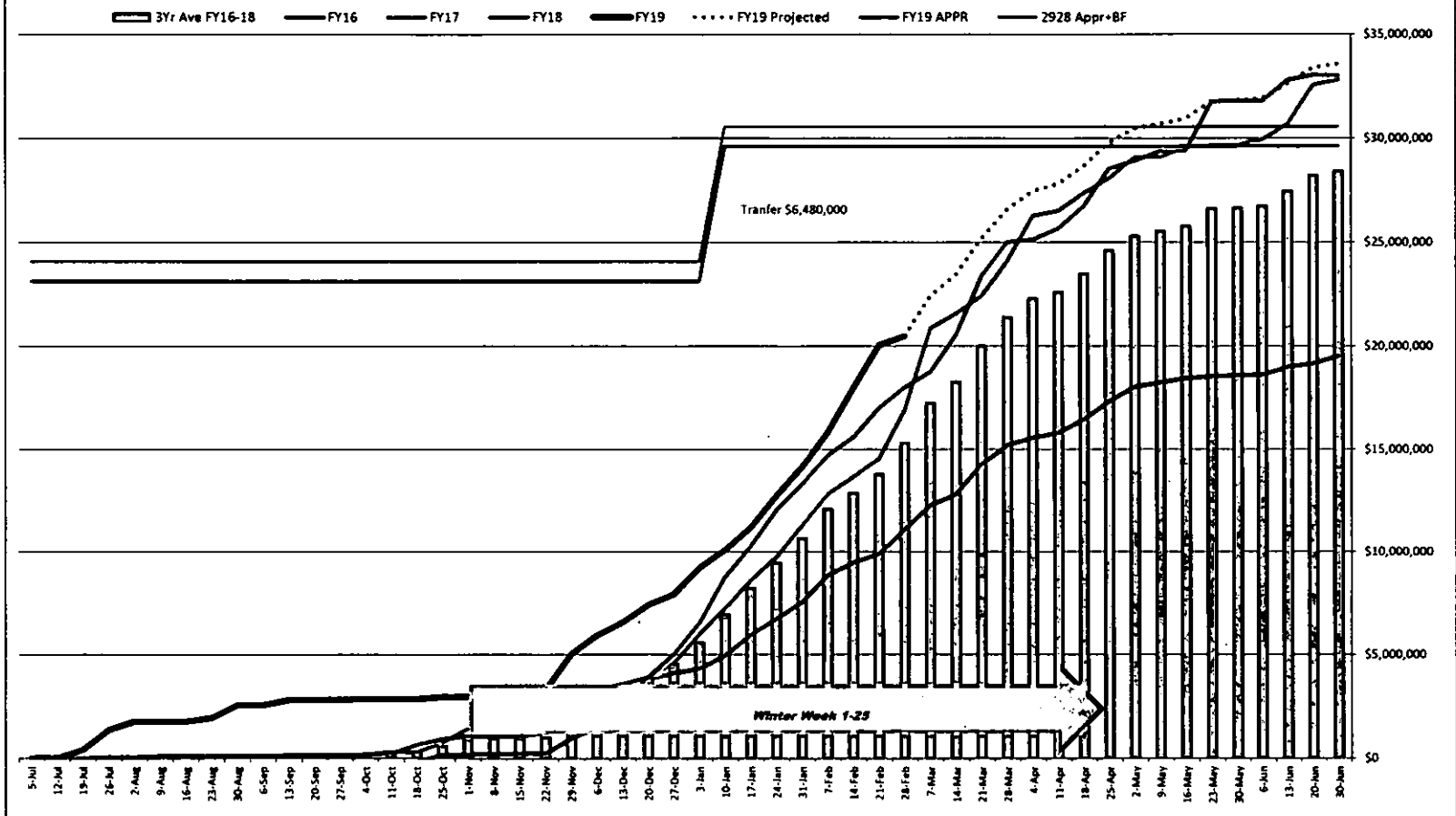
Sincerely,



Victoria F. Sheehan
Commissioner

Attachments

Winter Org 2928 Expenditures



2928 Graph

**State of New Hampshire - Dept of Administrative Services
Preliminary Unaudited Surplus Statement - Highway Fund
Fiscal Years 2018 Actual with 2019 Revised Budget**

2/12/19

(expressed in millions)

Actual
Per CAFR

Revised
Estimate
**

	Actual	Projected
	FY 2018	FY 2019
Undesignated Fund Balance, July 1 (Budgetary)	\$ 74.1	\$ 72.7
Additions:		
Unrestricted Revenue		
Gasoline Tax	127.9	129.0
Motor Vehicle Fees	121.4	120.0
Other	0.2	0.2
Less: Cost of Collections-Safety	(25.8)	(30.0)
Total Additions	223.7	219.2
Deductions:		
Appropriations Net of Estimated Revenues-DOT	(203.3)	(207.1)
Appropriations Net of Estimated Revenues-Safety	(34.6)	(31.8)
Appropriations Net of Estimated Revenues-Judicial Branch & BEA		(2.4)
Appropriations Net of Estimated Revenue SUBTOTAL	(237.9)	(241.3)
Additional Appropriations:		
Transfer from Highway Surplus - Winter Maintenance	(10.2)	(6.4)
Other Appropriation Adjustments	(1.1)	
Less Lapse:		
Lapse-Transportation	23.3	18.5
Lapse-Safety/Other	2.6	3.0
Subtotal Lapse	25.9	21.5
Other Credits (Debits)	(1.8)	0.6
Total Deductions	(225.1)	(225.6)
Current Year Activity	(1.4)	(6.4)
Total Fund Balance, June 30 (Budgetary)	72.7	66.3
GAAP and Other Adjustments	(28.5)	(24.0)
Undesignated Fund Balance, June 30 (GAAP)	44.2	42.3

** FY19 reflects the Committee of Conference surplus statement, plus any additional appropriations through 2/12/19, with revised revenue and lapse estimates.

Note: Budgetary balances and GAAP adjustments do not include bonds authorized/unissued.