



AGENDA ITEM #: 17-104  
COUNCIL MTG OF: August 15, 2017  
FROM: David Caron, Town Administrator  
OFFERED BY: Michael A. Fowler, P. E., Public Works Director  
PREPARED BY: Michael A. Fowler, P. E., Public Works Director  
SUBJECT: FY2018 Supplemental Appropriation – Highway Block Grant

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STAFF REPORT  
*Public Hearing 9-5-17*

#### PURPOSE

The purpose of this document is request approval by the Town Council for a supplemental appropriation required in order to accept and spend additional funds provided to the Town of Derry through the Highway Block Grant program, made available after the adoption of the FY 2018 Town budget.

#### TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to schedule a public hearing on this matter on September 5 and to accept these funds at the conclusion of the public hearing.

#### BACKGROUND

A pool of funds from fuel taxes is traditionally apportioned to communities via formulas set forth in the Highway Block Grant program. Derry traditionally receives approximately \$666,000 annually from this grant. These funds are booked as revenue into the annual DPW budget and used for the purpose of the pavement management program.

In the state budget cycle, an additional \$30 million from surplus was appropriated for the purpose of a one-time supplemental Highway Block Grant. Derry's share will be \$578,085.30.

#### DISCUSSION

Based on guidance received from NH Department of Revenue Administration, these funds are deemed to be unanticipated revenues and a public hearing must be set to accept and spend these funds pursuant to RSA 31:95 b II. Further, these funds must be spent on highway construction, reconstruction or maintenance.

Town Council has approved \$1,449,625 in the FY 18 budget for pavement management. This grant in the amount of \$578,085.30 will bring the new figure to \$2,027,710.30 in line 18422001 430014. The DPW Engineering division has compiled a list of streets originally scheduled for FY 19 and FY 20 to move forward in FY 18 in the amount of the supplemental appropriation.

#### FISCAL IMPACT

No impact to the tax rate. The new revenue and expenditure figures will offset.

#### RECOMMENDED ACTION BY COUNCIL

It is recommended that the Town Council, vote to schedule a public hearing at the next available date.

RECOMMENDED MOTION

See attached resolution #17-054