



The State of New Hampshire

Annual Report
of the
Treasury

for the
FISCAL YEAR ENDED JUNE 30, 2005

Michael A. Ablowich
State Treasurer
Concord, New Hampshire
2005

TABLE OF CONTENTS

LETTER OF TRANSMITTAL.....	2
SELECTED STATE OFFICIALS	3
OVERVIEW OF TREASURY.....	4
CASH MANAGEMENT.....	4
TRUST AND AGENCY ACCOUNTS.....	5
DEBT MANAGEMENT.....	5
TURNPIKE REVENUE BONDS.....	6
ABANDONED PROPERTY.....	6
COLLEGE SAVINGS PLANS.....	7
TREASURY ACCOMPLISHMENTS.....	7
EXHIBIT 1 STATE TREASURERS.....	8
EXHIBIT 2 ORGANIZATIONAL CHART (Removed for Web version).....	10
EXHIBIT 3 COMPARATIVE STATEMENT OF RECEIPTS AND DISBURSEMENTS.....	11
EXHIBIT 4 CASH BALANCES BY FUND.....	12
EXHIBIT 5 TRUST AND ESCROW ACCOUNTS.....	13
EXHIBIT 6 FUTURE DEBT SERVICE PAYMENTS FOR GENERAL OBLIGATION AND TURNPIKE REVENUE BONDS.....	14
EXHIBIT 7 AUTHORIZED BUT UNISSUED STATE GUARANTEED DEBT.....	15
EXHIBIT 8 REVOLVING FUNDS (PETTY CASH) IN POSSESSION OF VARIOUS DEPARTMENTS.....	16

Michael A. Ablowich
State Treasurer



**THE STATE OF NEW HAMPSHIRE
TREASURY DEPARTMENT**

25 Capitol Street, Room 121
Concord, N.H. 03301
603 271-2621
FAX 603 271-3922
TDD Access: Relay NH 1-800-735-2964
<http://www.state.nh.us/treasury>

October 12, 2005

To His Excellency the Governor and the Honorable Council:

Pursuant to, RSA 6:17, RSA 6:43, RSA 11:5-b and RSA 20:7, I am pleased to submit the State Treasurer's Annual Report for the fiscal year ended June 30, 2005 for your approval. Attached as Exhibit 5 of this report, you will find information that I have included as custodian of the State's trust funds.

Under Chapter 6 of the Revised Statutes Annotated (RSA), the New Hampshire Treasury is charged with executing a variety of financial management tasks. The Treasury performs internal bank and investment management functions for the State's funds; issues the State's general obligation and revenue bonds, and pursuant to RSA 471-C, is responsible for acquiring and returning all financial property that qualifies as abandoned property under the law.

Please note that all the information contained in this report is unaudited and subject to change pending the audit of the State's Comprehensive Annual Financial Report.

I would like to use this letter as an opportunity to remember one of our Treasury staff, Leslie Stephenson, who passed away this past year. Les was a valued member of the Treasury team and will be sorely missed by his family, friends, and co-workers.

The staff of the Treasury and I personally look forward to the challenges of the next fiscal year as we strive to constantly improve the wide range of financial management services we provide to the residents of New Hampshire and all branches of State government.

Respectfully submitted,

Michael A. Ablowich
State Treasurer



State of New Hampshire
Selected State Officials
For the Fiscal Year Ended June 30, 2005

EXECUTIVE BRANCH

Governor

John Lynch

Executive Council

Raymond S. Burton, District 1

Peter J. Spaulding, District 2

Ruth L. Griffin, District 3

Raymond J. Wieczorek, District 4

Debora Pignatelli, District 5

Acting Attorney General

Kelly Ayotte

Commissioner of Administrative Services

Donald S. Hill

State Treasurer

Michael A. Ablowich

Secretary of the State

William M. Gardner

LEGISLATIVE BRANCH

President of the Senate

Thomas R. Eaton

24 Senators

Speaker of the House of Representatives

W. Douglas Scammon

400 Representatives

JUDICIAL BRANCH

Chief Justice of the Supreme Court

John T. Broderick Jr.

OVERVIEW OF TREASURY

Part 2; Article 67 of the New Hampshire Constitution establishes the position of the Treasurer of the State of New Hampshire. In accordance with the Constitution, the Treasurer is elected by a joint session of the Senate and the House of Representatives (the General Court). This election takes place on the first Wednesday of December following the biennial election when the newly elected General Court meets for organizational purposes. Upon the death, resignation, or removal of the Treasurer, the Governor, with the advice of the council, shall appoint some suitable person as commissioner to take charge of the money, books and papers in the office, and to perform all the duties of treasurer until a treasurer is elected and qualified in accordance with RSA 6:20. In colonial periods the treasurer was appointed by the chief executive and frequently the same person was secretary of the province and treasurer. Exhibit 1 shows a list of the treasurers in the state's history, and the term of office each served.

Today's Treasury is responsible for a variety of financial management activities including cash management, debt management, and the unclaimed and abandoned property program. The Treasurer is a member of many boards and commissions including the New Hampshire Retirement System, the New Hampshire Municipal Bond Bank, the New Hampshire Business Finance Authority, the Nuclear Decommissioning Finance Committee and the College Tuition Savings Plan Advisory Commission. The Treasurer is also the trustee of many trust, custodial and escrow funds including the UNIQUE College Investing Plan, the Fidelity Advisor 529 Plan and the Nuclear Decommissioning Trust for the Seabrook Station.

The current authorized staffing of the Treasury is 26, however, in the 2006/2007 budget there is only funding for 24 staff. Exhibit 2 shows an organization chart. (For the version of this report published on the internet this page will be blank.)

CASH MANAGEMENT

The Treasury is responsible for a broad array of cash management activities related to its role as the state's "bank". It is the Treasury's responsibility to have the right amount of cash, when and where needed to finance the operating and capital budgets. This responsibility is accomplished in several ways including cash flow forecasting, collecting and concentrating funds, making disbursements, borrowing and investing available daily cash balances.

In fiscal year 2005, the Treasury managed receipts and disbursements of approximately \$4.5 billion. A list of receipts and disbursements by major fund category is included as Exhibit 3 to this report. On a year over year basis the state's total cash and investment balances, reported on a book basis decreased modestly. A list of cash and investment balances by major fund category is included in Exhibit 4 to this report.

The Treasury earned nearly \$8 million in investment income on available cash balances for all operating funds. Short term interest rates continued to inch upward as the Federal Reserve maintained a steady series of increases of .25% in the federal funds target rate through out the fiscal year. Beginning the year at 1% and ending the year at 3.25%, this target rate, by which many other short term investment vehicles are indexed was a major factor increasing this year's earnings. While overall fiscal year end cash balances declined roughly 7% from the prior fiscal year, the capital fund ended the year with a sharply lower balance on a year over year basis as all bond anticipation notes were repaid as of June 30, 2005 unlike the prior fiscal year which ended with \$50 million of short term debt outstanding.

In this fiscal year the Treasury continued its effort to convert the payment process for large vendors of the State from checks to electronic payments. While we have not yet reached our target of converting 20% of our check volume to electronic payments we did more than triple the number of payments being executed through electronic means from approximately 2% of total vendor payment volume to more than 7%. This 7% of total vendor payment volume, however represents over 60% of the total dollar volume of payments to vendors, not including payments to social service providers under the "New Heights", Medicaid ("EDS") or "Bridges" systems.

TRUST AND AGENCY ACCOUNTS

Pursuant to RSA 11:1, the State Treasurer acts as the custodian of "...all trust funds left to and accepted by the state..." As of June 30, 2005, the market value of those trust funds was over \$396 million, including nearly \$327 million for the Seabrook Decommissioning Trust Fund. The other \$69 million in custody is comprised of forty-three (43) separate trust funds, ranging in market value from just under \$4,000 to nearly \$21 million and ranging in investment objective from short-term liquidity to maximum capital gain.

These funds originated from a variety of sources and serve a wide variety of beneficiaries. A list of these trust and agency funds along with activity and balances for the fiscal year just ended is included as Exhibit 5.

The Seabrook Decommissioning Trust represents the cumulative contributions made by the owners of the Seabrook Nuclear Power Plant for the cost of future decommissioning as well as earnings on those contributions. During the past year the earnings on the fund have been in line with expectations with an approximate 6.5% return on a pre-tax basis. The trust is invested on the basis of elections of each individual owner. Those elections are subject to an investment policy approved by the State Treasurer and are influenced by the tax status of the earnings on particular assets in the trust. The fund is invested in a mix of fixed income securities (bonds), cash and equities (stocks). The allocation of the fund at year end was approximately 53% stocks and 47% bonds and cash.

With regard to the financial markets, the consensus forecast is that short term interest rates will continue to rise through calendar year end as they have during the past fiscal year. Longer term rates have remained surprisingly unchanged throughout the fiscal year. The equity markets ended the fiscal year modestly positive as evidenced with a 6.32% return on the S&P 500 index, markedly lower than the market's historical average of 10%.

DEBT MANAGEMENT

General obligation debt is paid from the State's taxes and other revenues, while turnpike revenue bonds are supported solely by tolls collected throughout the turnpike system. As of June 30, 2005, the outstanding general obligation debt was nearly \$634 million. Exhibit 6 shows the outstanding general obligation debt organized on the basis of the major categories from which it is paid. The vast majority of this debt is repaid from the general fund while the remaining balance is paid from a variety of dedicated user fees and fines.

The State's outstanding general obligation debt (including bond anticipation notes) has increased by a total of only 3% over the past 10 years. This is because the State has paid down about as much debt as was issued during this period. During this same time period the ratio of net general fund debt service (principal and interest payments) to unrestricted revenues has declined modestly. This ratio has generally moved in a range of between 6.0% and 7.0%. For fiscal year 2005 this figure is just under 6% but is expected to rise as unrestricted revenue growth is expected to flatten in State fiscal year 2006 compared to 2005 to adjust for changes in the State's revenue structure, primarily due to changes in the Medicaid program. The State's other debt ratios remain modest both on a historical basis and relative to other states.

In December 2004, the State issued \$60 million in variable rate general obligation capital improvement bonds. The rate on these bonds is determined every seven days through an auction process which allows investors to bid on the bonds. It is the first such permanent financing executed by the State with a variable rate. The final maturity on these bonds is in state fiscal year 2025, however the State will begin amortizing principal on these bonds in state fiscal year 2016.

In January 2005, the State issued \$42.8 million in general obligation taxable bonds with a yield of 4.33%. The proceeds of this bond issue were used to provide the initial funding of the new pension plan for State judges, as provided for in the Laws of 2003, Chapter 311. These bonds are being repaid in ten equal annual principal amounts beginning in state fiscal year 2006 and ending in 2015. The interest rate on these bonds, while

higher than a traditional tax-exempt borrowing was still far lower than the interest cost that the state would have been charged to amortize the unfunded liability associated with this new pension plan.

In January 2005, the State also issued \$15 million in traditional fixed rate, tax-exempt general obligation capital improvement bonds to provide permanent financing for a variety of capital projects previously authorized by the legislature. The bonds carried a yield of 3.78% which was very competitive compared to bonds issued by other highly rated municipalities in the market that same day. As has been the Treasury's past practice the final maturity of the bonds was approximately 20 years from date of issuance with 60% of the principal being repaid in the first 10 years of the life of the bonds and 40% in the second half of the life of the bonds.

In addition to being responsible for paying general obligation debt, the State is contingently liable for certain water pollution control bonds, school building, and landfill bonds issued by local government units up to statutorily prescribed limits as well as certain guarantees for the Pease Development Authority and Business Finance Authority. Contingent debt for these purposes totaled approximately \$101.3 million (principal amount) on June 30, 2005. A list of all guarantee programs and their capacities is in Exhibit 7.

The State also has an exposure for debt issued by municipalities through the Municipal Bond Bank. If any municipality that has issued through the Bond Bank fails to make scheduled debt payments and escrowed funds are not sufficient to cover missed payments, then the Bond Bank may ask the legislature for unappropriated funds to cover any shortfall. While this exposure exists, the level of its risk is not easily quantifiable to evaluate the potential on the State's credit rating.

At the end of the fiscal year our credit rating remained at AA from Standard and Poor's and Fitch ICBA and Aa2 from Moody's Investor Service. The outlook from each has been that our credit rating is stable. Each rating service feels that our robust local economy, conservative debt and financial policies have a positive influence on our credit standing.

TURNPIKE REVENUE BONDS

In addition to coordinating the issuance of general obligation debt the Treasury issues revenue bonds for the turnpike system. These bonds are repaid solely from the revenues (tolls) collected throughout the turnpike system. Total outstanding debt (principal only) of the Turnpike system as of June 30, 2005 was nearly \$309 million. Just over \$298 million of this total amount consists of revenue bonds with final maturities in fiscal year 2029. The remaining \$11 million consists of general obligation debt with final maturities in 2011.

ABANDONED PROPERTY

Treasury's Abandoned Property Division is charged with the task of locating, recovering and returning intangible properties to the rightful owner or heir. Typically, such properties are in the form of cash from dormant accounts but may also include securities such as stock or mutual funds in share form. These properties are reported and remitted by "holders" under the provisions of RSA 471-C. Typically, holders are entities such as banks, credit unions, corporations, utilities, insurance companies, retailers, as well as government agencies and municipalities.

In fiscal year 2005 holders reported and remitted cash in the amount of \$13.8 million and a total of 92,471 shares of stock and/or mutual funds. Over the past five (5) fiscal years the division has taken in approximately \$52.6 million and returned \$15.3 million to current and former residents of the state. On average, approximately \$10.5 million was remitted to the state and just over \$3.06 million was reclaimed each year. Treasury returned \$3.4 million to citizens as the result of the Abandoned Property Division's efforts in fiscal year 2005. A total of 4,783 claims were paid. The average claim paid was \$723. The largest individual claim was \$134,766 and the smallest was under a dollar (\$1).

Diligent efforts are made to assure that the property owners are made aware their property has been reported and remitted to the Treasury. An annual newspaper advertisement listing all names reported and their last known address is published in all counties of the state. Additionally, a mailing in the form of a post card notification is sent to the last known address of the reported owner. Further, the Abandoned Property Division

is a participant in MissingMoney.com web page a multi-state database affording ready access to any owner inquiring about a lost or abandoned account. Additionally, work is proceeding with the aim of updating and presenting a new and improved in-state database accessible to all via the Treasury's web page.

COLLEGE SAVINGS PLANS

As the fiscal year closed, Treasury and the College Tuition Savings Plan Advisory Commission completed the seventh year of sponsoring the UNIQUE College Investing Plan and the fourth of sponsoring the Fidelity Advisor 529 Plan. The combined assets for the two plans grew to approximately \$4.5 billion at the end of the fiscal year. There were over 405,000 accounts in the two plans.

Both Plans are very flexible and withdrawals can be used for a range of qualified higher education expenses such as books, required supplies, equipment, room and board, and tuition at accredited post-secondary schools, anywhere in the United States. There are no income limits on participation and participation is open to anyone, regardless of state of residence. The UNIQUE College Investing Plan is sold directly to retail investors, while the Fidelity Advisor 529 Plan is sold through financial intermediaries, such as financial planners, on a fee (commission) basis.

The New Hampshire Excellence in Higher Education Endowment Trust Fund (the "Trust Fund") was established under RSA 6:38. This Trust Fund is funded by receipts from a small administrative fee charged to both college investing plans. In fiscal year 2005 the Trust Fund awarded one hundred thirty-seven (137) scholarships equal to more than \$138,000 to New Hampshire students for the 2004-2005 academic year. This was an increase from seventy-seven scholarships the prior year. At the end of fiscal year 2005 the Trust Fund had a market value of just under \$15 million.

TREASURY ACCOMPLISHMENTS

Treasury has had a number of accomplishments over the past year. As a service provider to other State agencies these important changes could not have taken place without the full and enthusiastic cooperation of a variety of State agencies and private sector financial services firms.

"Check Match"

In fiscal year 2005 the Treasury information technology staff developed a new service that will enable State agencies to inquire as to the status of a State check through the internet rather than filing out and faxing a form. This new service allows the Treasury to respond more timely to inquiries from State agencies and taxpayers as to the status of a check or payment they may not have received or have a question about. This new system will also streamline the process by which the State executes due diligence to contact taxpayers or vendors who have not cashed a State check or deliver these checks to the Treasury's Abandoned Property Division.

Treasury Training

In October of fiscal year 2005, the Treasury held its first ever group training sessions for State agencies. The goal of the training sessions was to assist and guide agencies in their daily business interactions with Treasury and also to present a general overview of daily business processes and procedures. Some of the topics covered at the sessions were, cash receipts and deposits, electronic and paper vendor payments, direct deposit of payroll, outstanding and returned checks, replacement and emergency checks as well as credit card processing. The sessions were a success with approximately 175 representatives from over 60 State agencies, boards and divisions attending.

EXHIBIT 1**STATE TREASURERS**

Part 2; Article 67 of the New Hampshire Constitution establishes the position of the Treasurer of the State of New Hampshire. In accordance with the Constitution, the Treasurer is elected by a joint session of the Senate and the House of Representatives (the General Court). This election takes place on the first Wednesday of December following the biennial election when the newly elected General Court meets for organizational purposes. Upon the death, resignation, or removal of the Treasurer, the Governor, with the advice of the council, shall appoint some suitable person as commissioner to take charge of the money, books and papers in the office, and to perform all the duties of treasurer until a treasurer is elected and qualified in accordance with RSA 6:20. In colonial periods the Treasurer was appointed by the chief executive and frequently the same person was secretary of the province and treasurer. The following is a list of the Treasurers in the State's history, and their term of office.

Richard Martin, Portsmouth	1680 - 1684
Samuel Penhallow, Portsmouth	1684 - 1692
William Partridge, Portsmouth	1692 - 1695
George Jaffrey, Portsmouth	1695 - 1696
Joseph Smith, Hampton	1696 - 1696
William Vaughan, Portsmouth	1696 - 1698
Joseph Smith, Hampton	1698 - 1699
Samuel Penhallow, Portsmouth	1699 - 1726
George Jaffrey, Jr., Portsmouth	1726 - 1730
Henry Sherburne, Portsmouth	1730 - 1742
George Jaffrey, Jr., Portsmouth	1742 - 1749
George Jaffrey, 3rd, Portsmouth	1749 - 1776
Nicholas Gilman, Exeter	1776 - 1783
John T. Gilman, Exeter	1783 - 1789
William Gardner, Portsmouth	1789 - 1791
John T. Gilman, Exeter	1791 - 1794
Oliver Peabody, Exeter	1794 - 1804
Nathaniel Gilman, Exeter	1804 - 1809
Thomas W. Thompson, Salisbury	1809 - 1810
Nathaniel Gilman, Exeter	1810 - 1814
William Kent, Concord	1814 - 1816
William Pickering, Concord	1816 - 1828
Samuel Morrill, Concord	1828 - 1829
William Pickering, Concord	1829 - 1830
Abner B. Kelly, Warner	1830 - 1837
Zenas Clement, Concord	1837 - 1843
John Atwood, Concord	1843 - 1846
James Peverly, Jr., Concord	1846 - 1847
John Atwood, Concord	1847 - 1850
Edson Hill, Concord	1850 - 1853
Walter Harriman, Warner	1853 - 1855
William Berry, Barnstead	1855 - 1857
Peter Sanborn, Concord	1857 - 1871
Leander W. Cogswell	1871 - 1872
Solon A. Carter, Concord	1872 - 1874
Josiah G. Dearborn, Weare	1874 - 1875
Solon A. Carter, Concord	1875 - 1913

STATE TREASURERS, CONTINUED

George E. Farrand, Concord	1913 - 1914
J. Wesley Plummer, Concord	1914 - 1923
George E. Farrand, Concord	1923 - 1925
*Henry E. Chamberlin, Concord	1925 - 1929
Charles T. Patten, Nashua (Commissioner)	1929 - 1931
**Charles T. Patten, Nashua	1931 - 1936
F. Gordon Kimball, Concord (Commissioner)	1936 - 1937
F. Gordon Kimball, Concord	1937 - 1950
Remick Loughton, Portsmouth (Commissioner)	1950 - 1951
Winfield J. Phillips, Concord	1951 - 1952
Alfred S. Cloues, Warner (Commissioner)	1953
*Alfred S. Cloues, Warner	1953 - 1964
Robert W. Flanders, Concord (Commissioner)	1964 - 1965
**Robert W. Flanders, Concord	1965 - 1984
Martha M. Custer, Concord (Commissioner)	1984
**Georgie A. Thomas, Thornton	1984 - 2002
Michael A. Ablowich, Portsmouth (Commissioner)	2002
Michael A. Ablowich, Portsmouth	2003 - Present

* Died in Office **Resigned

EXHIBIT 2

Removed for web version.

EXHIBIT 3

COMPARATIVE STATEMENT OF RECEIPTS AND DISBURSEMENTS - *

	For Fiscal Year Ended		
	June 30, 2005	June 30, 2004	June 30, 2003
BEGINNING CASH BALANCE	\$450,617,895.54	\$355,949,924.24	\$418,883,779.11
RECEIPTS:			
GENERAL.....	\$2,975,188,131.22	\$2,796,151,775.47	\$2,587,498,447.86
LIQUOR.....	431,291,639.77	406,908,830.56	379,229,611.75
SWEEPSTAKES.....	122,608,765.01	248,958,055.40	117,250,137.28
HIGHWAY.....	416,565,892.83	404,384,966.67	395,784,685.84
TURNPIKE.....	72,172,375.21	78,997,040.47	67,518,746.87
FISH AND GAME.....	21,118,458.18	20,874,164.21	22,033,846.10
EMPLOYEE BENEFIT.....	16,420,561.28	10,533,093.89	0.00
CAPITAL.....	99,563,436.19	172,031,945.59	95,940,751.54
EDUCATION.....	345,617,644.36	329,920,900.91	322,550,863.03
SKYHAVEN.....	0.00	55,672.93	55,878.66
TOTALS.....	\$4,500,546,904.05	\$4,468,816,446.10	\$3,987,862,968.93
DISBURSEMENTS:			
GENERAL.....	\$2,822,872,060.66	\$2,643,356,200.34	\$2,627,479,170.60
LIQUOR.....	426,620,914.88	403,960,938.31	379,721,248.31
SWEEPSTAKES.....	51,193,013.62	172,577,815.02	49,390,953.86
HIGHWAY.....	329,189,498.94	320,372,480.74	335,948,895.03
TURNPIKE.....	69,736,477.28	78,959,543.04	64,417,991.07
FISH AND GAME.....	14,075,024.77	13,085,898.59	16,962,847.39
EMPLOYEE BENEFIT.....	195,252,155.30	121,507,883.46	0.00
CAPITAL.....	150,491,362.25	153,940,727.30	130,719,396.65
EDUCATION.....	470,869,505.48	466,331,315.07	446,100,442.23
SKYHAVEN.....	0.00	55,672.93	55,878.66
TOTALS.....	\$4,530,300,013.18	\$4,374,148,474.80	\$4,050,796,823.80
ENDING CASH BALANCE	\$420,864,786.41	\$450,617,895.54	\$355,949,924.24

*Prepared on the modified cash basis of accounting. Interfund transfers including payments from governmental funds into the employee benefits fund are not reflected in disbursements or revenue. The cash effect of these types of transactions are reflected in the ending fund balances shown on page 12.

EXHIBIT 4

STATEMENT OF CASH BALANCES BY FUND - *

FUND	For Fiscal Year Ended		
	June 30, 2005	June 30, 2004	June 30, 2003
GENERAL.....	\$214,920,479.54	\$208,248,045.13	\$136,205,588.24
LIQUOR.....	12,000.00	0.00	(522.79)
SWEEPSTAKES.....	1,002,860.96	3,977,604.64	1,203,778.82
HIGHWAY.....	110,464,427.23	110,409,502.44	96,759,967.05
TURNPIKE.....	70,302,593.54	81,357,348.45	93,855,608.01
FISH AND GAME.....	8,525,258.20	9,093,870.18	9,671,594.35
EMPLOYEE BENEFIT.....	16,826,413.45	3,244,407.95	0.00
CAPITAL.....	(16,224,044.45)	28,034,617.69	10,250,244.34
EDUCATION.....	15,034,797.94	6,252,499.06	8,003,666.22
SKYHAVEN.....	0.00	0.00	0.00
TOTALS.....	\$420,864,786.41	\$450,617,895.54	\$355,949,924.24

* - Prepared on the modified cash basis of accounting.

EXHIBIT 5

TRUST AND ESCROW ACCOUNTS HELD BY THE STATE TREASURER

Fund Name	July 1, 2004 Beginning Market Value	Dividends & Interest Earned	Net Transactions During Year	Net Change in Market Value	June 30, 2005 Ending Market Value
Health & Human Services					
- Laconia State School	\$128,499	\$2,631	0	(0)	\$131,130
- New Hampshire Hospital	5,400,092	192,843	(215,925)	97,165	5,474,174
- Youth Development Center	56,868	1,143	(1,200)	0	56,811
- Matthew Elliott Memorial Trust Fund	4,087	84	(200)	0	3,971
- Catastrophic Illness Fund	185,819	4,741	0	9,509	200,068
New Hampshire Veterans' Home					
- Benefit Fund	617,274	13,501	(93,000)	32,836	570,611
- Members' Administrative Account	451,148	9,141	(1,790)	271	458,770
- Guy Thompson Account	15,385	314	(184)	0	15,515
Department of Education					
- John Nesmith	243,648	8,053	(862)	11,630	262,469
- Special Teachers Competence	153,556	3,909	0	8,666	166,131
- Hattie Livesey	11,912	302	0	663	12,877
- Harriet Huntress	23,972	606	0	1,335	25,914
University of New Hampshire					
- Sam Whidden Trust	80,567	1,259	30,151	5,888	117,865
- Ben Thompson Trust	1,369,525	34,296	(46,598)	93,247	1,450,469
Department of Fish & Game					
- Lifetime License Fund	1,434,415	31,914	(109,860)	82,689	1,439,158
Dept of Resources and Economic Development					
- Caroline A. Fox Fund	32,910	964	23,542	0	57,415
- Tip-Top House Fund	20,127	412	0	0	20,539
Office of Energy and Planning					
- Land Conservation Monitoring Endowment	2,415,133	113,112	(113,271)	(20,649)	2,394,326
Department of Labor					
- Special Fund for Active Cases	13	0	52,367	(0)	52,380
- Special Fund For Second Injuries	5,663,123	85,902	1,307,918	(377)	7,056,565
Department of Safety					
- Financial Responsibility	110,859	1,967	(38,333)	0	74,493
- Road Toll Bonds	113,142	5,312	173,238	380	292,071
Department of Environmental Services					
- Piscataquog	97,578	1,844	(17,832)	0	81,590
- Mascoma	127,987	2,446	(22,973)	0	107,460
- Winnepesaukee	179,967	2,996	(48,882)	0	134,082
- Connecticut-Coos	3,275,309	65,145	(1,130,152)	0	2,210,302
- Squam Lake	2,264	202	47,771	0	50,237
- Newfound	32,070	818	35,413	0	68,301
- Sugar River	8,044	221	17,520	0	25,786
Pari-Mutuel Commission					
-Pari-Mutuel Commission Licensee Escrow	0	442	75,000	0	75,442
Public Utilities Commission					
-Electric Assistance Program	2,416,098	46,969	(1,813,181)	0	649,887
ME-NH Interstate Bridge Authority					
- IBA Trust Fund	3,422,424	123,542	(765,000)	56,466	2,837,432
Treasury Department					
- Savings Bond Escrow ⁽¹⁾	25,853	0	(3,451)	0	22,402
- Unclaimed and Abandoned Property ⁽²⁾	17,864,691	319,190	2,689,582	0	20,873,463
- Japanese Charitable Fund	68,434	2,016	(5,000)	2,534	67,984
- Seabrook Master Trust	301,285,073	8,155,457	7,448,100	10,097,582	326,986,211
- Seabrook Escrow	0	27,845	2,466,038	0	2,493,883
- Rural Rehabilitation Corp	105,305	2,967	(4,100)	2,374	106,546
- NH Excellence in Higher Education Endowment Trust	7,968,500	68,521	6,056,382	824,301	14,917,705
- Foreign Escheated Estates	218,298	4,469	0	(0)	222,768
Other					
- Community Conservation Endowment	327,559	11,682	345,808	0	685,050
-Conn Lakes Headwaters Tract Monitoring Endowment	0	20,172	1,250,000	0	1,270,172
-Conn Lakes Headwaters Natural Areas Stewardship	0	16,138	1,000,000	0	1,016,138
-Conn Lakes Headwaters Tract Road Maintenance	0	19,864	1,237,500	0	1,257,364
Totals	\$355,957,529	\$9,405,352	\$19,824,536	\$11,306,508	\$396,493,924

"Gains and Losses" includes realized and unrealized gains and losses.

1) The Savings Bond Escrow is an account for temporary holding of employee contributions.

2) This includes only cash and securities held by ACS Unclaimed Property Clearinghouse.

Columns may not add due to rounding.

EXHIBIT 6

SCHEDULE OF FUTURE DEBT SERVICE PAYMENTS

Fiscal Year (s)	General Fund		Highway Fund		Self-Supporting		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2006.....	\$50,993	30,015	\$3,620	\$2,545	\$5,733	\$2,618	\$60,346	\$35,178
2007.....	48,451	27,333	3,565	2,481	5,706	2,359	57,722	32,173
2008.....	47,552	25,005	3,174	2,425	5,657	2,113	56,383	29,543
2009.....	47,084	23,952	3,123	2,390	5,691	1,912	55,898	28,254
2010.....	42,997	22,470	2,846	2,353	5,349	1,731	51,192	26,554
2011-2015.....	149,935	70,511	9,404	5,620	18,282	5,488	177,621	81,619
2016-2020.....	92,885	26,449	5,670	1,577	6,909	1,891	105,464	29,917
2021-2025.....	52,633	4,666	2,725	265	3,242	364	58,600	5,295
2026-2030.....	0	0	0	0	0	0	0	0
2031-2035.....	0	0	0	0	0	0	0	0
	\$532,530	\$230,401	\$34,127	\$ 19,656	\$56,569	\$18,476	\$623,226	\$268,533

General Fund-Includes debt service paid from Unrestricted General Fund Revenues

Highway Fund-Includes debt service paid from Unrestricted Highway Revenues and separate funds within the Highway Fund

Self-Supporting-Includes debt service paid from a variety of funding sources including Unrestricted Fish and Game Fund revenues, special user fees and fines.

This report is unaudited and prepared on the cash basis of accounting.

Columns may not add due to rounding

NEW HAMPSHIRE TURNPIKE SYSTEM

Fiscal Year (s)	Revenue Bonds		General Obligation Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2006.....	\$ 10,900	\$ 15,036	\$ 3,682	\$ 536	\$ 14,582	\$15,573
2007.....	11,835	14,596	2,644	341	14,479	14,937
2008.....	12,130	13,926	1,509	204	13,639	14,130
2009.....	13,010	13,414	1,474	123	14,484	13,537
2010.....	13,310	12,620	624	45	13,934	12,665
2011-2015.....	83,025	50,889	584	15	83,609	50,904
2016-2020.....	88,675	28,040	0	0	88,675	28,040
2021-2025.....	44,095	11,203	0	0	44,095	11,203
2026-2030.....	21,410	2,716	0	0	21,410	2,716
2031-2035.....	0	0	0	0	0	0
	\$298,390	\$162,440	\$10,517	\$1,264	\$308,907	\$163,705

This report is unaudited and prepared on the cash basis of accounting.

Columns may not add due to rounding.

EXHIBIT 7

AUTHORIZED BUT UNISSUED STATE GUARANTEED DEBT

The State has various guarantee programs. The statutes authorizing the guarantee programs require approval by the Governor and Council of any award of a State guarantee. In addition, statutory limitations apply to all of the guarantee programs, but they vary in two major respects. First, the limit may be either on the total amount guaranteed or on the total amount guaranteed that remains outstanding at any time; the latter is a revolving limit, allowing additional guarantees to be awarded as guaranteed debt is retired. Second, the statutory dollar limit may represent either the total amount of principal and interest or only the total amount of principal that may be guaranteed; in the latter case interest on that principal amount may also be guaranteed but is not otherwise specifically limited. As of June 30, 2005 the remaining unused guarantee authorizations under the various statutory limitations were as follows:

<u>Purpose</u>	<u>Guarantee Limit</u>	<u>Remaining Guarantee Capacity</u>
Local Water Pollution Control Bonds	\$175.0 million ⁽¹⁾⁽²⁾	\$135.3 million
Local School Bonds	\$ 95.0 million ⁽¹⁾⁽²⁾	\$ 67.1 million
Local Superfund Site Bonds	\$ 50.0 million plus interest	\$ 50.0 million plus interest
Local Landfill and Waste Site Bonds	\$ 30.0 million ⁽¹⁾⁽²⁾	\$ 29.4 million
Business Finance Authority Bonds, Loans	\$ 95.0 million plus interest ⁽¹⁾	\$ 45.7 million
Pease Development Authority	\$ 85.0 million plus interest	\$ 36.4 million
Division of Water Resources Bonds	\$ 5.0 million plus interest	\$ 5.0 million plus interest
Housing Finance Authority Child Care Loans	\$ 0.3 million (principal only)	\$ 0.3 million

⁽¹⁾ Revolving limit.

⁽²⁾ Limit applies to total principal and interest.

EXHIBIT 8

**STATE AGENCIES WITH REVOLVING
FUNDS (PETTY CASH) AS OF JUNE 30, 2005**

Christa McAuliffe Planetarium	Jeanne Gerulskis, Director	\$ 1,300.00
Community and Technical College System	Dr. William G. Simonton, Commissioner	2,330.00
Department of Agriculture	Stephen H. Taylor, Commissioner	200.00
Department of Corrections	Stephen J. Curry, Commissioner	3,700.00
Department of Education	Lionel B. Tracy, Commissioner	250.00
Department of Employment Security	Richard Brothers, Commissioner	10,000.00
Department of Health and Human Services	John A. Stephen, Commissioner	24,750.00
Department of Justice	Kelly A. Ayotte, Attorney General	10,000.00
Department of Labor	George N. Copadis, Commissioner	100.00
Department of Resources & Economic Development	R. Sean O'Kane, Commissioner	50,000.00
Department of Revenue Administration	G. Philip Blatsos, Commissioner	10,000.00
Department of Safety	Richard M. Flynn, Commissioner	45,000.00
Department of Transportation	Carol A. Murray, Commissioner	25,000.00
Department of Transportation - Aeronautics	Carol A. Murray, Commissioner	50.00
Department of Transportation - Turnpikes	Carol A. Murray, Commissioner	43,500.00
Executive Office (Governor's Office)	John H. Lynch, Governor	500.00
Fish & Game Department	Lee E. Perry, Executive Director	3,000.00
Office of Emergency Management	Richard M. Flynn, Commissioner	1,000.00
Pari-Mutuel Commission	Timothy J. Connors, Chairman	100.00
Secretary of State	William M. Gardner, Secretary of State	100.00
State Liquor Commission	Anthony C. Maiola, Chairman	120,000.00
Veteran's Home	Barry E. Conway, Commandant	100.00
		<u><u>\$350,980.00</u></u>