



The State of New Hampshire

**Annual Report
of the
Treasury**

**for the
FISCAL YEAR ENDED JUNE 30, 2002**

**Michael A. Ablowich
Commissioner of the Treasury
Concord, New Hampshire
2002**

TABLE OF CONTENTS

SELECTED STATE OFFICIALS.....	2
LETTER OF TRANSMITTAL.....	3
OVERVIEW OF TREASURY.....	4
CASH MANAGEMENT.....	4
TRUST AND AGENCY ACCOUNTS.....	4
DEBT MANAGEMENT.....	5
TURNPIKE REVENUE BONDS.....	6
ABANDONED PROPERTY.....	6
COLLEGE SAVINGS PLANS.....	6
INTERAGENCY COOPERATION.....	7
FUTURE PLANS.....	7
EXHIBIT 1 STATE TREASURERS.....	8
EXHIBIT 2 ORGANIZATIONAL CHART.....	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 DEBTS SERVICE PAYMENTS FOR GENERAL OBLIGATION OF TURNPIKE REVENUE BONDS.....	14
EXHIBIT 7 AUTHORIZED BUT UNISSUED STATE GURANTEE DEBT.....	15
EXHIBIT 8 REVOLVING FUNDS (PETTY CASH) IN POSSESSION OF VARIOUS DEPARTMENTS.....	16



State of New Hampshire
Selected State Officials
For the Fiscal Year Ended June 30, 2002

EXECUTIVE BRANCH

Governor

Jeanne Shaheen

Executive Council

Raymond S. Burton, District 1
Peter J. Spaulding, District 2
Ruth L. Griffin, District 3
Raymond Wieczorek, District 4
David K. Wheeler, District 5

Attorney General

Philip T. McLaughlin

Commissioner of Administrative Services

Donald S. Hill

Commissioner of the Treasury

Michael A. Ablowich

Secretary of the State

William M. Gardner

LEGISLATIVE BRANCH

President of the Senate

Arthur P. Klemm, Jr.
24 Senators

Speaker of the House of Representatives

Gene G. Chandler
400 Representatives

JUDICIAL BRANCH

Chief Justice of the Supreme Court

David A. Brock

Michael A. Ablowich
Commissioner



**THE STATE OF NEW HAMPSHIRE
TREASURY DEPARTMENT**

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Concord, N.H. 03301

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October 11, 2002

To Her Excellency the Governor and the Honorable Council:

Pursuant to, RSA 6:17, RSA 6:43, RSA 11:5, RSA 11:6 and RSA 20:7, I am pleased to submit the State Treasurer's Annual Report for the fiscal year ended June 30, 2002. 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.

You will note some formatting changes to this year's annual report. I hope that these changes will make this report more informative. Please note that all the information contained in this report is unaudited and subject to change prior to publication in its final form sometime after the approval of the State's Comprehensive Annual Financial Report.

Thank you for the opportunity to serve as the Commissioner of the Treasury since the departure of former State Treasurer Georgie Thomas. I trust that the Treasury has continued to provide you, the legislature and our state's residents with the kind of high quality service that Treasurer Thomas' leadership of the Treasury provided for many years.

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
Commissioner of the Treasury

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 their 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 people. Exhibit 2 shows an organization chart.

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 2002, the Treasury managed receipts and disbursements of nearly \$4 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 total cash and investment balances reported on a book basis remained essentially unchanged. A list of cash and investment balances by major fund category is included in Exhibit 4 to this report.

The Treasury earned nearly \$10 million in investment income on available cash balances for all operating funds. While cash balances remained relatively stable, investment earnings declined on a year over year basis. This is because throughout fiscal year 2002, interest rates declined sharply due to lower economic growth, which led the Federal Reserve Bank to lower short-term interest rates. The combination of a lower federal funds rate, the decline of the stock market, and uncertainty in the global security situation resulted in lower investment rates across the entire range of short-term investment options.

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, 2002, the market value of those trust funds was over \$192 million, including \$164 million for the Seabrook Master Trust. This trust represents the cumulative contributions made by the owners of the Seabrook Nuclear Power Plant for the cost of future decommissioning. The other \$28 million in custody is comprised of thirty-five (35) separate trust funds, ranging in market value from \$878 to over \$5 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 interests. A list of these trust funds along with activity and balances for the fiscal year just ended is included as Exhibit 5. Significant changes to the trust funds include the addition of the Community Conservation Endowment (part of the Land Conservation Fund under the Office of State Planning) and the transfer of funds under the New Hampshire Community Technical College System to the New Hampshire Community Technical Colleges Foundation.

This past fiscal year was a tough and challenging year for investors of all kinds. The markets and the economy appeared to be moving in a positive direction in the fall of 2001 but quickly reversed course in part as a result of the terrorist attacks. By the end of the fiscal year most major indices were below where they started. Certainly, equities (stocks), which are used to support and achieve the objective of long term growth that are part of many trust fund holdings, fell substantially by the end of the fiscal year, closing 18% lower in the S&P 500 and over 10% lower in the Dow. On a positive note, the fixed income (bond) market ended the year with a positive 8% return as measured by the Lehman Intermediate Government/Corporate Bond Index. The aggressive lowering of interest rates by the Federal Reserve Bank eleven (11) times in rapid succession drove yields down across all fixed income investments.

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 through out the turnpike system. As of June 30, 2002, the outstanding general obligation debt was just over \$610 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 balance is paid from a variety of dedicated user fees and fines.

The State's outstanding general obligation debt has increased only slightly since the end of fiscal year 1998. 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 to unrestricted revenues has remained fairly level. This ratio has moved in a range of between 6.3% in fiscal year 1998 to 6.1% for fiscal year 2002. It was recently as high as 6.6% in fiscal year 2000. Other debt ratios remain modest both on a historical basis and relative to other states. In November 2001 the State issued \$100 million in general obligation capital improvement bonds with a true interest cost of 4.126%. \$50 million from this bond issue was used to retire short-term bond anticipation notes issued during the year. The other half simply went to finance other previously authorized capital projects. In December 2001, the State issued \$5.13 million of taxable general obligation pension bonds. Pursuant to chapter 275, laws of 2001, the sole purpose of the bond authorization was to finance the payment of contributions owed to the New Hampshire Retirement System, which eliminated a small, unfunded pension liability. This unfunded liability was created when retirement system contributions were deferred in the early 1990s due to cash flow constraints. Principal on these bonds is payable annually and interest semi-annually over five years with final maturity on December 1, 2006. The State has the option to redeem all or part of the outstanding principal on these bonds at any time without penalty.

In addition to being responsible for paying general obligation debt, the State is contingently liable for certain water pollution control bonds, school building bonds, 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 \$169.1 million (principal amount) on June 30, 2002. 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 Poors, AA+ from Fitch ICBA and Aa2 from Moody's Investor Service. The outlook from each was that our credit rating was stable however given the current and projected performance of the 02/03 biennial budget it will come under continued pressure. During this recent economic slowdown many state's credit ratings have been closely scrutinized and some have received downgrades. On a relative basis our state's financial situation is much better than many other states.

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. In December 2001, the State issued \$84.9 million of Turnpike System Revenue Bonds. These refunding bonds had a true interest cost of 4.898%. These bonds replace \$85.3 million in outstanding 1992 turnpike revenue bonds resulting in savings to the State of \$9 million nominal dollars (a present value savings of \$5.5 million).

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 municipality

In FY '02 holders reported and remitted cash in the amount of \$7.2 million and a total of 13,375 shares of stock and mutual funds. Over the past five (5) fiscal years the division has taken in approximately \$34.8 million and returned nearly \$10.6 million to current and former residents of the state. On average, approximately \$7 million was remitted to the state and just over \$2 million was reclaimed each year. Treasury returned \$2.9 million to citizens as the result of the Abandoned Property Divisions efforts in FY '02. A total of 4,240 claims were paid. The average claim paid was \$683.37. The largest individual claim was \$117,986.33 and the smallest \$1.00.

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 web page affords ready access to any owner inquiring about a lost or abandoned account.

COLLEGE INVESTING PLANS

As the fiscal year closed, Treasury and the Higher Education Savings Plan Advisory Commission completed the fourth year of sponsoring the UNIQUE College Investing Plan and the first year of sponsoring the Fidelity Advisor 529 Plan. During fiscal year 2002 the State and its partner, Fidelity Investments, launched the Fidelity Advisor 529 Plan, which is distributed through financial intermediaries and is a compliment to the UNIQUE Plan, which is sold directly to customers. The combined assets for the two plans grew to just over \$1.2 billion at the end of the fiscal year. There were nearly 170,000 participants in the two plans. For more information, call 1-800-544-1722 or visit Fidelity.com/unique.

This past year important federal legislation was signed into law, which was effective January 1, 2002. This legislation made earnings on the state's two college investing plans free from federal income taxes when withdrawals from the plans are used for qualified higher education expenses. Unless extended by Congress, this new tax law will expire on January 1, 2011, and the Federal taxation of 529 college savings plans will revert to its status prior to January 1, 2002. The Treasury will work with our colleagues from other states and our federal legislative delegation to make this provision of the tax code permanent.

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 New Hampshire Excellence in Higher Education Endowment 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 2002 the Trust Fund awarded fifteen (15) scholarships of \$1,000 each to New Hampshire students for the 2001-2002 academic year. This was an increase from seven scholarships the prior year. At the end of fiscal year 2002 the Trust Fund had a market value of just over \$1.5 million.

INTERAGENCY COOPERATION

The Treasury Department frequently works as a team with other state agencies to better respond to the needs of taxpayers and residents. One recent example of Treasury's collaboration with other agencies is in the area of electronic payment options for taxpayers. Treasury participates in a multi-agency effort to provide a web-based application through which transactions can be received and processed securely over the Internet. The Treasury has contributed to the bidding process, design phase, and implementation of the "eLicensing" initiative that now enables residents of New Hampshire to purchase hunting and fishing licenses on-line as well as renew certain professional licenses. This initial project has been very successful and this will continue to be an area where the Treasury can work effectively with other agencies to bring about more convenient ways for residents to interact with state government.

Another area in which Treasury continues to play an important role is the Building Energy Conservation Initiative (BECI) program. The BECI program allows for the funding of energy improvement renovations, which are accomplished by a tax exempt lease obligation, the cost of which is fully funded and guaranteed by energy savings. During the past fiscal year, Treasury issued a request for proposal to secure up to \$10 million in tax-exempt financing for another three years to continue the work that began two years ago under this program. Nearly \$4 million in tax-exempt financing has been made available as of this fiscal year to fund four new BECI projects. Two of these projects began in fiscal year 2002 and involve State Liquor Commission buildings and improvements to New Hampshire Technical Institute facilities.

FUTURE PLANS

Electronic Payments

The Treasury will be working to secure funding for an upgrade to our current check printing system that will allow us to initiate electronic payments rather than paper checks. Concurrent with this proposed upgrade will be the ability to send an automatically generated email or fax that will accompany the payment to the vendor. The Treasury continues to receive requests from vendors and municipalities for electronic payments. Presently only the Government Human Resources System (GHRS) enables employees to have electronic payments of payroll, however the Integrated Financial System (IFS) cannot presently support electronic payments. We currently make some payments electronically but this is essentially a manual process. Our expectation is that this proposed improvement to our disbursement process will ultimately lead to lower operational and banking costs in the future while improving our service to vendors.

Web Site

The Treasury web site will be upgraded during the summer of 2002. This first phase of the upgrade will give the site a new look including expanded information resources from the previous site. In the next phase of improving our site we will enhance functionality that will, for example, allow other state agencies to exchange information with Treasury and make standard operational requests on line, which will ultimately improve customer service.

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

* Died in Office **Resigned

EXHIBIT 2

**Treasury Department
State of New Hampshire
As of June 30, 2002**

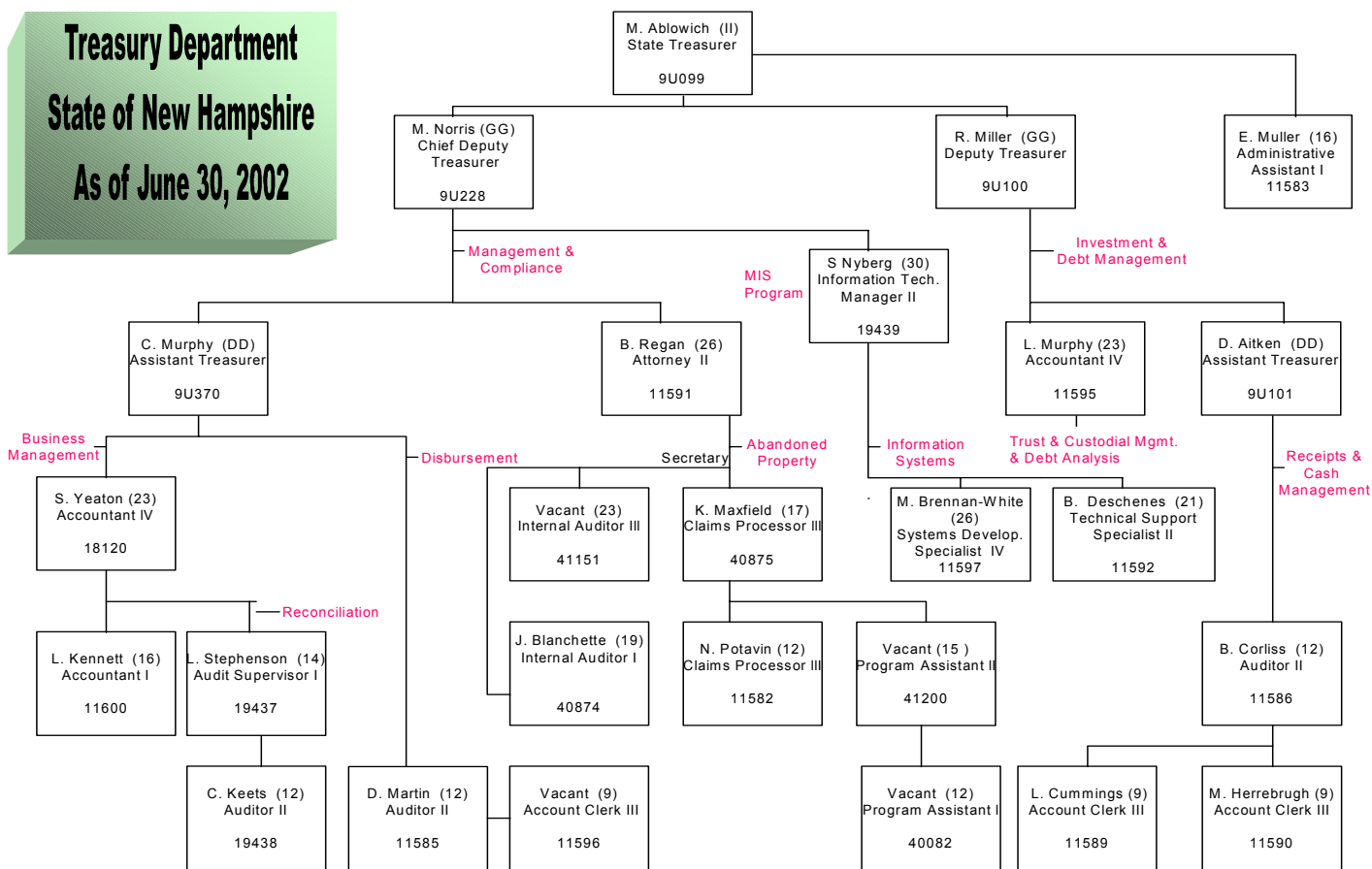


EXHIBIT 3

COMPARATIVE STATEMENT OF RECEIPTS AND DISBURSEMENTS

	For Fiscal Year Ended		
	June 30, 2002	June 30, 2001	June 30, 2000
BEGINNING CASH BALANCE	\$420,401,123.22	\$432,979,938.67	\$505,131,403.33
RECEIPTS:			
GENERAL.....	\$2,488,540,565.08	\$1,348,487,836.53	\$1,233,241,985.37
LIQUOR.....	354,360,516.31	330,525,095.17	312,949,991.10
SWEEPSTAKES.....	201,835,040.04	103,651,824.34	104,538,638.93
HIGHWAY.....	406,716,173.54	368,352,445.89	371,253,115.58
TURNPIKE.....	73,710,156.54	64,210,109.77	64,238,864.17
FISH AND GAME.....	18,218,134.21	16,771,230.32	15,992,084.22
SPECIAL*.....	0.00	925,870,677.11	872,147,444.93
CAPITAL.....	136,458,541.99	155,125,408.92	66,570,932.77
EDUCATION.....	284,562,942.47	193,930,771.39	243,539,948.56
SKYHAVEN.....	25,729.78	44,860.00	47,465.00
TOTALS.....	\$3,964,427,799.96	\$3,506,970,259.44	\$3,284,520,470.63
DISBURSEMENTS:			
GENERAL.....	\$2,543,175,450.45	\$1,117,281,290.41	\$1,179,281,603.67
LIQUOR.....	354,530,804.43	330,631,896.15	312,759,715.31
SWEEPSTAKES.....	135,473,964.40	44,727,110.42	53,080,292.03
HIGHWAY.....	351,584,187.06	326,556,796.14	332,654,040.72
TURNPIKE.....	61,478,359.06	60,927,683.26	68,034,511.31
FISH AND GAME.....	14,528,720.29	13,337,340.14	12,727,430.06
SPECIAL*.....	0.00	1,110,511,573.62	1,049,037,956.10
CAPITAL.....	124,522,174.04	106,709,243.45	64,752,838.59
EDUCATION.....	380,597,213.00	408,675,126.42	284,260,415.80
SKYHAVEN.....	54,298.89	191,014.88	83,131.70
TOTALS.....	\$3,965,945,171.62	\$3,519,549,074.89	\$3,356,671,935.29
ENDING CASH BALANCE	\$418,883,779.11	\$420,401,123.22	\$432,979,938.67

* Balance transferred to general fund as of July 1, 2001

EXHIBIT 4

STATEMENT OF CASH BALANCES BY FUND

FUND	For Fiscal Year Ended		
	June 30, 2002	June 30, 2001	June 30, 2000
GENERAL.....	\$188,236,774.10	\$185,082,485.12	\$142,182,785.49
LIQUOR.....	0.00	(3,393.40)	0.00
SWEEPSTAKES.....	1,078,862.26	2,549,046.42	4,030,769.81
HIGHWAY.....	94,193,229.04	96,012,460.73	105,645,706.93
TURNPIKE.....	99,313,314.33	95,665,629.68	100,491,673.75
FISH AND GAME.....	8,561,765.96	8,855,896.99	8,455,178.97
SPECIAL*.....	0.00	52,596,815.01	24,993,838.23
CAPITAL.....	46,013,703.20	34,454,292.54	(12,952,642.42)
EDUCATION.....	(18,513,869.78)	(54,840,678.98)	59,957,903.92
SKYHAVEN.....	0.00	28,569.11	174,723.99
TOTALS.....	\$418,883,779.11	\$420,401,123.22	\$432,979,938.67

* Balance transferred to general fund as of July 1, 2001

EXHIBIT 5

TRUST AND ESCROW ACCOUNTS HELD BY THE STATE TREASURER

Fund Name	July 1, 2001 Beginning Market Value	Dividends & Interest Earned	Net Transactions During Year	Gains & Losses	June 30, 2002 Ending Market Value
Health & Human Services					
- Laconia State School	\$122,675	\$2,926	\$0	(\$0)	\$125,601
- New Hampshire Hospital	5,415,245	202,049	(169,826)	(323,369)	5,124,099
- Youth Development Center	57,408	1,355	(1,400)	0	57,363
- Matthew Elliott Memorial Trust Fund	4,384	104	(100)	0	4,388
- Catastrophic Illness Fund	170,087	3,071	0	(23,531)	149,627
New Hampshire Veterans' Home					
- Benefit Fund	541,225	15,287	27,562	(51,449)	532,625
- Members' Administrative Account	420,496	15,948	(3,216)	1,980	435,209
- Guy Thompson Account	15,485	363	(690)	0	15,158
Department of Education					
- John Nesmith	219,022	5,068	2,938	(17,652)	209,375
- Special Teachers Competence	133,516	4,380	1,371	(13,332)	125,935
- Hattie Livesey	10,908	342	(455)	(996)	9,799
- Harriet Huntress	21,950	689	(916)	(2,005)	19,718
University of New Hampshire					
- Sam Whidden Trust	79,170	1,018	(1,464)	(13,241)	65,483
- Ben Thompson Trust	1,398,914	38,912	(34,808)	(71,856)	1,331,162
Department of Fish & Game					
- Lifetime License Fund	422,750	19,659	917,766	(91,841)	1,268,334
DRED - Parks Division					
- Caroline A. Fox Fund	14,948	702	29,765	0	45,416
Office of State Planning					
- Land Conservation Monitoring Endowment	2,358,530	117,988	124,455	(126,754)	2,474,220
NH Community Technical College ⁽¹⁾					
Combined Scholarship Fund Account	115,149	911	(106,787)	(9,273)	0
Snyder Scholarship Fund	82,040	410	(70,046)	(12,404)	0
H James Tyler Scholarship Fund	52,346	425	(52,771)	0	0
Department of Labor					
- Special Fund for Active Cases	99,049	370	(69,739)	0	29,680
- Special Fund For Second Injuries	2,745,818	66,098	1,104,415	0	3,916,331
Department of Safety					
- Financial Responsibility	105,176	2,391	(1,652)	0	105,915
Department of Environmental Services					
- Piscataquog	93,155	2,222	0	0	95,377
- Mascoma	122,186	2,914	0	0	125,100
- Winnepesaukee	171,810	4,098	0	0	175,908
- Connecticut-Coos	2,495,231	61,984	223,531	0	2,780,747
- Squam Lake	2,162	52	0	(0)	2,213
- Newfound	30,617	730	0	0	31,347
- Sugar River	7,679	183	0	0	7,863
ME-NH Interstate Bridge Authority					
- IBA Trust Fund	4,694,060	206,452	(550,000)	(297,399)	4,053,113
Treasury Department					
- Dissolution of Corporations	878	0	0	0	878
- Savings Bond Escrow ⁽²⁾	20,627	0	4,427	0	25,054
- Unclaimed and Abandoned Property ⁽³⁾	3,019,701	95,254	622,135	(612,210)	3,124,880
- Japanese Charitable Fund	61,126	2,218	0	(4,933)	58,410
- Seabrook Master Trust	152,449,856	875,647	21,909,242	(10,753,561)	164,481,184
- Rural Rehabilitation Corp	109,826	4,791	(5,300)	(2,637)	106,680
- College Savings Plan Trust	723,076	5,947	1,000,898	(187,257)	1,542,664
- Foreign Escheated Estates	208,404	4,971	0	(0)	213,375
Totals	\$178,816,684	\$1,767,929	\$24,899,792	(\$12,614,174)	\$192,870,231

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

1) Trust funds transferred in September 2001 to the NH Community Technical Colleges Foundation per RSA 188F:3-b, VIII.

2) The Savings Bond Account is an escrow account for temporary holding of employee contributions.

3) This includes only the 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
2003.....	\$ 48,900	\$ 26,437	\$ 4,188	\$ 2,666	\$ 5,956	\$ 2,941	\$ 59,044	\$ 55,162
2004.....	48,007	26,917	3,092	2,172	5,403	2,678	56,502	51,714
2005.....	44,527	25,723	2,968	2,158	5,097	2,426	52,592	47,357
2006.....	41,404	23,296	2,914	2,137	5,193	2,188	49,512	43,680
2007.....	38,898	20,915	2,861	2,095	5,190	1,940	46,944	40,482
2008-2012.....	163,136	80,679	10,464	8,875	23,890	6,662	197,490	96,216
2013-2017.....	72,622	33,280	4,528	2,315	8,788	2,464	85,938	38,059
2018-2022.....	35,477	3,512	2,656	265	2,267	233	40,400	4,010
2023-2027.....	0	0	0	0	0	0	0	0
2028-2032.....	0	0	0	0	0	0	0	0
	\$492,966	\$240,758	\$33,672	\$ 22,684	\$61,784	\$21,531	\$588,421	\$376,680

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
2003.....	\$ 7,765	\$ 16,982	\$ 4,016	\$ 1,167	\$ 11,781	\$ 23,119
2004.....	8,110	16,507	3,974	955	12,084	19,947
2005.....	11,145	16,302	3,709	748	14,854	17,050
2006.....	10,710	15,512	3,671	547	14,381	16,059
2007.....	11,690	15,183	2,637	348	14,327	15,532
2008-2012.....	67,400	64,941	4,177	400	71,577	65,341
2013-2017.....	93,755	43,622	0	0	93,755	43,622
2018-2022.....	68,055	20,692	0	0	68,055	20,692
2023-2027.....	35,860	7,136	0	0	35,860	7,136
2028-2032.....	11,725	900	0	0	11,725	900
	\$326,215	\$225,232	\$ 22,185	\$ 4,166	\$348,400	\$229,398

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 GUARANTEE 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, 2002 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⁾	\$105.6 million
Local School Bonds	\$ 95.0 million ⁽¹⁾⁽²⁾	\$ 49.4 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⁾	\$ 29.0 million
Business Finance Authority Bonds, Loans	\$ 95.0 million plus interest ⁽¹⁾	\$ 39.1 million
Pease Development Authority	\$ 95.0 million plus interest	\$ 46.4 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, 2002

Department of Agriculture	Stephen H. Taylor Commissioner	\$ 200
Department of Justice	Philip T. McLaughlin Atty. Gen.	10,000
Office of Emergency Management	Donald P. Bliss Director	1,000
Christa McAuliffe Planetarium	Jeanne Gerulskis Director	1,300
Department of Corrections	Phillip Stanley Commissioner	3,700
Department of Education	Nicholas C. Donohue Commissioner	250
Department of Employment Security	John J. Ratoff Commissioner	10,000
Executive Department	Jeanne Shaheen Governor	500
Fish and Game Department	Wayne E. Vetter Director	3,000
Department of Health & Human Services	Donald L. Shumway Commissioner	26,200
Department of Labor	James D. Casey Commissioner	100
Community & Technical College System	John O'Donnell Commissioner	2,330
Department of Resources & Economic Development	George Bald Commissioner	50,000
Department of Revenue Administration	Stanley R. Arnold Commissioner	10,000
Department of Safety	Richard M. Flynn Commissioner	45,000
Secretary of State	William M. Gardner Secretary of State	100
Department of Transportation	Carol A. Murray Commissioner	25,000
Department of Transportation Aeronautics	Carol A. Murray Commissioner	50
Department of Transportation Turnpikes	Carol A. Murray Commissioner	43,500
Veteran's Home	Barry E. Conway Commandant	100
HHS, Division of Juvenile Justice Services	Joseph Diament Director	100
State Liquor Commission	John W. Byrne Chairman	108,000
Pari-Mutuel Commission	Timothy J. Connors Chairman	<u>100</u>
		<u>\$340,530</u>