



**The State of New Hampshire**

**Annual Report**  
**of the**  
**Treasury**

**for the**  
**FISCAL YEAR ENDED JUNE 30, 2006**

**Michael A. Ablowich**  
**State Treasurer**  
**Concord, New Hampshire**  
**2006**

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**Michael A. Ablowich**  
State Treasurer



**THE STATE OF NEW HAMPSHIRE**  
**TREASURY DEPARTMENT**  
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September 29, 2006

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 Annual Report of the Treasury for fiscal year ending June 30, 2006 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.

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, 2006

**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

**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**

Theodore Gatsas  
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 2006, 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 increased modestly. A list of cash and investment balances by major fund category is included in Exhibit 4 to this report.

The Treasury earned nearly \$15 million in investment income on available cash balances for all operating funds. Interest earnings in this fiscal year were nearly twice that of the prior year. This increase can be attributed to higher interest rates, as described below, and higher cash balances available for investment.

Short term interest rates continued to increase throughout the fiscal year as the Federal Reserve continued a series of .25% increases to the federal funds target rate. Beginning the year with a federal funds target rate of 3.25% and ending the year at 5.25%, this fairly significant increase was the driving force behind similar increases in short term investment yields which in turn was again a major factor increasing this year's earnings.

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 increase by more than 20% the number of payments being executed through electronic means. Currently more than 8.5% of total vendor payment volume is executed electronically, however this represents over 66% 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, 2006, the market value of those trust and agency funds was over \$423 million, including nearly \$351 million for the Seabrook Decommissioning Trust Fund. The other \$72 million in custody is comprised of forty-three (43) separate trust funds, ranging in market value from just over \$4,000 to nearly \$29 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 4.4% 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 60% stocks and 40% bonds and cash.

With regard to the financial markets, the consensus forecast is that short term interest rates have most likely stabilized with the Federal Reserve in fact holding to the target rate at fiscal end of 5.25% at their only meeting this fiscal year. In fact, the average yield on the 90 day Treasury bill for the fiscal year was just over 4%. Longer term yields increased roughly 1% pushing the yield on the ten year Treasury to nearly 5% at fiscal year end. The equity markets ended the fiscal year higher as evidenced by an 8.63% return on the S&P 500 index, closer to 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, 2006, the outstanding general obligation debt was nearly \$645 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 2006 this figure is approximately 6.2%. The State's other debt ratios remain modest both on a historical basis and relative to other states.

In December 2005, the State issued \$75 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 were sold through a competitive bidding process and awarded to the firm offering the lowest true interest cost to the State. Using this measurement, the bonds carried a yield of 4.16% 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 approximately 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 \$97 million (principal amount) on June 30, 2006. 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, 2006 was \$294.3 million. Just over \$287.5 million of this total amount consists of revenue bonds with final maturities in fiscal year 2029. The remaining \$6.8 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 2006 holders reported and remitted cash in the amount of \$10 million and in excess of 200,000 shares of stock and/or mutual funds. Over the past five (5) fiscal years the division has taken in approximately \$52.9 million and returned \$18 million to current and former residents of the state. On average, approximately \$11 million was remitted to the state and just over \$3.6 million was reclaimed each year. Treasury returned \$4.4 million to citizens as the result of the Abandoned Property Division's efforts in fiscal year 2006. A total of 8,585 claims were paid. The average claim paid was \$515.00. The largest individual claim was \$214,116.00 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 \$5.8 billion at the end of the fiscal year. There were approximately 446,000 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 Fund (the “Trust Fund”) was established under RSA 6:38. The Trust Fund provides scholarships to New Hampshire students attending New Hampshire postsecondary education institutions and is funded by a small administrative fee charged to both college savings plans. In fiscal 2006, the Trust Fund provided funding for 265 scholarships, representing \$264,250. This was an increase from the 145 scholarships provided in the previous year which had a value of \$137,500. The Trust Fund also provided a little over \$5.4 million in scholarship funds under the UNIQUE Endowment Allocation Program (See more detail in “Treasury Accomplishments”). As the end of fiscal year 2006, the Trust Fund had a market value of nearly \$19 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.

### **Flood Relief Fund Raising Support**

During fiscal 2006, Treasury provided significant administrative support for Legislature-sponsored fundraising for the New Hampshire victims of the flooding in the fall of 2005 and again in the spring of 2006. The fundraising utilized telethons, partnering with WMUR, and the development of a new State IT system accessible from the NH.gov website to accommodate online donations. Transaction processing statistics from the fund raising activities included (through the end of state fiscal year 2006):

	<u>Fall 2005</u>	<u>Spring 2006</u>
Funds Raised	\$365,000	\$502,000
Checks Processed	1,650	1,550
Credit Cards Processed	1,750	2,380

### **College Savings Plan (529 Plan) Tuition Programs**

Treasury implemented, together with the Postsecondary Education Commission, two new scholarship programs for financially needy New Hampshire students attending New Hampshire postsecondary educational institutions. Both programs are sponsored by the New Hampshire College Tuition Savings Plan Advisory Commission (the “Commission”) with funding provided from administrative fees generated from the College Savings Plan to the New Hampshire Excellence in Higher Education Fund (the “Trust”).

The UNIQUE Annual Allocation Program provides funding to the University System of New Hampshire, the New Hampshire Community Technical Colleges and eleven other eligible and participating New Hampshire institutions, to award annual scholarships to New Hampshire students. Criteria for the scholarships are developed by the Commission and funds provided from the Trust to the institutions annually. This program has replaced the previous scholarship program at the end of the 2006 fiscal year and provides a more efficient method for the State to administer a similar successful scholarship program.

The UNIQUE Endowment Allocation Program provides for monthly funding from the Trust to restricted endowment funds established and managed by the University System of New Hampshire, the New Hampshire Community Technical Colleges and eight other eligible and participating New Hampshire institutions. With the institutions providing scholarships from the earnings of these growing endowment funds, it is intended that future scholarships will be available to New Hampshire students in perpetuity. This program went into effective in April of 2006.



**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

<b>STATE TREASURERS, CONTINUED</b>
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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**

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## EXHIBIT 3

## COMPARATIVE STATEMENT OF RECEIPTS AND DISBURSEMENTS - \*

	For Fiscal Year Ended		
	June 30, 2006	June 30, 2005	June 30, 2004
<b>BEGINNING CASH BALANCE</b>	\$420,864,786.41	\$450,617,895.54	\$355,949,924.24
<b>RECEIPTS:</b>			
GENERAL.....	\$2,917,495,062.54	\$2,975,188,131.22	\$2,796,151,775.47
LIQUOR.....	456,329,011.72	431,291,639.77	406,908,830.56
SWEEPSTAKES.....	140,886,277.34	122,608,765.01	248,958,055.40
HIGHWAY.....	431,499,174.09	416,565,892.83	404,384,966.67
TURNPIKE.....	85,950,544.99	72,172,375.21	78,997,040.47
FISH AND GAME.....	21,747,782.94	21,118,458.18	20,874,164.21
EMPLOYEE BENEFIT.....	16,731,640.61	16,420,561.28	10,533,093.89
CAPITAL.....	103,004,055.30	99,563,436.19	172,031,945.59
EDUCATION.....	401,023,910.95	345,617,644.36	329,920,900.91
SKYHAVEN.....	0	0	55,672.93
<b>TOTALS.....</b>	<b>\$4,574,667,460.48</b>	<b>\$4,500,546,904.05</b>	<b>\$4,468,816,446.10</b>
<b>DISBURSEMENTS:</b>			
GENERAL.....	\$2,741,612,643.92	\$2,822,872,060.66	\$2,643,356,200.34
LIQUOR.....	436,522,733.54	426,620,914.88	403,960,938.31
SWEEPSTAKES.....	57,785,138.07	51,193,013.62	172,577,815.02
HIGHWAY.....	377,401,506.20	329,189,498.94	320,372,480.74
TURNPIKE.....	70,730,395.88	69,736,477.28	78,959,543.04
FISH AND GAME.....	14,140,461.08	14,075,024.77	13,085,898.59
EMPLOYEE BENEFIT.....	207,625,482.26	195,252,155.30	121,507,883.46
CAPITAL.....	108,079,987.74	150,491,362.25	153,940,727.30
EDUCATION.....	501,829,997.99	470,869,505.48	466,331,315.07
SKYHAVEN.....	0	0	55,672.93
<b>TOTALS.....</b>	<b>\$4,515,728,346.68</b>	<b>\$4,530,300,013.18</b>	<b>\$4,374,148,474.80</b>
<b>ENDING CASH BALANCE</b>	<b>\$479,803,900.21</b>	<b>\$420,864,786.41</b>	<b>\$450,617,895.54</b>

\*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, 2006	June 30, 2005	June 30, 2004
GENERAL.....	\$315,811,729.07	\$214,920,479.54	\$208,248,045.13
LIQUOR.....	12,000.00	12,000.00	0.00
SWEEPSTAKES.....	945,778.73	1,002,860.96	3,977,604.64
HIGHWAY.....	73,255,522.57	110,464,427.23	110,409,502.44
TURNPIKE.....	70,129,741.28	70,302,593.54	81,357,348.45
FISH AND GAME.....	8,943,347.05	8,525,258.20	9,093,870.18
EMPLOYEE BENEFIT.....	38,545,680.05	16,826,413.45	3,244,407.95
CAPITAL.....	(24,863,101.44)	(16,224,044.45)	28,034,617.69
EDUCATION.....	(2,976,797.10)	15,034,797.94	6,252,499.06
SKYHAVEN.....	0.00	0.00	0.00
<b>TOTALS.....</b>	<b>\$479,803,900.21</b>	<b>\$420,864,786.41</b>	<b>\$450,617,895.54</b>

\* - Prepared on the modified cash basis of accounting.

## EXHIBIT 5

## TRUST AND ESCROW ACCOUNTS HELD BY THE STATE TREASURER

Fund Name	July 1, 2005 Beginning Market Value	Dividends & Interest Earned	Net Transactions During Year	Net Change in Market Value	June 30, 2006 Ending Market Value
<b>Health &amp; Human Services</b>					
- Laconia State School	\$131,130	\$5,519	0	0	\$136,648
- New Hampshire Hospital	5,474,174	189,016	(207,721)	(30,722)	5,424,748
- Youth Development Center	56,811	2,384	(385)	0	58,810
- Matthew Elliott Memorial Trust Fund	3,971	167	0	0	4,138
- Catastrophic Illness Fund	200,068	4,128	0	18,379	222,575
<b>New Hampshire Veterans' Home</b>					
- Benefit Fund	570,611	13,723	0	39,019	623,353
- Members' Administrative Account	458,770	18,854	0	126	477,750
- Guy Thompson Account	15,515	641	(452)	0	15,704
<b>Dept. of Agriculture, Markets &amp; Foods</b>					
-Agriculture, Markets & Food	0	284	15,079	0	15,363
<b>Department of Education</b>					
- John Nesmith	262,469	6,320	(250)	17,894	286,433
- Special Teachers Competence	166,131	3,992	(178)	11,357	181,302
- Hattie Livesey	12,877	311	0	874	14,063
- Harriet Huntress	25,914	621	0	1,780	28,314
<b>University of New Hampshire</b>					
- Sam Whidden Trust	117,865	1,465	(1,259)	14,393	132,464
- Ben Thompson Trust	1,450,469	39,768	(47,086)	78,294	1,521,446
<b>Department of Fish &amp; Game</b>					
- Lifetime License Fund	1,439,158	32,856	(116,986)	124,863	1,479,891
<b>Dept of Resources and Economic Development</b>					
- Caroline A. Fox Fund	57,415	3,033	26,505	0	86,953
-Tip-Top House Fund	20,539	864	0	0	21,403
<b>Office of Energy and Planning</b>					
- Land Conservation Monitoring Endowment	2,394,326	108,790	(113,112)	26,500	2,416,504
<b>Department of Labor</b>					
- Special Fund for Active Cases	52,380	0	23,630	0	76,009
- Special Fund For Second Injuries	7,056,565	235,280	(5,028,518)	5,537	2,268,864
<b>Department of Safety</b>					
- Financial Responsibility	74,493	3,890	16,939	0	95,323
- Road Toll Bonds	292,071	11,663	(10,225)	538	294,048
<b>Department of Environmental Services</b>					
- Piscataquog	81,590	3,434	0	0	85,024
- Mascoma	107,460	4,405	(3,000)	0	108,865
- Winnepesaukee	134,082	5,045	(15,300)	0	123,827
- Connecticut-Coos	2,210,302	84,258	(583,400)	0	1,711,160
- Squam Lake	50,237	2,114	0	0	52,351
- Newfound	68,301	2,874	0	0	71,176
- Sugar River	25,786	1,085	0	0	26,871
<b>Pari-Mutuel Commission</b>					
-Pari-Mutuel Commission Licensee Escrow	75,442	2,488	123,430	0	201,360
<b>Public Utilities Commission</b>					
-Electric Assistance Program	649,887	12,302	(657,121)	0	5,068
<b>ME-NH Interstate Bridge Authority</b>					
- IBA Trust Fund	2,837,432	111,474	(836,000)	6,397	2,119,304
<b>Treasury Department</b>					
- Savings Bond Escrow <sup>(1)</sup>	22,402	0	(15,272)	0	7,130
- Unclaimed and Abandoned Property <sup>(2)</sup>	20,873,463	452,934	7,280,018	3,004	28,609,420
- Japanese Charitable Fund	67,984	2,074	(5,000)	1,045	66,102
- Seabrook Master Trust	326,986,211	9,341,571	4,691,559	4,578,032	345,597,372
- Seabrook Escrow	2,493,883	122,975	2,331,014	0	4,947,872
- Rural Rehabilitation Corp	106,546	3,469	(5,400)	55	104,671
- NH Excellence in Higher Education Endowment Trust	14,917,705	135,435	1,692,314	2,216,672	18,962,126
- Foreign Escheated Estates	222,768	9,375	0	0	232,143
<b>Other</b>					
- Community Conservation Endowment	685,050	30,319	115,935	0	831,304
-Conn Lakes Headwaters Tract Monitoring Endowment	1,270,172	53,455	0	0	1,323,627
-Conn Lakes Headwaters Natural Areas Stewardship	1,016,138	42,764	0	0	1,058,901
-Conn Lakes Headwaters Tract Road Maintenance	1,257,364	53,037	12,500	0	1,322,901
<b>Totals</b>	<b>\$396,493,924</b>	<b>\$11,160,456</b>	<b>\$8,682,260</b>	<b>\$7,114,039</b>	<b>\$423,450,678</b>

*"Net Change in Market Value" 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.*

## 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
2007.....	\$ 52,315	\$ 30,162	\$ 4,169	\$ 2,923	\$ 5,739	\$ 2,377	\$ 62,223	\$ 35,461
2008.....	51,416	27,680	3,778	2,843	5,689	2,180	60,883	32,652
2009.....	50,947	26,471	3,727	2,783	5,723	1,928	60,398	31,182
2010.....	46,861	24,834	3,450	2,722	5,381	1,747	55,692	29,303
2011.....	43,723	22,460	3,237	2,668	4,953	1,531	51,912	26,659
2012-2016.....	150,106	68,315	11,057	5,146	15,136	4,685	176,299	78,146
2017-2021.....	103,642	22,573	7,756	1,760	6,276	1,403	117,674	25,736
2022-2026.....	46,958	3,908	3,397	328	2,445	233	52,800	4,469
2027-2031.....	0	0	0	0	0	0	0	0
2032-2036.....	0	0	0	0	0	0	0	0
	\$545,969	\$226,404	\$40,571	\$ 21,173	\$51,341	\$16,033	\$637,882	\$263,610

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
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.....	13,010	12,620	624	45	13,934	12,665
2011.....	14,555	11,967	584	15	15,139	11,981
2012-2016.....	84,210	46,350	0	0	84,210	46,350
2017-2021.....	79,670	23,704	0	0	79,670	23,704
2022-2026.....	41,955	9,128	0	0	41,955	9,128
2027-2031.....	16,815	1,699	0	0	16,815	1,699
2032-2036.....	0	0	0	0	0	0
	\$287,490	\$147,404	\$6,834	\$728	\$294,324	\$148,132

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

Columns may not add due to rounding.

<b>EXHIBIT 7</b>
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**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, 2006 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 <sup>(1)(2)</sup>	\$143.4 million
Local School Bonds	\$ 95.0 million <sup>(1)(2)</sup>	\$ 73.3 million
Local Superfund Site Bonds	\$ 50.0 million plus interest	\$ 50.0 million plus interest
Local Landfill and Waste Site Bonds	\$ 30.0 million <sup>(1)(2)</sup>	\$ 29.5 million
Business Finance Authority Bonds, Loans	\$ 95.0 million plus interest <sup>(1)</sup>	\$ 39.0 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

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<sup>(1)</sup> Revolving limit.

<sup>(2)</sup> Limit applies to total principal and interest.



<b>EXHIBIT 8</b>
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**STATE AGENCIES WITH REVOLVING  
FUNDS (PETTY CASH) AS OF JUNE 30, 2006**

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	William Wrenn, 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	George Bald, 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>