

William F. Dwyer
STATE TREASURER



**THE STATE OF NEW HAMPSHIRE
STATE TREASURY**

25 CAPITOL STREET, ROOM 121
CONCORD, N.H. 03301
603-271-2621
FAX 603-271-3922
E-mail: bdwyer@treasury.state.nh.us
TDD Access: Relay NH 1-800-735-2964

March 2, 2015

Honorable Chuck Morse
President of the Senate
Honorable Shawn Jasper
Speaker of the House

Dear President Morse and Speaker Jasper:

Attached is a copy of the debt affordability study for fiscal year 2014 prepared by the State Treasury and Public Resources Advisory Group, the State's financial advisor. In developing this year's study we have examined the impact of debt issuance, legislative changes, and economic projections on the State's debt ratios. Please note that this study focuses on net General Fund debt outstanding and does not consider debt funded with Highway Funds or other self-supporting debt.

The Base Case found on page 3 of the study reflects a repeated tapering of \$5 million in biennial capital project General Obligation bonding beginning with the 2016-17 biennium. Therefore this analysis proposes the following biennial authorizations (HB 25): 2016-17 (\$130 million), 2018-19 (\$125 million), and 2020-21 (\$120 million). Based on the revenue projections reflected in the current version of House Resolution 12, I have also adjusted the base case annual revenue growth rate to 1.4% for fiscal years 2016 through 2021, a change from the 2.5% assumption in prior years.

The recommended amounts of new net General Fund debt in fiscal years 2016 through 2021 would include any new authorizations for capital needs to be bonded and paid from general fund unrestricted revenues. Also included in the attached analysis is the effect of the issuance of \$131 million in school building aid debt in fiscal years 2010 and 2011 and the re-characterization of Medicaid Enhancement Tax revenue from unrestricted to restricted, pursuant to the State's settlement with hospitals and care providers as memorialized in 2014 SB 369.

One consideration to take into account in the biennial bonding authorizations recommendation above is the possibility of a repeal of the SB 367 road toll increase at any point after the Treasury issues the \$200 million of GO bonds authorized in the bill. In the event of such a repeal, and assuming the Highway Fund would not assume this debt service (estimated at \$16-\$17 million annually), the result of this policy decision would be a spike in the ratio of net general funded debt service to unrestricted General Fund revenue, reaching the level of 9.3% in 2018 and 2019 under our base case assumptions. In the current legislative session, HB 591 (which provided for the repeal of both the road toll increase and the bonding authorization) was

voted inexpedient to legislative by both House Public Works & Highways and the full House membership.

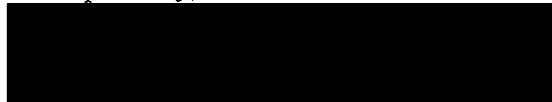
Sensitivity 1, found on page 10 of the appendix, assumes the same debt issuance as in the base case but assumes a flat revenue forecast for the period. The purpose of this alternative scenario is to examine how flat revenue performance might impact the State's borrowing capacity. Sensitivity 2 on page 12 of the appendix assumes the same debt issuance and revenue growth assumed in the base case but increases the interest rate by one percentage point. Both of these sensitivity analyses demonstrate that while the State's debt service to revenue ratio increases to above 8%, it remains below the 10% statutorily prescribed limit and rating agency warning level. Please note that from 2000 to 2010, the debt service ratio averaged 6.13%.

In addition, we have prepared one scenario to highlight the impact of state guaranteed bonds on the State's debt ratios within the base case assumptions. In the very worst case (and unlikely) scenario under which the State would be required to assume all guarantee liabilities, the debt service to revenue ratio approaches and then reaches the 10% level in 2020. The debt affordability ratios are also influenced by including guaranteed debt in the analysis, which is admittedly a worst-case scenario, but important to consider for credit rating purposes. While sometimes difficult to measure, the level of guaranteed debt does not currently impact the State's credit rating, in part reflecting the prior success of State guarantee programs.

The general funded debt service to unrestricted revenues ratio is the measure most closely examined by policy makers and the rating agencies as the best barometer of debt affordability levels. This analysis indicates that the State's debt service to unrestricted revenue ratio, while inflated above recent historical levels (since 2000), remains manageable under the base case scenario, but vulnerable to the risks I have described.

I am available to further discuss this analysis with you at any time.

Respectfully,



William F. Dwyer
State Treasurer

Attachments

Cc:

Honorable Margaret Wood Hassan, Governor
Representative Neal Kurk, Chair, House Finance Committee
Representative Gene Chandler, Chair, House Public Works and Highways
Senator Jeanie Forrester, Chair, Senate Finance Committee
Senator Gary Daniels, Chair, Senate Capital Budget Committee
Linda Hodgdon, Commissioner, Department of Administrative Services
Jeffrey Pattison, Legislative Budget Assistant

Public Resources Advisory Group

40 Rector Street, Suite 1600 ■ New York, New York 10006-2908 ■ (212) 566-7800

MEMORANDUM TO: The Honorable William Dwyer
Treasurer
State of New Hampshire

FROM: Public Resources Advisory Group ("PRAG")

SUBJECT: Debt Affordability Study Update

DATE: February 27, 2015

As requested, we have updated the debt affordability study for the State of New Hampshire. This study analyzes only net General Fund debt outstanding at June 30, 2014. The School Building Aid bonds are included in the study. The rating agencies opine that the State has "manageable debt levels with debt ratios well below Moody's 50-state medians" (Moody's Investors Service report dated December 5, 2014), "The state's tax-supported debt is moderate" (Standard & Poor's report dated December 8, 2014) and "debt structure is conservative with low debt levels, rapid amortization" (Fitch Ratings report dated December 8, 2014). Thus, the credit agencies recognize the State's fiscal prudence in regard to debt.

In this debt affordability study update, the term "Sensitivities" refers to the changes in assumptions related to revenue growth and increased borrowing costs (Sensitivity 1 and 2). The term "Cases" refers to alternate scenarios in the event that the State is required to take on debt guarantees, as presented on pages 4 and 5 of this update.

Assumptions

The following assumptions were used in preparing the base case analysis that projects the State's future debt ratios:

1. Includes issuance of \$89.925 million Refunding Bonds (to refund \$99.4 million of outstanding General Obligation Bonds) and \$55.005 million New Money Bonds in December 2014 resulting in General Fund net issuance of \$45.530 million.
2. \$65 million of tax-exempt general obligation debt to be issued in each of fiscal years 2016 and 2017; \$62.5 million in each of fiscal years 2018 and 2019; \$60 million in each of fiscal years 2020 and 2021. Each issue is assumed to be amortized over 20 years and carry an interest rate of 5.00%, with 60% of principal amortized in equal annual installments over the first ten years and 40% in equal annual installments over the second ten years. Future debt issuance includes \$17.5 million annually for the University System of New Hampshire in fiscal years 2016 through 2021, totaling \$105.0 million.
3. General Fund Unrestricted Revenues reflect actual revenues for fiscal year 2014 and budgeted revenues for fiscal year 2015 with the portion of meals and room tax revenues designated for the debt service of school building aid included and an average annual growth of 1.40% in fiscal years 2016 through 2021.
4. Total personal income is based on 2013 figure of \$67,513 million and is projected to grow at an average annual rate of 4.00%.

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5. Population is based on 2013 figure of 1.323 million and is projected to grow at an average annual rate of 0.40% per year.

We have also projected the State's debt ratios including certain State guaranteed debt. In doing so, we have made the following assumptions:

1. State guaranteed debt taken into account includes debt issued for local Superfund sites, Business Finance Authority ("BFA") and Pease Development Authority ("PDA") and Division of Water Resources. The analysis excludes State guaranteed debt issued for water pollution control, local schools and local landfills and Division of Water Resources (program eliminated).
2. Future issuances of State guaranteed debt are assumed to be as follows:

Expected Issuances of State Guaranteed Debt		
Fiscal Year	Dollar Amount	Purpose
2016	\$29,560,000	Superfund, BFA, Pease
2017	29,560,000	Superfund, BFA, Pease
2018	29,460,000	Superfund, BFA, Pease
2019	6,560,000	BFA
2020	6,560,000	BFA

3. New State guaranteed debt is assumed to be taxable with level debt service over 20 years at an average interest rate of 6.00%.
4. An analysis of each case is contained in the Appendix to this report.

Effect of General Obligation Debt Issuance on Debt Ratios

The Base Case (page 3 of the Appendix) shows the effect on the State's debt ratios, based on the above assumptions including the issuance of \$65 million of tax-exempt general obligation debt in each of fiscal years 2016 and 2017; \$62.5 million in each of fiscal years 2018 and 2019 and \$60 million in each of fiscal years 2020 and 2021. Combining these issuances and repayments of outstanding debt, the total issuance is approximately \$135 million less than retirements over the fiscal years 2015 through 2021, causing the State's net general fund debt to decrease from \$798.145 million at June 30, 2014 to \$663.15 million at June 30, 2021, a total decrease of \$135 million or 16.9%.

At the current time, New Hampshire's ratios of debt to personal income and debt per capita are significantly below the 2014 Moody's medians for states. New Hampshire's net general fund debt service to revenues ratio at 8.4% for fiscal year 2014 was higher than the median of 5.1% but well below the level that credit analysts use as a warning sign of excessive debt service burden of 10.0%, which is also the State's statutorily prescribed limit (RSA 6-C:2). By issuing general obligation debt over the projected period in the amounts outlined above, New Hampshire's debt ratios would remain well under the 2014 Moody's medians for states except for the debt service to revenues ratio, as summarized in the following chart:

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Summary of Debt Ratios for Net General Fund Debt

	Moody's Median	New Hampshire	
	2014	June 30, 2014	June 30, 2021 Est.
Debt to Personal Income	2.6%	1.1%	0.7%
Debt Per Capita	\$1,054	\$601	\$485
Debt Service to Revenues	5.1%*	8.4%	7.4%

* Ten percent is rule of thumb used by rating agency analysts as a warning level that should not be exceeded, as a greater relative amount would place too heavy a fixed cost burden on the budget, thereby limiting fiscal flexibility.

As can be seen, the ratio of debt service to revenues is projected to decrease to 7.4% at June 30, 2021 although it would reach 8.5% in fiscal year 2015 and remain at the level of 8% or above through fiscal year 2020. Debt to personal income would decline over the period, from 1.1% at June 30, 2014 to 0.7% at June 30, 2021 and debt per capita would decline from \$601 to \$485. These ratios relative to Moody's medians form the basis for an assessment of the weight of the State's debt position.

Sensitivity Analyses: Effects of Constant Revenues and Higher Interest Rates

Given the current and future uncertainty regarding the economy and the markets, it is even more difficult than ever to make forecasts. Accordingly, a sensitivity case on General Fund revenues was developed, assuming no growth of revenues after fiscal year 2016. Under these assumptions, New Hampshire's debt ratios would change as summarized in the chart below:

Debt Ratios Assuming Constant Revenues After FY 2016					
Summary of Debt Ratios for Net General Fund Debt					
	Moody's Median	New Hampshire			
		Base Case		Constant Revenue Assumption	
		2014	FY 2014	FY 2021 Est.	FY 2014
Debt to Personal Income	2.6%	1.1%	0.7%	1.1%	0.7%
Debt Per Capita	\$1,054	\$601	\$485	\$601	\$485
Debt Service to Revenues	5.1%*	8.4%	7.4%	8.4%	7.9%

With the constant revenue, the ratio of debt service to revenues would decrease from 8.4% for fiscal year 2014 to 7.9% for fiscal year 2021, comparing to 7.4% in the Base Case. At the 7.9% level, this ratio would be still below the 10.0% rule of thumb. Other ratios would not change since the amount of bonds issued would not change. (The details of this analysis are shown on pages 12-13 of the Appendix).

A second sensitivity analysis was developed with regard to different market rates. It assumes that tax-exempt interest rates increase by 100 basis points. The results are as follows:

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Debt Ratios Assuming Increased Tax-Exempt Rates

Summary of Debt Ratios for Net General Fund Debt

	Moody's Median	New Hampshire			
	2014	Base Case		1% Interest Rate Increase	
		FY 2014	FY 2021 Est.	FY 2014	FY 2021 Est.
Debt to Personal Income	2.6%	1.1%	0.7%	1.1%	0.7%
Debt Per Capita	\$1,054	\$601	\$485	\$601	\$485
Debt Service to Revenues	5.1%*	8.4%	7.4%	8.4%	7.8%

* Ten percent is a rule of thumb used by rating agency analysts as a warning level that should not be exceeded, as a greater relative amount would place too heavy a fixed cost burden on the budget, thereby limiting fiscal flexibility.

The ratio of debt service to revenues would decrease from 8.4% in fiscal year 2014 in the Base Case to 7.8% for fiscal year 2021, well below the 10% rule of thumb. Other ratios would not change since the amount of bonds issued would not change. (The details of this analysis are shown on pages 11 and 12 of the Appendix).

Effect of State Guarantees on Debt Ratios

Page 4 of the Appendix shows the effect of State guarantees on New Hampshire's debt ratios in the Base Case. For this analysis there was \$90.7 million of outstanding guaranteed debt at June 30, 2014, which added to the State's net General Fund debt bringing the total to \$888.8 million, as shown in the table below:

Net General Fund and Guaranteed Debt at June 30, 2014	
	(\$ in millions)
Net General Fund Debt	\$798.1
Guaranteed Debt	
Business Finance Authority	62.2
Qualified School Construction Bonds (QSCBs)	28.5
Total Guaranteed Debt	\$90.7
Total Net General Fund and Guaranteed Debt	\$888.8

There is approximately \$101.7 million of authorized but unissued State guaranteed debt at June 30, 2014, as shown in the table below:

Authorized But Unissued State Guaranteed Debt at June 30, 2014	
Purpose	Amount
	(\$ in millions)
Local Superfund Sites	\$20.0
Business Finance Authority	32.8
Pease Development Authority	48.9
Total	\$101.7

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For this scenario, we assumed that: the Business Finance Authority would issue \$6.56 million in each of fiscal years 2016 through 2019; Pease Development Authority would issue \$16.3 million in each of fiscal years 2016 through 2018; and the Local Superfund would issue \$6.7 million in each of fiscal years 2016 and 2017 and \$6.6 million in fiscal year 2018.

The table below compares the ratios in three cases. The first case is the Base Case, without guaranteed debt. The second case (Case 2 in the table below), which is a more pessimistic scenario, shown on page 4 of the Appendix, includes all the outstanding and additional debt issuances for State guaranteed debt described above. In this second case, the State's exposure would rise to approximately \$816.5 million at June 30, 2021, which is \$153.4 million more than the net General Fund debt expected to be outstanding at that time. The last "worst case" (Case 3 in the table below) scenario combines outstanding and additional issuances of the State guaranteed debt with a flat revenue assumption (Sensitivity 1), shown in the Appendix on page 13. The resulting debt ratios are summarized in the chart below:

Summary of Debt Ratios Including State Guaranteed Debt

New Hampshire

	Moody's Median	Including Guaranteed Debt					
		Case 1 (Base Case) Net General Fund Debt		Case 2 All Guaranteed Debt		Case 3 All Guaranteed Debt and Flat Revenues	
		2014	FY 2014	FY 2021 Est.	FY 2014	FY 2021 Est.	FY 2014
Total Debt Outstanding (000,000)	---	\$798	\$690	\$889	\$817	\$889	\$817
Debt to Personal Income	2.6%	1.1%	0.7%	1.3%	0.9%	1.3%	0.9%
Debt Per Capita	\$1,054	\$601	\$485	\$669	\$598	\$669	\$598
Debt Service to Revenues	5.1%*	8.4%	7.4%	9.0%	8.5%	9.0%	9.5%

*Ten percent is a rule of thumb used by rating agency analysts as a warning level that should not be exceeded, as a greater relative amount would place too heavy a fixed cost burden on the budget, thereby limiting fiscal flexibility.

As would be expected, all debt ratios rise as a result of additional State guaranteed debt issuances. At June 30, 2021, the State's debt to personal income would be 0.9% in Case 2 as opposed to 0.7% in the Base Case. Debt per capita would be \$598 in Case 2 as opposed to \$485 in the Base Case; and debt service to revenues would be 8.5% as opposed to 7.4% in the Base Case while reaching 9.2% in fiscal years 2018 and 2019. With an assumption of no revenue growth added to Case 2, the "worst case" scenario, debt service to revenue ratio increases to 9.5% in fiscal year 2021, approaching the "warning level" while reaching 10% in fiscal year 2020. Debt per capita and debt to personal income ratio would remain below the 2014 Moody's medians in all cases.

Conclusion

The State's debt ratios are considered "manageable" to "low" by the rating agencies. If the State issues \$375.0 million of general obligation debt in fiscal years 2016 through 2021, as outlined above, the amount of debt outstanding would fall and the effect on the debt ratios would be as follows: debt to personal income would decrease from the current level of 1.1% to 0.7% at the end of fiscal year 2021; debt service to revenues would decrease from 8.4% to 7.4% at June 30, 2021; and debt per capita would decline from \$601 to \$485. At these levels, the debt ratios would continue to remain "manageable."

Sensitivity analyses show that with constant revenues the debt service to revenue ratio would be 7.9% in fiscal year 2021, above the 7.4% level in the Base Case, and it would be 7.8% in the scenario

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with increased interest rates. At these levels, the debt service to revenue ratios in the two sensitivity cases would still be below the warning level for excessive debt service burden of 10%.

When existing and additional State guaranteed debt are added to the Base Case scenario, debt to personal income is projected to decline from the fiscal year 2014 level of 1.3% to 0.9% in fiscal year 2021, debt per capita is projected to decrease from \$669 in fiscal year 2014 to \$598 in fiscal year 2021 and debt service to revenues ratio is forecast to decline from 9.0% in fiscal year 2014 to 8.5% in fiscal year 2021. Under the “worst case” scenario of constant revenues and the addition of State guaranteed debt, the projected ratio of debt service to revenues would rise from the projected Base Case level of 7.4% in fiscal year 2021 to 9.5%.

Since the ratio of debt service to revenues is already above the Moody’s median level, the State should closely monitor this ratio and take corrective action if revenue growth falls below projections. This becomes particularly important if the 10% “warning level” is approached.

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update

Appendix -- Analytic Summary

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**THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update**

**Assumptions to Base Case - Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million Annually in FY 2020-21
School Building Aid Bonds Included**

- (1) Includes issuance of \$89.925 million Refunding Bonds (to refund \$99.4 million of outstanding GO bonds) and \$55.005 million New Money Bonds in December 2014 resulting in General Fund net issuance of \$45.530 million.
- (2) \$65 million of current interest bonds issued annually in FY 2016 and 2017, \$62.5 million in FY 2018 and 2019, and \$60 million in FY 2020 and 2021 at an interest rate of 5%, with 60% of the principal amortized in equal payments over the first ten years and 40% of the principal amortized in equal payments over the second ten years.
- (3) Ending Outstanding Debt represents total net General Fund Debt to be paid from General Fund Unrestricted Revenues. It does include General Fund debt for school building aid.
- (4) General Fund Unrestricted Revenues reflect actual revenues for FY 2014 and budgeted revenues for FY 2015, with the portion of meals and room tax revenues designated for the debt service of school building aid bonds included. The revenues are assumed to grow by 1.4% in each of fiscal years 2016 through 2021.
- (5) Total Personal Income - source: U.S. Department of Commerce, Bureau of Economic Analysis for 2013 figure of \$67,513 million. Assumes 4% growth annually thereafter.
- (6) Population - source: U.S. Census Bureau for 2013 figure of 1,323,000. Assumes 0.4% growth annually thereafter.
- (7) State guaranteed debt includes Net General Fund Debt plus the outstanding \$28.5 million of Qualified School Construction Bonds (QSCBs) and BFA debt totalling \$62.243 million at June 30, 2014.
- (8) Debt Service includes State guaranteed debt outstanding or to be issued for the following: local Superfund sites; BFA, PDA and Division of Water Resources. Excludes water pollution control, local landfills and local school guaranteed debt (with exception of QSCBs). Assumes level debt service over 20 years at 6.00% for new State guaranteed debt.
\$29.56 million is issued in each of FY 2016 and 2017, \$29.46 million in FY 2018 and \$6.56 million in each of FY 2019 and 2020.
Estimated authorized but unissued State guaranteed debt of \$101.7 million includes:
\$20 million for local Superfund sites; \$32.8 million for BFA and \$48.9 million for Pease.

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update
Base Case: Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million Annually in FY 2020-21
School Building Aid Bonds Included

	Projected						TOTAL 2015-2021		
	Actual 2014	2015	2016	2017	2018	2019		2020	2021
Net General Fund Debt (000's)									
Beginning Outstanding		\$798,145	\$769,796	\$759,551	\$746,140	\$727,334	\$705,537	\$680,974	\$798,145
Issuances (1)(2)		\$45,530	\$65,000	\$65,000	\$62,500	\$62,500	\$60,000	\$60,000	\$420,530
Retirements:		73,879	75,244	74,512	73,505	72,747	69,263	58,924	498,075
New Debt (2)		0	0	3,900	7,800	11,550	15,300	18,900	57,450
Total Retirements		\$73,879	\$75,244	\$78,412	\$81,305	\$84,297	\$84,563	\$77,824	\$555,525
Net New Debt		(\$28,349)	(\$10,244)	(\$13,412)	(\$18,805)	(\$21,797)	(\$24,563)	(\$17,824)	(\$134,995)
Ending Outstanding (3)		\$798,145	\$769,796	\$746,140	\$727,334	\$705,537	\$680,974	\$663,150	\$663,150
Existing Debt Service (000's) (1)		\$112,760	\$116,754	\$113,461	\$107,401	\$100,685	\$96,274	\$89,443	\$75,982
New Debt Service (000's) (2)		0	1,625	8,678	15,473	21,864	28,005	33,750	33,750
Total Debt Service (000's)		\$112,760	\$116,754	\$116,079	\$116,158	\$118,138	\$117,448	\$109,732	\$109,732
General Fund Unrestricted Revenues (000's)(4)		\$1,336,343	\$1,389,454	\$1,408,298	\$1,427,419	\$1,446,823	\$1,466,499	\$1,483,691	\$1,483,691
Debt Service as a Percent of Revenues		8.4%	8.5%	8.2%	8.1%	8.2%	8.0%	7.4%	7.4%
Total Personal Income (000,000's) (5)		70,214	73,022	75,943	78,981	82,140	85,425	88,843	92,396
Debt to Personal Income		1.1%	1.1%	1.0%	0.9%	0.9%	0.8%	0.7%	0.7%
Population (000's) (6)		1,328	1,334	1,339	1,344	1,350	1,360	1,366	1,366
Debt Per Capita		\$601	\$577	\$557	\$555	\$521	\$501	\$485	\$485

Footnotes explained on page 2.

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update
Effect of State Guaranteed Bonds on Debt Ratios - Base Case

	Actual 2014	Projected					TOTAL 2015-2021				
		2015	2016	2017	2018	2019		2020	2021		
Net General Fund Debt (000's)											
Beginning Outstanding (7) (8)		\$888,866	\$857,223	\$872,380	\$883,460	\$888,074	\$866,386	\$841,499	888,866		
G.O. Issuances		\$45,530	\$65,000	\$65,000	\$62,500	\$62,500	\$60,000	\$60,000	\$420,530		
State Guaranteed Issuances (7) (8)		0	29,560	29,560	29,460	6,560	6,560	0	101,700		
Retirements G.O. Debt		73,879	75,244	78,412	81,305	84,297	84,563	77,824	555,525		
State Guaranteed Debt (8)		<u>3,293</u>	<u>4,158</u>	<u>5,068</u>	<u>6,041</u>	<u>6,450</u>	<u>6,884</u>	<u>7,166</u>	<u>39,061</u>		
Total Retirements		\$77,173	\$79,403	\$83,480	\$87,347	\$90,747	\$91,447	\$84,990	\$594,586		
Net New Debt		(\$31,643)	\$15,157	\$11,080	\$4,613	(\$21,687)	(\$24,887)	(\$24,990)	(\$72,356)		
Ending Outstanding		\$888,866	\$872,380	\$883,460	\$888,074	\$866,386	\$841,499	\$816,509	\$816,509		
G.O. Debt Service (000's)		\$112,760	\$115,086	\$116,079	\$116,158	\$118,138	\$117,448	\$109,732			
State Guaranteed Debt Service (000's) (8)		7,602	10,313	12,760	15,210	15,664	16,118	15,999			
Total Debt Service (000's)		120,362	125,399	128,839	131,368	133,802	133,566	125,732			
General Fund Unrestricted Revenues (000's) (4)		\$1,336,343	\$1,389,454	\$1,408,298	\$1,427,419	\$1,446,823	\$1,466,499	\$1,483,691			
Debt Service as a Percent of Revenues		9.0%	9.0%	9.1%	9.2%	9.2%	9.1%	8.5%			
Total Personal Income (000,000's) (5)		\$70,214	\$75,943	\$78,981	\$82,140	\$85,425	\$88,843	\$92,396			
Debt to Personal Income		1.3%	1.2%	1.1%	1.1%	1.0%	0.9%	0.9%			
Population (000's) (6)		1,328	1,339	1,344	1,350	1,355	1,360	1,366			
Debt Per Capita		\$669	\$643	\$657	\$658	\$639	\$619	\$598			

Footnotes explained on page 2.

THE STATE OF NEW HAMPSHIRE
 Debt Affordability Study Update
 Debt Service on Outstanding General Obligation Debt

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Principal Repayments</u>							
General Fund	49,623,181	48,545,963	48,237,920	47,624,407	47,003,980	44,318,708	39,103,172
University System Appropriated	15,514,053	17,946,062	17,510,535	17,106,229	16,956,190	16,145,601	13,773,030
School Building Aid	<u>8,742,008</u>	<u>8,752,428</u>	<u>8,763,345</u>	<u>8,774,759</u>	<u>8,786,668</u>	<u>8,798,826</u>	<u>6,048,000</u>
Total Repayments	73,879,242	75,244,454	74,511,800	73,505,394	72,746,838	69,263,135	58,924,202
<u>Interest Payments</u>							
General Fund	27,960,591	24,736,858	21,585,200	17,743,803	15,407,910	13,246,579	11,263,387
University System Appropriated	10,079,748	9,079,743	7,339,161	5,899,212	5,003,569	4,242,006	3,530,989
School Building Aid	<u>4,834,393</u>	<u>4,399,913</u>	<u>3,965,016</u>	<u>3,536,682</u>	<u>3,115,892</u>	<u>2,691,625</u>	<u>2,263,872</u>
Total Payments	42,874,732	38,216,514	32,889,376	27,179,697	23,527,371	20,180,210	17,058,247
<u>Total Debt Service Payments</u>							
General Fund	77,583,771	73,282,822	69,823,119	65,368,210	62,411,890	57,565,287	50,366,559
University System Appropriated	25,593,802	27,025,804	24,849,696	23,005,441	21,959,760	20,387,607	17,304,019
School Building Aid	13,576,401	13,152,341	12,728,361	12,311,441	11,902,560	11,490,451	8,311,872
Total Debt Service	116,753,974	113,460,968	107,401,177	100,685,091	96,274,209	89,443,345	75,982,450

THE STATE OF NEW HAMPSHIRE
 Debt Affordability Study Update
 Debt Service on New General Obligation Debt

	2015	2016	2017	2018	2019	2020	2021
<u>Debt Issued in FY2015</u>							
Commercial Paper							
Outstanding	0	0	0	0	0	0	0
Principal Payments	0	0	0	0	0	0	0
Interest Payments	0	0	0	0	0	0	0
Total Debt Service	0	0	0	0	0	0	0
<u>Debt Issued in FY2016</u>							
Current Interest Bonds							
Outstanding	65,000	61,100	57,200	53,300	49,400	45,500	
Principal Payments	0	3,900	3,900	3,900	3,900	3,900	
Interest Payments	1,625	3,153	2,958	2,763	2,568	2,373	
Total Debt Service	1,625	7,053	6,858	6,663	6,468	6,273	
<u>Debt Issued in FY2017</u>							
Current Interest Bonds							
Outstanding	65,000	61,100	57,200	53,300	49,400	45,500	
Principal Payments	0	3,900	3,900	3,900	3,900	3,900	
Interest Payments	1,625	3,153	2,958	2,763	2,568	2,373	
Total Debt Service	1,625	7,053	6,858	6,663	6,468	6,273	
<u>Debt Issued in FY2018</u>							
Current Interest Bonds							
Outstanding	62,500	62,500	62,500	58,750	55,000	51,250	
Principal Payments	0	3,750	3,750	3,750	3,750	3,750	
Interest Payments	1,563	3,031	2,844	2,658	2,471	2,284	
Total Debt Service	1,563	7,781	6,594	6,408	6,221	6,034	
<u>Debt Issued in FY2019</u>							
Current Interest Bonds							
Outstanding	62,500	58,750	55,000	51,250	47,500	43,750	
Principal Payments	0	3,750	3,750	3,750	3,750	3,750	
Interest Payments	1,563	3,031	2,844	2,658	2,471	2,284	
Total Debt Service	1,563	7,781	6,594	6,408	6,221	6,034	
<u>Debt Issued in FY2020</u>							
Current Interest Bonds							
Outstanding	60,000	60,000	60,000	60,000	60,000	60,000	
Principal Payments	0	3,600	3,600	3,600	3,600	3,600	
Interest Payments	1,500	1,500	1,500	1,500	1,500	1,500	
Total Debt Service	1,500	6,100	6,100	6,100	6,100	6,100	
<u>Debt Issued in FY2021</u>							
Current Interest Bonds							
Outstanding	60,000	60,000	60,000	60,000	60,000	60,000	
Principal Payments	0	3,600	3,600	3,600	3,600	3,600	
Interest Payments	1,500	1,500	1,500	1,500	1,500	1,500	
Total Debt Service	1,500	6,100	6,100	6,100	6,100	6,100	
<u>Totals Debt Service on New G.O. Debt</u>							
Principal Payments	0	0	3,900	7,800	11,550	15,300	18,900
Interest Payments	0	1,625	4,778	7,673	10,314	12,705	14,850
Total Debt Service	0	1,625	8,678	15,473	21,864	28,005	33,750
Rate on Current Interest Bonds:							5.00%
Rate on Commercial Paper:							3.00%

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update
Debt Service on Outstanding State Guaranteed Debt

2015 2016 2017 2018 2019 2020 2021 2022

BFA \$20 million Loan

Principal	0	0	0	0	0	0	0
Interest	<u>695,000</u>	<u>695,000</u>	<u>695,000</u>	<u>695,000</u>	<u>695,000</u>	<u>695,000</u>	<u>695,000</u>
Total	695,000	695,000	695,000	695,000	695,000	695,000	695,000

BFA Loan Programs (1)

Balance	39,903,000	38,818,255	37,668,425	36,449,605	35,157,656	33,788,189	32,336,555
Principal	1,084,745	1,149,830	1,218,820	1,291,949	1,369,466	1,451,634	1,538,732
Interest	<u>2,394,180</u>	<u>2,329,095</u>	<u>2,260,105</u>	<u>2,186,976</u>	<u>2,109,459</u>	<u>2,027,291</u>	<u>1,940,193</u>
Payment	3,478,925	3,478,925	3,478,925	3,478,925	3,478,925	3,478,925	3,478,925

Qualified School Construction Bonds

Principal	2,208,750	2,205,000	2,193,750	2,193,750	2,193,750	2,193,750	2,193,750
Interest (gross of tax credit)	<u>1,475,411</u>	<u>1,356,461</u>	<u>1,237,915</u>	<u>1,119,671</u>	<u>1,001,428</u>	<u>883,185</u>	<u>764,942</u>
Total	3,684,161	3,561,461	3,431,665	3,313,421	3,195,178	3,076,935	2,958,692

Total Outstanding State Guaranteed Debt

Principal	3,293,495	3,354,830	3,412,570	3,485,699	3,563,216	3,645,384	3,732,482
Interest	<u>4,564,591</u>	<u>4,380,556</u>	<u>4,193,020</u>	<u>4,001,648</u>	<u>3,805,888</u>	<u>3,605,477</u>	<u>3,400,135</u>
Total	7,858,087	7,735,386	7,605,590	7,487,347	7,369,104	7,250,861	7,132,617

(1) Assumes level debt service with the following parameters:

Principal	39,903,000
Number of Years	20
Interest Rate	6.0%
Annual Payments	3,478,925

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update

Debt Service on State Guaranteed Debt to be Issued

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Issuances in FY2014 (1)</u>								
Balance		29,560,000	28,756,424	27,904,634	27,001,737	26,044,666	25,030,170	23,954,805
Principal		803,576	851,790	902,897	957,071	1,014,496	1,075,365	1,139,887
Interest		<u>1,773,600</u>	<u>1,725,385</u>	<u>1,674,278</u>	<u>1,620,104</u>	<u>1,562,660</u>	<u>1,501,810</u>	<u>1,437,288</u>
Total Debt Service		2,577,176	2,577,176	2,577,176	2,577,176	2,577,176	2,577,176	2,577,176
<u>Issuances in FY2015 (1)</u>								
Balance		29,560,000	29,560,000	28,756,424	27,904,634	27,001,737	26,044,666	25,030,170
Principal		803,576	803,576	851,790	902,897	957,071	1,014,496	1,075,365
Interest		<u>1,773,600</u>	<u>1,725,385</u>	<u>1,674,278</u>	<u>1,620,104</u>	<u>1,562,660</u>	<u>1,501,810</u>	<u>1,437,288</u>
Total Debt Service		2,577,176	2,577,176	2,577,176	2,577,176	2,577,176	2,577,176	2,577,176
<u>Issuances in FY2016 (1)</u>								
Balance		29,460,000	28,659,143	27,810,234	26,910,392	25,956,558	25,030,170	24,101,084
Principal		800,857	848,908	899,843	953,834	1,011,084	1,075,365	1,139,887
Interest		<u>1,767,600</u>	<u>1,719,549</u>	<u>1,668,614</u>	<u>1,614,623</u>	<u>1,557,393</u>	<u>1,501,810</u>	<u>1,437,288</u>
Total Debt Service		2,568,457	2,568,457	2,568,457	2,568,457	2,568,457	2,568,457	2,568,457
<u>Issuances in FY2017 (1)</u>								
Balance		6,560,000	6,560,000	6,381,669	6,192,639	5,992,266	5,792,836	5,593,406
Principal		178,331	178,331	189,031	200,372	212,395	224,458	236,521
Interest		<u>393,600</u>	<u>393,600</u>	<u>382,900</u>	<u>371,558</u>	<u>359,538</u>	<u>347,618</u>	<u>335,698</u>
Total Debt Service		571,931	571,931	571,931	571,931	571,931	571,931	571,931
<u>Issuances in FY2018 (1)</u>								
Balance		6,560,000	6,560,000	6,381,669	6,192,639	5,992,266	5,792,836	5,593,406
Principal		178,331	178,331	189,031	200,372	212,395	224,458	236,521
Interest		<u>393,600</u>	<u>393,600</u>	<u>382,900</u>	<u>371,558</u>	<u>359,538</u>	<u>347,618</u>	<u>335,698</u>
Total Debt Service		571,931	571,931	571,931	571,931	571,931	571,931	571,931
<u>Total State Guaranteed Debt to be Issued</u>								
Principal	0	803,576	1,655,366	2,555,545	2,887,208	3,238,771	3,433,097	3,639,083
Interest	0	<u>1,773,600</u>	<u>3,498,985</u>	<u>5,167,264</u>	<u>5,407,531</u>	<u>5,627,998</u>	<u>5,433,572</u>	<u>5,227,598</u>
Total Debt Service	0	2,577,176	5,154,351	7,722,808	8,294,739	8,866,669	8,866,669	8,866,669
<u>Total Outstanding and Future Issuances of State Guaranteed Debt (2)</u>								
Principal	3,293,495	4,158,406	5,067,935	6,041,244	6,450,424	6,884,155	7,165,579	7,452,639
Interest	4,584,591	6,154,156	7,692,006	9,188,911	9,213,419	9,233,375	8,833,708	8,417,458
Total Debt Service	7,858,087	10,312,562	12,759,941	15,210,155	15,663,842	16,117,530	15,999,287	15,870,097

(1) Assumes level debt service with the following parameters:
Number of Years 20
Interest Rate 6.0%

(2) Includes total Outstanding Guaranteed Debt Service

THE STATE OF NEW HAMPSHIRE

Debt Affordability Study Update

Assumptions to Sensitivity Case 1 - Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million Annually in FY 2020-21; No Revenue Growth After FY 2016 School Building Aid Bonds Included

- (1) Includes issuance of \$89.925 million Refunding Bonds (to refund \$99.4 million of outstanding GO bonds) and \$55.005 million New Money Bonds in December 2014 resulting in General Fund net issuance of \$45.530 million.
- (2) \$65 million of current interest bonds issued annually in FY 2016 and 2017, \$62.5 million in FY 2018 and 2019, and \$60 million in FY 2020 and 2021 at an interest rate of 5%, with 60% of the principal amortized in equal payments over the first ten years and 40% of the principal amortized in equal payments over the second ten years.
- (3) Ending Outstanding Debt represents total net General Fund Debt to be paid from General Fund Unrestricted Revenues. It does include General Fund debt for school building aid.
- (4) General Fund Unrestricted Revenues reflect actual revenues for FY 2014 and budgeted revenues for FY 2015, with the portion of meals and room tax revenues designated for the debt service of school building aid bonds included. **The revenues are assumed to grow by 1.4% in FY 2016 and 0% in each of fiscal years 2017 through 2021.**
- (5) Total Personal Income - source: U.S. Department of Commerce, Bureau of Economic Analysis for 2013 figure of \$67,513 million. Assumes 4% growth annually thereafter.
- (6) Population - source: U.S. Census Bureau for 2013 figure of 1,323,000. Assumes 0.4% growth annually thereafter.
- (7) State guaranteed debt includes Net General Fund Debt plus the outstanding \$28.5 million of Qualified School Construction Bonds (QSCBs) and BFA debt totalling \$62.243 million at June 30, 2014.
- (8) Debt Service includes State guaranteed debt outstanding or to be issued for the following: local Superfund sites; BFA, PDA and Division of Water Resources. Excludes water pollution control, local landfills and local school guaranteed debt (with exception of QSCBs). Assumes level debt service over 20 years at 6.00% for new State guaranteed debt.
\$29.56 million is issued in each of FY 2016 and 2017, \$29.46 million in FY 2018 and \$6.56 million in each of FY 2019 and 2020.
Estimated authorized but unissued State guaranteed debt of \$101.7 million includes:
\$20 million for local Superfund sites; \$32.8 million for BFA and \$48.9 million for Pease.

THE STATE OF NEW HAMPSHIRE

Debt Affordability Study Update

Sensitivity Case: 1: Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million Annually in FY 2020-21; No Revenue Growth After FY 2016

School Building Aid Bonds Included

	Projected						TOTAL			
	2014	2015	2016	2017	2018	2019		2020	2021	2015-2021
Net General Fund Debt (000's)										
Beginning Outstanding		\$798,145	\$769,796	\$759,551	\$746,140	\$727,334	\$705,537	\$680,974	\$798,145	
Issuances (1)(2)		\$45,530	\$65,000	\$65,000	\$62,500	\$62,500	\$60,000	\$60,000	\$420,530	
Retirements:		73,879	74,512	74,512	73,505	72,747	69,263	58,924	498,075	
Existing Debt (1)		0	0	3,900	7,800	11,550	15,300	18,900	57,450	
New Debt (2)		\$73,879	\$75,244	\$78,412	\$81,305	\$84,297	\$84,563	\$77,824	\$555,525	
Total Retirements		(\$28,349)	(\$10,244)	(\$13,412)	(\$18,805)	(\$21,797)	(\$24,563)	(\$17,824)	(\$134,995)	
Net New Debt		\$798,145	\$769,796	\$759,551	\$746,140	\$727,334	\$705,537	\$680,974	\$663,150	
Ending Outstanding (3)		\$112,760	\$116,754	\$113,461	\$107,401	\$100,685	\$96,274	\$89,443	\$75,982	
Existing Debt Service (000's) (1)		0	1,625	\$8,678	15,473	21,864	28,005	33,750	33,750	
New Debt Service (000's) (2)		\$112,760	\$116,754	\$115,086	\$116,079	\$116,158	\$117,448	\$117,448	\$109,732	
Total Debt Service (000's)		\$1,336,343	\$1,370,876	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	
General Fund Unrestricted Revenues (000's)(4)		8.4%	8.5%	8.3%	8.4%	8.4%	8.5%	8.5%	7.9%	
Debt Service as a Percent of Revenues		70,214	73,022	75,943	78,981	82,140	85,425	88,843	92,396	
Total Personal Income (000,000's) (5)		1.1%	1.1%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	
Debt to Personal Income		1,328	1,334	1,339	1,344	1,350	1,355	1,360	1,366	
Population (000's) (6)		\$601	\$577	\$567	\$555	\$539	\$521	\$501	\$485	
Debt Per Capita										

Footnotes explained on page 2.

THE STATE OF NEW HAMPSHIRE
Debt Affordability Study Update
School Building Aid Bonds Included

Assumptions to Sensitivity Case II - Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million in FY 2020-21; Interest Rates Increased After FY 2015

- (1) Includes issuance of \$89.925 million Refunding Bonds (to refund \$99.4 million of outstanding GO bonds) and \$55.005 million New Money Bonds in December 2014 resulting in General Fund net issuance of \$45.530 million.
- (2) \$65 million of current interest bonds issued annually in FY 2016 and 2017, \$62.5 million in FY 2018 and 2019, and \$60 million in FY 2020 and 2021 at an interest rate of 6%, with 60% of the principal amortized in equal payments over the first ten years and 40% of the principal amortized in equal payments over the second ten years
- (3) Ending Outstanding Debt represents total net General Fund Debt to be paid from General Fund Unrestricted Revenues. It does include General Fund debt for school building aid.
- (4) General Fund Unrestricted Revenues reflect actual revenues for FY 2014 and budgeted revenues for FY 2015, with the portion of meals and room tax revenues designated for the debt service of school building aid bonds included. The revenues are assumed to grow by 1.4% in each of fiscal years 2016 through 2021.
- (5) Total Personal Income - source: U.S. Department of Commerce, Bureau of Economic Analysis for 2013 figure of \$67,513 million. Assumes 4% growth annually thereafter.
- (6) Population - source: U.S. Census Bureau for 2013 figure of 1,323,000. Assumes 0.4% growth annually thereafter.
- (7) State guaranteed debt includes Net General Fund Debt plus the outstanding \$28.5 million of Qualified School Construction Bonds (QSCBs) and BFA debt totalling \$62.243 million at June 30, 2014.
- (8) Debt Service includes State guaranteed debt outstanding or to be issued for the following: local Superfund sites; BFA, PDA and Division of Water Resources. Excludes water pollution control, local landfills and local school guaranteed debt (with exception of QSCBs). Assumes level debt service over 20 years at 6.00% for new State guaranteed debt.
\$29.56 million is issued in each of FY 2016 and 2017, \$29.46 million in FY 2018 and \$6.56 million in each of FY 2019 and 2020.
Estimated authorized but unissued State guaranteed debt of \$101.7 million includes:
\$20 million for local Superfund sites; \$32.8 million for BFA and \$48.9 million for Pease.

THE STATE OF NEW HAMPSHIRE

Debt Affordability Study Update

Sensitivity Case II: Issuance of \$65 Million Annually in FY 2016-17, \$62.5 Million Annually in FY 2018-19, and \$60 Million Annually in FY 2020-21; Interest Rates Increased After FY 2015

School Building Aid Bonds Included

	Actual 2014	Projected 2015	2016	2017	2018	2019	2020	2021	TOTAL 2015-2021
Net General Fund Debt (000's)									
Beginning Outstanding		\$798,145	\$769,796	\$759,551	\$746,140	\$727,334	\$705,537	\$680,974	\$798,145
Issuances (1)(2)		\$45,530	\$65,000	\$65,000	\$62,500	\$62,500	\$60,000	\$60,000	\$420,530
Retirements:									
Existing Debt (1)		73,879	75,244	74,512	73,505	72,747	69,263	58,924	498,075
New Debt (2)		0	0	3,900	7,800	11,550	15,300	18,900	57,450
Total Retirements		\$73,879	\$75,244	\$78,412	\$81,305	\$84,297	\$84,563	\$77,824	\$555,525
Net New Debt		(\$28,349)	(\$10,244)	(\$13,412)	(\$18,805)	(\$21,797)	(\$24,563)	(\$17,824)	(\$134,995)
Ending Outstanding (3)	\$798,145	\$769,796	\$759,551	\$746,140	\$727,334	\$705,537	\$680,974	\$663,150	\$663,150
Existing Debt Service (000's) (1)	\$112,760	\$116,754	\$113,461	\$107,401	\$100,685	\$96,274	\$89,443	\$75,982	\$75,982
New Debt Service (000's) (2)	0	0	2,025	\$10,004	17,739	25,232	32,481	39,488	39,488
Total Debt Service (000's)	\$112,760	\$116,754	\$115,486	\$117,405	\$118,424	\$121,506	\$121,924	\$115,470	\$115,470
General Fund Unrestricted Revenues (000's)(4)	\$1,336,343	\$1,370,876	\$1,389,454	\$1,408,298	\$1,427,419	\$1,446,823	\$1,466,499	\$1,483,691	\$1,483,691
Debt Service as a Percent of Revenues	8.4%	8.5%	8.3%	8.3%	8.3%	8.4%	8.3%	7.8%	7.8%
Total Personal Income (000,000's) (5)	70,214	73,022	75,943	78,981	82,140	85,425	88,843	92,396	92,396
Debt to Personal Income	1.1%	1.1%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%
Population (000's) (6)	1,328	1,334	1,339	1,344	1,350	1,355	1,360	1,366	1,366
Debt Per Capita	\$601	\$577	\$567	\$555	\$539	\$521	\$501	\$485	\$485

Footnotes explained on page 2.

THE STATE OF NEW HAMPSHIRE
 Debt Affordability Study Update
 Effect of State Guaranteed Bonds and Flat Revenues on Debt Ratios

	Actual <u>2014</u>	Projected					TOTAL		
		<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2015-2021</u>
Net General Fund Debt (000's)		\$888,866	\$857,223	\$872,380	\$883,460	\$888,074	\$866,386	\$841,499	888,866
Beginning Outstanding (7) (8)									
G.O. Issuances		\$45,530	\$65,000	\$65,000	\$62,500	\$62,500	\$60,000	\$60,000	\$420,530
State Guaranteed Issuances (7) (8)		0	29,560	29,560	29,460	6,560	6,560	0	101,700
Retirements G.O. Debt		73,879	75,244	78,412	81,305	84,297	84,563	77,824	555,525
State Guaranteed Debt (8)		<u>3,293</u>	<u>4,158</u>	<u>5,068</u>	<u>6,041</u>	<u>6,450</u>	<u>6,884</u>	<u>7,166</u>	<u>39,061</u>
Total Retirements		\$77,173	\$79,403	\$83,480	\$87,347	\$90,747	\$91,447	\$84,990	\$594,586
Net New Debt		(\$31,643)	\$15,157	\$11,080	\$4,613	(\$21,687)	(\$24,887)	(\$24,990)	(\$72,356)
Ending Outstanding		\$888,866	\$872,380	\$883,460	\$888,074	\$866,386	\$841,499	\$816,509	\$816,509
G.O. Debt Service (000's)		\$112,760	\$115,486	\$117,405	\$118,424	\$121,506	\$121,924	\$115,470	
State Guaranteed Debt Service (000's) (8)		<u>7,602</u>	<u>10,526</u>	<u>13,186</u>	<u>15,849</u>	<u>16,350</u>	<u>16,851</u>	<u>16,732</u>	
Total Debt Service (000's)		120,362	124,612	130,591	134,273	137,856	138,775	132,202	
General Fund Unrestricted Revenues (000's) (4)		\$1,336,343	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	\$1,389,454	
Debt Service as a Percent of Revenues		9.0%	9.1%	9.4%	9.7%	9.9%	10.0%	9.5%	
Total Personal Income (000,000's) (5)		\$70,214	\$75,943	\$78,981	\$82,140	\$85,425	\$88,843	\$92,396	
Debt to Personal Income		1.3%	1.2%	1.1%	1.1%	1.0%	0.9%	0.9%	
Population (000's) (6)		1,328	1,339	1,344	1,350	1,355	1,360	1,366	
Debt Per Capita		\$669	\$652	\$657	\$658	\$639	\$619	\$598	

Footnotes explained on page 2.