# State of New Hampshire

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Fiscal Year
Ended June 30, 2024




Prepared by: Department of Administrative Services



A new statue can be found on the New Hampshire State House front lawn. The 8 foot tall bronze statue is of Concord's own Christa McAuliffe to honor her legacy as a courageous NH educator and astronaut.

"Beyond the tragedy, her legacy is a very positive one," said Benjamin Victor, the sculptor from Boise, Idaho, whose work was unveiled in a dedication ceremony on September 2nd, 2024.

**"I TOUCH THE FUTURE, I TEACH"**




McAuliffe was picked from among 11,000 candidates to be the first teacher and private citizen in space. She was one of the seven crew members of Space Shuttle Challenger. Christa never had the opportunity to teach the lessons she had planned on the mission; just over a minute after the Challenger launched, it exploded and all the crew members tragically lost.

Sources:

McAuliffe-Shepard Discovery Center
https://www.starhop.com/legacyofchrista

*Christa McAuliffe statue is the first of a woman at New Hampshire's Statehouse.* (2024,September 3). WBZ BOSTON. https://www.cbsnews.com/boston/news/christa-mcauliffe-statue-new-hampshire-statehouse/?intcid=CNM-00-10abd1h

STATE OF NEW HAMPSHIRE

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2024


**Prepared by the Department of Administrative Services**
Charles M. Arlinghaus, Commissioner
**Division of Accounting Services**
Dana M. Call, Comptroller
Karen J. Burke, Deputy Comptroller
**and the Bureau of Financial Reporting**
Scott T. Eagen, Administrator
Catherine L. Bogan


This document and related information can be accessed at ***http://das.nh.gov/accounting reports.asp***



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SEAL · OF · THE · STATE · OF · NEW · HAMPSHIRE ·
1776

# STATE OF NEW HAMPSHIRE
## OFFICE OF THE GOVERNOR

January 6, 2025

Dear Citizens of the State of New Hampshire and Honorable Members of the Executive Council and General Court,

It is my privilege to accept the Annual Comprehensive Financial Report on behalf of the State of New Hampshire for the fiscal year that ended on June 30, 2024.

Today, New Hampshire is more prosperous than ever before. Our economy is the beast of the Northeast , the envy of the nation, and the # 1 place in America to live, work, and raise a family. Businesses are moving here in droves, more people are working than ever before, and our unemployment rate continues to be one of the lowest in the nation.

When times are good, you don't spend more, you save for a rainy day. Over the past few years our New Hampshire team has done a terrific job of ensuring critical services are met while controlling costs below national inflationary increases. That is why at the end of fiscal year 2024, the rainy day fund grew to a healthy balance of $292.5 million -over 125% increase from when I took office in 2017.

In 2024, even with the reduction and elimination of taxes, we saw unrestricted revenue grow to exceed both the prior year and plan by 4%.

When we had one-time funds come in, instead of growing government or instituting new programs, we used it for one-time projects. In FY2024 , after completing the management of $1.25 billion of CARES Act funds, State agencies moved swiftly into deploying another $1 billion of American Rescue Plan (ARP) funds with all funds obligated by the federal due date of 12/3l/24. The State rapidly deployed these funds for one time spending for various critical needs across the state, including more than 80 capital projects.

There is no doubt about it -times in New Hampshire these last few years have been good. It was good management, fiscal prudence , and a limited government worldview that guided our decision making. New Hampshire has stood out as a beacon of success. A safe haven for freedom and opportunity.



Instead of governing with a one-size-fits-all approach out of Concord, we engaged stakeholders, local officials, and families, shifting decision making in government to its lowest levers of power.

Responsible management of taxpayer dollars is of the utmost importance. We are strategic in New Hampshire. We plan . We don't believe the Government gets it done - we empower the private sector to be partners in our success. New Hampshire has set the gold standard.

Sincerely,

Christopher T. Sununu
Governor



State of New Hampshire
Selected State Officials
For the Fiscal Year Ended June 30, 2024

## *Executive Branch*

***Governor*** **Christopher T. Sununu**
***Executive Council***
**Joseph D. Kenney, District 1**
**Cinde Warmington, District 2**
**Janet Stevens, District 3**
**Theodore L. Gatsas, District 4**
**David K. Wheeler, District 5**
***Attorney General***
**John M. Formella**
***Commissioner of Administrative Services***
**Charles M. Arlinghaus**
***State Treasurer***
**Monica Mezzapelle**
***Secretary of State***
**David M. Scanlan**
***Comptroller***
**Dana M. Call**

## *Judicial Branch*

***Chief Justice of the Supreme Court***
**Gordon J. MacDonald**

## *Legislative Branch*

***President of the Senate***
**Jeb Bradley**
**24 Senators**
***Speaker of the House of Representatives***
**Sherman Packard**
**400 Representatives**

# STATE OF NEW HAMPSHIRE
# ORGANIZATION CHART




**Senate**
House of Representatives
Legislative Services
Legislative Budget Assistant

**Governor and Council**

**Supreme Court**
Superior Court
Circuit Court

## STATE AGENCIES AND COMPONENT UNITS (*)

### GENERAL GOVERNMENT

Administrative Services
Boxing & Wrestling Commission
Community Development Finance Authority*
Developmental Disabilities Council
Executive Council
Executive Department
Information Technology Department
Legislative Branch
Professional Licensure & Certification
Retirement System*
Revenue Administration
State Department
Tax & Land Appeals Board
Treasury Department

### ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

Agriculture, Markets & Food Department
Banking Department
Corrections Department
Employment Security
Energy Department
Human Rights Commission
Insurance Department
Judicial Branch
Judicial Council
Military Affairs & Veteran Services
NH Judicial Retirement Plan*
Justice Department
Labor Department
Liquor Commission
Public Employee Labor Relations Board
Safety Department

### RESOURCE PROTECTION AND DEVELOPMENT

Business & Economic Affairs
Environmental Services Department
Fish and Game Department
Natural & Cultural Resources
Business Finance Authority*
Pease Development Authority*

### TRANSPORTATION

Transportation
Turnpike System

### HEALTH AND SOCIAL SERVICES

Health and Human Services
Veterans' Home

### EDUCATION

Community College System of NH*
Education Department
Lottery Commission
Police Standards & Training Council
University System of New Hampshire*

CHARLES M. ARLINGHAUS
Commissioner
(603) 271-3201

# State of New Hampshire

**DEPARTMENT OF ADMINISTRATIVE SERVICES**
**OFFICE OF THE COMMISSIONER**
**25 Capitol Street**
**Concord, New Hampshire 03301**

March 20, 2025

To: The Citizens of New Hampshire,
Her Excellency the Governor
and the Honorable Council

In accordance with the Revised Statutes Annotated (RSA) 21-I:8,II (a), it is a pleasure to submit the Annual Comprehensive Financial Report (ACFR), covering the fiscal year ended June 30, 2024. This report has been prepared by the State of New Hampshire, Department of Administrative Services (DAS) and responsibility for both the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with the State. The basic financial statements, considered by management to present fairly and consistently the State's financial position and results of operations, have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) applicable to state and local governments, as promulgated by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 34 requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors' report.

The financial reporting entity includes all funds of the State as legally defined, as well as all of its component units. Component units are legally separate entities for which the State is financially accountable. Note 1 to the Basic Financial Statements provides a more complete description of the State's reporting entity. The State provides a full range of services including: the construction and maintenance of highways and infrastructure, education, health and social services, public safety, the development of parks and recreation facilities, conservation of natural resources, and economic development.

**State Profile**

New Hampshire, known as the Granite State, is located in the New England census region and is bordered by the states of Maine, Massachusetts and Vermont and the Province of Quebec, Canada. The State is 9,304 square miles in area and has 18 miles of general coastline on the Atlantic Ocean and 131 miles of tidal shoreline. The State's population was 1,377,529 according to the 2020 U.S. Census. New Hampshire holds the first in the nation Presidential Primary.

The State Constitution provides for three branches of government which include the Executive Branch, the Legislative Branch and the Judicial Branch:

- The executive officers of the Executive Branch consist of the Governor, the State Treasurer, the Secretary of State and the five-member Executive Council (the "Council"). The Governor, who holds office for a two-year term, is responsible for the faithful execution of all laws enacted by the Legislature and the management of the executive departments of the State. The State Treasurer and the Secretary of State are elected by joint ballot of the House and Senate for two-year terms. The Council is elected by the people biennially, one Councilor for each of the five Councilor districts in the State. The Council's chief function is to provide advice and consent to the Governor in the executive function of government. The Governor and Council can negate each other in nominations of and appointments to executive positions in the judicial and executive branches. The executive branch is organized into a number of departments, each headed by a Commissioner.
- The legislative power of the State is vested in the General Court (the "Legislature") consisting of the 400-member House of Representatives and the 24-member Senate, both meeting annually. Members of the House are elected biennially from districts apportioned among cities and towns of the State on the basis of population. Senate members are elected biennially from single-member Senate districts. Money bills originate in the House, but the Senate may propose or concur in amendments. Every bill which passes both houses of the Legislature is presented to the Governor for approval or veto. If a bill is vetoed by the Governor, that veto may be overridden by a vote of two-thirds of the members of each house of the Legislature. If the Governor fails to act within five days (except Sundays) on a bill presented for approval, the bill automatically becomes law unless the Legislature is not then in session.
- The judicial branch of the government consists of an Administrative Office of the Courts and Trial Court Center, Supreme Court, Superior Court with 11 sites, and a Circuit Court with three divisions, probate, district, and family, with 34 sites. All justices and judges are appointed by the Governor and Council and may serve until seventy years of age.

**State and Local Taxation**

The State finances its operations through a combination of specialized taxes, user charges, and revenues received from the State liquor sales and distribution system. Two of the more significant taxes are business taxes (the business profits and business enterprise taxes) and a meals and rooms tax. The State does not levy any personal earned income tax or general sales tax but does currently impose a tax on interest and dividends, until it is phased out in future years. The State believes its tax structure has played an important role in the State's economic growth. New Hampshire has generally been among the highest states in local real estate property tax collections because local property taxes have been the principal source of funding for primary and secondary education.

# New Hampshire's Economic Conditions & Outlook

New Hampshire's unemployment rate was 2.2 percent at the end of the fiscal year, significantly less than the national average of 4.1 percent. The effects of the housing crisis continued to fuel employer concerns about their ability to grow their businesses if unable to attract the talent they need.

New Hampshire continued to earn high rankings in national surveys, including #1 State for Overall Child Well-Being (Annie E. Casey Foundation); #1 Economic Opportunity (U.S. News &World Report); #1 Best State to Relocate (Kiplinger); #2 Best State (U.S. News &World Report), and #5 Best State to Live in (WalletHub).

Through the InvestNH housing initiative created in 2022, a total of 1,353 housing units were constructed, of which 845 are affordable units.

The Office of Broadband Initiatives has contracted with internet service providers to provide broadband access to 48,000 unserved and underserved addresses in the state through funding provided by the American Rescue Plan Act's Coronavirus Capital Projects Fund. To date, access has been provided to over 15,000 addresses, while work continues to secure Infrastructure Investment and Jobs Act broadband funding: $196 million through Broadband Equity, Access and Deployment (BEAD) grants and $4.9 million through Digital Equity grants.

New Hampshire continues to experience industrial, office, and retail growth within the state as well as expansions from other regions including New England, New York, the Midwest, and Southeast. Facilities growth in the state included medical device manufacturing, electronics, logistics and food, which resulted in about $650 million in new capital investment, $200 million in new payroll, 19 companies, and 1,700 projected new jobs.

The value of New Hampshire goods exports reached a record $7.6 billion in 2023, up from the record set in 2022, illustrating the global demand for products made in the Granite State. Aircraft, spacecraft, and associated parts returned to its position as the state's top export, increasing 28 percent from 2022, to $1.7 billion. The state's top five export partners were Germany, Canada, Mexico, Japan, and China.

New Hampshire visitation and visitor spending remains consistent over the same time period as last year. The state saw approximately 9.8 million visitors that generated $4.9 billion in visitor spending.

In FY24, New Hampshire's outdoor recreation economy experienced steady growth and is a $3.9 billion industry, including activities such as RVing, snow activities, hunting, boating, fishing, camping, cycling and others. The outdoor recreation industry employs over 31,000 people.

New Hampshire vendors (excluding subcontractors) were awarded over $3 billion in government contracts. Of that amount, $502 million was awarded directly to small businesses.

# Fiscal Year 2024 Operations

During the current fiscal year, state agencies have been continuing to administer projects approved utilizing funds from the American Rescue Plan Act (ARPA). ARPA allocated funding for a variety of programs within the State. The largest component of funding is the Coronavirus State and Local Fiscal Recovery Funding (SFRF). The State received a total of $994.6 million to be used to respond to the public health emergency, support essential workers, replace lost revenue for the provision of government services, and to invest in specified types of infrastructure specifically limited to water, sewer, or broadband infrastructure. The US Treasury requires that these funds be obligated by December 31, 2024, and expended by December 31, 2026. Through June 30, 2024, substantially all of the state fiscal recovery funds have been allocated to address various initiatives. Cumulative through June 30, 2024, expenditures of these projects totaled $432.8 million. The State has also received additional federal funds through ARPA including Coronavirus Capital Projects Funds and Emergency Rental Assistance Funds, as well as Federal Emergency Management Agency (FEMA) Disaster Public Assistance Funds. Those funds continue to be expended in accordance with the timeframe requirements of those programs. Information on federal funding can be found in the State's Governmental Funds' statements presented on page 35 and 37.

The discussion below pertains to unrestricted General and Education Trust funds.

**General and Education Trust Fund**

The fiscal year 2024-2025 budget was signed into law by the Governor on June 20, 2023, known as Chapters 106 (HB 1) and 79 (HB 2), Laws of 2023. The fiscal year 2024 original enacted budget for general and education trust funds totaled $3,053.0 million. In addition, appropriations approved as part of the budget companion bill, HB 2, as well as a number of legislative bills passed in both the June 2022 and June 2024 special sessions, net with required appropriation reductions, brought total appropriations for fiscal year 2024 to $3,159.9 million. The Legislature appropriated additional funds for multiple items in the 2024-2025 biennium including: $67.5 million to the Department of Health and Human Services for Medicaid rate increases, $38.7 million for state employee pay raises, and $60.0 million for the YDC claims fund. Fiscal year 2024 appropriations were further increased through legislative specials and Fiscal Committee actions, resulting in a cumulative total of $3,279.9 million appropriated for fiscal year 2024. In addition to the impact of appropriations and transfers out were unfavorable lapses of combined General Fund and Education Fund appropriations. The fiscal year 2024 original budget anticipated spending lapses of $76.0 million. Actual fiscal year 2024 lapses totaled $53.5 million, for a difference of $22.5 million, resulting in a draw on undesignated surplus.

Unrestricted revenue for the General and Education Trust Funds received during fiscal year 2024 totaled $3,332.0 million which was above the fiscal year 2024 Plan of $3,194.0 million by $138.0 million, or 4.3%. While unrestricted revenue ended the year ahead of Plan, the amount of excess revenue significantly decreased as compared to fiscal year 2023 when revenues were $528.2 million, or 15.6% above Plan. This is the fourth year of favorable revenue results beyond the budgeted revenue plan, however, this year it was not Business Taxes driving the favorable results. Other Revenue saw the most favorable results and in total was ahead of Plan by $82.1 million (47.9%), primarily as a result of interest earned on surplus funds. In addition, transfers from the Lottery Commission were above Plan by $47.8 million (29.9%) and Insurance Taxes were above Plan by $23.3 million (16.6%). Net unrestricted Meals and Rentals Taxes were above Plan by only $9.2 million (2.9%). The dedicated portion (30%) of the Meals and Rentals Tax totaled $130.9 million for fiscal year 2024, up from $121.0 million for fiscal year 2023, and was transferred to the local municipalities. The other revenue source experiencing favorable results in fiscal year 2024 was the Interest and Dividends tax, which exceeded plan by $61.8 million (50.3%). In developing the budgeted revenue Plan for the 2024-2025 biennium, the Legislature took into consideration the changes adopted to RSA 77:1, *Rate of Taxation of Incomes*, including a steady reduction in the tax rate on earned interest and dividends, leading up to the ultimate repeal of the tax, effective January 1, 2025. Despite an overall revenue surplus, fiscal year 2024 was the first year in recent years that the State experienced a decrease in Business Taxes which were down $21.3 million or 1.7%. In addition, Tobacco Taxes continued to experience a shortfall of $24.9 million (11.6%), Real Estate Transfer Taxes were down $26.2 million (12.5%), and Transfers from the Liquor Commission experienced a shortfall of $20.2 million (15.6%) below Plan.

**General Fund & Education Trust Fund FY 2022, 2023 & 2024**

($ in millions)

| | FY 2022 | FY 2023 | | | FY 2024 | | | FY 2024 Combined |
|---|---|---|---|---|---|---|---|---|
| **Revenue Category** | **Total** | **General** | **Education** | **Total** | **General** | **Education** | **Total** | **Plan** |
| Business Profits Tax | $ 889.1 | $ 768.7 | $ 190.1 | $ 958.8 | $ 586.1 | $ 431.5 | $ 1,017.6 | $ 872.9 |
| Business Enterprise Tax | 334.9 | 3.5 | 296.6 | 300.1 | 196.0 | 12.1 | 208.1 | 374.1 |
| Subtotal | 1,224.0 | 772.2 | 486.7 | 1,258.9 | 782.1 | 443.6 | 1,225.7 | 1,247.0 |
| Meals & Rentals Tax | 307.2 | 310.0 | 10.4 | 320.4 | 320.3 | 9.5 | 329.8 | 320.6 |
| Tobacco Tax | 231.9 | 136.4 | 81.4 | 217.8 | 121.2 | 68.3 | 189.5 | 214.4 |
| Liquor Sales and Distribution | 140.4 | 133.3 | | 133.3 | 109.6 | | 109.6 | 129.8 |
| Interest & Dividends Tax | 157.5 | 147.3 | | 147.3 | 184.6 | | 184.6 | 122.8 |
| Insurance Tax | 154.9 | 156.8 | | 156.8 | 163.3 | | 163.3 | 140.0 |
| Communications Tax | 29.9 | 28.1 | | 28.1 | 30.6 | | 30.6 | 30.0 |
| Real Estate Transfer Tax | 232.6 | 137.0 | 68.5 | 205.5 | 122.5 | 61.3 | 183.8 | 210.0 |
| Transfers from Lottery Commission | 146.6 | | 189.5 | 189.5 | | 207.9 | 207.9 | 160.0 |
| Tobacco Settlement | 49.0 | 4.6 | 40.0 | 44.6 | | 39.8 | 39.8 | 40.0 |
| Utility Property Tax | 43.3 | | 42.9 | 42.9 | | 46.8 | 46.8 | 42.0 |
| Property Tax Retained Locally | 363.3 | | 263.1 | 263.1 | | 363.8 | 363.8 | 363.1 |
| Other | 150.4 | 203.3 | 2.5 | 205.8 | 249.2 | 4.1 | 253.3 | 171.3 |
| Subtotal Traditional Taxes | 3,231.0 | 2,029.0 | 1,185.0 | 3,214.0 | 2,083.4 | 1,245.1 | 3,328.5 | 3,191.0 |
| DHHS Recoveries | 3.4 | 4.5 | | 4.5 | 3.5 | | 3.5 | 3.0 |
| Total Receipts | $ 3,234.4 | $ 2,033.5 | $ 1,185.0 | $ 3,218.5 | $ 2,086.9 | $ 1,245.1 | $ 3,332.0 | $ 3,194.0 |

Also impacting undesignated fund balance are GAAP and other accrual adjustments. Combined unfavorable closing adjustments made in accordance with GAAP to bring the budgetary accounting basis to the modified accrual accounting basis for fiscal year 2024 totaled $31.8 million. This reflects the reversal of the prior year budgetary basis adjustments, offset by increases in net accrued liabilities, the majority of which relates to the annual impact of the credit carryover liability for business tax overpayments, as well as a higher liability for Medicaid claims incurred. In addition, a portion of the draw on education trust funds includes $10.6 million towards funding of certain programs accounted for as part of the general fund.

At the close of the fiscal 2022-2023 biennium, $132.6 million in remaining surplus funds were transferred to the Rainy Day fund. As a result, fiscal year 2024 began with an undesignated fund balance of $0 in the General Fund and $161.6 million in the Education Trust Fund. During fiscal year 2024, as a result of unrestricted General and Education Trust Fund revenue ahead of plan by $138.0 million, offset by the impact of the additional appropriations, a shortfall in lapsed appropriations and other accrual adjustments noted above, the ending undesignated fund balance as of June 30, 2024 totaled $73.9 million in the General Fund and $136.2 million in the Education Trust Fund, for a total of $210.1 million.

**Department of Administrative Services**
**General Fund & Education Trust Fund FY 2022, 2023 & 2024 ($ in millions)**

| | FY 2022 | FY 2023 | | | FY 2024 | | |
|---|---|---|---|---|---|---|---|
| | Total | General | Education | Total | General | Education | Total |
| **Undesignated Fund Balance, July 1** | $ 2.2 | $ 253.3 | $ 108.0 | $ 361.3 | | $ 161.6 | $ 161.6 |
| **Additions:** | | | | | | | |
| Unrestricted Revenue | 3,234.4 | 2,033.5 | 1,185.0 | 3,218.5 | 2,086.9 | 1,245.1 | 3,332.0 |
| **Deductions:** | | | | | | | |
| Appropriations Net of Estimated Revenues | (2,746.3) | (1,966.4) | (1,068.9) | (3,035.3) | (1,943.4) | (1,216.5) | (3,159.9) |
| Additional Appropriations | (65.5) | (395.6) | (64.7) | (460.3) | (89.9) | (30.1) | (120.0) |
| Less Lapses | 104.8 | 226.2 | 0.7 | 226.9 | 52.5 | 1.0 | 53.5 |
| Total Net Appropriations | (2,707.0) | (2,135.8) | (1,132.9) | (3,268.7) | (1,980.8) | (1,245.6) | (3,226.4) |
| **GAAP and Other Adjustments, net** | (116.1) | (6.4) | 1.5 | (4.9) | (32.2) | 0.4 | (31.8) |
| Other Debits: Public School Infrastructure/Court Order Placement | | | | | | (10.6) | (10.6) |
| **Current Year Balance** | 411.3 | (108.7) | 53.6 | (55.1) | 73.9 | (10.7) | 63.2 |
| **Fund Balance Transfers (To)/From** | | | | | | | |
| Rainy Day | (2.1) | (132.6) | | (132.6) | | | |
| Highway Fund | (50.0) | (10.0) | | (10.0) | | | |
| Fish and Game Fund | (0.1) | (2.0) | | (2.0) | | | |
| **Designated for Public School Infrastructure/Court Order Plcmt** | | | | | | 14.7 | 14.7 |
| **Undesignated Fund Balance, June 30** | 361.3 | | 161.6 | 161.6 | 73.9 | 136.2 | 210.1 |
| **Reserved for Rainy Day Account** | 159.9 | 292.5 | | 292.5 | 292.5 | | 292.5 |
| **Total Fund Balance** | $ 521.2 | $ 292.5 | $ 161.6 | $ 454.1 | $ 366.4 | $ 150.9 | $ 517.3 |

**Use of Undesignated General Fund Surplus**

*Revenue Stabilization (Rainy Day) Fund*

As noted above, at the close of the fiscal 2022-2023 biennium, the transfer of revenue surplus into the Rainy Day fund totaled $132.6 million, bringing the balance to $292.5 million as of June 30, 2023. There were no transfers during fiscal year 2024, therefore the Rainy Day fund balance remains at $292.5 million as of June 30, 2024.

*Youth Development Center (YDC) Fund*

During fiscal year 2022, the legislature designated $100 million of the revenue stabilization reserve account to fund the YDC settlement fund, established in Chapter 122, Laws of 2022. During fiscal year 2024, Chapter 92, Laws of 2024 appropriated $60 million from the undesignated general fund surplus and this appropriation was added to the YDC fund during fiscal year 2024. Claims payments and other administrative costs disbursed during fiscal year 2023 and 2024 totaled $76.7 million, leaving a cash-basis balance in the fund of $83.3 million as of June 30, 2024. Chapter 92, Laws of 2024 also created a cap on the amount of claims that could be paid each fiscal year at $75 million.

Additional information on the General Fund undesignated balance can be found in the preceding tables and on page 153.

**Business Taxes and Interest & Dividends Tax**

During past legislative sessions, the rate of Business Profits Tax (BPT) was reduced from 7.6% to 7.5%, and the Business Enterprise Tax (BET) was reduced from 0.60% to 0.55%. During fiscal year 2024, combined general and education fund collections of BPT were higher than budgeted by $144.7 million. Offsetting this, combined general and education fund collections of BET were lower than budgeted by $166.0 million, for a net overall result in Business Taxes ending fiscal year 2024 below plan by $21.3 million, or 1.7%. The portion of total business taxes attributed to BET in FY2024 was lower than planned, at 17% (83% of collections were attributed to BPT). The Department of Revenue utilized improved taxpayer system data, as well as modified its allocation methodology so that in FY2024, tax estimates were allocated according to the taxpayer's historical split between the taxes. This meant new estimate revenue received in FY2024 favored BPT instead of BET, resulting in lower BET results. Regarding the allocation of business taxes between the general and education trust funds, the Legislature adjusted RSA 77-E:14 to change the distribution of revenue produced from both BPT and BET to be 59% allocated to the general fund and 41% to the education trust fund.

Interest & Dividends (I&D) tax collections have been impacted by changes to RSA 77:1, *Rate of Taxation of Incomes*, which repealed the I&D tax with an effective date of January 1, 2025. Prior to its repeal, the I&D tax was levied at the rate of 5 percent for all taxable periods ending before December 31, 2023; 4 percent for all taxable periods ending on or after December 31, 2023, and 3 percent for all taxable periods ending on or after December 31, 2024. This phase-out was taken into consideration by the Legislature when developing the unrestricted revenue plan amount for fiscal year 2024, and as such, Interest and Dividends tax performed well, ending fiscal year 2024 $61.8 million, or 50% ahead of Plan. The continued phase-out and ultimate repeal of this tax will have a significant impact on the collection of unrestricted revenue supporting the general fund in periods beyond fiscal year 2024.

**Highway Fund**

The Highway Fund ended fiscal year 2024 with an operating surplus of approximately $86.2 million as compared to the fiscal year 2023 balance of $113.4 million. The actual Highway Fund fiscal 2024 revenues of $266.7 million (inclusive of cost of collections of $31.4 million) were $6.7 million higher than the revenue plan for fiscal year 2024 of $260.0 million, and higher than revenues received in fiscal year 2023 by $11.2 million. In addition to revenue collections exceeding Plan, the State also experienced favorable variances in appropriation lapses. Lapsed appropriations totaled $45.3 million, or $19.0 million higher than the $26.3 million assumed in the adopted budget. Fiscal year 2024 appropriations were $301.1 million, which reflect some minor adjustments from the adopted fiscal 2024 budget of $289.9 million, as well as additional winter maintenance appropriations of $11.2 million authorized during the fiscal year. The overall reduction in highway fund surplus was favorable as compared to the budget plan. The enacted budget anticipated revenues net of cost of collections would be lower than net appropriations by approximately $38 million and actual activity resulted in a current year shortfall of $27.8 million.

As the majority of fund balance within the Highway Fund is categorized as restricted, the surplus amount is embedded within restricted fund balance. Additional information on the Highway Fund can be found on page 155.

**Fish & Game Fund**

The Fish and Game Fund ended fiscal year 2024 with an operating surplus of approximately $11.6 million as compared to the fiscal year 2023 balance of $13.2 million. The actual Fish and Game Fund revenues and other credits for fiscal year 2023 of $14.9 million were lower than the fiscal year 2023 total of $16.9 million, primarily as a result of a one-time credit of $2.0 million, which was designated by HB 2 (Laws of 2023) to transfer general funds into the fish and game fund. Without the infusion of general funds in fiscal year 2023, fiscal year 2024 revenues were comparable to fiscal year 2022 revenues. Appropriations were $17.8 million, as compared to $16.7 million in fiscal year 2023. Fiscal year 2024 lapses of $1.8 million were lower than prior year by $0.8 million. The overall reduction in fish and game fund surplus was favorable as compared to the budget plan. The enacted budget anticipated revenues would be lower than net appropriations by approximately $2.0 million and actual activity resulted in a current year shortfall of $1.1 million.

The Fish and Game surplus balance is embedded within assigned fund balance within the Fish and Game fund. Additional information regarding the Fish and Game fund can be found on page 156.

**Unrestricted Net Position**

At the Government-Wide Level, the State's Governmental Activities unrestricted net position is less than the unrestricted liabilities which results in a deficit of Unrestricted Net Position. Since fiscal year 2009 (on a restated basis), the State's net position has changed from an unrestricted positive balance to an unrestricted deficit balance. The deficit balance as of June 30, 2024 was $1,355.5 million, a negative variance of $255.2 million as compared to the deficit balance as of June 30, 2023 of $1,100.3 million. As discussed in previous years, the significant deficit balance is primarily a result of the fiscal year 2018 implementation of GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which required Other Post Employment Benefit (OPEB) payables to be reported on the Statement of Net Position. The deficit unrestricted net position is primarily the result of the following as of June 30, 2024: 1) $1,010.7 million of OPEB payables outstanding (see Note 11) 2) $1,040.5 million of Net Pension Liabilities outstanding (see Note 11) 3) Long-Term debt issued by the State for component unit capital purposes, $69.1 million outstanding principal balance ($62.3 million USNH and $6.8 million CCSNH), that did not result in a Governmental Activities' capital asset (assets are recorded on the balance sheets of USNH and CCSNH), and 4) school building aid long term debt which was bonded between 2009-2011 with a remaining principal balance of approximately $29.9 million that did not result in a State capital asset. In addition, during fiscal year 2024 the State recognized a claims liability of $363.7 million relating to the YDC settlement fund, established in Chapter 122, Laws of 2022. The increase in this liability substantially offset the reduction in the other long-term liabilities such as OPEB and Net Pension noted above.

# Other Financial Matters

**2024 Capital Budget / Capital Projects Fund**

The capital budget for state fiscal years 2024-2025 per Chapter 113, Laws of 2023, authorized nearly $278 million in capital appropriation, leveraging approximately $172 million in bonding authority, with $137 million in general funds and the balance from other sources.

Approved projects for the biennium included:

- $7.0 million to purchase the Hall Street building in Concord from the University System of NH
- $17.5 million for construction of the new Rochester Courthouse
- $7.6 million for the Winnisquam Regional CTE Center renovations
- $7.5 million to the Department of Military Affairs and Veterans Services for readiness center construction projects
- $6.1 million for projects at the Community College System
- $21.8 million in state match for the Clean Water and Drinking Water State Revolving Fund
- $19.3 million for the Department of Health and Human Services towards the Child Welfare Information and Electronic Health Records systems

During fiscal year 2024, projects initiated in the prior biennium continued to progress, while expenditures on newly authorized projects began. The State issued $60 million of Series 2024A GO capital improvement bonds, to which S&P Global Ratings (S&P) assigned an AA-plus rating. In addition, for the first time in many years, S&P raised New Hampshire's $661.5 million of outstanding general obligation bonds to AA-plus from AA. S&P also raised the state's $200 million Transportation Infrastructure Finance and Innovation Act (TIFIA) loan with the U.S. Department of Transportation. The outlook on all ratings was considered stable.

In addition, the Legislature authorized $21 million in general funds, through Chapter 79, Laws of 2023 (HB 2), to fund the purchase of the south tower building at Granite Place, Concord. This was completed during fiscal year 2024 as a result of the decision to relocate the Department of Justice and demolish the previous building location on State Street in Concord.

**Highway Fund Financing**

Beginning in May 2016, the State entered into the Transportation Infrastructure Finance and Innovation Act (TIFIA) financing agreement for $200 million to advance the construction of the remaining I-93 expansion projects. The loan proceeds were being used on four Federal Highway Administration (FHWA) approved projects included in the I-93 widening project. These projects are accounted for and reported in the Highway Fund. Total proceeds to date for program expenditures are $198.5 million, representing a long-term note payable. All proceeds were drawn against the loan as of June 30, 2022, with no new expenditures in fiscal year 2023 or 2024. The obligation is payable on an interest-only basis initially, with principal payments beginning in fiscal year 2026.

**Medicaid Program**

*Background*. Established in 1965, Medicaid is a joint federal-state program providing health care to eligible needy persons. Federal law requires states to cover certain benefits and eligibility categories, and, subject to federal law, states have a choice of which additional optional eligibility categories and benefits to offer. Each state operates its Medicaid program within broad federal guidelines, in accordance with a customized State Plan approved by the federal Centers for Medicare & Medicaid Services ("CMS") reflecting that state's priorities in designing program eligibility and benefits. The federal government matches state Medicaid spending at rates that vary depending on state per capita income.

*Overview of New Hampshire Medicaid.* The New Hampshire Medicaid program ("New Hampshire Medicaid") administered through the Department of Health and Human Services (the "Department") is a complex network that provides health care and psychosocial support insurance coverage to participants who meet eligibility requirements. New Hampshire Medicaid covers all or part of the health care costs of low-income children, pregnant women, parents with children, senior citizens, and people with disabilities for medical and hospital services, nursing facility care, in-home support services and more. New Hampshire Medicaid expended a total of $2.13 billion in fiscal year 2018; $2.14 billion in fiscal year 2019; $2.07 billion in fiscal year 2020; $2.37 billion in fiscal year 2021; $2.58 billion in fiscal year 2022; $2.55 billion in fiscal year 2023 and $2.46 billion in fiscal year 2024. The State's base federal medical assistance percentage ("FMAP") matching rate is 50%. There are exceptions, which afford higher FMAP rates, such as the Breast and Cervical Cancer Program (base FMAP match of 65%; and the NH Granite Advantage Health Care Program with an enhanced FMAP match of 90% beginning in calendar year 2020, and Children's Health Insurance Program (CHIP) at 65%.

The Families First Coronavirus Response Act (FFCRA) allowed states to claim an enhanced FMAP of 6.2% for the standard Medicaid population and 4.34% for the New Hampshire Medicaid Children's Health Insurance Program (CHIP) population if the state suspended terminations, with few exceptions, of an individual's Medicaid coverage during the duration of the Public Health Emergency (PHE) under the Continuous Enrollment Requirement or CER.

Effective January 1, 2023, the Consolidated Appropriations Act (CAA), the federal government's omnibus spending bill, decoupled the CRE from the PHE, and end dated the CER on March 31, 2023.

The 6.2% enhanced FMAP increase was available through March 31, 2023, April 1, 2023, through December 31, 2023, was the transition period in which the enhanced FMAP available under the FFCRA decreased from 6.2% to 1.5% during the remaining quarters of calendar year 2023. Enhanced FMAP levels stepped down starting in quarter two of calendar year 2023 to 5%, quarter three to 2.5%, and quarter four to 1.5%. Normal FMAP levels were applied as of January 1, 2024.

*Children's Health Insurance Program (CHIP)*. On January 22, 2018, Congress passed a six-year extension of CHIP funding as part of a broader continuing resolution to fund the federal government. The act provides enhanced federal funding for CHIP for six years starting at the enhanced rate of 88% for federal fiscal years (FFY) 2018 and 2019, 76.5% for FFY 2020, and 65% in FFY 2021 and beyond. During the PHE, Section 6008(a) of the FFCRA provided a temporary 4.34 percentage point increase to the base 65% FMAP. The CAA extended the 4.34% enhanced FMAP increase through March 31, 2023. April 1,2023 through December 31,2023 is defined as the transition period in which enhanced FMAP for CHIP stepped down starting in quarter two of 2023 to 3.50%, quarter three to 1.75%, and quarter four to 1.05%. Normal FMAP levels of 65% resumed as of January 1, 2024.

*Policy Changes and Enrollment Trends.* New Hampshire Medicaid caseloads were directly impacted because of the PHE and the CER under the FFCRA, which required states, as a condition of receiving the enhanced FMAP, to suspend termination of eligibility for New Hampshire Medicaid except for members who die, move out of state, or request ending Medicaid coverage.

During the PHE through March 31, 2023, the standard Medicaid population, including CHIP increased to 156,621 and the Granite Advantage population increased to 97,738 with a combined population of 254,359.

Due to the end of the CER, and the State having completed 99% of the redeterminations during the unwind, as of January 31, 2024, there were 124,171 individuals in the standard New Hampshire Medicaid (including CHIP) population and 59,076 in the Granite Advantage population.

Current enrollment for the standard New Hampshire Medicaid population, including CHIP is 125,352 as of October 31, 2024. Current enrollment for the Granite Advantage Health Care Program (expansion) population is 58,155 as of October 31, 2024. The combined New Hampshire Medicaid population, including standard New Hampshire Medicaid, CHIP, and the Granite Advantage Health Care Program (expansion) populations, as of October 31, 2024 is 183,507, which is an increase of 1,870 since October 31, 2023.

In addition to the end of the CER, New Hampshire Medicaid enrollment trends are impacted by extending 12-months of continuous eligibility for children, effective January 1, 2024, and postpartum women, effective October 1, 2023.

*Medicaid Expansion (Granite Advantage Health Care Program).* The New Hampshire Granite Advantage Health Care Trust Fund provides coverage for the newly eligible Medicaid population as provided for under RSA 126-AA:2 covering adults from age 19 up to, and including, age 64 and who are not enrolled in or eligible for another eligibility group of Medicaid or have Medicare.

Granite Advantage was established through a five-year demonstration program beginning January 1, 2019. Through Chapter 79, New Hampshire Laws of 2023, the prospective repeal of Granite Advantage was extended from December 31, 2023, until December 31, 2030.

Across SFY 2024 there were 92,853 unique individuals who were enrolled in the Granite Advantage Health Care Program at some point during the year, and across SFY 2023 there were 111,986 unique members in the program.

All moneys in the New Hampshire Granite Advantage Health Care Trust Fund are non-lapsing and are continually appropriated to the Commissioner for the purposes of the New Hampshire Granite Advantage Health Care Trust Fund. As provided for in the statute, no state general funds can be used to fund the non-federal share of the Granite Advantage Health Care Program.

House Bill 4 of the 2019 Regular Legislative Session amended RSA 126:AA:1 by changing the funding of the non-federal share of the Granite Advantage Health Care Program to include profits from the Liquor Commission through the Alcohol, Prevention & Treatment Fund and limited the NH Health Plan Assessment to no more than the funding needed to cover the Remainder Amount not to exceed the monies from Insurance Premium Tax Revenue and Alcohol, Prevention & Treatment Fund as well as Other Funds Returnable.

House Bill 4 of the 2019 Regular Legislative Session additionally amended RSA 126-AA:3, VI to require the Commissioner of the Department, to determine quarterly whether there is sufficient non-federal funding in the New Hampshire Granite Advantage Health Care Trust Fund to cover projected program costs for the following 6-month period. If at any time the Commissioner determines that a projected shortfall exists, then the sum necessary to cover such shortfall shall be transferred to the New Hampshire Granite Advantage Health Care Trust Fund from the Liquor Commission Fund established in RSA 176:16.

Higher costs in SFY 2020 through 2023 were due to the increased Medicaid caseloads resulting from New Hampshire's compliance with the CER as a condition of receiving the increased FMAP under FFCRA.

The sum of $8.1 million was transferred in SFY 2021; $8.7 million was transferred in SFY 2022; $7.2 million was transferred to cover the additional costs in SFY 2023 and no additional transfers were needed in SFY 2024.

There was an 18% decrease in SFY 2024 costs compared to SFY 2023 as the result of the completed redeterminations of individuals protected by the CER and the Granite Advantage population decreasing to levels closer to pre-PHE population levels.

**Retirement Funding**

The New Hampshire Retirement System is the administrator of the cost-sharing multiple-employer Public Employee Retirement System (NHRS) established in 1967 by RSA 100-A:2 (see Note 11). The New Hampshire Judicial Retirement Plan (NHJRP) is a single employer plan established in 2005 by RSA 100-C:2. As of June 30, 2024 the State reported a total of $1,088.3 million for its proportionate share of the net pension liability of the NHRS liability and the net pension liability of NHJRP. This compares to a balance of $1,104.1 million as of June 30, 2023.

*Funding Status:* The Pension Plan is funded by contributions from the members, the State and local employers and investment earnings. The State has enacted various legislative changes in recent years in order to address certain issues pertaining to the Pension Plan, including, among other matters, the level of benefits to be received by retirees and the contributions required to be made by employers and employees.

**OPEB**

In addition to pensions, many state and local governmental employers provide other postemployment benefits ("OPEB") as part of the total benefit component of compensation offered to attract and retain the services of qualified employees. OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (for example, health insurance) when provided separately from a pension plan. From an accrual accounting perspective, the cost of OPEB, like the cost of pension benefits, generally should be associated with the periods in which the exchange occurs (matching principle), rather than with the periods (often many years later) when benefits are paid or provided. However, in current practice, most OPEB plans are financed on a pay-as-you-go basis.

The State has two components of OPEB which include the State Retiree Health Benefit Plan and the NHRS Medical Subsidy Plan. The State Retiree Health Benefit Plan is a single-employer (primary government with component units) plan with no assets accumulated in a trust that meets the criteria of paragraph 4 of GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (GASBS 75). This plan is funded on a pay-as-you-go basis. As of June 30, 2024, the State is reporting a Total OPEB Liability on its balance sheet of $996.5 million for this plan. This compares to $1.5 billion as of June 30, 2023. The NHRS Medical Subsidy Plan is a cost sharing multiple-employer plan with assets accumulated in a trust that meets the criteria of paragraph 4 of GASBS 75, and the State is reporting a Net OPEB Liability on its fiscal year 2024 balance sheet of $62.3 million for this plan, representing the proportionate share of the NHRS Net OPEB Liability for the State's primary government and component units. This compares to $68.3 million as of June 30, 2023.

The State continues to review and analyze cost containment options for the Retiree Health Benefit Plan. No significant plan changes impacted the accounting valuation used to measure the Total OPEB Liability as of June 30, 2024. However, certain assumptions utilized in measuring the OPEB liability have been updated to reflect accounting standards, as well as current experience and future expectations involving health care cost trends, which resulted in an overall decrease in the OPEB liability for fiscal year 2024.

## Budgetary Process

The State budget is prepared on a biennial basis. Governmental funds included in the biennial budget process are the General fund, Education fund, the Highway fund, and the Fish and Game fund. Prior to the start of each biennium, all departments of the state are required by law to transmit to the

commissioner of the Department of Administrative Services requests for capital and operating expenses and estimates for revenue for the ensuing biennium. Following public hearings and consultation with various department heads, the Governor prepares a recommended budget. The budget is forwarded to the Legislature by February 15th of the odd year for consideration. The Legislature performs its review of the proposed budget and can make further adjustments. The budget passed by the Legislature is forwarded to the Governor to be enacted into law or to be vetoed. This usually occurs in June of that same odd numbered year.

The legal level of budgetary control is generally at the expenditure class level within each accounting unit within each department level. Whereas expenditure class levels represent the lowest level of type of spend such as personal services, overtime, benefits, current expenses, travel, consultants, etc. and Accounting Unit represents a program(s), work unit, or bureau. For example, Department of Administrative Services, Accounting Unit Bureau of Financial Reporting, Class Level Personal Services. Departments are authorized to transfer appropriations between and among accounts within the department, unless restricted by law, with prior approval from the Legislative Fiscal Committee, the Governor and the Executive Council as required. Per RSA 9:16-a, agencies are allowed to transfer funds under $100,000 by accounting unit with the submission of an official form approved by the agency's budget supervisor and the bureau of accounting. The Legislative Fiscal Committee or the Governor and the Executive Council do not approve these submissions.

**Internal Controls**

Major fiscal responsibilities within the State are segregated among the following officials:

- ***Department of Administrative Services (DAS)*** - The Commissioner of Administrative Services, the assistant commissioner/budget officer, and the comptroller are responsible for enforcing financial policy guidelines, assisting with the development of the executive budget, collecting financial data from individual agencies, developing and reviewing appropriation control procedures, and compiling agency financial information.
- ***Legislative Budget Assistant (LBA)*** - The LBA, appointed by the Fiscal Committee, is responsible for ensuring that an annual audit is conducted of the state's basic financial statements prepared by the Department of Administrative Services. The LBA also provides staff assistance to the finance committees of the state Legislature. The LBA Audit Division performs various financial, compliance, and performance audits of state agencies.
- ***State Treasurer*** - The State Treasurer, elected by the Legislature, is responsible for executing policy for the management of the state treasury and depositing and investing state funds as well as the issuing of general obligation and revenue bonds.
- ***State Agencies*** - Agency commissioners and directors are responsible for administering their agencies, in accordance with legislative and executive directives, to effectively service the citizens of the State.

Throughout FY 2024, financial transactions for the various state agencies were recorded in the New Hampshire accounting ERP System, NH FIRST. The state's centralized accounting system and other accounting procedures are designed to provide various controls to provide reasonable, though not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use and the proper recording of financial transactions. In connection with the adoption and continued use of the State's ERP system, substantial training has been provided by DAS, which serves to strengthen users' procedures and instruct them in the system of internal controls employed in its use. In some instances, agencies continue to use other applications to track financial data; however, transactions are recorded in NH FIRST and reconciled on a periodic basis.

## Audits

Pursuant to RSA 21-I:8,II, (a), the Legislative Budget Assistant may designate a certified public accountant not employed in state service to conduct an annual audit, in accordance with Generally Accepted Auditing Standards, of the State's basic financial statements. KPMG, LLP, the designated certified public accountant, has performed an independent audit of the State's basic financial statements for the fiscal year ended June 30, 2024.

In order to comply with the Single Audit Act of 1984, the Legislative Budget Assistant also contracts for a single audit of the state as a whole, which will include a report on compliance with requirements of federal funds received by the state. This report (including a Schedule of Expenditures of Federal Awards received by the State and comments on internal accounting controls and compliance with laws, rules and regulations) will be published separately and is anticipated to be completed by March 31, 2025.

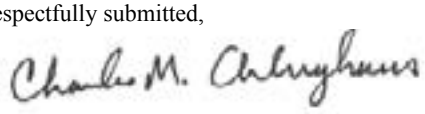
## Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of New Hampshire for its Annual Comprehensive Annual Financial Report (ACFR) for the fiscal year ended June 30, 2023. This is the fifteenth consecutive year that the State has received this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to substantially meet the Certificate of Achievement Program's requirements.

## Acknowledgments

In submitting this report, I acknowledge the cooperation, assistance and dedication of all state agencies and their employees.

Respectfully submitted,



Charles M. Arlinghaus, Commissioner



Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**State of New Hampshire**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

# Financial Section



KPMG LLP
515 Broadway
Albany, NY 12207-2974

## Independent Auditors' Report

The Fiscal Committee of the General Court
State of New Hampshire:

### Report on the Audit of the Financial Statements

*Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New Hampshire (the State), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the following entities and funds:

- *Business-Type Activities*
  - State's Liquor Commission enterprise fund, which is a major enterprise fund.
  - State's Lottery Commission enterprise fund, which is a major enterprise fund.

    These funds collectively represent 8.2% and 83.5% of the total assets and revenues, respectively, of the business-type activities.
- *Fiduciary Activities*

  New Hampshire Retirement System, New Hampshire Judicial Retirement Plan, and the New Hampshire Public Deposit Investment Pool that represents 98.2% and 82.1% of the total assets and revenues, respectively, of the aggregate remaining fund information.
- *Aggregate Discretely Presented Component Units*

  The discretely presented component units of the State. These entities collectively represent 100% of the total assets and revenues of the aggregate discretely presented component units.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the entities and funds listed above are based solely on the reports of the other auditors.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



*Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the New Hampshire Public Deposit Investment Pool and the Business Finance Authority of the State of New Hampshire were not audited in accordance with the *Government Auditing Standards*.

*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

*Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Required Supplementary Information*

U.S. generally accepted accounting principles require that the management's discussion and analysis and the information listed under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The other supplementary information listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2025 on our consideration of the State of New Hampshire's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of New Hampshire's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of New Hampshire's internal control over financial reporting and compliance.

KPMG LLP

Albany, New York
March 20, 2025

# MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

## FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

The following is a discussion and analysis of the financial activities of the State of New Hampshire (the State) for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information included in our letter of transmittal, which can be found at the front of this report, and with the State's financial statements which follow this section.

**Government-Wide Highlights**

**Net Position**: The total assets and deferred outflows of resources of the State exceeded total liabilities and deferred inflows of resources as of June 30, 2024 by $4.7 billion. This amount is presented as "Total Net Position" on the Statement of Net Position for the Primary Government (condensed information can be seen later in the MD&A section of this report). Of this amount, $1.4 billion is reported as a deficit in unrestricted net position, representing a deficiency of unrestricted, non-capital assets, to liabilities other than capital debt.

**Changes in Net Position:** The State's total net position increased by $44.5 million, or 1.0%, in fiscal year 2024 from $4,611.5 million to $4,655.9 million, as shown in the Comparative Changes in Net Position table within this report. Also reflected in this table, the State's net position of governmental activities increased by $(41.3) million (1.6%), from $2,655.1 million to $2,613.8 million in fiscal year 2024. Net position of the business-type activities showed an increase of $85.8 million (4.4%) related to fiscal year 2024 activity, from $1,956.4 million to $2,042.1 million. Total change in expenses for the period were $646.3 million, or 6.9% more than fiscal year 2023 and total change in revenues were approximately $234.2 million or 2.3% less than fiscal year 2023. The overall increase in spending funded by surplus and the decrease in revenues in the Governmental Activities offset by the increase in Business-Type Activities revenues and expenses, therefore, increasing the overall change in net position.

**Non-Current Liabilities:** The State's total non-current liabilities decreased by $349.2 million or 8.4% during the current fiscal year, and is largely due to the combined decrease of $661.1 million in the State's aggregate total Other Post Employment Benefits ("OPEB") and Net Pension liabilities. The $15.8 million decrease in Net Pension Liability is primarily the result of a combined higher collective total pension liability offset by a higher plan fiduciary net position due to fiduciary gains experienced by the NH Retirement System and the New Hampshire Judicial Retirement Plan. Also, the State's overall proportionate share of the NHRS net pension liability increased from 18.58% to 18.78%. The $645.2 million decrease in OPEB is the result of updated actuarial assumptions to reflect current experience and future expectations, including an increase in the discount rate, calculated as part of the annual accounting valuation. In addition, there was in increase in legal settlement liabilities of $288.7 million, which is offset with the overall decrease in the non-current liabilities.

**Fund Highlights:**

**Governmental funds** - Fund Balances: As of the close of fiscal year 2024, the State's governmental funds reported a combined balance of all funds of $2,440.4 million, an increase of $2.3 million over the prior year. Within the governmental funds, fund balances for the general fund and the combined non-major governmental funds increased by $27.2 million, and $6.9 million, respectively. The education funds decreased by $9.7 million. For general funds and education funds, unrestricted revenues were not at the same levels as in prior years, resulting in the lower fund balance levels. Business taxes, tobacco taxes, and the real estate transfer tax collections were below budgeted plan. Of note for fiscal year 2024, interest on surplus funds contributed to the increase in the general fund balance, and higher transfers from the Lottery Commission contributed to the increase in the education trust fund balance. Fund balances in the highway fund decreased by $22.1 million as compared to prior year, in part due to a decrease in revenues as well as an increase in approved appropriations. The legislature planned for additional spending towards highway fund initiatives. As of June 30, 2024, $292.5 million of the unassigned fund balance represents the Revenue Stabilization balance ("Rainy Day Fund"), as compared to $292.5 million in fiscal year 2023.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the State's basic financial statements. The State's basic financial statements include three components:

1. Government-Wide financial statements,
2. Fund financial statements, and
3. Notes to the basic financial statements.

This report also contains required supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements**

The Government-Wide Financial Statements provide a broad view of the State's finances. These statements (Statement of Net Position and Statement of Activities) provide both short-term and long-term information about the State's overall financial position. They are prepared using the economic resources measurement focus and accrual basis of accounting, which recognizes all revenues and expenses connected with the fiscal year even if cash has not been received or paid.

The **Statement of Net Position**, beginning on page 30, presents all of the State's non-fiduciary assets and liabilities as well as any deferred outflows of resources or deferred inflows of resources. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as "net position" instead of fund balance as shown on the Fund Statements. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

The **Statement of Activities**, beginning on page 32, presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as

uncollected taxes and licenses and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the State.

Both of the Government-Wide Financial Statements have separate sections for three different types of State activities. These three types of activities are:

**Governmental Activities**: The activities in this section represent most of the State's basic services and are generally supported by taxes, grants and intergovernmental revenues. The governmental activities of the State include general government, administration of justice and public protection, resource protection and development, transportation, health and social services, and education.

**Business-Type Activities:** These activities are normally intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. These business-type activities of the State include the operations of the:

Turnpike System,
Liquor Commission,
Lottery Commission (includes Racing & Charitable Gaming),
State Revolving Fund (SRF), and
New Hampshire Unemployment Compensation Trust Fund

**Discretely Presented Component Units**: Component Units are entities that are legally separate from the State, but for which the State is financially accountable. The State's discretely presented component units are presented in the aggregate in these Government-Wide Statements and include the:

University System of New Hampshire (USNH),
Business Finance Authority of the State of New Hampshire
Community Development Finance Authority,
Pease Development Authority,and
The Community College System of New Hampshire

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Addresses and other additional information about the state's component units are presented in the notes to the basic financial statements.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The State, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements, focus on the individual parts of the State government, and report the State's operations in more detail than the government-wide statements. The State's funds are divided into three categories – governmental, proprietary and fiduciary. For governmental and proprietary funds, only those funds that are considered Major Funds are reported in individual columns in the Fund Financial Statements with the Non-Major Funds reported in the aggregate. Fiduciary funds are reported by fiduciary type (pension, private-purpose, investment trust, and custodial).

**Governmental Funds:** Most of the basic services provided by the State are financed through governmental funds. Unlike the Government-Wide Financial Statements, the Governmental Fund Financial Statements report using the current financial resources measurement focus and modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. The Governmental Fund Financial Statements can be found on pages 35 and 37.

Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented here with similar information presented in the Government-Wide Financial Statements. Reconciliations are provided between the Governmental Fund Financial Statements and the Government-Wide Financial Statements, which can be found on pages 36 and 38.

The State's major governmental funds include the General Fund, Highway Fund, and Education Fund.

Individual fund data for each of the State's non-major governmental funds (Fish and Game Fund, Capital Projects Fund, Coronavirus Relief Fund, Other Governmental Fund, and Permanent Funds) are provided in the combining statements found on pages 123 and 124.

**Proprietary Funds:** The State's proprietary funds charge a user fee for the goods and services they provide to both the general public and other agencies within the State. These activities are reported in five enterprise funds and one internal service fund. The enterprise funds, which are all considered major funds, report activities that provide goods and services to the general public and include the operations of the Turnpike System, Liquor Commission, Lottery Commission, SRF Fund and the New Hampshire Unemployment Trust Fund. The Internal Service Fund reports health-related fringe benefit services for the State's programs and activities.

Like the Government-Wide Financial Statements, Proprietary Fund Financial Statements use the economic resources measurement focus and accrual basis of accounting. Therefore there is no reconciliation needed between the Government-Wide Financial Statements for business-type activities and the Proprietary Fund Financial Statements. The Internal Service Fund is reported within governmental activities on the Government-Wide Financial Statements. The basic proprietary funds financial statements can be found on pages 40 through 43.

**Fiduciary Funds and Similar Component Units:** These funds are used to account for resources held for the benefit of parties outside the state government. Fiduciary funds are not reflected in the Government-Wide Financial Statements because the resources of these funds are not available to support the State's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds in that they use the economic resources measurement focus and accrual basis of accounting.

The State's fiduciary funds on pages 46-47 include the:

- **Pension Trust Funds** which account for the activity of the New Hampshire Retirement System and the New Hampshire Judicial Retirement Plan, which are component units of the State,
- **Private-Purpose Trust Funds** which account for the activity of trust arrangements under which principal and income benefit individuals,

private organizations, or other governments,

- **Investment Trust Fund** which accounts for the activity of the external investment pool known as the New Hampshire Public Deposit Investment Pool (NHPDIP), and
- **Custodial Funds** which report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

Individual fund detail can be found in the combining financial statements in the Other Supplementary Information Section.

**Major Component Unit**

The State has only one major discretely presented component unit - the University System of New Hampshire and four non-major discretely presented component units. This separation is determined by the relative size of the individual entities' assets, liabilities, revenues and expenses in relation to the combined total of all component units. The combining financial statements for the component units can be found on pages 49 - 51.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements begin on page 54.

**Required Supplementary Information**

In addition to this Management's Discussion and Analysis, the basic financial statements and accompanying notes are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for each of the State's major governmental funds, and includes reconciliation between the statutory fund balance for budgetary purposes and the fund balance as presented in the governmental fund financial statements. In addition, information about the New Hampshire Retirement System and the New Hampshire Judicial Retirement Plan, as required under GASBS 68 and information about the Trusted and Non-Trusted Other Post Employment Benefit Plans (OPEB), as required under GASB 75.

**Other Supplementary Information**

Other supplementary information includes combining financial statements and schedules for governmental, internal service and fiduciary funds and non-major component units.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The State's combined net position (governmental and business-type activities) totaled $4.7 billion as of June 30, 2024 which was $44.5 million, or 0.96%, higher than the net position as of June 30, 2023.

**Comparative Net Position as of June 30, 2024 and 2023**

**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Current assets | $2,385,430 | $2,453,452 | $ 984,412 | $ 984,111 | $ 3,369,842 | $3,437,563 |
| Capital, lease and subscription assets | 3,483,755 | 3,402,880 | 1,062,000 | 1,054,326 | 4,545,755 | $4,457,206 |
| Other assets | 2,336,310 | 2,153,491 | 582,332 | 549,343 | 2,918,642 | $2,702,834 |
| **Total assets** | 8,205,495 | 8,009,823 | 2,628,744 | 2,587,780 | 10,834,239 | 10,597,603 |
| **Total deferred outflows of resources** | 409,877 | 567,360 | 21,912 | 29,972 | 431,789 | 597,332 |
| Current liabilities | 1,776,226 | 1,695,145 | 157,967 | 168,753 | 1,934,193 | 1,863,898 |
| Noncurrent liabilities | 3,421,816 | 3,716,052 | 389,906 | 444,889 | 3,811,722 | 4,160,941 |
| **Total liabilities** | 5,198,042 | 5,411,197 | 547,873 | 613,642 | 5,745,915 | 6,024,839 |
| **Total deferred inflows of resources** | 803,522 | 510,871 | 60,648 | 47,759 | 864,170 | 558,630 |
| Net position: | | | | | | |
| Net investment in capital assets | 2,551,256 | 2,435,612 | 757,550 | 730,776 | 3,308,806 | 3,166,388 |
| Restricted | 1,418,080 | 1,319,803 | 1,284,759 | 1,239,494 | 2,702,839 | 2,559,297 |
| Unrestricted | (1,355,528) | (1,100,300) | (174) | (13,919) | (1,355,702) | (1,114,219) |
| **Total net position** | $2,613,808 | $2,655,115 | $2,042,135 | $1,956,351 | $4,655,943 | $4,611,466 |

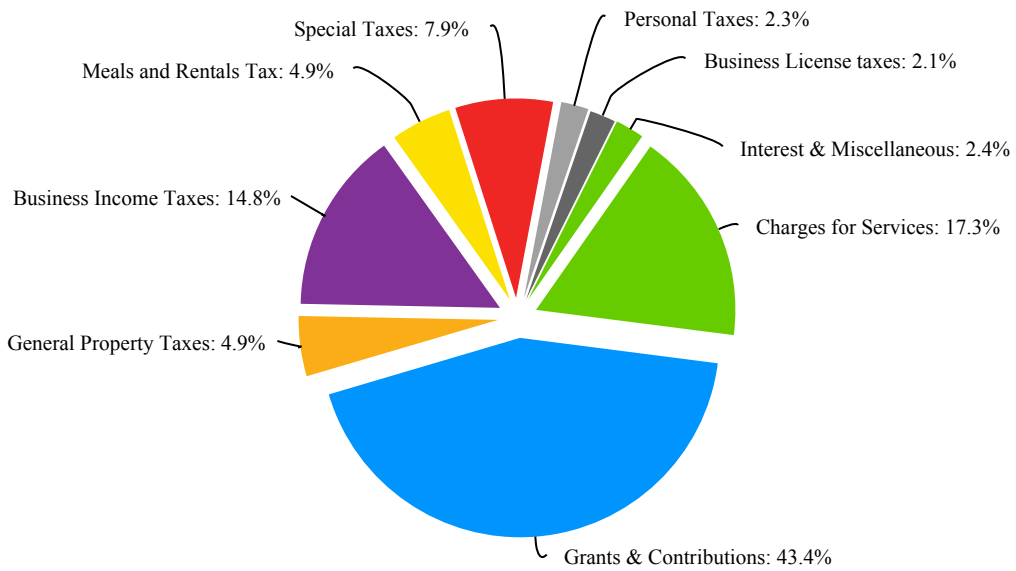
**Comparative Changes in Net Position**

**For Fiscal Years Ended June 30, 2024 and 2023**

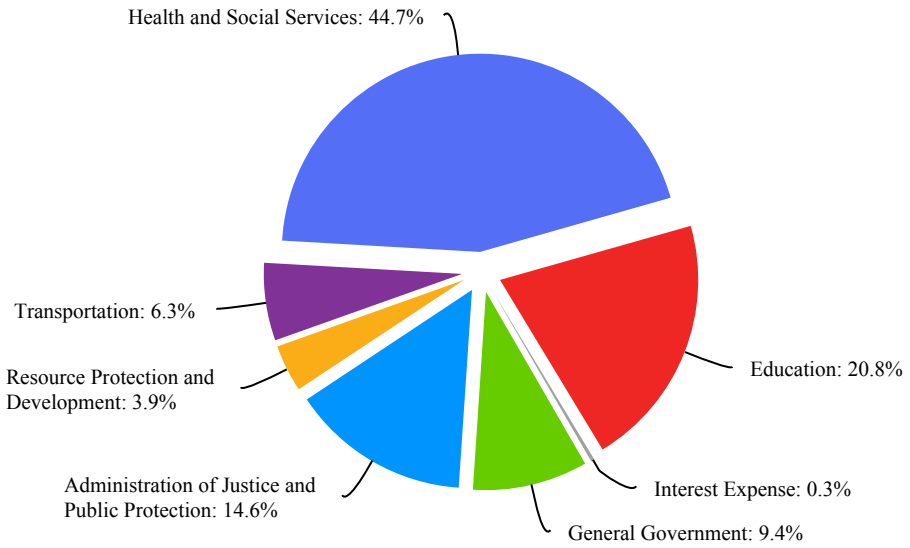
**(In Thousands)**

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Revenues** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 1,454,720 | $ 1,362,036 | $ 1,639,301 | $ 1,638,429 | $ 3,094,021 | $ 3,000,465 |
| Operating grants & contributions | 3,391,370 | 3,853,265 | 28,268 | 26,476 | 3,419,638 | 3,879,741 |
| Capital grants & contributions | 255,362 | 245,275 | 110 | 34 | 255,472 | 245,309 |
| General revenues: | | | | | | |
| General property taxes | 409,670 | 307,200 | | | 409,670 | 307,200 |
| Business income taxes | 1,245,269 | 1,329,660 | | | 1,245,269 | 1,329,660 |
| Meals and rentals tax | 414,268 | 321,168 | | | 414,268 | 321,168 |
| Special taxes | 665,363 | 664,687 | | | 665,363 | 664,687 |
| Personal taxes | 189,284 | 217,697 | | | 189,284 | 217,697 |
| Business license taxes | 178,126 | 180,550 | | | 178,126 | 180,550 |
| Interest | 135,149 | 80,286 | | | 135,149 | 80,286 |
| Miscellaneous | 62,611 | 76,286 | | | 62,611 | 76,286 |
| Total revenues | 8,401,192 | 8,638,110 | 1,667,679 | 1,664,939 | 10,068,871 | 10,303,049 |
| **Expenses** | | | | | | |
| General government | 827,402 | 945,160 | | | 827,402 | 945,160 |
| Administration of justice and public protection | 1,288,545 | 760,123 | | | 1,288,545 | 760,123 |
| Resource protection and development | 340,917 | 353,646 | | | 340,917 | 353,646 |
| Transportation | 558,008 | 595,503 | | | 558,008 | 595,503 |
| Health and social services | 3,935,927 | 3,857,165 | | | 3,935,927 | 3,857,165 |
| Education | 1,827,106 | 1,675,554 | | | 1,827,106 | 1,675,554 |
| Interest expense | 27,390 | 24,777 | | | 27,390 | 24,777 |
| Turnpike System | | | 111,473 | 109,366 | 111,473 | 109,366 |
| Liquor Commission | | | 613,235 | 588,439 | 613,235 | 588,439 |
| Lottery Commission | | | 427,009 | 414,464 | 427,009 | 414,464 |
| SRF | | | 18,519 | 16,572 | 18,519 | 16,572 |
| Unemployment Compensation Trust Fund | | | 48,863 | 37,326 | 48,863 | 37,326 |
| Total expenses | 8,805,295 | 8,211,928 | 1,219,099 | 1,166,167 | 10,024,394 | 9,378,095 |
| Increase/ (decrease) in net position before transfers and other items | (404,103) | 426,182 | 448,580 | 498,772 | 44,477 | 924,954 |
| Transfers & other items | 362,796 | 329,593 | (362,796) | (329,593) | | |
| Increase/ (decrease) in net position | (41,307) | 755,775 | 85,784 | 169,179 | 44,477 | 924,954 |
| Net position - July 1 | 2,655,115 | 1,899,340 | 1,956,351 | 1,787,172 | 4,611,466 | 3,686,512 |
| Net position - June 30 | $ 2,613,808 | $ 2,655,115 | $ 2,042,135 | $ 1,956,351 | $ 4,655,943 | $ 4,611,466 |

**Governmental Activities - Revenue**
**Fiscal Year Ended June 30, 2024**




**Governmental Activities - Expenses**
**Fiscal Year Ended June 30, 2024**



Net Investment in Capital Assets: The largest portion of the State's net position reflects its investment in capital assets such as land, buildings, equipment, and infrastructure (roads and bridges); less any related outstanding debt used to acquire those assets. The State's net investment in capital assets increased $142.4 million from prior year. This increase was a combination of an increase in net capital assets of $88.5 million combined with a $32.7 million decrease in bonded debt related to capital assets, primarily a decrease in Turnpike bonds of $16.4 million (from $233.5 million last year to $217.1 million this year). Although the State's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves generally cannot be used to liquidate these liabilities.

Restricted Net Position: Another portion of the State's net position, $2,702.8 million, represents resources that are subject to external restrictions on how they may be used. State-imposed designations of resources, unless resulting from enabling legislation, are not presented as restricted net position. Restricted net position increased $143.5 million from prior year, partially as a result of restricted fund balance attributed to various general government and health and social services activities funded by the American Rescue Plan Act (ARPA).

Unrestricted Net Position: The deficit in the State's unrestricted net position is $1,355.7 million as compared to a deficit of $1,114.2 million from the previous year. The two largest components of the deficit are the net pension liability of $1,088.3 million and the other postemployment benefit liability of $1,058.8 million. On a combined basis these long term liabilities decreased over the prior year. With additional legal settlement liabilities of $288.7 million and increased appropriation spending, coupled unrestricted revenues which came in higher than plan, the overall activity negatively impacted the deficit unrestricted net position.

**Changes in Net Position**

The State's total net position increased by $44.5 million, or 1.0%, from current fiscal year activities. Total revenues were $10,068.9 million, an decrease of $234.2 million (2.3%) as compared to the prior year, and total reported expenses were $10,024.4 million, an increase of $646.3 million (6.9%) as compared to the prior year. While overall spending increased in fiscal year 2024, the increase in revenue supported much of the spending, resulting in a net increase in total net position.

More than half of the State's revenue (67.23%) is from program revenue, consisting of charges for services, and federal and local grants. This includes federal funding from the American Rescue Plan Act, as more projects have been initiated, spending is higher and the related federal revenue is recognized. Revenues not specifically targeted for a specific program are known as general revenues, which are primarily from taxes. In total, program revenues were lower than the prior fiscal year by $356.4 million, due primarily to the influx of federal funds in FY23. General revenues increased $122.2 million as compared to prior year. While the State continued to experience strong results in unrestricted revenues from Business Taxes, Real Estate Transfer Taxes (under Special Taxes), and Meals and Rental Taxes, these were also impacted by adjustments to account for anticipated refunds of overpayments in Business Taxes as well as a legislative restriction on thirty percent of Meals and Rentals collections, dedicating those funds to be transferred to local municipalities. The State's expenses cover a range of services. The largest expenses were for Health and Social Services and Education, which accounted for 39.3% and 18.2% of total expenses, respectively.

**Analysis of Changes in Revenues and Expenses**
**For Fiscal Year Ending June 30, 2024 Compared to 2023**
**(In Millions)**

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | $Change | % Change | $Change | % Change | $Change | % Change |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 92.7 | 6.8 % | $ 0.9 | 0.1 % | $ 93.6 | 3.1 % |
| Operating grants & contributions | (461.9) | (12.0)% | 1.8 | 6.8 % | (460.1) | (11.9)% |
| Capital grants & contributions | 10.1 | 4.1 % | 0.1 | 223.5 % | 10.2 | 4.1 % |
| General revenues: | | | | | | |
| General Property Taxes | 102.5 | 33.4 % | | | 102.5 | 33.4 % |
| Business Income taxes | (84.4) | (6.3)% | | | (84.4) | (6.3)% |
| Meals and Rental Taxes | 93.1 | 29.0 % | | | 93.1 | 29.0 % |
| Special taxes | 0.7 | 0.1 % | | | 0.7 | 0.1 % |
| Personal taxes | (28.4) | (13.1)% | | | (28.4) | (13.1)% |
| Business License taxes | (2.4) | (1.3)% | | | (2.4) | (1.3)% |
| Interest | 54.9 | 68.3 % | | | 54.9 | 68.3 % |
| Miscellaneous | (13.7) | (17.9)% | | | (13.7) | (17.9)% |
| Total revenues | (236.9) | (2.7)% | 2.7 | 0.2 % | (234.2) | (2.3)% |
| Expenses | | | | | | |
| General government | (117.8) | (12.5)% | | | (117.8) | (12.5)% |
| Administration of justice and public protection | 528.4 | 69.5 % | | | 528.4 | 69.5 % |
| Resource protection and development | (12.7) | (3.6)% | | | (12.7) | (3.6)% |
| Transportation | (37.5) | (6.3)% | | | (37.5) | (6.3)% |
| Health and social services | 78.8 | 2.0 % | | | 78.8 | 2.0 % |
| Education | 151.6 | 9.0 % | | | 151.6 | 9.0 % |
| Interest Expense | 2.6 | 10.5 % | | | 2.6 | 10.5 % |
| Turnpike System | | | 2.1 | 1.9 % | 2.1 | 1.9 % |
| Liquor Commission | | | 24.8 | 4.2 % | 24.8 | 4.2 % |
| Lottery Commission | | | 12.5 | 3.0 % | 12.5 | 3.0 % |
| SRF Fund | | | 1.9 | 11.7 % | 1.9 | 11.7 % |
| Unemployment Compensation | | | 11.5 | 30.9 % | 11.5 | 30.9 % |
| Total expenses | $ 593.4 | 7.2 % | $ 52.9 | 4.5 % | $ 646.3 | 6.9 % |

**Governmental Activities**

Governmental activities decreased the State's net position by $404.1 million, before transfers and other items. Revenues decreased by $ 236.9 or 2.7% from the prior year to total $8.4 billion. Total program revenue, consisting of charges for goods and services, and federal and local grants and other funding, decreased $359.1 million or 6.6%, taxes and other revenues increased $122.2 million, or 3.8%. Reported expenses increased $593.4 million or 7.2%. Much of the change is due to the influx of federal funding in FY23 and timing of payments in FY24. Whereas in fiscal year 2021 and 2022 there was a significant push to quickly and effectively distribute federal relief funds and identify projects for the legislature to appropriate from surplus general funds, it took time for the State to get contracts approved and begin to spend the funds, thereby spending patterns have steadily increased.

A comparison of the cost of services by function for the State's governmental activities with the related program revenues is shown in the chart above. The largest expenses for the State, Health and Social Services and Education, also represent those activities that have the largest gap between expense and program revenues. Since many of these significant program costs are not fully recovered from program revenues, these programs are supplemented from general revenues.

**Business-Type Activities**

Charges for goods and services for the State's combined business type activities were more than adequate to cover the operating expenses and resulted in an increase in net position of $448.6 million prior to transfers. Business-Type activities include the operations from the Turnpike System, Liquor Commission, Lottery Commission, SRF Fund, and the Unemployment Compensation Fund. The majority of business-type activities experienced similar levels of activity and change in net position as in the prior year.

As a result of a return to pre-pandemic levels of unemployment, the Unemployment Compensation Fund had a drop in both operating revenues and federal grants. In fiscal year 2024, the Unemployment fund experienced an increase in net position before transfers of $15.9 million, whereas in fiscal year 2023 the fund saw an increase in net position of $69.9 million. During fiscal year 2023, a final transfer of $46.9 million of CARES Act funds was authorized and deposited into the Unemployment Compensation fund, in order to stabilize the fund going forward. With that funding and consideration of current forecasting, the State anticipates the Unemployment Compensation fund will remain solvent.

The Turnpike System generated net income before transfers of $47.0, which was a $6.4 million increase from $40.6 million in the prior year, or 15.8%. Road toll revenues increased 4.1% over prior year due to post-pandemic improvements in both commuter and leisure travel. Operations of the Liquor Commission generated net income before transfers of $144.7 million, a decrease of $26.0 million (15.2%) from the prior year, primarily due to a increase in operating expenses. Transfers from the Liquor Commission to the General Fund unrestricted revenue totaled $122.0 million for fiscal year 2024, as compared to $147.2 million in fiscal year 2023, and represent net liquor profits used to fund the general operations of the State. Also in fiscal year 2024, a combined $17.9 million in liquor profits were transferred to the State's Alcohol Abuse Prevention and Treatment/Granite Advantage Healthcare funds, as compared to $18.8 million in the prior year. The Lottery Commission net income before transfers of $207.8 million was an increase of $18.4 million (9.7%) as compared to the prior year net income of $189.4 million. Profits transferred to the education trust fund rose from $189.5 million in fiscal year 2023 to $207.8 million in fiscal year 2024. Lottery experienced higher sales as a result of large jackpots and strong performance in iLottery, historic horse racing, and sports betting. The operations of the State Revolving Fund continue to yield an overall increase in net position. As in previous years, revenue from federal grants and interest exceeded the administrative costs to run the program. For fiscal year 2024, net position increased by $33.2 million.

**FINANCIAL ANALYSIS OF THE STATE'S FUNDS**

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the State's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the State's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Total Governmental Fund Balances were $2,440.4 million at June 30, 2024, of which $1,927.8 million represents the General Fund's balance. Revenues were less than expenditures by $438.8 million before Other Financing Sources (Uses).

**General Fund**

The general fund is the primary operating fund of the State. The total fund equity at June 30, 2024 is $1,927.8 million, which was an increase of $27.2 million over the prior year balance of $1,900.7 million. Revenues in the general fund were $6,377.2 million, $178.4 million (2.7%) lower than the prior year, with increases in interest and dividend taxes, and interest on surplus funds, and a decrease in business taxes and federal funding. Similar to fiscal year 2023, unrestricted revenues in fiscal year 2024 exceeded prior year. The top three performers, all exceeding plan by more than 20%, were Private and Local Sources and Other Revenues (including Interest on Surplus Funds), and Other Agencies. Expenditures increased by $77.8 million (1.2%) to $6,492.7 million, which was primarily the result of the increase in Administration of Justice and Public Protection expenditures. Capital outlay expenditures also increased significantly due to increased federal funding and legislatively approved projects utilizing surplus funds.

The total General Fund unassigned fund balance is comprised of the Undesignated fund balance and the Rainy Day fund balance. Pursuant to RSA 9:13-e, at the close of each fiscal biennium, any General Fund Unassigned Fund Balance (Surplus) remaining, as determined by the official audit performed pursuant to RSA 21-I:8, II(a), shall be transferred to the Rainy Day account. At the close of the fiscal 2020-2021 biennium, the Rainy Day fund balance was $257.8 million. During fiscal year 2022, a transfer in of $2.1 million for 10% of certain settlements, offset by $100 million of Rainy Day Funds transferred out to the YDC settlement fund (established in Chapter 122, Laws of 2022) brought the Rainy Day Fund balance to $159.9 million as of June 30, 2022. During fiscal year 2023, an additional transfer in of $0.5 million for 10% of certain settlements occurred. With the close of the fiscal 2022-2023 biennium, the transfer of revenue surplus into the Rainy Day fund totaled $132.1 million, bringing the Undesignated fund balance to $292.5 million as of June 30, 2023. There were no additional funds transferred into the Rainy Day fund during FY24. The balance remains at $292.5 million as of June 30, 2024.

**Education Fund**

Similar to fiscal year 2022 and 2023, the education trust fund did not have a deficit balance as of June 30, 2024, but ended with surplus revenues which, per statute, remain in the fund and are classified as assigned fund balance. Much of the revenue increase this year was in Business Taxes and Transfers from the Lottery Commission. The legislature will determine the use of this surplus in a future biennium.

**Highway Fund**

The highway fund ended the year with a restricted fund balance of $135.1 million and assigned fund balance of $86.0 million, which is a cumulative balance reflecting surplus transfers from the General Fund. There were no additional surplus transfers from the General Fund in fiscal year ending June 30, 2024. As the highway fund revenues include revenues primarily restricted by the State Constitution or the Federal Government, the fund balance as of June 30, 2024 is predominantly classified as restricted. Total fund balance decreased $23.9 million during fiscal year 2024 due to higher expenditures as compared to the prior year.

**Proprietary Funds**

The State's proprietary fund statements provide the same type of information found in the Government-Wide Financial Statements, but in more detail. Like the Government-Wide Financial Statements, Proprietary Fund Financial Statements use the accrual basis of accounting. Therefore there is no reconciliation needed between the Government-Wide Financial Statements for business-type activities and the Proprietary Fund Financial Statements.

## BUDGETARY HIGHLIGHTS

During the fiscal year, the original budget was amended by various supplemental appropriations and appropriation revisions. Budget to Actual Schedules for the major governmental funds that have a legally adopted budget are in the Required Supplementary Information section beginning on page 108.

**General Fund:**

The net increase from the original budget of $8,287.5 million to the final budget of $9,758.3 million is $1,470.8 million and represents additional appropriations issued after adoption of the operating budget, primarily in the following categories of government: Health & Social Services ($910.2 million), Education ($10.6 million), Justice & Public Protection ($346.4 million), General Government ($149.2 million), Resource Protection and Development ($54.1 million) and Transportation ($0.3 million). The final budget reflects all appropriations included in the companion legislation which accompanied the original adopted budget. Additional federal funds were granted under the American Rescue Plan Act of 2021 ("ARPA") which resulted in additional appropriations that were not part of the originally adopted budget. Appropriations under these Acts are recorded within the General Fund on a budgetary basis. All federal revenues and expenditures are reported in the General Fund by category of government for the state agency administering program.

Total actual budgetary expenditures were approximately $3,388.5 million lower than the final budget, primarily within the categories of Health and Social Services ($1,372.4 million), Resource Protection and Development ($681.1 million), and Justice and Public Protection ($567.4 million). This variance was largely due to the timing of program expenditures and certain supplemental appropriations for programs designated for the '24-25 biennium, which were not completed in fiscal year 2024.

Actual total revenue was less than the final budget by approximately $4,818.3 million which was primarily the result of additional federal funding from ARPA that were budgeted but not spent, therefore revenues remained unearned at the end of fiscal year 2024.

*Federal Funds - Impacts from ARPA and other acts:*

The State has been allocated hundreds of millions of dollars from ARPA and other acts, to fund a variety of programs and initiatives within the State. This includes State Fiscal Recovery Funding (SFRF) through which the State has been allocated a total of $994.6 million. This funding was provided in two 50% tranches – the first half was received in fiscal year 2021 and the second half in fiscal year 2022. In addition, the State received a total of $112 million in local fiscal recovery funding, which was distributed to local governments (non-entitlement units, or NEU's). These funds are not reflected as a State expenditure in the financial statements and are instead accounted for in the Custodial Fund financial statements. State fiscal recovery funds may be used to respond to the public health emergency, support essential workers, replace lost revenue for the provision of government services, and to invest in specified types of infrastructure specifically limited to water, sewer, or broadband infrastructure. ARPA requires all allocated funds to be obligated by December 31, 2024, and expended by December 31, 2026. Through June 30, 2024, substantially all State Fiscal Recovery Funds have been allocated to address various initiatives, and cumulative expenditures of these projects totaled $432.8 million for:

- $226.2 million for the public health response;
- $146.6 million for the provision of governmental services;
- $60.0 million for public water, wastewater, and drinking water projects;

As noted above, the State accounts for SFRF as part of the General Fund. All funds received in advance are held in the State's pooled cash accounts, and revenue is recorded as expended. Specific projects utilizing these funds are coordinated through the Governor's Office for Emergency Relief and Recovery (GOFERR) and submitted for approval to the legislative Fiscal Committee, thus creating a budgetary appropriation for the state agency that is administering the program.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital, Right of Use, and Subscription IT Assets**

The State's investment in capital, right of use, and subscription IT assets for its governmental and business-type activities as of June 30, 2024, amounted to $9.1 billion, with accumulated depreciation and amortization amounts of $4.5 billion, leaving a net book value of $4.5 billion, consistent with the prior year. The investment in capital, right of use, and subscription IT assets includes equipment, real property, infrastructure, computer software, and construction in progress. Infrastructure assets are items that are normally immovable, of value only to the State, and include only roads and bridges. The net book value of the State's infrastructure for its roads and bridges approximates $2.6 billion, consistent with the prior year. Effective for the fiscal year ended June 30, 2022, the State implemented GASB No. 87, *Leases*. As such, lease assets are now reported with capital assets and lease liabilities are reported within the statement of net position. Lease receivables are reported on the statement of net position under current and non-current assets, and deferred inflows related to leases are reported in the deferred inflows of resources total. In Governmental Activities, the State reported $58.5 million net lease assets as of June 30, 2024, down from $61.9 million as of June 30, 2023. Effective for the fiscal year ended June 30, 2023, the State implemented GASB No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. A SBITA is a contract conveying the right-to-use a vendor's information technology software, sometimes in combination with a tangible underlying capital asset, in an exchange or exchange-like transaction. As such, the State is now reporting a subscription liability and an intangible asset is recognized in the statement of net position. In Governmental Activities, the State reported $20.0 million as net SBITA assets as of June 30, 2024, down from $29.4 million as of June 30, 2024.

The 2024-2025 capital budget authorized $278 million in capital appropriations, leveraging approximately $172 million in bonding authority, with $137 million in general funds and the balance from other sources. Some of the State's larger projects resulting in capitalized assets during fiscal year 2024 include:

- $18.4 million in various computer software system installations and equipment upgrades at the Departments of Health and Human Services ($9.1 million), Employment Security ($1.5 million), and Agriculture ($1.3 million), as well as Department of Corrections' and Department of Revenue software upgrades in progress of $2.3 and $2.1 million, respectively.
- $7 million to purchase the Hall Street building in Concord from the University System of NH
- $21 million to purchase Granite Place
- Increased capitalized vehicles and equipment of $11.1 million for the Department of Safety, $7.2 million for the Department of Transportation and $3.8 million for the Department Natural and Cultural Resources, as well as other agency operational improvements.
- Department of Transportation continued expenditures towards land, highways, bridges and other state infrastructure improvements.

Additional information on the state's capital assets can be found in Footnote 4 of the Notes to the Basic Financial Statements.

**Debt Administration**

The State may issue general obligation bonds and notes, revenue bonds, and notes in anticipation of such bonds authorized by the Legislature and Governor and Council. The State may also directly guarantee certain authority or political subdivision obligations. At the end of the current fiscal year, the State had total bond and note payables outstanding (not including premium on bonds) of $1,090.8 million. Of the total amount, $842.3 million are general obligation bonds, direct placement bonds, and notes payable, which are backed by the full faith and credit of the State, and $31.5 million are Federal Highway Grant Anticipation Bonds (GARVEE). The remainder of the State's debt is Turnpike revenue bonds, which are secured by the specified revenue sources within the Turnpike System.

The State issued $6,025,000 General Obligation Capital Improvement Bond, 2023 Series C (Series C Bond) on August 15, 2023. The 2023 C Series Bond was issued through a private placement with the New Hampshire Municipal Bond Bank (NHMBB). The Series C Bond has a 4.00% coupon and is structured to pay interest every six months with one final maturity of $6.025 million on August 15, 2043. The NHMBB purchased the Series C Bond to use as an investment in its required debt service reserve fund. The State uses the proceeds to fund its ongoing capital program while benefiting from a reduced cost of capital compared to that of a conventional "new money" issue. The transaction resulted in an overall true-interest-cost of 3.82%.

The State issued, through competitive sales on April 4, 2024, which subsequently closed on April 18, 2024, $60.0 million General Obligation Capital Improvement Bonds, 2024 Series A (Series A Bonds) of which $57.9 million was for governmental activities and $2.1 million was for Liquor projects. The "new money" Series A bond sale resulted in an overall true-interest-cost to the State of 3.40% with coupons of 5.00% and a final maturity on April 1, 2044. The proceeds of these bonds will be used to fund all or part of various capital projects of the State.

In May 2016, the State entered into the Transportation Infrastructure Finance and Innovation Act (TIFIA) financing agreement to advance the construction of the remaining I-93 expansion projects. The loan proceeds are being used on four Federal Highway Administration (FHWA) approved projects included in the I-93 widening project, which were completed in fiscal year end June 30, 2022. Total proceeds to date for program expenditures are $198.5 million, representing a long-term note payable. All proceeds were drawn against the loan as of June 30, 2022, with no new expenditures in fiscal year 2023 and 2024. The obligation is payable on an interest-only basis initially, with principal payments beginning in fiscal year 2026.

Additional information on the State's long-term debt issuances and obligations can be found in Footnote 5 of the Notes to the Basic Financial Statements.

Fitch Ratings has assigned the general obligation bonds of the State a rating of AA+ (outlook stable), Moody's Investors Service, Inc. a rating of Aa1 (outlook stable), and S&P Global Ratings, a division of S&P Global, Inc. a rating of AA+ (outlook positive).

## ECONOMIC CONDITIONS AND OUTLOOK

After emerging from the COVID-19 Global Pandemic (the "pandemic") and related State of Emergency declarations, the State experienced a return to low unemployment levels, coupled with strong revenue results, signaling a robust state economy. New Hampshire's unemployment was 2.5% as of June 2024, as compared to 1.8% as of June 2023, and still significantly less than the national average of 4.1%. This increase was largely due to residents entering or re-entering the labor force, and not an increase in businesses laying off employees.

From a state budget perspective, since the initial year of the pandemic, the State has experienced four fiscal years of significantly higher unrestricted general and education trust fund revenues above budgeted Plan, primarily in business taxes, meals and rentals tax and real estate transfer tax. Business tax revenue has started to decline below budgeted amounts in fiscal year ended June 30, 2024, and it is not clear how this trend will impact fiscal 2025. The trends in meals and rentals and real estate transfer tax revenues are also not predictable, as the Department of Revenue Administration expects volatility in economic performance in the near to long term, impacted by rising inflation, volatile fuel prices and increasing mortgage interest rates coupled with low housing inventory. Interest and dividends tax, while also contributing to surplus revenues the last four years, will be reduced in future fiscal years based on the 2021 legislative session opting to eliminate this tax, on a phased-out basis.

Fiscal Year 2025 Revenue Performance for the six months ended December 31, 2024

Unrestricted revenue for the General and Education Funds received fiscal year-to-date through December totaled $1,171.4 million, which was below Plan by $41.2 million (-3.4%) and below prior year by $(96.1) million (-7.6%).

Some of the strong performing revenue categories were:

- Interest and Dividends taxes through December totaled $36.8 million which was $11.6 million (46.0%) above Plan and $6.3 million (14.6%) below prior year. The decrease in collections from the prior year was primarily due to the lower tax rate.
- Other revenue collections, which includes interest earned on surplus funds, totaled $83.2 million through December, which was $48.0 million (136.4%) above Plan. During budget deliberations for the 2024-2025 biennium, the full impact of the rising interest rate environment was not predictable. State Treasury estimated approximately $24 million in interest revenue on surplus funds for fiscal year 2025, and it is anticipated the State will far exceed that estimate.

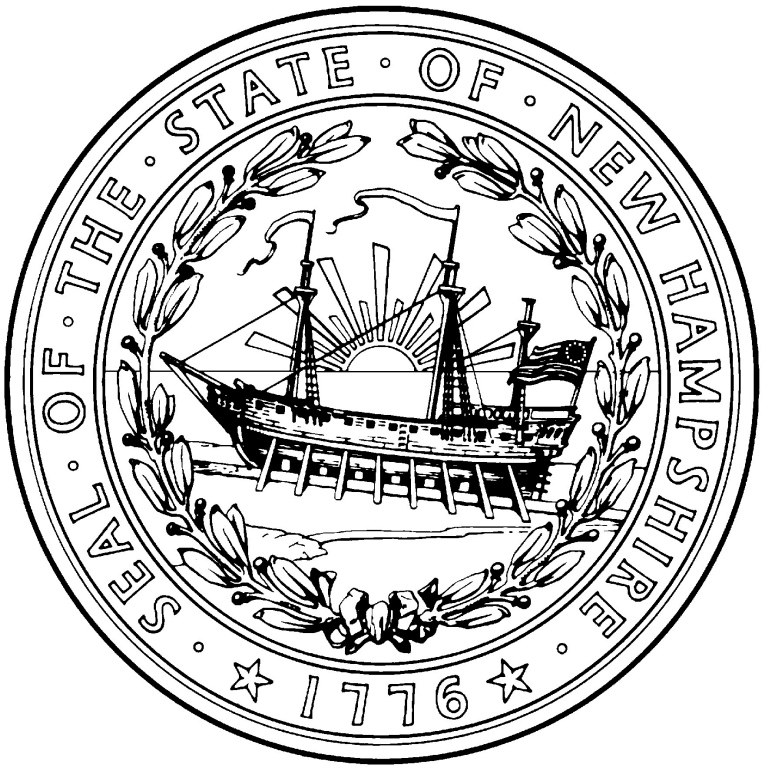
The positive variances above were offset by:

- Business taxes totaled $456.8 million through December, which was $83.7 million (-15.5%) below plan and $83.3 million (-15.4%) below prior year.
- Tobacco tax receipts through December of $97.3 million were $16.7 million (-14.6%) below plan and $3.9 million (-3.9%) below prior year.
- Real Estate Transfer taxes totaled $111.1 million through December, which was $8.1 million (-6.8%) below plan, but was $6.4 million (6.1%) above prior year.
- Transfers from the Liquor Commission through December were $53.1 million which was $11.5 million (-17.8%) below plan and $12.2 million (-18.7%) below prior year.

The Rainy Day Fund balance at the end of this fiscal year remains at its highest level in State history. However, the impact of high inflation and the expected volatility in unrestricted revenues beyond fiscal year 2024-2025, will likely have a direct impact on State spending levels in the future. Additional discussion of the region's economy can be found in the Commissioner's Transmittal Letter.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the State's finances for all of New Hampshire citizens, taxpayers, customers, investors and creditors. This financial report seeks to demonstrate the State's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: State of New Hampshire, Department of Administrative Services, Division of Accounting Services, 25 Capitol Street, State House Annex Room 310, Concord, NH 03301.


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# Basic Financial Statements

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF NET POSITION**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| **ASSETS** | | | | |
| **Current Assets:** | | | | |
| Cash and Cash Equivalents | $ 1,170,123 | $ 165,102 | $ 1,335,225 | $ 135,639 |
| Cash and Cash Equivalents-Restricted | 8,268 | 629,082 | 637,350 | 53,765 |
| Investments | | | | 186,744 |
| Investments - Restricted | | 61,588 | 61,588 | |
| Receivables (Net of Allowances for Uncollectibles) | 1,064,459 | 47,889 | 1,112,348 | 69,426 |
| Lease Receivables | 746 | 112 | 858 | |
| Other Receivables-Restricted | | 45,744 | 45,744 | |
| Internal Balances Receivable (Payable) | 54,372 | (54,372) | | |
| Inventories | 58,063 | 82,609 | 140,672 | |
| Other Current Assets | 29,399 | 87 | 29,486 | 15,436 |
| Other Current Assets-Restricted | | 6,571 | 6,571 | |
| Total Current Assets | 2,385,430 | 984,412 | 3,369,842 | 461,010 |
| **Noncurrent Assets:** | | | | |
| Receivables (Net of Allowances for Uncollectibles) | 273,015 | | 273,015 | 328,834 |
| Lease Receivables | 8,054 | 14,548 | 22,602 | |
| Other Receivables-Restricted | | 486,976 | 486,976 | |
| Investments | 30,970 | | 30,970 | 1,028,860 |
| Investments-Restricted | 2,019,966 | 76,385 | 2,096,351 | |
| Other Assets | 4,305 | | 4,305 | 21,028 |
| Other Assets-Restricted | | 4,423 | 4,423 | |
| Capital Assets: | | | | |
| Land & Land Improvements | 753,834 | 106,819 | 860,653 | 31,739 |
| Buildings & Building Improvements | 1,127,139 | 79,323 | 1,206,462 | 2,392,107 |
| Equipment & Computer Software | 698,334 | 135,042 | 833,376 | 221,668 |
| Construction in Progress | 293,684 | 72,164 | 365,848 | 188,177 |
| Infrastructure | 4,342,837 | 1,225,493 | 5,568,330 | |
| Right of Use | 90,145 | 95,157 | 185,302 | 101,244 |
| Subscription IT | 48,535 | | 48,535 | 5,654 |
| Less: Allowance for Depreciation | (3,810,536) | (602,829) | (4,413,365) | (1,487,257) |
| Less: Allowance for Amortization | (60,217) | (49,169) | (109,386) | (23,427) |
| Net Capital and Right to Use Assets | 3,483,755 | 1,062,000 | 4,545,755 | 1,429,905 |
| Total Noncurrent Assets | 5,820,065 | 1,644,332 | 7,464,397 | 2,808,627 |
| Total Assets | 8,205,495 | 2,628,744 | 10,834,239 | 3,269,637 |
| **DEFERRED OUTFLOWS OF RESOURCES** | 409,877 | 21,912 | 431,789 | 42,249 |

The notes to the basic financial statements are an integral part of this statement.

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF NET POSITION**
**June 30, 2024**
**(Expressed in Thousands)**

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| **LIABILITIES** | | | | |
| **Current Liabilities:** | | | | |
| Accounts Payable | $ 517,942 | $ 72,337 | $ 590,279 | $ 79,838 |
| Accrued Payroll | 61,960 | 2,771 | 64,731 | 5,881 |
| Unearned Revenue | 631,701 | 20,187 | 651,888 | 74,112 |
| Unclaimed Property & Prizes | 27,350 | 7,772 | 35,122 | |
| General Obligation Bonds Payable | 73,425 | 3,692 | 77,117 | |
| Federal Highway Grant Anticipation Bond Payable | 15,530 | | 15,530 | |
| Claims & Compensated Absences Payable | 61,537 | 1,660 | 63,197 | 9,432 |
| Other Postemployment Benefits Payable - Current Portion | 83,338 | | 83,338 | |
| Lease Liability - Current portion | 12,733 | 6,640 | 19,373 | 3,463 |
| Subscription IT Liability - Current Portion | 13,636 | | 13,636 | 5,519 |
| Other Liabilities | 277,074 | 25,333 | 302,407 | 16,575 |
| Revenue Bonds Payable | | 17,575 | 17,575 | 20,865 |
| Total Current Liabilities | 1,776,226 | 157,967 | 1,934,193 | 215,685 |
| **Noncurrent Liabilities:** | | | | |
| General Obligation Bonds Payable, Net | 637,350 | 35,163 | 672,513 | |
| Federal Highway Grant Anticipation Bond Payable | 15,935 | | 15,935 | |
| Revenue Bonds Payable, Net | | 199,488 | 199,488 | 342,819 |
| Notes Payable | 198,526 | | 198,526 | |
| Claims & Compensated Absences Payable | 121,810 | 8,668 | 130,478 | 29,019 |
| Other Postemployment Benefits Payable | 927,411 | 48,001 | 975,412 | 99,611 |
| Net Pension Liability | 1,040,455 | 47,886 | 1,088,341 | 62,008 |
| Lease Liability | 48,354 | 44,696 | 93,050 | 39,177 |
| Subscription IT Liability | 7,232 | | 7,232 | 37,208 |
| Legal Settlement Liability | 288,743 | | 288,743 | |
| Other Noncurrent Liabilities | 136,000 | 6,004 | 142,004 | 141,524 |
| Total Noncurrent Liabilities | 3,421,816 | 389,906 | 3,811,722 | 751,366 |
| Total Liabilities | 5,198,042 | 547,873 | 5,745,915 | 967,051 |
| **DEFERRED INFLOWS OF RESOURCES** | 803,522 | 60,648 | 864,170 | 274,815 |
| **NET POSITION** | | | | |
| Net Investment in Capital Assets | 2,551,256 | 757,550 | 3,308,806 | 1,003,262 |
| Restricted for Debt Repayments | | 42,598 | 42,598 | |
| Restricted for Uninsured Risks | | 5,440 | 5,440 | |
| Restricted for Unemployment Benefits | 23,517 | 393,805 | 417,322 | |
| Restricted for Permanent Funds-Expendable | 16,732 | | 16,732 | |
| Restricted for Permanent Funds-Non-Expendable | 12,986 | | 12,986 | |
| Restricted for Prize Awards - MUSL & Tri-State | | 4,423 | 4,423 | |
| Restricted for Environmental Remediation | 220,043 | | 220,043 | |
| Restricted for Environmental Loan Programs | 528 | 808,450 | 808,978 | |
| Restricted for SRF Programs | | 14,254 | 14,254 | |
| Restricted for Administration of Justice and Public Protection | 76,193 | | 76,193 | |
| Restricted for Health and Social Services | 460,417 | | 460,417 | |
| Restricted for Facility Sustainment | | 1,129 | 1,129 | |
| Restricted for Highway | 135,103 | | 135,103 | |
| Restricted for Other Purposes | 472,561 | | 472,561 | |
| Restricted for Loan Receivable and Ground Lease | | 14,660 | 14,660 | |
| Restricted Component Unit Net Position | | | | 761,109 |
| Unrestricted Net Position (Deficit) | (1,355,528) | (174) | (1,355,702) | 305,649 |
| Total Net Position | $ 2,613,808 | $ 2,042,135 | $ 4,655,943 | $ 2,070,020 |

The notes to the basic financial statements are an integral part of this statement.

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF ACTIVITIES**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| **PRIMARY GOVERNMENT** | | | | |
| **Governmental Activities:** | | | | |
| General Government | $ 827,402 | $ 511,658 | $ 81,628 | |
| Administration of Justice & Public Protection | 1,288,545 | 508,147 | 310,580 | |
| Resource Protection and Development | 340,917 | 119,008 | 169,968 | 188 |
| Transportation | 558,008 | 24,239 | 25,840 | 255,174 |
| Health and Social Services | 3,935,927 | 278,240 | 2,423,931 | |
| Education | 1,827,106 | 13,428 | 379,423 | |
| Interest Expense | 27,390 | | | |
| Total Governmental Activities | 8,805,295 | 1,454,720 | 3,391,370 | 255,362 |
| **Business-type Activities:** | | | | |
| Turnpike System | 111,473 | 158,379 | | 110 |
| Liquor Commission | 613,235 | 757,889 | | |
| Lottery Commission | 427,009 | 634,779 | | |
| SRF | 18,519 | 22,578 | 29,169 | |
| Unemployment Compensation | 48,863 | 65,676 | (901) | |
| Total Business-type Activities | 1,219,099 | 1,639,301 | 28,268 | 110 |
| Total Primary Government | $ 10,024,394 | $ 3,094,021 | $ 3,419,638 | $ 255,472 |
| **COMPONENT UNITS** | | | | |
| University System of New Hampshire | 941,828 | 534,500 | 335,586 | 8,993 |
| Non-Major Component Units | 191,981 | 67,635 | 54,782 | 3,409 |
| Total Component Units | $ 1,133,809 | $ 602,135 | $ 390,368 | $ 12,402 |
| **General Revenues:** | | | | |
| General Property Taxes | | | | |
| Business Income Taxes | | | | |
| Meals and Rental Taxes | | | | |
| Special Taxes | | | | |
| Personal Taxes | | | | |
| Business License Taxes | | | | |
| Interest & Investment Income | | | | |
| Miscellaneous | | | | |
| Payments from State of New Hampshire | | | | |
| Transfers - Internal Activities | | | | |
| Total General Revenues and Transfers | | | | |
| Changes in Net Position | | | | |
| **Net Position - July 1** | | | | |
| **Net Position - June 30** | | | | |

The notes to the basic financial statements are an integral part of this statement.

| Net (Expenses) Revenues and Changes in Net Position | | | |
|---|---|---|---|
| Primary Government | | | |
| Governmental Activities | Business-Type Activities | Total | Component Units |
| $ (234,116) | | $ (234,116) | |
| (469,818) | | (469,818) | |
| (51,753) | | (51,753) | |
| (252,755) | | (252,755) | |
| (1,233,756) | | (1,233,756) | |
| (1,434,255) | | (1,434,255) | |
| (27,390) | | (27,390) | |
| (3,703,843) | | (3,703,843) | |
| | $ 47,016 | 47,016 | |
| | 144,654 | 144,654 | |
| | 207,770 | 207,770 | |
| | 33,228 | 33,228 | |
| | 15,912 | 15,912 | |
| | 448,580 | 448,580 | |
| $ (3,703,843) | $ 448,580 | $ (3,255,263) | |
| | | | (62,749) |
| | | | (66,155) |
| | | | $ (128,904) |
| 409,670 | | 409,670 | |
| 1,245,269 | | 1,245,269 | |
| 414,268 | | 414,268 | |
| 665,363 | | 665,363 | |
| 189,284 | | 189,284 | |
| 178,126 | | 178,126 | |
| 135,149 | | 135,149 | 73,006 |
| 62,611 | | 62,611 | 313 |
| | | | 180,413 |
| 362,796 | (362,796) | | |
| 3,662,536 | (362,796) | 3,299,740 | 253,732 |
| (41,307) | 85,784 | 44,477 | 124,828 |
| 2,655,115 | 1,956,351 | 4,611,466 | 1,945,192 |
| $ 2,613,808 | $ 2,042,135 | $ 4,655,943 | $ 2,070,020 |

The notes to the basic financial statements are an integral part of this statement.

# Fund Financial Statements

## Governmental Funds

***General Fund:*** *The General Fund is the State's primary operating fund and accounts for all financial transactions not accounted for in any other fund.*

***Highway Fund:*** *Under the State Constitution, all revenues in excess of the necessary cost of collection and administration accruing to the State from motor vehicle registration fees, operators' licenses, gasoline road toll, or any other special charges or taxes with respect to the operation of motor vehicles or the sale or consumption of motor vehicle fuels are appropriated and used exclusively for the construction, reconstruction, and maintenance of public highways within this state, including the supervision of traffic thereon and for the payment of the interest and principal of bonds issued for highway purposes. All such revenues, together with federal grants-in-aid and federal emergency funds received by the State for highway purposes, are credited to the Highway Fund. While the principal and interest on state highway bonds are charged to the Highway Fund, the assets of this fund are not pledged to such bonds.*

***Education Trust Fund:*** *The Education Trust Fund was established to distribute adequate education grants to municipalities' school districts and to approved charter schools pursuant to RSA 198:42, to provide low and moderate income homeowners property tax relief under RSA 198:56-198:61, and to fund kindergarten programs as may be determined by the general court. Funding for the grants comes from a variety of sources including the statewide property and utility taxes, incremental portions of existing business, real estate transfer and tobacco taxes, lottery funds and tobacco settlement funds.*

**STATE OF NEW HAMPSHIRE**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | General | Highway | Education | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 598,229 | $ 205,482 | $ 223,618 | $ 34,932 | $ 1,062,261 |
| Investments | 2,009,749 | | | 41,187 | 2,050,936 |
| Receivables (Net of Allowances for Uncollectibles) | 771,171 | 50,459 | 166,197 | 1,926 | 989,753 |
| Due from Other Funds | 48,367 | 2,885 | 6,971 | 966 | 59,189 |
| Other Assets | 29,038 | | | | 29,038 |
| Inventories | 27,838 | 29,379 | | 846 | 58,063 |
| Loan Receivables | 30,214 | | | | 30,214 |
| Total Assets | 3,514,606 | 288,205 | 396,786 | 79,857 | 4,279,454 |
| **LIABILITIES** | | | | | |
| Accounts Payable | 466,326 | 24,251 | 7,966 | 13,947 | 512,490 |
| Accrued Payroll | 53,914 | 7,257 | 6 | 783 | 61,960 |
| Due to Other Funds | 4,707 | 110 | | | 4,817 |
| Unearned Revenue | 626,913 | 4,760 | | 28 | 631,701 |
| Unclaimed Property | 27,350 | | | | 27,350 |
| Tax Refunds Payable | 83,476 | | 58,009 | | 141,485 |
| Other Liabilities | 84,958 | | | | 84,958 |
| Total Liabilities | 1,347,644 | 36,378 | 65,981 | 14,758 | 1,464,761 |
| **DEFERRED INFLOWS OF RESOURCES** | 239,139 | 1,345 | 133,743 | 75 | 374,302 |
| **FUND BALANCES** | | | | | |
| Nonspendable: | | | | | |
| Inventories | 27,838 | 29,379 | | 846 | 58,063 |
| Permanent Fund Principal | | | | 12,986 | 12,986 |
| Restricted | 1,146,223 | 135,103 | | 40,624 | 1,321,950 |
| Committed | 75,955 | | | 5,025 | 80,980 |
| Assigned | 311,427 | 86,000 | 197,062 | 12,154 | 606,643 |
| Unassigned: | | | | | |
| Revenue Stabilization | 292,525 | | | | 292,525 |
| Other | 73,855 | | | (6,611) | 67,244 |
| Total Fund Balances | 1,927,823 | 250,482 | 197,062 | 65,024 | 2,440,391 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | $ 3,514,606 | $ 288,205 | $ 396,786 | $ 79,857 | $ 4,279,454 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**RECONCILIATION OF THE BALANCE SHEET-**
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | | |
|---|---|---|
| **Total Fund Balances for Governmental Funds** | | $ 2,440,391 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets and right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 3,483,755 |
| Prepaid subscriptions used in governmental activities are not financial resources and therefore are not reported in the funds. | | 4,305 |
| Lease Receivable | 8,800 | |
| Deferred Inflows - Leases | (8,538) | 262 |
| Long-term settlement and other receivables are not available to pay current resources and are therefore not reported in the funds | | 303,933 |
| Revenues that will be collected after year-end and are not available to pay for the current period's expenditures are reported as deferred inflows of resources in the funds. | | 374,302 |
| Revenues that will be collected after year-end and are not available | | 361 |
| Internal service funds are used by management to charge the costs of certain activities, such as risk management and health-related fringe benefits, to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position. | | 83,144 |
| Net deferred outflows of resources related to deferred losses on refunding of bonds payable are not reported in the funds. | | 3,679 |
| Certain liabilities are not payable by current available resources and therefore are not reported in the funds: | | |
| Compensated Absences, Workers' Compensation | (142,244) | |
| Net Pension Liability, net of Deferred Amounts | (843,010) | |
| Other Postemployment Benefits Payable, net of Deferred Amounts | (1,596,980) | |
| Pollution Remediation Obligation | (99,985) | |
| Lease and Subscription Liabilities | (81,955) | |
| Bonds and Notes Payable | (940,766) | |
| Litigation Payable | (288,743) | |
| Interest Payable and Other Liabilities | (86,641) | (4,080,324) |
| **Net Position of Governmental Activities** | | $ 2,613,808 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | General | Highway | Education | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| General Property Taxes | $ 122 | | $ 410,549 | | $ 410,671 |
| Special Taxes | 1,792,670 | | 512,210 | | 2,304,880 |
| Personal Taxes | 121,016 | | 68,268 | | 189,284 |
| Business License Taxes | 31,871 | 178,126 | | | 209,997 |
| Non-Business License Taxes | 170,372 | 102,875 | | 10,851 | 284,098 |
| Fees | 179,959 | 30,097 | | 8,014 | 218,070 |
| Fines, Penalties and Interest | 19,668 | 5,727 | | 196 | 25,591 |
| Federal Government | 3,065,572 | 227,210 | | 46,648 | 3,339,430 |
| Private and Local Sources | 198,659 | 14,273 | | 897 | 213,829 |
| Rents and Leases | 1,650 | 42 | | | 1,692 |
| Interest, Premiums and Discounts | 141,487 | | 4,247 | 1,892 | 147,626 |
| Sale of Commodities | 18,898 | 8,424 | | 645 | 27,967 |
| Sale of Service | 20,360 | 387 | | | 20,747 |
| Assessments | 65,661 | | | | 65,661 |
| Other Agencies | 123,429 | 18,677 | | 724 | 142,830 |
| Miscellaneous | 425,765 | 7,029 | 39,771 | 33,135 | 505,700 |
| Total Revenues | 6,377,159 | 592,867 | 1,035,045 | 103,002 | 8,108,073 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General Government | 619,254 | 85 | 1,128 | 26,767 | 647,234 |
| Administration of Justice and Public Protection | 886,287 | 107,066 | | 11 | 993,364 |
| Resource Protection and Development | 305,505 | 1,006 | | 30,947 | 337,458 |
| Transportation | 41,294 | 374,434 | | | 415,728 |
| Health and Social Services | 3,891,939 | | | 1,489 | 3,893,428 |
| Education | 584,483 | | 1,235,182 | | 1,819,665 |
| Debt Service | 84,981 | 33,517 | | 206 | 118,704 |
| Capital Outlay | 78,954 | 132,824 | 5,719 | 103,837 | 321,334 |
| Total Expenditures | 6,492,697 | 648,932 | 1,242,029 | 163,257 | 8,546,915 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (115,538) | (56,065) | (206,984) | (60,255) | (438,842) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers In | 19,835 | 36,051 | | 888 | 56,774 |
| Transfers In from Enterprise Funds | 154,925 | | 207,871 | | 362,796 |
| Transfers Out | (36,939) | (3,890) | (10,562) | (5,383) | (56,774) |
| Transfers Out from Enterprise Funds | | | | | |
| Lease and SBITA Acquisitions | 16,205 | | | | 16,205 |
| Bond Premiums | | | | 7,808 | 7,808 |
| Bond and Note Issuance | | | | 63,901 | 63,901 |
| Total Other Financing Sources | 154,026 | 32,161 | 197,309 | 67,214 | 450,710 |
| Net Change in Fund Balances | 38,488 | (23,904) | (9,675) | 6,959 | 11,868 |
| Fund Balances - July 1 | 1,900,658 | 272,617 | 206,737 | 58,125 | 2,438,137 |
| Change in Inventory | (11,323) | 1,769 | | (60) | (9,614) |
| Fund Balances - June 30 | $ 1,927,823 | $ 250,482 | $ 197,062 | $ 65,024 | $ 2,440,391 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | | |
|---|---|---|
| **Net Change in Fund Balances for Total Governmental Funds, including Change in Inventory** | | $ 2,254 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Revenue recognized on the Statement of Activities that do not provide current financial resources on the fund statements resulted in a net decrease from prior year | | 159,649 |
| Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | | |
| Land & Land Improvements | $ 14,332 | |
| Buildings & Building Improvements | 43,128 | |
| Equipment & Computer Software | 38,506 | |
| Construction in Progress | 81,725 | |
| Infrastructure | 41,268 | |
| Accumulated Depreciation, Net of Disposals | (125,275) | 93,684 |
| Right to use lease/SBITA asset expenditures which were capitalized | 7,620 | |
| Amortization expense for intangible assets | (29,014) | (21,394) |
| Prepaid Subscriptions | | 4,305 |
| Internal service funds are used by management to charge the costs of certain activities, such as risk management and health-related fringe benefits, to individual funds. The net revenue of the internal service fund is reported with governmental activities. | | 2,035 |
| Proceeds of bonds and notes provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which repayments exceeded proceeds. | | |
| Bond Proceeds and Premiums Received | (69,585) | |
| Repayment of Bond/Note Principal & Interest | 87,161 | |
| Amortization of Premiums | 8,643 | |
| Unamortized Loss on Refunding, net | (1,651) | |
| Right to Use Lease/SBITA Proceeds | (16,205) | |
| Accrued Interest | (574) | 7,789 |
| Receipt of long-term settlement receivables provide current financial resources to governmental funds but reduce long-term receivables in the Statement of Net Position. | | (28,600) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These amounts represent changes in: | | |
| Compensated Absences, Workers' Compensation | (16,467) | |
| Other Postemployment Benefits Payable, net of Deferred Amounts | 111,417 | |
| Net Pension Liability, net of Deferred Amounts | (11,824) | |
| Pollution Remediation Obligation | (13,648) | |
| Lease/SBITA Liability | 26,736 | |
| Legal Settlement Payable | (288,743) | |
| Federal Highway Administrative Liability | 11,846 | |
| **Other Long Term Liability** | (80,346) | (261,029) |
| **Change in Net Position of Governmental Activities** | | $ (41,307) |

The notes to the basic financial statements are an integral part of this statement

# Proprietary Fund Financial Statements

## Enterprise Funds

***Turnpike System:*** *The Turnpike System presently consists of 89 miles of limited access highway, 36 miles of which are part of the U.S. Interstate Highway System. The Turnpike System comprises a total of approximately 658 total lane miles, 172 bridges, 49 interchanges, 84 toll lanes, and 25 facilities. Since beginning operations in 1950, the Turnpike System has contributed to the development of the New Hampshire economy. It has also been a major factor in the growth of the tourist industry in the State. The Turnpike System consists of three limited access highways: the Blue Star Turnpike (I-95) and the Spaulding Turnpike, (which are collectively referred to as the Eastern Turnpike), and the Central Turnpike. The Turnpike System primarily serves the major cities located in the central and eastern sections of southern New Hampshire.*

***Liquor Commission:*** *By statute, all liquor and beer sold in the State must be sold through a sales and distribution system operated by the State Liquor Commission, under the executive direction of the Liquor Commissioner appointed by the Governor with the consent of the Executive Council. The Commission makes all liquor purchases directly from the manufacturers and importers and operates State liquor stores in cities and towns that accept the provisions of the local option law. The Commission is authorized to sell liquor through retail outlets as well as directly to restaurants, hotels, and other organizations. The Commission also charges permit and license fees for the sale of beverages through private distributors and retailers and an additional fee of 30 cents per gallon on beverages sold by such retailers. Any excess funds of the Commission are transferred to the General Fund on a daily basis.*

***Lottery Commission:*** *The State sells lottery games online and through some 1,282 agents, including state liquor stores, licensed racetracks, and private retail outlets. Through the sale of lottery tickets, revenue is generated for prize payments and commission expenses, with the net income used for aid to education. Additionally, the Racing and Charitable Gaming activities are included in this fund. This net income is transferred to the Education Trust Fund and then transferred to the local school districts.*

***State Revolving Fund:*** *These funds consist of New Hampshire Clean Water and Drinking Water Revolving Funds. Programs operated within these funds provide loans to public water systems and local governments for constructing wastewater treatment facilities and safe drinking water systems. In addition, the programs provide supervision and technical assistance to these grantees. Funding is from U.S. Environmental Protection Agency grants and a General Fund match. The funds are repaid with interest, then re-loaned.*

***New Hampshire Unemployment Compensation Trust Fund:*** *This fund receives contributions from employers and provides benefits to eligible unemployed workers, consistent with legislation and regulations which govern federal credit programs.*

***Internal Service Fund:*** *The employee benefit risk management fund reports the health-related fringe benefit services for the State. The fund was created to account for the State's self-insurance program and to pool all resources to pay for the cost associated with providing these benefits to active employees and retirees.*

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|---|---|
| | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Unemployment Compensation | Total | |
| **ASSETS** | | | | | | | |
| **Current Assets:** | | | | | | | |
| Cash and Cash Equivalents | $163,975 | | $1,127 | | | $165,102 | $116,130 |
| Cash and Cash Equivalents-Restricted | 14,250 | | | $ 213,997 | $ 400,835 | 629,082 | |
| Investments - Restricted | 34,917 | | | 26,671 | | 61,588 | |
| Receivables (Net of Allowances for Uncollectibles) | 27,449 | 8,506 | 11,934 | | | 47,889 | 13,574 |
| Lease Receivables | 112 | | | | | 112 | |
| Other Receivables-Restricted (Net of Allowance for Doubtful Accounts) | | | | 31,471 | 14,273 | 45,744 | |
| Due from Other Funds | 140 | 3,814 | 658 | | | 4,612 | |
| Inventories | 5,085 | 77,510 | 14 | | | 82,609 | |
| Other Current Assets | 66 | | 21 | | | 87 | |
| Other Current Assets-Restricted | | | | 6,571 | | 6,571 | |
| Total Current Assets | 245,994 | 89,830 | 13,754 | 278,710 | 415,108 | 1,043,396 | 129,704 |
| **Noncurrent Assets:** | | | | | | | |
| Investments - Restricted | | | | 76,385 | | 76,385 | |
| Lease Receivables | 14,548 | | | | | 14,548 | |
| Other Receivables-Restricted | | | | 486,976 | | 486,976 | |
| Capital Assets: | | | | | | | |
| Land & Land Improvements | 103,264 | 3,060 | 495 | | | 106,819 | |
| Buildings & Building Improvements | 18,779 | 58,040 | 2,504 | | | 79,323 | |
| Equipment & Computer Software | 97,850 | 36,035 | 1,157 | | | 135,042 | |
| Construction in Progress | 71,477 | 687 | | | | 72,164 | |
| Infrastructure | 1,225,493 | | | | | 1,225,493 | |
| Right of Use Leases | | 94,921 | 236 | | | 95,157 | |
| Right of Use Subscription IT | | | | | | | |
| Less: Allowance for Depreciation | (562,442) | (39,179) | (1,208) | | | (602,829) | |
| Less: Allowance for Amortization | | (49,028) | (141) | | | (49,169) | |
| Net Capital Assets | 954,421 | 104,536 | 3,043 | | | 1,062,000 | |
| Other Assets - Restricted | | | 4,423 | | | 4,423 | |
| Total Noncurrent Assets | 968,969 | 104,536 | 7,466 | 563,361 | | 1,644,332 | |
| Total Assets | 1,214,963 | 194,366 | 21,220 | 842,071 | 415,108 | 2,687,728 | 129,704 |
| **DEFERRED OUTFLOWS OF RESOURCES** | 6,590 | 9,959 | 2,601 | 2,762 | | 21,912 | |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities |
|---|---|---|---|---|---|---|---|
| | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Unemployment Compensation | Total | Internal Service Fund |
| **LIABILITIES** | | | | | | | |
| **Current Liabilities:** | | | | | | | |
| Accounts Payable | $ 14,320 | $ 50,274 | $ 5,368 | $ 2,375 | | $ 72,337 | $ 5,454 |
| Accrued Payroll | 72 | 2,011 | 322 | 366 | | 2,771 | |
| Due to Other Funds | 11,038 | 40,975 | 6,971 | | | 58,984 | |
| Unearned Revenue | 16,910 | 3,067 | 210 | | | 20,187 | |
| Unclaimed Prizes | | | 7,772 | | | 7,772 | |
| General Obligation Bonds Payable | | 3,135 | | 557 | | 3,692 | |
| Revenue Bonds Payable-Current | 17,575 | | | | | 17,575 | |
| Accrued Interest Payable | 2,694 | 175 | | | | 2,869 | |
| Claims & Compensated Absences Payable | 643 | 815 | 88 | 114 | | 1,660 | 41,103 |
| Lease and Subscription IT Liability | | 6,582 | 58 | | | 6,640 | |
| Other Liabilities | 866 | | 289 | 6 | 21,303 | 22,464 | 3 |
| Total Current Liabilities | 64,118 | 107,034 | 21,078 | 3,418 | 21,303 | 216,951 | 46,560 |
| **Noncurrent Liabilities:** | | | | | | | |
| General Obligation Bonds Payable | | 31,266 | | 3,897 | | 35,163 | |
| Revenue Bonds Payable | 199,488 | | | | | 199,488 | |
| Claims & Compensated Absences Payable | 3,386 | 3,495 | 638 | 1,149 | | 8,668 | |
| Other Postemployment Benefits Payable | 13,278 | 24,606 | 6,466 | 3,651 | | 48,001 | |
| Net Pension Liabilities | 10,271 | 25,982 | 4,787 | 6,846 | | 47,886 | |
| Lease Liability | | 44,681 | 15 | | | 44,696 | |
| Other Noncurrent Liabilities | 4,271 | | 1,733 | | | 6,004 | |
| Total Noncurrent Liabilities | 230,694 | 130,030 | 13,639 | 15,543 | | 389,906 | |
| Total Liabilities | 294,812 | 237,064 | 34,717 | 18,961 | 21,303 | 606,857 | 46,560 |
| **DEFERRED INFLOWS OF RESOURCES** | 26,171 | 25,078 | 6,231 | 3,168 | | 60,648 | |
| **NET POSITION** | | | | | | | |
| Net Investment in Capital Assets | 736,192 | 18,387 | 2,971 | | | 757,550 | |
| Restricted for Debt Repayments | 42,598 | | | | | 42,598 | |
| Restricted for Loan Receivable and Ground Lease | 14,660 | | | | | 14,660 | |
| Restricted for Uninsured Risks | 5,440 | | | | | 5,440 | |
| Restricted for Prize Awards - MUSL & Tri-State | | | 4,423 | | | 4,423 | |
| Restricted for Environmental Loans | | | | 808,450 | | 808,450 | |
| Restricted for SRF Programs | | | | 14,254 | | 14,254 | |
| Restricted for Facility Sustainment | 1,129 | | | | | 1,129 | |
| Restricted for Unemployment Benefits | | | | | 393,805 | 393,805 | |
| Restricted for Employee Benefits | | | | | | | 83,144 |
| Unrestricted Net Position (Deficit) | 100,551 | (76,204) | (24,521) | | | (174) | |
| Total Net Position (Deficit) | $900,570 | $ (57,817) | $ (17,127) | $ 822,704 | $ 393,805 | $2,042,135 | $ 83,144 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**
**PROPRIETARY FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousand)**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|---|---|
| | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Unemployment Compensation | Total | |
| **OPERATING REVENUES** | | | | | | | |
| Charges for Sales and Services | | $ 738,880 | $ 633,648 | $ 9,473 | $ 39,989 | $1,421,990 | $ 366,454 |
| Toll Revenue Pledged for Repaying Revenue Bonds | $ 148,510 | | | | | 148,510 | |
| Total Operating Revenue | 148,510 | 738,880 | 633,648 | 9,473 | 39,989 | 1,570,500 | 366,454 |
| **OPERATING EXPENSES** | | | | | | | |
| Cost of Sales and Services | | 531,457 | 68,736 | | | 600,193 | |
| Lottery Prize Awards | | | 345,033 | | | 345,033 | |
| Unemployment Insurance Benefits | | | | | 48,863 | 48,863 | |
| Principal Forgiveness | | | | 3,265 | | 3,265 | |
| Insurance Claims | | | | | | | 356,060 |
| Administration | 70,332 | 63,239 | 13,050 | 15,048 | | 161,669 | 11,047 |
| Depreciation and Amortization | 31,943 | 14,919 | 189 | | | 47,051 | |
| Total Operating Expenses | 102,275 | 609,615 | 427,008 | 18,313 | 48,863 | 1,206,074 | 367,107 |
| Operating Income (Loss) | 46,235 | 129,265 | 206,640 | (8,840) | (8,874) | 364,426 | (653) |
| **NONOPERATING REVENUES (EXPENSES)** | | | | | | | |
| Licenses | | 4,915 | | | | 4,915 | |
| Beer Taxes | | 12,459 | | | | 12,459 | |
| Investment Income | 5,941 | | | 8,196 | 10,665 | 24,802 | 2,688 |
| Miscellaneous | 3,928 | 1,635 | 1,131 | 4,909 | 15,022 | 26,625 | |
| Federal Revenue Grants & Subsidies | | | | 29,169 | (901) | 28,268 | |
| Interest on Bonds and Mortgages and Leases | (9,198) | (3,620) | (1) | (206) | | (13,025) | |
| Total Nonoperating Revenues (Expenses) | 671 | 15,389 | 1,130 | 42,068 | 24,786 | 84,044 | 2,688 |
| Income (Loss) Before Capital Grant Contributions | 46,906 | 144,654 | 207,770 | 33,228 | 15,912 | 448,470 | 2,035 |
| Capital Contributions and Grants | 110 | | | | | 110 | |
| Income (Loss) Before Transfers | 47,016 | 144,654 | 207,770 | 33,228 | 15,912 | 448,580 | 2,035 |
| Transfers From (To) Governmental Funds, net | | (139,903) | (207,871) | | (15,022) | (362,796) | |
| Change in Net Position | 47,016 | 4,751 | (101) | 33,228 | 890 | 85,784 | 2,035 |
| Net Position (Deficit)- July 1 | 853,554 | (62,568) | (17,026) | 789,476 | 392,915 | 1,956,351 | 81,109 |
| Net Position (Deficit) - June 30 | $ 900,570 | $ (57,817) | $ (17,127) | $ 822,704 | $ 393,805 | $2,042,135 | $ 83,144 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|---|---|
| | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Unemployment Compensation | Total | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | | | |
| Receipts from Federal and Local Agencies | | | | $ 5,734 | | $ 5,734 | |
| Receipts from Customers | $ 143,741 | $ 739,375 | $ 342,149 | | 41,798 | 1,267,063 | $ 102,816 |
| Receipts from Borrowers | | | | 35,164 | | 35,164 | |
| Interest from Borrowers | | | | 4,196 | | 4,196 | |
| Receipts from Supplier Rebate | | 78,239 | | | | 78,239 | |
| Receipts from Interfund Charges | | | | | | | 270,099 |
| Payments to Borrowers | | | | (42,729) | | (42,729) | |
| Payments to Employees | (14,319) | (38,994) | (7,549) | | | (60,862) | |
| Payments to Suppliers | (52,976) | (646,596) | (39,247) | (7,484) | | (746,303) | (5,882) |
| Payments to Prize Winners | | | (93,451) | | | (93,451) | |
| Payments for Assistance Programs | | | | (4,817) | | (4,817) | |
| Payments for Insurance Claims | | | | | (47,966) | (47,966) | (347,631) |
| Payments for Interfund Services | | (7,277) | | (1,069) | | (8,346) | |
| Net Cash Provided by (Used for) Operating Activities | 76,446 | 124,747 | 201,902 | (11,005) | (6,168) | 385,922 | 19,402 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | | | |
| Transfers (to) from Other Funds, net | | (149,565) | (203,067) | | (21,821) | (374,453) | |
| Receipts from Federal Agencies | | | | 28,009 | (951) | 27,058 | |
| Municipal/State Contributions | 2,148 | | | 4,908 | | 7,056 | |
| Temporary Loan from Other State Funds | | 22,522 | | | | 22,522 | |
| Interest Paid on Bonds | | | | (207) | | (207) | |
| Principal Paid on Bonds | | | | (557) | | (557) | |
| Proceeds from Collection of Licenses and Beer Tax | | 17,375 | | | | 17,375 | |
| Other Income | 1,835 | 1,807 | | | 21,777 | 25,419 | |
| Net Cash Provided by (Used for) Noncapital and Related Financing Activities | 3,983 | (107,861) | (203,067) | 32,153 | (995) | (275,787) | |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | | | |
| Acquisition, Disposal, Sale and Construction of Capital Assets | (52,425) | (5,117) | (103) | | | (57,645) | |
| Interest Paid on Bonds and Mortgages and Leases | (10,852) | (3,628) | (1) | | | (14,481) | |
| Principal Paid on Bonds and Mortgages and Leases | (14,965) | (10,265) | (56) | | | (25,286) | |
| Net Proceeds from Issuance of Bonds and Mortgages | (69) | 2,124 | | | | 2,055 | |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | (78,311) | (16,886) | (160) | | | (95,357) | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | |
| Investment Proceeds | 66,214 | | | | | 66,214 | 2,688 |
| Purchase of Investment | (70,732) | | | (457) | | (71,189) | |
| Other Income | 5,941 | | 1,131 | 5,841 | 10,665 | 23,578 | |
| Net Cash Provided by (Used for) Investing Activities | 1,423 | | 1,131 | 5,384 | 10,665 | 18,603 | 2,688 |
| Net Increase in Cash & Cash Equivalents | 3,541 | | (194) | 26,532 | 3,502 | 33,381 | 22,090 |
| Cash and Cash Equivalents - July 1 | 174,684 | | 1,321 | 187,465 | 397,333 | 760,803 | 94,040 |
| Cash and Cash Equivalents - June 30 | $ 178,225 | | $ 1,127 | $ 213,997 | $ 400,835 | $ 794,184 | $ 116,130 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE FISCAL YEAR ENDED June 30, 2024**
**(Expressed in Thousands)**

| | Business-Type Activities - Enterprise Funds | | | | | | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|---|---|
| | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Unemployment Compensation | Total | |
| **Reconciliation of Operating Income (Loss) to Net** | | | | | | | |
| **Cash Provided by (Used for) Operating Activities:** | | | | | | | |
| Operating Income (Loss) | $ 46,235 | $ 129,265 | $ 206,640 | $ (8,840) | $ (8,874) | $ 364,426 | $ (653) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | | | | |
| Depreciation and Amortization | 31,943 | 14,919 | 189 | | | 47,051 | |
| Principal Repayments | | | | 35,164 | | 35,164 | |
| Loan Advances to Borrowers | | | | (42,729) | | (42,729) | |
| Principal Forgiveness | | | | 3,265 | | 3,265 | |
| Interest Income on Loans | | | | (9) | | (9) | |
| Miscellaneous Income/(Expense) | 208 | | | 663 | | 871 | |
| Change in Receivables/Loans | (4,854) | (1,312) | (3,371) | 469 | 2,406 | (6,662) | 6,461 |
| Change in Inventories | (2,095) | (2,171) | 110 | | | (4,156) | |
| Change in Other Current Assets | | | 95 | | | 95 | |
| Change in Restricted Deposits-MUSL | | | 101 | | | 101 | |
| Change in Accounts Payable and Other Accruals | 7,335 | (13,010) | (2,157) | 745 | 300 | (6,787) | 5,164 |
| Change in Claims Payable | | | 1,631 | 196 | | 1,827 | 8,430 |
| Change in Unearned Revenue | (123) | 1,807 | (144) | | | 1,540 | |
| Change in Other Postemployment Benefits Payable, Net of Deferred Amounts | (1,971) | (4,867) | (1,245) | 71 | | (8,012) | |
| Change in Net Pension Liability, Net of Deferred Amounts | (232) | 116 | 53 | | | (63) | |
| Net Cash Provided by (Used For) Operating Activities | $ 76,446 | $ 124,747 | $ 201,902 | $ (11,005) | $ (6,168) | $ 385,922 | $ 19,402 |
| **Turnpike Non-Cash Capital and Related Financing Activities:** | | | | | | | |
| Capital Contributions | $ 110 | | | | | | |
| Non-Cash Capital Acquisition | 2,647 | | | | | | |
| **SRF Non-Cash Investing Activities:** | | | | | | | |
| Principal Forgiveness | | | | $ 3,265 | | | |

The notes to the basic financial statements are an integral part of this statement

# Fiduciary Funds Financial Statements

***Pension Trust Funds:***

***New Hampshire Retirement System -*** *The New Hampshire Retirement System (NHRS) is the administrator of a cost-sharing multiple employer contributory pension plan and trust established on July 1, 1967 and is intended to meet the requirements of a qualified tax-exempt organization within the meaning of section 401(a) and section 501(a) of the United States Internal Revenue Code. Participating employers include the employees of the State government of New Hampshire, certain cities and towns, all counties, and various school districts. NHRS is a component unit of the State.*

***New Hampshire Judicial Retirement Plan -*** *The New Hampshire Judicial Retirement Plan (NHJRP) was established on January 1, 2005 and is a contributory pension plan and trust intended to meet the requirements of a qualified pension trust within the meaning of section 401(a) and to qualify as a governmental plan within the meaning of section 414(d) of the United States Internal Revenue Code. The Plan is a component unit of the State.*

***Private Purpose Trust Funds:*** *Private-Purpose Trust Funds report resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments.*

***Investment Trust Fund:*** *The investment trust fund represents the external portion of the New Hampshire Public Deposit Investment Pool (NHPDIP). The NHPDIP has been established, in accordance with RSA 383:22-24, for the purpose of investing funds of the State of New Hampshire, funds under the custody of all governmental units, pooled risk management programs established pursuant to RSA 5-B, agencies, authorities, commissions, boards, political subdivisions, and all other public units within, or instrumentalities of the State of New Hampshire. In accordance with GAAP, the external portion of the NHPDIP is reported as an investment trust fund in the Fiduciary Funds using the economic resources measurement focus and accrual basis of accounting. The internal portion of the pool is reported in the General Fund and trust funds. NHPDIP's investment detail and audited financial statements can be obtained by visiting www.nhpdip.com or contacting the Client Services Team at 1-844-4NH-PDIP.*

***Custodial Funds:*** *Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.*

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF FIDUCIARY NET POSITION**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Pension Trust Funds | Private Purpose Trust Funds | Investment Trust Fund | Custodial Funds |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and Cash Equivalents | $ 367,461 | $ 809 | $ 8,132 | $ 5,020 |
| Receivables: | | | | |
| Due from Employers | 73,297 | | | |
| Due from Plan Members | 28,976 | | | |
| Due from Brokers for Securities Sold | 18,066 | | | |
| Interest and Dividends | 19,466 | | 2,308 | |
| Other | 11,680 | | | |
| Total Receivables | 151,485 | | 2,308 | |
| Investments: | | | | |
| Certificates of Deposit | | | 112,633 | |
| Repurchase Agreements | | | 169,548 | |
| U.S. Government Obligations | | | 17,555 | |
| Equity Investments | 6,199,494 | | | |
| Fixed Income Investments | 2,306,998 | | | |
| Commercial Real Estate | 1,127,947 | | | |
| Commercial Paper | | | 235,864 | |
| Alternative Investments | 2,298,223 | | | |
| Other Investments | | 27,001 | 21,398 | 336 |
| Total Investments | 11,932,662 | 27,001 | 556,998 | 336 |
| Other Assets | 11,380 | | | |
| Total Assets | 12,462,988 | 27,810 | 567,438 | 5,356 |
| **LIABILITIES** | | | | |
| Management Fees and Other Payables | 14,286 | | 138 | |
| Due to Brokers for Securities Purchased | 24,784 | | | |
| Total Liabilities | 39,070 | | 138 | |
| **NET POSITION** | | | | |
| Restricted for: | | | | |
| Employees' Pension Benefits | 12,373,273 | | | |
| Other Postemployment Benefits (OPEB) | 50,645 | | | |
| External Investment Pool | | | 567,300 | |
| Individuals, organizations, and other governments | | 27,810 | | 5,356 |
| Total Net Position | $ 12,423,918 | $ 27,810 | $ 567,300 | $ 5,356 |

The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Pension Trust Funds | Private Purpose Trust Funds | Investment Trust Fund | Custodial Funds |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| **Contributions:** | | | | |
| Employers | $ 657,020 | | | |
| Plan Members | 269,620 | | | |
| Participants | | 19,460 | 760,126 | |
| Total Contributions | 926,640 | 19,460 | 760,126 | |
| **Investment Income:** | | | | |
| From Investing Activities: | | | | |
| Net Depreciation in Fair Value of Investments | 803,904 | | | |
| Interest Income | 65,022 | 942 | 33,656 | 34 |
| Dividends | 99,103 | | | |
| Alternative Investment Income | 69,148 | | | |
| Other | 26,707 | 3,272 | 22 | |
| Gross Income from Investing Activities | 1,063,884 | 4,214 | 33,678 | 34 |
| **Less Investment Activity Expenses:** | | | | |
| Investment Management Fees | 56,584 | | 1,284 | |
| Custodial Fees | 773 | | | |
| Investment Administrative Expense | 1,109 | | | |
| Investment Advisor Fees | 710 | | | |
| Investment Professional Fees | 452 | | | |
| Total Investment Activity Expenses | 59,628 | | 1,284 | |
| Total Net Income from Investing Activities | 1,004,256 | 4,214 | 32,394 | 34 |
| Other | | | | 95,959 |
| Total Additions | 1,930,896 | 23,674 | 792,520 | 95,993 |
| **DEDUCTIONS** | | | | |
| Benefits/Distributions to Participants | 1,048,625 | 15,574 | | 13,557 |
| Refunds of Contributions | 25,520 | | | |
| Administrative Expense | 11,406 | | | |
| Professional Fees | 624 | | | |
| Other | 2,537 | 1,150 | 714,437 | 82,889 |
| Total Deductions | 1,088,712 | 16,724 | 714,437 | 96,446 |
| Change in Net Position | 842,184 | 6,950 | 78,083 | (453) |
| **NET POSITION HELD IN TRUST FOR BENEFITS & OTHER PURPOSES** | | | | |
| Net Position - July 1 | 11,581,734 | 20,860 | 489,217 | 5,809 |
| Net Position - June 30 | $ 12,423,918 | $ 27,810 | $ 567,300 | $ 5,356 |

The notes to the basic financial statements are an integral part of this statement

# Component Units Financial Statements

**STATE OF NEW HAMPSHIRE**
**COMBINING STATEMENT OF NET POSITION**
**COMPONENT UNITS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | University System of New Hampshire | Non-Major Component Units | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | $ 52,178 | $ 83,461 | $ 135,639 |
| Cash and Cash Equivalents - Restricted | | 53,765 | 53,765 |
| Operating Investments | 155,353 | 31,391 | 186,744 |
| Accounts Receivable (Net of Allowances for Uncollectibles) | 40,388 | 10,777 | 51,165 |
| Other Receivables | 6,643 | 5,230 | 11,873 |
| Notes Receivable - Current Portion | 615 | 5,238 | 5,853 |
| Lease Receivable - Current Portion | 230 | 305 | 535 |
| Prepaid Expenses & Other | 13,218 | 2,218 | 15,436 |
| Total Current Assets | 268,625 | 192,385 | 461,010 |
| Noncurrent Assets: | | | |
| Investments | 987,981 | 40,879 | 1,028,860 |
| Notes & Other Receivables (Net of Allowances for Uncollectibles) | 11,918 | 94,376 | 106,294 |
| Lease Receivable | 1,026 | 221,514 | 222,540 |
| Other Assets | 15,695 | 5,333 | 21,028 |
| Capital Assets: | | | |
| Land & Land Improvements | 14,163 | 17,576 | 31,739 |
| Building & Building Improvements | 1,966,382 | 425,725 | 2,392,107 |
| Equipment | 179,036 | 42,632 | 221,668 |
| Construction in Progress | 173,419 | 14,758 | 188,177 |
| Right of Use | 92,927 | 8,317 | 101,244 |
| Subscription IT | | 5,654 | 5,654 |
| Less: Accumulated Depreciation | (1,201,205) | (286,052) | (1,487,257) |
| Less: Accumulated Amortization | (19,285) | (4,142) | (23,427) |
| Net Capital Assets | 1,205,437 | 224,468 | 1,429,905 |
| Total Noncurrent Assets | 2,222,057 | 586,570 | 2,808,627 |
| Total Assets | 2,490,682 | 778,955 | 3,269,637 |
| **DEFERRED OUTFLOWS OF RESOURCES** | 21,816 | 20,433 | 42,249 |

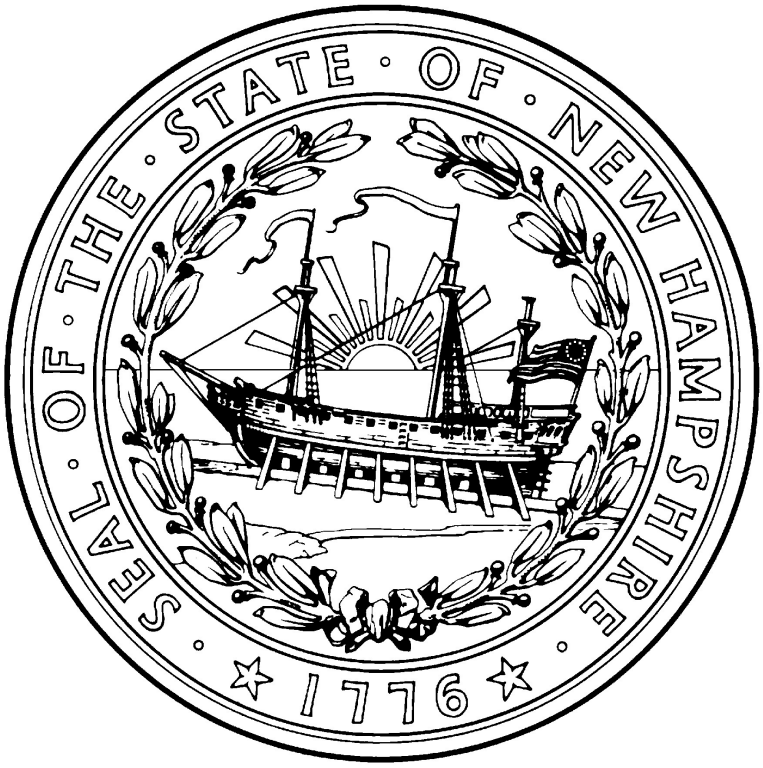
The notes to the basic financial statements are an integral part of this statement

**STATE OF NEW HAMPSHIRE**
**COMBINING STATEMENT OF NET POSITION**
**COMPONENT UNITS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | University System of New Hampshire | Non-Major Component Units | Total |
|---|---|---|---|
| **LIABILITIES** | | | |
| Current Liabilities: | | | |
| Accounts Payable | 72,288 | 7,550 | 79,838 |
| Accrued Salaries and Wages | | 5,881 | 5,881 |
| Accrued Employee Benefits - Current | 9,370 | 62 | 9,432 |
| Other Payables & Accrued Expenses | | 9,536 | 9,536 |
| Other Liabilities | 7,039 | | 7,039 |
| Deposits and Unearned Revenues | 55,353 | 18,759 | 74,112 |
| Long Term Leases - Current Portion | 2,556 | 907 | 3,463 |
| Subscription IT Liability - Current Portion | 4,749 | 770 | 5,519 |
| Long Term Debt - Current Portion | 19,692 | 1,173 | 20,865 |
| Total Current Liabilities | 171,047 | 44,638 | 215,685 |
| Noncurrent Liabilities: | | | |
| Revenue Bonds Payable | 342,819 | | 342,819 |
| Accrued Employee Benefits | 29,019 | | 29,019 |
| Other Postemployment Medical Benefits Payable | 57,707 | 41,904 | 99,611 |
| Net Pension Liability | | 62,008 | 62,008 |
| Long Term Leases | 33,236 | 5,941 | 39,177 |
| Subscription IT Liability | 35,861 | 1,347 | 37,208 |
| Other Long Term Debt | 10,188 | 131,336 | 141,524 |
| Total Noncurrent Liabilities | 508,830 | 242,536 | 751,366 |
| Total Liabilities | 679,877 | 287,174 | 967,051 |
| **DEFERRED INFLOWS OF RESOURCES** | 20,134 | 254,681 | 274,815 |
| **NET POSITION** | | | |
| Net Investment in Capital Assets | 798,821 | 204,441 | 1,003,262 |
| Restricted: | | | |
| Nonexpendable | 352,049 | | 352,049 |
| Expendable | 317,703 | 91,357 | 409,060 |
| Unrestricted Net Position (Deficit) | 343,914 | (38,265) | 305,649 |
| Total Net Position | $ 1,812,487 | $ 257,533 | $ 2,070,020 |

**STATE OF NEW HAMPSHIRE**
**COMBINING STATEMENT OF ACTIVITIES**
**COMPONENT UNITS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | University System of New Hampshire | Non-Major Component Units | Total |
|---|---|---|---|
| **EXPENSES** | $ 941,828 | $ 191,981 | $ 1,133,809 |
| **PROGRAM REVENUES:** | | | |
| Charges for Services: | | | |
| Tuition & Fees | 509,072 | 53,220 | 562,292 |
| Student Financial Aid | (232,899) | (23,233) | (256,132) |
| Sales, Services, & Other Revenue | 258,327 | 37,648 | 295,975 |
| Operating Grants & Contributions | 335,586 | 54,782 | 390,368 |
| Capital Grants & Contributions | 8,993 | 3,409 | 12,402 |
| Total Program Revenues | 879,079 | 125,826 | 1,004,905 |
| Net Expenses | (62,749) | (66,155) | (128,904) |
| Interest & Investment Income | 58,244 | 14,762 | 73,006 |
| Lease Revenue | | 313 | 313 |
| Payments from State of New Hampshire | 112,976 | 67,437 | 180,413 |
| Change in Net Position | 108,471 | 16,357 | 124,828 |
| **Net Position - July 1** | 1,704,016 | 241,176 | 1,945,192 |
| **Net Position - June 30** | $ 1,812,487 | $ 257,533 | $ 2,070,020 |


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# Notes to the Basic Financial Statements


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# NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2024

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of New Hampshire (the State) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and as prescribed by the Governmental Accounting Standards Board (GASB), which is the standard-setting body for establishing governmental accounting and financial reporting principles.

### A. REPORTING ENTITY

For financial reporting purposes, the State's reporting entity includes all funds, organizations, agencies, boards, commissions, authorities and all component units for which the State is financially accountable. There are no other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading. The criteria to be considered in determining financial accountability include whether the State, as the primary government, has appointed a voting majority of an organization's governing body and (1) has the ability to impose its will on that organization or (2) there is potential for the organization to provide specific financial benefits to or impose specific financial burdens on the State. Financial accountability also exists if an organization is determined to be fiscally dependent on the primary government and the primary government is in a relationship of financial benefit/burden with the organization.

Component units are either blended into the primary government or discretely presented from the primary government. Potential component units that do not meet the financial accountability criteria, but where a voting majority of the governing board is appointed by the State, are deemed to be related organizations. The nature and relationship of the State's component units and related organizations are disclosed in the following section.

**Discrete Component Units:**

Discrete component units are entities, which are legally separate from the State, but for which the State is financially accountable for financial reporting purposes, or whose relationship with the State is such that exclusion would cause the State's financial statements to be misleading. Complete audited financial statements of the individual component units can be obtained from the respective entities.

The component unit columns of the government-wide financial statements include the financial data of the following entities:

**Major Component Unit**

**University System of New Hampshire -** The University System of New Hampshire (USNH) is a body corporate and politic with a governing board of twenty-seven members. A voting majority is held by the State through the eleven members appointed by the Governor and Executive Council and three State officials serving as required by law. These State officials are the Governor, the Commissioner of the Department of Education, and the Commissioner of the Department of Agriculture. The remaining board members represent the university and colleges of the system, the alumni, and the student body. The USNH funds its operations through tuition and fees, government grants and contracts, auxiliary operations, and State appropriations which impose a specific financial burden on the State. USNH financials can be obtained by contacting USNH at 5 Chenell Drive Suite 301, Concord, NH 03301.

**Non-major Component Units**

**Business Finance Authority of the State of New Hampshire -** The Business Finance Authority (BFA) is a body corporate and politic with a governing board of fourteen members. The board consists of nine members appointed by the Governor with the consent of the Executive Council. The remaining members include two State Representatives, two Senators, and the State Treasurer. The State currently guarantees outstanding loans and principal on bonds of the BFA, which creates the potential for the BFA to impose a financial burden on the State. BFA's financials can be obtained by contacting the BFA at 135 North State Street, Concord, NH 03301.

**Community Development Finance Authority -** The Community Development Finance Authority (CDFA) is a body corporate and politic organized as a nonprofit corporation under Revised Statutes Annotated (RSA) 292. The governing board of eleven members is made up of the Commissioner of the Department of Resources and Economic Development or designee and ten public members appointed by the Governor and Executive Council as follows: four representatives of community development corporations or other nonprofit organizations engaged in community development activities, one representative of organized labor, two representatives of small business and the financial community, one representative of employment training programs, and two representatives of private financial institutions. Additionally, CDFA imposes a financial burden on the State as investment tax credit equal to 75 percent of the contribution made to the CDFA during the contributor's tax year is allowed against certain taxes imposed by the State. In accordance with RSA 162-L:10, the total credits allowed shall not exceed $5.0 million in any State fiscal year. CDFA's financials can be obtained by contacting the CDFA at 14 Dixon Avenue, Suite 102, Concord, NH 03301.

**Pease Development Authority -** The Pease Development Authority (PDA) is a body corporate and politic with a governing body of seven members. Four members are appointed by the Governor and State legislative leadership, and three members are appointed by the City of Portsmouth and the Town of Newington. The State currently guarantees outstanding loans and principal on bonds of the PDA and has issued bonds on behalf of the PDA, which creates the potential for the PDA to impose a financial burden on the State. In addition, the State has made several loans to the PDA. PDA's financials can be obtained by contacting PDA at 55 International Drive, Portsmouth, NH 03801.

**The Community College System of New Hampshire (CCSNH) -** The CCSNH was established under Chapter 361, Laws of 2007 (effective date July 17, 2007), as a body politic and corporate, whose main purpose is to provide a well-coordinated system of public community college education. The CCSNH includes colleges in Berlin, Claremont, Concord, Laconia, Manchester, Nashua and Portsmouth. It is governed by a single board of trustees with 23 voting members appointed by the Governor and Executive Council. The CCSNH funds its operations through tuition, room and board, fees, grants, legacies and gifts, and state appropriations which impose a specific financial burden on the State. The CCSNH

financial statements include the consolidated activity of the Community Colleges of New Hampshire Foundation, which is a separate legal entity established as a 501(c)(3) corporation and component unit of CCSNH.

CCSNH's financials can be obtained by contacting CCSNH at 26 College Drive, Concord, NH 03301.

**Fiduciary Component Units:**

The State's fiduciary component units consist of the Pension Trust Funds, which include the following:

**New Hampshire Retirement System -** The New Hampshire Retirement System (NHRS) is a contributory pension plan and trust qualified as a tax exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. It is a defined benefit plan (the "Plan") providing disability, death, and retirement protection to its members, which include full-time employees of the State and substantially all school teachers, firefighters, and police officers within the State. Full-time employees of political subdivisions may participate if their governing body elects to participate.

NHRS is administered by a 13 member Board of Trustees on which the State does not represent a voting majority. The Board has all the powers of a corporation. It is fiduciarily responsible for NHRS assets and directs the investment of those assets through an independent investment committee, reviews actuarial assumptions and valuations from which the employer contribution rates are certified by the board, and generally supervises the operations of NHRS.

NHRS is deemed to be fiscally dependent on the State because the employee member contribution rates are set through State statute, and the State has budget approval authority over some administrative costs of NHRS.

**New Hampshire Judicial Retirement Plan –** The New Hampshire Judicial Retirement Plan (NHJRP) is a contributory pension plan and trust qualified as a tax exempt organization under Sections 401(a) and 414(d) of the Internal Revenue Code. It is a defined benefit plan providing disability, death, and retirement protection for full-time supreme court, superior court, and circuit court judges employed within the State.

NHJRP is administered by a seven member Board of Trustees that is appointed by the State. The Board is fiduciarily responsible for NHJRP assets and oversees the investment of those assets, approving the actuarial valuation of NHJRP including assumptions, interpreting statutory provisions and generally supervising the operations of NHJRP.

These component units are presented along with other fiduciary funds of the State and have been omitted from the State's government-wide financial statements.

**Related Organizations:**

The State is responsible for appointing voting members of the governing boards of the following legally separate organizations; however, the State is not financially accountable for these organizations. Although the Treasurer may serve as a Trustee and have certain involvement with the organizations, the organizations are not fiscally dependent upon the primary government and the organizations do not provide specific financial benefit to or impose financial burden on the primary government. Exclusion of these organizations from the State's financial statements would not render the financial statements to be misleading.

Related Organizations Excluded:

- Maine – New Hampshire Interstate Bridge Authority
- New Hampshire Health and Education Facilities Authority
- New Hampshire Housing Finance Authority
- New Hampshire Municipal Bond Bank
- Land and Community Heritage Investment Program

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Primary government activities are distinguished between governmental and business-type activities. Governmental activities are normally supported through taxes and intergovernmental revenues. Business-type activities rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The *Statement of Net Position* presents the reporting entity's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position from net investment in capital assets includes capital assets net of accumulated depreciation, and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Net position is restricted when constraints are externally imposed or imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as part of restricted net position. The remaining net position is considered unrestricted.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues.

Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not meeting the definition of program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenue rather than program revenue. Certain indirect costs are included in program expenses reported for individual functions.

**Fund Financial Statements**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

**Measurement Focus and Basis of Accounting**

The *government-wide, proprietary, and fiduciary fund financial statements* are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the State gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Derived tax revenues are recognized as revenues in the period the underlying transaction occurs. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

*Governmental fund financial statements* are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Under this method, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the State generally considers revenues to be available if they are collected within 60 days after year end. Receivables not expected to be collected within 60 days are offset by deferred inflows of resources. An exception to this policy is federal grant revenue, which generally is considered to be available if collection is expected within 12 months after year end. Taxes, grants, licenses and fees associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period when available.

Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term liabilities, claim and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governments funds. Proceeds of general long-term debt and financing from leases are reported as other financing sources.

*Proprietary Fund, Fiduciary Funds and Similar Component Units, and Discrete Component Unit* financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

**Financial Statement Presentation**

A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to report financial position and the results of operations, to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain government functions or activities.

The State reports the following major governmental funds:

*General Fund:* The General Fund is the State's primary operating fund and accounts for all financial transactions not accounted for in any other fund.

*Highway Fund:* The Highway Fund is used to account for the revenues and expenditures used in the construction, maintenance and operations of the State's public highways and the supervision of traffic thereon.

*Education Trust Fund:* The Education Trust Fund was created in accordance with Chapter 17:41, Laws of 1999. The fund is non-lapsing and is used to distribute adequate education grants to school districts.

The State reports the following major enterprise funds as part of the Proprietary Fund Financial Statements:

The *Turnpike System* accounts for the revenues and expenses used in the construction, maintenance and operations of three limited access highways: the Blue Star Turnpike (I-95), the Spaulding Turnpike and the Central Turnpike. The Turnpike System primarily serves the major cities located in the central and eastern sections of southern New Hampshire.

The *Liquor Commission* accounts for the operations of State-owned liquor stores and the sales of all beer and liquor sold in the State.

The *Lottery Commission* accounts for the operations of the State's Lottery Commission and the State's Racing & Charitable Gaming activities.

The *State Revolving Fund* makes loans to public water systems and local governments for wastewater treatment facilities and safe drinking water systems, funded by programs under the U.S. Environmental Protection Administration.

The *New Hampshire Unemployment Compensation Trust Fund* receives contributions from employers and provides benefits to eligible unemployed workers.

Additionally, the State reports the following non-major funds:

**Governmental Funds**

*Fish and Game Fund* – accounts for the operation of fish hatcheries, inland and marine fisheries and wildlife areas and functions related to law enforcement, land acquisition and wildlife management and research. Principal revenues include fees from fish and game licenses, the marine gas tax, penalties, recoveries, federal grants-in-aid related to fish and game management and other funding as approved by the Legislature.

*Capital Projects Fund* - used to account for certain capital improvement appropriations which are or will be primarily funded by the issuance of State bonds or notes, other than bonds and notes for highway or turnpike purposes, or by the application of certain federal matching grants.

*Coronavirus Relief Fund*: The Coronavirus Relief Fund is used to account for revenues and expenditures related to federal revenue received under section 601 (a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). During fiscal year 2020, the CARES Act established the Coronavirus Relief Fund and the State received an allocation of $1.25 billion. The State is in the final stages of closing this fund.

*Other Governmental Funds* – Used to account for certain program funds maintained by agencies that are limited in use for particular purposes.

*Permanent Funds* – report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the State or its citizenry.

**Proprietary Fund**

*Internal Service Fund* - provides services primarily to employees and retirees of the State, rather than to the general public. These services include health-related fringe benefits. In the government-wide financial statements, internal service funds are included with governmental activities.

**Fiduciary Fund Types**

*Pension (and Other Employee Benefits) Trust Funds* – report resources that are required to be held in trusts for the members and beneficiaries of the State's contributory defined benefit plans, and post employment benefit plan. The NHRS and NHJRP are component units of the State.

*Investment Trust Fund* - accounts for the transactions, assets, liabilities and fund equity of the New Hampshire Public Deposit Investment Pool (NHPDIP or the Pool), an external investment pool. The NHPDIP was established, in accordance with RSA 383:22-24, for the purpose of investing funds of the State of New Hampshire, funds under the custody of all governmental units, pooled risk management programs established pursuant to RSA 5-B, agencies, authorities, commissions, boards, political subdivisions, and all other public units within, or instrumentalities of the State of New Hampshire. As of June 30, 2024, the State held an investment position in NHPDIP, which is reported as the State's share of the overall pool and not by investment type based on the underlying investment securities held by the pool. In accordance with GAAP, the external portion of the NHPDIP is reported as an investment trust fund in the Fiduciary Funds using the economic resources measurement focus and accrual basis of accounting. In accordance with GASBS 79, the pool's portfolio securities are valued at amortized cost, which approximates fair value. NHPDIP's investment detail and audited financial statements can be obtained by visiting www.nhpdip.com or contacting the Client Services Team at 1-844-4NH-PDIP.

*Private Purpose Trust Funds* - report resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments.

*Custodial Funds* - report resources identified as a fiduciary activity which are not held in a trust or equivalent arrangement.

**Reporting Periods**

The accompanying financial statements of the State are presented as of June 30, 2024, and for the year then ended, except for the New Hampshire Judicial Retirement Plan which is as of December 31, 2023, and for the year then ended.

**D. CASH EQUIVALENTS**

For the purposes of reporting in the Statement of Net Position, Statement of Fiduciary Net Position and the Statement of Cash Flows, cash equivalents represent short-term investments with original maturities less than three months from the date acquired by the State and are valued at cost, which approximates fair value, or net asset value. Cash equivalents include certain money market and demand deposit accounts, a government-sponsored enterprise (GSE) instrument, certificates of deposit with original maturity dates less than 90 days, the external portion of the NHPDIP holdings classified as cash equivalents and funds on deposit with the U.S. Treasury for the Unemployment Compensation Fund.

**E. INVESTMENTS**

Primary Government

Investments are reported at fair value. In determining fair value, the State utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. If an investment is in an active market where quoted prices exist, the market price of an identical security is used to report fair value. Corporate fixed income securities and certain U.S. government securities utilize pricing that may involve estimation using similar securities or trade dates. As these investments are generally not traded in an active market, fair value measurements are determined using market data and matrix pricing. Fair values for shares in registered mutual funds and exchange-traded funds are based on published share prices. Money market mutual funds are generally reported at net asset value (NAV) reported by the fund managers and assessed as reasonable by the State, which is used as a practical expedient to estimate the fair value.

Non Pension Fiduciary Funds

In accordance with GASB 79, NHPDIP portfolio securities are valued at amortized cost, which approximates fair value. All other non pension trust fund investments are reported at fair value.

Pension Trust Funds and Major Component Unit

See Note 2 for further discussion of fair value techniques.

**F. RECEIVABLES**

Receivables in the government-wide financial statements represent amounts due to the State at June 30, recorded as revenue, which will be collected sometime in the future and consist primarily of accrued taxes and federal grants receivable. In the governmental fund financial statements, taxes receivable are primarily taxpayer-assessed revenues where the underlying exchange has occurred in the period ending June 30 or prior, and for federal grants, which reimburse the State for expenditures incurred pursuant to federally funded programs. Tax and grant revenues are susceptible to accrual in accordance with measurable and available criteria under the modified accrual basis of accounting.

Other Receivables - Restricted includes loans receivable made to public water systems and local governments under the State Revolving Fund (SRF) for wastewater treatment facilities and safe drinking water systems. Loans are funded by federal grants from programs by the U.S. Environmental Protection Agency, with federal grants and partially matching state funds. Loan funds are disbursed to borrowers on a cost reimbursement basis, and interest begins accruing when funds are disbursed. After construction is completed, the borrower can elect to add the construction period interest to the loan amount, or they can pay it in total with the first loan repayment. Loans are typically repaid over periods of five, ten, fifteen or twenty years, and repayment of the loans must begin within one year of construction completion. Repayments are credited to special accounts and then used to lend out more funds to communities and qualified private water organizations. In addition to interest, portions of loan repayment and federal grants are allowed to be allocated to administrative costs. There is no provision for uncollectible accounts, as all repayments are current, and management believes all loans will be repaid according to the loan terms. Loan amounts classified currently represent those loan amounts expected to be satisfied within the forthcoming fiscal year.

Under federal regulations, a portion of each federal grant award is required to be provided as additional subsidy to borrowers. This additional subsidy comes in the form of principal forgiveness and ranges from 12% for CWSRF federal loans to a range of between 20-30% for DWSRF federal loans. Borrowers must meet selected criteria to be eligible for the additional subsidy. Principal forgiveness eligibility and amount is calculated when the loan is finalized and goes into repayment status. For CWSRF loans, principal forgiveness is recognized with the first loan repayment. For DWSRF loans, principal forgiveness is recognized on a payment by payment basis. If a borrower defaults on a loan, the total amount unpaid is deemed owed.

In addition to the SRF receivables, long-term receivables in governmental activities represent future proceeds from various opioid manufacturer related settlements, as described in Note 15, and other miscellaneous future receipts.

**G. INVENTORIES**

Inventories for materials and supplies are determined by physical count. Both the Lottery and Liquor Commissions use the lower of cost or market to value their inventories. Lottery uses the first-in, first-out (FIFO) method and Liquor uses the average cost method. All other inventories in the governmental and proprietary funds are stated at average cost.

Governmental fund inventories are recorded under the purchase method. Reported inventory balances in the governmental funds are offset by a nonspendable fund balance designation that indicates they do not constitute available spendable resources.

**H. CAPITAL ASSETS**

Capital assets (excluding intangible right-to-use lease assets), which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Such assets, whether purchased or constructed, are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value.

Equipment is capitalized when the cost of individual items exceeds $10,000, and all other capital assets are capitalized when the cost of individual items or projects exceeds $100,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the primary government and the component units are depreciated using the straight-line method over the following useful lives:

| | |
|---|---|
| Equipment | 5 years |
| Buildings | 40 years |
| Building improvements | 20 years |
| Infrastructure | 50 years |
| Computer software | 5 years |

**I. UNEARNED REVENUE**

In the government-wide financial statements, governmental fund financial statements and proprietary fund financial statements, unearned revenue is recognized when cash, receivables or other assets are recorded prior to their being earned. As of June 30, 2024, unearned revenue reported in governmental funds was $631.7 million, and in business-type activities was $20.2 million.

**J. ACCOUNTS PAYABLE**

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of June 30.

**K. COMPENSATED ABSENCES**

All full-time State employees in classified service earn annual and sick leave. In previous fiscal years, additional leave (bonus days) may be awarded based on the amount of sick leave taken during the year. Accrued compensatory time, earned for overtime worked, should generally be taken within one year or in accordance with applicable collective bargaining agreements.

The State's compensated absences liability represents the total liability for the cumulative balance of employees' annual, bonus, compensatory, and sick leave based on years of service rendered along with the State's share of social security, Medicare and retirement contributions. The current portion of the leave liability is calculated based on the characteristics of the type of leave and on a last-in, first-out (LIFO) basis, which assumes employees use their most recent earned leave first. The accrued liability for annual leave does not exceed the maximum cumulative balance allowed which ranges from 32 to 50 days based on years of service. The accrual for sick leave is made to the extent it is probable that the benefits will result in termination payments rather than be taken as absences due to illness. The liability for compensated absences is recorded on the accrual basis in the government-wide and proprietary fund financial statements.

In the governmental fund financial statements, liabilities for compensated absences are accrued when they are due and payable.

**L. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets, and deferred inflows of resources decrease net position, similar to liabilities.

**M. POSTEMPLOYMENT LIABILITIES**

The State participates in two defined benefit pension plans, the State of New Hampshire Retirement System (NHRS) and the New Hampshire Judicial Retirement Plan (NHJRP). The State also participates in two other postemployment benefit (OPEB) plans, a funded plan administered by NHRS, hereafter referred to as the Trusted OPEB Plan, and a nonfunded plan, hereafter referred to as the Non Trusted OPEB Plan. See footnote 11 for activity related to these plans.

For purposes of measuring the total/net Pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to these liabilities and related expense, information about the fiduciary net position of the NHRS and NHJRP, and additions to/deductions from the fiduciary net position has been determined on the same basis as it is reported by NHRS, NHJRP and the State OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms, and investments are reported at fair value.

**N. LEASES AND SUBSCRIPTIONS**

The State is a lessee for various noncancellable leases of buildings, equipment, and vehicles and under contract for for non-cancellable use of subscription assets. For leases and subscriptions with a maximum possible term of 12 months or less at commencement, the State recognizes expense/expenditure based on the provisions of the lease or subscription contract. For all other leases and subscriptions(i.e. those that are not short-term), the State recognizes a lease liability and an intangible right-to-use lease or subscription asset when individual, undiscounted annual lease or subscription payments of $50,000 or more are recognized at any time during the lease/subscription term.

At lease commencement, the State initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the State is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

At subscription commencement, the State initially measures the lease liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, less payments made at or before the subscription commencement date, plus any initial implementation costs related to placing the underlying asset into service. Subsequently, the subscription asset is amortized into amortization expense on a straight-line basis over the subscription term.

Key estimates and judgments include how the State determines (1) the discount rate it uses to calculate the present value of the expected lease/ subscription (2) lease/subscription terms, and (3) lease/subscription payments.

The State generally uses its estimated incremental borrowing rate as the discount rate for leases and subscriptions unless the rate that the lessor/ vendor charges is known. The State's incremental borrowing rate for leases and subscriptions is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the payments, respectively, under similar terms at the commencement or remeasurement date. The State determined its incremental borrowing rates based on assumed AA credit for the following lease terms: 1-3 years, 4-5 years, 6-10 years, and 10+ years.

The lease/subscription term includes the noncancellable period of the lease, plus any additional periods covered by either a State or lessor option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the State and the lessor/vendor have a unilateral option to terminate (or if both parties have to agree to extend) are excluded from the lease/ subscription term.

Payments are evaluated by the State to determine if they should be included in the measurement of the lease liability, including those payments that require a determination of whether they are reasonably certain of being made, such as purchase options, payments for termination penalties, and other payments.

The State monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured and a corresponding adjustment is made to the lease asset.

The State is a lessor for various noncancellable leases of buildings and ground lease contracts. The State recognizes a lease receivable and a deferred inflow of resources when individual, undiscounted annual lease payments of $50,000 or more are to be received at any time during the lease term. Deferred inflows are amortized as lease revenue on a straight line basis over the life of the lease. Certain lease payments are indexed annually to the Consumer Price Index for All Urban Consumers (CPI-U). Any changes from the original discounted lease payments resulting from changes in the variable index will be recorded as inflows of resources in the financial statements. During the fiscal year ended June 30, 2024, the State recognized total inflows of $1.1 million from leases.

*Presentation in Statement of Net Position*

Lease and subscription assets are reported with capital assets and lease and subscription liabilities are reported with long-term debt in the statement of net position. Lease receivables are reported on the statement of net position under current and non-current assets, and deferred inflows related to leases are reported in the deferred inflows of resources total.

**O. FUND BALANCES**

Fund balances for all governmental funds are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of the fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents the amount that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature. Assigned fund balance is constrained by the Legislature's or other executive authority's intent to be used for specific purposes.

The State maintains a stabilization account referred to as the Revenue Stabilization Account (the "Rainy Day Fund") in the general fund and reported as unassigned fund balance. See Note 16 for additional information about fund balances and the stabilization account.

**P. BOND DISCOUNTS AND PREMIUMS**

In the government-wide and proprietary fund financial statements, bond discounts/premiums are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond discounts and premiums are recognized in the period the bond proceeds are received. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses.

**Q. REVENUES AND EXPENDITURES/EXPENSES**

In the government-wide Statement of Activities, revenues and expenses are segregated by activity (governmental or business-type), then further by function (e.g. general government, education, etc.). Additionally, revenues are classified between program and general revenues. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues, rather than as program revenue. General revenues include all taxes. Certain indirect costs are included in the program expenses reported for individual functions.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's general policy to use restricted resources first. In the governmental funds, when expenditures are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's general policy to spend committed resources first followed by assigned and unassigned resources, respectively.

In the governmental fund financial statements, expenditures are reported by character: "Current", "Debt Service" or "Capital Outlay." Current expenditures are subclassified by function and are for items such as salaries, grants, supplies and services. Debt service includes both interest and principal outlays related to bonds and notes. Capital outlay includes expenditures for equipment, real property or infrastructure including the Highway Fund's capital outlays for the 10-year state capital highway construction program.

Revenues and expenses of proprietary funds are classified as operating or nonoperating and are subclassified by object (e.g. administration and depreciation). Operating revenues and expenses generally result from providing services and producing and delivering goods. All other revenues and expenses are generally reported as nonoperating.

**Other Financing Sources (Uses)** – These additions to and reductions from resources in governmental fund financial statements normally result from transfers from/to other funds and financing provided by bond proceeds. Transfers are reported when incurred as "Transfers In" by the receiving fund and as "Transfers Out" by the disbursing fund.

**Reimbursements** - Various departments charge fees on a user basis for such services as centralized data processing, accounting and auditing, purchasing, personnel, and maintenance and telecommunications. These transactions, when material, have been eliminated in the government-wide and governmental fund financial statements.

**R. INTERFUND ACTIVITY AND BALANCES**

**Interfund Activity –** As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Exceptions to this rule include activities between funds reported as governmental activities and funds reported as business-type activities (e.g. transfers of profits from the Liquor Commission to General Fund and the Lottery Commission to the Education Trust Fund). Elimination of these activities would distort the direct costs and program revenues for the functions concerned.

In the fund financial statements, transfers represent flows of assets (such as goods or cash) without equivalent flows of assets in return or a requirement for repayment. In addition, transfers are recorded when a fund receiving revenue provides it to the fund which expends the resources.

**Interfund Balances –** Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position, except for the amounts due between governmental and business-type activities.

**S. ENCUMBRANCES AND CAPITAL PROJECTS**

Contracts and purchasing commitments are recorded as encumbrances when the contract or purchase order is executed. Upon receipt of goods or services, the encumbrance is liquidated and the expenditure and liability are recorded.

Governmental activities generally records the resources obtained and used for the acquisition, construction, or improvement of certain capital facilities in the Highway Fund and the Capital Projects Fund.

Resources obtained to finance capital projects include federal grants and general obligation bonds. General obligation bonds are recorded as liabilities and as other financing sources, as appropriate in the funds that receive the proceeds.

**T. BUDGET CONTROL AND REPORTING**

The statutes of the State of New Hampshire require the Governor to submit a biennial budget to the Legislature for adoption. This budget, which includes a separate budget for each year of the biennium, consists of three parts: Part I is the Governor's program for meeting all expenditure needs and estimating revenues. There is no constitutional or statutory requirement that the Governor propose, or the Legislature adopt, a budget that does not resort to borrowing. Part II is a detailed breakdown of the budget at the department level for appropriations to meet the expenditure needs of the government. Part III consists of draft appropriation bills for the appropriations made in the proposed budget.

The operating budget is prepared principally on a modified cash basis and adopted for the governmental funds, with the exception of the Capital Projects Fund, and certain proprietary funds. The Capital Projects Fund budget represents individual projects that extend over several fiscal years. Since the Capital Projects Fund comprises appropriations for multi-year projects, it is not included in the budget and actual comparison statements. Fiduciary funds and permanent funds are not budgeted.

In addition to the enacted biennial operating budget, state departments may submit to the Legislature and Governor and Council, as required, supplemental budget requests necessary to meet expenditures during the current biennium. Appropriation transfers can be made within a department with the appropriate approvals; therefore, the legal level of budgetary control is generally at the expenditure class level within each accounting unit within each department.

Both the Executive and Legislative Branches of government maintain additional fiscal control procedures. The Executive Branch, represented by the Commissioner of the Department of Administrative Services, is directed to continually monitor the State's financial operations, needs, and resources, and to maintain an integrated financial accounting system. The Legislative Branch, represented by the Fiscal Committee, the Joint Legislative Capital Budget Overview Committee, and the Office of Legislative Budget Assistant, monitors compliance with the budget and the effectiveness of budgeted programs.

Unexpended balances of appropriations at year end will generally lapse to assigned or unassigned fund balance and be available for future appropriations unless they have been encumbered or legally defined as non-lapsing, which means the balances are reported as restricted, committed or assigned fund balance. The balance of unexpended encumbrances are brought forward into the next fiscal year. Capital Projects Fund unencumbered appropriations lapse in two years unless extended or designated as non-lapsing by law.

Budget to Actual Comparisons and additional budgetary information are included as Required Supplementary Information.

**U. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

**V. ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS**

During the fiscal year ended June 30, 2024, the State adopted the following new accounting standards issued by the GASB:

**GASB Statement No. 100**: Accounting Changes and Error Corrections – An Amendment of GASB Statement No.62. The objective of this standard is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB 100 defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. GASB 100 prescribes accounting and financial reporting for each type of accounting change and error corrections. This Statement also addresses the required note disclosures and how information that is affected by an accounting change or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The State has applied the accounting and financial reporting requirements under GASB 100.

## 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

**PRIMARY GOVERNMENT AND NON PENSION FIDUCIARY FUNDS**

The State pools cash and investments except for separate cash and investment accounts maintained in accordance with legal restrictions. Each fund's equity share of the total pooled cash and investments and restricted assets is included on the statements of financial position under the captions "Cash and Cash Equivalents" and "Investments."

The table below presents the cash, cash equivalents, and investments as reflected in the financial statements (expressed in thousands):

| | | Unrestricted | | Restricted | | |
|---|---|---|---|---|---|---|
| | | Cash and Cash Equivalents | Investments | Cash and Cash Equivalents | Investments | Total |
| **Per Statement of Net Position** | Primary Government | $ 1,335,225 | $ 30,970 | $ 637,350 | $ 2,157,939 | $ 4,161,484 |
| **Per Statement of Fiduciary Net Position** | Private Purpose | 809 | 27,001 | | | 27,810 |
| | Investment Trust | 8,132 | 556,998 | | | 565,130 |
| | Custodial Funds | 5,020 | 336 | | | 5,356 |
| | **Total per Financial Statements** | **$ 1,349,186** | **$ 615,305** | **$ 637,350** | **$ 2,157,939** | **$ 4,759,780** |

***INVESTMENTS:***

The State's Treasury Department (State Treasury) is responsible for managing certain State cash and investments in accordance with policies to ensure reasonable rates of return on investments while minimizing risk factors. Approved investments are defined in statute (RSA 6:8 and 383-B:3-303). Additionally, investment guidelines exist for operating funds as well as trust and custodial funds. All investments are denominated in U.S. dollars.

**Fair Value Hierarchy of Investments:** In accordance with GASBS 72, except for investments measured using net asset value (NAV) as a practical expedient to estimate fair value, the State categorizes the fair value measurements of its investments within the fair value hierarchy established by U.S. GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into the following levels:

- Level 1 inputs reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the State has the ability to access at the measurement date. Most of the State's directly held marketable equity securities would be examples of Level 1 investments.
- Level 2 inputs are other than quoted prices that are observable for assets or liabilities either directly or indirectly, including inputs in markets that are not considered to be active. Because they most often are priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held fixed income securities, as well as the State's holdings in U.S. government obligations and corporate bonds, and commercial paper, are categorized in Level 2.
- Level 3 inputs are significant unobservable inputs. The State held no Level 3 investments as of June 30,2024.

The fair value hierarchy gives the highest priority to Level 1 inputs. In certain instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. If an investment is held directly by the State and an active market with quoted prices exists, such as for domestic equity securities, registered mutual funds and exchanged traded funds, those securities are classified in Level 1. Corporate fixed income securities and certain governmental securities utilize pricing that may involve estimation using market data and matrix pricing.

Investments in money market mutual funds are generally reported at the net asset value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value of the State's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. At June 30, 2024 the State had no plans or intentions to sell investments at amounts different from NAV. NAVs determined by fund managers generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held. Because of the inherent uncertainties of valuation, the estimated fair values used in NAV calculations may differ significantly from values that would have been used had a ready market existed, and the differences could be material.

The following table summarizes the State's investments and cash equivalents, by type, as of June 30, 2024 (expressed in thousands):

| | Investments Classified in the Fair Value Hierarchy | | |
|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Total |
| ***Investments measured at fair value:*** | | | |
| U.S. Government Obligations | | $ 983,636 | $ 983,636 |
| Commercial Paper | | 298,905 | 298,905 |
| Equity Securities | $ 26,622 | | 26,622 |
| Corporate Bonds | | 296,247 | 296,247 |
| ***Total Investments measured at fair value*** | 26,622 | 1,578,788 | 1,605,410 |
| ***Investments measured at the Net Asset Value (NAV):*** | | | |
| Money Market Mutual Funds | | | 358,049 |
| Equity Open Ended Mutual Funds | | | 36,977 |
| Fixed Income Open Ended Mutual Funds | | | 28,942 |
| ***Total Investments measured at the Net Asset Value (NAV)*** | | | 423,968 |
| ***Investments and Cash Equivalents not measured at fair value:*** | | | |
| External portion of NH Public Deposit Investment Pool | | | 556,998 |
| Internal Investment in NH Public Deposit Investment Pool | | | 43,535 |
| Investment CDs greater than 90 days; repurchase agreement | | | 143,333 |
| Cash and Cash Equivalents | | | 1,986,536 |
| ***Total Investments and Cash Equivalents not measured at fair value*** | | | 2,730,402 |
| **Grand Total** | $ 26,622 | $ 1,578,788 | $ 4,759,780 |

Note to the table above: Rates range from 0.0% to 5.95% and maturities from fiscal year 2025 to 2030.

**Equity Securities and Mutual Funds:** The State's policy relative to operating funds and mitigation of concentration and credit risk does not permit investing in equity securities. Although not issuer specific, individual investment guidelines for trust and custodial funds include overall asset allocation limits that are consistent with sound investment principles and practices. All equity mutual funds are open ended and not exposed to custodial credit risk. There is no credit, custodial, or concentration risk to the State for the amounts held in the State's abandoned property program. These assets represent securities remitted to the State simply for safe-keeping with the goal of eventual return to the rightful owner.

**Credit Risk:** The risk that the issuer or other counterparty will not fulfill its obligations. The NHPDIP is rated AAAm by Standard & Poor's Rating Services. The AAAm principal stability rating is the highest assigned to principal stability government investment pools. Money market funds to be considered and utilized are those funds invested in the U.S. Treasury, Agency or other securities commonly referred to as being "within first tier categories" and/or which have the highest rating available from at least one nationally recognized rating agency.

**Debt Securities:** The State invests in several types of debt securities including corporate and municipal bonds, and securities issued by the U.S. Treasury and Government Agencies, fixed income open ended mutual funds and commercial paper.

There is no credit, interest rate, custodial, or concentration risk to the State for amounts held in the State's abandoned property program. These assets represent securities remitted to the State simply for safe-keeping with the goal of eventual return to the rightful owner.

**Credit Risk:** The risk that the issuer will not fulfill its obligations. The State invests in only investment grade securities which are defined as those with a grade B or higher. Obligations of the U.S. Government or obligations backed by the U.S. Government are not considered to have credit risk. All commercial paper must be from issuers having an A1/P1 rating or better and an AA- or better long-term debt rating from one or more of the nationally recognized rating agencies.

**Interest Rate Risk:** The risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is primarily measured and monitored by defining or limiting the maturity of any investment or weighted average maturity of a group of investments. Fixed income mutual funds which consist of shares of funds which hold diversified portfolios of fixed income securities for operating purposes are limited to those with average maturity not to exceed 3 years. Trust and custodial funds manage and monitor interest rate risk primarily through a weighted average maturity (WAM) approach. The State's WAM is dollar-weighted in terms of years. The specific target or limits of such maturity and percentage allocations are tailored to meet the investment objective(s) and defined in the investment guidelines associated with those funds.

**Custodial Credit Risk:** The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, an investor will not be able to recover the value of investments that are in the possession of an outside party. Open ended mutual funds and external

pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The State's selection criteria are aimed at investing only with high quality institutions where default is extremely unlikely.

**Concentration Risk:** The risk of loss attributed to the magnitude of the State's investment in a single issuer. The State's policy relative to operating funds includes certain limits intended for the mitigation of concentration of credit risk. This risk is applicable to the State's investments in corporate bonds which are held in certain trust and custodial accounts. Although not issuer specific, individual investment guidelines for trust and custodial funds include overall asset allocation limits that are consistent with sound investment principles and practices.

The State's exposed risks at June 30, 2024 are noted below:

**Credit Risk and Interest Rate Risk (expressed in thousands)**

| | Governmental & Business Type | | | Fiduciary | | |
|---|---|---|---|---|---|---|
| Type | Credit Risk | | Interest Rate Risk | Credit Risk | | Interest Rate Risk |
| | Investment Grade | Unrated | WAM in years | Investment Grade | Unrated | WAM in years |
| Corporate Bonds | $ 296,245 | | 0.3 | | | |
| U.S. Government Obligations Held in Permanent Funds | 565 | | 0.1 | | | |
| U.S. Government Obligations Held in Governmental and Business Type Activities | 983,071 | | 0.9 | | | |
| Fixed Income Open Ended Mutual Funds | | 10,023 | 5.9 | | $ 17,259 | 6.3 |
| Commercial Paper | 298,905 | | 0.1 | | | |

***DEPOSITS:***

The following statutory requirements and State Treasury policies have been adopted to minimize risk associated with deposits:

RSA 6:7 establishes the policy the State Treasurer must adhere to when depositing public monies. Operating funds are invested per investment policies that further define appropriate investment choices and constraints as they apply to those investment types.

**Custodial Credit Risk**: The custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered.

Custodial credit risk is managed in a variety of ways. Although state law does not require deposits to be collateralized, the Treasurer does utilize such arrangements where prudent and/or cost effective. Ongoing reviews with officials of depository institutions are used to allow for frequent monitoring of custodial credit risk.

All deposits at FDIC-insured depository institutions (including noninterest bearing accounts) are insured by the FDIC up to the standard maximum amount of $250,000 for each deposit insurance ownership category.

All commercial paper must be from issuers having an A1/P1 rating or better and an AA- or better long-term debt rating from one or more of the nationally recognized rating agencies. Certificates of deposits must be with state or federally chartered banking institutions with a branch in New Hampshire.

Whereas all payments made to the State are to be in U.S. dollars, foreign currency risk is essentially nonexistent on State deposits.

The table below details the State's bank balances at June 30, 2024 exposed to custodial credit risk and excludes $8.1 million in cash and cash equivalents held by the Investment Trust Fund (expressed in thousands):

| | Governmental & Business-Type | | | Fiduciary | | |
|---|---|---|---|---|---|---|
| Type | Insured | Collateral & held in State's name | Uncollateralized | Insured | Collateral & held in State's name | Uncollateralized |
| Demand Deposit/Money Market | $ 4,750 | $ 1,563,667 | $ 7,492 | | $ 5,283 | $ 40 |
| Certificates of Deposit | | | | 94 | | |
| **Total** | $ 4,750 | $ 1,563,667 | $ 7,492 | $ 94 | $ 5,283 | $ 40 |

**FIDUCIARY COMPONENT UNIT (New Hampshire Retirement System – NHRS)**

Investments in both domestic and non-U.S. marketable securities traded on a national or international exchange are valued at quoted market prices. Domestic and non-U.S. securities not traded on a national or international exchange are based upon quoted prices for comparable instruments with similar yields and risk in active and inactive markets. NHRS uses a trade-date accounting basis for both domestic and non-U.S. securities and values are expressed in U.S. dollars. Investments in non-registered commingled funds are valued at net asset value (NAV) as a practical expedient to estimate fair value.

Real estate includes investments in commingled funds which are reported at NAV. The NAVs for real estate investments recorded in this report were obtained from statements provided by the general partners of commingled funds. Real estate commingled funds are selected by NHRS's discretionary real estate manager.

Alternative investments include investments in private equity, private debt and absolute return strategies which are reported at NAV. The NAVs for alternative investments recorded in this report were obtained from statements provided by the investment managers.

Cash and cash equivalents are valued at cost, which approximates fair value. Cash and cash equivalents primarily represent investments in the pooled short term investment fund managed by NHRS's master custodian. This fund invests mainly in high-grade money market instruments with maturities averaging less than three months. The fund provides daily liquidity.

The Plan holds no investments, either directly or indirectly, nor participates in any loans or leases, nor other party-in-interest transactions with any NHRS officials, New Hampshire State Government officials, or parties related to these officials.

RSA 100-A:15, I, provides separate and specific authorities to the Board of Trustees and the Independent Investment Committee for the management of the funds of the Plans and charges them with exercising the judgment and care under the circumstances then prevailing, which persons of prudence, discretion and intelligence, acting in a like capacity and familiar with such matters, would use in the conduct of a pension plan of like character and with like aims of the Plans.

To aid in the prudent investment of the Plans' assets, NHRS has adopted an Investment Manual which includes an investment policy. Primary components of the investment policy include the delineation of roles and responsibilities of the Board of Trustees, Independent Investment Committee, staff, and service providers; investment objectives; asset allocation policy; and asset class performance measurement and monitoring policy. This policy may be modified by the Board of Trustees as deemed necessary. In addition, the Investment Manual includes asset class guidelines which provide parameters for investment management.

Professional investment managers are bound by policy and contract to a standard of care that establishes a fiduciary relationship, to the extent permitted by law, requiring the manager to act prudently and solely in the best interest of the Plans and beneficiaries. Investment guidelines provide portfolio-level standards for separate account management including permissible investment types; security concentration thresholds; investment restrictions; and benchmarks for performance measurement and monitoring. NHRS utilizes a custodial bank compliance system to monitor the marketable investment portfolios against their respective guidelines.

NHRS's asset allocation as of June 30, 2024, as recommended by the Independent Investment Committee and adopted by the NHRS Board of Trustees, is as follows:

| **ASSET ALLOCATION** | **2024** | |
|---|---|---|
| **Asset Class:** | **Target** | **Range** |
| Broad US-Equity | 24.0 % | |
| Global Ex-US Equity | 16.0 % | |
| **Total Public Equity** | **40.0 %** | **20-40%** |
| Core Bonds | 4.5 % | |
| Short Duration | 2.5 % | |
| Global Multi-Sector Fixed Income | 11.0 % | |
| Absolute Return Fixed Income | 7.0 % | |
| **Total Fixed Income** | **25.0 %** | **20–30%** |
| Private Equity | 10.0 % | |
| Private Debt | 10.0 % | |
| Infrastructure | 5.0 % | |
| **Total Alternative Investments** | **25.0 %** | **5–25%** |
| Real Estate | 10.0 % | |
| **Total Real Estate** | **10.0 %** | **5-20%** |
| **TOTAL** | **100.0 %** | |

**Custodial Credit Risk - Deposits:** Custodial credit risk for deposits is the risk that in an event of a bank failure, deposits may not be recovered. NHRS does not have a deposit policy to manage custodial credit risk on deposits. At June 30, 2024, NHRS held deposits of $32.1 million in the local custodian bank. These deposits are fully insured or collateralized and are used to support the daily working capital needs of NHRS.

**Custodial Credit Risk - Investments:** Investment securities are exposed to custodial credit risk if the investment securities are uninsured, are not registered in the name of the Plan, and are held by either:

a. The counterparty to a transaction or,

b. The counterparty's trust department or agent but not in the Plan's name.

All of NHRS's securities are held by NHRS's bank in NHRS's name.

**Concentration of Credit Risk:** Concentration of credit risk is the risk of loss attributable to the magnitude of the Plans' investments in a single issuer. NHRS policy is expressed through individual separate account manager guidelines which limit investments in a single issuer to 10%, or less, of the portfolio value in order to control the overall risk of loss on a total portfolio level. This threshold is set as an upper limit, and in actual practice, managers generally do not reach this limit. Certain securities may be excluded from this limitation due to the nature of the investments (such as U.S. government securities, government-sponsored enterprise obligations, and supranational debt). NHRS fixed income managers have consistently adhered to the established guidelines for issuer concentration. The fixed income commingled fund managers have established investment guidelines regarding concentration of credit risk. The total portfolio is broadly-diversified across equities, fixed income, cash equivalent securities, real estate and alternative investments. Due to this diversification, the concentration of credit risk in a single issuer is below 5% at the total portfolio level.

**Interest Rate Risk - Fixed Income Investments:** Interest rate risk is the effect on the fair value of fixed income investments from changes in interest rates. Duration measures a debt investment's change in fair value arising from a change in interest rates.

Interest rate risk is illustrated below using the effective duration or option-adjusted methodology. This methodology is widely-used in the management of fixed income portfolios to quantify the risk associated with interest rate changes. The effective duration methodology takes into account the most likely timing and magnitude of variable cash flows, such as callable options, prepayments and other factors, and scales the risk of price changes on bonds depending upon the degree of change in rates and the slope of the yield curve.

The NHRS policy on duration is expressed through individual portfolio guidelines with each investment manager in lieu of a broad, plan-level policy. Duration guidelines have been established with each fixed income manager in order to manage interest rate risk within the separate account portfolios. The fixed income commingled fund managers also have established investment guidelines regarding duration. These provisions specify that the duration of each individual fixed income portfolio will be managed within a specified percentage or number of years relative to its benchmark index. NHRS fixed income managers follow the established guidelines for duration. If there is an occasional exception, the manager prudently remedies the guideline breach.

The following effective duration table quantifies the interest rate risk of the Plan's fixed income assets, as of June 30, 2024 (dollars expressed in thousands):

| Investment Type | Fair Value June 30, 2024 | Percentage of Fixed Income Investments | Effective Duration in Years | Weighted Average Effective Duration Years |
|---|---|---|---|---|
| Collateralized/Asset Backed Obligations | $ 273,172 | 11.9 % | 3.1 | 0.4 |
| Corporate Bonds | 500,263 | 22.0 % | 5.5 | 1.2 |
| Government and Agency Bonds | 465,712 | 20.4 % | 6.9 | 1.4 |
| Commingled Fund | 270,790 | 11.9 % | 3.6 | 0.4 |
| Commingled Fund | 375,408 | 16.5 % | 6.6 | 1.1 |
| Commingled Fund | 215,765 | 9.5 % | 4.8 | 0.5 |
| Commingled Fund | 177,870 | 7.8 % | 6.0 | 0.5 |
| **Totals** | **$ 2,278,980** | **100.0 %** | | **5.5** |

**Credit Risk - Fixed Income Securities:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

NHRS controls credit risk on debt securities by establishing requirements for average credit quality at the separate account portfolio level and through credit quality standards for individual securities. The NHRS policy on credit quality is expressed through individual portfolio guidelines with each investment manager in lieu of a broad, plan-level policy. The investment guidelines are customized to the individual manager's strategy. NHRS fixed income managers follow established guidelines for credit quality. If there is an occasional exception, the manager prudently remedies the guideline breach. NHRS applies standards with regard to securities rated by nationally recognized statistical rating organizations ("NRSRO") and uses the lowest agency ratings for evaluating the credit quality of a specific security. The fixed income commingled fund managers have established investment guidelines regarding credit risk.

The following schedule illustrates the Plan's fixed income investments as of June 30, 2024, including the distribution of those investments by Standard & Poor's quality credit ratings (dollars expressed in thousands):

| | | Quality Ratings[1] | | | | |
|---|---|---|---|---|---|---|
| **Investment Type** | **Fair Value June 30, 2024** | **AAA** | **AA** | **A** | **BBB or Lower** | **Unrated** |
| Collateralized/Asset Backed Obligations 2 | $ 172,932 | $ 100,383 | $ 4,522 | $ 16,325 | $ 24,827 | $ 26,875 |
| Corporate Bonds | 500,263 | 10,316 | 17,426 | 141,503 | 324,679 | 6,339 |
| Government and Agency Bonds [2] | 103,298 | 5,960 | 26,414 | 7,577 | 57,415 | 5,931 |
| Commingled Fund [3] | 270,790 | 28,166 | 73,794 | 24,460 | 137,231 | 7,139 |
| Commingled Fund [3] | 375,408 | 230,876 | 1,352 | 13,477 | 129,703 | |
| Commingled Fund [3] | 215,765 | | 215,765 | | | |
| Commingled Fund [3] | 177,870 | 6,474 | 129,081 | 20,615 | 21,700 | |
| **Totals** | **$ 1,816,326** | **$ 382,175** | **$ 468,354** | **$ 223,957** | **$ 695,555** | **$ 46,284** |
| **Percent of Total Fair Value** | | **21.04 %** | **25.79 %** | **12.33 %** | **38.29 %** | **2.55 %** |

[1] Ratings were derived primarily from Standard & Poors (S&P). In instances where S&P did not rate a security, the Moody's rating was used.

[2] Collateralized Asset Backed Obligations and Government and Agency Bonds exclude U.S. government securities and securities explicitly guaranteed by the U.S. government of $462,655 because these securities are not considered to have credit risk.

[3] Average credit quality ratings for the commingled funds was provided by Blackrock SIO, Fidelity, and Manulife respectively.

Investments in asset-backed and mortgage-backed securities are reported at fair value. Although not generally considered to be derivatives, asset-backed and mortgage-backed securities receive cash flows from interest and principal payments on the underlying assets and mortgages. As a result, they are exposed to prepayment risk. As of June 30, 2024, the Plan's combined investment in asset-backed and mortgage-backed securities held in separate account portfolios totaled $208.9 million.

**Foreign Currency Risk - Investments:** Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment.

NHRS manages its foreign currency risk primarily through its strategic asset allocation policy. As of June 30, 2024, investments in non-U.S. equity securities have a target asset allocation of 20% of total investments with a target range of 15–25%. As of June 30, 2024, non-U.S. fixed income securities represent 1% of the total investments as a result of the managers' security selection process. Non-U.S. investments are permitted in the alternative investment asset class, which includes private equity, private debt and absolute return strategy investments. The target allocation for alternative investments is 15% and the NHRS investment policy does not set limits for foreign investments in this asset class. The target allocation for real estate investments is 10%, and up to 35% of the Plan's real estate allocation may be invested in non-U.S. investments.

In addition, foreign currency risk is mitigated through the investment guidelines. NHRS manages its foreign exposure by requiring that separate account managers diversify their non-U.S. portfolios by country, sector and issuer to limit both foreign currency risk and security risk. Managers of commingled funds have discretion over their respective investment guidelines which must be consistent with strategies approved by NHRS. In certain instances, where permitted in the investment guidelines, investment managers may also use foreign currency forward contracts to hedge against foreign currency risk.

The Plan's exposure to foreign currency risk at June 30, 2024 is presented on the following schedule (expressed in thousands):

| **Currency** | **Equity** | **Fixed Income** | **Real Estate and Alternative Investments** | **Cash and Cash Equivalents** | **Totals** |
|---|---|---|---|---|---|
| **Total investments subject to foreign currency risk** | **$1,033,308** | **$ 89,296** | **$ 631,872** | **$ 1,183** | **$ 1,755,659** |

**Derivatives:** Derivative instruments are contracts whose values are based on the valuation of an underlying asset, reference rate or index. Derivatives include futures, options, forward contracts and forward foreign currency exchanges. NHRS managers may enter into certain derivative instruments primarily to enhance the efficiency and reduce the volatility of the portfolio. There were no investments in options within the separate account portfolios. The NHRS investment policy and certain investment manager guidelines allow for the use of derivative instruments. The use of futures, options, or forward contracts is not permitted for any speculative hedging or leveraging of the portfolios and is prohibited in separate account mandates. Managers of commingled funds have discretion over their respective investment guidelines which may allow for the use of derivative instruments. At June 30, 2023 NHRS's outstanding derivatives had a notional value of $170,367 and a fair value of $171,648.

The Plans could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. To mitigate this risk, investment managers conduct assessments of their counterparties and utilize exchanges which have trading standards.

NHRS managers may use futures, options, and foreign currency exchange contracts in order to manage currency risk or initiate transactions in non-U.S. investments. NHRS may be positively or negatively impacted by foreign currency risk due to fluctuations in the value of different currencies. NHRS may also be positively or negatively impacted by interest rate risk due to changes in interest rates. The Plans could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. To mitigate this risk, investment managers conduct assessments of

their counterparties and utilize exchanges which have trading standards. The fair value of open foreign currency exchange contracts including unrealized appreciation or depreciation is recorded on the Statements of Fiduciary Net Position as Due from Brokers for Securities Sold and as Due to Brokers for Securities Purchased. Expiration dates are less than one year.

Foreign currency exchange contracts open at June 30, 2024 are summarized below (expressed in thousands):

**FOREIGN CURRENCY EXCHANGE CONTRACTS PURCHASED & SOLD**

| | Unrealized Appreciation | Unrealized (Depreciation) |
|---|---|---|
| **Totals** | $ 2,278 | $ (2,124) |

**Fair Value:** NHRS categorizes the fair value measurements of its investment within the fair value hierarchy established by generally accepted accounting principles as described in detail earlier in Note 2. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

Level 1 - Unadjusted quoted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable. NHRS had no level 3 investments as of June 30, 2024.

Investments that are measured at fair value using the net asset value (NAV) as a practical expedient are not classified in the fair value hierarchy. At June 30, 2024 NHRS had no plans or intentions to sell investments at amounts different from NAV.

The categorization of investments within the hierarchy is based on the pricing transparency of the investment and should not be perceived as the particular investment's risk.

The following table summarizes NHRS's investments measured at fair value, by type, as of June 30, 2024 (expressed in thousands):

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Fair Value Measurements Using (in thousands) | | | | |
| **Investments at Fair Value** | **Total** | **Quoted Prices in Active Markets for Identical Assets (Level 1)** | **Significant Other Observable Inputs (Level 2)** | **Net Asset Value (NAV)** | **Unfunded Commitments** |
| Fixed Income: | | | | | |
| U.S Government Obligations (1) | $ 462,655 | $ 362,415 | $ 100,240 | | |
| Domestic Fixed Income (2) | 703,179 | | 703,179 | | |
| Commingled Funds (3) | 1,039,832 | | | 1,039,832 | |
| International Fixed Income (4) | 73,314 | | 73,314 | | |
| Equity: | | | | | |
| Domestic Equity Securities | 4,736,801 | 4,734,905 | 1,896 | | |
| Commingled Funds (5) | 515,831 | | | 515,831 | |
| International Equity Securities | 901,418 | 901,418 | | | |
| Real Estate: | | | | | |
| Real Estate Funds (6) | 1,127,947 | | | 1,127,947 | 121,805 |
| Alternative Investments: | | | | | |
| Private Equity (7) | 1,746,339 | | | 1,746,339 | 1,518,995 |
| Private Debt (8) | 544,916 | | | 544,916 | 266,091 |
| **Total Investments** | **$ 11,852,232** | **$ 5,998,738** | **$ 878,629** | **$ 4,974,865** | **$ 1,906,891** |

Notes to the table above:

(1) Fiscal 2024 rates range from 0.125% to 5.00%, and maturities from 2024 to 2054. Fiscal 2023 rates range from 0.125% to 5.590%, and maturities from 2023 to 2053.

(2) Fiscal 2024 rates range from 0.00% to 11.250%, and maturities from 2024 to 2122. Fiscal 2023 rates range from 0.00% to 9.875%, and maturities from 2023 to 2122.

(3) This represents investments in three commingled fixed income funds that invest globally in both developed and emerging markets with investments consisting primarily of corporate bonds (investment grade and high yield), sovereign bonds and securitized bonds. These funds may also invest in convertible bonds and currencies. The redemption frequency for these investments range from daily to monthly with one to 30 business days' prior written notice.

(4) Fiscal 2024 rates range from 0.250% to 10.00%, and maturities from 2025 to 2054. Fiscal 2023 rates range from 1.25% to 10.00%, and maturities from 2022 to 2053.

(5) This represents investments in three commingled equity funds that invest primarily in common stock of companies located outside the U.S., including emerging markets. These investments have daily liquidity and require up to 10 business days' notice for redemption.

(6) This represents investments in 66 real estate vehicles consisting of 9 strategic open-end funds and 57 tactical non-core investments. Redemption from the open-end funds can be requested on a quarterly basis with 45-90 days' notice periods. The tactical non-core investments are not redeemable. NHRS has no direct property investments as of June 30, 2024.

(7) This represents 59 investments in private partnerships focused primarily on the following strategies: buyouts, growth equity, secondaries and energy. These private partnerships typically have 10 to 15 year life cycles during which limited partners are unable to redeem their positions, but instead, receive distributions as the partnerships liquidate their underlying assets.

(8) This represents 27 investments in private partnerships focused primarily on the following strategies: direct lending, mezzanine and distressed debt. These private partnerships typically have 6 to 10 year life cycles during which limited partners are unable to redeem their positions, but instead, receive distributions from coupon payments and/or as the partnerships liquidate their underlying asset.

**FIDUCIARY COMPONENT UNIT (New Hampshire Judicial Retirement Plan - NHJRP)**

Investments are reported at fair value. Investments in mutual funds are valued at current market prices. Alternative investments include investments in limited partnerships valued at net asset value (NAV) as a practical expedient to estimate fair value. The NAVs for alternative investments were obtained from statements provided by the investment managers in good faith by the funds' managers or underlying investments' general partners. These values may not reflect the amount that would be realized upon an immediate sale due to lack of liquidity or other market conditions. Due to the uncertainty of valuation, the investment manager's estimated values may differ from the values that would have been used had a ready market existed for the fund's investments, and the difference could be material. The net appreciation (depreciation) in the fair value of investments held by NHJRP is based on the valuation of investments as of the date of the statement of fiduciary net position.

The investment philosophy of the Board of Trustees of NHJRP flows from its responsibility as fiduciary with respect to the NHJRP members and beneficiaries. As such, the NHJRP's assets are invested and managed for the exclusive purpose of providing plan benefits and are invested pursuant to RSA 100-C:12. The Board of Trustees pursues an investment strategy designed to meet the long-term funding requirements of NHJRP as determined by the NHJRP's actuary.

The Board's investment policy permits NHJRP assets to be invested in U.S. and non-U.S. equities, U.S. and non-U.S. fixed income securities, and certain hedge funds and alternative fund-of-funds, subject to certain portfolio restrictions. Asset allocations among various classes are as follows as of December 31, 2023:

| **ASSET ALLOCATION** | | |
|---|---|---|
| **Asset Class:** | **Target** | **Policy Range** |
| Large Cap Equities | 33.000 % | |
| Small Cap Equities | 5.000 % | |
| **Domestic Equity** | **38.000 %** | **35–45%** |
| **International Equity** | **12.000 %** | **8–20%** |
| Core Fixed Income | 35.000 % | |
| **Fixed Income** | **35.000 %** | **10-40%** |
| U.S. REITs | 3.000 % | |
| Alternatives | 11.000 % | |
| **Alternatives** | **14.000 %** | **0–33%** |
| **Cash and cash equivalents** | **1.000 %** | **0-15%** |

**Custodial Credit Risk - Deposits:** At times, NHJRP may maintain cash balances in excess of the amount insured by the Federal Deposit Insurance Corporation. NHJRP has not experienced any losses in such accounts. NHJRP believes it is not exposed to any significant risk with respect to these accounts held at Bank of New Hampshire.

**Custodial Credit Risk - Investments:** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, NHJRP will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of NHJRP and are held by either the counterparty, or the counterparty's trust department or agency, but not in NHJRP's name.

NHJRP does not have a written policy in place to address custodial credit risk on investments. As of December 31, 2023, NHJRP's investments included in the Statement of Fiduciary Net Position were exposed to custodial credit risk. The investments were held by the counterparty, not in the name of NHJRP.

**Concentration of Credit Risk:** NHJRP's investment policy prohibits more than 5% of the portfolio, at fair value, to be invested in the securities of any one company. These guidelines mitigate the magnitude of risk and loss attributable to a single issuer.

**Interest Rate Risk - Fixed Income Investments:** Interest rate risk associated with adverse effects of changes in the fair value of fixed income securities is not addressed in the policy by NHJRP. While policies do exist to limit the percentage of market value in a single issue at any one time and of the total percentage held of any issuer's debt instruments, the duration of the remaining life of individual securities is not subject to any limitations and may therefore introduce a measure of interest rate risk.

**Credit Quality Risk - Fixed Income Investments:** The investment policy uses quality ratings by Standard & Poor's and Moody's as the primary guide for corporate fixed income investments. There are no limits on the use of U.S. Government, agency or guaranteed issues. In addition, there are no limits on the use of issues of Canadian, British, Japanese, Australian, or European monetary systems bloc governments and their agencies

and supranational borrowers in local currency or European Currency Unit. A 15% limit is placed on all other issues. NHJRP's fixed income investments are in mutual funds for which ratings are not available.

**Fair Value:** NHJRP categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles, except for investments using NAV, as a practical expedient to estimate fair value. The hierarchy is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are other significant observable inputs. Level 3 inputs are unobservable inputs. NHJRP has the following recurring fair value measurements as of December 31, 2023 (expressed in thousands):

| | Fair Value Measurements as of December 31, 2023 Using: | | | | |
|---|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Net Asset Value (NAV) | Total |
| **Investments at fair value** | | | | | |
| Domestic equity | $ 32,261 | | | | $ 32,261 |
| International equity | 13,182 | | | | 13,182 |
| Fixed income | 28,018 | | | | 28,018 |
| Alternatives | 2,345 | | | 4,623 | 6,968 |
| | $ 75,806 | | | $ 4,623 | $ 80,429 |

NHJRP's alternative investments valued at NAV are subject to redemption restrictions. At December 31, 2023, the alternative investment at NAV is subject to quarterly redemption with 65 days notice. The alternative investment at NAV seeks consistent stable returns by allocation of the fund's

assets to a wide range of alternative investment strategies across the global financial markets. NHJRP's assets are managed primarily through investments in other corporations and other investment vehicles, as well as indirectly through segregated portfolio companies. The alternative investment at NAV is a globally diversified, multi-strategy, multi-manager portfolio that seeks to maximize expected active return from investing in hedge funds while minimizing passive risk and managing exposure to shock risk. Shock risk is a portfolio's exposure to losses that occur when markets function poorly. The alternative investment at NAV does not use formal targets for strategy allocations; rather, it focuses efforts on continuously driving strategy allocations toward areas of greater opportunity, subject to all the normal constraints (portfolio risk management, manager capacity availability, liquidity constraints and expected fund flows).

**MAJOR COMPONENT UNIT (University System of New Hampshire - USNH)**

Cash, cash equivalents, and short-term investments are recorded at fair value. USNH's investment policy and guidelines specify permitted instruments, durations, required ratings and insurance of USNH cash, cash equivalents and short-term investments. The investment policy and guidelines are intended to mitigate credit risk on investments individually and in the aggregate through restrictions on investment type, liquidity, custodian, dollar level, maturity, and rating category. Money market funds are placed with the largest national fund managers. These funds must be rated AAA by Standard & Poor's and Moody's Investor Service and comply with Securities and Exchange Commission Rule 2A-7. Repurchase agreements must be fully collateralized at 102% of the face value by U.S. Treasuries, or 103% of the face value by US Government-backed or guaranteed agencies or government sponsored enterprises. In addition, USNH investments may not exceed 5% of any institution's total deposits or 20% of any institution's net equity.

Cash equivalents represent amounts invested to satisfy current operating liabilities and include repurchase agreements, money market funds and other mutual funds. Repurchase agreements are limited to overnight investments only. Short-term investments are highly liquid amounts held to support specific current liabilities. Cash, cash equivalents and short-term investments are generally uninsured and uncollateralized against custodial credit risk, and the related mutual funds are not rated. Cash and cash equivalents totaled $52.2 million and short-term investments totaled $155.4 million at June 30, 2024.

The components of cash, cash equivalents and short-term investments are summarized below ($ in thousands):

| | Level 1 | Level 2 | Total | Weighted Average Maturity |
|---|---|---|---|---|
| Cash balance | $31,776 | | $31,776 | |
| Repurchase agreements | | | | Less than 1 year |
| Money market funds | 47,531 | | 47,531 | Less than 1 year |
| Domestic equity | 588 | | 588 | Less than 1 year |
| Mutual funds | 127,579 | | 127,579 | 1-5 years |
| U.S. government and agencies, other | | 57 | 57 | 1-5 years |
| Total cash, cash equivalents and short-term investments | $207,474 | $57 | $207,531 | |

USNH's investment policy and guidelines specify permitted instruments, duration and required ratings for pooled endowment funds. The policy and guidelines are intended to mitigate risk on investments individually and in the aggregate while maximizing total returns and supporting intergenerational equity of spending levels. Illiquid investments are limited to 25% of the USNH consolidated endowment pool. Credit risk is mitigated by due diligence in the selection and continuing review of investment managers as well as diversification of both investment managers

and underlying investments. Except in unusual circumstances, no more than 15% of total portfolio assets may be invested in any one actively managed strategy. If an investment manager is retained to manage more than one strategy, that manager will be limited to 20% of total portfolio assets. Passively managed investment strategies will not be limited within the portfolio; however, any one manager of passive strategies will be limited to 20% of total portfolio assets. Any manager positions exceeding these limits will be reviewed by the Advisor who will take the appropriate course of action to bring active manager exposures back in line with the concentration limit. Private global equity investments are limited to 25% of the endowment pool. No USNH endowment investments were denominated in foreign currencies as of June 30, 2024.

Endowment and similar investments are reported at estimated fair value in accordance with the following hierarchy. For investments classified in Level 1, the fair value is based on quoted prices (unadjusted) in active markets for identical assets that are accessible at the measurement date. Investments classified in Level 2 consist of investments that have valuations based on inputs other than quoted prices that are observable for an asset either directly or indirectly. For investments classified in Level 3 the fair value is based on unobservable inputs for an asset.

In determining fair value of investment assets, USNH utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. As a practical expedient to estimate the fair value of USNH's interests, certain investments in commingled funds and limited partnerships are reported at the net asset value (NAV) determined by the respective fund managers, without adjustment when assessed as reasonable by USNH, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. Because these investments are not readily marketable, their estimated fair values may differ from the values that would have been assigned had a ready market for such investments existed, and such differences could be material. As of June 30, 2024, USNH had no plans or intentions to sell such investments at amounts different from NAV. Investments reported at NAV as a practical expedient are not categorized in the fair value hierarchy.

The following tables summarize USNH's investments by type (expressed in thousands):

| | Investments Classified in the Fair Value Hierarchy | | | Investments Measured at NAV | Total |
|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | | |
| Endowment and similar investments - campuses | | | | | |
| Money market | $ 18,398 | | | | $ 18,398 |
| Domestic equity | 76,261 | | | 108,404 | 184,665 |
| International equity | 38,612 | | | 47,167 | 85,779 |
| Global equity | | | | 41,289 | 41,289 |
| Global fixed income | 51,688 | | | | 51,688 |
| Inflation hedging assets | 9,409 | | | 11,226 | 20,635 |
| Hedge funds: | | | | | |
| Fund of Funds | | | | 47 | 47 |
| Event-Driven | | | | 68,393 | 68,393 |
| Equity Hedge | | | | 34,337 | 34,337 |
| Distressed/Restructuring | | | | 14,967 | 14,967 |
| Private equity & non-marketable real assets | | | | 103,009 | 103,009 |
| Funds held in trust | | 19,623 | | | 19,623 |
| Total endowment and similar investments - campuses | 194,368 | 19,623 | | 428,839 | 642,830 |
| Endowment and similar investments - affiliated entities | | | | | |
| Money market | 5,682 | | | | 5,682 |
| Domestic equity | 25,940 | | | 73,756 | 99,696 |
| International equity | 25,536 | | | 12,842 | 38,378 |
| Global equity | 390 | | | 69,729 | 70,119 |
| Global fixed income | 16,574 | 10,039 | 1,649 | | 28,262 |
| Inflation hedging assets | 16,675 | | | | 16,675 |
| Hedge funds: | | | | | |
| Event-Driven | | | | 19,519 | 19,519 |
| Distressed/Restructuring | | | | 9,462 | 9,462 |
| Equity Hedge | | | | 13,509 | 13,509 |
| Private equity & non-marketable real assets | | | | 43,849 | 43,849 |
| Total endowment and similar investments - affiliated entities | 90,797 | 10,039 | 1,649 | 242,666 | 345,151 |
| Total endowment and similar investments | $ 285,165 | $ 29,662 | $ 1,649 | $ 671,505 | $ 987,981 |

The majority of USNH's investments are units of institutional commingled funds and limited partnerships invested in equity, fixed income, hedge, natural resources, private equity, or real estate strategies. Hedge strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedge strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges and other instruments which are valued by the investment manager. To the extent quoted prices exist the manager would use those; when these are not available, other methodologies maximizing observable inputs would be used for the valuation, such as discounted cash flow analysis, capitalization of current or stabilized net operating income, replacement costs, or sales contracts and recent sales comparable in the market. Private equity funds

employ buyout, growth, venture capital and distressed security strategies. Real asset funds generally hold interests in private real estate. As of June 30, 2024, fixed income securities had maturities up to 15 years and carried ratings ranging from AAA to Baa3. The mutual fund investments held in the endowment pools are not rated.

As of June 30, 2024, USNH and UNHF had no funds in a lock-up. Fixed income, private equity and real estate funds classified as illiquid have no ability to be redeemed at this time. For USNH, of the 35 funds classified as illiquid, 4 are currently in liquidation; 3 are expected to start liquidation within the next year; 21 are expected to start liquidation in 2 to 12 years, and 7 currently have no expected liquidation dates. For UNHF, 29 funds are classified as illiquid and 27 are expected to be liquidated over the next 1 to 12 years and 2 have no expected liquidation dates.

As of June 30, 2024, USNH has one outstanding investment liquidation request which has been limited by the respective fund managers. USNH's estimated fair values of these investments at June 30, 2024 are $48,000. It is uncertain when, or if, the funds will be fully collected at the NAV recorded.

Unfunded commitments with various private equity and similar alternative investment funds totaled $49.3 million for USNH and $37.6 million for UNHF at June 30, 2024.

## 3. RECEIVABLES AND OTHER RECEIVABLES-RESTRICTED

The following is a breakdown of receivables at June 30, 2024 (expressed in thousands):

| | Governmental Activities | Business-Type Activities | Total | Major Component Unit |
|---|---|---|---|---|
| **Short-Term Receivables** | | | | |
| Taxes: | | | | |
| Meals and Rooms | $ 58,394 | | $ 58,394 | |
| Business Taxes | 392,894 | | 392,894 | |
| Tobacco | 31,289 | | 31,289 | |
| Real Estate Transfer | 23,538 | | 23,538 | |
| Interest & Dividends | 30,552 | | 30,552 | |
| Communications | 404 | | 404 | |
| Utility Property Tax | 19,821 | | 19,821 | |
| Gasoline Road Toll | 10,943 | | 10,943 | |
| Subtotal | 567,835 | | 567,835 | |
| Other Receivables: | | | | |
| Turnpike System | | 27,449 | 27,449 | |
| Liquor Commission | | 8,506 | 8,506 | |
| Lottery Commission | | 11,934 | 11,934 | |
| Unemployment Trust Fund | | 129,298 | 129,298 | |
| Internal Service Fund | 13,574 | | 13,574 | |
| Federal Grants | 398,831 | | 398,831 | 34,146 |
| Local Grants | 71,115 | | 71,115 | |
| Miscellaneous | 50,940 | | 50,940 | 9,025 |
| Short Term Portion Of SRF Loans Receivable | | 31,471 | 31,471 | |
| Short Term Portion Of Lease Receivable | 746 | 112 | 858 | 230 |
| Short Term Portion Of Legal Settlement | 40,661 | | 40,661 | |
| Short Term Portion Of Note/Pledge Receivable | | | | 7,258 |
| Short Term Portion Of Other Receivable | 20,441 | | 20,441 | |
| Subtotal | 596,308 | 208,770 | 805,078 | 50,659 |
| Total Current Receivables (Gross) | 1,164,143 | 208,770 | 1,372,913 | 50,659 |
| **Long-Term Receivables** | | | | |
| SRF Loans Receivable | | 486,976 | 486,976 | |
| Lease Receivable | 8,054 | 14,548 | 22,602 | 1,026 |
| Legal Settlement Receivable | 183,828 | | 183,828 | |
| Other Receivable | 89,187 | | 89,187 | |
| Note/Pledge Receivable | | | | 15,528 |
| Total Long Term Receivables (Gross) | 281,069 | 501,524 | 782,593 | 16,554 |
| **Allowance for Doubtful Accounts** | (98,938) | (115,025) | (213,963) | (6,393) |
| Total Receivables (Net) | $ 1,346,274 | $ 595,269 | $ 1,941,543 | $ 60,820 |

**State Revolving Fund (SRF):**

Business-type activities include loans made under a program with the U.S. Environmental Protection Agency to improve cleanliness and potability of the State's water supplies. The SRF lends funds to municipalities and qualified private water organizations for the purpose of constructing wastewater and drinking water treatment facilities. The loans, based on specific federal criteria, may allow for forgiveness of portions of the principal. Amounts recorded as principal forgiveness totaled approximately $3.3 million for the year ended June 30, 2024.

## 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows (expressed in thousands):

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities:** | | | | |
| Capital Assets not being depreciated: | | | | |
| Land & Land Improvements | $ 592,724 | $ 8,542 | $ (1,702) | $ 599,564 |
| Construction in Progress | 211,959 | 151,298 | (69,573) | 293,684 |
| Work in Progress Computer Software | 13,692 | 6,483 | (3,695) | 16,480 |
| Total Capital Assets not being depreciated | 818,375 | 166,323 | (74,970) | 909,728 |
| Other Capital Assets: | | | | |
| Equipment & Computer Software | 646,136 | 48,073 | (12,355) | 681,854 |
| Buildings & Building Improvements | 1,084,011 | 46,770 | (3,642) | 1,127,139 |
| Land Improvements | 146,778 | 7,492 | | 154,270 |
| Infrastructure | 4,301,569 | 46,801 | (5,533) | 4,342,837 |
| Total Other Capital Assets | 6,178,494 | 149,136 | (21,530) | 6,306,100 |
| Less accumulated depreciation for: | | | | |
| Equipment & Computer Software | (549,819) | (49,839) | 16,271 | (583,387) |
| Buildings & Building Improvements | (579,537) | (30,385) | (452) | (610,374) |
| Land Improvements | (113,417) | (3,171) | (81) | (116,669) |
| Infrastructure | (2,442,488) | (58,173) | 555 | (2,500,106) |
| Total Accumulated Depreciation | (3,685,261) | (141,568) | 16,293 | (3,810,536) |
| Other Capital Assets, Net | 2,493,233 | 7,568 | (5,237) | 2,495,564 |
| Governmental Activities Capital Assets, Net | 3,311,608 | 173,891 | (80,207) | 3,405,292 |
| Lease and Subscription IT Assets, Net (Note 13) | | | | 78,463 |
| Total Governmental Activity Capital Assets, Net as reported on the statement of Net Position | | | | $ 3,483,755 |

Current period depreciation expense was charged to functions of the primary government as follows (expressed in thousands):

| | |
|---|---|
| **Governmental Activities:** | |
| General Government | $ 16,253 |
| Administration of Justice and Public Protection | 24,431 |
| Resource Protection and Development | 6,004 |
| Transportation | 73,939 |
| Health and Social Services | 20,529 |
| Education | 412 |
| Total Governmental Activities Depreciation Expense | $ 141,568 |

The State possesses certain capital assets that have not been capitalized and depreciated. These assets include works of art and historical treasures such as statues, monuments, paintings and miscellaneous capitol-related artifacts and furnishings. These collections meet all of the following criteria:

A. Held for public exhibition, education, or research in furtherance of public service, rather than financial gain.

B. Protected, kept unencumbered, cared for, and preserved.

C. Subject to an organizational policy that requires the proceeds from the sales of collection items to be used to acquire other items for the collection.

Capital asset activity for the year ended June 30, 2024, was as follows (expressed in thousands):

| **Business-Type Activities:** | **Beginning Balance** | **Increases** | **Decreases** | **Ending Balance** |
|---|---|---|---|---|
| **Turnpike System:** | | | | |
| Capital Assets not being depreciated: | | | | |
| Land & Land Improvements | $101,241 | $30 | $(10) | $101,261 |
| Construction in Progress | 106,835 | 47,231 | (82,589) | 71,477 |
| Work In Progress Computer Software | 1,294 | 913 | (1,236) | 971 |
| Capital Assets not being depreciated | $209,370 | 48,174 | (83,835) | 173,709 |
| Other Capital Assets: | | | | |
| Equipment & Computer Software | 61,774 | 36,261 | (1,156) | 96,879 |
| Buildings & Building Improvements | 19,459 | 12 | (692) | 18,779 |
| Land Improvements | 2,003 | | | 2,003 |
| Infrastructure | 1,177,032 | 48,461 | | 1,225,493 |
| Total Other Capital Assets | $1,260,268 | 84,734 | (1,848) | 1,343,154 |
| Less accumulated depreciation for: | | | | |
| Equipment | (53,066) | (7,859) | 1,120 | (59,805) |
| Buildings & Building Improvements | (5,335) | (509) | 519 | (5,325) |
| Land Improvements | (899) | (100) | | (999) |
| Infrastructure | (472,838) | (23,475) | | (496,313) |
| Total Accumulated Depreciation | (532,138) | (31,943) | 1,639 | (562,442) |
| Turnpike Capital Assets, Net | $937,500 | $100,965 | $(84,044) | $954,421 |
| **Liquor:** | | | | |
| Capital Assets not being depreciated: | | | | |
| Land & Land Improvements | $1,984 | | | 1,984 |
| Construction In Progress | 408 | 418 | (139) | 687 |
| Work In Progress Computer Software | 23,742 | 9 | (23,592) | 159 |
| Total Capital Assets not being depreciated | 26,134 | 427 | (23,731) | 2,830 |
| Other Capital Assets: | | | | |
| Equipment & Computer Software | 8,601 | 27,400 | (125) | 35,876 |
| Buildings & Building Improvements | 57,706 | 334 | | 58,040 |
| Land Improvements | 776 | 299 | | 1,075 |
| Total Other Capital Assets | 67,083 | 28,033 | (125) | 94,991 |
| Less accumulated depreciation for: | | | | |
| Equipment & Computer Software | (7,367) | (6,084) | 103 | (13,348) |
| Buildings & Building Improvements | (23,427) | (1,764) | | (25,191) |
| Land Improvements | (628) | (11) | | (639) |
| Total Accumulated Depreciation | (31,422) | (7,859) | 103 | (39,178) |
| Liquor Capital Assets, Net | 61,795 | 20,601 | (23,753) | 58,643 |
| Lease and Subscription IT Assets, Net (Note 13) | | | | $ 45,893 |
| Total Liquor Capital Assets, Net as reported on the statement of Net Position | | | | 104,536 |
| **Lottery Commission:** | | | | |
| Capital Assets not being depreciated: | | | | |
| Land | 495 | | | 495 |
| Other Capital Assets: | | | | |
| Equipment | 1,054 | 103 | | 1,157 |
| Buildings | 2,504 | | | 2,504 |
| Total Capital Assets | 4,053 | 103 | | 4,156 |
| Less accumulated depreciation for: | | | | |
| Buildings | (287) | (63) | | (350) |
| Equipment | (779) | (79) | | (858) |
| Total Accumulated Depreciation | (1,066) | (142) | | (1,208) |
| Lottery Capital Assets, Net | 2,987 | (39) | | 2,948 |
| Lease and Subscription IT Assets, Net (Note 13) | | | | 95 |
| Total Lottery Capital Assets, Net as reported on the statement of Net Position | | | | $ 3,043 |

**Major Component Unit**: The following is a rollforward of Capital Assets for the University System of New Hampshire (expressed in thousands)

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|---|---|---|---|
| Capital Assets: | | | | |
| Land and Land Improvements | $ 14,990 | | $ (827) | $ 14,163 |
| Building and Building Improvements | 1,961,939 | 12,809 | (8,366) | 1,966,382 |
| Equipment | 163,687 | 17,030 | (1,681) | 179,036 |
| Construction in Progress | 78,148 | 108,531 | (13,260) | 173,419 |
| Lease Assets: | | | | |
| Real Estate | 44,013 | 97 | (2,556) | 41,554 |
| Equipment | 1,469 | 1,798 | (1,034) | 2,233 |
| Subscription IT Assets | 50,601 | 7,492 | (8,953) | 49,140 |
| Subtotal | 2,314,847 | 147,757 | (36,677) | 2,425,927 |
| Less: Accumulated Depreciation | (1,140,328) | (66,927) | 6,050 | (1,201,205) |
| Less: Accumulated Amortization | (14,373) | (7,562) | 2,650 | (19,285) |
| Capital Assets, Net | 1,160,146 | 73,268 | (27,977) | 1,205,437 |

Contractual Obligations for major construction projects totaled approximately $65.4 million at June 30, 2024.

## 5. LONG-TERM DEBT

### PRIMARY GOVERNMENT

**Bonds/Notes Authorized and Unissued:** Bonds/Notes authorized and unissued amounted to $681.1 million at June 30, 2024. The proceeds of the bonds/notes will be applied to the following funds when issued (expressed in thousands):

| | |
|---|---|
| Capital Projects Fund | $ 334,400 |
| Federal Highway/Garvees | 296,500 |
| Turnpike System | 50,200 |
| Total | $ 681,100 |

**Turnpike System:** The Legislature has established a 10-year highway construction and reconstruction plan for the Turnpike System to be funded from Turnpike revenues. This legislation also authorized the Treasurer with the approval of the Governor and Executive Council to issue up to $766.0 million of bonds to support this project. The State has issued $715.8 million of revenue bonds for these projects.

**Bond/Note Issuances:**

Effective July 1, 2014, Chapter 17 of the Laws of 2014 and as amended by Chapter 276:210 and 276:211, Laws of 2015, authorized the use of a $0.042 cent increase in motor vehicle fuel fees (referred to as a 'road toll' in New Hampshire laws) to fund $200 million in general obligation bonds or revenue bonds, or both, to complete the I-93 Salem to Manchester widening project. Subsequent legislation specifically authorized a Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan as an alternative to a traditional general obligation bond issue including, without limitation, a pledge of the revenue collected from adjustments under RSA 260:32-a for rates that exceed $0.18 per gallon less required distributions under RSA 235:23, I, on said revenues.

The State, through the State Treasurer and the NH Department of Transportation (Department) was approved for a TIFIA loan in May of 2016. The TIFIA loan resulted in $200.0 million of funding at a favorable 1.09% interest rate that will allow the Department to perform additional bridge repair and pavement maintenance and completion of the I-93 project within the time frame of the law. This increase under Chapter 17 of the Laws of 2014, as amended, will expire once all debt service payments for the I-93 project have been made or 20 years after the initial issuance of such bonds, whichever is earlier. As of June 30, 2024, $198.5 million of TIFIA proceeds had been received under this arrangement, representing a long-term note payable. The TIFIA obligation is payable on an interest-only basis initially, with principal payments beginning in fiscal year 2026. A final principal payment schedule was established in August 2022 since all proceeds had been drawn against the loan in fiscal year 2022. Interest paid during the fiscal year ended June 30, 2024 was $2.2 million.

The TIFIA loan agreement also requires that the State expend certain annual amounts of the increased road toll revenues on non-federally aided highway projects in the State. In the event, the State does not meet these requirements the interest rate on the loan will increase to 2.17% until the spending requirements are met. In addition, the TIFIA loan agreement provides for a default rate of interest equal to 3.09%.

The State issued $6,025,000 General Obligation Capital Improvement Bond, 2023 Series C (Series C Bond) on August 15, 2023. The 2023 C Series Bond was issued through a private placement with the New Hampshire Municipal Bond Bank (NHMBB). The Series C Bond has a 4.00% coupon and is structured to pay interest every six months with one final maturity of $6.025 million on August 15, 2043. The NHMBB purchased the Series C Bond to use as an investment in its required debt service reserve fund. The State uses the proceeds to fund its ongoing capital program while benefiting from a reduced cost of capital compared to that of a conventional "new money" issue. The transaction resulted in an overall true-interest-cost of 3.82%.

The State issued, through a competitive sale on April 4, 2024, which subsequently closed on April 18, 2024, $60,000,000 General Obligation Capital Improvement Bonds, 2024 Series A (Series A Bonds). The "new money" Series A bond sale resulted in an overall true-interest-cost to the State of 3.40% with coupons of 5.00% and a final maturity on April 1, 2044. The proceeds of these bonds will be used to fund all or part of various capital projects of the State.

The State does not have any other debt arrangements that need to be disclosed regarding direct placement debt or other debt related to (1) lines of credit, (2) assets pledged as collateral, (3) terms specified in debt agreements related to significant (a) events of default with financial consequences, (b) termination events with financial consequences, (c) subjective acceleration clauses.

**Changes in Long-Term Liabilities:** The following is a summary of the changes in the long-term liabilities as reported by the primary government during the fiscal year (expressed in thousands):

| Governmental Activities | Beginning Balance | Increases | Decreases | Ending Balance | Current | Non-Current |
|---|---|---|---|---|---|---|
| General Obligation Bonds Payable | $ 578,595 | $ 57,876 | $ 72,173 | $ 564,298 | $ 72,260 | $ 492,038 |
| Direct Placement Bonds Payable | 34,594 | 6,025 | | 40,619 | 1,165 | 39,454 |
| Federal Highway Grant Anticipation Bonds | 46,610 | | 15,145 | 31,465 | 15,530 | 15,935 |
| Premium on Bonds | 106,693 | 7,808 | 8,643 | 105,858 | | 105,858 |
| Notes Payable | 198,526 | | | 198,526 | | 198,526 |
| Compensated Absences | 99,722 | 16,971 | 126 | 116,567 | 13,882 | 102,685 |
| Claims Payable | 58,728 | 369,916 | 361,864 | 66,780 | 47,655 | 19,125 |
| Net Pension Liability | 1,054,786 | 150,759 | 165,090 | 1,040,455 | | 1,040,455 |
| Other Postemployment Benefits Payable | 1,544,413 | (112) | 533,552 | 1,010,749 | 83,338 | 927,411 |
| Pollution Remediation Obligation | 86,337 | 16,480 | 2,832 | 99,985 | 23,890 | 76,095 |
| Lease and Subscription IT Liability | 93,608 | 16,205 | 27,858 | 81,955 | 26,369 | 55,586 |
| Federal Highway Administration Liability | 11,846 | | 11,846 | | | |
| Legal Settlement Liability | | 288,743 | | 288,743 | | 288,743 |
| Other Liability | | 80,346 | | 80,346 | 20,441 | 59,905 |
| Total Governmental | $ 3,914,458 | $ 1,011,017 | $ 1,199,129 | $ 3,726,346 | $ 304,530 | $ 3,421,816 |
| **Business-Type Activities** | | | | | | |
| ***Turnpike System*** | | | | | | |
| Revenue Bonds | $ 233,475 | $ 17,575 | $ 33,987 | $ 217,063 | $ 17,575 | $ 199,488 |
| Pollution Remediation Obligation | 4,973 | 441 | 277 | 5,137 | 866 | 4,271 |
| Compensated Absences | 1,091 | 172 | | 1,263 | 151 | 1,112 |
| Claims Payable | 2,577 | 356 | 167 | 2,766 | 492 | 2,274 |
| Other Postemployment Benefits Payable | 20,855 | | 7,577 | 13,278 | | 13,278 |
| Net Pension Liability | 11,185 | | 914 | 10,271 | | 10,271 |
| Total | $ 274,156 | $ 18,544 | $ 42,922 | $ 249,778 | $ 19,084 | $ 230,694 |
| ***Liquor Commission*** | | | | | | |
| General Obligation Bonds Payable | $ 35,482 | $ 2,124 | $ 3,205 | $ 34,401 | $ 3,135 | $ 31,266 |
| Lease and Subscription IT Liability | 57,378 | 1,051 | 7,166 | 51,263 | 6,582 | 44,681 |
| Compensated Absences | 2,153 | 277 | | 2,430 | 289 | 2,141 |
| Claims Payable | 2,031 | | 151 | 1,880 | 526 | 1,354 |
| Other Postemployment Benefits Payable | 40,046 | | 15,440 | 24,606 | | 24,606 |
| Net Pension Liability | 26,142 | 3,557 | 3,717 | 25,982 | | 25,982 |
| Total | $ 163,232 | $ 7,009 | $ 29,679 | $ 140,562 | $ 10,532 | $ 130,030 |
| ***Lottery Commission*** | | | | | | |
| Lease and Subscription IT Liability | $ 129 | | $ 56 | $ 73 | $ 58 | $ 15 |
| Compensated Absences | 670 | 54 | | 724 | 86 | 638 |
| Claims Payable | 3 | 1 | 2 | 2 | 2 | |
| Other Postemployment Benefits Payable | 9,967 | | 3,501 | 6,466 | | 6,466 |
| Net Pension Liability | 5,274 | 668 | 1,155 | 4,787 | | 4,787 |
| Annuity Payable | $ 1,867 | | 67 | 1,800 | 67 | 1,733 |
| Total | $ 17,910 | $ 723 | $ 4,781 | $ 13,852 | $ 213 | $ 13,639 |
| ***State Revolving Fund Programs*** | | | | | | |
| General Obligation Bonds Payable | $ 5,011 | | $ 557 | $ 4,454 | $ 557 | $ 3,897 |
| Compensated Absences Payable | 1,064 | 199 | | 1,263 | 114 | 1,149 |
| Other Postemployment Benefits Payable | 5,370 | 110 | 1,829 | 3,651 | | 3,651 |
| Net Pension Liability | 6,778 | 803 | 735 | 6,846 | | 6,846 |
| Total | $ 18,223 | $ 1,112 | $ 3,121 | $ 16,214 | $ 671 | $ 15,543 |
| Total Business-Type | $ 473,521 | $ 27,388 | $ 80,503 | $ 420,406 | $ 30,500 | $ 389,906 |

The General Fund and Highway Fund are primarily responsible for financing governmental activities long-term liabilities other than debt.

**Bond and Revenue Anticipation Notes:** In general, the State Treasurer, with the approval of the Governor and Council, is authorized to issue bond anticipation notes maturing within five years of their dates of issue. Refunding notes must be paid within five years of the dates of issue of the original notes. Also, to the extent monies in the General Fund, Highway Fund, or Fish and Game Fund are at any time insufficient for the payment of obligations payable from such funds, the State Treasurer, under the direction of the Governor and Council, is authorized to issue notes to provide funds to pay such obligations. Outstanding revenue anticipation notes issued for the General Fund may not exceed $200 million; for the Highway Fund, $15 million; and for the Fish and Game Fund, $0.5 million. As of June 30, 2024, the State had no bond or revenue anticipation notes outstanding.

**Pollution Remediation Obligations:** Under the federal Superfund law, the State is responsible for sharing remediation costs at sites where the U.S. Environmental Protection Agency expends superfund trust monies for cleanup. Currently there are several sites in various stages of cleanup, from initial assessment to cleanup activities. In addition, the State has other sites for which it is responsible for cleanup and monitoring, including underground fuel storage facilities. Per GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, pollution liabilities of $100.0 million and $5.1 million were reported for governmental activities and business-type activities, respectively, at June 30, 2024. These liabilities were measured using the actual contract cost, where no changes in cost are expected, or a method that is materially close to the expected cash flow technique. Liability estimates are subject to change due to price increases or reductions, technology, or changes in applicable laws or regulations governing the remediation efforts. The State does not anticipate recovering reimbursements from the parties who caused the pollution.

**Debt Maturity:** All bonds issued by the State, including Federal Highway Grant Anticipation Bonds and TIFIA note payable, are general obligation bonds, with the exception of the Turnpike revenue bonds. All bonds issued are backed by the full faith and credit of the State. Interest rates on these issues range from 2.0% to 7.2%. Debt service payments on "self supporting" debt are funded by reimbursements from component units for debt issued by the State on their behalf and through user fees and other revenues statutorily earmarked to fund debt service payments on specific projects. The anticipated source of repayment and annual maturities including expected federal interest subsidies described earlier are as follows (expressed in thousands):

Governmental Activities:

| | SOURCE OF PRINCIPAL PAYMENTS | | | | | | DEBT SERVICE | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Payable June 30, | General Fund | Direct Placement | Highway Fund | Federal Highway (GARVEE) | TIFIA | Self Supporting | Principal | Interest | Less: Federal Interest Subsidy | Net Total |
| **2025** | $52,235 | 1,165 | $ 11,256 | $ 15,530 | | $ 8,769 | $ 88,955 | $ 30,232 | $ 1,527 | **$ 117,660** |
| **2026** | 43,051 | 2,300 | 10,291 | 15,935 | 21,285 | 8,562 | 101,424 | 26,351 | 1,010 | **126,765** |
| **2027** | 40,605 | 2,820 | 9,074 | | 21,517 | 8,239 | 82,255 | 22,647 | 651 | **104,251** |
| **2028** | 38,624 | | 8,304 | | 21,750 | 8,171 | 76,849 | 19,601 | 468 | **95,982** |
| **2029** | 32,961 | 1,375 | 6,233 | | 21,992 | 7,865 | 70,426 | 16,699 | 283 | **86,842** |
| **2030-2034** | 115,000 | 13,645 | 22,342 | | 111,982 | 14,572 | 277,541 | 52,091 | 95 | **329,537** |
| **2035-2039** | 63,179 | 8,459 | 12,859 | | | 7,775 | 92,272 | 20,474 | | **112,746** |
| **2040-2044** | 28,023 | 10,855 | 3,731 | | | 2,577 | 45,186 | 5,263 | | **50,449** |
| **Subtotal** | **413,678** | **40,619** | **84,090** | **31,465** | **198,526** | **66,530** | **834,908** | **193,358** | **4,034** | **1,024,232** |
| **Unamortized (Discount) / Premium** | 103,518 | 2,340 | | | | | 105,858 | | | 105,858 |
| **Total** | **$517,196** | **$ 42,959** | **$ 84,090** | **$ 31,465** | **$ 198,526** | **$ 66,530** | **$940,766** | **$193,358** | **$ 4,034** | **$1,130,090** |

The notes to the basic financial statements are an integral part of this statement

Business-Type Activities:

| Payable June 30, | SOURCE OF PRINCIPAL PAYMENTS | | | DEBT SERVICE | | | |
|---|---|---|---|---|---|---|---|
| | Liquor Commission General Obligations | SRF Funds General Obligations | Turnpike System Revenue | Total Principal | Interest | Less: Federal Interest Subsidy | Net Total |
| **2025** | 3,135 | 557 | 17,575 | $21,267 | $11,633 | 1,546 | **$31,354** |
| **2026** | 3,014 | 557 | 8,570 | 12,141 | 10,819 | 1,451 | **21,509** |
| **2027** | 2,855 | 334 | 11,415 | 14,604 | 10,136 | 1,451 | **23,289** |
| **2028** | 2,855 | 335 | 10,970 | 14,160 | 9,517 | 1,451 | **22,226** |
| **2029** | 2,666 | 334 | 12,010 | 15,010 | 8,752 | 1,451 | **22,311** |
| **2030-2034** | 11,201 | 1,669 | 50,575 | 63,445 | 33,756 | 6,374 | **90,827** |
| **2035-2039** | 7,214 | 668 | 60,340 | 68,222 | 16,437 | 2,909 | **81,750** |
| **2040-2044** | 1,461 | | 30,670 | 32,131 | 2,214 | 88 | **34,257** |
| **2045-2049** | | | | | | | |
| **Subtotal** | **$34,401** | **$4,454** | **$202,125** | **$240,980** | **$103,264** | **$16,721** | **$327,523** |
| **Unamortized (Discount) / Premium** | | | 14,938 | 14,938 | | | 14,938 |
| **Total** | **$34,401** | **$4,454** | **$217,063** | **$255,918** | **$103,264** | **$16,721** | **$342,461** |

**Revenue Bond Resolutions:** Turnpike System revenue bonds are secured by a pledge of substantially all Turnpike System revenues and monies deposited into accounts created by the bond resolutions, subject only to the payment of operating expenses.

The bond resolutions require the Turnpike System to establish and collect tolls which are adequate at all times, when combined with other available sources of revenues, to provide for the proper operation and maintenance of the Turnpike System and for the timely payment of the principal and interest on all bonds, notes, or other evidences of indebtedness. The resolutions further require the Turnpike System to collect sufficient tolls so that in each fiscal year net revenues as defined by the resolutions will be at least equal to the greater of: (a) 120% of current year debt service on the revenue bonds, or (b) 100% of current year debt service on the revenue bonds and on all general obligation or other bonds, notes or other indebtedness, and the additional amount, if any, required to be paid from the revenue bond general reserve account to satisfy the Renewal & Replacement (R&R) requirement for the fiscal year.

The resolutions further require the Turnpike System to request payment from the Revenue Bond Construction Account and an Authorized Officer shall sign a written order and file the request with the State Treasurer.

The Turnpike System is required to review the adequacy of its tolls after each fiscal year. If this review indicates that the tolls and charges are, or will be, insufficient to meet the requirements described above, then the Independent Engineer of the Turnpike System will make a study and recommend a schedule of tolls and charges which will provide revenues sufficient to comply with the requirements described above. For fiscal year 2024, the toll rate schedule was deemed to be sufficient to meet all required payments in connection with the Turnpike System, and as such, no Independent Engineer's study was necessary.

The resolutions establish an R&R requirement with respect to each fiscal year. R&R costs consist of rehabilitation, renewals, replacements, and extraordinary repairs necessary for the sound operation of the Turnpike System or to prevent loss of revenues, but not costs associated with new construction, additions or extensions. Total R&R costs for fiscal year 2024 were $20.6 million, of which $15.1 million were recorded as current year expenses and $5.5 million were capitalized.

Management believes the Turnpike System has complied with all of its material financial bond covenants as set forth in the resolutions.

**MAJOR COMPONENT UNIT**

**Changes in Long-Term Liabilities:** The University System of New Hampshire's long-term liabilities include: revenue bonds payable of $362.5 million; lease obligations of $76.4 million; accrued employee benefits and compensated absences of $38.4 million; other postemployment benefits of $64.7 million; and other liabilities of $10.6 million (expressed in thousands):

| | Beginning Balance | Increases | Decreases | Ending Balance | Current | Long-Term |
|---|---|---|---|---|---|---|
| University System of NH | $578,254 | $23,052 | $48,703 | $552,603 | $43,773 | $508,830 |

- Current portion includes $0.4 million reported as accounts payable.

**Debt Maturity:** The table below is a summary of the annual principal payments and total debt service relating to the debt of the University System of New Hampshire and includes revenue bonds and leases (expressed in thousands):

| | UNIVERSITY SYSTEM OF N.H. | | |
|---|---|---|---|
| Payable June 30, | Principal | Interest | Total |
| 2025 | 16,845 | 15,003 | 31,848 |
| 2026 | 14,367 | 14,303 | 28,670 |
| 2027 | 14,949 | 13,635 | 28,584 |
| 2028 | 19,605 | 12,848 | 32,453 |
| 2029 | 20,490 | 11,920 | 32,410 |
| 2030-2034 | 118,820 | 43,814 | 162,634 |
| 2035-2039 | 69,850 | 19,787 | 89,637 |
| 2040-2044 | 30,130 | 10,006 | 40,136 |
| 2045-2049 | 19,445 | 3,419 | 22,864 |
| 2050-2054 | 7,446 | 1,017 | 8,463 |
| Subtotal | 331,947 | 145,752 | 477,699 |
| Unamortized Discounts/Premium, net | 30,564 | | 30,564 |
| Total | $362,511 | $145,752 | $508,263 |

## 6. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The components of deferred outflows and inflows of resources in the government-wide financial statements related to the primary government at June 30, 2024 are as follows (expressed in thousands):

| | Governmental Activities | Business-Type Activities | Primary Government |
|---|---|---|---|
| **Deferred outflows of resources:** | | | |
| Pension related amounts: | | | |
| New Hampshire Retirement System | $ 200,270 | $ 9,792 | $ 210,062 |
| New Hampshire Judicial Retirement Plan | 6,878 | | 6,878 |
| Total pension related amounts | 207,148 | 9,792 | 216,940 |
| OPEB related amounts: | | | |
| Trusted OPEB Plan | 7,022 | | 7,022 |
| Non Trusted OPEB Plan | 192,028 | 10,219 | 202,247 |
| Total OPEB related amounts | 199,050 | 10,219 | 209,269 |
| Loss on refunding of debt, net | 3,679 | 1,901 | 5,580 |
| **Total deferred outflows of resources** | $ 409,877 | $ 21,912 | $ 431,789 |
| | | | |
| **Deferred inflows of resources:** | | | |
| Leases | $ (8,538) | $ (13,571) | $ (22,109) |
| Pension related amounts: | | | |
| New Hampshire Retirement System | (5,369) | (2,366) | (7,735) |
| New Hampshire Judicial Retirement Plan | (4,334) | | (4,334) |
| Total pension related amounts | (9,703) | (2,366) | (12,069) |
| OPEB related amounts: | | | |
| Trusted OPEB Plan | | | |
| Non Trusted OPEB Plan | (785,281) | (44,711) | (829,992) |
| Total OPEB related amounts | (785,281) | (44,711) | (829,992) |
| **Total deferred inflows of resources** | $ (803,522) | $ (60,648) | $ (864,170) |

The components of deferred inflows of resources related to the governmental funds at June 30, 2024 are as follows (expressed in thousands):

| | General | Highway | Education | Non-Major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **Deferred inflows of resources:** | | | | | |
| Taxes considered unavailable | $ 191,283 | | $ 133,743 | | $ 325,026 |
| Local assistance | 36,672 | | | | 36,672 |
| Other loans | 528 | | | | 528 |
| Indigent representation advances | 474 | | | | 474 |
| Banking assessments | 1,997 | | | | 1,997 |
| Miscellaneous fees & fines | 8,185 | 1,345 | | 75 | 9,605 |
| **Total deferred inflows of resources** | $ 239,139 | $ 1,345 | $ 133,743 | $ 75 | $ 374,302 |

**MAJOR COMPONENT UNIT**

The University System of New Hampshire's deferred outflows and deferred inflows of resources at June 30, 2024 are as follows (expressed in thousands):

| | | | |
|---|---|---|---|
| **Deferred outflows of resources:** | | **Deferred inflows of resources:** | |
| Accumulated decrease in fair value of hedging derivatives | | Accounting gain on debt financing, net | |
| Accounting loss on debt refinancing, net | 9,125 | Annuities unconditional remainder interest | 2,447 |
| Changes of assumptions: | | Changes of assumptions: | |
| Operating Staff Retirement Plan | | Operating Staff Retirement Plan | |
| Postretirement Medical Plan | 6,666 | Postretirement Medical Plan | 14,310 |
| Additional Retirement Contribution Program | 20 | Additional Retirement Contribution Program | 37 |
| Net Difference between projected and actual earnings: | | Net Difference between projected and actual earnings: | |
| Operating Staff Retirement Plan | 440 | Operating Staff Retirement Plan | 614 |
| Difference between expected and actual experience: | | Difference between expected and actual experience: | |
| Postretirement Medical Plan | 481 | Operating Staff Retirement Plan | |
| Additional Retirement Contribution Program | 9 | Postretirement Medical Plan | 1,433 |
| Benefit payments subsequent to the measurement date: | | Additional Retirement Contribution Program | 66 |
| Postretirement Medical Plan | 4,007 | Deferred inflows - leases | 1,227 |
| Additional Retirement Contribution Program | 95 | | |
| Asset retirement obligations | 973 | | |
| **Total deferred outflows of resources** | $21,816 | **Total deferred inflows of resources** | $20,134 |

## 7. RISK MANAGEMENT AND INSURANCE

The State is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and natural disasters.

**Principle of Self-insurance**

As a general operating rule, the State self-insures against all damages, losses and expenses except to the extent that provisions of law require the purchase of commercial insurance. In addition, the State may elect to purchase commercial insurance if a risk assessment indicates it would be economical and beneficial to the State or the general public. There are approximately 25 such commercial insurance programs in effect. These include, but are not limited to, state owned real property insurance, fleet automobile liability, watercraft insurance, foster parent liability, ski area liability for Cannon Mountain, and a fidelity and faithful performance bond. In general, claims settled in the past three years under the insurance programs have not exceeded commercial insurance coverage. As of June 30, 2024, there were no claims that are currently expected to reach the policy coverage limits. The State's exposure per claimant is limited by law to a total of $475 thousand under RSA 541-B:14 and the State's current fleet policy coverage is $250 thousand per claimant.

**Employee and Retiree Health Benefits**

During fiscal year 2004, the State established an Employee Benefit Risk Management Fund (the Fund), an internal service fund, to account for its uninsured risks of loss related to employee and retiree health benefits. Currently, the State retains all of the risk associated with the self-funded benefits, and utilizes an actuarially-established IBNR (incurred but not reported) claims reserve, which totaled $30.9 million as of June 30, 2024. In addition, state law requires the Fund to maintain a reserve in the amount of at least 3% of estimated annual self-funded claims and administrative costs, for unexpected costs. For fiscal year 2024, this reserve equaled $19.1 million for the Fund. The State maintains a reserve for

four plans in the Fund: Actives, Troopers, Retirees, and Dental. The Trooper plan is reported as part of the Active plan, however, the Trooper component of the Active reserve amount represents 100% of the estimated annual claims and administrative expenses for the Trooper health plan account due to its small member size (approximately 700 members), which equaled $3.4 million for fiscal year 2024. The Active (without Trooper), Retiree, and Dental reserves totaled $11.7 million, $3.6 million, and $0.4 million, respectively. Outside of the Trooper component, the Active, Retiree, and Dental accounts maintained a reserve of 5%, 5%, and 3%, respectively, of the estimated annual claims and administrative expenses. Health and Dental Plan Rates are established annually, by actuaries, based on an analysis of past claims, State and other medical trend, and annual projected plan claims and administrative expenses. The process used in estimating claim liabilities may not result in an exact payout amount due to variables such as medical inflation, or changes in law, enrollment or plan design.

**Workers' Compensation**

Since February 2003, the State has been self-insured for its workers' compensation exposures, retaining all of the risk associated with workers' compensation claims. The State utilizes an actuarial study that provides an annual estimate of the outstanding liabilities for the prior years' claims. The study also contains assumptions about loss development patterns, trends, and other claim projections based upon the State's historical loss experience. According to the fiscal year 2024 actuarial study, the Estimated Workers' Compensation Unpaid Loss and Allocated Loss Adjustment Expense (ALAE), which comprises past claims, claim trends, and future estimated loss experience, is $30.3 million as of June 30, 2024.

The following table presents the changes in claim liabilities during the fiscal years ending June 30, 2023 and 2024 (expressed in thousands):

| Governmental Activities | 6/30/2022 Balance | Increases | Decreases | 6/30/2023 Balance | Increases | Decreases | 6/30/2024 Balance | Current | Long-Term |
|---|---|---|---|---|---|---|---|---|---|
| Workers Compensation Claims Payable | $ 27,607 | $ 2,235 | $ 3,787 | $ 26,055 | $ 5,426 | $ 5,804 | $ 25,677 | $ 6,552 | $ 19,125 |
| Health Claims Payable* | 28,380 | 327,047 | 322,754 | 32,673 | 364,490 | 356,060 | 41,103 | 41,103 | |
| Total | 55,987 | 329,282 | 326,541 | 58,728 | 369,916 | 361,864 | 66,780 | 47,655 | 19,125 |
| **Business-Type Activities** | | | | | | | | | |
| ***Turnpike System*** | | | | | | | | | |
| Workers Compensation Claims Payable | 1,344 | 1,610 | 377 | 2,577 | 356 | 167 | 2,766 | 492 | 2,274 |
| Total | 1,344 | 1,610 | 377 | 2,577 | 356 | 167 | 2,766 | 492 | 2,274 |
| ***Liquor Commission*** | | | | | | | | | |
| Workers Compensation Claims Payable | 2,834 | | 803 | 2,031 | | 151 | 1,880 | 526 | 1,354 |
| Total | 2,834 | | 803 | 2,031 | | 151 | 1,880 | 526 | 1,354 |
| ***Lottery Commission*** | | | | | | | | | |
| Workers Compensation Claims Payable | 18 | | 15 | 3 | 1 | 2 | 2 | 2 | |
| Total | 18 | | 15 | 3 | 1 | 2 | 2 | 2 | |
| Total Business-Type | $ 4,196 | $ 1,610 | $ 1,195 | $ 4,611 | $ 357 | $ 320 | $ 4,648 | $ 1,020 | $ 3,628 |
| * Health Claims Payable is recorded in the Internal Service Fund | | | | | | | | | |

## 8. INTERFUND RECEIVABLES AND PAYABLES

Due From or To Other Funds for the primary government on the fund financial statements represent amounts resulting from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made, and consist of the following as of June 30, 2024 (expressed in thousands):

| RECEIVABLES / DUE FROM | AMOUNT | PAYABLES / DUE TO | AMOUNT |
|---|---|---|---|
| Highway Fund | $ 2,503 | Turnpike System | $ 2,503 |
| Highway Fund | 382 | General Fund | 382 |
| General Fund | 8,535 | Turnpike System | 8,535 |
| General Fund | 39,832 | Liquor Commission | 39,832 |
| Non-Major Fund | 481 | General Fund | 481 |
| Non-Major Fund | 485 | Liquor Commission | 485 |
| Liquor Commission | 3,814 | General Fund | 3,814 |
| Turnpike System | 30 | General Fund | 30 |
| Turnpike System | 110 | Highway Fund | 110 |
| Education Fund | 6,971 | Lottery Commission | 6,971 |
| Lottery Commission | 658 | Liquor Commission | 658 |
| Total | $ 63,801 | Total | $ 63,801 |

The net due from or to other funds for the primary government has been reported as "internal balances" in the government-wide financial statements. The governmental activities receivable of $54.4 million from business-type activities represents the "internal balances" amount on the statement of net position. The $0.9 million between governmental funds, and the $0.7 million between enterprise funds has been eliminated on the government-wide financial statements.

## 9. INTERFUND TRANSFERS

Interfund transfers during the current fiscal year were as follows (expressed in thousands):

| | Transfer to | | | | |
|---|---|---|---|---|---|
| **Transferred From** | **General Fund** | **Highway Fund** | **Education Fund** | **Non-Major Funds** | **Total** |
| **Governmental Funds** | | | | | |
| General Fund | | $ 36,051 | | $ 888 | $ 36,939 |
| Highway Fund | 3,890 | | | | 3,890 |
| Education Fund | 10,562 | | | | 10,562 |
| Non-Major Funds | 5,383 | | | | 5,383 |
| Total Governmental Funds | 19,835 | 36,051 | | 888 | 56,774 * |
| **Proprietary - Enterprise Funds** | | | | | |
| Liquor Commission | 139,903 | | | | 139,903 |
| Lottery Commission | | | 207,871 | | 207,871 |
| Unemployment Compensation | 15,022 | | | | 15,022 |
| Total Proprietary - Enterprise Funds | $ 154,925 | | $ 207,871 | | $ 362,796 |

* These amounts have been eliminated within governmental activities on the government-wide financial statements

The following transfers represent sources of funding identified through the State's operating budget:

- Transfer of Lottery Commission profits of $207.8 million to fund education
- Transfer of Liquor Commission profits of $122.0 million to the General Fund for government operations, $5.7 million to the General Fund pursuant to RSA 176:16, III for the Alcohol Abuse Prevention and Treatment Fund and $12.2 million pursuant to RSA 126-AA:3, IV for the Granite Advantage Health Care Fund.

Pursuant to RSA 260:60, $1.1 million of unrefunded gas tax in the Highway Fund was transferred to the General Fund.

Transfer of OHRV license fees of $5.4 million to the General Fund for Natural and Culture Resources from Fish & Game Fund.

Transfer of Unemployment Compensation Contingency Fund of $15.0 million to the General Fund.

Consistent with HB 1, Ch 106, Laws of 2023, funding of $36.1 million from the General Fund was transferred to support the Highway Fund, $0.9 million was transferred to the Fish and Game Fund, $2.8 million was transferred from the Highway Fund to the General Fund, and $10.6 million was transferred from the Education Trust Fund to the General Fund.

## 10. CONTRACTUAL COMMITMENTS

**Contractual Commitments**: The State Department of Transportation has estimated its share of contractual obligations for construction contracts to be $66.1 million at June 30, 2024. This represents total obligations of $238.3 million less $172.2 million in estimated federal aid.

**Other Contractual Commitments**: Encumbrances by fund for the State at June 30, 2024, excluding contractual commitments noted above, were as follows:

| | Expressed in Millions |
|---|---|
| General Fund | $ 139.0 |
| Highway Fund | 8.8 |
| Non-Major Governmental Funds | 0.4 |
| | $ 148.2 |

## 11. EMPLOYEE BENEFIT PLANS

### NEW HAMPSHIRE RETIREMENT SYSTEM

**Plan Description:** The New Hampshire Retirement System is the administrator of a cost-sharing multiple-employer Public Employee Retirement System ("NHRS") established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401 (a) and 501 (a) of the Internal Revenue Code. NHRS is a contributory defined-benefit plan providing service, disability, death, and vested retirement benefits to members and beneficiaries. NHRS covers substantially all full-time State employees, public school teachers and administrators, permanent firefighters, and police officers within the State of New Hampshire. Full-time employees of political subdivisions, including counties, municipalities, and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation. NHRS is divided into two membership groups. Group I consists of State and local employees and teachers. Group II consists of firefighters and police officers. All assets are in a single trust and are available to pay retirement benefits to its members and beneficiaries.

Group I members at age 60 (age 65 for members beginning service on or after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final compensation (AFC). The yearly pension amount is 1/60 (1.667%) of average final compensation multiplied by years of creditable service (1/66 of AFC times creditable service for members beginning service on or after July 1, 2011). AFC is defined as the average of the three highest salary years for members vested as of January 1, 2012 and five years for members not vested as of January 1, 2012. At age 65, the yearly pension amount is recalculated at 1/66 (1.515%) of AFC multiplied by years of creditable service.

Members in service with 10 or more years creditable service who are between age 50 and 60 or members in service with at least 20 or more years of service, whose combination of age and service is 70 or more, are entitled to a retirement allowance with appropriate graduated reduction based on years of creditable service.

Group II members who are age 60, or members who are at least age 45 with a minimum of 20 years of creditable service (age 50 with a minimum of 25 years of creditable service or age 60 for members beginning service on or after July 1, 2011) can receive a retirement allowance at a rate of 2.5% of AFC for each year of service not to exceed 40 years (2% of AFC times creditable service up to 42.5 years for members beginning service on or after July 1, 2011). A member who began service on or after July 1, 2011 shall not receive a service retirement allowance until attaining age 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service. However, the allowance will be reduced by ¼ of one percent for each month prior to age 52.5 that the member receives the allowance.

Group II members hired prior to July 1, 2011 who have non-vested status as of January 1, 2012 are subject to graduated transition provisions for years of service required for regular service retirement, the minimum age for service retirement, and the multiplier used to calculate the retirement annuity, which shall be applicable on January 1, 2012.

Members of both groups may qualify for vested deferred allowances, disability allowances, and death benefit allowances subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation, service, or both.

Pursuant to RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b, NHRS also provides a postretirement medical premium subsidy for Group I employees and teachers and Group II police officers and firefighters.

NHRS issues publicly available financial reports that can be obtained by writing to them at 54 Regional Drive, Concord, NH 03301-8507 or from their web site at http://www.nhrs.org

**Funding Policy:** NHRS is financed by contributions from the members, the State and local employers, and investment earnings. By statute, Group I members contributed 7.0% of gross earnings. Group II firefighter members contributed 11.80% of gross earnings and group II police officers contributed 11.55% of gross earnings. Employer contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the NHRS actuary using the entry age normal funding method and are expressed as a percentage of gross payroll. The State contributed 13.27% of gross payroll for Group I members, 27.75% of gross payroll for Group II firefighter members, and 28.68% of gross payroll for Group II police officer members.

The State's required and actual contributions for the year ended June 30, 2024 were $128.9 million, which included an amount for other postemployment benefits of $6.9 million.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:**

As of June 30, 2024, the State reported a liability of $1,056.8 million for its proportionate share of the net pension liability of NHRS. This net pension liability is measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll the total pension liability forward to June 30, 2023. The State's proportion of the net pension liability was based on the State's share of contributions to NHRS relative to the contributions of all participating employers, actuarially determined. As of the measurement date, the State's proportion was 18.88%, which was an increase of 30 basis points from its proportion measured as of the previous measurement date. For the year ended June 30, 2024, the State recognized total pension expense of $136.5 million.

As of June 30, 2024, the State reported deferred outflows and inflows of resources on its government-wide financial statements related to pensions in the primary government of $88.1 million (excluding $121.9 million in contributions subsequent to the measurement date) and $7.7 million, respectively, from the following sources:

| *(in thousands)* | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ 15,284 | |
| Differences between expected and actual experience | 27,005 | $ (424) |
| Changes in assumptions | 27,815 | |
| Changes in employer proportion | 15,877 | (5,201) |
| Changes in internal proportion | 2,109 | (2,110) |
| Contributions subsequent to the measurement date | 121,972 | |
| Total | $ 210,062 | $ (7,735) |

Amounts reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30, | Amount (in thousands) |
|---|---|
| 2024 | $ 36,979 |
| 2025 | (17,288) |
| 2026 | 60,150 |
| 2027 | 514 |
| | $ 80,355 |

**Actuarial Assumptions:** NHRS total pension liability, measured as of June 30, 2023, was determined by a roll forward of the actuarial valuation as of June 30, 2022, for which the following actuarial assumptions were used:

| | |
|---|---|
| Inflation | 2.0% |
| Salary increases | 5.4% average, including inflation |
| Investment rate of return | 6.75%, net of pension plan investment expense, including inflation |

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 - June 30, 2019.

**Long-Term Rates of Return:** The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2023:

| Asset Class | Target Allocation | 30 Year Geometric Return 2023 |
|---|---|---|
| Broad US Equity | 30.00 % | 5.40 % |
| Global Ex-US Equity | 20.00 % | 5.65 % |
| Total Public Equity | 50.00 % | |
| Real Estate Equity | 10.00 % | 4.00 % |
| Private Equity | 10.00 % | 6.65 % |
| Total Private Market Equity | 20.00 % | |
| Private Debt | 5.00 % | 5.05 % |
| Total Private Debt | 5.00 % | |
| Core US Fixed Income | 25.00 % | 2.15 % |
| Total fixed income | 25.00 % | |
| Inflation | | 2.50 % |
| Total | 100.00 % | |

**Discount Rate:** The discount rate used to measure the collective total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are determined based on the expected payroll of current members only. Employer contributions are determined based on NHRS's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, NHRS's fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

The following table illustrates the sensitivity of the State's proportionate share of NHRS's net pension liability to changes in the discount rate. In particular, the table presents the State's proportionate share of NHRS's net pension liability measured at June 30, 2023 assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the single discount rate (in millions):

| 1% Decrease to 5.75% | Current single rate assumption 6.75% | 1% Increase to 7.75% |
|---|---|---|
| $1,434.0 | $1,056.8 | $734.6 |

**Pension Allocations:** The Statewide amounts for net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense detailed above were allocated among governmental and business-type activities based on each reporting unit's share of the Statewide employer contribution to NHRS. Pension-related amounts for each reporting unit are as follows (expressed in thousands):

| | Governmental Activities | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Business-type Activities | Primary Government |
|---|---|---|---|---|---|---|---|
| Proportionate share of Statewide amount | 95.47 % | 0.97 % | 2.46 % | 0.45 % | 0.65 % | 4.53 % | 100.00 % |
| Net pension liability | $ 1,008,937 | $ 10,271 | $ 25,982 | $ 4,787 | $ 6,846 | $ 47,886 | $ 1,056,823 |
| Pension expense | 131,009 | 875 | 3,089 | 668 | 902 | 5,534 | 136,543 |
| Deferred outflows of resources representing contributions subsequent to the measurement date | 116,474 | 1,111 | 2,983 | 617 | 787 | 5,498 | 121,972 |
| Deferred outflows of resources representing the changes in employer proportion | 15,158 | 154 | 390 | 72 | 103 | 719 | 15,877 |
| Deferred outflows of resources representing the net difference between projected and actual earnings on pension plan investments | 14,591 | 149 | 376 | 69 | 99 | 693 | 15,284 |
| Deferred outflows of resources representing changes in assumptions | 26,555 | 270 | 684 | 126 | 180 | 1,260 | 27,815 |
| Deferred outflows of resources representing the differences between expected and actual experience | 25,781 | 263 | 664 | 122 | 175 | 1,224 | 27,005 |
| Deferred inflows of resources representing the differences between expected and actual experience | (405) | (4) | (10) | (2) | (3) | (19) | (424) |
| Deferred inflows of resources representing the changes in employer proportion | (4,964) | (51) | (128) | (24) | (34) | (237) | (5,201) |
| Deferred outflows of resources representing change in proportion within the entity | 1,711 | | 48 | 234 | 116 | 398 | 2,109 |
| Deferred inflows of resources representing change in proportion within the entity | | (1,002) | (784) | (315) | (9) | (2,110) | (2,110) |
| *Amortization of deferred amounts:* | | | | | | | |
| 2025 | 35,882 | (26) | 636 | 218 | 269 | 1,097 | 36,979 |
| 2026 | (15,946) | (474) | (699) | (86) | (83) | (1,342) | (17,288) |
| 2027 | 57,849 | 388 | 1,282 | 210 | 421 | 2,301 | 60,150 |
| 2028 | 642 | (109) | 21 | (60) | 20 | (128) | 514 |
| Total | 78,427 | (221) | 1,240 | 282 | 627 | 1,928 | 80,355 |
| *Sensitivity analysis:* | | | | | | | |
| Net pension liability at 5.75% discount rate | 1,369,006 | 13,937 | 35,254 | 6,496 | 9,289 | 64,976 | 1,433,982 |
| Net pension liability at 7.75% discount rate | 701,281 | 7,139 | 18,059 | 3,328 | 4,759 | 33,285 | 734,566 |

**JUDICIAL RETIREMENT PLAN**

**Plan Description:** The New Hampshire Judicial Retirement Plan (NHJRP), a single-employer plan, was established on January 1, 2005 pursuant to RSA 100-C:2 and is intended for all time to meet the requirements of a qualified pension trust within the meaning of section 401(a) and to

qualify as a governmental plan within the meaning of section 414(d) of the United States Internal Revenue Code. NHJRP is a defined benefit plan providing disability, death, and retirement protection for full-time supreme court, superior court, district court or probate court judges employed within the State. Information and financial reports of the New Hampshire Judicial Retirement Plan can be obtained by writing to them at 14 South St, Suite 5, Concord, NH 03301, or from the State's website at http://www.nh.gov.

**Members covered by benefit terms:** As of December 31, 2023, the following members were covered by the benefit terms:

| | |
|---|---|
| Inactive members or beneficiaries currently receiving benefits | 83 |
| Inactive members entitled to but not yet receiving benefits | 1 |
| Active or vested members | 68 |
| Total members | 152 |

The NHJRP is administered by an appointed Board of Trustees (Board), separate from the New Hampshire Retirement System. The Board consists of 7 members, 2 of which are appointed by the Governor and Council and 1 of whom the Governor shall designate to serve as chairman of the Board of Trustees, and who shall be qualified persons with business experience and not members of NHJRP. The Chief Justice of the state supreme court shall appoint 3 trustees, at least 2 of whom shall be active members of NHJRP and one of whom may be a retired member of NHJRP. One member of the state senate and one member of the house of representatives shall be appointed biennially. Certain daily administrative functions of NHJRP have been delegated by the Board to the New Hampshire Retirement System such as retirement request processing, member record maintenance and serving as the NHJRP's information center. The NHJRP has one employee. All employer and member contributions are deposited into separate trust funds that are managed and controlled by the Board of Trustees of the NHJRP.

Any member of the NHJRP who has at least 10 years of creditable service and who is at least 65 years old is entitled to retirement benefits equal to 75% of the member's final year's salary. Any member who has at least 7 years of creditable service and who is at least 70 years old is entitled to retirement benefits equal to 45% of the member's final year's salary. A member who is at least 70 years old shall be granted an additional 10% over the 45% level for each year of creditable service that a member has over 7 years. A member who is at least 60 years old with at least 15 years of creditable service is entitled to 70% of the member's final year's salary, plus an additional 1% for each year of additional service in excess of 15 years. However, under no circumstances shall any retirement benefit exceed 75% of the member's final year's salary. For purposes of determining the above benefit, the member's final salary is equal to compensation earned in the prior 12-month period in which the employee was a member of the plan.

**Funding Policy:** The NHJRP is financed by contributions from the members and the State. Pursuant to Chapter 311, Laws of 2003, on January 19, 2005, the State issued $42.8 million of general obligation bonds in order to fund the NHJRP's initial unfunded accrued liability. All eligible judges are required to contribute 10% of their salaries to the NHJRP until they become eligible for a service retirement equal to 75% of their final year's salary. The State was required to and contributed 41% of the members' salary through June 30, 2013. Effective July 1, 2013 the State was required to and contributed 64.5% of the member's salary. The State's required contribution rate was 75.4% of the member's salary for the period July 1, 2017 through June 30, 2019. Effective July 1, 2019, the State's required contribution rate was 69.4% of the member's salary. For the year ended June 30, 2024, State contributions to the NHJRP totaled $8.1 million.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** As of June 30, 2024, the State reported a net pension liability of $38.5 million for the NHJRP. The NHJRP's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. Changes in the components of net pension liability for the measurement period ended December 31, 2023 are as follows (in thousands):

| | Changes in Net Pension Liability | | |
|---|---|---|---|
| | Total Pension Liability (a) | Increase (Decrease) Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances as of December 31, 2022 | $110,731 | $72,191 | $38,540 |
| Changes for the year: | | | |
| Service cost | 5,180 | | 5,180 |
| Interest on total pension liability | 7,264 | | 7,264 |
| Effect of differences between expected and actual experience | | | |
| Differences between projected and actual earnings | | 5,953 | (5,953) |
| Effect of changes in actuarial assumptions | 197 | | 197 |
| Benefit payments | (8,459) | (8,459) | |
| Employer contributions | | 8,133 | (8,133) |
| Member contributions | | 1,118 | (1,118) |
| Net investment income | | 4,723 | (4,723) |
| Administrative expenses | | (264) | 264 |
| Balances as of December 31, 2023 | $114,913 | $83,395 | $31,518 |

For the year ended June 30, 2024, the State recognized pension expense of $4.4 million for the NHJRP. As of June 30, 2024, the State reported deferred outflows and inflows of resources on its government-wide financial statements related to the NHJRP of $3.0 million (excluding $3.9 million in contributions subsequent to the measurement date) and $4.3 million, respectively, from the following sources (in thousands):

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ 2,872 | $ (4,052) |
| Net difference between expected and actual experience | | |
| Change in assumptions | 148 | (282.00) |
| Contributions subsequent to the measurement date | 3,858 | |
| Total | $ 6,878 | $ (4,334) |

Amounts reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31, | Amount (in thousands) |
|---|---|
| 2024 | $ (1,816) |
| 2025 | (603) |
| 2026 | 2,296 |
| 2027 | (1,191) |
| | $ (1,314) |

**Actuarial Assumptions:** The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.75% |
| Salary increases | 2.25% |
| Investment rate of return | 6.50% |

Mortality rates were based on the Sex-Distinct PubG-2010 Mortality tables for employees, healthy annuitants and contingents, adjusted for mortality improvements using Scale MP-2021 on a fully generational basis.

The actuarial assumptions used in the January 1, 2022 valuation were not based on the results of a recent actuarial experience study. The Plan has not had a formal actuarial experience study performed since one performed for the period July 1, 2005 - June 30, 2010.

**Long-Term Rates of Return:** The long-term expected rate of return on NHJRP investments was selected from a best estimate range determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Following is a table presenting target allocations and long-term rates of return for 2023:

| Asset Class | Target Allocation | Long-Term Expected Geometric Real Rate of Return |
|---|---|---|
| Cash | 1.000 % | 2.90 % |
| Core Fixed Income | 35.000 % | 5.70 % |
| U.S. REITs | 3.000 % | 8.20 % |
| Large Cap US Equities | 33.000 % | 7.00 % |
| Small Cap US Equities | 5.000 % | 7.20 % |
| International equity | 12.000 % | 9.20 % |
| Alternatives | 11.000 % | 5.00 % |

**Discount Rate:** The single discount rate used to measure the collective total pension liability was 6.50%, which is the same rate used for the prior year measurement of total pension liability. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the NHJRP's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table illustrates the sensitivity of the NHJRP's net pension liability to changes in the discount rate. In particular, the table presents the net pension liability of NHJRP, calculated using the discount rate of 6.50%, as well as what the NHJRP's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current discount rate (expressed in thousands):

| 1% Decrease 5.50% | Current Discount Rate 6.50% | 1% Increase 7.50% |
|---|---|---|
| $43,160 | $31,518 | $21,439 |

**OTHER POSTEMPLOYMENT BENEFITS**

**General Information about the Trusted OPEB Plan**

**Plan Description:** Pursuant to RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b, NHRS administers a cost-sharing multiple employer defined benefit postemployment medical subsidy healthcare plan designated in statute by membership type. This plan has been previously defined as the Trusted OPEB plan but is also commonly referred to as "medical subsidy plan". The membership groups are Group II Police Officers and Firefighters and Group I State Employees.

NHRS issues publicly available financial reports that can be obtained by writing to them at 54 Regional Drive, Concord, NH 03301-8507 or from their web site at http://www.nhrs.org

**Benefits Provided:** The Trusted OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employers of its members, or their insurance administrator, toward the cost of health insurance for a qualified retiree, spouse, and certifiably dependent children with a disability who is living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. The eligibility requirements for receiving Trusted OPEB Plan benefits differ for Group I and Group II members. Eligibility for the medical subsidy payment is determined by the relevant RSA's, however, the medical subsidy plan is closed to new entrants. The State is a recipient of these medical subsidy payments on behalf of its former employees.

**Contributions:** Pursuant to RSA 100-A:16, III, and the biennial actuarial valuation, funding for the medical subsidy payment is via the employer contribution rates set forth by NHRS. Employer contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the NHRS actuary using the entry age normal funding method and are expressed as a percentage of gross payroll. The State contributed 0.58% of gross payroll for Group I members, 2.60% of gross payroll for Group II firefighter members, and 2.60% of gross payroll for Group II police officer members. Employees are not required to contribute to the Trusted OPEB Plan.

The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the medical subsidy plan. Employer contributions made by the State to NHRS for the medical subsidy component amounted to $6.9 million in fiscal year 2024 and $7.9 million in fiscal year 2023.

**OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2024, the State reported a liability of $62.2 million for its proportionate share of the net Trusted OPEB Plan liability. The net Trusted OPEB Plan liability was measured as of June 30, 2023, and the total Trusted OPEB Plan liability used to calculate the net Trusted OPEB Plan liability was determined by an actuarial valuation as of June 30, 2022 and rolled forward to June 30, 2023, utilizing procedures incorporating the actuarial assumptions. The State's proportion of the net Trusted OPEB Plan liability was based on the projection of the State's long-term share of contributions to the Trusted OPEB Plan relative to the projected contributions of all participating entities, actuarially determined. As of the measurement date, the State's proportionate share was 18.22 percent. For the year ended June 30, 2024, the State recognized OPEB expense of $2.0 million.

As of June 30, 2024, The State reported deferred outflows and inflows of resources on its government-wide financial statements related to OPEB in the primary government of $0.07 million (excluding $6.9 million in contributions subsequent to the measurement date) and $0.0 million, respectively, from the following sources.

| *(in thousands)* | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ 75 | |
| Contributions subsequent to the measurement date | 6,947 | |
| Total | $ 7,022 | |

Amounts reported as deferred outflows of resources related to the Trusted OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net Trusted OPEB Plan liability in the year ended June 30, 2024. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to Trusted OPEB Plan will be recognized in OPEB expense as follows:

| Year ended June 30, | Amount (in thousands) |
|---|---|
| 2024 | $(12) |
| 2025 | (95) |
| 2026 | 202 |
| 2027 | (20) |
| | $75 |

**Actuarial Assumptions:** The total Trusted OPEB Plan liability, measured as of June 30, 2023, was determined by a roll forward of the actuarial valuation as of June 30, 2022, for which the following actuarial assumptions were used:

| | |
|---|---|
| Inflation | 2.0% |
| Salary increases | 5.4% average, including inflation |
| Investment rate of return | 6.75%, net of OPEB plan investment expense, including inflation for determining solvency contributions |
| Healthcare cost trend rates | N/A - benefits are fixed cash stipends |

Mortality rates were based on the Pub-2010 Healthy Retiree mortality tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 - June 30, 2019.

**Long-Term Rates of Return:** The long-term expected rate of return on Trusted OPEB plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2023:

| | | 30 Year Geometric Return |
|---|---|---|
| **Asset Class** | **Target Allocation** | **2023** |
| Broad US Equity | 30.00 % | 5.40 % |
| Global Ex-US Equity | 20.00 % | 5.65 % |
| Total Public Equity | 50.00 % | |
| Real Estate Equity | 10.00 % | 4.00 % |
| Private Equity | 10.00 % | 6.65 % |
| Total Private Market Equity | 20.00 % | |
| Private Debt | 5.00 % | 5.05 % |
| Total Private Debt | 5.00 % | |
| Core US Fixed Income | 25.00 % | 2.15 % |
| Total fixed income | 25.00 % | |
| Inflation | | 2.50 % |
| Total | 100.00 % | |

**Discount Rate:** The discount rate used to measure the collective total Trusted OPEB Plan liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are determined based on the expected payroll of current members only. Employer contributions are determined based on actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the Trusted OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total Trusted OPEB Plan liability.

The following table illustrates the sensitivity of the State's proportionate share of the net Trusted OPEB Plan liability to changes in the discount rate. In particular, the table presents the State's proportionate share of the Trusted OPEB Plan liability measured at June 30, 2023 assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the single discount rate (in thousands):

| 1% Decrease to 5.75% | Current single rate assumption 6.75% | 1% Increase to 7.75% |
|---|---|---|
| $ 57,585 | $ 62,263 | $ 67,623 |

**General Information about the Non Trusted OPEB Plan**

**Plan Description:** RSA 21-I:30 specifies that the State provide certain health care benefits for retired employees and their spouses through a single employer (primary government with component units) defined benefit postemployment benefit plan, previously defined as the Non Trusted OPEB Plan. These benefits include group hospitalization, hospital medical care, surgical care and other medical care. Substantially all of the State's employees who were hired on or before June 30, 2003 and have 10 years of service, may become eligible for these benefits if they reach normal retirement age while working for the State and receive their pensions on a periodic basis rather than a lump sum. During fiscal year 2004, legislation was passed that requires State Group I employees hired on or after July 1, 2003 to have 20 years of state service in order to qualify for health benefits. During fiscal year 2011, legislation was passed that requires Group II employees to have 20 years of State service to qualify for retiree health benefits. Additionally, during fiscal year 2012, legislation was passed requiring Group I employees hired after July 1, 2011 to have 25 years of state service and increased the normal retirement age for Group I and Group II employees hired after July 1, 2011. These and similar benefits for active employees and retirees are authorized by RSA 21-I:30 and provided through the Employee and Retiree Benefit Risk Management Fund, previously defined as the Fund, a single-employer group health fund, which is the state's self-insurance internal service fund for active state employees and retirees. The Fund covers the cost of medical and prescription drug claims by charging actuarially developed working rates to State agencies for participating employees, retirees and eligible spouses. An additional major source of funding for retiree benefits is from the medical subsidy payment described earlier, which totaled approximately $7.7 million, $9.1 million and $9.7 million, respectively, for the fiscal years ended June 30, 2024, 2023, and 2022. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Employees covered by benefit terms:** As of December 31, 2022 the following employees were covered by the benefit terms:

| | |
|---|---|
| Retired members and beneficiaries currently receiving benefits | 12,357 |
| Retired employees entitled to but not yet receiving benefit payments | 381 |
| Active employees | 9,927 |
| | 22,665 |

**Total OPEB Liability**

The primary government's proportionate share of the total Non Trusted OPEB Plan liability of $1,035.4 million was measured as of June 30, 2023, and was determined by an actuarial valuation as of December 31, 2022, adjusted forward. The primary government's proportionate share of the total Non Trusted OPEB Plan liability is the ratio attributable to each fund/component unit based on each participant's calculated liability. As of the measurement date, the primary government's proportion was 96.24%, which was the same as of the previous measurement date.

**Changes in the total OPEB Liability:** The total OPEB liability at June 30, 2024 is $1,035.4 million of which the primary government's proportionate share is $996.5 million.

| (dollars in thousands) | Total OPEB Liability |
|---|---|
| **Balance at 6/30/23** | $ 1,613,064 |
| Changes for the year: | |
| Service cost | 54,781 |
| Interest | 58,421 |
| Differences between expected and actual experience | (57,427) |
| Changes in assumptions | (598,036) |
| Changes in benefit terms | |
| Benefit payments | (35,364) |
| Net changes | (577,625) |
| **Balance at 6/30/24** | $ 1,035,439 |

**Actuarial Assumptions and other inputs:** The total Non Trusted OPEB Plan liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Wage inflation | 2.75% |
| Salary increases | Group I employees: 14.75% decreasing over 12 years to an ultimate level of 3.25% Group II employees: 27.75% decreasing over 8 years to an ultimate level of 4.25% (Police) and 3.75% (Fire) |
| Discount rate | 3.65% as of June 30, 2023 |
| Healthcare cost trend rates | Medical: Non-Medicare: 7.50% decreasing by .25% each year to an ultimate level of 4.5% per year. Medicare:N/A through contract period, then 6.75% in 2026 decreasing by .25% per year to an ultimate level of 4.5% per year. |
| | Prescription Drug: Non-Medicare: 10.50% decreasing by 0.50% each year to an ultimate level of 4.5% per year. Medicare: N/A through contract period, then 6.75% in 2026 decreasing by .25% per year to an ultimate level of 4.5% per year. |
| | Contributions: Retiree contributions are expected to increase with a blended medical, prescription drug and administrative expense trend. |

The discount rate was based on the yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rate of AA/ Aa or higher as shown in the Bond Buyer 20-Bond General Obligation Index. This determination is in accordance with GASB Statement No 75.

Other changes in assumptions reflect 1) the discount rate was increased to 3.54%, 2) the trend assumptions were revised to reflect known changes in claims experience and future expectations 3) per capita health costs and administrative expenses were recalculated based on more recent data.

Mortality rates were based on the PubG-2010 Headcount-Weighted Employee/Healthy Retiree General Mortality Tables for Group I and the PubS-2010 Headcount-Weighted Employee/Healthy Retiree Safety Mortality Tables for Group II projected generationally for males and females with Scale MP-2019 and the PubNS-2010 Headcount-Weighted Non-Safety Disabled Retiree Mortality Table for Group I and the PubS-2010 Headcount- Weighted Safety Disabled Retiree Mortality Table for Group II projected generationally for males and females with Scale MP-2019. The assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study by New Hampshire Retirement System for the period July 1, 2015 through June 30, 2019.

*Sensitivity of the total Non Trusted OPEB Plan liability to changes in the discount rate:*

The following presents sensitivity of the total Non Trusted OPEB Plan liability to changes in the discount rate. In particular, the table presents the primary government's proportionate share of the Total Non Trusted OPEB Plan liability measured at June 30, 2023 if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (in thousand):

| 1% Decrease | Current Discount Rate | 1% Increase |
|---|---|---|
| $1,193,020 | $1,035,439 | $907,911 |

*Sensitivity of the total Non Trusted OPEB Plan liability to changes in the healthcare cost trend rates:*

The following presents sensitivity of the total Non Trusted OPEB Plan liability to changes in the healthcare cost trend rates. In particular, the table presents the primary government's proportionate share of the total Non Trusted OPEB Plan liability measured at June 30, 2023, if it were calculated using healthcare cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare trend cost rates (in thousands):

| 1% Decrease | Current Trend Rate | 1% Increase |
|---|---|---|
| $880,143 | $1,035,439 | $1,233,732 |

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the primary government recognized OPEB expense of $(86.2) million. As of June 30, 2024, the primary government reported deferred outflows and inflows of resources on its government-wide financial statements related to the Non Trusted OPEB Plan of $173.4 million (excluding $28.9 million in contributions subsequent to the measurement date) and $829.9 million, respectively, from the following sources:

| *(in thousands)* | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | | $ (65,404) |
| Changes in assumptions | 166,064 | (759,358) |
| Changes in employer proportion | 7,321 | (5,230) |
| Contributions subsequent to the measurement date | 28,862 | |
| Total | $ 202,247 | $ (829,992) |

Amounts reported as deferred outflows of resources related to the Non Trusted OPEB Plan resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total Non Trusted OPEB Plan liability in the year ended June 30, 2024. Remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to the Non Trusted OPEB Plan will be recognized in OPEB expense as follows:

| Year ended June 30, | Amount (in thousands) |
|---|---|
| 2025 | $ (117,951) |
| 2026 | (185,032) |
| 2027 | (227,473) |
| 2028 | (126,151) |
| | $ (656,607) |

**OPEB Allocations:** The Statewide amounts for the total Non Trusted OPEB Plan liability, deferred outflows or resources, deferred inflows of resources, and OPEB expense detailed above were allocated among governmental activities, business-type activities, and component units based on each reporting unit's share of the participants within the Non Trusted OPEB Plan. OPEB related amounts for each reporting unit are as follows (expressed in thousands):

| | Governmental Activities | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Business-type Activities | Primary Government |
|---|---|---|---|---|---|---|---|
| Proportionate share of Statewide amount | 91.61 % | 1.28 % | 2.38 % | 0.62 % | 0.35 % | 4.63 % | 96.24 % |
| Total OPEB liability | $ 948,486 | $ 13,278 | $ 24,605 | $ 6,466 | $ 3,650 | $ 47,999 | $ 996,485 |
| OPEB expense | (79,035) | (1,951) | (4,192) | (1,056) | 65 | (7,134) | (86,169) |
| Deferred outflows of resources representing contributions subsequent to the measurement date | 27,472 | 384 | 713 | 187 | 106 | 1,390 | 28,862 |
| Deferred outflows of resources representing changes in assumptions | 158,065 | 2,213 | 4,101 | 1,077 | 608 | 7,999 | 166,064 |
| Deferred inflows of resources representing changes in assumptions | (722,782) | (10,118) | (18,750) | (4,927) | (2,781) | (36,576) | (759,358) |
| Deferred inflows of resources representing the differences between expected and actual experience | (62,254) | (871) | (1,615) | (424) | (240) | (3,150) | (65,404) |
| Deferred outflows of resources representing change in proportion within the entity | 6,491 | 146 | | 97 | 587 | 830 | 7,321 |
| Deferred inflows of resources representing change in proportion within the entity | (245) | (553) | (3,791) | (539) | (102) | (4,985) | (5,230) |
| *Amortization of deferred amounts:* | | | | | | | |
| 2025 | (110,226) | (1,687) | (4,767) | (1,140) | (131) | (7,725) | (117,951) |
| 2026 | (174,761) | (2,711) | (5,626) | (1,281) | (653) | (10,271) | (185,032) |
| 2027 | (215,996) | (3,066) | (6,155) | (1,501) | (755) | (11,477) | (227,473) |
| 2028 | (119,742) | (1,719) | (3,507) | (794) | (389) | (6,409) | (126,151) |
| Total | (620,725) | (9,183) | (20,055) | (4,716) | (1,928) | (35,882) | (656,607) |
| *Sensitivity analysis:* | | | | | | | |
| Total OPEB liability at -1% discount rate | 1,092,834 | 15,298 | 28,350 | 7,450 | 4,205 | 55,303 | 1,148,137 |
| Total OPEB liability at +1% discount rate | 831,668 | 11,642 | 21,575 | 5,669 | 3,200 | 42,086 | 873,754 |
| Total OPEB liability at - 1% healthcare cost trend rates | 806,232 | 11,286 | 20,915 | 5,496 | 3,102 | 40,799 | 847,031 |
| Total OPEB liability at + 1% healthcare cost trend rates | $ 1,130,127 | $ 15,820 | $ 29,317 | $ 7,704 | $ 4,349 | $ 57,190 | $1,187,317 |

| | Pease Development Authority | Community Development Finance Authority | Community College System of New Hampshire | Component Units | Total Government |
|---|---|---|---|---|---|
| Proportionate share of Statewide amount | 0.37 % | 0.02 % | 3.37 % | 3.76 % | 100.00 % |
| Total OPEB liability | $ 3,822 | $ 233 | $ 34,899 | $ 38,954 | $ 1,035,439 |
| OPEB expense | (275) | 2 | (4,898) | (5,171) | (91,340) |
| Deferred outflows of resources representing contributions subsequent to the measurement date | 111 | 7 | 1,011 | 1,129 | 29,991 |
| Deferred outflows of resources representing changes in assumptions | 637 | 39 | 5,816 | 6,492 | 172,556 |
| Deferred inflows of resources representing changes in assumptions | (2,913) | (178) | (26,594) | (29,685) | (789,043) |
| Deferred inflows of resources representing the differences between expected and actual experience | (251) | (15) | (2,291) | (2,557) | (67,961) |
| Deferred outflows of resources representing change in proportion within the entity | 562 | 112 | — | 674 | 7,995 |
| Deferred inflows of resources representing change in proportion within the entity | (5) | (8) | (2,751) | (2,764) | (7,994) |
| *Amortization of deferred amounts:* | | | | | |
| 2025 | (179) | (4) | (5,524) | (5,707) | (123,658) |
| 2026 | (620) | (18) | (7,591) | (8,229) | (193,261) |
| 2027 | (777) | (25) | (8,164) | (8,966) | (236,439) |
| 2028 | (394) | (3) | (4,541) | (4,938) | (131,089) |
| Total | (1,970) | (50) | (25,820) | (27,840) | (684,447) |
| *Sensitivity analysis:* | | | | | |
| Total OPEB liability at -1% discount rate | 4,404 | 269 | 40,210 | 44,883 | 1,193,020 |
| Total OPEB liability at +1% discount rate | 3,352 | 204 | 30,601 | 34,157 | 907,911 |
| Total OPEB liability at - 1% healthcare cost trend rates | 3,249 | 198 | 29,665 | 33,112 | 880,143 |
| Total OPEB liability at + 1% healthcare cost trend rates | 4,555 | 278 | 41,582 | 46,415 | 1,233,732 |

**Summary of Employee Benefit Plans:**

| (Expressed in Thousands) | Governmental Activities | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Business-type Activities | University of New Hampshire | Non-Major Component Units | Component Units |
|---|---|---|---|---|---|---|---|---|---|
| **Pension** | | | | | | | | | |
| New Hampshire Retirement System | $ 1,008,937 | $ 10,271 | $ 25,982 | $ 4,787 | $ 6,846 | $ 47,886 | | $ 62,008 | $ 62,008 |
| New Hampshire Judicial Retirement Plan | 31,518 | | | | | | | | |
| Net Pension Liability | $ 1,040,455 | $ 10,271 | $ 25,982 | $ 4,787 | $ 6,846 | $ 47,886 | $ | $ 62,008 | $ 62,008 |
| **OPEB** | | | | | | | | | |
| Trusted OPEB Plan | $ 62,263 | | | | | | | $ 2,950 | $ 2,950 |
| Non Trusted OPEB Plan | 948,486 | 13,278 | 24,605 | 6,466 | 3,650 | 47,999 | | 38,954 | 38,954 |
| Other * | | | | | | | 57,707 | | 57,707 |
| Post Employment Benefits Payable | $ 1,010,749 | $ 13,278 | $ 24,605 | $ 6,466 | $ 3,650 | $ 47,999 | $ 57,707 | $ 41,904 | $ 99,611 |

* Does not include short term portion of OPEB classified as other current liabilities on the Statement of Net Position

**Summary of Employee Benefit Plans Expense:**

| (Expressed in Thousands) | Governmental Activities | Turnpike System | Liquor Commission | Lottery Commission | State Revolving Fund | Business-type Activities | Primary Government |
|---|---|---|---|---|---|---|---|
| **Pension Expense** | | | | | | | |
| New Hampshire Retirement System | 131,009 | 875 | 3,089 | 668 | 902 | 5,534 | 136,543 |
| New Hampshire Judicial Retirement Plan | 7,489 | | | | | | 7,489 |
| Pension Expense | 138,498 | 875 | 3,089 | 668 | 902 | 5,534 | 144,032 |
| **OPEB Expense** | | | | | | | |
| Trusted OPEB Plan | (4,197) | | | | | | (4,197) |
| Non Trusted OPEB Plan | (79,035) | (1,951) | (4,192) | (1,056) | 65 | (7,134) | (86,169) |
| Post Employment Benefits Expense | (83,232) | (1,951) | (4,192) | (1,056) | 65 | (7,134) | (90,366) |

| (Expressed in Thousands) | University of New Hampshire | Non-Major Component Units | Component Units |
|---|---|---|---|
| **Pension Expense** | | | |
| New Hampshire Retirement System | | 712 | 712 |
| Pension Expense | | 712 | 712 |
| **OPEB Expense** | | | |
| Trusted OPEB Plan | | 120 | 120 |
| Non Trusted OPEB Plan | | (5,171) | (5,171) |
| Other | 2,971 | | 2,971 |
| Post Employment Benefits Expense | 2,971 | (5,051) | (2,080) |

## 12.CONTINGENT AND LIMITED LIABILITIES

### PRIMARY GOVERNMENT

**Nonexchange Financial Guarantees:** The State of New Hampshire extends nonexchange financial guarantees to municipalities, political subdivisions, and certain Authorities indefinitely within certain statutory limits. Guarantees may include, but not be limited to, bonds sold by municipalities and school districts, first mortgages on industrial and recreational property, as well as airport and development projects. Arrangements for the State to recover payments is described in the enabling statutes or in agreements authorized by the Governor and Executive Council. Based on the review of qualitative factors and available historical data relative to the financial position of guaranteed entities, the State determined that it is less than likely the State would have to make payments related to the nonexchange guarantees extended. The following table includes the composition of the State's $121.8 million of financial guarantees outstanding and statutory limits as of June 30, 2024 (expressed in thousands):

| | RSA | Guarantee Limit | Remaining Capacity | June 30, 2024 Principal | Interest | Total |
|---|---|---|---|---|---|---|
| *Municipalities and Political Subdivisions* | | | | | | |
| Water Pollution Bonds | 485-A:7 | $ 50,000 | $50,000 | | | |
| School Construction Bonds | 195-C:2 | 95,000 | 87,900 | 6,548 | 529 | 7,077 |
| Solid Waste Bonds | 149-M:31 | 10,000 | 10,000 | | | |
| Super Fund Site Cleanup Bonds | 33:3-f | 20,000 | * 20,000 | | | |
| *Related Organizations* | | | | | | |
| Business Finance Authority (BFA) - Unified Contingent Credit Limit | 162-A:22 | 200,000 | * 85,300 | 114,393 | 301 | 114,694 |
| Business Finance Authority (BFA) - Additional State Guarantee | Laws of 2019 CH 346 | 30,000 | 30,000 | | | |
| Pease Development Authority - Guarantees for Loans | 12-G:31 | 70,000 | 13,900 | | | |
| Housing Finance Authority - Child Care Loans | 204-C:79 | 300 | 300 | | | |
| Totals | | $ 475,300 | $ 297,400 | $120,941 | $ 830 | $121,771 |

* Plus Interest

## 13. LEASES AND SUBSCRIPTIONS

As discussed in Note 1N, the State is a lessee for various non-cancellable leases of buildings, equipment, and vehicles.
A summary of lease asset and subscription IT asset activity during the year ended June 30, 2024 is as follows (expressed in thousands):

| Governmental Activities | Beginning Balance | Increases | Remeasurements | Decreases | Ending Balance |
|---|---|---|---|---|---|
| Lease Assets: | | | | | |
| Buildings | $ 88,153 | $ 10,577 | | $ (8,585) | $ 90,145 |
| Subscription IT Assets | 42,907 | 5,628 | | | 48,535 |
| Total | 131,060 | 16,205 | | (8,585) | 138,680 |
| Less accumulated amortization for: | | | | | |
| Lease Assets: | | | | | |
| Buildings | (26,252) | (13,976) | | 8,585 | (31,643) |
| Subscription IT Assets | (13,536) | (15,038) | | | (28,574) |
| Total accumulated amortization | (39,788) | (29,014) | | 8,585 | (60,217) |
| Total Governmental | 91,272 | (12,809) | | | 78,463 |
| **Business-Type Activities** | | | | | |
| ***Liquor Commission*** | | | | | |
| Lease Assets: | | | | | |
| Buildings | 92,642 | 1,051 | | | 93,693 |
| Subscription IT Assets | 1,228 | | | | 1,228 |
| Total | 93,870 | 1,051 | | | 94,921 |
| Less accumulated amortization for: | | | | | |
| Lease Assets: | | | | | |
| Buildings | (41,422) | (6,651) | | | (48,073) |
| Subscription IT Assets | (546) | (409) | | | (955) |
| Total accumulated amortization | (41,968) | (7,060) | | | (49,028) |
| Total | 51,902 | (6,009) | | | 45,893 |
| ***Lottery Commission*** | | | | | |
| Lease Assets: | | | | | |
| Buildings | 236 | | | | 236 |
| Total | 236 | | | | 236 |
| Less accumulated amortization for: | | | | | |
| Lease Assets: | | | | | |
| Buildings | (94) | (47) | | | (141) |
| Total accumulated amortization | (94) | (47) | | | (141) |
| Total | 142 | (47) | | | 95 |
| Total Business-Type | 52,044 | $ (6,056) | | | $ 45,988 |

Amortization expense for lease assets used in governmental and business-type activities during the year ended June 30, 2024 was charged to functions as follows:

| | Governmental Activities | | Business-Type Activities | |
|---|---|---|---|---|
| | Lease Assets | Subscription Assets | Lease Assets | Subscription Assets |
| General Government | 4,390 | 2,088 | | |
| Administration of Justice and Public Protection | 2,262 | 3,460 | 6,651 | 409 |
| Resource Protection and Development | 864 | 641 | | |
| Transportation | | 557 | | |
| Health and Social Services | 6,132 | 7,452 | | |
| Education | 328 | 840 | 47 | |
| Total Amortization Expense | 13,976 | 15,038 | 6,698 | 409 |

**Lease and SBITA Liabilities**

A summary of the changes in the related lease and SBITA liabilities during the year ended June 30, 2024 is as follows (expressed in thousands):

| | Beginning Balance | Increases | Remeasurements | Decreases | Ending Balance |
|---|---|---|---|---|---|
| **Governmental Activities** | | | | | |
| Lease Liabilities | $ 63,202 | $ 10,577 | | $ (12,692) | $ 61,087 |
| Subscription IT Liabilities | 30,406 | 5,628 | | (15,166) | 20,868 |
| Total Governmental Activities | $ 93,608 | $ 16,205 | | $ (27,858) | $ 81,955 |
| **Business-Type Activities** | | | | | |
| Lease Liabilities | $ 57,080 | $ 1,051 | | $ (6,795) | $ 51,336 |
| Subscription IT Liabilities | 427 | | | (427) | |
| Total Business-Type Activities | $ 57,507 | $ 1,051 | | $ (7,222) | $ 51,336 |

Future annual lease payments are as follows (expressed in thousands):

| Payable June 30, | Governmental Activities | | Business-Type Activities | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| 2025 | 12,733 | 1,100 | 6,682 | 1,928 |
| 2026 | 11,049 | 879 | 5,485 | 1,638 |
| 2027 | 8,729 | 678 | 4,113 | 1,450 |
| 2028 | 6,995 | 513 | 3,760 | 1,288 |
| 2029 | 4,020 | 378 | 3,387 | 1,146 |
| 2030-2034 | 9,478 | 945 | 13,704 | 3,979 |
| 2035-2039 | 1,783 | 438 | 10,072 | 1,702 |
| 2040-2044 | 2,076 | 310 | 3,725 | 304 |
| 2045-2049 | 2,467 | 184 | 408 | 13 |
| 2050-2054 | 1,757 | 40 | | |
| Total | 61,087 | 5,465 | 51,336 | 13,448 |

Future projected minimum lease revenue and interest from noncancellable agreements are as follows (expressed in thousands):

| Receivable June 30, | Governmental Activities | | Business-Type Activities | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| 2025 | 746 | 120 | 112 | |
| 2026 | 544 | 109 | 115 | |
| 2027 | 562 | 98 | 119 | |
| 2028 | 392 | 87 | 122 | |
| 2029 | 359 | 82 | 126 | |
| 2030-2034 | 1,915 | 335 | 1,044 | |
| 2035-2039 | 1,744 | 203 | 2,744 | |
| 2040-2044 | 1,461 | 110 | 3,187 | |
| 2045-2049 | 1,077 | 29 | 3,702 | |
| 2050-2053 | | | 3,389 | |
| Total | 8,800 | 1,173 | 14,660 | |

Future annual subscription IT payments are as follows (expressed in thousands):

| Payable June 30, | Governmental Activities | | Business-Type Activities | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| 2025 | 13,636 | 700 | | |
| 2026 | 4,722 | 230 | | |
| 2027 | 1,678 | 79 | | |
| 2028 | 595 | 27 | | |
| 2029 | 237 | 10 | | |
| Total | 20,868 | 1,046 | | |

## 14. TAX ABATEMENTS

For financial reporting purposes, a tax abatement is defined as an agreement between the government and an individual or entity through which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to the economic development or otherwise benefit the government or its citizens. The State has conducted an analysis of tax abatement programs that meet the definition for disclosure, which are described below.

As a result of the statutory deadline of December 15th for the current fiscal year tax credit reporting, the state has elected to disclose tax credit amounts and number of applicable taxpayers for the previous fiscal year. Fiscal year 2024 credits reported for the existing programs and any newly established tax credit programs are not expected to have a material impact on the state's financial position.

**Economic Revitalization Zone Tax Credit (ERZTC) (RSA 162-N:7)**

*Description:* The authority to enter into Community Reinvestment and Opportunity (CROP) Zone Credit Agreements became effective July 1, 2003. The CROP Zone tax credit was replaced with the ERZTC and shall be available to taxpayers only for tax liabilities arising during the five consecutive tax periods following the signing of the agreement. ERZTC shall be applied against tax due under RSA 77-A, the Business Profits Tax (BPT). Any unused portion may be applied against tax due under RSA 77-E, the Business Enterprise Tax (BET). For the purpose of the credit allowed under RSA 77-A:5, XII, the BPT, the ERZTC shall be considered taxes paid under RSA 77-E. ERZTCs shall not be transferable. This tax credit has carryforward provisions.

The ERZTC is a "cascading" tax credit that may be used to reduce a BET liability and, as considered "taxes paid" under RSA 77-E, may then be used to reduce a BPT liability. The amount disclosed below is total the reduction in revenue to the State whether applied against BPT, BET, or both tax liabilities. There were no other commitments made by the State other than the agreement to credit taxes.

*Agreement:* An agreement between the State and the taxpayer determines the amount of credit awarded and includes provisions such as quality and quantity of full-time jobs to be created, duration of the taxpayer's commitments with respect to the economic revitalization zone, the amount of the taxpayer's investment in the project, and a precise definition of the location of the facility eligible for the credit. There are no provisions to recapture previous credits.

*Methodology:* Credit used is the amount actually reported by 45 taxpayers and used to offset a tax liability on the New Hampshire BPT return, BET return, or both.

*Tax returns filed in fiscal year 2023:* The tax credit used against BPT, BET, or both totaled $538,000. The maximum aggregate credit amount allowable for all taxpayers was $825,000.

**Education Tax Credit (RSA 77-G)**

*Description:* Chapter 287, Laws of 2012 (SB 372) enacted a law that allows a business organization and business enterprise to make a money donation (up to $600,000 ) to an approved scholarship organization(s) for which the business organization or business enterprise will receive a tax credit against the BPT and/or BET for 85% of their donation. The donations are used by an approved scholarship organization(s) to grant scholarships for children to attend private schools. The Education Tax Credit Program began January 1, 2013 and is capped at $5,100,000 in awarded credits.. The program was extended to the I&D Tax and a five year carryforward provision was added only for the BPT and BET, effective July 1, 2018.

This tax credit is not a "cascading" credit.. The tax credit may only be used to offset tax liabilities incurred in the tax year in which the donation was made.

The amount disclosed below is the total reduction in revenue to the State whether applied against BPT, BET, and/or I&D returns.

*Agreement:* For each contribution made to a scholarship organization, a business organization or business enterprise may claim the credit on their return per the allowable amount calculated by the Department of Revenue Administration. There are no provisions to recapture previous credits.

*Methodology:* Credit used is the amount actually reported by 118 taxpayers and used to offset a tax liability on the New Hampshire BET, BPT, and I&D returns.

*Tax returns filed in fiscal year 2023:* The tax credit used against BPT, BET and I&D totaled $2,256,000. The maximum aggregate credit amount allowable for all taxpayers was $6,000,000.

## 15. LITIGATION AND OTHER MATTERS

The State, its agencies, officials and employees are defendants in numerous lawsuits. Although the State is unable to predict the ultimate outcomes of these suits, based on the information provided by the Attorney General's Office, it does not appear that such litigation resulting, either individually or in the aggregate, in final judgments against the State, would materially affect its financial position. Immaterial provisions, if appropriate, for such ultimate liability has been made in the financial statements. Notable cases that could potentially result in a material transaction are described herein.

***Department of Health and Human Services (DHHS)***

State of New Hampshire Department of Health and Human Services', Division for Children, Youth and Families (DCYF) is currently defending several lawsuits alleging physical and/or sexual abuse of children either directly or indirectly under the supervision of DCYF or reported to and investigated by DCYF.

In *C.M. (C.M. p/n/f of M.M. & J.M. v. DCYF, et al.*, 217-2019-CV-677) DCYF moved to dismiss the complaint in March 2021. The Superior Court denied the motion to dismiss on August 27, 2021 and on October 27, 2021, DCYF filed an answer to the complaint. On December 3, 2021, DCYF filed a petition for original jurisdiction with the Supreme Court of New Hampshire, seeking appellate review of the Superior Court's order denying DCYF's motion to dismiss. The Supreme Court accepted the petition. Following briefing and argument, the Supreme Court issued a published opinion holding that it would violate the equal protection provisions in the State Constitution if minor tolling was not incorporated into RSA chapter 541-B. The Supreme Court denied DCYF's motion for reconsideration. The matter was remanded and restructured and the parties engaged in early mediation in November 2023, which was not successful. Following significant discovery, the parties settled the case in June 2024. Payment was made for $4.5 million, which is reflected in these financial statements.

In *C.W.* (*C.W. v. DCYF*, 217-2019-CV-680) the Court denied the defendants' motion to dismiss in April 2022. The defendants filed a motion for reconsideration, which the Court also denied. The defendants have filed an answer, and in June 2024 the parties agreed to settle the case for a payment of $525 thousand, which is included in these financial statements.

In *R.K & Z.K.. v. DCYF*, which are consolidated matters brought by sibling plaintiffs, the plaintiffs allege that they were abused by their adoptive mother and her boyfriend between June 2008 and October 2016. The plaintiffs allege that DCYF received reports of alleged abuse or neglect of the plaintiffs. The plaintiffs assert claims of negligence and negligent supervision and training against DCYF, based on factual allegations that DCYF failed to provide a safe atmosphere for the plaintiff and failed to appropriately respond to continuing reports of abuse or neglect. DCYF has answered and fact discovery is complete, with mediation scheduled for March 2025. It is not possible to predict the outcome of this case at this time.

*Estate of M.K., et al. v. DCYF*, involves threatened claims in relation to an infant who died in January 2022. The complaint was filed in November 2023. The State accepted service on behalf of the defendants. On January 16, 2024, the plaintiff filed an amended complaint. The defendants filed a partial motion to dismiss on February 7, 2024. The superior court granted the motion in part and denied it in part. The superior court dismissed all of the plaintiffs constitutional claims but allowed the plaintiff to proceed on breach of contract, fiduciary duty, and negligence claims. The case has been structured and discovery is ongoing, with trial scheduled for October 2025. It is not possible to predict the outcome of this case at this time.

In *Danielle Vaughan, individually and as Administratrix of the Estate of Dennis Vaughan, Jr., and a/p/n/f of S.V., M.V., I.V., and E.V. v State of New Hampshire Department of Health and Human Services, et al.*, No. 217-2022-CV-01120, which was filed on December 9, 2022, the plaintiff brought claims in relation to the death of Dennis Vaughan, Jr. in 2019. After significant discovery, the parties settled the case during mediation for a total payment of $5.75 million, which is reflected in these financial statements.

In *Olivia Atkocaitis v. N.H. Department of Health and Human Services, et al.*, No. 217-2023-CV-00052, which was filed on January 30, 2023, the plaintiff alleges that she was enslaved by her adoptive parents, and that DCYF and DHHS contributed to this harm by allowing the adoption to occur and not intervening to protect her. The plaintiff also brings claims against School Administrative Unit 19, the Town of New Boston, the New Boston Police Department, Wide Horizons for Children, Inc., and several purported agents of these entities. The State has accepted service on behalf of most of the state defendants and moved to dismiss the complaint in substantial part. A hearing on the motion occurred in October 2023. On January 8, 2024, the superior court granted the state defendants' motion in all material respects, limiting the plaintiffs claims against the state defendants to a single claim of negligence. The plaintiff moved for reconsideration of that decision, which the court denied. The plaintiff filed an amended complaint on January 26, 2024, which the state defendants again move to dismiss in part. The superior court granted the motion to dismiss in part and denied it in part, allowing claims of negligence to go forward related to 2011 and 2017 contacts between DCYF and the plaintiffs' family. On November 1, 2024, the plaintiff and state defendants settled the case during mediation for $800 thousand, which is reflected in these financial statements.

*Timothy Lewis v. Danielle Dauphinais, et al.* The plaintiff filed the lawsuit on May 15, 2024, alleging state and federal common law and constitutional claims related to the death of Elijah Lewis. After DCYF filed a partial motion to dismiss, the plaintiff amended the complaint. The superior court granted DCYF's motion to dismiss in part, limiting the case to claims of negligence. DCYF and the plaintiff reached settlement during mediation on December 3, 2024. The total settlement amount is $2.25 million, with 70% of the after-fees amount being placed in trust for Elijah Lewis's surviving biological siblings and 30% of the after-fees amount going to Elijah's father. The settlement payment is reflected in these financial statements.

*Crystal Sorey v. Department of Health and Human Services, et al.* This lawsuit was filed on September 13, 2024, related to the death of Harmony Montgomery. DHHS has moved to dismiss the complaint in part. Early mediation was held on March 4, 2025. The case did not settle at mediation,but negotiations remain ongoing. It is not possible to predict the outcome of this case at this time.

***Youth Development Center Child Abuse Litigation.***

The Youth Development Center (YDC) was New Hampshire's juvenile detention facility, and housed both pre-trial detained and delinquent-committed youth. In various locations, at current and now decommissioned and/or demolished physical facilities, and under different names or entities, these types of facilities have existed in New Hampshire for decades. An active criminal investigation is ongoing into allegations of child abuse which may have occurred at these facilities in past years, and a number of individuals have now been criminally charged. There is also a growing block of civil liability claims related to these allegations, for which liability, in the aggregate, will likely exceed $2 million. These cases have been consolidated by the superior court and the parties have agreed to structure them so that legal issues common to all claims are resolved at the outset. In August 2023, the Superior Court granted in part and denied in part two omnibus motions to dismiss filed by the State Defendants. The court dismissed a number of the plaintiffs' claims, but allowed them to proceed on negligence claims, pending further dispositive motions involving the limitations period and the discovery rule. Trial in the lead case, brought by David Meehan, was scheduled for April 2024.

In January 2024, the State Defendants moved for summary judgment, which the court summarily denied. The State Defendants filed a motion to reconsider that decision, which the court denied. On February 1, 2024, the State Defendants moved to extend the close of discovery and continue trial to June 2024. The court granted that motion with respect to discovery but declined to continue trial. The parties engaged in mediation in February 2024, which was not successful. Trial in Mr. Meehan's case commenced on April 8, 2024, and lasted roughly four weeks. At the close of trial, the jury rendered a verdict finding the State Defendants liable for the plaintiffs harm. The jury declined to apportion any fault to any of the intentional tortfeasors. The jury awarded the plaintiff $20 million in compensatory damages and $18 million in enhanced compensatory damages, for a total award of $38 million. The jury also found that a single "incident" had occurred, which by operation of RSA 541-B:14, IV caps the plaintiffs damages at $475 thousand. There has been extensive post-verdict briefing related to the jury's verdict. On December 10, 2024, the superior court granted the plaintiff's request for a new *de novo* trial, granted the plaintiff's request to file an interlocutory appeal, and stayed all trial court proceedings. The State Defendants moved to reconsider the trial court's rulings, which the superior court denied. The State Defendants separately filed a petition for original jurisdiction in the Supreme Court, seeking review of the Superior Court's decision to grant a new *de novo* trial. On March 7, 2025, the Supreme Court accepted the plaintiff's interlocutory appeal and the State Defendants' petition for original jurisdiction. It is not possible to predict how the NH Supreme Court will resolve the interlocutory appeal and petition for original jurisdiction or the outcome of any *de novo* trial at this time.

The Superior Court granted the plaintiffs leave to take an interlocutory appeal of one of its rulings in its order on the omnibus motions to dismiss related to whether RSA 508:4-g applies to claims against the State. The interlocutory appeal is pending in NH Supreme Court. Oral argument was held on January 16, 2025. It is not possible to predict the outcome of this appeal.

Additional trials were scheduled for May, August, and September of 2025 and January and March of 2026. The Gilpatrick case was scheduled to go to trial in May 2025, however, the State has agreed to settle this suit in an amount in excess of the Attorney General's settlement authority conditioned on the approval of the legislature pursuant to RSA 14:35-b. If the settlement is not approved, the case will be tried in August 2025. The Maunsell case is scheduled to go to trial in May 2025, with mediation scheduled for March 19, 2025. It is not possible to predict the outcome of the remaining consolidated cases at this time.

*"Contractor" Cases.* In addition to the consolidated cases identified above, there are also several hundred actions pending in Merrimack County Superior Court brought by plaintiffs who allege they were abused at private facilities that contracted with the State to provide services to minors. The plaintiffs in these cases bring claims against each facility-colloquially known as a "contractor" defendant-and DHHS. Discovery is ongoing in these cases, and trials are scheduled for February, June, and October 2026. It is not possible to predict the outcome of these cases at this time.

*Youth Development Center Claims Fund.* In May 2022, the Legislature enacted legislation (HB 1677) that establishes a new, separate $100 million settlement fund and claims administration process, which will proceed parallel to the civil litigation. In September 2022, the Joint Legislative Fiscal Committee approved a claims administration process proposed by the NH Attorney General's Office. Former Chief Justice John Broderick was selected to serve as claims administrator. The claims administration process commenced in January 2023. As of March 11, 2025, over 1,013 claims had been filed with the administrator and over 280 claims had been resolved.

During the 2023-2024 legislative session, a bill was filed, SB 591, that makes proposed changes to the claims fund. SB 591 passed both chambers of the legislature and was signed into law. It expands the scope of compensable claims, subject to statutory caps on individual claims, and gives the claims administrator the authority to order payment of any awarded claims over a period of years. The law provides that the proposed total aggregate yearly cap on the payout of all claims is not to exceed $75 million, and includes a filing deadline of June 30, 2025. It is not possible to predict the full extent to which plaintiffs who have filed lawsuits will instead pursue the claims administration process or how any claims that are filed will be resolved.

***B.D. (formerly G.K)., by their next friend, Christine Wellington, et al. v. Sununu, et al.***

On January 5, 2021, four minor children in the state foster care system with mental disabilities brought an action in the United States District Court for the District of New Hampshire on behalf of themselves and all others similarly situated challenging the State's foster care system as unconstitutional and in violation of the Adoption Assistance and Child Welfare Act of 1980, Title II of the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973. The defendants moved to dismiss the action. Following a hearing on the motion to dismiss, the court dismissed a count from the complaint contending that all class members should receive court-appointed counsel in certain DCYF proceedings. Discovery is ongoing and has been and continues to be extensive and voluminous. Class certification briefing is now complete and the court held a class certification hearing in November 2023. The parties agreed to pursue court-sponsored mediation, which proceeded for several weeks in front of a federal district judge but was not successful. Once litigation resumed, the parties submitted additional briefing in relation to class certification. In September 2024, the federal district court granted the plaintiff's motion for class certification. Discovery has been extensive and voluminous. Fact discovery is now closed and expert discovery closes on June 10, 2025. Motions for summary judgment are currently due in August 2025 and trial is scheduled for February 2026. At present, it is not possible to predict the outcome of this action.

***Fitzmorris (formerly Price), et al. v. Commissioner of the New Hampshire Department of Health and Human Services, et al.***

On January 11, 2021, four persons with disabilities enrolled in the New Hampshire Choices for Independence Medicaid Waiver ("CFI Waiver") sued the Commissioner of the New Hampshire Department of Health and Human Services and the agency itself on behalf of a purported class of similarly-situated persons, alleging a failure to provide them with community-based long-term care services available through the waiver program in violation of the Fourteenth Amendment of the United States Constitution, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, and the Medicaid Act. The plaintiffs claim the State has violated the integration mandate with the administration of the CFI Waiver. The plaintiffs seek declaratory and injunctive relief, as well as the recovery of reasonable attorneys' fees and costs. In March 2021, the plaintiffs filed a Suggestion of Death as to one of the four plaintiffs. The defendants moved to dismiss the action, which was recently denied in its entirety by the court. Discovery is ongoing and continues to be extensive and voluminous. On November 4, 2022, one of the plaintiffs filed a stipulation of dismissal. In April 2023, the court denied the plaintiffs' motion to certify the class without prejudice and directed additional briefing. The court granted the defendants' motion for summary judgment on the plaintiffs' due process claims. The parties filed supplemental briefing with respect to class certification, and the court held a hearing in June 2023. In November 2023, the court granted the plaintiffs' renewed motion for class certification. In December 2023, the defendants petitioned the First Circuit to allow an interlocutory appeal of that decision.The defendants asked the district court to stay discovery pending appeal, which the court denied without prejudice. The petition in the First Circuit was denied in late-February 2024. The parties agreed to stay this case to mediate it during the summer of 2024. The mediation lasted several weeks in front of a federal magistrate judge but was ultimately not successful. Discovery has resumed and continues to be extensive and voluminous. Fact discovery is scheduled to close March 14, 2025 and expert discovery is scheduled on April 15, 2025. Summary judgment motions are due in May 2025 and trial is scheduled for December 2025. It is not possible to predict the outcome of this case at this time.

***Verrill v. Commissioner Shibinette (Commissioner of the Dept of Health and Human Services)***

The plaintiff, a 20-year old woman with severe developmental disabilities who is in school, filed a lawsuit in superior court seeking a declaration that she is entitled to home and community-based services under RSA chapter 171-A. RSA 171-A:1-a states, in relevant part, that "[t]he department of health and human services and area agencies shall provide services to eligible persons under this chapter . . . in a timely manner. The department and area agencies shall provide services in such a manner that: (a) For persons in school and already eligible for services from the area agencies, funds shall be allocated to them 90 days prior to their graduating or exiting the school system or earlier so that any new or modified services needed are available and provided upon such school graduation or exit." The Commissioner's agency has interpreted this statute to apply only to persons who are still in school and within 90 days of graduating, not to persons who are just generally in school. The superior court disagreed and interpreted it to apply regardless of a person's enrollment in school. The parties thereafter briefed the remaining request for declaratory relief, the request for injunctive relief, and the request for attorney fees. The superior court granted the request for declaratory relief, which is coterminous with the previous declaration, and the request for attorney fees, but denied without prejudice the request for injunctive relief. The State appealed, and in November 2023 the NH Supreme Court issued an unpublished order dismissing the appeal as moot but upholding the award of fees. The case was remanded to the superior court and the parties settled the fee award for $53 thousand.

***John Doe, on behalf of himself and all others similarly situated v. Commissioner Lori Weaver, et al.***

This is a class action that has been pending in federal district court since 2018. The American Civil Liberties Union of New Hampshire represents a class of persons (the "class plaintiffs") who brought one federal claim and three state-law claims against the Commissioner alleged they were being denied or at risk of being denied probable cause hearings under RSA 135-C:31, I, within three days (excluding Sundays and holidays) of the completion of an involuntary emergency admission ("IEA") certificate. The federal district court certified this class in May 2020. The state-law claims were dismissed on Eleventh Amendment immunity grounds. The First Circuit affirmed the federal district court's decision that the class plaintiffs' federal claim was not barred by the Eleventh Amendment. In May 2021, the New Hampshire Supreme Court issued an opinion in *Doe v. Commissioner*, 174 N.H. 239 (2021), a separate state-court habeas corpus matter, in which it held as a matter of state law that a hearing under RSA 135-C:31, I, must occur within three days (excluding Sundays and holidays) of the completion of an IEA certificate. In December 2022, the Commissioner moved to dismiss the class plaintiffs' remaining federal claim as moot in light of DHHS' and the state circuit court system's efforts to conform the IEA process to the New Hampshire Supreme Court's decision. In response to that motion, the class plaintiffs moved to amend their complaint.

The court granted the class plaintiffs' motion to amend in part. In light of that amendment, the class plaintiffs now have a Fourteenth Amendment claim pending against the Commissioner of DHHS and the Administrative Judge of the New Hampshire Circuit Court related to telephonic probable cause hearings and the notice and access to counsel some IEA patients receive. The Commissioner and Administrative Judge have both moved to dismiss this claim. Briefing on those motions remains ongoing and a hearing is scheduled for November 6. The court has separately directed the class plaintiffs to move to alter or amend the class action in light of their new claims. Briefing on that issue also remains ongoing. It is not possible to predict the outcome of the class plaintiffs' claim at this time.

The New Hampshire Hospital Association and a number of hospitals (collectively "the hospitals") also intervened as plaintiffs in the matter. The hospitals alleged that the Commissioner was violating their rights under the Fourth, Fifth, and Fourteenth Amendments, and state law, by not immediately transporting patients from hospital emergency departments to state-regulated receiving facilities when an IEA certificate was completed. The hospitals' state claims were dismissed based on Eleventh Amendment immunity, but the federal district court allowed the federal claims to proceed, and the First Circuit affirmed that decision. The hospitals moved for summary judgment on their Fourth Amendment claim, which the Commissioner opposed.

On February 23, 2023, the federal district court granted the hospitals' motion for summary judgment in part. The court concluded that the hospitals were entitled to declaratory relief on their Fourth Amendment claim but directed the parties to either jointly or individually propose injunctive relief within 30 days of the date of the order. Following briefing and a hearing, the court issued an injunction in May 2023 requiring the Commissioner to bring the IEA system into compliance with the Fourth Amendment within 12 months. Subsequent to that ruling, the Commissioner and the hospitals entered into a settlement agreement whereby the hospitals dropped their remaining federal claims, their separate

state-court petition for writ of mandamus (see below), and their request for attorney fees and the Commissioner agreed to not appeal the federal court's declaration and injunction. At the expiration of the original 12-month timeframe, the federal court extended compliance with the injunction through the end of the 2024 calendar year. Upon the parties' agreement, the court subsequently extended the compliance deadline through March 30, 2025. Efforts remain underway to bring the system into compliance with the court's injunction and the parties are determining whether it is possible to agree to modify the injunction's terms. It is not possible to predict the results of those efforts at this time.

***Concord Hospital, Inc. v. Commissioner of the Department of Health and Human Services et al.***

On October 30, 2023, Concord Hospital filed a lawsuit in federal district court challenging the State's disproportionate share hospital ("DSH") redistributions for state fiscal years 2011 through 2017, claiming that the DSH distributions violate the Medicaid Act, the Administrative Procedures Act, and the Due Process Clause of the Fourteenth Amendment. Through the lawsuit, Concord Hospital seeks to prevent the State from recouping $8 million that Concord Hospital was overpaid in interim DSH payments and redistributing the money to other hospitals that were underpaid. Concord Hospital also filed a motion for a preliminary injunction seeking to enjoin the State from recouping the funds until the court has made a decision on the merits of the case. The State filed a motion to dismiss the case, in December 2023. The court held a two-day hearing on the plaintiffs motion for a preliminary injunction, which concluded on February 5, 2024. Both the state and federal defendants have separately moved to dismiss the lawsuit. On August 5, 2024, the federal district court granted the state defendants' motion to dismiss in part and denied it in part. The court also granted Concord Hospital's motion for a preliminary injunction. The case has yet to be structured. Early mediation before a federal magistrate judge was held on January 31, 2025 and was unsuccessful. It is not possible to predict the outcome of this case at this time.

***Secretary of State / State Legislature***

***New Hampshire Youth Movement v. David M Scanlan***

On September 17, 2024, the plaintiffs filed suit in federal court challenging the constitutionality of HB 1569, which changes voter registration requirements and requires all voters to provide documentary proof of identity when seeking to vote, without exception. HB 1569 took effect shortly after the November 5, 2024 State General Election. Although the plaintiffs do not seek monetary damages, the plaintiffs may be awarded attorney's fees under federal law if they prevail. Based on the claims presented, an attorney's fee award could exceed $2 million. The defendants have moved to dismiss, and that motion remains pending. On March 7, 2025, the federal district court indicated that it would not consolidate this matter with the *Coalition for Open Democracy* matter noted below, until the motions to dismiss in both cases are resolved. It is not possible to predict the outcome of this case at this time.

***Coalition for Open Democracy, et al. v. David M Scanlan***

On September 30, 2024, the plaintiffs filed suit in federal court challenging the constitutionality of HB 1569, which changes voter registration requirements and requires all voters to provide documentary proof of identity when seeking to vote, without exception. HB 1569 took effect shortly after the November 5, 2024 State General Election. Although the plaintiffs do not seek monetary damages, the plaintiffs may be awarded attorney's fees under federal law if they prevail. Based on the claims presented, an attorney's fee award could exceed $2 million. The defendants have moved to dismiss, and that motion remains pending. On March 7, 2025, the federal district court indicated that it would not consolidate this matter with the N*ew Hampshire Youth Movement* matter noted above, until the motions to dismiss in both cases are resolved. It is not possible to predict the outcome of this case at this time.

***City of Dover, et al. v. State of New Hampshire, et al.***

The plaintiffs in this case bring a constitutional challenge to the New Hampshire House of Representatives districts. The defendants moved to dismiss which the court denied. The parties engaged in discovery and cross-moved for summary judgment. On April 8, 2024, the court granted summary judgment in favor of the defendants. On May 7, 2024, the plaintiffs appealed to the New Hampshire Supreme Court. Oral argument was held on January 14, 2025. It is not possible to predict the outcome of this litigation at this time.

***603 Forward, et al. v. Scanlan, et al.*; *Espitia, et al. v. Scanlan, et al.***

The plaintiffs in these consolidated cases challenge SB 418, a recently enacted law governing voter registration procedures. The defendants have moved to dismiss both complaints on standing grounds. The Republican State Committee moved to intervene on the matter. The defendants moved to dismiss both complaints on standing grounds. On November 3, the court granted the defendants' motion to dismiss for lack of standing. The plaintiffs appealed to the New Hampshire Supreme Court. Briefing has concluded, and this matter was scheduled for oral argument on October 10, 2024. The Supreme Court has indicated that it will dismiss the case as being moot based on SB418 being repealed effective November 11, 2024.

***Other Departments***

***Avery v. Hanks (Commissioner of the Department of Corrections)***

On July 31, 2018, Edgar Avery, an inmate at the New Hampshire State Prison for Men, filed a breach of contract action alleging that the New Hampshire Department of Corrections is in breach of an extensive settlement agreement known as the Laaman Settlement Agreement. Mr. Avery sought specific performance of the settlement agreement based on many varied allegations. The agency moved to dismiss Mr. Avery's suit as barred by sovereign immunity, because the New Hampshire Supreme Court had interpreted RSA 491:8, the statute permitting suit against the State on contracts, to be limited to suits seeking monetary damages only. Suits seeking equitable relief were barred. The trial court dismissed the case on sovereign immunity and standing grounds. Mr. Avery appealed. While the case was pending on appeal, the legislature changed RSA 491:8 to permit persons to seek equitable relief on contracts with the State. The New Hampshire Supreme Court issued its opinion on November 20, 2020. In resolving the appeal, the New Hampshire Supreme Court held that RSA 491:8 now permits Mr. Avery to seek specific performance of the Laaman Settlement Agreement, and, if the New Hampshire Department of Corrections lacks funding sufficient to cover what is ultimately ordered,

the judgment must be presented to the legislature for payment under RSA 491:8. The New Hampshire Supreme Court also held that Mr. Avery has standing to maintain the lawsuit and reversed and remanded the case. On remand, the Commissioner has filed a renewed motion to dismiss which remains pending for resolution. Mr. Avery filed a motion for preliminary injunction which was withdrawn. A hearing on the renewed motion to dismiss was held on December 10, 2021. The Court invited N.H. Legal Assistance to file briefing. On January 4, 2023, the court denied the renewed motion to dismiss and gave the defendants 90 days to file an answer. After the defendants answered, the court scheduled a case structuring conference, despite the court's warning that the case would be dismissed if he failed to appear. One June 27, 2024, the court dismissed the case with prejudice for failure to prosecute. Mr. Avery did not timely appeal. The matter is now concluded.

***Jane Does v. Department of Corrections, et al.***

Nineteen current and former inmates at the New Hampshire State Prison for Men have filed separate lawsuits against the Department of Corrections and a Department of Corrections employee alleging physical and sexual abuse during their incarceration. All nineteen complaints have been filed in Merrimack County Superior Court. The Department of Corrections has moved to dismiss twelve of the lawsuits based on the statute of limitations. The parties have agreed to stay litigation on the other lawsuits while the motions to dismiss are pending. A hearing on the first motion to dismiss was held on March 11, 2025. It is possible that these cases individually or collectively could result in exposure exceeding the $2 million threshold. It is not possible to predict the outcome of any of these cases at this time.

***Contoocook Valley School District v. State et al.***

On March 13, 2019, several plaintiffs, including a school district and three individuals, sued the State claiming that it has failed to meet its obligations to fund an adequate education. The plaintiffs assert that certain costs like transportation costs, school nurse costs, food services costs, facilities costs, teacher benefits, and superintendent costs, must, as a matter of constitutional law, be funded by the State and are currently not funded by the State. The plaintiff requests approximately $17 million for the school district to be provided by April 1, 2019. On June 5, 2019, the trial court issued an order finding that RSA 198:40-a, II, the statutory mechanism the state uses to make adequate education payments to school districts is unconstitutional. The court did not, however, require the State to pay the plaintiffs any amount of money, and denied the plaintiffs' claims to that effect. Instead, the trial court required the legislature to fix the statute on a prospective basis. The State timely appealed the trial court's order. On March 23, 2021, the New Hampshire Supreme Court affirmed in part, reversed in part, and remanded the trial court's decision. It affirmed the trial court's dismissal of the Governor and the Commissioner of the Department of Education in their individual capacities and reversed the granting of plaintiffs' motion for summary judgment and awarding attorney's fees. It concluded that fact issues existed with respect to which the State was entitled to discovery. The case was remanded to the trial court, where it remains pending. The plaintiffs filed a third amended petition adding approximately 12 new school districts to the action. The defendants have answered the third amended petition, and discovery closed in November 2022. A trial was held in April-May 2023 and on November 20, 2023, the Court issued an order that (1) declared RSA 198:40-a, II(a) unconstitutional on its face; (2) granted the plaintiffs' request for injunctive relief "insofar as the Court has established a conservative minimum threshold of $7,356.01 which base aid funding must exceed"; (3) observed that "[a]t a minimum this is an increase of $537,550,970.95 in base adequacy aid" per year; and (4) awarded the plaintiffs reasonable attorney's fees. The defendants filed motions to reconsider and stay this decision, which the trial court denied. In doing so, the court directed that the State make payments in the identified merits order while the appeal is pending. The defendants filed a motion to stay the court's merit decision and order on reconsideration in the New Hampshire Supreme Court. On March 13, 2024, the New Hampshire Supreme Court stayed the trial court's merits order and order on reconsideration. The appeal is fully briefed and oral argument was held on December 10, 2024. It is not possible to predict the outcome of any appeal at this time.

***Rand v. State of New Hampshire***

In July 2022, several taxpayers filed a second school-funding lawsuit against the State of New Hampshire, alleging that the manner in which public education is costed and funded violates the State Constitution. The State has answered the complaint and the parties have structured the case. The plaintiffs seek declarations that various aspects of the State's school-funding apparatus are unconstitutional and corresponding injunctive relief. The plaintiffs contend that the Statewide Education Property Tax (the "SWEPT") violates Part II, Article 5 of the State Constitution because certain communities are permitted to retain any revenues generated by the SWEPT in excess of what those communities receive in adequacy payments from the State. The plaintiffs contend that this results in the SWEPT being levied at a non-uniform rate. They also ask the court to declare that the cost of a constitutionally adequate education is the state average per-pupil cost. Trial is scheduled for September 2023. In September 2022, the plaintiffs moved for a preliminary injunction with respect to the operation of the SWEPT. They initially sought to enjoin the collection of the SWEPT in its entirety, but ultimately modified their request to be limited to permitting communities to retain excess revenues generated by the SWEPT in the manner described above. In November 2022, the trial court denied the motion without weighing in on the merits of the plaintiffs' claim, concluding instead that the requested injunction was against the public interest and not supported by the balance of the equities. At the same time, the trial court allowed a coalition of former "donor towns" to intervene limited to the constitutionality of the SWEPT. The court held a hearing in June 2023 and trial was scheduled for September 2023, but has been stayed pending a verdict in the Contoocook Valley matter noted above. On November 20, 2023, the Court issued an order granting the plaintiffs' motion for summary judgment on their SWEPT claim. The State moved to stay this decision pending appeal. The court denied that motion. The coalition of former donor towns filed a notice of appeal and a motion to stay in the New Hampshire Supreme Court. The New Hampshire Supreme Court granted the motion to stay. The State also filed a timely notice of appeal. Briefing is ongoing with respect to the SWEPT claim and the matter has not yet been scheduled for oral argument.

In April 2024, the trial court denied the State's motion for summary judgment with respect to the adequacy claim, lifted the stay, and a two-week bench trial was held starting on September 30, 2024. Posttrial briefing was submitted in mid-November 2024 and the matter remains pending with the trial court. At this time, it is not possible to predict the ultimate outcome of this litigation.

***Local 8027, AFT-New Hampshire, et al. v. Edelblut, et al*; *Mejia, et al v. Edelblut, et al. (Department of Education)***

The plaintiffs in these consolidated cases challenge recently enacted antidiscrimination provisions on vagueness and overbreadth grounds. The defendants move to dismiss both complaints. An oral argument was held in mid-September 2022. In December 2022, the court granted the defendants' motion to dismiss in part with respect to the plaintiffs' First Amendment claim and denied it in full with respect to the plaintiffs' vagueness claim. Following discovery, the parties filed cross-motions for summary judgment. The federal district court granted the plaintiffs' motion for summary judgment, finding the provisions unconstitutionally vague. The defendants timely appealed to the First Circuit. Briefing is now complete and oral argument is scheduled for April 8, 2025. Though there is no claim for monetary damages in this case, the plaintiffs may be awarded attorney's fees if they prevail, which could exceed $2 million. It is not possible to predict the outcome of this litigation at this time.

***Tirrell, et al v. Edelblut, et al***

Two transgender girls bring challenges under the Fourteenth Amendment and Title IX to House Bill 1205. The plaintiffs moved for and obtained a preliminary injunction allowing them to participate in girls' sports while the lawsuit is pending. Though there is no claim for monetary damages in this case, the plaintiffs may be awarded attorney's fees if they prevail on the merits, which could exceed $2 million. It is not possible to predict the outcome of this litigation at this time.

***Conservation Law Foundation, Inc. v. New Hampshire Fish and Game Department, et al.***

On October 31, 2018, the Conservation Law Foundation ("CLF") filed its Complaint pursuant to Section 505 of the Federal Water Pollution Control Act ("Clean Water Act") alleging violations by the Powder Mill State Fish Hatchery of the hatchery's federal National Pollutant Discharge Elimination System ("NPDES") Permit. Specifically, the suit alleges the following violations: (1) discharging effluent that has resulted in state water quality standards violations in the receiving waters; (2) discharging effluent that has impaired the use of receiving waters; (3) discharging formaldehyde in concentrations exceeding the limits stated in the facility's NPDES permit; (4) discharging effluent causing violation of the pH limits stated in the facility's NPDES permit; (5) discharging cleaning water in violation of the NPDES permit; and (6) failing to implement and maintain a best management practices plan as required by the NPDES permit. CLF alleged that each separate violation of the Clean Water Act subjects NHFG to a penalty of up to $52 thousand. In addition to civil penalties, CLF sought declaratory relief and injunctive relief to prevent further violations of the Clean Water Act. CLF also seeks injunctive relief to remediate past effluent and seeks recovery of costs and fees associated with this matter. A final NPDES permit was issued by EPA on October 13, 2020, and the Court postponed trial to allow further briefing on the effect of the new permit on the remaining issues. The new permit imposed strict numeric phosphorus effluent limits on the Hatchery, which became effective on January 1, 2021. Following a series of motions, the Court allowed CLF to amend its Complaint to assert claims under the new permit, including the new numeric effluent limits. The Hatchery is currently unable to comply with the new phosphorus effluent limits without a drastic reduction in fish production or the construction of a wastewater treatment system. Funds for capital improvements at the Hatchery were included in the Governor's budget proposal for the 2022-2023 biennium, but a system to achieve full compliance could exceed available funds.

In April 2021, EPA engaged with the parties to negotiate a compliance schedule for the State to achieve compliance with the new phosphorus limits and to work toward a negotiated settlement of the case. EPA has indicated it may use its enforcement authority to compel remediation of downstream phosphorus contamination, though the appropriateness, scope and cost of such potential remediation remains uncertain. As part of a settlement, EPA seeks to have the State conduct a feasibility and alternatives study for remediation of phosphorus in the downstream waters. EPA has indicated it reserves its authority to bring a separate enforcement action to compel remediation of downstream phosphorus contamination, but no such remediation obligation is included in the settlement. CLF also reserves its right to seek an award of its attorneys' fees and costs, which were estimated at approximately $575 thousand, despite having prevailed on only one minor claim. A consent decree setting out the settlement terms was executed by CLF, the State, and the United States on May 26, 2022 and was entered by the Court in November 2022. The Court awarded CLF $355 thousand in fees and costs, which the State paid in the prior fiscal year. A modification to the Consent Decree to allow permit compliance through a significant reduction in fish production (as opposed to closure) was agreed to by the parties in November 2023 and approved by the Court in April 2024. This matter is now concluded.

***State v. Purdue Pharma; State v. Janssen/Johnson & Johnson; State v. McKesson Corp and Cardinal Health; State v. Mallinckrodt; State v. Richard S. Sackler, et al.*; *State v. McKinsey & Co.***

The State has filed suit against three opioid manufacturers (Purdue Pharma, Janssen, and Mallinckrodt), two opioid distributors (McKesson and Cardinal Health), four members of the Sackler family, owners of Purdue Pharma, and three major pharmacy chains (CVS, Walgreens and Rite Aid) alleging either unfair or deceptive business practices, nuisance or other common law counts. All cases were filed in Merrimack County Superior Court. The Purdue, Janssen and Distributors' cases survived motions to dismiss by the defendants. The Mallinckrodt defendants filed for bankruptcy protection on October 11, 2020. The bankruptcy plan went into effect in June 2022 with New Hampshire to receive $6.3 million over eight years (the first payment of $705,707.95 was received in fiscal year 2023). Purdue also filed for bankruptcy and in September 2021, the bankruptcy court confirmed a plan for reorganization of Purdue. New Hampshire and 8 other jurisdictions objected to the plan. The plan calls for the Sackler family to give up ownership of Purdue and to pay approximately $4.25 billion in exchange for full releases of all civil liability related to their operation of Purdue. The company would be transformed into a public benefit corporation with profits from continued sale of OxyContin and its other products being distributed to creditors for opioid abatement purposes. A number of jurisdictions, including the U.S. Trustee, CA, WA, CT, MD and DC have filed appeals of the confirmation order based, in part, on the nonconsensual third party releases to the Sackler family. New Hampshire would receive 0.6489060374% of the national amount allocation for abatement purposes over a 9-year period, totaling $46 million. The final bankruptcy plan has not yet been approved and, therefore, it is not possible to predict when those payments would commence.

The State reached a settlement agreement with Johnson & Johnson under which the State received $31 million, paid in one payment during fiscal year 2023, and as with all opioid settlement payments, deposited into a dedicated opioid abatement trust account. The State has joined the national multistate settlement with McKesson, Cardinal Health and Amerisource Bergen. That settlement is in the amount of $21 billion paid over 18 years. New Hampshire would receive 0.6258752503% of the national amount allocated for abatement purposes. In June, 2022, the State received

its first payment under that settlement of $4,960,767.71. A second and third payment, each for $5,213,525.02, was recorded as fiscal year 2023 revenue, also in a dedicated opioid abatement trust account. The State continues to participate in multistate settlement discussions, along with other attorneys general, aimed at a global resolution with other opioid related defendants (manufacturers and major pharmacy chains). The State entered into a multistate agreement with McKinsey & Co, a marketing firm, for its opioid promotional efforts on behalf of Purdue, Johnson & Johnson and other manufacturers and in March, 2021 received an initial payment of $2,762,394.57. The second and third payments were received in May 2022, each for $142,592.45, with subsequent annual payments due in the same amount. The state has joined the multistate settlements with opioid manufacturers Teva and Allergan and expects to receive $33.3 million over 13 years. The State has also joined a settlement with Walmart and expects to receive $15.5 million over the next year; with CVS and expects to receive $27.4 million over 10 years; and with Walgreens and expects to receive $29.8 million over 15 years. Endo, yet another opioid manufacturer, filed for bankruptcy over the summer of 2022. The bankruptcy plan was confirmed, and the State will receive an amount yet to be determined from the estate. All opioid funds from these settlements are deposited into a dedicated opioid abatement trust fund (85%) or distributed to the 23 qualifying subdivisions who filed their own opioid lawsuits (15%). Based on an analysis of scheduled payments and information available as of the State's fiscal year-end, the accompanying financial statements reflect an estimated long-term receivable associated with any of these cases for which the State had substantively executed settlement agreements as of June 30, 2024.

Other Matters

*Anticipated future payments to the State - Per and Polyfluoroalkyl Substances (PFAS) Remediation:*

Two proposed class-action settlements were filed with the Multidistrict Litigation (MDL) Court in July 2023 by the 3M Company and the DuPont companies, respectively. The settlements seek to resolve claims by certain classes of drinking water providers as to 3M and the DuPont entities, with total contributions of $10.5-12.5 billion by 3M and $1.185 billion by the DuPont entities. The settlements were approved by the MDL Court, will resolve one subset of the State's claimed damages, and are estimated to result in a payment to the State of $60 million or more between 2024 and 2035. Because the State has signed onto a multi-state settlement prior to June 30, 2024, the $60 million payment has been accrued in the accompanying financial statements. Two additional nationwide settlements of drinking water provider claims with Tyco Fire Products LLP and BASF in the amounts of $750 million and $316.5 million, respectively, were filed with the MDL Court in April and May 2024. The Tyco and BASF settlements were approved by the MDL Court in November 2024, and are therefore not accrued. Other settlements are anticipated with the remaining defendants, but cannot be quantified as of June 30, 2024.

*US Treasury Review:*

During fiscal year 2024, the U.S. Treasury Office of Inspector General (OIG) initiated a desk review of the State's use of the Coronavirus Relief Fund (CRF) as part of the CARES Act funding received and expended during the period March 1, 2020 through September 30, 2023. The review was conducted to evaluate the State's documentation supporting expenditures and assess the risk of unallowable costs. Subsequent to June 30, 2024, the OIG issued a Desk Review Memorandum identifying certain unsupported and ineligible questioned costs as a result of the Desk Review. The State continues to work with OIG to provide additional documentation and it is not clear at this time if the State will ultimately be required to return any funds.

## 16. GOVERNMENTAL FUND BALANCES AND STABILIZATION ACCOUNT

A summary of the nature and purpose of the constraints and related amounts by fund at June 30, 2024 follows:

**Governmental Fund Balances - Restricted, Committed, Assigned and Unassigned**
(expressed in thousands)

| | Restricted | Committed | Assigned | Unassigned |
|---|---|---|---|---|
| **General Fund:** | | | | |
| General Government | $ 501,509 | $ 15,167 | $ 112,859 | |
| Administration of Justice & Public Protection | 99,710 | 9,529 | 59,714 | |
| Resources Protection & Development | 221,394 | 2,273 | 43,920 | |
| Transportation | 8,954 | | 14,981 | |
| Health & Human Services | 307,917 | 48,859 | 69,615 | |
| Education | 6,739 | 127 | 10,338 | |
| Other Purposes * | | | | 366,380 |
| Total | 1,146,223 | 75,955 | 311,427 | 366,380 |
| **Highway Fund:** | | | | |
| General Government | 784 | | | |
| Administration of Justice & Public Protection | 12,082 | | | |
| Transportation | 122,237 | | 86,000 | |
| Total | 135,103 | | 86,000 | |
| **Education Trust Fund:** | | | | |
| Education | | | 197,062 | |
| Total | | | 197,062 | |
| **Non-Major Governmental Funds:** | | | | |
| Resources Protection & Development | 2,732 | 5,025 | 12,154 | |
| Other Purposes | 37,892 | | | (6,611) |
| Total | $ 40,624 | $ 5,025 | $ 12,154 | $ (6,611) |

* Includes the Revenue Stabilization account

The deficit in the non-major governmental funds will be eliminated through future intergovernmental revenues and the future issuance of general obligation bonds.

The State maintains a Revenue Stabilization account (the Rainy Day Fund) established by RSA 9:13-e. Pursuant to RSA 9;13-e, at the close of each fiscal biennium, any General Fund Unassigned Fund Balance (Surplus) remaining, as determined by the official audit performed pursuant to RSA 21-I:8, II(a), shall be transferred to this special non-lapsing account. According to the governing statute, transfers into the Rainy Day Fund only occur in the second year of a biennium, which is fiscal year 2025. The total potential maximum balance allowable in the Rainy Day Fund is defined by the statute as 10% of the actual general fund unrestricted revenues for the most recently completed fiscal biennium. In the event of an operating budget deficit at the close of any fiscal biennium, as determined by the official audit, and upon approval of the Fiscal Committee of the General Court and the Governor to the extent available, sufficient funds can be transferred from this account to eliminate such deficit. Such transfer shall occur only when both of the following conditions are met:

1. A general fund operating budget deficit occurred for the most recently completed fiscal biennium and
2. Unrestricted general fund revenues in the most recently completed fiscal biennium were less than the budget forecast.

No available balance in the revenue stabilization reserve account shall be utilized for any purpose other than deficit reduction without specific approval of 2/3 of each house of the General Court and the Governor.

During fiscal year 2024, there were no transfers into the Rainy Day fund, therefore, the balance at June 30, 2024 remains $292.5 million.

## 17. JOINT VENTURES-LOTTERY COMMISSION

The New Hampshire Lottery Commission is an active participant in three separate joint venture arrangements: the Tri-State Lotto Commission (Tri-State), the Multi-State Lottery Association (MUSL), and the Lucky for Life.

In September 1985, the Tri-State was established whereby the New Hampshire Lottery Commission (Lottery) entered into a joint venture with the lotteries of the states of Maine and Vermont to promulgate rules and regulations regarding the conduct of lottery games and the licensing of retailers. In addition, each of the member states contributes services towards the management and advisory functions. Each member state including the Lottery shares in all joint venture sales and expenses, including prize expenses, based on its pro-rata share of sales. Direct charges, such as advertising, vendor fees and the Lottery's per-diem payments are charged to participating states based on services received. Prizes awarded under Tri-State games are fully funded by deposit fund contracts and investments held by Tri-State. Accordingly, Lottery does not record a liability for jackpot awards which are payable in installments from funds provided by Tri-State. For the year ended June 30, 2024, the Lottery recognized $11.7 million of net income from Tri-State. At June 30, 2024 Tri-State reported total installment prize obligations owed to jackpot winners of $8.1 million, payable through the year 2045.

In addition, Tri-State has established a Designated Prize Reserve, which acts as a contingency to protect Tri-State against unforeseen liabilities. The Lottery's share of deposits held as Tri-State prize reserves was $1.7 million at June 30, 2024. The Tri-State issues a publicly available annual financial report, which may be obtained by writing to the Tri-State Lotto Commission, 14 Integra Drive, Concord, NH 03301.

In November 1995, the Lottery became a member of MUSL, which is currently comprised of 36 member state lotteries plus the District of Columbia, Puerto Rico, and the United States Virgin Islands. MUSL is managed by a Board of Directors, which is comprised of the lottery directors or their designee from each of the party states. The Board of Directors' responsibilities to administer the Multi-State Lottery Powerball, Lotto America, and Mega Millions games are performed by advisory committees or panels staffed by officers and independent contractors appointed by the board. Each state lottery sells tickets, collects revenues and remits prize funds to MUSL net of lower tier prize awards. Each member also pays for a share of MUSL's operating expenses based upon the members' proportionate share of game sales. Jackpot prizes that are payable in installments are satisfied through investments purchased by MUSL. Accordingly, the Lottery does not record a liability for jackpot awards which are payable in installments from funds provided by MUSL. For the year ended June 30, 2024, the Lottery recognized $37.9 million of net income from MUSL.

In addition, MUSL has established a contingency reserve to protect MUSL and its members against unforeseen liabilities. The Lottery's share of deposits held as MUSL prize reserves was $2.7 million at June 30, 2024. MUSL issues a publicly available annual financial report, which may be obtained by writing to the Multi-State Lottery Association, 8101 Birchwood Court, Suite R, Johnston, Iowa 50131.

The New Hampshire Lottery Commission became a member of the New England regional lottery game known as Lucky for Life beginning sales on March 11, 2012, with the first drawing held on March 15, 2012. Lucky for Life is currently comprised of lotteries in twenty-two states and the District of Columbia. The Lottery sells Lucky for Life tickets, collects all revenues, and remits prize funds and operating funds to MUSL. While Lucky for Life is not a MUSL game, the party lotteries pay a fee to MUSL to act as the game administrator (clearinghouse agent). MUSL collects and re-distributes funds to the party lotteries when funds are due and purchases insurance annuities for the top two highest prize tiers when a winner does not choose a cash pay-out. The top two prize tiers are payable in installments and are satisfied through insurance annuities purchased by MUSL when a winner chooses the annuity option. Accordingly, the Lottery does not record an obligation for jackpot awards which are payable in installments from funds provided by MUSL or the other party lotteries.

Each member state including the Lottery shares in all joint venture sales and expenses, including prize expenses, based on its pro-rata share of sales. For the year ended June 30, 2024, New Hampshire's total share of the net income for Lucky for Life was $3.9 million. The prize liability for each Lucky for Life drawing is shared by each member Lottery based on an amount equal to a percentage of that member Lottery's Lucky for Life sales. Each member Lottery is responsible for a prize payout equal to a percentage of that member Lottery's Lucky for Life sales, said percentage being the proportion of total Lucky for Life prize liability to total Lucky for Life sales. There are no prize reserves held by MUSL for this game.

The State's total share of accrued prize and operating amounts due at June 30, 2024 amounted to $2.7 million, representing MUSL prize reserves which could be returned to the State's Education Trust Fund.

## 18. SUBSEQUENT EVENTS

### State Guarantees Through Business Finance Authority

On February 27, 2025, the State guaranteed a bond issue of the Business Finance Authority for the benefit of Whelen Engineering Company, Inc., and related entities, Greensource Fabrication, LLC and Whelen Aviation, LLC, with a principal amount of $31,500,000. The bond carries an interest rate of 5.3% per annum and has final maturity on February 27, 2035.

# Required Supplementary Information (Unaudited)

**STATE OF NEW HAMPSHIRE**
**BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS) SCHEDULE (Unaudited)**
**GENERAL FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | General Fund | | | |
|---|---|---|---|---|
| | Budgeted Amounts | | | |
| | Original | Final | Actual (Budgetary Basis) | Variance with Final Budget- Positive (Negative) |
| **REVENUES** | | | | |
| General Property Taxes | $ 691 | $ 708 | $ 122 | $ (586) |
| Special Taxes | 1,691,247 | 1,786,095 | 1,796,002 | 9,907 |
| Personal Taxes | 132,981 | 132,981 | 121,016 | (11,965) |
| Business License Taxes | 31,779 | 31,901 | 31,873 | (28) |
| Non-Business License Taxes | 159,499 | 160,249 | 170,372 | 10,123 |
| Fees | 313,797 | 341,089 | 213,832 | (127,257) |
| Fines, Penalties and Interest | 28,957 | 37,235 | 20,855 | (16,380) |
| Grants from Federal Government | 5,427,328 | 6,216,662 | 2,655,902 | (3,560,760) |
| Grants from Private and Local Sources | 191,040 | 201,550 | 167,361 | (34,189) |
| Rents and Leases | 5,737 | 6,413 | 1,650 | (4,763) |
| Interest Premiums and Discounts | 85,994 | 87,726 | 132,082 | 44,356 |
| Sale of Commodities | 28,750 | 36,675 | 19,900 | (16,775) |
| Sale of Services | 61,395 | 63,159 | 20,385 | (42,774) |
| Assessments | 116,874 | 125,293 | 79,458 | (45,835) |
| Grants from Other Agencies | 886,573 | 939,922 | 376,484 | (563,438) |
| Miscellaneous | 793,607 | 1,052,046 | 594,072 | (457,974) |
| Total Revenues | 9,956,249 | 11,219,704 | 6,401,366 | (4,818,338) |
| **EXPENDITURES** | | | | |
| General Government | 870,497 | 1,019,709 | 714,593 | 305,116 |
| Justice and Public Protection | 1,168,225 | 1,514,629 | 947,246 | 567,383 |
| Resources Protection and Development | 944,231 | 998,304 | 317,189 | 681,115 |
| Transportation | 131,802 | 132,122 | 43,581 | 88,541 |
| Health and Social Services | 4,206,434 | 5,116,645 | 3,744,197 | 1,372,448 |
| Education | 966,324 | 976,877 | 602,935 | 373,942 |
| Total Expenditures | 8,287,513 | 9,758,286 | 6,369,741 | 3,388,545 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,668,736 | 1,461,418 | 31,625 | (1,429,793) |
| **Fund Balance - July 1** | 363,249 | (3,045,032) | 2,804,538 | |
| **Fund Balance - June 30** | $ 2,031,985 | $ (1,583,614) | $ 2,836,163 | |

**STATE OF NEW HAMPSHIRE**
**BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS) SCHEDULE (Unaudited)**
**HIGHWAY FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Highway Fund | | | |
|---|---|---|---|---|
| | Budgeted Amounts | | | |
| | Original | Final | Actual (Budgetary Basis) | Variance with Final Budget-Positive (Negative) |
| **REVENUES** | | | | |
| Business License Taxes | 415,083 | 425,346 | 178,126 | (247,220) |
| Non-Business License Taxes | 97,999 | 97,999 | 71,511 | (26,488) |
| Fees | 308,395 | 310,536 | 30,097 | (280,439) |
| Fines, Penalties and Interest | 6,490 | 6,506 | 5,727 | (779) |
| Grants from Federal Government | 782,905 | 787,557 | 221,505 | (566,052) |
| Grants from Private and Local Sources | 16,762 | 16,927 | 14,356 | (2,571) |
| Rents and Leases | 50 | 50 | 42 | (8) |
| Sale of Commodities | 9,892 | 9,911 | 8,817 | (1,094) |
| Sale of Services | 290 | 292 | 387 | 95 |
| Grants from Other Agencies | 25,949 | 28,496 | 18,691 | (9,805) |
| Miscellaneous | 98,292 | 104,994 | 83,165 | (21,829) |
| Total Revenues | 1,762,107 | 1,788,614 | 632,424 | (1,156,190) |
| **EXPENDITURES** | | | | |
| General Government | 205 | 205 | 73 | 132 |
| Justice and Public Protection | 139,297 | 147,824 | 124,074 | 23,750 |
| Transportation | 1,131,997 | 1,173,021 | 535,942 | 637,079 |
| Total Expenditures | 1,271,499 | 1,321,050 | 660,089 | 660,961 |
| Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses | 490,608 | 467,564 | (27,665) | (495,229) |
| **Fund Balance - July 1** | 628,418 | 535,732 | 471,564 | |
| **Fund Balance - June 30** | $ 1,119,026 | $ 1,003,296 | $ 443,899 | |

**STATE OF NEW HAMPSHIRE**
**BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS) SCHEDULE (Unaudited)**
**EDUCATION FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Education Trust Fund | | | |
|---|---|---|---|---|
| | Budgeted Amounts | | | |
| | Original | Final | Actual (Budgetary Basis) | Variance with Final Budget-Positive (Negative) |
| **REVENUES** | | | | |
| General Property Taxes | $ 405,100 | $ 405,100 | $ 410,549 | $ 5,449 |
| Special Taxes | 750,170 | 750,170 | 722,271 | (27,899) |
| Personal Taxes | 81,100 | 81,100 | 68,268 | (12,832) |
| Interest Premiums and Discounts | | | 4,247 | 4,247 |
| Miscellaneous | 40,000 | 40,000 | 39,772 | (228) |
| Total Revenues | 1,276,370 | 1,276,370 | 1,245,107 | (31,263) |
| **EXPENDITURES** | | | | |
| General Government | 1,500 | 1,500 | 1,128 | 372 |
| Education | 1,270,950 | 1,290,445 | 1,239,881 | 50,564 |
| Total Expenditures | 1,272,450 | 1,291,945 | 1,241,009 | 50,936 |
| Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses | 3,920 | (15,575) | 4,098 | 19,673 |
| **Fund Balance - July 1** | (186,413) | (229,403) | 264,994 | |
| **Fund Balance - June 30** | $ (182,493) | $ (244,978) | $ 269,092 | |

# Note to the Required Supplementary Information - Budgetary Reporting (Unaudited)

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The Budget To Actual (Non-GAAP Budgetary Basis) Schedules depict budgeted to actual expenditures using the same format, terminology and classification as in the statement of revenues, expenses and changes in fund balances with an additional expense level by department within each functional expense category.

The comparison schedule presented for the General Fund, the Highway Fund, and the Education Trust Fund, presents the original and final appropriated budgets for fiscal year 2024, as well as the actual resource inflows, outflows and fund balances stated on the budgetary basis.

The "original budget" and related estimated revenues represent the spending authority enacted into law by the appropriation bill for each biennial budget. For fiscal year 2024, the operating budget proposed in HB1 and HB2, for fiscal years 2024-2025, was effective as of July 1, 2023, and represents the original budget, which includes balances and encumbrances carried forward from the prior year.

Generally accepted accounting principles (GAAP) require the final legal budget be reflected in the "final budget" column for those accounts included in the original budget. Therefore, updated revenue estimates available for appropriations as of JUNE 30, 2024 rather than the amounts shown in the original budget, are reported. The final appropriations budget represents the original budget (HB1), plus HB2 and other supplemental appropriations, carry-forwards, approved transfers, and any executive order reductions for budgeted accounts. In addition, fiscal year 2024 appropriations include certain spending designated for fiscal 2024 as part of Chapter 79, Laws of 2023 (HB2 for 2024-2025 biennium) enacted in June 2023. Please see https://www.das.nh.gov/accounting/comparison for the separately issued budgetary reports, prepared at the legal level of budgetary control.

RECONCILIATION OF BUDGETARY TO GAAP

The State's biennial budget is prepared on a basis other than GAAP. The "actual" results columns of the Budget To Actual (Non- GAAP Budgetary Basis) schedules are presented on a "budgetary basis" under such standardized accounting methods and policies structured to provide a meaningful comparison to budget.

The major differences between the budgetary basis and the GAAP basis are:

1. Expenditures (Budgetary) are recorded when cash is paid, rather than when the obligation is incurred (GAAP). Revenues (Budgetary) are based on cash received plus estimated revenues related to the budgetary expenditures. Additional revenue accruals are made on a GAAP basis only.
2. On a GAAP basis, major inter-agency and intra-agency transactions are eliminated in order to not double count revenues and expenditures.

The following schedule reconciles the General and Major Special Revenue Funds of the primary government for differences between budgetary accounting methods and the GAAP basis accounting principles for the year ended June 30, 2024 (expressed in thousands).

| | General Fund | Highway Fund | Education Trust Fund |
|---|---|---|---|
| Excess/(Deficiency) of revenues and other financing sources over/(under) expenditures and other financing (uses) (Budgetary Basis) | $ 31,625 | $(27,665) | $4,098 |
| Adjustments and Reclassifications: | | | |
| To record change in Accounts Payable and Accrued Payroll | (277,066) | (9,433) | (3,211) |
| To record change in Accounts Receivable | 319,890 | 5,216 | |
| To record Other Financing Sources (Uses) | (47,284) | 9,747 | (10,562) |
| Excess/(Deficiency) of revenues and other financing sources over/(under) expenditures and other financing (uses) (GAAP Basis) including change in inventory | $ 27,165 | $(22,135) | $(9,675) |

# Required Supplementary Information (Unaudited)

## INFORMATION ABOUT THE TRUSTED OTHER POSTEMPLOYMENT BENEFITS PLAN

**Schedule of the State's Proportionate Share of the Net OPEB Liability (Trusted OPEB Plan)**

| (dollars in thousands) | June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 |
|---|---|---|---|---|---|---|---|
| State's Proportion of the Net OPEB Liability | 18.22% | 18.07% | 19.72% | 19.85% | 20.62% | 20.17% | 19.10% |
| State's Proportionate Share of the Net OPEB Liability | $62,263 | $68,301 | $78,958 | $86,882 | $90,417 | $92,357 | $87,317 |
| State's Covered Payroll | $699,939 | $658,970 | $649,270 | $638,061 | $621,426 | $601,426 | $587,542 |
| State's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | 8.90% | 10.36% | 12.16% | 13.62% | 14.55% | 15.36% | 14.86% |
| NHRS Fiduciary Net Position as a Percentage of the Total OPEB Liability | 12.80% | 10.64% | 11.06% | 7.74% | 7.75% | 7.53% | 7.91% |

Note: The amounts presented were determined as of and for the measurement period ended June 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, and 2017.

The schedule is intended to show 10 years. Additional years will be added as they become available.

**Schedule of State Contributions**

| (dollars in thousands) | June 30, | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Required State Contribution | $6,947 | $7,995 | $7,655 | $9,527 | $9,259 | $9,460 | $8,960 | $11,996 |
| Actual State Contributions | 6,947 | 7,995 | 7,655 | 9,527 | 9,259 | 9,460 | 8,960 | 11,996 |
| Excess/(Deficiency) of State Contributions | | | | | | | | |
| State's Covered Payroll | $784,333 | $ 699,939 | $ 658,970 | $649,270 | $638,061 | $621,182 | $601,426 | $587,542 |
| State Contribution as a Percentage of its Covered Payroll | 0.89% | 1.14% | 1.16% | 1.47% | 1.45% | 1.52% | 1.49% | 2.04% |

Note: The schedule is intended to show 10 years. Additional years will be added as they become available.

**Notes to the Required Supplementary Information:**

Changes in benefit terms: None

Changes in assumptions: None

# Required Supplementary Information (Unaudited)

## INFORMATION ABOUT THE NON TRUSTED OTHER POSTEMPLOYMENT BENEFITS PLAN

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | | | |
| Service cost | $ 54,781 | 84,308 | $ 88,855 | $ 62,882 | $ 63,317 | $ 76,699 | $ 111,334 |
| Interest | 58,421 | 45,622 | 50,667 | 64,137 | 75,265 | 81,507 | 84,315 |
| Differences between expected and actual experience | (57,427) | (9,037) | (36,352) | (10,282) | (24,533) | (7,653) | (7,886) |
| Changes in assumptions | (598,036) | (517,692) | 252,240 | 358,302 | (177,243) | (235,527) | (784,281) |
| Changes in benefit terms | | | (498,098) | | | (182,835) | |
| Benefit payments | (35,364) | (35,726) | (37,624) | (44,600) | (51,333) | (51,623) | (49,772) |
| **Net change in total OPEB liability** | (577,625) | (432,525) | (180,312) | 430,439 | (114,527) | (319,432) | (646,290) |
| **Total OPEB liability - beginning** | 1,613,064 | 2,045,589 | 2,225,901 | 1,795,462 | 1,909,989 | 2,229,421 | 2,875,711 |
| **Total OPEB liability - ending** | 1,035,439 | 1,613,064 | 2,045,589 | 2,225,901 | 1,795,462 | 1,909,989 | 2,229,421 |
| **Covered-employee payroll** | $ 699,939 | 658,970 | $ 649,270 | $ 638,061 | $ 621,182 | $ 601,426 | $ 587,542 |
| **Total OPEB liability as a percentage of covered-employee payroll** | 147.93% | 244.79% | 315.06% | 348.85% | 289.04 % | 317.58 % | 379.45 % |

Note: The amounts presented were determined as of and for the measurement periods ended June 30, 2023, 2022, 2021, 2020, 2019, 2018 and 2017

**Notes to Schedule:**

Changes in assumptions reflect per capita health costs and administrative expenses were recalculated based on more recent data. The trend assumptions were revised to reflect known changes in claims experience and future expectations. The following are the discount rates used in each period.

| | |
|---|---|
| 2024 | 3.65% |
| 2023 | 3.54% |
| 2022 | 2.16% |
| 2021 | 2.21% |
| 2020 | 3.50% |
| 2019 | 3.87% |
| 2018 | 3.58% |
| 2017 | 2.85% |

Changes in plan provisions reflect costs of the new contract with Aetna for administration of the Medicare Advantage Plan effective January 1, 2021 through December 31, 2023.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The schedule is intended to show 10 years. Additional years will be added as they become available.

# Required Supplementary Information (Unaudited)

## INFORMATION ABOUT THE NEW HAMPSHIRE RETIREMENT SYSTEM

**Schedule of the State's Proportionate Share of the Net Pension Liability**

| (dollars in thousands) | June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 |
|---|---|---|---|---|
| State's Proportion of the Net Pension Liability | 18.88% | 18.58% | 18.45% | 18.64% |
| State's Proportionate Share of the Net Pension Liability | $1,056,823 | $1,065,625 | $817,844 | $1,192,485 |
| State's Covered Payroll | $699,939 | $658,970 | $649,270 | $638,061 |
| State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 150.99% | 161.71% | 125.96% | 186.89% |
| NHRS Fiduciary Net Position as a Percentage of the Total Pension Liability | 67.18% | 65.12% | 72.22% | 58.72% |

Note: The amounts presented were determined as of and for the measurement periods ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014

**Schedule of State Contributions**

| (dollars in thousands) | June 30, | | | | |
|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Required State Contribution | $ 121,972 | $ 113,891 | $ 108,317 | $ 85,318 | $ 83,302 |
| Actual State Contributions | 121,972 | 113,891 | 108,317 | 85,318 | 83,302 |
| Excess/(Deficiency) of State Contributions | | | | | |
| State's Covered Payroll | $ 784,333 | $ 699,939 | $ 658,970 | $ 649,270 | $ 638,061 |
| State Contribution as a Percentage of its Covered Payroll | 15.55% | 16.27% | 16.44% | 13.14% | 13.06% |

| June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
|---|---|---|---|---|---|
| 18.80 % | 18.42 % | 19.83 % | 19.47 % | 20.07 % | 19.60 % |
| $904,354 | $886,972 | $975,446 | $1,035,370 | $794,933 | $735,869 |
| $621,182 | $601,426 | $587,542 | $562,387 | $563,322 | $533,457 |
| 145.59 % | 147.48 % | 166.02 % | 184.10 % | 141.12 % | 137.94 % |
| 65.59 % | 64.73 % | 62.66 % | 58.30 % | 65.47 % | 66.32 % |

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| $ 82,370 | $ 78,280 | $ 72,680 | $ 69,700 | $ 67,450 |
| 82,370 | 78,280 | 72,680 | 69,700 | 67,450 |
| $ 621,182 | $ 601,426 | $ 587,542 | $ 562,387 | $ 563,322 |
| 13.26% | 13.02% | 12.37% | 12.39% | 11.97% |

# Required Supplementary Information (Unaudited)

## INFORMATION ABOUT THE NEW HAMPSHIRE JUDICIAL RETIREMENT PLAN

| **Fiscal Year Ended** (dollars in thousands) | **June 30, 2024** | **June 30, 2023** | **June 30, 2022** | **June 30, 2021** | **June 30, 2020** |
|---|---|---|---|---|---|
| **Total Pension Liability** | | | | | |
| Service cost | $ 5,180 | $ 5,066 | $ 4,431 | $ 4,333 | $ 4,008 |
| Interest on total pension liability | 7,264 | 7,564 | 7,007 | 6,872 | 6,635 |
| Effect of differences between expected and actual experience | | (8,554) | | 1,154 | |
| Effect of changes in actuarial assumptions | 197 | (594) | | 4,477 | |
| Benefit payments | (8,459) | (7,982) | (7,900) | (7,396) | (7,452) |
| Net change in total pension liability | 4,182 | (4,500) | 3,538 | 9,440 | 3,191 |
| Total pension liability, beginning | 110,731 | 115,231 | 111,693 | 102,253 | 99,062 |
| Total pension liability, ending (a) | 114,913 | 110,731 | 115,231 | 111,693 | 102,253 |
| **Fiduciary Net Position** | | | | | |
| Employer contributions | 8,133 | 8,526 | 7,229 | 6,652 | 6,948 |
| Member contributions | 1,119 | 1,184 | 876 | 830 | 812 |
| Investment income net of investment expenses | 10,675 | (11,760) | 9,621 | 7,999 | 10,042 |
| Benefit payments | (8,459) | (7,982) | (7,900) | (7,396) | (7,452) |
| Administrative expenses | (264) | (307) | (288) | (279) | (214) |
| Net change in plan fiduciary net position | 11,204 | (10,339) | 9,538 | 7,806 | 10,136 |
| Fiduciary net position, beginning | 72,191 | 82,530 | 72,992 | 65,186 | 55,050 |
| Fiduciary net position, ending (b) | 83,395 | 72,191 | 82,530 | 72,992 | 65,186 |
| Net pension liability, ending = (a) - (b) | $ 31,518 | $ 38,540 | $ 32,701 | $ 38,701 | $ 37,067 |
| Fiduciary net position as a % of total pension liability | 72.57 % | 65.19 % | 71.62 % | 65.35 % | 63.75 % |
| Covered payroll | $ 12,838 | $ 11,065 | $ 9,307 | $ 9,582 | $ 9,624 |
| Net pension liability as a % of covered payroll | 245.51 % | 348.31 % | 351.36 % | 403.89 % | 385.15 % |

Note: The amounts presented above were determined as of and for the measurement period ended December 31, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

**Schedule of Employer Contributions**

(dollars in thousands)

| **Fiscal Year Ended June 30,** | **2024** | **2023** | **2022** | **2021** | **2020** |
|---|---|---|---|---|---|
| Actuarially Determined Contribution | $ 7,541 | $ 9,244 | $ 8,101 | $ 6,507 | $ 6,649 |
| Contributions in Relation to the Actuarially Determined Contribution | 7,541 | 9,244 | 8,101 | 6,507 | 6,649 |
| Excess/(Deficiency) of State Contributions | | | | | |
| Covered Payroll | $ 12,838 | $ 11,916 | $ 10,552 | $ 9,591 | $ 9,659 |
| Contribution as a Percentage of the Covered Payroll | 58.74 % | 77.58 % | 76.77 % | 67.84 % | 68.84 % |

Notes to the Required Supplementary Information:

| | |
|---|---|
| Valuation | Actuarially determined contribution rates are calculated as of January 1, 2022 eighteen and thirty months prior to the end of the fiscal year in which contributions are reported. |
| Investment rate of return | 6.500% |
| Inflation | 2.75% |
| Salary increases | 2.25% |
| Cost of living adjustment | 2.25% |
| Mortality | PubG-2010 Sex-Distinct Mortality Tables for employees, disabled, healthy annuitants and contingents, adjusted for mortality improvements using MP-2021 mortality improvement scale on a generational basis |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level dollar, closed |
| Remaining amortization period | 18 years as of January 1, 2022 |
| Asset valuation method | Market Value of Assets |
| Retirement age | 25% are assumed to retire at age 60 with 15 years of service; 50% are assumed to retire at age 65; 100% are assumed to retire at age 70 with 7 years of service; 5% are assumed to retire at each age between 60 and 65; 15% are assumed to retire at each age between 66 and 69. |

| June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
|---|---|---|---|---|---|
| $ 4,008 | $ 3,921 | $ 3,513 | $ 3,248 | $ 2,693 | $ 2,351 |
| 6,635 | 6,411 | 6,826 | 6,568 | 5,642 | 5,648 |
| | | (10,003) | 3,773 | | |
| | | 4,435 | 3,806 | | |
| (7,452) | (6,682) | (6,601) | (6,192) | (5,694) | (5,775) |
| 3,191 | 3,650 | (1,830) | 11,203 | 2,641 | 2,224 |
| 99,062 | 95,412 | 97,242 | 86,039 | 83,398 | 81,174 |
| 102,253 | 99,062 | 95,412 | 97,242 | 86,039 | 83,398 |
| 6,948 | 6,731 | 6,346 | 6,096 | 5,470 | 4,923 |
| 812 | 789 | 745 | 727 | 664 | 635 |
| 10,042 | (3,422) | 7,497 | 2,874 | (249) | 2,759 |
| (7,452) | (6,682) | (6,601) | (6,192) | (5,694) | (5,775) |
| (214) | (297) | (228) | (239) | (208) | (203) |
| 10,136 | (2,881) | 7,759 | 3,266 | (17) | 2,339 |
| 55,050 | 57,931 | 50,172 | 46,906 | 46,923 | 44,584 |
| 65,186 | 55,050 | 57,931 | 50,172 | 46,906 | 46,923 |
| $ 37,067 | $ 44,012 | $ 37,481 | $ 47,070 | $ 39,133 | $ 36,475 |
| 63.75 % | 55.57 % | 60.72 % | 51.59 % | 54.52 % | 56.26 % |
| $ 9,624 | $ 9,044 | $ 8,359 | $ 8,525 | $ 8,031 | $ 7,535 |
| 385.15 % | 486.64 % | 448.39 % | 552.14 % | 487.27 % | 484.07 % |

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| $ 6,649 | $ 6,984 | $ 6,592 | $ 6,151 | $ 5,678 | $ 5,100 |
| 6,649 | 6,984 | 6,592 | 6,151 | 5,678 | 5,100 |
| $ 9,659 | $ 9,315 | $ 8,825 | $ 8,686 | $ 8,209 | $ 7,944 |
| 68.84 % | 74.98 % | 74.70 % | 70.82 % | 69.17 % | 64.20 % |

# Combining Individual Fund Financial Statements

# Highway Fund

*The State's Highway Fund serves a dual role, comprising of both operating activities and long- term capital improvement activities. The accounting and budgeting over the years has followed a conservative approach in that funds are raised in the current year to appropriate for highway construction projects that may subsequently take several years to complete. The fund balance is affected at the time of appropriation. The State has expanded its reporting by presenting the operating and capital activities separately on combining schedules and adding additional disclosures relating to encumbrances and future commitments.*

***Capital account*** *activities are comprised of two main construction accounts: (1) Federal Highway Construction Trust which includes federal construction aid and federal highway bond/note proceeds (2) State-funded capital which includes State aid, municipal bridge, betterment and I-93 capital investment. The* ***operating account*** *represents the total highway fund less the capital account activities. Except for the betterment and I-93 capital investment accounts, cash raised from current year revenue transactions, such as gasoline road toll, licenses, fees etc. are maintained in the operating account and transferred to the capital accounts on demand as cash is needed to fund current year costs. By law, the betterment and I-93 capital investment accounts receive cash transfers each month. The betterment account receives 88% of 3 cents of the gasoline road toll. The I-93 capital investment account receives the adjusted gasoline road toll, which is 4.2 cents above the 18 cent gasoline road toll.*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND BALANCE SHEET**
**HIGHWAY FUND**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Highway Construction | | | | |
|---|---|---|---|---|---|
| | Federal Highway Construction Trust | State Funded Construction | Total Highway Construction | Highway Operating | Total Highway Fund |
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 21,417 | $ 76,630 | $ 98,047 | $ 107,435 | $ 205,482 |
| Receivables (Net of Allowances for Uncollectibles) | 27,270 | (32) | 27,238 | 23,221 | 50,459 |
| Due from Other Funds | | 1,087 | 1,087 | 1,798 | 2,885 |
| Inventories | | | | 29,379 | 29,379 |
| Total Assets | 48,687 | 77,685 | 126,372 | 161,833 | 288,205 |
| **LIABILITIES** | | | | | |
| Accounts Payable | 18,122 | 4,057 | 22,179 | 2,072 | 24,251 |
| Accrued Payroll | | 45 | 45 | 7,212 | 7,257 |
| Due to Other Funds | 7,785 | | 7,785 | (7,675) | 110 |
| Unearned Revenue | 4,750 | | 4,750 | 10 | 4,760 |
| Total Liabilities | 30,657 | 4,102 | 34,759 | 1,619 | 36,378 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | 1,345 | 1,345 |
| **FUND BALANCES** | | | | | |
| Nonspendable: | | | | | |
| Inventories | | | | 29,379 | 29,379 |
| Restricted | 18,030 | 73,583 | 91,613 | 43,490 | 135,103 |
| Assigned | | | | 86,000 | 86,000 |
| Total Fund Balances | 18,030 | 73,583 | 91,613 | 158,869 | 250,482 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | $ 48,687 | $ 77,685 | $ 126,372 | $ 161,833 | $ 288,205 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
**HIGHWAY FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Highway Construction | | | | |
|---|---|---|---|---|---|
| | Federal Highway Construction Trust | State Funded Construction | Total Highway Construction | Highway Operating | Total Highway Fund |
| **REVENUES** | | | | | |
| **Unrestricted** | | | | | |
| Business License Taxes (Road Toll) | | | | $ 126,143 | $ 126,143 |
| Motor Vehicle Fees | | | | 131,501 | 131,501 |
| Fines, Penalties and Interest | | | | 5,410 | 5,410 |
| Sale of Commodities | | | | 199 | 199 |
| Sale of Service | | | | 18 | 18 |
| Subtotal Unrestricted Revenues | | | | 263,271 | 263,271 |
| **Restricted** | | | | | |
| Business License Taxes (Road Toll - Betterment - Ch.17,L'2014) | | 51,982 | 51,982 | 1 | 51,983 |
| Motor Vehicle Fees | | (68) | (68) | 1,539 | 1,471 |
| Fines, Penalties and Interest | | | | 317 | 317 |
| Grants from Federal Government | 186,477 | | 186,477 | 40,733 | 227,210 |
| Grants from Private and Local Sources | 10,945 | | 10,945 | 3,328 | 14,273 |
| Rents and Leases | | | | 42 | 42 |
| Sale of Commodities (Motor Fuel, Hwy Inventory) | | | | 8,225 | 8,225 |
| Sale of Service | | | | 369 | 369 |
| Grants from Other Agencies | | | | 18,677 | 18,677 |
| Miscellaneous | 1,829 | 520 | 2,349 | 4,680 | 7,029 |
| Subtotal Restricted Revenues | 199,251 | 52,434 | 251,685 | 77,911 | 329,596 |
| Total Revenue | 199,251 | 52,434 | 251,685 | 341,182 | 592,867 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General Government | | | | 85 | 85 |
| Administration of Justice and Public Protection | | | | 107,066 | 107,066 |
| Resource Protection and Development | | | | 1,006 | 1,006 |
| Transportation | 99,796 | 28,792 | 128,588 | 245,846 | 374,434 |
| Debt Service-Transportation | 17,029 | 2,167 | 19,196 | 14,321 | 33,517 |
| Capital Outlay Equipment - Transportation | 81,222 | 24,483 | 105,705 | 27,119 | 132,824 |
| Total Expenditures | 198,047 | 55,442 | 253,489 | 395,443 | 648,932 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,204 | (3,008) | (1,804) | (54,261) | (56,065) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers In | (2,956) | 450 | (2,506) | 38,557 | 36,051 |
| Transfers Out | | | | (3,890) | (3,890) |
| Total Other Financing Sources (Uses) | (2,956) | 450 | (2,506) | 34,667 | 32,161 |
| Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses | (1,752) | (2,558) | (4,310) | (19,594) | (23,904) |
| Fund Balances - July 1 | 19,782 | 76,141 | 95,923 | 176,694 | 272,617 |
| Change in Inventory | | | | 1,769 | 1,769 |
| Fund Balances - June 30 | $ 18,030 | $ 73,583 | $ 91,613 | $ 158,869 | $ 250,482 |

*See accompanying Independent Auditors' Report*

# Non-Major Governmental Funds

***Special Revenue Fund:***

***Fish and Game Fund -*** *The operations of the State Fish and Game Department, including the operation of fish hatcheries, inland and marine fisheries, and wildlife areas, and functions related to law enforcement, land acquisition, and wildlife management and research, are financed through the Fish and Game Fund. Principal revenues of this fund include fees from fish and game licenses, the marine gas tax, penalties, and recoveries, and federal grants-in-aid related to fish and game management, all of which are appropriated annually by the Legislature for the use of the Fish and Game Department.*

***Capital Projects Fund -*** *Used to account for certain capital improvement appropriations which are or will be primarily funded by the issuance of State bonds or notes, other than bonds and notes for highway or turnpike purposes, or by the application of certain federal matching grants.*

***Coronavirus Relief Fund:*** *The Coronavirus Relief Fund is used to account for revenues and expenditures related to federal revenue received under section 601 (a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act").*

***Other Governmental Funds -*** *Used to account for certain program funds maintained by agencies that are limited in use for particular purposes.*

***Permanent Funds:***

***NH Hospital -*** *Consist of several trust funds that were made expressly for the benefit of patients at the NH Hospital through various bequeathals.*

***Land Conservation Endowment -*** *The Conservation Land Stewardship Program (CLS), which is housed in the NH Office of Strategic Initiative (OSI), monitors and stewards the 86 state-held Land Conservation Investment Program conservation easements.*

***Other -*** *The other category consists of several accounts that report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the State or its citizenry. They include: Special Teachers Comp., Connecticut Lake fund, , and Community Conservation Endowment Funds.*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND BALANCE SHEET**
**NON-MAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | | | | | Permanent Funds | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Fish & Game | Capital | Coronavirus Relief | Other | NH Hospital | Land Conservation Endowment | Other Permanent | Total Permanent | Total Non-Major |
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | $ 23,835 | $ 1,378 | $ 28 | $ 9,690 | $ 1 | | | $ 1 | $ 34,932 |
| Investments | | | | 11,470 | 8,356 | 5,370 | 15,991 | 29,717 | 41,187 |
| Receivables (Net) | 1,494 | 432 | | | | | | | 1,926 |
| Due from Other Funds | 481 | 485 | | | | | | | 966 |
| Inventories | 846 | | | | | | | | 846 |
| Total Assets | 26,656 | 2,295 | 28 | 21,160 | 8,357 | 5,370 | 15,991 | 29,718 | 79,857 |
| LIABILITIES | | | | | | | | | |
| Accounts Payable | 5,041 | 8,906 | | | | | | | 13,947 |
| Accrued Payroll | 783 | | | | | | | | 783 |
| Unearned Revenue | | | 28 | | | | | | 28 |
| Total Liabilities | 5,824 | 8,906 | 28 | | | | | | 14,758 |
| DEFERRED INFLOWS OF RESOURCES | 75 | | | | | | | | 75 |
| FUND BALANCES | | | | | | | | | |
| Nonspendable: | | | | | | | | | |
| Inventories | 846 | | | | | | | | 846 |
| Permanent Fund Principal | | | | | 458 | 2,721 | 9,807 | 12,986 | 12,986 |
| Restricted | 2,732 | | | 21,160 | 7,899 | 2,649 | 6,184 | 16,732 | 40,624 |
| Committed | 5,025 | | | | | | | | 5,025 |
| Assigned | 12,154 | | | | | | | | 12,154 |
| Unassigned | | (6,611) | | | | | | | (6,611) |
| Total Fund Balances (Deficit) | 20,757 | (6,611) | | 21,160 | 8,357 | 5,370 | 15,991 | 29,718 | 65,024 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | $ 26,656 | $ 2,295 | $ 28 | $ 21,160 | $ 8,357 | $ 5,370 | $ 15,991 | $ 29,718 | $ 79,857 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
**NON-MAJOR GOVERNMENTAL FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | | | | | Permanent Funds | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Fish & Game | Capital | Coronavirus Relief | Other | NH Hospital | Land Conservation Endowment | Other Permanent | Total Permanent | Total Non-Major |
| **REVENUES** | | | | | | | | | |
| Non-Business License Taxes | $ 10,851 | | | | | | | | $ 10,851 |
| Fees | 8,014 | | | | | | | | 8,014 |
| Fines, Penalties and Interest | 196 | | | | | | | | 196 |
| Grants from Federal Government | 12,437 | 34,211 | | | | | | | 46,648 |
| Grants from Private and Local Sources | 897 | | | | | | | | 897 |
| Interest, Premiums and Discounts | 526 | | | 607 | 182 | 158 | 419 | 759 | 1,892 |
| Sale of Commodities | 645 | | | | | | | | 645 |
| Grants from Other Agencies | 724 | | | | | | | | 724 |
| Miscellaneous | 3,163 | | | 26,902 | 793 | 546 | 1,731 | 3,070 | 33,135 |
| Total Revenues | 37,453 | 34,211 | | 27,509 | 975 | 704 | 2,150 | 3,829 | 103,002 |
| **EXPENDITURES** | | | | | | | | | |
| Current: | | | | | | | | | |
| General Government | | 93 | | 26,669 | | | 5 | 5 | 26,767 |
| Administration of Justice & Public Protection | | 11 | | | | | | | 11 |
| Resource Protection and Development | 30,120 | 26 | | | | 182 | 619 | 801 | 30,947 |
| Health and Social Services | | 1,285 | | | 204 | | | 204 | 1,489 |
| Debt Service | 206 | | | | | | | | 206 |
| Capital Outlay | 5,615 | 98,222 | | | | | | | 103,837 |
| Total Expenditures | 35,941 | 99,637 | | 26,669 | 204 | 182 | 624 | 1,010 | 163,257 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,512 | (65,426) | | 840 | 771 | 522 | 1,526 | 2,819 | (60,255) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | | |
| Transfers In | 888 | | | | | | | | 888 |
| Transfers Out | (5,383) | | | | | | | | (5,383) |
| G.O. Bond Premium | | 7,808 | | | | | | | 7,808 |
| G.O. Bond Issuance | | 63,901 | | | | | | | 63,901 |
| Total Other Financing Sources (Uses) | (4,495) | 71,709 | | | | | | | 67,214 |
| Excess of Revenues & Other Sources Over Expenditures & Other Uses | (2,983) | 6,283 | | 840 | 771 | 522 | 1,526 | 2,819 | 6,959 |
| Fund Balances (Deficits) - July 1 | 23,800 | (12,894) | | 20,320 | 7,586 | 4,848 | 14,465 | 26,899 | 58,125 |
| Change in Inventory | (60) | | | | | | | | (60) |
| Fund Balances (Deficits) - June 30 | $ 20,757 | $ (6,611) | | $21,160 | $ 8,357 | $ 5,370 | $ 15,991 | $ 29,718 | $ 65,024 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS) SCHEDULE**
**FISH & GAME FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Fish and Game Fund | | | |
|---|---|---|---|---|
| | Budgeted Amounts | | | |
| | Original | Final | Actual Amount (Budgetary Basis) | Variance with Final Budget-Positive (Negative) |
| **REVENUES** | | | | |
| Non-Business License Taxes | 11,773 | 11,814 | 10,851 | (963) |
| Fees | 3,502 | 3,976 | 1,126 | (2,850) |
| Fines, Penalties and Interest | 138 | 146 | 196 | 50 |
| Grants from Federal Government | 66,111 | 75,772 | 11,711 | (64,061) |
| Grants from Private and Local Sources | 224 | 252 | 101 | (151) |
| Interest Premiums and Discounts | 172 | 172 | 541 | 369 |
| Sale of Commodities | 1,307 | 1,328 | 934 | (394) |
| Sale of Services | 1,134 | 1,134 | | (1,134) |
| Grants from Other Agencies | 13,043 | 13,476 | 8,516 | (4,960) |
| Miscellaneous | 7,414 | 8,029 | 4,909 | (3,120) |
| Total Revenues | 104,818 | 116,099 | 38,885 | (77,214) |
| **EXPENDITURES** | | | | |
| Resource Protection and Development | 98,952 | 111,600 | 41,465 | 70,135 |
| Total Expenditures | 98,952 | 111,600 | 41,465 | 70,135 |
| Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses | 5,866 | 4,499 | (2,580) | (7,079) |
| **Fund Balance - July 1** | 18,487 | 7,034 | 20,424 | |
| **Fund Balance - June 30** | $24,353 | $11,533 | $17,844 | |

**Reconciliation of Budgetary To GAAP**

The State's biennial budget is prepared on a basis other than GAAP. The "actual" results column of the Budget and Actual - Non-GAAP budgetary statement are presented on a "budgetary basis" to provide a meaningful comparison to budget.

The major differences between the budgetary basis and the GAAP basis are:

1. Expenditures are recorded when cash is paid or committed (budgetary), rather than when the obligation is incurred (GAAP). In addition, revenue based on these accruals is adjusted on a GAAP basis only.

2. On a GAAP basis, major inter-agency and intra-agency transactions are eliminated in order to not double count revenues and expenditures.

The following schedule reconciles the Fish and Game Fund of the primary government for differences between budgetary accounting methods and the GAAP basis accounting principles for the year ended June 30, 2022 (expressed in thousands).

| | Fish & Game Fund |
|---|---|
| Excess (deficiency) of revenues and other financing sources under expenditures and other financing uses (Budgetary Basis) | $ (2,580) |
| Adjustments and Reclassifications: | |
| To record change in Accounts Payable and Accrued Payroll | 139 |
| To Record change in Accounts Receivable | (542) |
| To record Other Financing Sources (Uses) | (60) |
| Excess (Deficiency) of revenues and other financing sources under expenditures and other financing uses (GAAP Basis) including change in inventory | $ (3,043) |

*See accompanying Independent Auditors' Report*

# State Revolving Fund

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND SCHEDULE OF NET POSITION**
**STATE REVOLVING FUND**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Clean Water | Drinking Water | Total SRF Fund |
|---|---|---|---|
| **ASSETS - (Restricted)** | | | |
| **Current Assets:** | | | |
| Cash and Cash Equivalents | $ 147,651 | $ 66,346 | $ 213,997 |
| Investments | 20,867 | 5,804 | 26,671 |
| Loans Receivable: | | | |
| Cap Grant - Wastewater/Regular | 8,692 | 5,445 | 14,137 |
| Repayment Loans | 14,623 | 2,711 | 17,334 |
| Total Loans Receivable | 23,315 | 8,156 | 31,471 |
| Other Current Assets | 4,182 | 2,389 | 6,571 |
| Total Current Assets | 196,015 | 82,695 | 278,710 |
| **Noncurrent Assets:** | | | |
| Investments | 60,223 | 16,162 | 76,385 |
| Loans Receivable: | | | |
| Cap Grant - Wastewater/Regular | 126,565 | 70,707 | 197,272 |
| Repayment Loans | 236,031 | 53,673 | 289,704 |
| Total Loans Receivable | 362,596 | 124,380 | 486,976 |
| Total Noncurrent Assets | 422,819 | 140,542 | 563,361 |
| Total Assets | 618,834 | 223,237 | 842,071 |
| **DEFERRED OUTFLOWS OF RESOURCES** | 1,318 | 1,444 | 2,762 |
| **LIABILITIES** | | | |
| **Current Liabilities:** | | | |
| Accounts Payable | 942 | 1,433 | 2,375 |
| Bonds Payable | 557 | | 557 |
| Accrued Payroll | 176 | 190 | 366 |
| Compensated Absence - current | 54 | 60 | 114 |
| Advanced Collection | | 6 | 6 |
| Total Current Liabilities | 1,729 | 1,689 | 3,418 |
| **Noncurrent Liabilities:** | | | |
| Bonds Payable | 3,897 | | 3,897 |
| Compensated Absence - noncurrent | 545 | 604 | 1,149 |
| Other Post Employment Benefits Payable | 1,763 | 1,888 | 3,651 |
| Net Pension Liability | 3,416 | 3,430 | 6,846 |
| Total Noncurrent Liabilities | 9,621 | 5,922 | 15,543 |
| Total Liabilities | 11,350 | 7,611 | 18,961 |
| **DEFERRED INFLOWS OF RESOURCES** | 1,369 | 1,799 | 3,168 |
| **NET POSITION** | | | |
| Restricted for Environmental Loans | 597,041 | 211,409 | 808,450 |
| Restricted for SRF Programs | 10,392 | 3,862 | 14,254 |
| Total Net Position | $ 607,433 | $ 215,271 | $ 822,704 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION STATE REVOLVING FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Clean Water | Drinking Water | Total SRF Fund |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Loan Interest | $ 3,501 | $ 439 | $ 3,940 |
| Capitalized Loan Interest | 9 | | 9 |
| Management Fees | 3,487 | 2,037 | 5,524 |
| Total Operating Revenue | 6,997 | 2,476 | 9,473 |
| **OPERATING EXPENSES** | | | |
| Principal Forgiveness | 2,634 | 631 | 3,265 |
| Small System Set-Aside Costs | 85 | 409 | 494 |
| State Program Management Costs | | 1,642 | 1,642 |
| Local Assistance Set-Aside Costs | | 3,595 | 3,595 |
| Administration | 5,848 | 3,469 | 9,317 |
| Total Operating Expenses | 8,567 | 9,746 | 18,313 |
| Operating (Loss) | (1,570) | (7,270) | (8,840) |
| **NONOPERATING REVENUES (EXPENSES)** | | | |
| Investment Income | 5,853 | 2,343 | 8,196 |
| Federal Grant Revenue | 16,054 | 13,115 | 29,169 |
| State Contributions | 3,039 | 1,870 | 4,909 |
| Miscellaneous | (206) | | (206) |
| Total Nonoperating Revenues | 24,740 | 17,328 | 42,068 |
| Change in Net Position | 23,170 | 10,058 | 33,228 |
| Net Position - July 1 | 584,263 | 205,213 | 789,476 |
| Net Position - June 30 | $ 607,433 | $ 215,271 | $ 822,704 |

*See accompanying Independent Auditors' Report*

# Internal Service Fund

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND SCHEDULE OF NET POSITION**
**EMPLOYEE BENEFIT RISK MANAGEMENT FUND**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Health | | | | |
|---|---|---|---|---|---|
| **ASSETS** | **Active** | **Retirees** | **Total** | **Dental** | **Total** |
| **Current Assets:** | | | | | |
| Cash and Cash Equivalents | $ 63,702 | $ 50,185 | $ 113,887 | $ 2,243 | $ 116,130 |
| Accounts Receivable | 7,254 | 6,276 | 13,530 | 44 | 13,574 |
| Total Assets | 70,956 | 56,461 | 127,417 | 2,287 | 129,704 |
| **LIABILITIES** | | | | | |
| **Current Liabilities:** | | | | | |
| Accounts Payable | 128 | 5,297 | 5,425 | 29 | 5,454 |
| Claims Payable | 8,510 | 1,220 | 9,730 | 475 | 10,205 |
| Incurred but not Reported (IBNR) | 26,869 | 3,652 | 30,521 | 377 | 30,898 |
| Other Liabilities | 3 | | 3 | | 3 |
| Total Liabilities | 35,510 | 10,169 | 45,679 | 881 | 46,560 |
| **NET POSITION** | | | | | |
| Restricted Net Position | $ 35,446 | $ 46,292 | $ 81,738 | $ 1,406 | $ 83,144 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**
**EMPLOYEE BENEFIT RISK MANAGEMENT FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Health | | | | |
|---|---|---|---|---|---|
| | **Active** | **Retirees** | **Total** | **Dental** | **Total** |
| **OPERATING REVENUES** | | | | | |
| Contributions For Health Benefits | | | | | |
| State Agency and Component Unit Contributions: | | | | | |
| Active Employees | $216,574 | | $216,574 | $11,332 | $227,906 |
| Retired Employees | | 42,194 | 42,194 | | 42,194 |
| Non-State Contributions: | | | | | |
| Employee and Retiree Premium Contributions | 10,759 | 8,689 | 19,448 | 1,206 | 20,654 |
| COBRA Participants | 265 | 13 | 278 | 131 | 409 |
| Retirement Medical Subsidy | | 8,079 | 8,079 | | 8,079 |
| Pharmacy Drug Subsidies and Rebates | 26,375 | 35,181 | 61,556 | | 61,556 |
| Recoveries, Subsidies & Rebates | 1,792 | 3,853 | 5,645 | 11 | 5,656 |
| Total Contributions for Health Benefits | 255,765 | 98,009 | 353,774 | 12,680 | 366,454 |
| Total Charges for Sales and Services | 189,980 | 95,839 | 285,819 | 9,410 | 295,229 |
| **OPERATING EXPENSES** | | | | | |
| Health Care Claims Expenses: | | | | | |
| Medical | 183,653 | 26,380 | 210,033 | 12,232 | 222,265 |
| Prescription Drug | 76,460 | 46,424 | 122,884 | | 122,884 |
| Ancillary Benefits | 378 | | 378 | | 378 |
| Total Health Care Claims Expenses | 260,491 | 72,804 | 333,295 | 12,232 | 345,527 |
| Fully Insured Premiums | | 10,533 | 10,533 | | 10,533 |
| Administrative Expenses | 8,230 | 2,468 | 10,698 | 349 | 11,047 |
| Total Operating Expenses | 268,721 | 85,805 | 354,526 | 12,581 | 367,107 |
| Operating Income (Loss) | (12,956) | 12,204 | (752) | 99 | (653) |
| Investment Income | 1,846 | 768 | 2,614 | 74 | 2,688 |
| Change in Net Position | (11,110) | 12,972 | 1,862 | 173 | 2,035 |
| Net Position - July 1 | 46,556 | 33,320 | 79,876 | 1,233 | 81,109 |
| Net Position - June 30 | $ 35,446 | $ 46,292 | $ 81,738 | $ 1,406 | $ 83,144 |

*See accompanying Independent Auditors' Report*

# Non-Major Component Units

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF NET POSITION**
**NON-MAJOR COMPONENT UNITS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business Finance Authority | Community Development Finance Authority | Pease Development Authority | Community College System of New Hampshire | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | $ 15,574 | $ 30,312 | $ 13,056 | $ 24,519 | $ 83,461 |
| Cash and Cash Equivalents-Restricted | 48,746 | 4,447 | 572 | | 53,765 |
| Investments | 3,780 | | | 27,611 | 31,391 |
| Accounts Receivable | 4 | 308 | 8,262 | 2,203 | 10,777 |
| Other Receivables | | 1,637 | | 3,593 | 5,230 |
| Notes Receivable - Current Portion | 1,814 | 890 | 1,061 | 1,473 | 5,238 |
| Lease Receivable - Current Portion | | | | 305 | 305 |
| Prepaid Expenses & Other Assets | 27 | 63 | 734 | 1,394 | 2,218 |
| Total Current Assets | 69,945 | 37,657 | 23,685 | 61,098 | 192,385 |
| Noncurrent Assets: | | | | | |
| Investments | | | | 40,879 | 40,879 |
| Notes & Other Receivables | 90,550 | 3,826 | | | 94,376 |
| Lease Receivable | | | 221,148 | 366 | 221,514 |
| Other Assets | 5,333 | | | | 5,333 |
| Capital Assets: | | | | | |
| Land & Land Improvements | | | 7,838 | 9,738 | 17,576 |
| Building & Building Improvements | | 282 | 212,615 | 212,828 | 425,725 |
| Equipment | 15 | 111 | 19,323 | 23,183 | 42,632 |
| Construction in Progress | | | 8,900 | 5,858 | 14,758 |
| Right of Use | 1,590 | 323 | | 6,404 | 8,317 |
| Subscription IT | | | 408 | 5,246 | 5,654 |
| Less: Accumulated Depreciation | (406) | (238) | (140,810) | (144,598) | (286,052) |
| Less: Accumulated Amortization | | (75) | (11) | (4,056) | (4,142) |
| Net Capital Assets | 1,199 | 403 | 108,263 | 114,603 | 224,468 |
| Total Noncurrent Assets | 97,082 | 4,229 | 329,411 | 155,848 | 586,570 |
| Total Assets | 167,027 | 41,886 | 353,096 | 216,946 | 778,955 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | 2,944 | 17,489 | 20,433 |

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF NET POSITION**
**NON-MAJOR COMPONENT UNITS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business Finance Authority | Community Development Finance Authority | Pease Development Authority | Community College System of New Hampshire | Total |
|---|---|---|---|---|---|
| **LIABILITIES** | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | 3 | 649 | 4,683 | 2,215 | 7,550 |
| Accrued Salaries and Wages | | | | 5,881 | 5,881 |
| Accrued Employee Benefits - Current | 62 | | | | 62 |
| Other Payables & Accrued Expenses | 374 | 8,712 | | 450 | 9,536 |
| Deposits and Unearned Revenues | | 15,599 | 617 | 2,543 | 18,759 |
| Long Term Leases - Current Portion | | 77 | | 830 | 907 |
| Subscription IT Liability - Current Portion | | | 52 | 718 | 770 |
| Long Term Debt - Current Portion | | | | 1,173 | 1,173 |
| Total Current Liabilities | 439 | 25,037 | 5,352 | 13,810 | 44,638 |
| Noncurrent Liabilities: | | | | | |
| Other Post Employment Benefits Payable | | 233 | 4,094 | 37,577 | 41,904 |
| Net Pension Liabilities | | | 5,711 | 56,297 | 62,008 |
| Long Term Leases | 858 | 171 | | 4,912 | 5,941 |
| Subscription IT Liability | | | 285 | 1,062 | 1,347 |
| Other Long Term Debt | 119,251 | 750 | 358 | 10,977 | 131,336 |
| Total Noncurrent Liabilities | 120,109 | 1,154 | 10,448 | 110,825 | 242,536 |
| Total Liabilities | 120,548 | 26,191 | 15,800 | 124,635 | 287,174 |
| **DEFERRED INFLOWS OF RESOURCES** | | | 219,970 | 34,711 | 254,681 |
| **NET POSITION** | | | | | |
| Net Investment in Capital Assets | 340 | 155 | 105,631 | 98,315 | 204,441 |
| Restricted for Specific Purpose | 43,211 | 4,780 | 1,379 | 41,987 | 91,357 |
| Unrestricted Net Position (Deficit) | 2,928 | 10,760 | 13,260 | (65,213) | (38,265) |
| Total Net Position (Deficit) | $ 46,479 | $ 15,695 | $ 120,270 | $ 75,089 | $ 257,533 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF ACTIVITIES**
**NON-MAJOR COMPONENT UNITS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Business Finance Authority | Community Development Finance Authority | Pease Development Authority | Community College System of New Hampshire | Total |
|---|---|---|---|---|---|
| EXPENSES | $ 25,749 | $ 17,484 | $ 22,800 | $ 125,948 | $ 191,981 |
| PROGRAM REVENUES: | | | | | |
| Charges for Services: | | | | | |
| Tuition & Fees | | | | 53,220 | 53,220 |
| Scholarship Allowances | | | | (23,233) | (23,233) |
| Sales, Services, & Other Revenue | 8,686 | 4,333 | 15,632 | 8,997 | 37,648 |
| Operating Grants & Contributions | | 14,210 | 19,409 | 21,163 | 54,782 |
| Capital Grants & Contributions | | | 32 | 3,377 | 3,409 |
| Total Program Revenues | 8,686 | 18,543 | 35,073 | 63,524 | 125,826 |
| Net Revenues (Expenses) | (17,063) | 1,059 | 12,273 | (62,424) | (66,155) |
| Interest & Investment Income (Loss) | 1,575 | 430 | 565 | 12,192 | 14,762 |
| Lease Revenue | | | | 313 | 313 |
| Payments from State of New Hampshire | | | | 67,437 | 67,437 |
| Change in Net Position | (15,488) | 1,489 | 12,838 | 17,518 | 16,357 |
| Net Position - July 1 | 61,967 | 14,206 | 107,432 | 57,571 | 241,176 |
| Net Position - June 30 | $ 46,479 | $ 15,695 | $ 120,270 | $ 75,089 | $ 257,533 |

*See accompanying Independent Auditors' Report*

# Fiduciary Funds
## Pension Trust Funds

***NHRS:*** *The New Hampshire Retirement System consists of a cost-sharing multiple-employer contributory pension plan (NHRS) and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code and a separate cost-sharing multiple-employer postemployment medical subsidy healthcare plan.*

***The Pension Plan -*** *is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State of New Hampshire are eligible and required to participate in the System. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.*

***Other Postemployment Medical Plans (OPEB) -*** *Pursuant to RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b New Hampshire Retirement System administers one defined benefit postemployment medical subsidy healthcare plan designated in statute by membership type. The four membership groups are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees, collectively referred to as the OPEB Plan.*

***Judicial Retirement Plan:*** *The New Hampshire Judicial Retirement Plan (NHJRP) was established on January 1, 2005 pursuant to RSA 100-C:2 and is intended for all time to meet the requirements of a qualified pension trust within the meaning of section 401(a) and to qualify as a governmental plan within the meaning of section 414(d) of the United States Internal Revenue Code. It is a defined benefit plan providing disability, death, and retirement protection for full-time supreme court, superior court, district court or probate court judges employed within the State.*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF PLAN NET POSITION**
**PENSION TRUST FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | NHRS | | | |
|---|---|---|---|---|
| | Pension Plan | OPEB | Judicial Retirement Plan | Total |
| **ASSETS** | | | | |
| Cash & Cash Equivalents | $ 363,608 | $ 1,390 | $ 2,463 | $ 367,461 |
| Total Cash | 363,608 | 1,390 | 2,463 | 367,461 |
| Receivables: | | | | |
| Due from Employers | 68,900 | 4,029 | 368 | 73,297 |
| Due from Plan Members | 28,929 | | 47 | 28,976 |
| Due from Brokers for Securities Sold | 17,997 | 69 | | 18,066 |
| Interest and Dividends | 19,288 | 74 | 104 | 19,466 |
| Other | 11,621 | 44 | 15 | 11,680 |
| Total Receivables | 146,735 | 4,216 | 534 | 151,485 |
| Investments | | | | |
| Equity Investments | | | | |
| Domestic | 4,917,397 | 18,802 | 32,261 | 4,968,460 |
| International | 1,213,213 | 4,639 | 13,182 | 1,231,034 |
| Fixed Income Investments | | | | |
| Domestic | 2,197,265 | 8,401 | 28,018 | 2,233,684 |
| International | 73,035 | 279 | | 73,314 |
| Commercial Real Estate | 1,123,651 | 4,296 | | 1,127,947 |
| Alternative Investments | 2,282,528 | 8,727 | 6,968 | 2,298,223 |
| Total Investments | 11,807,089 | 45,144 | 80,429 | 11,932,662 |
| Other Assets | 11,337 | 43 | | 11,380 |
| Total Assets | 12,328,769 | 50,793 | 83,426 | 12,462,988 |
| **LIABILITIES** | | | | |
| Management Fees and Other Payables | 14,201 | 54 | 31 | 14,286 |
| Due to Brokers for Securities Purchased | 24,690 | 94 | | 24,784 |
| Total Liabilities | 38,891 | 148 | 31 | 39,070 |
| **NET POSITION** | | | | |
| Net Position Restricted for Pension and Other Postemployment Benefits (OPEB) | $ 12,289,878 | $ 50,645 | $ 83,395 | $ 12,423,918 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF CHANGES IN PLAN NET POSITION**
**PENSION TRUST FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | NHRS | | | |
|---|---|---|---|---|
| | Pension Plan | OPEB | Judicial Retirement Plan | Total |
| **ADDITIONS** | | | | |
| **Contributions:** | | | | |
| Employers | $ 612,454 | $ 36,433 | $ 8,133 | $ 657,020 |
| Plan Members | 268,502 | | 1,118 | 269,620 |
| Total Contributions | 880,956 | 36,433 | 9,251 | 926,640 |
| **Investment Income:** | | | | |
| From Investing Activities: | | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | 792,359 | 3,149 | 8,396 | 803,904 |
| Interest | 62,487 | 256 | 2,279 | 65,022 |
| Dividends | 98,698 | 405 | | 99,103 |
| Alternative Investment Income | 68,866 | 282 | | 69,148 |
| Net Real Estate Income | 26,598 | 109 | | 26,707 |
| Total Income from Investing Activities | 1,049,008 | 4,201 | 10,675 | 1,063,884 |
| **Less: Investment Activity Expenses:** | | | | |
| Investment Management Fees | 56,352 | 232 | | 56,584 |
| Custodial Fees | 701 | 3 | 69 | 773 |
| Investment Administrative Expense | 1,107 | 2 | | 1,109 |
| Investment Advisor Fees | 647 | 3 | 60 | 710 |
| Investment Professional Fees | 450 | 2 | | 452 |
| Total Investment Activity Expenses | 59,257 | 242 | 129 | 59,628 |
| Total Net Income from Investing Activities | 989,751 | 3,959 | 10,546 | 1,004,256 |
| **Total Net Investment Income** | 989,751 | 3,959 | 10,546 | 1,004,256 |
| **Total Additions** | 1,870,707 | 40,392 | 19,797 | 1,930,896 |
| **DEDUCTIONS** | | | | |
| Benefits/Distributions to Participants | 1,000,616 | 39,550 | 8,459 | 1,048,625 |
| Refunds of Contributions | 25,520 | | | 25,520 |
| Administrative Expense | 10,930 | 343 | 133 | 11,406 |
| Professional Fees | 622 | 2 | | 624 |
| Other | 2,526 | 11 | | 2,537 |
| **Total Deductions** | 1,040,214 | 39,906 | 8,592 | 1,088,712 |
| **Change in Net Position** | 830,493 | 486 | 11,205 | 842,184 |
| Net Position - July 1 | 11,459,385 | 50,159 | 72,190 | 11,581,734 |
| Net Position - June 30 | $ 12,289,878 | $ 50,645 | $ 83,395 | $ 12,423,918 |

*See accompanying Independent Auditors' Report*

# Private Purpose Trust Funds

***Electrical Assistance Program Utility Fund:*** *The Electrical Assistance Program (EAP) was developed by the Public Utilities Commission (PUC) to respond to the Legislature's call for low-income programs as part of electric restructuring. Accordingly, PUC issued an order approving a program to provide bill assistance to customers, and set up this fund. This program provides income-eligible customers with discounts on their electric bills. Customer bills for low-income assistance are adjusted by the utility company. The state treasurer is the custodian of the fund, and all moneys and securities in the fund are held in trust by the State Treasurer and do not constitute money or property of the State. According to the Consumer Affairs Director at PUC, if the Electrical Assistance Program (EAP) were to cease operations, the funds would not remain with Treasury, the custodian of the funds, they would be have to be returned to the rate payers.*

***College Savings:*** *This fund is The New Hampshire Excellence in Higher Education Endowment Trust Fund; a non state program which has the purpose of providing scholarships for the benefit of residents of the state of New Hampshire who are pursuing programs of study at eligible educational institutions within the State. Funding will come from a portion of the administrative proceeds of New Hampshire's UNIQUE College Investing Plan. The fund is administered by the New Hampshire College Tuition Savings Plan Advisory Commission, and scholarships will be granted based on need and merit. The State Treasurer is the trustee of the fund.*

***Benjamin Thompson:*** *Benjamin Thompson of Durham, NH bequeathed all of his property to the State of New Hampshire upon his death on January 30, 1890. He specified in his will that the money and property were to be used to establish an agricultural college. Thompson stipulated that this trust be set up by the State to provide for the maintenance of the college in perpetuity. The provisions of the will were carried out and the College became the University of New Hampshire in 1923.*

***Other:*** *The other category consists of several accounts whose trust arrangements provide principal and income to benefit individuals, private organizations or other governments. They include: Japanese Charitable, NH Youth Development Center, YDC Boys/Girls account, DOL Crown Paper Workers Compensation, Laconia State School, Harriett Huntress, Hattie Livesey, John Nesmith, Matthew Elliott and Guy Thompson.*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF NET POSITION**
**PRIVATE PURPOSE TRUST FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Private Purpose Trust Funds | | | | |
|---|---|---|---|---|---|
| | EAP | College Savings | Benjamin Thompson | Other | Total Private Purpose |
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 703 | | $ 90 | $ 16 | $ 809 |
| Investments | | 22,877 | 2,827 | 1,297 | 27,001 |
| Total Assets | 703 | 22,877 | 2,917 | 1,313 | 27,810 |
| **LIABILITIES** | | | | | |
| Total Liabilities | | | | | |
| Net Position Held in Trust for Benefits & Other Purposes | $ 703 | $ 22,877 | $ 2,917 | $ 1,313 | $ 27,810 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF CHANGES IN NET POSITION**
**PRIVATE PURPOSE TRUST FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Private Purpose Trust Funds | | | | |
|---|---|---|---|---|---|
| | EAP | College Savings | Benjamin Thompson | Other | Total Private Purpose |
| **ADDITIONS** | | | | | |
| **Contributions:** | | | | | |
| From Participants | $ 1,226 | $ 18,234 | | | $ 19,460 |
| Total Contributions | 1,226 | 18,234 | | | 19,460 |
| Interest Income | 12 | 828 | 58 | 44 | 942 |
| Other | 1,400 | 1,443 | 330 | 99 | 3,272 |
| **Total Additions** | 2,638 | 20,505 | 388 | 143 | 23,674 |
| **DEDUCTIONS** | | | | | |
| Benefits/Distributions to Participants | 2,069 | 13,471 | 32 | 2 | 15,574 |
| Other | | 1,110 | 31 | 9 | 1,150 |
| **Total Deductions** | 2,069 | 14,581 | 63 | 11 | 16,724 |
| **Change in Net Position** | 569 | 5,924 | 325 | 132 | 6,950 |
| **Net Position - July 1** | 134 | 16,953 | 2,592 | 1,181 | 20,860 |
| **Net Position - June 30** | $ 703 | $ 22,877 | $ 2,917 | $ 1,313 | $ 27,810 |

*See accompanying Independent Auditors' Report*

# Custodial Funds

***Child Support Funds:*** *There are currently five non-state program funds reported under the child support funds and four function in a custodial capacity for the benefit of child support recipients. The Payroll account has the most activity and resulted from the transfer of activity from the Department of Probation to the Division of Human Services (Welfare) in 1981. This account includes the checking account for the dollars received and disbursed on behalf of those receiving Child Support. The Department of Health and Human Services, Division of Child Support Services, has an agreement with Xerox Business Services, LLC to manage the billing, collection and telecommunication system operated on a statewide basis as part of the automated child support system, which is labeled the Lockbox account. This lockbox functions as DCSS' State Disbursement Unit (SDU). An SDU must be capable of receiving, recording and depositing wage assignments from employers and direct payments from non-custodial parents. Within 48 hours of receiving a payment, an SDU must make an accurate distribution of payments to families throughout New Hampshire, the remaining states and territories, and several foreign countries. The other two funds are used for collections related to Juvenile Services restitution cases and court repayment of lawyer's fees.*

***Inmate Fund:*** *Established for maintenance of the personal funds of residents of the Department of Corrections (DOC). Funds deposited for the benefit of residents and from renumeration paid to residents by the Dept.*

***ARPA-NEU*****:** *Under the American Rescue Plan Act of 2021, the State will receive Local Fiscal Recovery Funds (FRF) to distribute to New Hampshire non-metropolitan cities and towns (so-called Non-Entitlement Units or NEUs). In June 2022, New Hampshire received another payment designated as the second tranche of Local FRF funding. Each NEU's share of the funding is calculated proportionately, subject to certain restrictions imposed by US Treasury. NEUs must request funding to receive payment of their allocated share. Alternatively, NEUs may choose to decline the funding and transfer their share to the State. The State is required to act expeditiously in distributing to each NEU its share of Local FRF funding and has established an application process, however, due to timing of the initial receipt, those funds remain with the State as of June 30, 2022, and were distributed subsequent to fiscal year-end. US Treasury guidance has prescribed that NEUs are considered prime recipients of the funds and as such, these funds will not be reported by the State as pass-through grants. Therefore, they are accounted for as custodial funds.*

***Other:*** *The other category consists of several accounts whose assets and liabilities for deposits and investments have been entrusted to the state as an agent for others. The following make up this category, Glencliff Home Patient Deposits and Resident Council Accounts, Financial Responsibility, NH Hospital Patient and Reimb Estate Accounts, NH Veterans Home Member and Checking Accounts, DHHS DCYF Dedicated Custodial Accounts and Hampstead Hospital Children's Trust Fund.*

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF ASSETS AND LIABILITIES**
**CUSTODIAL FUNDS**
**JUNE 30, 2024**
**(Expressed in Thousands)**

| | Custodial Funds | | | | |
|---|---|---|---|---|---|
| | Child Support Funds | Inmate Funds | ARPA - NEU | Other | Total Custodial |
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 3,106 | $ 1,113 | $ 228 | $ 573 | $ 5,020 |
| Investments | | | | 336 | 336 |
| Total Assets | 3,106 | 1,113 | 228 | 909 | 5,356 |
| **LIABILITIES** | | | | | |
| Total Liabilities | | | | | |
| Net Position Held in Trust for Benefits & Other Purposes | $ 3,106 | $ 1,113 | $ 228 | $ 909 | $ 5,356 |

**STATE OF NEW HAMPSHIRE**
**COMBINING INDIVIDUAL FUND STATEMENT OF CHANGES IN NET POSITION**
**CUSTODIAL FUNDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**
**(Expressed in Thousands)**

| | Custodial Funds | | | | |
|---|---|---|---|---|---|
| | Child Support Funds | Inmate Funds | ARPA - NEU | Other | Total Custodial |
| **ADDITIONS** | | | | | |
| Interest Income | | | | $ 34 | $ 34 |
| Other | 82,445 | 6,572 | | 6,942 | 95,959 |
| Total Additions | 82,445 | 6,572 | | 6,976 | 95,993 |
| **DEDUCTIONS** | | | | | |
| Benefits/Distributions to Participants | | 6,755 | | 6,802 | 13,557 |
| Other | 82,482 | | | 407 | 82,889 |
| Total Deductions | 82,482 | 6,755 | | 7,209 | 96,446 |
| **Change in Net Position** | (37) | (183) | | (233) | (453) |
| **Net Position - July 1** | 3,143 | 1,296 | 228 | 1,142 | 5,809 |
| **Net Position - June 30** | $ 3,106 | $ 1,113 | $ 228 | $ 909 | $ 5,356 |


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# Statistical Section
## *(Unaudited)*

The Statistical Section provides additional historical perspective, context, and detail to assist financial statement users in understanding the State of New Hampshire's overall financial health.

**Financial Trends**

These tables contain trend information to help users in understanding how the State's financial position has changed over time.


Schedule of Net Position by Component 147
Schedule of Changes in Net Position 148
Schedule of Fund Balances, Governmental Funds 150
Schedule of Changes in Fund Balance, Governmental Funds 151
Schedule of Unrestricted Revenue - GAAP Basis - General Fund 152
Schedule of Statutory Unassigned - Other Fund Balance - General Fund 153
Schedule of Statutory Fund Balance - Education Trust Fund 154
Schedule of Statutory Fund Balance - Highway Fund 155
Schedule of Statutory Fund Balance - Fish and Game Fund 156


**Revenue Capacity**

These tables contain information to help users in understanding and assessing the factors affecting the State's ability to generate its revenues


Schedule of Business Tax Filers and Liability by Tax Paid Level 157
Schedule of Statewide Property Tax For Top Ten Cities/Towns 159
Schedule of Sales by Top Ten State Liquor Retail Locations 161


**Debt Capacity**

These tables present information to help users assess the affordability of the State's current levels of outstanding debt.


Schedule of Ratios of Outstanding Debt by Type 161
Schedule of Ratios of General Bonded Debt Outstanding 162
Schedule of Pledged Revenue Coverage 162


**Demographic and Economic Information**

These tables offer demographic and economic indicators to help users understand the environment within which the State's financial activities take place.


Schedule of Demographic and Economic Statistics 163
Schedule of Building Permits for Housing Units 163
Schedule of Principal (Largest) Employers 164


**Operating Information**

These tables contain information about the State's operations and resources to help users understand how the State's financial information relates to the services the State provides and the activities it performs


Schedule of Operating Indicators by Function 166
Schedule of State Employees by Function 170
Schedule of Capital Asset Balances by Function 171

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF NET POSITION BY COMPONENT**
**LAST TEN YEARS**
**(Accrual Basis Accounting, Expressed in Thousands)**

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** |
| Governmental activities | | | | | |
| Net investment in capital assets | $ 2,551,256 | $ 2,435,612 | $ 2,442,714 | $ 2,460,257 | $ 2,442,642 |
| Restricted | 1,418,080 | 1,319,803 | 1,074,440 | 899,744 | 799,217 |
| Unrestricted | (1,355,528) | (1,100,300) | (1,617,814) | (2,501,385) | (2,937,843) |
| Total governmental activities net assets | $ 2,613,808 | $ 2,655,115 | $ 1,899,340 | $ 858,616 | $ 304,016 |
| Business-type activities | | | | | |
| Net investment in capital assets | $ 757,550 | $ 730,776 | $ 693,069 | $ 658,160 | $ 629,432 |
| Restricted | 1,284,759 | 1,239,494 | 1,119,345 | 1,000,010 | 836,985 |
| Unrestricted | (174) | (13,919) | (25,242) | (61,168) | (55,071) |
| Total business-type activities net assets | $ 2,042,135 | $ 1,956,351 | $ 1,787,172 | $ 1,597,002 | $ 1,411,346 |
| Primary government | | | | | |
| Net investment in capital assets | $ 3,308,806 | $ 3,166,388 | $ 3,135,783 | $ 3,118,417 | $ 3,072,074 |
| Restricted | 2,702,839 | 2,559,297 | 2,193,785 | 1,899,754 | 1,636,202 |
| Unrestricted | (1,355,702) | (1,114,219) | (1,643,056) | (2,562,553) | (2,992,914) |
| Total primary government net assets | $ 4,655,943 | $ 4,611,466 | $ 3,686,512 | $ 2,455,618 | $ 1,715,362 |

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | **2019** | **2018** | **2017** | **2016** | **2015** |
| Governmental activities | | | | | |
| Net investment in capital assets | $ 2,390,742 | $ 2,315,210 | $ 2,265,036 | $ 2,206,073 | $ 2,036,066 |
| Restricted | 681,987 | 687,731 | 429,246 | 418,702 | 152,702 |
| Unrestricted | (2,790,580) | (3,221,260) | (1,683,141) | (1,602,034) | (1,639,487) |
| Total governmental activities net assets | $ 282,149 | $ (218,319) | $ 1,011,141 | $ 1,022,741 | $ 549,281 |
| Business-type activities | | | | | |
| Net investment in capital assets | $ 592,072 | $ 554,745 | $ 528,287 | $ 502,720 | $ 485,461 |
| Restricted | 1,064,700 | 1,054,707 | 1,018,208 | 997,892 | 965,691 |
| Unrestricted | (60,708) | (99,272) | 33,336 | 17,012 | (11,045) |
| Total business-type activities net assets | $ 1,596,064 | $ 1,510,180 | $ 1,579,831 | $ 1,517,624 | $ 1,440,107 |
| Primary government | | | | | |
| Net investment in capital assets | $ 2,982,814 | $ 2,869,955 | $ 2,793,323 | $ 2,708,793 | $ 2,521,527 |
| Restricted | 1,746,687 | 1,742,438 | 1,447,454 | 1,416,594 | 1,118,393 |
| Unrestricted | (2,851,288) | (3,320,532) | (1,649,805) | (1,585,022) | (1,650,532) |
| Total primary government net assets | $ 1,878,213 | $ 1,291,861 | $ 2,590,972 | $ 2,540,365 | $ 1,989,388 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF CHANGES IN NET POSITION**
**LAST TEN YEARS**
**(Accrual Basis Accounting, Expressed in Thousands)**

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** |
| **Governmental Activities:** | | | | | |
| Expenses | | | | | |
| General Government | $ 827,402 | $ 945,160 | $ 783,794 | $ 1,023,931 | $ 911,255 |
| Administration of Justice and Public Protection | 1,288,545 | 760,123 | 532,951 | 686,499 | 583,877 |
| Resource Protection and Development | 340,917 | 353,646 | 189,491 | 194,219 | 197,678 |
| Transportation | 558,008 | 595,503 | 432,309 | 514,303 | 485,317 |
| Health and Social Services | 3,935,927 | 3,857,165 | 3,698,626 | 3,547,901 | 3,092,544 |
| Education | 1,827,106 | 1,675,554 | 1,671,774 | 1,612,262 | 1,443,493 |
| Interest Expense | 27,390 | 24,777 | 26,934 | 24,007 | 27,426 |
| Total Expenses | 8,805,295 | 8,211,928 | 7,335,879 | 7,603,122 | 6,741,590 |
| Charges for Services: | | | | | |
| General Government | $ 511,658 | $ 461,250 | $ 393,143 | $ 373,247 | $ 360,177 |
| Administration of Justice and Public Protection | 508,147 | 460,668 | 510,505 | 434,461 | 415,660 |
| Resource Protection and Development | 119,008 | 127,352 | 100,679 | 93,754 | 85,769 |
| Transportation | 24,239 | 22,577 | 23,175 | 15,995 | 18,498 |
| Health and Social Services | 278,240 | 287,832 | 204,502 | 193,639 | 112,585 |
| Education | 13,428 | 2,357 | 1,187 | 2,001 | 2,696 |
| Operating Grants and Contributions | 3,391,370 | 3,853,265 | 3,526,608 | 3,512,151 | 2,823,948 |
| Capital Grants and Contributions | 255,362 | 245,275 | 247,229 | 209,205 | 208,723 |
| Total Program Revenues | 5,101,452 | 5,460,576 | 5,007,028 | 4,834,453 | 4,028,056 |
| Total Governmental Activities Net Program Expense | (3,703,843) | (2,751,352) | (2,328,851) | (2,768,669) | (2,713,534) |
| General Revenues and Other Changes in Net Assets | | | | | |
| Taxes | | | | | |
| General Property Taxes | 409,670 | 307,200 | 386,924 | 380,858 | 386,004 |
| Business Income Taxes | 1,245,269 | 1,329,660 | 1,016,883 | 1,104,374 | 654,400 |
| Meals and Rental Tax | 414,268 | 321,168 | 306,533 | 333,877 | 316,114 |
| Special Taxes | 665,363 | 664,687 | 801,977 | 652,545 | 633,110 |
| Personal Taxes | 189,284 | 217,697 | 231,802 | 252,425 | 213,654 |
| Business License Taxes | 178,126 | 180,550 | 179,048 | 170,992 | 174,691 |
| Interest and Investment Income | 135,149 | 80,286 | 21,243 | 18,234 | 18,213 |
| Miscellaneous | 62,611 | 76,286 | 85,682 | 98,093 | 70,444 |
| Special Item - Environmental Litigation Settlements | | | | | |
| Transfers | 362,796 | 329,593 | 340,923 | 299,785 | 268,771 |
| Total General Revenues and Other Changes in Net Position | 3,662,536 | 3,507,127 | 3,371,015 | 3,311,183 | 2,735,401 |
| Total Governmental Activities Change in Net Position | $ (41,307) | $ 755,775 | $ 1,042,164 | $ 542,514 | $ 21,867 |
| **Business-type Activities:** | | | | | |
| Expenses | | | | | |
| Turnpike System | $ 111,473 | $ 109,366 | $ 87,524 | $ 99,106 | $ 99,371 |
| Liquor Commission | 613,235 | 588,439 | 592,786 | 624,976 | 599,886 |
| Lottery Commission | 427,009 | 414,464 | 387,415 | 374,646 | 293,314 |
| SRF Fund | 18,519 | 16,572 | 19,600 | 19,653 | 14,299 |
| Unemployment Compensation | 48,863 | 37,326 | 43,795 | 972,371 | 1,097,245 |
| Total Expenses | 1,219,099 | 1,166,167 | 1,131,120 | 2,090,752 | 2,104,115 |
| Revenues | | | | | |
| Charges for Services: | | | | | |
| Turnpike System | 158,379 | 149,945 | 141,939 | 126,446 | 136,319 |
| Liquor Commission | 757,889 | 759,071 | 774,983 | 807,427 | 757,986 |
| Lottery Commission | 634,779 | 603,848 | 536,771 | 519,034 | 392,651 |
| SRF Fund | 22,578 | 19,066 | 21,851 | 15,121 | 17,845 |
| Unemployment Compensation | 65,676 | 106,499 | 159,249 | 160,048 | 61,919 |
| Operating Grants and Contributions | 28,268 | 26,476 | 42,183 | 948,090 | 821,443 |
| Capital Grants and Contributions | 110 | 34 | 13 | 27 | 5 |
| Total Revenues | 1,667,679 | 1,664,939 | 1,676,989 | 2,576,193 | 2,188,168 |
| Total Business-type Activities Net Program Revenue | 448,580 | 498,772 | 545,869 | 485,441 | 84,053 |
| Other Changes in Net Position | | | | | |
| Transfer/Contribution of Capital Assets | | | | | |
| Transfers | (362,796) | (329,593) | (340,923) | (299,785) | (268,771) |
| Total Other Changes in Net Position | (362,796) | (329,593) | (340,923) | (299,785) | (268,771) |
| Total Business-type Activities Change in Net Position | $ 85,784 | $ 169,179 | $ 204,946 | $ 185,656 | $ (184,718) |
| Total Primary Government Change in Net Position | $ 44,477 | $ 924,954 | $ 1,247,110 | $ 728,170 | $ (162,851) |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF CHANGES IN NET POSITION**
**LAST TEN YEARS-CONTINUED**
**(Accrual Basis Accounting, Expressed in Thousands)**

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | **2019** | **2018** | **2017** | **2016** | **2015** |
| | | | | | |
| $ | 435,655 | $ 487,323 | $ 482,357 | $ 445,931 | $ 442,490 |
| | 507,949 | 529,684 | 516,377 | 469,263 | 528,840 |
| | 168,125 | 178,862 | 177,032 | 156,899 | 156,795 |
| | 568,404 | 569,332 | 558,500 | 500,899 | 501,461 |
| | 2,839,853 | 2,883,850 | 2,843,514 | 2,717,099 | 2,406,752 |
| | 1,366,996 | 1,356,013 | 1,361,946 | 1,358,215 | 1,346,431 |
| | 33,865 | 33,754 | 33,437 | 54,748 | 41,877 |
| | 5,920,847 | 6,038,818 | 5,973,163 | 5,703,054 | 5,424,646 |
| | | | | | |
| | 288,167 | 292,437 | 313,725 | 309,072 | 273,145 |
| | 422,342 | 377,270 | 397,049 | 401,255 | 358,571 |
| | 94,085 | 100,984 | 95,579 | 89,441 | 86,294 |
| | 12,966 | 18,950 | 15,363 | 16,257 | 28,470 |
| | 182,062 | 178,117 | 159,600 | 144,354 | 271,752 |
| | 2,298 | 1,458 | 2,020 | 2,170 | 5,024 |
| | 2,273,606 | 2,267,221 | 2,164,704 | 2,137,529 | 1,895,332 |
| | 201,298 | 190,813 | 188,237 | 169,643 | 197,400 |
| | 3,476,824 | 3,427,250 | 3,336,277 | 3,269,721 | 3,115,988 |
| | (2,444,023) | (2,611,568) | (2,636,886) | (2,433,333) | (2,308,658) |
| | | | | | |
| | 403,299 | 409,085 | 403,212 | 407,276 | 408,678 |
| | 886,821 | 774,512 | 662,400 | 693,691 | 564,562 |
| | 350,190 | 329,983 | 315,680 | 302,473 | 280,792 |
| | 562,248 | 567,200 | 536,998 | 521,574 | 370,000 |
| | 202,182 | 211,319 | 218,833 | 226,803 | 221,501 |
| | 187,806 | 184,886 | 184,132 | 182,582 | 181,278 |
| | 27,440 | 21,023 | 14,600 | 17,015 | 15,172 |
| | 50,494 | 53,376 | 59,570 | 43,884 | 47,846 |
| | | | | 276,457 | |
| | 274,011 | 257,086 | 229,861 | 235,038 | 228,098 |
| | 2,944,491 | 2,808,470 | 2,625,286 | 2,906,793 | 2,317,927 |
| $ | 500,468 | $ 196,902 | $ (11,600) | $ 473,460 | $ 9,269 |
| | | | | | |
| $ | 93,040 | $ 97,530 | $ 99,475 | $ 88,091 | $ 116,372 |
| | 564,013 | 554,195 | 549,260 | 531,064 | 497,091 |
| | 284,504 | 250,510 | 228,168 | 229,488 | 210,254 |
| | 16,377 | 17,244 | 15,457 | 9,288 | 22,962 |
| | 45,128 | 57,529 | 74,631 | 79,569 | 93,450 |
| | 1,003,062 | 977,008 | 966,991 | 937,500 | 940,129 |
| | | | | | |
| | 152,796 | 139,474 | 137,270 | 135,588 | 127,781 |
| | 726,039 | 710,214 | 703,136 | 688,374 | 649,154 |
| | 391,038 | 337,896 | 304,322 | 308,570 | 287,453 |
| | 15,164 | 15,038 | 13,492 | 7,710 | 9,605 |
| | 60,395 | 81,786 | 80,144 | 83,352 | 99,930 |
| | 17,436 | 28,456 | 20,651 | 26,374 | 46,986 |
| | 89 | 104 | 44 | 87 | 74 |
| | 1,362,957 | 1,312,968 | 1,259,059 | 1,250,055 | 1,220,983 |
| | 359,895 | 335,960 | 292,068 | 312,555 | 280,854 |
| | | | | | |
| | (274,011) | (257,086) | (229,861) | (235,038) | (228,098) |
| | (274,011) | (257,086) | (229,861) | (235,038) | (228,098) |
| $ | 85,884 | $ 78,874 | $ 62,207 | $ 77,517 | $ 52,756 |
| $ | 586,352 | $ 275,776 | $ 50,607 | $ 550,977 | $ 62,025 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF FUND BALANCES**
**GOVERNMENTAL FUNDS**
**LAST TEN YEARS**
**(Accrual Basis Accounting, Expressed in Thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** |
| **General fund** | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Inventories | $ 27,838 | $ 39,162 | $ 41,012 | $ 39,275 | $ 27,393 | $ 5,196 | $ 4,729 | $ 5,122 | $ 4,680 | $ 5,145 |
| Restricted | 1,146,223 | 1,027,714 | 785,253 | 666,369 | 585,065 | 539,924 | 547,274 | 553,760 | 486,626 | 195,546 |
| Committed | 75,955 | 74,376 | 35,216 | 35,409 | 30,626 | 31,037 | 28,157 | 32,006 | 34,411 | 37,553 |
| Assigned | 311,427 | 466,881 | 300,245 | 241,416 | 138,766 | 67,965 | 99,833 | 62,027 | 24,962 | 26,631 |
| Unassigned: | | | | | | | | | | |
| Revenue Stabilization | 292,525 | 292,525 | 159,887 | 257,799 | 115,485 | 115,258 | 110,000 | 100,000 | 93,043 | 22,326 |
| Other | 73,855 | | 253,379 | | (51,166) | 192,518 | 74,395 | | 88,489 | 49,000 |
| Total General Fund | 1,927,823 | 1,900,658 | 1,574,992 | 1,240,268 | 846,169 | 951,898 | 864,388 | 752,915 | 732,211 | 336,201 |
| **All Other Governmental Funds** | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Inventories | 30,225 | 28,517 | 28,069 | 22,667 | 19,881 | 21,342 | 19,980 | 18,766 | 18,493 | 17,791 |
| Permanent Fund Principal | 12,986 | 12,908 | 12,771 | 12,660 | 13,287 | 12,917 | 12,606 | 11,821 | 10,583 | 11,019 |
| Restricted | 175,727 | 198,072 | 213,492 | 176,829 | 147,934 | 142,063 | 140,457 | 131,669 | 124,272 | 199,114 |
| Committed | 5,025 | 4,511 | 4,166 | 4,450 | 3,764 | 3,219 | 2,885 | 2,481 | 2,028 | 1,733 |
| Assigned | 295,216 | 306,365 | 248,250 | 112,500 | 90,453 | 100,419 | 41,306 | 20,051 | 5,643 | 4,819 |
| Unassigned | (6,611) | (12,894) | (17,752) | (26,981) | (55,676) | (70,456) | (32,640) | (35,423) | | |
| Total All Other Governmental Funds | 512,568 | 537,479 | 488,996 | 302,125 | 219,643 | 209,504 | 184,594 | 149,365 | 161,019 | 234,476 |
| Total Fund Balances - Governmental Funds | $2,440,391 | $2,438,137 | $2,063,988 | $1,542,393 | $1,065,812 | $1,161,402 | $1,048,982 | $902,280 | $893,230 | $570,677 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**LAST TEN YEARS**
**(Accrual Basis Accounting, Expressed in Thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** |
| **Revenues** | | | | | | | | | | |
| General Property Taxes | $410,671 | $306,200 | $406,824 | $401,558 | $406,804 | $403,200 | $408,585 | $405,412 | $406,677 | $404,579 |
| Special Taxes | 2,304,880 | 2,249,698 | 2,142,983 | 1,976,324 | 1,633,070 | 1,724,139 | 1,679,095 | 1,489,578 | 1,520,222 | 1,210,649 |
| Personal Taxes | 189,284 | 217,697 | 231,802 | 252,425 | 213,654 | 202,182 | 211,520 | 218,633 | 227,003 | 221,300 |
| Business License Taxes | 209,997 | 212,285 | 210,914 | 198,308 | 200,522 | 212,187 | 209,361 | 207,829 | 205,162 | 204,975 |
| Non-Business License Taxes | 284,098 | 276,725 | 269,205 | 250,823 | 242,961 | 244,647 | 215,439 | 221,990 | 217,595 | 210,697 |
| Fees | 218,070 | 197,193 | 186,542 | 183,623 | 165,266 | 176,202 | 186,989 | 187,067 | 187,965 | 182,947 |
| Fines, Penalties and Interest | 25,591 | 30,825 | 17,757 | 16,963 | 14,204 | 16,662 | 13,301 | 25,313 | 15,246 | 13,974 |
| Federal Government | 3,339,430 | 3,765,377 | 3,633,712 | 3,581,744 | 2,867,249 | 2,312,564 | 2,296,577 | 2,200,251 | 2,157,393 | 1,934,969 |
| Private and Local Sources | 213,829 | 172,643 | 173,889 | 164,979 | 186,536 | 178,306 | 182,422 | 171,624 | 167,032 | 171,660 |
| Rents and Leases | 1,692 | 1,827 | 1,830 | 1,462 | 1,244 | 1,680 | 1,460 | 1,437 | 149 | 1,226 |
| Interest, Premiums and Discounts | 147,626 | 90,024 | 22,338 | 21,456 | 26,836 | 34,853 | 27,393 | 16,777 | 18,390 | 16,668 |
| Sale of Commodities | 27,967 | 26,579 | 22,721 | 18,595 | 18,121 | 19,467 | 17,959 | 20,570 | 21,021 | 24,793 |
| Sale of Service | 20,747 | 23,996 | 20,286 | 30,276 | 25,787 | 29,150 | 27,854 | 33,803 | 29,316 | 32,320 |
| Assessments | 65,661 | 69,424 | 61,925 | 59,845 | 61,995 | 59,032 | 63,092 | 60,203 | 62,847 | 60,653 |
| Other Agencies | 142,830 | 118,014 | 65,167 | 84,846 | 57,688 | 69,024 | 71,042 | 78,452 | 72,213 | 70,968 |
| Miscellaneous | 505,700 | 489,400 | 447,986 | 356,191 | 276,697 | 272,145 | 262,723 | 246,386 | 254,370 | 341,740 |
| Total Revenues | 8,108,073 | 8,247,907 | 7,915,881 | 7,599,418 | 6,398,634 | 5,955,440 | 5,874,812 | 5,585,325 | 5,562,601 | 5,104,118 |
| **Expenditures** | | | | | | | | | | |
| General Government | 647,234 | 802,316 | 717,319 | 871,751 | 802,519 | 377,434 | 376,799 | 348,287 | 340,644 | 323,673 |
| Administration of Justice and Public Protection | 993,364 | 753,606 | 676,601 | 638,242 | 600,862 | 557,055 | 530,367 | 498,489 | 503,700 | 475,601 |
| Resource Protection and Development | 337,458 | 364,787 | 226,539 | 185,339 | 198,740 | 169,701 | 162,384 | 161,802 | 147,250 | 147,858 |
| Transportation | 415,728 | 472,727 | 370,260 | 366,489 | 358,112 | 341,155 | 369,641 | 317,129 | 307,377 | 347,018 |
| Health and Social Services | 3,893,428 | 3,870,849 | 3,803,220 | 3,519,228 | 3,098,718 | 2,949,280 | 2,907,112 | 2,817,995 | 2,721,001 | 2,391,432 |
| Education | 1,819,665 | 1,678,983 | 1,683,419 | 1,611,714 | 1,444,602 | 1,366,256 | 1,359,721 | 1,352,921 | 1,357,379 | 1,343,238 |
| Debt Service | | | | | | | | | | |
| Principal | 88,020 | 101,922 | 101,922 | 101,922 | 101,922 | 102,018 | 98,129 | 93,146 | 97,834 | 97,513 |
| Interest | 30,684 | 16,786 | 15,666 | 28,194 | 37,801 | 43,930 | 42,053 | 46,551 | 51,318 | 54,749 |
| Capital Outlay | 321,334 | 248,480 | 227,304 | 211,847 | 273,353 | 317,459 | 273,120 | 283,794 | 236,154 | 210,064 |
| Total Expenditures | 8,546,915 | 8,310,456 | 7,822,250 | 7,534,726 | 6,916,629 | 6,224,288 | 6,119,326 | 5,920,114 | 5,762,657 | 5,391,146 |
| Revenues Over (Under) Expenditures | (438,842) | (62,549) | 93,631 | 64,692 | (517,995) | (268,848) | (244,514) | (334,789) | (200,056) | (287,028) |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Transfers In | 56,774 | 53,017 | 86,926 | 55,847 | 108,489 | 7,097 | 6,392 | 70,354 | 30,994 | 81,683 |
| Transfers In from Enterprise Funds | 362,796 | 376,543 | 343,224 | 349,785 | 268,771 | 274,011 | 257,086 | 229,861 | 235,038 | 228,098 |
| Transfers Out | (56,774) | (99,967) | (89,227) | (105,847) | (108,489) | (7,097) | (6,392) | (70,354) | (30,994) | (81,683) |
| Refunding Bond Issuance | | | | | | | | | | |
| Bond Premiums | 7,808 | 12,457 | 11,343 | 25,839 | 20,306 | 6,921 | 9,282 | 5,862 | | 29,276 |
| Bond/Note Issuance | 63,901 | 80,036 | 56,395 | 154,854 | 109,348 | 91,191 | 116,246 | 157,492 | 9,685 | 147,956 |
| Payments to Refunding | | | | | | | | | | |
| Bond Escrow Agent | | (18,332) | | (97,868) | | | 4,005 | (55,082) | | (108,875) |
| Installments on Sale of Assets | | | | | | | | | 414 | 13,765 |
| Repayment (Issuance) of BANS | | | | | | | | | | |
| Lease Acquisition | 16,205 | 34,347 | 12,165 | 2,527 | 3,244 | 7,316 | 3,776 | 4,882 | 778 | 245 |
| Total Other Financing Sources (Uses) | 450,710 | 438,101 | 420,826 | 385,137 | 401,669 | 379,439 | 390,395 | 343,015 | 245,915 | 310,465 |
| Special Item - Environmental Litigation Settlements | | | | | | | | | 276,457 | |
| Change in Inventory | (9,614) | (1,403) | 7,138 | 14,668 | 20,736 | 1,829 | 821 | 824 | 237 | 3,370 |
| **Net Change in Fund Balances** | $ 2,254 | $374,149 | $521,595 | $464,497 | $(95,590) | $112,420 | $146,702 | $ 9,050 | $322,553 | $ 26,807 |
| **Debt Service as a Percentage of Non-Capital Expenditure:** | 1.4% | 1.5% | 1.5% | 1.8% | 2.1% | 2.4% | 2.4% | 2.5% | 2.8% | 3.0% |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF UNRESTRICTED REVENUE - GAAP BASIS**
**GENERAL FUND**
**FOR THE LAST TEN YEARS**
**(Expressed in Thousands)**

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Beer Tax | $ 12,459 | $ 12,933 | $ 13,071 | $ 13,701 | $ 13,176 | $ 12,836 | $ 12,828 | $ 12,678 | $ 12,850 | $ 12,299 |
| Board and Care Revenue | | | | | | | | | | |
| Business Profits Tax | 586,118 | 768,668 | 712,132 | 543,227 | 364,228 | 377,984 | 393,370 | 317,412 | 352,788 | 282,351 |
| Business Enterprise Tax | 195,996 | 3,539 | 37,397 | 88,632 | 45,755 | 96,819 | 87,849 | 83,588 | 91,304 | 71,898 |
| Estate and Legacy Tax | | | | | | | | 7 | 29 | 8 |
| Insurance Tax | 163,256 | 156,803 | 154,900 | 138,923 | 133,956 | 135,069 | 115,019 | 121,865 | 123,448 | 114,621 |
| Securities Revenue | 43,990 | 44,898 | 44,100 | 41,606 | 41,629 | 42,617 | 43,364 | 44,598 | 43,703 | 42,534 |
| Interest and Dividends Tax | 184,646 | 147,286 | 157,476 | 120,704 | 125,678 | 114,680 | 105,826 | 94,287 | 89,265 | 96,861 |
| Liquor | 109,550 | 133,250 | 140,420 | 150,226 | 131,768 | 133,461 | 136,374 | 141,063 | 139,851 | 138,522 |
| Meals and Rentals Tax | 320,349 | 310,009 | 298,055 | 327,470 | 306,778 | 340,060 | 322,476 | 306,184 | 292,774 | 272,682 |
| Real Estate Transfer Tax | 122,485 | 137,016 | 155,165 | 138,156 | 105,633 | 101,952 | 99,433 | 94,497 | 89,665 | 78,784 |
| Telephone/Communications Tax | 30,558 | 28,064 | 29,903 | 40,012 | 39,783 | 41,177 | 43,448 | 47,087 | 52,449 | 57,308 |
| Tobacco Tax | 121,183 | 136,359 | 142,948 | 153,229 | 127,754 | 119,749 | 124,508 | 128,178 | 132,395 | 128,734 |
| Tobacco Settlement | | 4,622 | 9,000 | 7,750 | 2,599 | 4,597 | 5,912 | 2,608 | 1,479 | 1,917 |
| Utilities Tax | | | | | (3) | 3,310 | 5,940 | 5,901 | 5,932 | 6,039 |
| Courts Fines and Fees | 13,618 | 13,922 | 14,000 | 12,851 | 12,336 | 13,164 | 12,956 | 13,673 | 13,473 | 13,375 |
| Other: | | | | | | | | | | |
| Corporate Returns | 725 | 740 | 686 | 746 | 686 | 846 | 667 | 646 | 665 | 675 |
| Corporate Filing Fees | 3,038 | 3,098 | 2,841 | 3,221 | 2,960 | 3,158 | 2,904 | 3,092 | 3,272 | 3,237 |
| Interest on Surplus Funds | 95,044 | 56,398 | 3,804 | 2,152 | 5,433 | 9,909 | 4,801 | 1,684 | 781 | 140 |
| Reimbursement of Indirect Costs | 14,498 | 12,485 | 15,062 | 11,053 | 11,001 | 12,692 | 11,816 | 10,006 | 12,906 | 9,497 |
| Miscellaneous | 65,889 | 58,902 | 56,666 | 46,531 | 51,113 | 53,532 | 62,084 | 65,266 | 60,710 | 59,529 |
| Subtotal | 2,083,402 | 2,028,992 | 1,987,626 | 1,840,190 | 1,522,263 | 1,617,612 | 1,591,575 | 1,494,320 | 1,519,739 | 1,391,011 |
| DHHS Recoveries | 3,469 | 4,474 | 3,400 | 3,647 | 3,132 | 4,390 | 4,098 | 8,870 | 9,061 | 6,662 |
| Total Unrestricted Revenue | $2,086,871 | $2,033,466 | $1,991,026 | $1,843,837 | $1,525,395 | $1,622,002 | $1,595,673 | $1,503,190 | $1,528,800 | $1,397,673 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATUTORY UNASSIGNED - OTHER FUND BALANCE**
**GENERAL FUND**
**FOR THE LAST TEN YEARS**
**(Expressed in Thousands)**

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Balance, July 1 (Budgetary Method) | $82,539 | $ 440,237 | $ 164,493 | $ 56,800 | $ 272,207 | $ 157,091 | $ 159,581 | $ 218,442 | $ 192,511 | $ 165,501 |
| Additions: | | | | | | | | | | |
| Unrestricted Revenue | 2,086,871 | 2,033,466 | 1,991,026 | 1,844,480 | 1,515,662 | 1,630,890 | 1,595,673 | 1,503,190 | 1,528,800 | 1,397,673 |
| Total Unrestricted Revenue | 2,086,871 | 2,033,466 | 1,991,026 | 1,844,480 | 1,515,662 | 1,630,890 | 1,595,673 | 1,503,190 | 1,528,800 | 1,397,673 |
| Transfers In | 1,105 | 932 | 1,340 | 3,117 | 1,255 | | | 1,158 | 783 | 760 |
| Other (Debits) Credits | (14,655) | (70,912) | (57,599) | 11,881 | 25,756 | 1,434 | 1,717 | 441 | | |
| Total Additions | 2,073,321 | 1,963,486 | 1,934,767 | 1,859,478 | 1,542,673 | 1,632,324 | 1,597,390 | 1,504,789 | 1,529,583 | 1,398,433 |
| Deductions: | | | | | | | | | | |
| General Government | 201,101 | 385,378 | 213,281 | 310,639 | 328,508 | 300,270 | 288,841 | 302,735 | 275,201 | 272,577 |
| Administration of Justice and Public Protection | 448,541 | 518,389 | 321,493 | 312,953 | 336,188 | 296,072 | 284,605 | 277,029 | 255,233 | 222,846 |
| Resource Protection and Development | 54,149 | 126,190 | 64,887 | 66,805 | 55,498 | 39,276 | 38,085 | 37,452 | 32,980 | 31,444 |
| Transportation | 1,818 | 98,469 | 20,763 | 8,439 | 3,481 | 11,495 | 21,085 | 37,824 | 975 | 976 |
| Health and Social Services | 1,098,028 | 1,044,633 | 889,895 | 899,147 | 885,889 | 782,849 | 745,993 | 686,866 | 641,842 | 586,310 |
| Education | 188,504 | 200,334 | 174,457 | 179,420 | 181,309 | 219,759 | 218,964 | 216,933 | 217,476 | 211,330 |
| Total Appropriations Net of Estimated Revenues | 1,992,141 | 2,373,393 | 1,684,776 | 1,777,403 | 1,790,873 | 1,649,721 | 1,597,573 | 1,558,839 | 1,423,707 | 1,325,483 |
| Less: Lapses | (52,457) | (228,607) | (104,789) | (205,918) | (102,696) | (144,928) | (93,449) | (47,568) | (39,844) | (67,711) |
| Net Appropriations | 1,939,684 | 2,144,786 | 1,579,987 | 1,571,485 | 1,688,177 | 1,504,793 | 1,504,124 | 1,511,271 | 1,383,863 | 1,257,772 |
| Transfers to Other Funds | 36,939 | 43,760 | 76,948 | 37,986 | 69,676 | | 85,756 | 45,422 | 79,213 | 100,502 |
| Other Debits | | | | | | 7,298 | | | 576 | 135 |
| Designation or Reserve Accounts | | 132,638 | 2,088 | 142,314 | 227 | 5,117 | 10,000 | 6,957 | 40,000 | 13,014 |
| Total Deductions | 1,976,623 | 2,321,184 | 1,659,023 | 1,751,785 | 1,758,080 | 1,517,208 | 1,599,880 | 1,563,650 | 1,503,652 | 1,371,423 |
| Balance, June 30 (Budgetary Method) | 179,237 | 82,539 | 440,237 | 164,493 | 56,800 | 272,207 | 157,091 | 159,581 | 218,442 | 192,511 |
| Adjustments: | | | | | | | | | | |
| Receivables | 80,064 | 74,110 | 63,490 | 59,964 | 51,171 | 72,357 | 75,380 | 79,327 | 72,870 | 81,816 |
| Accounts Payable and Accrued Liabilities | (185,446) | (156,649) | (145,045) | (181,451) | (168,870) | (143,158) | (158,076) | (153,152) | (174,771) | (146,699) |
| Unrestricted Revenue Adjustments | | | | (643) | 9,733 | (8,888) | | | | |
| Negative Balance Adjustment - FEMA | | | (105,303) | (42,363) | | | | | | |
| Additional Transfers (to) from other Funds/Accounts | | | | | | | | (32,660) | | |
| Total Adjustments | (105,382) | (82,539) | (186,858) | (164,493) | (107,966) | (79,689) | (82,696) | (106,485) | (101,901) | (64,883) |
| Year-End Transfer to/from the Education Trust Fund | | | | | | | | (53,096) | (28,052) | (78,628) |
| Balance, June 30 (GAAP) | $73,855 | | $ 253,379 | | $ (51,166) | $ 192,518 | $ 74,395 | | $ 88,489 | $ 49,000 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATUTORY FUND BALANCE**
**EDUCATION TRUST FUND**
**FOR THE LAST TEN YEARS**
**(Expressed in Thousands)**

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** |
| Balance July 1 | $ 161,628 | $108,038 | $2,210 | $59,293 | $78,959 | $21,433 | | | | |
| **Additions** | | | | | | | | | | |
| Unrestricted Revenue | | | | | | | | | | |
| Statewide Property Tax (2) | 363,787 | 263,098 | 363,300 | 363,068 | 363,246 | 363,100 | 363,149 | 363,432 | 363,138 | 363,353 |
| Utility Property Tax | 46,762 | 42,902 | 43,300 | 38,199 | 43,296 | 39,519 | 45,166 | 41,755 | 43,256 | 41,044 |
| Business Profits Tax | 431,523 | 190,132 | 177,026 | 123,997 | 86,600 | 95,482 | 88,858 | 68,397 | 74,167 | 61,076 |
| Business Enterprise Tax | 12,118 | 296,550 | 297,554 | 247,355 | 213,156 | 235,317 | 211,035 | 168,402 | 181,032 | 146,338 |
| Meals & Rentals Tax | 9,508 | 10,428 | 9,122 | 7,248 | 8,590 | 9,997 | 9,207 | 8,557 | 8,525 | 8,546 |
| Real Estate Transfer Tax | 61,250 | 68,542 | 77,394 | 71,624 | 52,806 | 50,870 | 49,726 | 47,198 | 44,877 | 38,799 |
| Tobacco Tax | 68,268 | 81,427 | 88,964 | 99,375 | 86,206 | 82,731 | 87,077 | 90,472 | 94,658 | 92,575 |
| Tobacco Settlement | 39,772 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Transfers from Lottery | 207,871 | 189,513 | 146,561 | 144,237 | 99,790 | 105,606 | 87,279 | 76,120 | 79,185 | 77,277 |
| Other | 4,247 | 2,490 | 200 | 792 | 1,079 | | | | | |
| Total Revenue | 1,245,106 | 1,185,082 | 1,243,421 | 1,135,895 | 994,769 | 1,022,622 | 981,497 | 904,333 | 928,838 | 869,008 |
| Other Credits (debits) | 340 | (18,820) | (37,841) | (58) | 2,533 | (2,512) | 1,573 | | | |
| Total Additions | 1,245,446 | 1,166,262 | 1,205,580 | 1,135,837 | 997,302 | 1,020,110 | 983,070 | 904,333 | 928,838 | 869,008 |
| **Deductions** | | | | | | | | | | |
| Appropriations | | | | | | | | | | |
| Adequate Education Grant (1) | 701,481 | 690,020 | 607,302 | 695,984 | 599,496 | 548,982 | 563,972 | 570,584 | 570,121 | 572,711 |
| Adequate Education Grant (2) | 363,787 | 263,098 | 363,300 | 363,068 | 363,246 | 363,100 | 363,149 | 363,432 | 363,138 | 363,353 |
| Total Grants | 1,065,268 | 953,118 | 970,602 | 1,059,052 | 962,742 | 912,082 | 927,121 | 934,016 | 933,259 | 936,064 |
| DRA-Property Tax Relief | 1,500 | 1,650 | 800 | 1,750 | 1,750 | 1,850 | 1,850 | 2,150 | 2,150 | 2,900 |
| DOE-Charter Schools | 60,159 | 49,524 | 46,968 | 44,988 | 41,776 | 36,435 | 34,079 | 36,993 | 21,891 | 22,177 |
| DOE-Special Education Aid | 34,809 | 33,917 | 33,252 | 30,800 | 30,800 | | | | | |
| DOE-Building Aid | 43,184 | 24,960 | 26,973 | 60,500 | 38,500 | | | | | |
| DOE-Tuition & Transportation | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | | | | | |
| DOE-Consultants | | | | | 500 | | | | | |
| DOE-Kindergarten | | 853 | 155 | 1,906 | | 14,642 | | | | |
| DOE-Education Freedom Accounts | 23,760 | 15,533 | 9,004 | | | | | | | |
| DOE-Other | 8,914 | 24,815 | 3,000 | | | | | | | |
| Total Appropriations. | 1,246,594 | 1,113,370 | 1,099,754 | 1,207,996 | 1,085,068 | 965,009 | 963,050 | 973,159 | 957,300 | 961,141 |
| Less Lapses | (993) | (698) | (2) | (16,249) | | (2,425) | (1,413) | (15,730) | (410) | (13,505) |
| Net Appropriations | 1,245,601 | 1,112,672 | 1,099,752 | 1,191,747 | 1,085,068 | 962,584 | 961,637 | 957,429 | 956,890 | 947,636 |
| Current Year Balance | (155) | 53,590 | 105,828 | (55,910) | (87,766) | 57,526 | 21,433 | (53,096) | (28,052) | (78,628) |
| Year-End Transfers to/from the General Fund | (10,562) | | | (1,173) | 68,100 | | | 53,096 | 28,052 | 78,628 |
| Balance, June 30 | $ 150,911 | $161,628 | $108,038 | $ 2,210 | $ 59,293 | $ 78,959 | $ 21,433 | | | |

(1) State Education Grant Disbursed by State
(2) State Education Grant Retained Locally by Cities & Towns

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATUTORY FUND BALANCE**
**HIGHWAY FUND**
**FOR THE LAST TEN YEARS**
**(Expressed in Thousands)**

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Balance (Deficit) July 1 (Budgetary Method) | $ 444,847 | $ 444,234 | $ 368,706 | $ 383,880 | $ 421,856 | $ 464,930 | $ 521,084 | $ 545,585 | $ 338,578 | $ 350,618 |
| **Additions:** | | | | | | | | | | |
| Unrestricted Revenue: | | | | | | | | | | |
| Gasoline Tax | 126,490 | 124,779 | 122,172 | 116,548 | 117,840 | 127,644 | 125,838 | 124,478 | 123,791 | 125,849 |
| Motor Vehicle Fees | 107,966 | 100,599 | 108,968 | 104,757 | 102,800 | 97,992 | 97,665 | 96,009 | 91,645 | 117,129 |
| Other | 911 | 2,059 | 828 | 484 | 200 | 644 | 171 | 439 | 745 | 14,624 |
| Total Unrestricted Revenue | 235,367 | 227,437 | 231,968 | 221,789 | 220,840 | 226,280 | 223,674 | 220,926 | 216,181 | 257,602 |
| Bonds/Notes Authorized and Unissued (1) | | | | | | | | | 200,000 | |
| Other Credits | | 10,000 | 50,000 | 8,100 | 4,000 | 316 | | 14,500 | 750 | 2,722 |
| Total Additions | 235,367 | 237,437 | 281,968 | 229,889 | 224,840 | 226,596 | 223,674 | 235,426 | 416,931 | 260,324 |
| **Deductions:** | | | | | | | | | | |
| Appropriations Net of Estimated Revenues | 301,052 | 277,968 | 229,441 | 269,829 | 263,520 | 252,902 | 249,199 | 244,441 | 220,963 | 290,822 |
| Less: Appropriation Adjustment *** | | | | | | | | | | |
| Less: Lapses | (45,306) | (46,543) | (24,174) | (48,077) | (41,142) | (23,464) | (25,896) | (24,993) | (22,979) | (20,621) |
| Net Appropriations | 255,746 | 231,425 | 205,267 | 221,752 | 222,378 | 229,438 | 223,303 | 219,448 | 197,984 | 270,201 |
| Bonds/Notes Authorized and Unissued (1) | | | 2,288 | 21,321 | 33,776 | 38,384 | 54,769 | 38,303 | 9,685 | |
| Other Debits | 4,123 | 5,399 | (1,115) | 1,990 | 6,662 | 1,848 | 1,756 | 2,176 | 2,255 | 2,163 |
| Total Deductions | 259,869 | 236,824 | 206,440 | 245,063 | 262,816 | 269,670 | 279,828 | 259,927 | 209,924 | 272,364 |
| Balance, June 30 (Budgetary Method) | 420,345 | 444,847 | 444,234 | 368,706 | 383,880 | 421,856 | 464,930 | 521,084 | 545,585 | 338,578 |
| **Adjustments:** | | | | | | | | | | |
| Receivables | | | | 492 | 983 | 3,206 | 629 | 3,180 | | 1,628 |
| Bonds/Notes Authorized and Unissued | (296,479) | (296,479) | (296,479) | (298,767) | (320,088) | (353,864) | (392,248) | (447,017) | (485,320) | (295,005) |
| Accounts Payable and Accrued Liabilities | (37,690) | (35,001) | (36,069) | (35,105) | (28,861) | (30,630) | (29,083) | (28,830) | (24,865) | (29,004) |
| Total Adjustments | (334,169) | (331,480) | (332,548) | (333,380) | (347,966) | (381,288) | (420,702) | (472,667) | (510,185) | (322,381) |
| Balance, June 30 | $ 86,176 | $ 113,367 | $ 111,686 | $ 35,326 | $ 35,914 | $ 40,568 | $ 44,228 | $ 48,417 | $ 35,400 | $ 16,197 |

1) Borrowing Authority per Ch 17, Laws of 2014, and as amended by Ch 276:210 and 276:211, Laws of 2015 (FY 2016); and Ch 228-A:2 for federal highway grant anticipation bonds (Garvee Bonds) as modified by Ch 231:13 Laws of 2010 (FY 2012 and 2010)

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATUTORY FUND BALANCE**
**FISH AND GAME FUND**
**FOR THE LAST TEN YEARS**
**(Expressed in Thousands)**

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Balance, July 1 (Budgetary Method) | $ 14,331 | $ 11,452 | $ 10,721 | $ 7,647 | $ 4,477 | $ 3,906 | $ 2,898 | $ 2,326 | $ 1,541 | $ 2,187 |
| **Additions:** | | | | | | | | | | |
| Unrestricted Revenue | 14,893 | 14,950 | 14,893 | 15,440 | 15,938 | 11,668 | 11,857 | 11,624 | 11,475 | 10,029 |
| Other Credits | | 2,000 | | | | 2,243 | 2,017 | 1,943 | 2,139 | 2,400 |
| Total Additions | 14,893 | 16,950 | 14,893 | 15,440 | 15,938 | 13,911 | 13,874 | 13,567 | 13,614 | 12,429 |
| **Deductions:** | | | | | | | | | | |
| Appropriations Net of Estimated Revenues | 17,762 | 16,744 | 15,833 | 14,691 | 14,069 | 14,915 | 14,076 | 14,742 | 14,223 | 14,195 |
| Less: Lapses | (1,846) | (2,642) | (1,501) | (2,627) | (1,304) | (1,575) | (1,210) | (1,747) | (1,394) | (1,120) |
| Net Appropriations | 15,916 | 14,102 | 14,332 | 12,064 | 12,765 | 13,340 | 12,866 | 12,995 | 12,829 | 13,075 |
| Other Debits | 60 | (31) | (170) | 302 | 3 | | | | | |
| Total Deductions | 15,976 | 14,071 | 14,162 | 12,366 | 12,768 | 13,340 | 12,866 | 12,995 | 12,829 | 13,075 |
| Current Year Balance | | | | | | 571 | 1,008 | 572 | 785 | (646) |
| Balance, June 30 (Budgetary Method) | 13,248 | 14,331 | 11,452 | 10,721 | 7,647 | 4,477 | 3,906 | 2,898 | 2,326 | 1,541 |
| **Adjustments:** | | | | | | | | | | |
| Receivables | (289) | 160 | | | 13 | 20 | 12 | 23 | 9 | 46 |
| Accounts Payable and Accrued Liabilities | (1,335) | (1,273) | (1,562) | (1,453) | (1,617) | (1,682) | (1,251) | (1,169) | (1,261) | (1,186) |
| Total Adjustments | (1,624) | (1,113) | (1,562) | (1,453) | (1,604) | (1,662) | (1,239) | (1,146) | (1,252) | (1,140) |
| Balance, June 30 | $ 11,624 | $ 13,218 | $ 9,890 | $ 9,268 | $ 6,043 | $ 2,815 | $ 2,667 | $ 1,752 | $ 1,074 | $ 401 |

*See accompanying Independent Auditors' Report*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF BUSINESS TAX FILERS AND LIABILITY BY TAX PAID LEVEL**

| | BUSINESS PROFITS TAX - BPT (1) | | | | BUSINESS ENTERPRISE TAX - BET (2) | | | |
|---|---|---|---|---|---|---|---|---|
| | FISCAL YEAR 2024 | | | | FISCAL YEAR 2024 | | | |
| Taxes Paid Level | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| $5,000 and higher | 8,981 | 44% | $843,186,226 | 98% | 6,778 | 16% | $202,554,789 | 82% |
| $1,000 - $4,999 | 5,743 | 28% | 15,010,089 | 2% | 16,524 | 39% | 37,050,554 | 15% |
| Under $1,000 | 5,756 | 28% | 1,986,396 | | 19,267 | 45% | 8,267,423 | 3% |
| | 20,480 | 100% | $860,182,711 | 100% | 42,569 | 100% | $247,872,766 | 100% |

| | BUSINESS PROFITS TAX - BPT (1) | | | | BUSINESS ENTERPRISE TAX - BET (2) | | | |
|---|---|---|---|---|---|---|---|---|
| | FISCAL YEAR 2023 | | | | FISCAL YEAR 2023 | | | |
| Taxes Paid Level | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| $5,000 and higher | 9,147 | 42% | $787,045,930 | 98% | 6,670 | 15% | $205,116,030 | 81% |
| $1,000 - $4,999 | 6,248 | 29% | 16,234,826 | 2% | 17,195 | 38% | 37,841,436 | 15% |
| Under $1,000 | 6,362 | 29% | 2,167,542 | | 21,182 | 47% | 9,220,531 | 4% |
| | 21,757 | 100% | $805,448,298 | 100% | 45,047 | 100% | $252,177,997 | 100% |

| | BUSINESS PROFITS TAX - BPT (1) | | | | BUSINESS ENTERPRISE TAX - BET (2) | | | |
|---|---|---|---|---|---|---|---|---|
| | FISCAL YEAR 2022 | | | | FISCAL YEAR 2022 | | | |
| Taxes Paid Level | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| $5,000 and higher | 7,838 | 38% | $585,756,921 | 97% | 6,246 | 15% | $189,359,405 | 81% |
| $1,000 - $4,999 | 6,103 | 30% | 15,709,830 | 3% | 16,487 | 38% | 36,154,935 | 15% |
| Under $1,000 | 6,530 | 32% | 2,178,221 | | 20,244 | 47% | 8,975,391 | 4% |
| | 20,471 | 100% | $603,644,972 | 100% | 42,977 | 100% | $234,489,731 | 100% |

| | *BUSINESS PROFITS TAX - BPT* | | | | *BUSINESS ENTERPRISE TAX - BET* | | | |
|---|---|---|---|---|---|---|---|---|
| | FISCAL YEAR 2021 | | | | FISCAL YEAR 2021 | | | |
| Taxes Paid Level | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| $5,000 and higher | 6,690 | 33% | $515,155,295 | 97% | 5,633 | 13% | $175,703,789 | 80% |
| $1,000 - $4,999 | 6,315 | 31% | 16,203,814 | 3% | 15,875 | 37% | 34,502,060 | 16% |
| Under $1,000 | 7,500 | 36% | 2,446,956 | | 21,374 | 50% | 9,401,409 | 4% |
| | 20,505 | 100% | $533,806,065 | 100% | 42,882 | 100% | $219,607,258 | 100% |

| | *BUSINESS PROFITS TAX - BPT* | | | | *BUSINESS ENTERPRISE TAX - BET* | | | |
|---|---|---|---|---|---|---|---|---|
| | FISCAL YEAR 2020 | | | | FISCAL YEAR 2020 | | | |
| Taxes Paid Level | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total | Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| $5,000 and higher | 5,832 | 32% | $558,532,534 | 97% | 5,833 | 15% | $201,088,155 | 83% |
| $1,000 - $4,999 | 5,571 | 31% | 14,031,635 | 2% | 14,669 | 38% | 32,425,319 | 13% |
| Under $1,000 | 6,646 | 37% | 2,114,944 | 1% | 18,459 | 47% | 8,071,309 | 4% |
| | 18,049 | 100% | $574,679,113 | 100% | 38,961 | 100% | $241,584,783 | 100% |

Source: New Hampshire Department of Revenue for returns filed in fiscal year 2024.

Notes:
1) For taxable periods ending before December 31, 2022, multi-state businesses shall apportion their income using a weighted sales factor of 2 and the payroll and property factors. For taxable periods ending on or after December 31, 2022, multi-state businesses shall apportion their income using single sales factor. The BPT rate is as follows: 7.9% for taxable periods ending on or after December 31, 2018; 7.7% for taxable periods ending on or after December 31, 2019; 7.6% for taxable periods ending on or after December 31, 2022; and 7.5% for taxable periods on or after December 31, 2023.
2) The BET is assessed on the enterprise value tax base, which is the sum of all compensation paid or accrued, interest paid or accrued, and dividends paid by the business enterprise, after special adjustments and apportionment at the following rates: of 0.675% for taxable periods ending on or after December 31, 2018; 0.60% for taxable periods ending on or after December 31, 2019; and 0.55% for taxable periods ending on or after December 31, 2022.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF BUSINESS TAX FILERS AND LIABILITY BY TAX PAID LEVEL-CONTINUED**

| | ***BUSINESS PROFITS TAX - BPT*** | | | | ***BUSINESS ENTERPRISE TAX - BET*** | | | |
|---|---|---|---|---|---|---|---|---|
| | **FISCAL YEAR 2019** | | | | **FISCAL YEAR 2019** | | | |
| **Paid Level** | **of Filers** | **of Total** | **Liability** | **of Total** | **of Filers** | **of Total** | **Liability** | **of Total** |
| $5,000 and higher | 5,427 | 31% | $430,367,647 | 96% | 6,106 | 15% | $193,157,985 | 83% |
| $1,000 - $4,999 | 5,543 | 31% | 13,994,500 | 3% | 15,409 | 39% | 33,722,998 | 14% |
| Under $1,000 | 6,696 | 38% | 2,139,282 | 1% | 18,376 | 46% | 8,109,511 | 3% |
| | 17,666 | 100% | $446,501,429 | 100% | 39,891 | 100% | $234,990,494 | 100% |

| | ***BUSINESS PROFITS TAX - BPT*** | | | | ***BUSINESS ENTERPRISE TAX - BET*** | | | |
|---|---|---|---|---|---|---|---|---|
| | **FISCAL YEAR 2018** | | | | **FISCAL YEAR 2018** | | | |
| **Paid Level** | **of Filers** | **of Total** | **Liability** | **of Total** | **of Filers** | **of Total** | **Liability** | **of Total** |
| $5,000 and higher | 5,319 | 30% | $368,736,813 | 96% | 6,025 | 15% | $200,060,627 | 83% |
| $1,000 - $4,999 | 5,518 | 31% | 13,837,000 | 4% | 15,223 | 39% | 33,273,323 | 14% |
| Under $1,000 | 6,808 | 39% | 2,147,160 | 1% | 18,088 | 46% | 7,978,451 | 3% |
| | 17,645 | 100% | $384,720,973 | 100% | 39,336 | 100% | $241,312,401 | 100% |

| | ***BUSINESS PROFITS TAX - BPT*** | | | | ***BUSINESS ENTERPRISE TAX - BET*** | | | |
|---|---|---|---|---|---|---|---|---|
| | **FISCAL YEAR 2017** | | | | **FISCAL YEAR 2017** | | | |
| **Taxes Paid Level** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** |
| $5,000 and higher | 4,972 | 28% | $368,895,110 | 96% | 5,672 | 15% | $180,647,746 | 82% |
| $1,000 - $4,999 | 5,602 | 31% | 13,996,173 | 4% | 14,690 | 38% | 31,928,710 | 14% |
| Under $1,000 | 7,251 | 41% | 2,310,159 | 1% | 17,942 | 47% | 7,856,253 | 4% |
| | 17,825 | 100% | $385,201,442 | 100% | 38,304 | 100% | $220,432,709 | 100% |

| | ***BUSINESS PROFITS TAX - BPT*** | | | | ***BUSINESS ENTERPRISE TAX - BET*** | | | |
|---|---|---|---|---|---|---|---|---|
| | **FISCAL YEAR 2016** | | | | **FISCAL YEAR 2016** | | | |
| **Taxes Paid Level** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** |
| $5,000 and higher | 4,931 | 27% | $320,607,315 | 95% | 5,737 | 15% | $174,131,265 | 81% |
| $1,000 - $4,999 | 5,731 | 32% | 14,207,112 | 4% | 14,876 | 39% | 32,299,066 | 15% |
| Under $1,000 | 7,511 | 41% | 2,393,663 | 1% | 17,941 | 46% | 7,828,980 | 4% |
| | 18,173 | 100% | $337,208,090 | 100% | 38,554 | 100% | $214,259,311 | 100% |

| | ***BUSINESS PROFITS TAX - BPT*** | | | | ***BUSINESS ENTERPRISE TAX - BET*** | | | |
|---|---|---|---|---|---|---|---|---|
| | **FISCAL YEAR 2015** | | | | **FISCAL YEAR 2015** | | | |
| **Taxes Paid Level** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** |
| $5,000 and higher | 4,411 | 25% | $290,929,767 | 95% | 5,137 | 15% | $156,574,444 | 81% |
| $1,000 - $4,999 | 5,438 | 31% | 13,349,598 | 4% | 13,287 | 38% | 29,013,593 | 15% |
| Under $1,000 | 7,469 | 44% | 2,362,497 | 1% | 16,691 | 47% | 7,247,986 | 4% |
| | 17,318 | 100% | $306,641,862 | 100% | 35,115 | 100% | $192,836,023 | 100% |

Source: New Hampshire Department of Revenue for returns filed in fiscal year 2024.

Notes:
(1) For multi-state businesses, income is apportioned, using a weighted sales factor of 2 and the payroll and property factors. The BPT rate is as follows: 8.5% for taxable periods prior to December 31, 2016; 8.2% for taxable periods ending on or after December 31, 2016; and 7.9% for taxable periods on or after December 31, 2018.
(2) The BET is assessed on the enterprise value tax base, which is the sum of all compensation paid or accrued, interest paid or accrued, and dividends paid by the business enterprise, after special adjustments and apportionment at the rate of of 0.75% for taxable periods ending prior to December 31, 2016; 0.72%, for taxable periods ending on or after December 31, 2016; and 0.675% for taxable periods ending on or after December 31, 2018.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATEWIDE PROPERTY TAX FOR TOP TEN CITIES/TOWNS**
**PAST TEN YEARS**
**IN THOUSANDS**

**FISCAL YEAR 2024**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $ 16,058,346 | $ 19,591 |
| Nashua | 2 | 15,111,539 | 18,436 |
| Portsmouth | 3 | 9,067,253 | 11,062 |
| Salem | 4 | 7,813,968 | 9,533 |
| Londonderry | 5 | 6,290,285 | 7,674 |
| Bedford | 6 | 6,067,492 | 7,402 |
| Moultonborough | 7 | 5,926,655 | 7,231 |
| Merrimack | 8 | 5,830,296 | 7,113 |
| Concord | 9 | 5,813,989 | 7,093 |
| Dover | 10 | 5,686,274 | 6,937 |

**FISCAL YEAR 2023**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Nashua | 1 | $14,663,791 | $ 21,116 |
| Manchester | 2 | 13,668,246 | 19,682 |
| Portsmouth | 3 | 7,923,930 | 11,410 |
| Salem | 4 | 6,744,328 | 9,712 |
| Bedford | 5 | 5,288,075 | 7,615 |
| Merrimack | 6 | 4,980,746 | 7,172 |
| Hampton | 7 | 4,969,659 | 7,156 |
| Dover | 8 | 4,944,908 | 7,121 |
| Londonderry | 9 | 4,891,245 | 7,044 |
| Concord | 10 | 4,851,219 | 6,986 |

**FISCAL YEAR 2022**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $12,568,176 | $ 15,459 |
| Nashua | 2 | 12,183,225 | 14,985 |
| Portsmouth | 3 | 6,989,818 | 8,597 |
| Salem | 4 | 5,906,174 | 7,265 |
| Bedford | 5 | 4,501,389 | 5,537 |
| Merrimack | 6 | 4,375,242 | 5,382 |
| Concord | 7 | 4,352,294 | 5,353 |
| Londonderry | 8 | 4,324,004 | 5,319 |
| Hampton | 9 | 4,211,453 | 5,180 |
| Dover | 10 | 4,126,863 | 5,076 |

**FISCAL YEAR 2021**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Nashua | 1 | $11,499,464 | $ 20,987 |
| Manchester | 2 | 11,431,335 | 20,862 |
| Portsmouth | 3 | 6,599,371 | 12,044 |
| Salem | 4 | 5,650,298 | 10,312 |
| Bedford | 5 | 4,268,071 | 7,789 |
| Londonderry | 6 | 4,010,453 | 7,320 |
| Concord | 7 | 4,004,594 | 7,308 |
| Hampton | 8 | 3,946,630 | 7,203 |
| Merrimack | 9 | 3,934,748 | 7,181 |
| Dover | 10 | 3,886,933 | 7,094 |

**FISCAL YEAR 2020**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $ 10,923,351 | $ 21,027 |
| Nashua | 2 | 10,727,549 | 20,651 |
| Portsmouth | 3 | 6,024,487 | 11,597 |
| Salem | 4 | 5,250,860 | 10,108 |
| Bedford | 5 | 4,189,385 | 8,065 |
| Londonderry | 6 | 3,923,018 | 7,552 |
| Concord | 7 | 3,894,002 | 7,496 |
| Hampton | 8 | 3,828,948 | 7,371 |
| Merrimack | 9 | 3,778,458 | 7,274 |
| Dover | 10 | 3,737,702 | 7,195 |

**FISCAL YEAR 2019**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Nashua | 1 | $ 9,387,947 | $ 20,372 |
| Manchester | 2 | 9,269,403 | 20,115 |
| Portsmouth | 3 | 5,485,902 | 11,904 |
| Salem | 4 | 4,690,229 | 10,178 |
| Bedford | 5 | 3,844,676 | 8,343 |
| Concord | 6 | 3,588,188 | 7,786 |
| Londonderry | 7 | 3,309,629 | 7,182 |
| Hampton | 8 | 3,298,701 | 7,158 |
| Merrimack | 9 | 3,250,903 | 7,054 |
| Dover | 10 | 3,200,557 | 6,945 |

Source: New Hampshire Department of Revenue, warrants for Tax Year 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

Notes: The rate per $1,000 of equalized value for fiscal years 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015 were $1.22, $1.44, $1.23, $1.825, $1.93, $2.17, $2.26, $2.34, $2.42 and $2.48 respectively.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATEWIDE PROPERTY TAX FOR TOP TEN CITIES/TOWNS**
**PAST TEN YEARS-CONTINUED**
**IN THOUSANDS**

**FISCAL YEAR 2018**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $8,961,231 | $ 20,252 |
| Nashua | 2 | 8,941,748 | 20,208 |
| Portsmouth | 3 | 4,946,069 | 11,178 |
| Salem | 4 | 4,378,738 | 9,896 |
| Bedford | 5 | 3,789,846 | 8,565 |
| Concord | 6 | 3,575,793 | 8,081 |
| Hampton | 7 | 3,144,741 | 7,107 |
| Merrimack | 8 | 3,100,982 | 7,008 |
| Londonderry | 9 | 3,079,137 | 6,959 |
| Dover | 10 | 3,050,547 | 6,894 |

**FISCAL YEAR 2017**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $8,507,370 | $ 19,950 |
| Nashua | 2 | 8,479,052 | 19,883 |
| Portsmouth | 3 | 4,721,069 | 11,071 |
| Salem | 4 | 4,392,768 | 10,301 |
| Bedford | 5 | 3,533,420 | 8,286 |
| Concord | 6 | 3,504,068 | 8,217 |
| Merrimack | 7 | 2,977,493 | 6,982 |
| Hampton | 8 | 2,954,791 | 6,929 |
| Dover | 9 | 2,918,672 | 6,844 |
| Londonderry | 10 | 2,891,077 | 6,780 |

**FISCAL YEAR 2016**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $8,249,264 | $ 19,963 |
| Nashua | 2 | 8,199,653 | 19,843 |
| Portsmouth | 3 | 4,332,376 | 10,484 |
| Salem | 4 | 3,904,389 | 9,449 |
| Concord | 5 | 3,633,314 | 8,793 |
| Bedford | 6 | 3,365,822 | 8,145 |
| Merrimack | 7 | 2,844,904 | 6,885 |
| Moultonborough | 8 | 2,835,839 | 6,863 |
| Dover | 9 | 2,805,753 | 6,790 |
| Hampton | 10 | 2,797,166 | 6,769 |

**FISCAL YEAR 2015**

| City/Town | Rank | Equalized Value | Warrant Amount |
|---|---|---|---|
| Manchester | 1 | $7,945,116 | $ 19,703 |
| Nashua | 2 | 7,762,983 | 19,252 |
| Portsmouth | 3 | 4,084,567 | 10,130 |
| Salem | 4 | 3,638,768 | 9,024 |
| Concord | 5 | 3,470,796 | 8,608 |
| Bedford | 6 | 3,171,866 | 7,866 |
| Merrimack | 7 | 2,770,580 | 6,871 |
| Moultonborough | 8 | 2,744,585 | 6,807 |
| Hampton | 9 | 2,720,904 | 6,748 |
| Dover | 10 | 2,705,723 | 6,710 |

Source: New Hampshire Department of Revenue, warrants for Tax Year 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

Notes: The rate per $1,000 of equalized value for fiscal years 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015 were $1.22, $1.44, $1.23, $1.825, $1.93, $2.17, $2.26, $2.34, $2.42 and $2.48 respectively.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF SALES BY TOP TEN STATE LIQUOR RETAIL LOCATIONS**
**PAST TEN FISCAL YEARS**
**IN MILLIONS**

| | FISCAL YEAR | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Location** | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** |
| Portsmouth Traffic Circle | $34.4 | $33.9 | $34.5 | $34.3 | $29.8 | $25.0 | $22.4 | $23.7 | $24.5 | $24.6 |
| Salem | 28.7 | 26.0 | 28.4 | 32.5 | 31.7 | 27.6 | 28.5 | 25.2 | 25.8 | 23.3 |
| Hampton - North | 25.3 | 26.8 | 28.7 | 27.4 | 27.1 | 30.4 | 30.7 | 32.0 | 34.2 | 33.5 |
| Nashua | 24.0 | 24.7 | 29.0 | 39.2 | 32.9 | 32.2 | 28.3 | 26.5 | 18.5 | 18.3 |
| Hampton - South | 20.1 | 19.9 | 21.3 | 20.6 | 21.0 | 23.9 | 24.4 | 25.8 | 29.6 | 29.4 |
| Nashua | 19.4 | 19.3 | 20.0 | 21.6 | 22.9 | 23.5 | 21.4 | 16.9 | 16.9 | 18.0 |
| West Lebanon | 17.6 | 17.9 | 18.5 | 19.2 | * | * | * | * | 14.2 | 13.7 |
| Hooksett - North | 17.4 | 18.4 | 18.5 | * | 17.6 | 19.0 | 19.4 | 20.3 | 21.2 | 19.7 |
| Seabrook | 16.8 | 16.8 | 16.8 | 18.3 | 16.4 | * | * | * | * | * |
| Londonderry | 14.6 | 18.2 | * | * | * | * | * | 15.4 | * | * |
| Manchester | * | * | * | 18.0 | 17.2 | 15.2 | 13.9 | * | * | * |
| Bedford | * | * | 16.7 | 19.9 | 17.3 | 14.9 | 16.4 | 17.0 | * | * |
| Hooksett - South | * | * | * | * | * | 15.6 | 16.0 | 16.4 | 17.5 | 17.5 |
| Keene | * | * | * | * | * | * | * | * | 14.8 | 11.9 |
| Total | $218.3 | $221.9 | $232.4 | $251.0 | $233.9 | $227.3 | $221.4 | $219.2 | $217.2 | $209.9 |

*Not included in top ten

Source: NH State Liquor Commission

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF RATIOS OF OUTSTANDING DEBT BY TYPE**
**PAST TEN FISCAL YEARS**
**(Expressed in Thousands, except per capita)**

| | Governmental Activities | | | | | | Business-Type Activities | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Fiscal Year** | **General Obligation Bonds** | **Direct Placement Bonds *** | **Premium on Bonds *** | **Federal Highway Grant Anticipation Bonds** | **Notes Payable** | **Lease and SBITA (1)** | **General Obligation Bonds** | **Revenue Bonds** | **Lease and SBITA (1)** | **Mortgage** | **Total Primary Government** | **% of Personal Income** | **Per Capita** |
| 2024 | $ 564,298 | $ 40,619 | $ 105,858 | $ 31,465 | $198,526 | $ 81,955 | $ 38,855 | $217,063 | $ 51,336 | | $ 1,329,975 | 1.1 % | $ 943 |
| 2023 | 578,595 | 34,594 | 106,693 | 46,610 | 198,526 | 93,608 | 40,493 | 233,475 | 57,378 | | 1,389,972 | 1.2 % | 990 |
| 2022 | 593,051 | 30,539 | 105,366 | 61,400 | 198,526 | 66,007 | 45,640 | 254,592 | 57,890 | | 1,413,011 | 1.3 % | 1,011 |
| 2021 | 606,779 | 31,834 | 102,430 | 75,800 | 196,238 | 16,900 | 46,249 | 290,210 | | 2,704 | 1,369,144 | 1.4 % | 989 |
| 2020 | 649,839 | 29,564 | 91,166 | 90,800 | 174,917 | 16,925 | 49,817 | 317,692 | 93 | 2,815 | 1,423,628 | 1.6 % | 1,044 |
| 2019 | 662,580 | 28,874 | 81,775 | 105,100 | 141,141 | 15,662 | 49,362 | 350,585 | 183 | 2,922 | 1,438,184 | 1.7 % | 1,057 |
| 2018 | 808,028 | | | 122,907 | 102,757 | 9,444 | 42,943 | 380,542 | 254 | | 1,466,875 | 1.7 % | 1,092 |
| 2017 | 829,432 | | | 137,985 | 47,989 | 6,528 | 37,910 | 401,280 | | | 1,461,124 | 1.8 % | 1,092 |
| 2016 | 862,887 | | | 152,468 | 9,685 | 1,945 | 26,915 | 431,982 | 353 | | 1,486,235 | 1.9 % | 1,113 |
| 2015 | 961,834 | | | 166,361 | | 1,597 | 30,246 | 454,285 | 379 | | 1,614,702 | 2.2 % | 1,214 |

Notes: Details regarding the state's debt can be found in Note 5 of the financial statements.
See Schedule of Demographic and Economic Statistics for personal income and population data.

* These amounts were included in General Obligation Bonds prior to 2019.
(1) SBITA is Subscription IT

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF RATIOS OF GENERAL BONDED DEBT OUTSTANDING**
**PAST TEN FISCAL YEARS**

| | (Expressed in Thousands) | | | | |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | | |
| Fiscal Year | Population | Assessed Value | General Long-Term Debt | Ratio Of General Long-Term Debt to Assessed Value | General Long-Term Debt Per Capita |
| 2024 | 1,410 | $332,482,197 | $603,153 | 0.18 | $ 428 |
| 2023 | 1,402 | 337,545,378 | 619,088 | 0.18 | $ 442 |
| 2022 | 1,395 | 311,943,812 | 638,691 | 0.20 | 458 |
| 2021 | 1,389 | 264,083,870 | 653,028 | 0.25 | 470 |
| 2020 | 1,364 | 223,620,969 | 699,656 | 0.31 | 513 |
| 2019 | 1,360 | 207,887,399 | 711,942 | 0.34 | 523 |
| 2018 | 1,356 | 194,656,334 | 850,972 | 0.44 | 628 |
| 2017 | 1,343 | 182,759,870 | 867,342 | 0.47 | 646 |
| 2016 | 1,335 | 173,365,434 | 889,802 | 0.51 | 667 |
| 2015 | 1,331 | 166,808,092 | 992,080 | 0.59 | 745 |

Source: (1) U.S. Dept. of Commerce, Bureau of Census, reflects the most current available data for all years represented (2024 estimated).
(2) New Hampshire Department of Revenue Administration (2024 estimated). Equalization evaluation.
(3) Includes all General Obligation Bonds Payable of the Primary Government.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF PLEDGED REVENUE COVERAGE**
**LAST TEN FISCAL YEARS**
**(Expressed in Thousands)**

| | Turnpike System Revenue Bonds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Gross Revenues | Direct Operating Expenses | Net Revenue Available For Debt Service | Revenue Bond Debt Service Requirements | Revenue Bond Coverage Ratio | Renewal & Replacement | Total | All Obligations Coverage Ratio |
| 2024 | $156,859 | $55,245 (1) | $101,614 | $25,704 (2) | 3.95 | $23,950 | $49,654 | 2.05 |
| 2023 | 148,090 | 56,382 (1) | 91,708 | 26,925 (2) | 3.41 | 18,241 | 45,166 | 2.03 |
| 2022 | 139,262 | 42,906 (1) | 96,356 | 32,522 (2) | 2.96 | 18,904 | 51,426 | 1.87 |
| 2021 | 123,478 | 49,196 (1) | 74,282 | 41,139 (2) | 1.81 | 22,349 | 63,488 | 1.17 (3) |
| 2020 | 134,089 | 50,922 (1) | 83,167 | 41,506 (2) | 2.00 | 23,630 | 65,136 | 1.28 (3) |
| 2019 | 149,881 | 44,118 (1) | 105,763 | 41,330 (2) | 2.56 | 14,270 | 55,600 | 1.90 (3) |
| 2018 | 137,421 | 48,673 (1) | 88,748 | 41,343 (2) | 2.15 | 12,820 | 54,163 | 1.64 (3) |
| 2017 | 133,046 | 49,903 (1) | 83,143 | 41,345 (2) | 2.01 | 9,600 | 50,945 | 1.63 (3) |
| 2016 | 132,725 | 43,023 (1) | 89,702 | 41,333 (2) | 2.17 | 9,700 | 51,033 | 1.76 (3) |
| 2015 | 124,412 | 44,361 (1) | 80,051 | 39,091 (2) | 2.06 | 8,900 | 47,991 | 1.68 (4) |

*1.* Fiscal years 2006 through 2024 calculations of Direct Operating Expenses deduct the entire amount of current year depreciation expense (Turnpikes, Federal, & Highway match portions). Prior year calculations reflect the historical practice of deducting only the Turnpikes portion of depreciation expense.

2. For fiscal years 2015 through 2024, the debt service requirement consists of total payments to the Debt Service Account as required by the bond resolution. Debt service requirement calculations in the previous fiscal years consisted of the actual principal and interest paid during the fiscal year. Debt service reflects reduced Build America Bonds subsidy payments resulting from federal sequestration.

3. Unaudited toll covenant calculations indicate adequate toll revenues for fiscal year 2021. The revenue bond coverage ratio was satisfied at 1.95 for the 1.2 times test. The all obligations coverage ratio was satisfied at 1.26 for the 1.0 times test, as calculated by the Department.

4. During fiscal year 2016, a note payable of $418 thousand (including interest) was made to the State Highway Fund. This payment was the final payment to the State Highway Fund for the I-95 Piscataqua River Bridge Acquisition. The Turnpike System's unrestricted cash balances at June 30, 2011-2016 was deemed more than sufficient to satisfy the Note Payable to the State Highway Fund and accordingly, the Note Payable to State Highway Fund was not included in the all obligations ratio for fiscal years 2011 through 2016.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF DEMOGRAPHIC AND ECONOMIC STATISTICS**
**PAST TEN YEARS**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Population (in thousands)** | 1,410 | 1,402 | 1,398 | 1,389 | 1,378 | 1,360 | 1,356 | 1,343 | 1,335 | 1,331 |
| **% Change** | 0.6 % | 0.3 % | 0.6 % | 0.8 % | 1.3 % | 0.3 % | 1.0 % | 0.6 % | 0.3 % | 0.3 % |
| **Total Personal Income (in millions)*** | $121,944 | $113,542 | $106,213 | $100,012 | $91,673 | $86,859 | $83,293 | $77,309 | $77,848 | $72,948 |
| **% Change** | 7.4 % | 6.9 % | 6.2 % | 9.1 % | 5.5 % | 4.1 % | 7.7 % | (0.7)% | 6.7 % | 3.4 % |
| **Per Capita Personal Income*** | $82,282 | $77,260 | $74,663 | $73,000 | $66,418 | $63,880 | $61,405 | $57,574 | $58,322 | $54,817 |
| **% Change** | 6.5 % | 3.5 % | 6.0 % | 9.9 % | 4.0 % | 4.0 % | 6.7 % | (1.3)% | 6.4 % | 3.1 % |
| **Unemployment Rate**** | 2.6 % | 1.8 % | 2.0 % | 2.9 % | 8.1 % | 2.5 % | 2.7 % | 2.9 % | 2.8 % | 3.8 % |

Source: US Department of Commerce, Bureau of Census
* NH Department of Employment Security, Economic and Labor Market Information Bureau, NH Vital Signs
** NH Department of Employment Security, Economic and Labor Market Information Bureau, Economic Conditions Seasonally Adjusted June Estimated - September Issue

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF BUILDING PERMITS FOR HOUSING UNITS**
**FOR CALENDAR YEAR 2024**

**Building Permits Issued**
**By Number of Units**

| Calendar Year | Single Family | Multi- Family | Total |
|---|---|---|---|
| 2024 | 3,022 | 1,927 | 4,949 |
| 2023 | 3,023 | 1,179 | 4,202 |
| 2022 | 3,299 | 1,056 | 4,355 |
| 2021 | 3,442 | 960 | 4,402 |
| 2020 | 3,001 | 856 | 3,857 |
| 2019 | 2,270 | 1,426 | 3,696 |
| 2018 | 2,514 | 1,224 | 3,738 |
| 2017 | 2,476 | 725 | 3,201 |
| 2016 | 2,627 | 724 | 3,351 |
| 2015 | 1,910 | 1,201 | 3,111 |

Source: U.S. Department of Commerce, Bureau of the Census.
Current year data annualized on activity through November 2024

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF PRINCIPAL (LARGEST) EMPLOYERS**
**LAST TEN YEARS**

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total State Employment** | **Employees** | **Rank** | **Percentage of Total State Employment** |
| 1. State of New Hampshire | 15,037 | 1 | 1.99 % | 14,441 | 1 | 1.92% |
| 2. Dartmouth-Hitchcock Medical Center | 13,877 | 2 | 1.84 % | 13,877 | 2 | 1.85% |
| 3. Demoulas & Market Basket | 9,000 | 3 | 1.19 % | 9,000 | 3 | 1.20% |
| 4. Wal-Mart Stores Inc. | 8,214 | 4 | 1.09 % | 7,305 | 4 | 0.97% |
| 5. BAE Systems | 6,183 | 5 | 0.82 % | 6,183 | 5 | 0.82% |
| 6. Fidelity Investments | 7,000 | 6 | 0.93 % | 5,875 | 6 | 0.78% |
| 7. University System of New Hampshire | 5,844 | 7 | 0.77 % | 5,553 | 7 | 0.74% |
| 8. Hannaford Brothers | 5,300 | 8 | 0.70 % | 5,300 | 8 | 0.71% |
| 9. Liberty Mutual-Northern N.E. Division | 5,058 | 9 | 0.67 % | 5,058 | 9 | 0.67% |
| 10. Concord Hospital | 4,841 | 10 | 0.64 % | 4,841 | 10 | 0.64% |
| Total | 80,354 | | 10.64 % | 77,433 | | 10.30% |

| | 2022 | | | 2021 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total State Employment** | **Employees** | **Rank** | **Percentage of Total State Employment** |
| 1. State of New Hampshire | 14,235 | 1 | 1.88% | 14,621 | 1 | 1.99% |
| 2. Dartmouth-Hitchcock Medical Center | 13,877 | 2 | 1.83% | 13,877 | 2 | 1.89% |
| 3. Demoulas & Market Basket | 9,000 | 3 | 1.19% | 9,000 | 3 | 1.23% |
| 4. Wal-Mart Stores Inc. | 7,305 | 4 | 0.96% | 7,305 | 4 | 0.99% |
| 5. BAE Systems | 6,183 | 5 | 0.82% | 6,212 | 5 | 0.85% |
| 6. Fidelity Investments | 5,875 | 6 | 0.78% | 5,875 | 6 | 0.80% |
| 7. University System of New Hampshire | 5,553 | 7 | 0.73% | 5,706 | 7 | 0.78% |
| 8. Hannaford Brothers | 5,300 | 8 | 0.70% | 5,300 | 8 | 0.72% |
| 9. Liberty Mutual-Northern N.E. Division | 5,058 | 9 | 0.67% | 5,058 | 9 | 0.69% |
| 10. Concord Hospital | 4,841 | 10 | 0.64% | 4,841 | 10 | 0.66% |
| Total | 77,227 | | 10.20% | 77,795 | | 10.60% |

| | 2020 | | | 2019 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total State Employment** | **Employees** | **Rank** | **Percentage of Total State Employment** |
| 1. State of New Hampshire | 16,724 | 1 | 2.51% | 17,051 | 1 | 2.19% |
| 2. Dartmouth-Hitchcock Medical Center | 10,000 | 2 | 1.50% | 9,790 | 2 | 1.26% |
| 3. Demoulas & Market Basket | 9,000 | 3 | 1.35% | 9,000 | 3 | 1.15% |
| 4. Wal-Mart Stores Inc. | 7,305 | 4 | 1.10% | 7,896 | 4 | 1.01% |
| 5. BAE Systems | 6,619 | 5 | 0.99% | 6,000 | 5 | 0.77% |
| 6. Hannaford Brothers | 6,145 | 6 | 0.92% | 5,300 | 6 | 0.68% |
| 7. Fidelity Investments | 5,300 | 7 | 0.80% | 5,200 | 7 | 0.67% |
| 8. Liberty Mutual-Northern N.E. Division | 5,200 | 8 | 0.78% | 5,058 | 8 | 0.65% |
| 9. Elliot Hospital | 5,058 | 9 | 0.76% | 4,000 | 9 | 0.51% |
| 10. Dartmouth College | 4,000 | 10 | 0.60% | 3,741 | 10 | 0.48% |
| Total | 75,351 | | 11.31% | 73,036 | | 9.37% |

Source: New Hampshire Business Review/ Book of Lists 2024
Provided by USNH
Schedule of State Employees by Function (page 170)
NHES Economic and Labor Market Information Bureau

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF PRINCIPAL (LARGEST) EMPLOYERS**
**LAST TEN YEARS - CONTINUED**

| | 2018 | | | 2017 | | |
|---|---|---|---|---|---|---|
| | Employees | Rank | Percentage of Total State Employment | Employees | Rank | Percentage of Total State Employment |
| **Employer** | | | | | | |
| 1. State of New Hampshire | 17,050 | 1 | 2.34% | 16,970 | 1 | 2.32% |
| 2. Dartmouth-Hitchcock Medical Center | 9,100 | 2 | 1.25% | 9,100 | 2 | 1.25% |
| 3. Demoulas & Market Basket | 9,000 | 3 | 1.24% | 9,000 | 3 | 1.23% |
| 4. Wal-Mart Stores Inc. | 7,886 | 4 | 1.08% | 7,886 | 4 | 1.08% |
| 5. University of New Hampshire | 6,542 | 5 | 0.90% | 6,188 | 5 | 0.85% |
| 6. Fidelity Investments | 5,700 | 6 | 0.78% | 5,700 | 6 | 0.78% |
| 7. Liberty Mutual-Northern N.E. Division | 5,400 | 7 | 0.74% | 5,058 | 7 | 0.69% |
| 8. BAE Systems | 5,058 | 8 | 0.70% | 5,000 | 8 | 0.68% |
| 9. Hannaford Brothers | 4,900 | 9 | 0.67% | 4,900 | 9 | 0.67% |
| 10. Elliot Hospital | 3,800 | 10 | 0.52% | 3,682 | 10 | 0.50% |
| Total | 74,436 | | 10.22% | 73,484 | | 10.05% |

| | 2016 | | | 2015 | | |
|---|---|---|---|---|---|---|
| | Employees | Rank | Percentage of Total State Employment | Employees | Rank | Percentage of Total State Employment |
| **Employer** | | | | | | |
| 1. State of New Hampshire | 17,071 | 1 | 2.38% | 17,756 | 1 | 2.50% |
| 2. Demoulas & Market Basket | 9,100 | 2 | 1.27% | 9,000 | 2 | 1.26% |
| 3. Dartmouth-Hitchcock Medical Center | 9,000 | 3 | 1.25% | 8,852 | 3 | 1.24% |
| 4. Wal-Mart Stores Inc. | 7,886 | 4 | 1.10% | 7,886 | 4 | 1.11% |
| 5. University of New Hampshire | 6,284 | 5 | 0.88% | 6,256 | 5 | 0.88% |
| 6. Fidelity Investments | 5,400 | 6 | 0.75% | 5,400 | 6 | 0.76% |
| 7. Hannaford Brothers | 4,924 | 7 | 0.69% | 4,900 | 7 | 0.69% |
| 8. Liberty Mutual-Northern N.E. Division | 4,900 | 8 | 0.68% | 4,700 | 8 | 0.66% |
| 9. BAE Systems | 4,500 | 9 | 0.63% | 4,500 | 9 | 0.63% |
| 10. Elliot Hospital | 3,724 | 10 | 0.52% | 4,000 | 10 | 0.56% |
| Total | 72,789 | | 10.15% | 73,250 | | 10.29% |

Source: New Hampshire Business Review/ Book of Lists 2024
Provided by USNH
Schedule of State Employees by Function (page 170)
NHES Economic and Labor Market Information Bureau

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION**
**LAST TEN FISCAL YEARS**

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **General Government** | | | | | |
| **Secretary of State** | | | | | |
| *Domestic Registrations:* | | | | | |
| Limited Liability Company | 18,833 | 20,091 | 18,525 | 18,806 | 12,938 |
| Trade Name | 6,836 | 7,092 | 7,466 | 8,596 | 7,440 |
| Corporation | 987 | 945 | 1,027 | 1,064 | 856 |
| Other | 7,412 | 7,319 | 7,180 | 7,778 | 7,198 |
| *Foreign Registrations:* | | | | | |
| Corporation | 1,917 | 2,114 | 2,115 | 2,089 | 1,667 |
| Limited Liability Company | 2,711 | 2,688 | 2,596 | 2,517 | 1,854 |
| Other | 219 | 286 | 241 | 190 | 183 |
| **Administration of Justice & Public Protection** | | | | | |
| **Department of Safety** | | | | | |
| Troop Station Personnel: | | | | | |
| Headquarters | 281 | 231 | 246 | 259 | 267 |
| Troop A - Rockingham/Strafford | 31 | 34 | 33 | 30 | 35 |
| Troop B - Hillsborough | 31 | 35 | 36 | 35 | 39 |
| Troop C - Cheshire/Sullivan | 21 | 28 | 23 | 26 | 31 |
| Troop D - Merrimack | 38 | 37 | 33 | 33 | 39 |
| Troop E - Belknap/Carroll | 18 | 22 | 20 | 21 | 25 |
| Troop F - Coos/Grafton | 36 | 43 | 32 | 33 | 38 |
| Troop G - Merrimack | 44 | 47 | 45 | 53 | 57 |
| Marine Patrol | 49 | 45 | 58 | 60 | 71 |
| **Department of Corrections** | | | | | |
| Number of Prison Inmates: | | | | | |
| NH State Prison/Men - Concord | 1,027 | 997 | 1,027 | 1,225 | 1,332 |
| NH Correctional Facility for Women - Concord | 114 | 109 | 111 | 138 | 172 |
| Lakes Region Facility - Laconia | | | | | |
| Northern NH Correctional Facility - Berlin | 545 | 526 | 543 | 508 | 614 |
| SPU/RTU & Transitional Housing | 119 | 111 | 58 | 268 | 335 |
| **Resource Protection & Development** | | | | | |
| **Department of Natural and Cultural Resources** | | | | | |
| Number of visitors at top 10 state parks: | | | | | |
| Seacoast Parking Meters | 354,433 | 362,296 | 365,606 | 354,424 | 266,769 |
| Franconia Notch State Park ** | 432,622 | 395,315 | 328,679 | 333,860 | 413,272 |
| Hampton Beach South | 111,162 | 92,881 | 105,356 | 135,095 | 142,636 |
| Echo Lake - North Conway | 40,889 | 36,914 | 46,140 | 47,607 | 40,374 |
| Miller | NA | NA | NA | NA | 25,888 |
| Monadnock | 56,141 | 54,470 | 53,891 | 93,414 | 88,114 |
| Mt. Sunapee Beach | 43,860 | 39,769 | 46,158 | 33,726 | 24,564 |
| Odiorne Point | 90,415 | 90,993 | 90,356 | 103,927 | 68,757 |
| Pawtuckaway | 43,409 | 36,251 | 49,849 | 62,739 | 45,966 |
| Wallis Sands Beach | 85,840 | 70,282 | 87,153 | 94,851 | 83,222 |
| Wellington | 53,982 | 49,106 | 58,301 | 41,419 | 35,472 |

Source: The State Departments of Secretary of State, Safety, Corrections, and Natural and Cultural Resources.

**The visitation numbers during 2020 have generally been negatively impacted by the COVID-19 pandemic and restrictions in use.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION**
**LAST TEN FISCAL YEARS - CONTINUED**

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| | | | | |
| 13,075 | 12,320 | 7,810 | 8,930 | 8,040 |
| 7,388 | 7,676 | 6,145 | 6,781 | 7,039 |
| 960 | 962 | 550 | 843 | 881 |
| 6,932 | 7,060 | 754 | 776 | 808 |
| | | | | |
| 1,722 | 1,639 | 1,237 | 1,333 | 1,217 |
| 1,971 | 1,696 | 1,162 | 1,273 | 1,044 |
| 199 | 183 | 157 | 237 | 176 |
| | | | | |
| | | | | |
| 274 | 260 | 266 | 303 | 236 |
| 40 | 43 | 41 | 46 | 47 |
| 41 | 39 | 39 | 37 | 39 |
| 33 | 34 | 31 | 35 | 31 |
| 41 | 42 | 36 | 39 | 43 |
| 26 | 25 | 27 | 28 | 31 |
| 46 | 50 | 47 | 45 | 45 |
| 61 | 54 | 45 | 48 | 50 |
| 72 | 66 | 69 | 72 | 64 |
| | | | | |
| 1,368 | 1,378 | 1,468 | 1,416 | 1,487 |
| 180 | 162 | 155 | 155 | 177 |
| | | | | |
| 644 | 636 | 666 | 662 | 690 |
| 356 | 388 | 391 | 385 | 401 |
| | | | | |
| | | | | |
| 439,852 | 429,684 | 450,698 | 460,569 | 427,644 |
| 434,855 | 433,762 | 433,990 | 337,846 | 421,898 |
| 124,230 | 107,508 | 120,011 | 156,770 | 158,447 |
| 57022 | NA | 35,342 | 35,107 | 38,359 |
| 31,393 | 28,461 | NA | NA | NA |
| 81,918 | 81,068 | 97,795 | 93,446 | 86,674 |
| NA | 39,771 | 39,177 | 45,099 | 49,513 |
| 44,292 | 37,281 | 35,641 | 35,249 | NA |
| 45,324 | 47,116 | 49,045 | 78,762 | 51,105 |
| 59,532 | 96,281 | 154,676 | 157,722 | 183,087 |
| 46,030 | 52,529 | 49,897 | 54,908 | 54,679 |

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**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION**
**LAST TEN FISCAL YEARS - CONTINUED**

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Department of Environmental Services** | | | | | |
| Dollars disbursed by program: | | | | | |
| SRF - Clean water | $29,350,534 | $33,577,594 | $43,686,576 | $47,304,765 | $57,270,336 |
| SRF - Drinking water | 8,589,607 | 9,503,903 | 7,870,218 | 14,500,893 | 14,407,540 |
| SRF - Brownfields | | | | | |
| Drinking Water Groundwater Trust | 14,413,113 | 12,795,287 | 16,133,569 | 23,266,286 | 11,276,170 |
| Landfills | 293,680 | 368,194 | 375,092 | 409,513 | 388,936 |
| Drinking Water Grants | 509,538 | 537,088 | 579,639 | 618,796 | 666,311 |
| Water supply land | | | | | |
| Waste water | 11,330,307 | 12,318,040 | 8,060,441 | 10,210,766 | 6,876,737 |
| Aquatic weed | 731,229 | 747,483 | 613,710 | 455,176 | 535,987 |
| Household hazardous waste | 108,218 | 185,668 | 220,843 | 169,892 | 174,066 |
| Aquatic Resources Mitigation Grants | 1,634,927 | 1,747,879 | 516,518 | 2,473,210 | 3,064,142 |
| *Land Protection Grants | | 435,905 | 854,979 | 1,042,717 | 1,374,719 |
| **Transportation** | | | | | |
| **Department of Safety** | | | | | |
| Number of motor vehicle registrations by county: | | | | | |
| (Monthly Average) | | | | | |
| Belknap | 90,864 | 89,522 | 88,351 | 85,262 | 82,813 |
| Carroll | 81,897 | 80,274 | 134,764 | 75,552 | 73,258 |
| Cheshire | 89,831 | 89,063 | 88,846 | 86,849 | 85,116 |
| Coos | 41,510 | 40,916 | 40,605 | 39,403 | 38,715 |
| Grafton | 107,772 | 106,619 | 105,992 | 102,812 | 100,819 |
| Hillsborough | 456,184 | 451,209 | 449,539 | 441,861 | 439,328 |
| Merrimack | 191,162 | 188,460 | 187,085 | 183,051 | 179,402 |
| Rockingham | 396,630 | 391,742 | 360,270 | 382,014 | 377,745 |
| Strafford | 135,646 | 134,169 | 133,783 | 130,642 | 128,878 |
| Sullivan | 55,027 | 54,494 | 54,413 | 53,444 | 52,198 |
| Other (Indeterminable) | | | | | |
| **Health & Social Services** | | | | | |
| **Department of Health & Human Services** | | | | | |
| Number of caseloads by program: | | | | | |
| Medical assistance - average monthly caseload | 184,142 | 237,696 | 233,680 | 210,882 | 180,675 |
| TANF Caseloads | 2,468 | 2,503 | 2,567 | 2,795 | 3,485 |
| Nursing services for elderly (excludes services in home) | 3,435 | 3,398 | 3,495 | 3,624 | 3,911 |
| Child & family services - DCYF Referrals | 2,261 | 2,316 | 1,582 | 1,446 | 1,254 |
| Food stamps - June monthly average | 42,598 | 41,762 | 36,793 | 35,720 | 38,487 |
| Developmental Service - Unduplicated Count | | 7,065 | 6,915 | 10,108 | 10,608 |
| **Education** | | | | | |
| **Community College System of New Hampshire** | | | | | |
| Enrollment | 7,348 | 7,300 | 7,516 | 9,009 | 10,171 |
| **University System of New Hampshire** | | | | | |
| Enrollment | 21,719 | 22,709 | 24,423 | 25,126 | 25,267 |

*Starting in FY24 Land Protection Grants are reported with the Drinking Water Groundwater Trust

University System of NH FY21 includes total enrollment headcount (previously had reported degree/certificate-seeking students only).

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF OPERATING INDICATORS BY FUNCTION**
**LAST TEN FISCAL YEARS - CONTINUED**

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| | | | | |
| $63,385,233 | $62,020,770 | $44,638,628 | $31,743,515 | $41,037,753 |
| 16,887,734 | 13,995,591 | 15,096,193 | 20,348,204 | 14,023,139 |
| | | | | 480,000 |
| | | | | |
| 476,036 | 658,248 | 776,245 | 792,116 | 886,850 |
| 701,865 | 791,421 | 797,661 | 876,822 | 1,073,438 |
| | | | | |
| 6,257,397 | 7,598,938 | 6,415,792 | 5,711,222 | 6,610,139 |
| 509,165 | 497,729 | 593,419 | 405,650 | 510,435 |
| 185,172 | 194,790 | 154,436 | 190,786 | 193,371 |
| 2,204,409 | 1,353,672 | 2,267,840 | 903,464 | 939,304 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| 81,946 | 80,593 | 79,110 | 77,716 | 74,716 |
| 72,489 | 70,773 | 69,642 | 68,102 | 65,765 |
| 84,707 | 84,001 | 82,895 | 82,282 | 80,043 |
| 38,495 | 38,287 | 37,752 | 37,635 | 36,572 |
| 100,618 | 99,807 | 98,270 | 97,573 | 94,431 |
| 436,771 | 429,970 | 424,865 | 418,637 | 402,662 |
| 177,885 | 175,722 | 172,738 | 170,436 | 164,776 |
| 375,808 | 370,467 | 362,933 | 357,608 | 344,888 |
| 128,304 | 126,815 | 124,306 | 121,871 | 117,297 |
| 51,959 | 51,560 | 50,841 | 50,175 | 48,557 |
| | | | | |
| | | | | |
| | | | | |
| 179,791 | 184,411 | 186,381 | 184,946 | 169,312 |
| 3,434 | 3,233 | 2,351 | 2,466 | 2,862 |
| 3,995 | 4,100 | 4,112 | 4,222 | 4,241 |
| 1,511 | 1,485 | 1,322 | 1,235 | 1,261 |
| 39,054 | 43,007 | 45,541 | 47,391 | 51,113 |
| 10,590 | 10,393 | 9,964 | 10,016 | 9,867 |
| | | | | |
| | | | | |
| 9,818 | 10,451 | 11,152 | 11,503 | 12,650 |
| | | | | |
| 26,998 | 27,333 | 26,371 | 26,692 | 26,887 |

Source: The State Departments of Environmental Services, Safety, Health and Human Services, Community College System of New Hampshire and the University of New Hampshire.

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF STATE EMPLOYEES BY FUNCTION**
**LAST TEN FISCAL YEARS**
**(Includes all active employees eligible payment at June 30th and does not include vacant positions)**

| Full-Time Employees | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Government** | | | | | | | | | | |
| Department of Information Technology | 339 | 322 | 310 | 308 | 328 | 322 | 325 | 326 | 300 | 304 |
| Department of Administrative Services | 295 | 273 | 267 | 255 | 278 | 292 | 292 | 271 | 277 | 278 |
| Department of Revenue Administration | 120 | 125 | 123 | 128 | 141 | 141 | 142 | 133 | 136 | 128 |
| Legislative Services | 128 | 131 | 129 | 124 | 131 | 123 | 129 | 128 | 128 | 127 |
| All other | 267 | 284 | 262 | 149 | 205 | 222 | 204 | 304 | 315 | 278 |
| **Administration of Justice and Public Protection** | | | | | | | | | | |
| Department of Safety | 1,000 | 969 | 952 | 979 | 1,044 | 1,086 | 1,075 | 1,048 | 1,022 | 1,014 |
| Department of Corrections | 749 | 727 | 716 | 772 | 791 | 790 | 777 | 771 | 770 | 800 |
| Judicial Branch | 648 | 611 | 598 | 594 | 593 | 591 | 584 | 570 | 539 | 532 |
| Department of Employment Security | 277 | 264 | 268 | 271 | 234 | 223 | 230 | 238 | 251 | 269 |
| Liquor Commission | 330 | 307 | 304 | 320 | 324 | 325 | 329 | 316 | 308 | 306 |
| Military Affairs and Veteran Services | 105 | 99 | 90 | 120 | 131 | 127 | 119 | 125 | 112 | 113 |
| All other | 533 | 499 | 462 | 505 | 454 | 435 | 448 | 445 | 439 | 450 |
| **Resource Protection and Development** | | | | | | | | | | |
| Department of Environmental Services | 474 | 438 | 441 | 409 | 421 | 419 | 418 | 342 | 333 | 367 |
| Department of Natural and Cultural Resources | 638 | 591 | 564 | 590 | 470 | 600 | 574 | 211 | 221 | 205 |
| Fish and Game | 184 | 184 | 173 | 174 | 173 | 177 | 173 | 174 | 175 | 182 |
| All other | 82 | 78 | 69 | 63 | 63 | 65 | 60 | 5 | 5 | 5 |
| **Transportation** | | | | | | | | | | |
| Department of Transportation | 1,297 | 1,303 | 1,351 | 1,415 | 1,456 | 1,549 | 1,567 | 1,546 | 1,540 | 1,500 |
| **Health and Social Services** | | | | | | | | | | |
| Department of Health and Human Services: | | | | | | | | | | |
| New Hampshire Hospital | 553 | 513 | 514 | 557 | 524 | 530 | 517 | 521 | 527 | 543 |
| Office of Commissioner | 505 | 480 | 431 | 417 | 429 | 375 | 379 | 356 | 366 | 351 |
| Human Services | 800 | 784 | 754 | 798 | 767 | 728 | 723 | 706 | 685 | 685 |
| Division of Transitional Assistance | 372 | 368 | 369 | 415 | 388 | 400 | 406 | 417 | 409 | 429 |
| New Hampshire Veteran's Home | 251 | 245 | 244 | 270 | 288 | 298 | 317 | 327 | 329 | 324 |
| Office of Health Management | 287 | 284 | 273 | 270 | 248 | 248 | 235 | 229 | 220 | 220 |
| All other | 340 | 341 | 319 | 303 | 336 | 390 | 402 | 397 | 398 | 422 |
| **Education** | | | | | | | | | | |
| Department of Education | 270 | 246 | 244 | 237 | 231 | 229 | 229 | 244 | 247 | 235 |
| All other | 100 | 96 | 88 | 82 | 82 | 79 | 78 | 78 | 75 | 60 |
| **State Total** | 10,944 | 10,562 | 10,315 | 10,525 | 10,530 | 10,764 | 10,732 | 10,228 | 10,127 | 10,127 |
| **Part-Time and Temporary Employees** | | | | | | | | | | |
| General Government | 911 | 979 | 951 | 695 | 924 | 956 | 909 | 910 | 902 | 807 |
| Administration of Justice and Public Protection | 2,134 | 1,883 | 1,954 | 2,338 | 4,256 | 4,126 | 4,118 | 4,145 | 4,203 | 4,260 |
| Resource Protection and Development | 659 | 647 | 649 | 626 | 526 | 663 | 753 | 1,138 | 1,201 | 1,696 |
| Transportation | 99 | 84 | 90 | 124 | 175 | 207 | 201 | 228 | 271 | 297 |
| Health and Social Services | 258 | 257 | 249 | 281 | 287 | 312 | 310 | 284 | 328 | 520 |
| Education | 32 | 29 | 27 | 32 | 26 | 23 | 27 | 37 | 39 | 49 |
| **State Total** | 4,093 | 3,879 | 3,920 | 4,096 | 6,194 | 6,287 | 6,318 | 6,742 | 6,944 | 7,629 |
| **Grand Total:** | 15,037 | 14,441 | 14,235 | 14,621 | 16,724 | 17,051 | 17,050 | 16,970 | 17,071 | 17,756 |

*Source: The Department of Administrative Services, Division of Accounting Services.*

**STATE OF NEW HAMPSHIRE**
**SCHEDULE OF CAPITAL ASSET BALANCES BY FUNCTION**
**GOVERNMENTAL ACTIVITIES**
**LAST TEN FISCAL YEARS**
**(Amounts in Thousands)**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function** | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** |
| **Land & Land Improvements** | | | | | | | | | | |
| General Government | $ 8,468 | $ 8,468 | $ 8,302 | $ 8,302 | $ 8,302 | $ 8,302 | $ 8,302 | $ 8,298 | $ 7,981 | $ 7,981 |
| Administration of Justice & Public Protection | 61,712 | 57,212 | 56,716 | 56,862 | 53,785 | 52,871 | 51,511 | 50,841 | 46,528 | 40,259 |
| Resource Protection & Development | 330,991 | 324,842 | 319,600 | 308,292 | 305,927 | 304,517 | 297,083 | 295,721 | 292,252 | 280,161 |
| Transportation | 342,692 | 340,749 | 337,468 | 337,631 | 329,075 | 322,321 | 318,187 | 316,896 | 328,127 | 324,930 |
| Health & Social Services | 9,269 | 7,529 | 7,529 | 7,529 | 5,286 | 5,422 | 5,422 | 4,895 | 4,103 | 4,085 |
| Education | 703 | 703 | 703 | 703 | 703 | 700 | 126 | 126 | 126 | 126 |
| **Building & Building Improvements** | | | | | | | | | | |
| General Government | $ 276,862 | $ 252,119 | $ 246,978 | $ 248,777 | $ 240,838 | $ 240,029 | $ 207,957 | $ 205,309 | $ 203,501 | $ 202,659 |
| Administration of Justice & Public Protection | 468,709 | 464,157 | 459,941 | 445,795 | 423,060 | 400,405 | 394,611 | 347,001 | 292,989 | 282,085 |
| Resource Protection & Development | 94,029 | 89,876 | 88,322 | 86,811 | 85,419 | 85,332 | 82,535 | 80,193 | 79,826 | 78,364 |
| Transportation | 99,640 | 95,713 | 91,461 | 91,460 | 89,949 | 85,917 | 85,597 | 80,907 | 74,149 | 73,716 |
| Health & Social Services | 170,078 | 164,881 | 171,214 | 168,569 | 162,215 | 157,736 | 147,990 | 145,339 | 145,374 | 140,569 |
| Education | 17,821 | 17,262 | 16,687 | 16,687 | 16,687 | 16,687 | 16,687 | 16,716 | 16,671 | 16,628 |
| **Equipment and Computer Software** | | | | | | | | | | |
| General Government | $ 84,287 | $ 82,896 | $ 78,505 | $ 70,893 | $ 63,532 | $ 55,729 | $ 49,356 | $ 46,439 | $ 45,152 | $ 41,400 |
| Administration of Justice & Public Protection | 170,518 | 157,252 | 146,156 | 140,345 | 129,058 | 127,313 | 122,116 | 117,634 | 106,242 | 102,282 |
| Resource Protection & Development | 29,016 | 24,873 | 23,320 | 27,830 | 27,150 | 26,085 | 25,525 | 24,570 | 20,637 | 19,902 |
| Transportation | 170,965 | 162,549 | 155,505 | 153,332 | 149,373 | 140,007 | 135,620 | 134,952 | 124,954 | 116,791 |
| Health & Social Services | 239,902 | 228,690 | 210,692 | 192,566 | 182,616 | 168,433 | 121,866 | 103,146 | 98,033 | 82,471 |
| Education | 3,646 | 3,566 | 3,558 | 3,558 | 3,264 | 3,284 | 3,284 | 3,319 | 3,335 | 3,335 |
| **Infrastructure** | | | | | | | | | | |
| Transportation | $4,342,837 | $4,301,569 | $4,292,714 | $4,254,353 | $4,085,796 | $3,970,238 | $3,854,870 | $3,756,810 | $3,678,096 | $3,524,721 |

*See accompanying Independent Auditors' Report*

# STATE OF NEW HAMPSHIRE
## ACKNOWLEDGMENTS

REPORT PREPARED BY THE DIVISION OF ACCOUNTING SERVICES

SPECIAL APPRECIATION is given to all accounting and budget personnel within the Department and throughout the State, whose extra efforts in providing accurate and timely financial information contributed to the success of this report.

State of New Hampshire
Department of Administrative Services
Division of Accounting Services
25 Capitol Street
State House Annex Room 310
Concord, NH 03301

http://das.nh.gov/accounting
(603) 271-3201






Department of Administrative Services
Division of Accounting Services
State House Annex, Room 310
25 Capitol Street
Concord, NH 03301

http://das.nh.gov/accounting/reports.asp