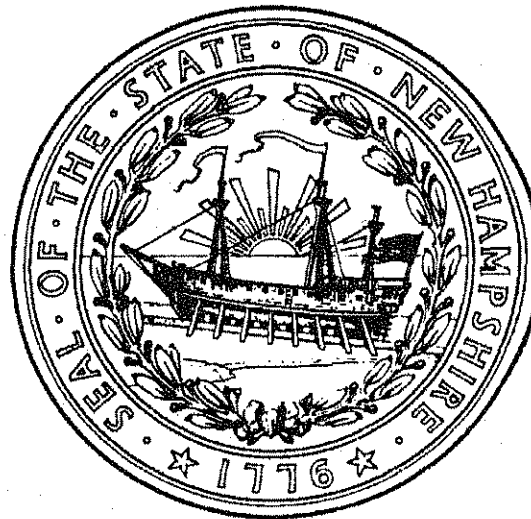


HOUSE COMMITTEE ON FINANCE
BUDGET BRIEFING - HOUSE BILL 1 & 2

APRIL 1, 2013



**OPERATING BUDGET FOR FISCAL YEARS ENDING
JUNE 30, 2014 AND 2015**

2013-2014 SESSION
HOUSE FINANCE COMMITTEE

CHAIRMAN – Mary Jane Wallner
VICE CHAIRMAN – Cindy Rosenwald
CLERK – Kathy Rogers

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RESOURCE PROTECTION AND DEVELOPMENT

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**HOUSE FINANCE COMMITTEE
EXECUTIVE BUDGET SUMMARY
FY 2014 - FY 2015**

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SECTION I
BUDGET HIGHLIGHTS

**State of New Hampshire
House Finance Committee Budget Highlights
FY 2014/2015**

OVERALL HIGHLIGHTS

In General

- This committee amendment is a balanced budget that provides \$10.993 billion from all funds, including \$2.845 billion in General Funds for the FY 2014-2015 biennium.
- The committee amendment will leave a balance in the Revenue Stabilization Account (rainy day fund) of \$9.312 million at the end of the biennium.

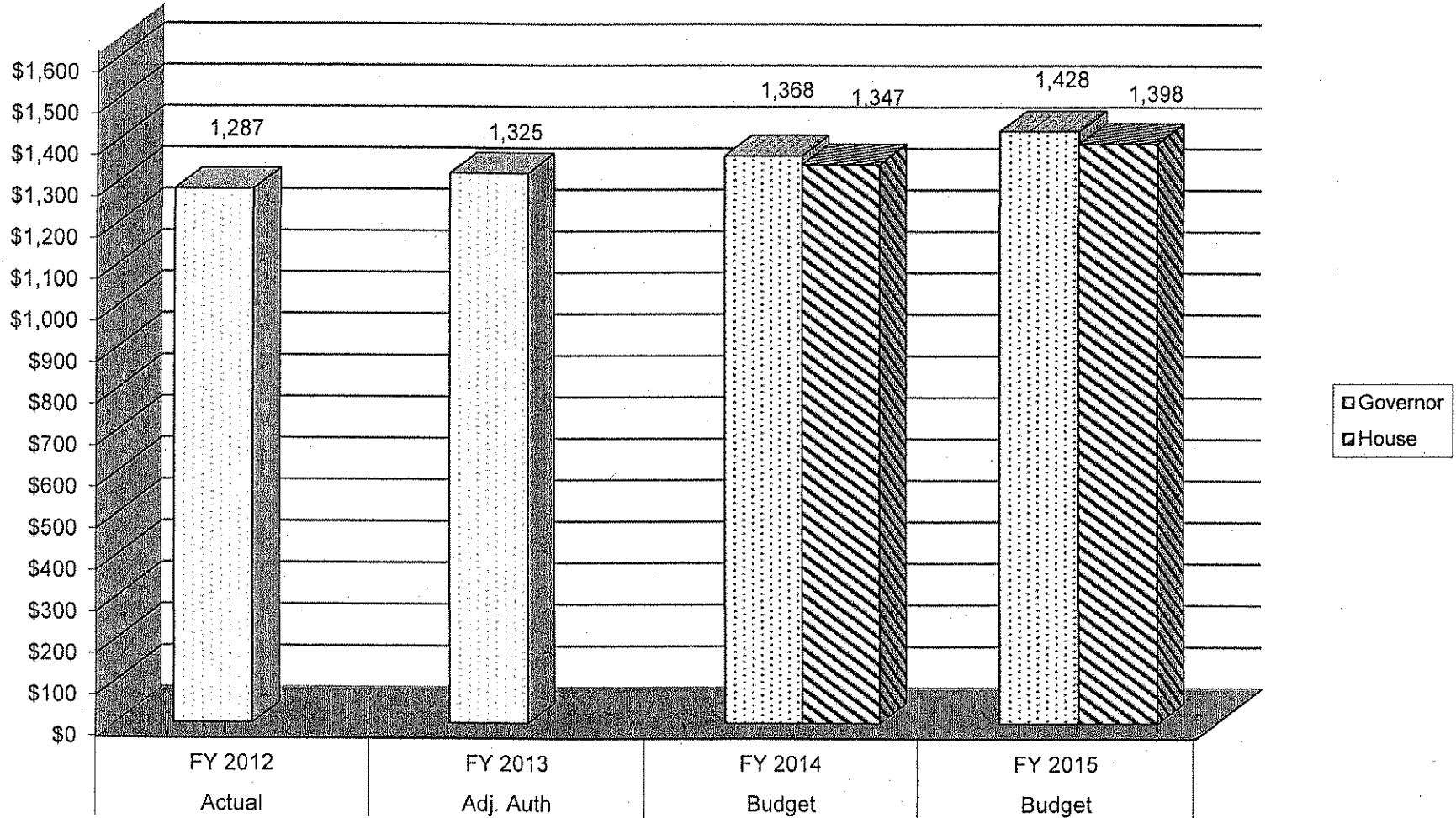
Revenues

- The revenue projections from existing sources are those estimated by the House Ways and Means Committee.
- The budget package does not rely on gaming revenue, provides the necessary funding to the Department of Revenue Administration to ensure \$26 million in audit revenue over the biennium, delays certain business tax changes, and increases the tobacco tax by \$0.30.

Appropriations

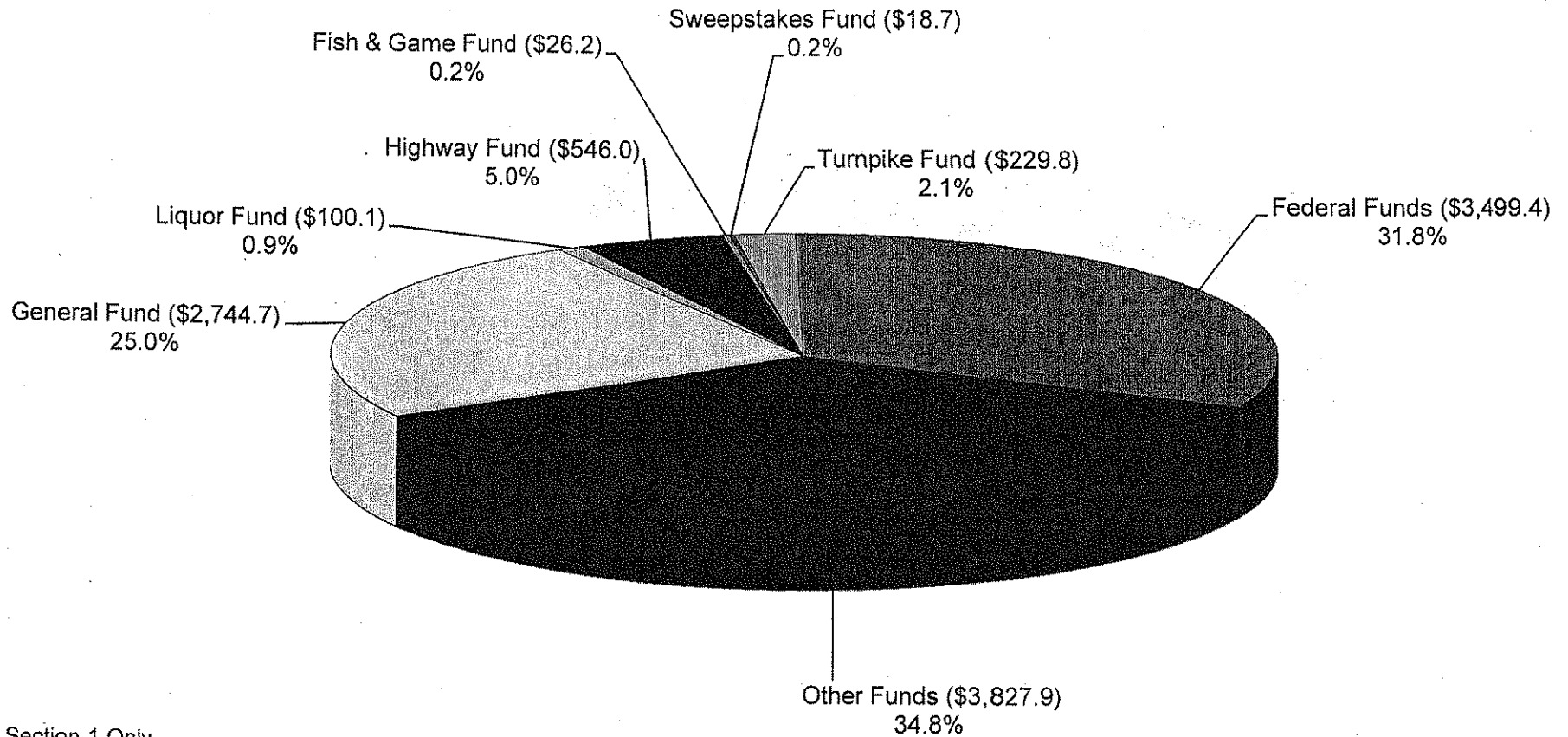
- Provides additional funding for LCHIP, Uncompensated Care Payments to Hospitals, Community Mental Health Services, the Community College System of New Hampshire, and University System of New Hampshire when compared to FY 2012-2013 appropriation levels.
- Continues the State's commitment to municipalities by providing \$2.2 billion in state aid over the biennium, including increases to Meals and Rooms Distributions, and Department of Environmental State Aid Grants.

Comparison of General Fund Appropriations FY 2012 through FY 2015 (In Millions)



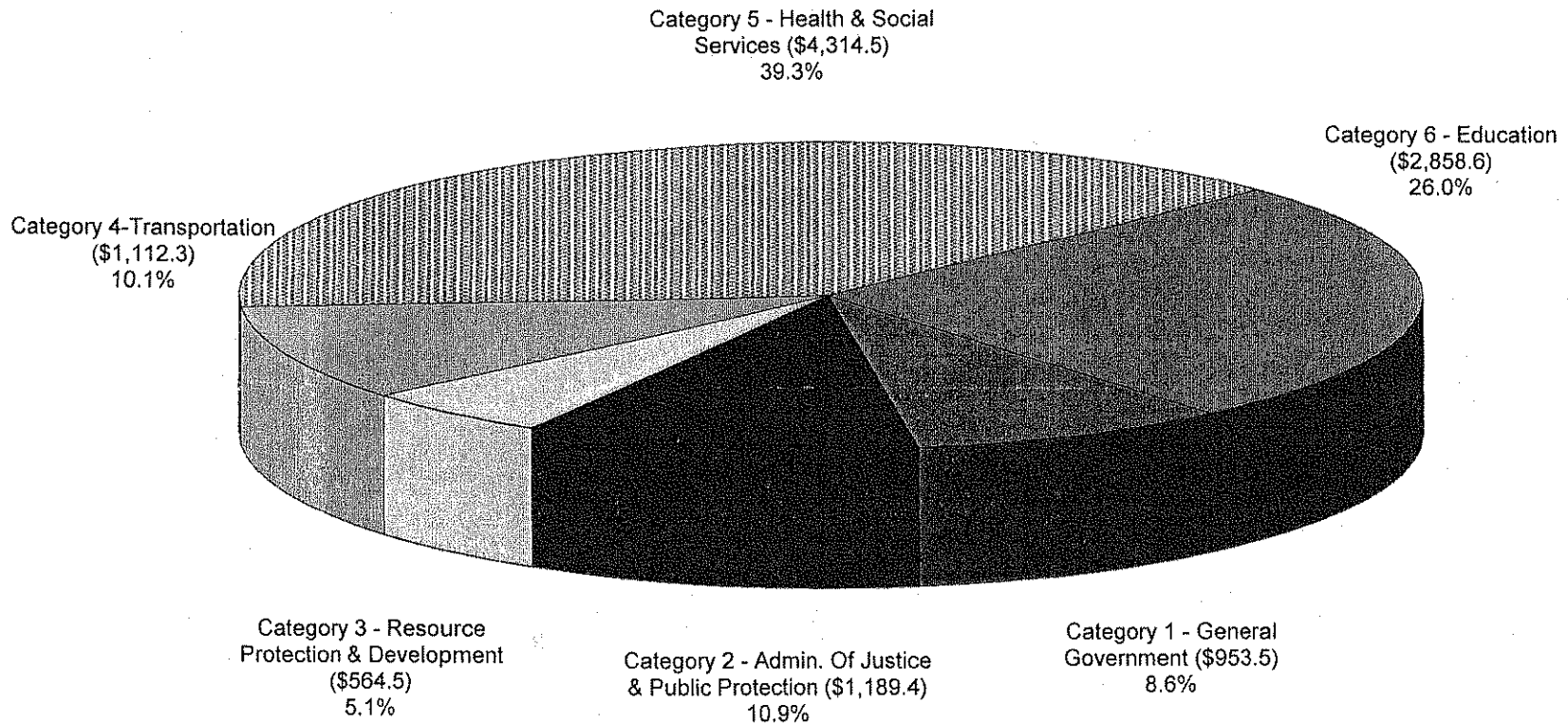
Note - Contains HB 1 section 1 appropriations only.

**HB1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 14/15
TOTAL APPROPRIATIONS BY SOURCE OF FUNDS \$10,993**



Section 1 Only
Amounts in Millions
LBAO
March 28, 2013

**HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 14/15
TOTAL APPROPRIATIONS BY CATEGORY \$10,993**



Section 1 Only
Amounts in Millions
LBAO
March 28, 2013

DIVISION I

Legislative Branch

- Requires a general fund reduction of \$2.5 million over the biennium.

Department of Administrative Services

- Reduces the appropriation to the Office of Innovation and Efficiency by \$162,000 over the biennium by reducing the number of staff from 4 to 2 in FY 2014 to reflect a more appropriate phase in of personnel.
- Continues to support the consolidation of human resource functions and business functions throughout State government to promote greater efficiency.

Department of Cultural Resources

- Supports the arts by providing state funds to maximize match requirements and generate an additional \$300,000 in federal funds.

Department of Revenue Administration

- Supports the personnel reorganization of the Department which will result in additional audit revenue of \$26 million over the biennium.
- Reduces general funds by \$188,571 over the biennium by eliminating the director of document processing.
- Supports sharing costs associated with the Mosaic Parcel GIS system with users by requiring a report from the Department on the agencies utilizing the system and methods to allocate the costs associated with using the system so future legislation can be introduced.

State Treasury

- Reduces debt service by \$8 million over the biennium.
- Provides over \$5 million to the Land and Community Heritage Investment Program (LCHIP) over the biennium.

Judicial Branch

- Decreases Judicial Branch general fund appropriations by an additional \$300,000 in FY 2014 and \$300,000 in FY 2015 over Governor recommended levels in order to support increased legal counsel for parents in abuse and neglect cases under the Judicial Council's budget.
- Increases the number of full-time circuit court judges from 28 to 31.

Judicial Council

- Provides \$600,000 each year of the biennium to support legal counsel for parents in abuse and neglect cases.
- Supports the funding of Civil Legal Services by providing \$1.1 million in FY 2014 and \$1.2 million in FY 2015.

Department of Justice

- Supports the funding of NH Child Advocacy Centers by providing \$100,000 in FY 2014 and \$100,000 in FY 2015.
- Supports the funding for the state's drug task enforcement.

Adjutant General

- Adds \$25,000 in each year of the biennium for the New Hampshire National Guard recruitment and retention scholarship fund.

Department of Agriculture

- Allows the Department to spend \$10,000 each year of the biennium to fund a state advisor for FFA (future farmers of America).
- Allows the Department to spend \$10,000 each year of the biennium to fund agriculture in the classroom.

Liquor Commission

- Supports the move from a three person commission to a single commissioner at the Liquor Commission.

Human Rights Commission

- Adds funding for an additional investigator over the Governor's budget.

Department of Resources and Economic Development

- Clarifies the meals and rooms distribution formula in order to fully fund travel and tourism.
- Recognizes the importance of economic development by funding the director of economic development position.
- Supports continued economic development by funding the innovation research center, small business development center and the office of international commerce.

Department of Environmental Services

- Continues to meet existing State Aid Grant commitments to municipalities.
- Fully funds state aid grants for 127 projects on the delayed/deferred list in FY 2015, impacting over 60 communities in New Hampshire.

DIVISION II

Department of Safety

- Places 15 additional troopers on the road by providing funding to fill 10 of 32 vacant trooper positions, and replace 5 troopers currently conducting commercial licensing exams.
- Adds funding for a new crime scene van for the Division of State Police Major Crimes Unit.
- Adds funding for a new mini pumper fire truck to be used for training purposes by the Division of Fire Standards and Training.

Fish and Game Department

- Provides \$1.4 million in general funds over the biennium for search and rescue operations and to supplement Fish and Game fund revenue growth.
- Restores saltwater fishing license fee for individuals to the FY 2011 amount.
- Establishes a commission to study opportunities and options to improve the sustainability of the Fish and Game Department.

Department of Transportation

- Increases the road toll for gasoline and diesel fuel, and credits the revenue, net of block grant aid to municipalities, to a newly established highway and bridge betterment account to be used for the construction, reconstruction, and maintenance of state and municipal roads and bridges by the Department of Transportation.

Department of Education

- Fully funds the existing formula for adequate education, providing approximately \$1.9 billion in aid to local school districts over the biennium.

- Establishes the needs based New Hampshire Scholarship Program to be administered by the Department of Education, which will provide \$4 million in scholarships over the biennium to New Hampshire students.
- Fully funds the requests for approved School Building Aid projects by providing approximately \$88 million over the biennium. Also, provides for \$7.2 million in additional funding in FY 2015 in the event of a general fund surplus.
- Provides approximately \$45 million over the biennium for Catastrophic Education Aid (special education) to local school districts, a \$2 million increase over the current biennium.
- Provides approximately \$15 million over the biennium for Tuition and Transportation Aid to local school districts, a \$1 million increase over the previous biennium.
- Fully funds Department of Education projections for approved charter public schools by appropriating approximately \$40 million over the biennium. Also, provides for approximately \$2.4 million in additional funding over the biennium in the event of a general fund surplus.
- Provides \$200,000 over the biennium for grants to local school districts to help launch FIRST robotics teams.

University System of New Hampshire

- Increases state funding for the University System of New Hampshire by over \$47 million over the current FY12-13 biennium. Also, provides for \$12 million in additional funding over the biennium in the event of a general fund surplus.

Community College System of New Hampshire

- Increases state funding for the Community College System of New Hampshire by more than \$19 million over the current FY12-13 biennium.

Lottery Commission

- Continues employee recognition program to promote increased sales and compensate lottery sales representatives based upon performance.

DIVISION III

Department of Health and Human Services (DHHS)

- Implements Medicaid expansion which, along with the other provisions of the Affordable Care Act, is anticipated to reduce the number of uninsured citizens in New Hampshire by up to 100,000.
- Fully funds services for individuals in the Developmental Services system at the Governor-recommended level.
- Provides funding up to \$315 million for uncompensated care payments to the state's hospitals. Also, ensures that supplemental payments of up to \$32.9 million are a top priority in the event of a general fund surplus.
- Invests \$24 million to reverse the crisis in the mental health system by taking steps to implement the 10-year plan.

DHHS – Human Services

- Restores \$9.5 million in total funding for the Children in Need of Services program. Supports services for 200-400 children with troubling behavior patterns.
- Restores the marriage license fee to \$50. Provides additional funding for the Domestic Violence Program.
- Requires the Department to perform a comprehensive analysis of the Sununu Youth Services Center in order to determine the most appropriate, cost effective, long and short-term uses of the facility.

DHHS - Division of Family Assistance

- Maintains the required state matching effort necessary to satisfy the federal TANF maintenance of effort requirement in order to secure the \$38 million federal block grant and avoid costly federal penalties.

DHHS - Elderly & Adult Services

- Decreases the county cap for long term care billings from the Governor's proposed amounts by \$4 million for the biennium.

- Provides an additional credit of \$2.5 million in each year against the county billings for long-term care saving county taxpayers an additional \$5 million.

DHHS - Division of Public Health Services

- Restores \$3 million of general fund support for the Community Health Centers.
- Funds the Poison Control Center at \$520,000 in each year of the biennium.
- Restores family planning funding, serving 16,000 low income women with an additional \$1,500,000 in total funds for the biennium.
- Restores \$125,000 per year for targeted tobacco prevention services.

DHHS - Bureau of Behavioral Health

- Funds 16 additional community designated receiving beds.
- Provides funding for 10 additional hospital-based designated receiving beds.
- Adds four Assertive Community Treatment Teams (ACT) for adults, and one team ACT Team for children.
- Expands the ability and capacity of 10 ACT teams to provide services 7 days per week.
- Supports 74 additional residential beds, and 2 additional crisis beds.
- Provides funding to serve an additional 100 individuals in the Housing Bridge Subsidy Program.

DHHS – New Hampshire Hospital

- Includes funds to support re-opening of the "I" unit scheduled for May 2013 which will provide an additional capacity of 12 beds.

DHHS – Glenclyff Home

- Fully funds the Glenclyff Home which provides high quality care for up to 120 New Hampshire residents with chronic mental illness and/or who are developmentally disabled and have co-existing medical needs.

DHHS - Bureau of Developmental Services

- Fully funds waiting lists for acquired brain disorder services, developmental services, and services for children.
- Restores funding for Family Support Services including respite care, environmental modifications, services coordination, and emergency and outreach services.
- Maintains in-home supports for children with severe disabilities and early intervention services.

DHHS - Office of Medicaid and Business Policy

- Continues to support the Department's Medicaid managed care program and recognizes general fund savings of \$23 million over the biennium.
- In conjunction with HB2, supports Medicaid expansion by providing funds to support administration and enrollment.

New Hampshire Veterans Home

- Provides \$30.4 million of state general funds in support for the Home's 200 New Hampshire veterans.

New Hampshire Office of Veterans Services

- Includes funding for an additional Veterans Services Officer to assist with the increase in new veterans from the wars in Afghanistan and Iraq.

DHHS – Administratively Attached Boards

- Provides an additional Pharmacy Inspector, funded by additional Board revenue, to ensure that vital inspections will be performed to protect the health and safety of New Hampshire citizens.

SECTION II
FINANCIAL DATA

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
GENERAL FUND								
(Dollars in Thousands)								
	FY 2013		FY 2014		FY 2015			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	Beginning Balance, July 1	\$ 13,836	\$ 13,836	\$ -	\$ -	\$ 2,528	\$ 2,221	1
2								2
3	Additions:							3
4	Revenue - Schedule 1	1,385,100	1,373,550	1,393,400	1,399,900	1,437,100	1,444,700	4
5	Revenue Adjustments - Schedule 2	26,500	31,700	23,400	(4,821)	32,700	(12,616)	5
6	Total Additions	1,411,600	1,405,250	1,416,800	1,395,079	1,469,800	1,432,084	6
7								7
8	Less Appropriations:							8
9	Appropriations Net of Estimated Revenue	(1,347,918)	(1,347,918)	(1,368,121)	(1,346,850)	(1,428,414)	(1,397,841)	9
10	Appropriation Adjustments - Schedule 2	40,842	40,842	6,700	9,305	6,800	10,017	10
11	Less Lapse Estimate - Schedule 2	44,645	44,645	45,000	45,000	46,900	46,900	11
12	Lapse Percent	-3.42%	-3.42%	-3.31%	-3.36%	-3.30%	-3.38%	12
13	Net Appropriations	(1,262,431)	(1,262,431)	(1,316,421)	(1,292,545)	(1,374,714)	(1,340,924)	13
14								14
15	Adjustments:							15
16	GAAP and Other Adjustments	(24,418)	(16,318)	-	-	-	-	16
17	Total Adjustments	(24,418)	(16,318)	-	-	-	-	17
18								18
19								19
20								20
21	Current Year Balance ^(line6+13+17)	124,751	126,501	100,379	102,534	95,086	91,160	21
22								22
23	Cumulative Ending Balance, June 30 ^(line1+21)	138,587	140,337	100,379	102,534	97,614	93,381	23
24								24
25	Transfer (To)/From Revenue Stabilization	-	-	-	-	-	-	25
26	Transfer (To)/From Education Trust Fund	(138,587)	(140,337)	(97,851)	(100,313)	(91,329)	(90,858)	26
27								27
28								28
29								29
30	June 30 Balance After Transfers ^(line23+25+26)	\$ -	\$ -	\$ 2,528	\$ 2,221	\$ 6,285	\$ 2,523	30
31								31
32								32
33								33
34	Revenue Stabilization Balance	\$ 9,312	\$ 9,312	\$ 9,312	\$ 9,312	\$ 9,312	\$ 9,312	34
35								35
36								36
37	Actual Revenue Stabilization Reserve Account balance at 06/30/12 = \$9,312,000.							37

STATE OF NEW HAMPSHIRE		SCHEDULE 1						
COMPARATIVE STATEMENT OF REVENUE								
GENERAL FUND								
(Dollars in Thousands)								
		FY 2013		FY 2014		FY 2015		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Business Profits Tax	\$ 246,700	\$ 253,800	\$ 252,600	\$ 252,900	\$ 265,600	\$ 259,100	1
2	Business Enterprise Tax	69,300	66,500	67,900	67,500	66,500	69,100	2
3	Subtotal	\$ 316,000	\$ 320,300	\$ 320,500	\$ 320,400	\$ 332,100	\$ 328,200	3
4	Meals & Rooms	241,700	242,250	248,100	250,200	259,600	261,800	4
5	Tobacco Tax	131,100	124,500	129,800	125,500	125,900	120,500	5
6	Interest & Dividends Tax	90,000	94,000	93,000	95,400	97,000	97,400	6
7	Insurance Tax	86,800	86,800	86,900	86,900	109,500	109,500	7
8	Communications Tax	66,300	66,500	66,500	66,500	63,300	63,300	8
9	Real Estate Transfer Tax	62,800	63,800	69,100	68,900	76,000	72,300	9
10	Court Fines and Fees	14,000	13,700	13,700	13,700	13,700	13,700	10
11	Securities Revenue	38,200	38,200	37,600	37,600	37,600	37,600	11
12	Utility Consumption Tax	6,000	6,000	6,000	5,900	6,000	5,900	12
13	Board and Care	26,300	26,700	27,300	27,500	28,000	28,200	13
14	Beer Tax	13,200	13,200	13,200	13,200	13,200	13,200	14
15	Other	70,800	70,700	75,700	75,800	76,300	76,300	15
16	Transfers from Liquor Sales	129,000	129,000	132,400	132,400	135,800	135,800	16
17	Tobacco Settlement	1,700	1,700	2,400	2,400	1,900	1,900	17
18	Gaming License Fees	-	-	-	-	-	-	18
19	Subtotal	\$ 1,293,900	\$ 1,297,350	\$ 1,322,200	\$ 1,322,300	\$ 1,375,900	\$ 1,365,800	19
20	Medicaid Enhancement	85,800	70,800	65,800	72,200	55,800	73,700	20
21	Medicaid Recovery	5,400	5,400	5,400	5,400	5,400	5,400	21
22	Subtotal	\$ 91,200	\$ 76,200	\$ 71,200	\$ 77,600	\$ 61,200	\$ 79,100	22
23	Total	\$ 1,385,100	\$ 1,373,550	\$ 1,393,400	\$ 1,399,900	\$ 1,437,100	\$ 1,444,700	23
24								24
25								25

STATE OF NEW HAMPSHIRE		SCHEDULE 2						
ADJUSTMENTS - SCHEDULE 2								
GENERAL FUND								
(Dollars in Thousands)								
		FY 2013		FY 2014		FY 2015		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	REVENUE ADJUSTMENTS:							1
2	Dedicated fund sweep and Settlement - HB2:150 intro	\$ 26,500	\$ 31,700	\$ -	\$ -	\$ -	\$ -	2
3	Additional Revenue from DRA Auditors - HB1	-	-	5,100	5,100	11,300	11,300	3
4	Postpone Net Operating Loss (NOL) Increase - HB2:30 intro	-	-	1,600	1,600	1,600	1,600	4
5	Repeal Education Tax Credit - accounted for in Governor's base revenue estimate - HB2:106 intro	-	-	-	-	-	-	5
6	LCHIP transfer to the general fund - HB2:110 intro	-	-	3,000	2,000	-	1,000	6
7	Suspend BET Threshold Filing Change - HB2:130 intro	-	-	1,000	1,000	1,000	1,000	7
8	Suspend BET Carryforward - HB2:136 intro	-	-	-	-	1,000	1,000	8
9	Increase in R&D tax credit by \$1M - HB2:153 intro and (SB 1) (Impact not included in Gov Rec)	-	-	-	(825)	-	(825)	9
10	Insurance Premium Tax - Medicaid Expansion	-	-	-	-	5,800	5,800	10
11	Board and Care - move to restricted fund	-	-	(27,300)	(27,500)	(28,000)	(28,200)	11
12	Gaming License Fees - SB152	-	-	40,000	-	40,000	-	12
13	Plea by mail budgeted as restricted in the Department of Safety	-	-	-	(8,000)	-	(8,000)	13
14	DHHS Clinical Services Revolving Account removed	-	-	-	93	-	98	14
15	Pharmacy Board additional revenue	-	-	-	111	-	111	15
16	Tobacco Settlement	-	-	-	21,600	-	2,500	16
17	TOTAL REVENUE ADJUSTMENTS	\$ 26,500	\$ 31,700	\$ 23,400	\$ (4,821)	\$ 32,700	\$ (12,616)	17
18								18
19	APPROPRIATION ADJUSTMENTS:							19
20	Legislative Branch - appropriation reduction Ch 223:9, L'11	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	20
21	Department of Information Technology; appropriation Reduction Ch 223:10, L'11	790	790	-	-	-	-	21
22	Judicial Branch - appropriation reduction Ch 223:11, L'11	12,087	12,087	-	-	-	-	22
23	Department of Information Technology - appropriation for new position Ch 223:12, L'11	(91)	(91)	-	-	-	-	23
24	Department of Corrections; General Fund appropriation reduction Ch 223:13, L'11	7,000	7,000	-	-	-	-	24
25	Department of Revenue Administration; General Fund appropriation reduction Ch 223:14, L'11	1,288	1,288	-	-	-	-	25

STATE OF NEW HAMPSHIRE		SCHEDULE 2					
ADJUSTMENTS - SCHEDULE 2							
GENERAL FUND							
(Dollars in Thousands)							
		FY 2013		FY 2014		FY 2015	
		Governor	H Finance	Governor	H Finance	Governor	H Finance
26	Department of Environmental Services; Reduction to Out of State Travel appropriations Ch 223:16, L'11	-	-	-	-	-	- 26
27	Department of Cultural Resources - general fund appropriation reduction Ch 223:20, L'11	540	540	-	-	-	- 27
28	Department of Justice - General Fund appropriation reduction Ch 223:21, L'11	485	485	-	-	-	- 28
29	Appropriation; Sale of Lakes Region Facility Ch 224:80-82, L'11	-	-	-	-	-	- 29
30	Consolidation of Payroll/HR functions Ch 224:84, L'11	571	571	-	-	-	- 30
31	Consolidation of Finance and Accounting functions Ch 224:85, L'11	250	250	-	-	-	- 31
32	Appropriation; Consultant to evaluate Business Process functions Ch 224:86, L'11	-	-	-	-	-	- 32
33	Appropriation; McAuliffe Shepard Discovery Center Ch 224:88, L'11	(227)	(227)	-	-	-	- 33
34	Compensation and Benefit cost reductions Ch 224:202, L'11	10,000	10,000	-	-	-	- 34
35	Department of Health and Human Services; Consolidation Ch 224:359, L'11	1,078	1,078	-	-	-	- 35
36	Relative to the NH Retirement System - retirement reform - adjusted employee contribution rates Ch 224, L'11	6,071	6,071	-	-	-	- 36
37	Judicial Branch Reduction - HB1:9 intro	-	-	4,505	4,805	4,467	4,767 37
38	DHHS Reduction - HB1:10 intro	-	-	2,250	2,250	2,250	2,250 38
39	DH&HS - Sununu Center reduction - HB1:? New	-	-	-	500	-	750 39
40	NH Veterans Home reduction - HB1:? New	-	-	-	750	-	750 40
41	Legislative Branch reduction - HB1:? New	-	-	-	1,000	-	1,500 41
42	Rounding Adjustment	-	-	(55)	-	83	- 42
43	TOTAL APPROPRIATION ADJUSTMENTS	\$ 40,842	\$ 40,842	\$ 6,700	\$ 9,305	\$ 6,800	\$ 10,017 43
44							44
45	GAAP and Other Adjustments						45
46	DHHS December 2012/January 2013 Dashboard - Projected Shortfall	\$ (8,100)	\$ -	\$ -	\$ -	\$ -	\$ - 46
47	Shepard McAuliffe Appropriation	(385)	(385)	-	-	-	- 47
48	Additional Judicial Branch funding through Fiscal Committee	(1,708)	(1,708)	-	-	-	- 48
49	Additional DOJ Litigation funding through Fiscal Committee	(600)	(600)	-	-	-	- 49
50	Additional Judicial Council funding through Fiscal Committee	(400)	(400)	-	-	-	- 50

STATE OF NEW HAMPSHIRE		SCHEDULE 2					
ADJUSTMENTS - SCHEDULE 2							
GENERAL FUND							
(Dollars in Thousands)							
		FY 2013		FY 2014		FY 2015	
		Governor	H Finance	Governor	H Finance	Governor	H Finance
51	Additional DHHS funding through Fiscal Committee	(100)	(100)	-	-	-	- 51
52	Court Ordered Placements	(600)	(600)	-	-	-	- 52
53	Legal Settlements	(2,500)	(2,500)	-	-	-	- 53
54	Abandoned Property Claims	(2,500)	(2,500)	-	-	-	- 54
55	Other Unbudgeted	(2,800)	(2,800)	-	-	-	- 55
56	MMIS Liability	(5,000)	(5,000)	-	-	-	- 56
57	Unidentified Variance	275	275	-	-	-	- 57
58	TOTAL GAAP and Other Adjustments	\$ (24,418)	\$ (16,318)	\$ -	\$ -	\$ -	- 58
59							59
60							60

STATE OF NEW HAMPSHIRE							
COMPARATIVE STATEMENT OF FUND BALANCE							
EDUCATION TRUST FUND							
(Dollars in Thousands)							
	FY 2013		FY 2014		FY 2015		
	Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Beginning Balance, July 1	\$ -	\$ -	\$ -	\$ -	\$ -	1
2							2
3	<u>Additions:</u>						3
4	Revenue - Schedule 3	820,500	818,750	825,400	819,300	829,000	825,300
5	Revenue Adjustments - Schedule 4	3,000	3,000	35,300	37,925	41,100	43,825
6	Total Additions	823,500	821,750	860,700	857,225	870,100	869,125
7							7
8	<u>Appropriations:</u>						8
9	Adequate Education Aid	(578,237)	(578,837)	(572,465)	(572,964)	(572,464)	(572,964)
10	State Property Tax raised & retained locally	(363,700)	(363,100)	(363,600)	(363,100)	(363,600)	(363,100)
11	Total Adequacy	(941,937)	(941,937)	(936,065)	(936,064)	(936,064)	(936,064)
12	Hardship Grants	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)	(2,900)
13	Charter School Tuition	(11,360)	(11,360)	(12,878)	(12,050)	(14,381)	(13,634)
14	Fiscal Disparity - School Districts	-	-	-	-	-	-
15	Kindergarten Adequacy	(1,953)	(1,953)	-	-	-	-
16	Education Transition Aid	-	-	-	-	-	-
17	Fiscal Disparity - Charter Schools	(3,337)	(3,337)	(6,708)	(6,524)	(8,084)	(7,385)
18	Total Appropriations	(961,487)	(961,487)	(958,551)	(957,538)	(961,429)	(959,983)
19							19
20	<u>Adjustments:</u>						20
21	Adjustments	(600)	(600)	-	-	-	-
22	Total Adjustments	(600)	(600)	-	-	-	-
23							23
24							24
25							25
26	Current Year Balance (line6+18+22)	(138,587)	(140,337)	(97,851)	(100,313)	(91,329)	(90,858)
27							27
28	Cumulative Ending Balance, June 30 (line1+26)	(138,587)	(140,337)	(97,851)	(100,313)	(91,329)	(90,858)
29							29
30	Transfer (To)/From General Fund	138,587	140,337	97,851	100,313	91,329	90,858
31							31
32							32
33							33
34	June 30 Fund Balance After Transfers (line28+30)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35							35
36							36
37							37

STATE OF NEW HAMPSHIRE		SCHEDULE 3						
COMPARATIVE STATEMENT OF REVENUE								
EDUCATION TRUST FUND								
(Dollars in Thousands)								
		FY 2013		FY 2014		FY2015		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Business Profits Tax	\$ 53,400	\$ 53,800	\$ 54,700	\$ 53,700	\$ 57,400	\$ 54,900	1
2	Business Enterprise Tax	138,700	131,900	136,000	136,900	132,700	140,300	2
3	Subtotal	\$ 192,100	\$ 185,700	\$ 190,700	\$ 190,600	\$ 190,100	\$ 195,200	3
4	Meals & Rooms	8,000	7,750	8,200	8,100	8,300	8,300	4
5	Tobacco Tax	76,000	83,000	75,200	73,700	72,900	70,800	5
6	Real Estate Transfer Tax	31,300	31,400	34,400	33,900	37,900	35,600	6
7	Transfer from Charitable Gaming/Pari-Mutuel	3,600	2,700	3,500	2,700	3,500	2,700	7
8	Transfer from Lottery	72,000	71,300	75,300	72,700	77,300	74,200	8
9	Tobacco Settlement	40,000	40,000	40,000	40,000	40,000	40,000	9
10	Utility Property Tax	33,800	33,800	34,500	34,500	35,400	35,400	10
11	State Wide Property Tax	363,700	363,100	363,600	363,100	363,600	363,100	11
12	Total	\$ 820,500	\$ 818,750	\$ 825,400	\$ 819,300	\$ 829,000	\$ 825,300	12
13								13
14								14

STATE OF NEW HAMPSHIRE		SCHEDULE 4						
ADJUSTMENTS - SCHEDULE 4								
EDUCATION TRUST FUND								
(Dollars in Thousands)								
		FY 2013		FY 2014		FY 2015		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	REVENUE ADJUSTMENTS:							1
2	Postpone Net Operating Loss (NOL) Increase - HB2:30	\$ -	\$ -	\$ 400	\$ 400	\$ 400	\$ 400	2
3	Repeal Education Tax Credit - accounted for in Governor's base revenue estimate - HB2:106	-	-	-	-	-	-	3
4	Suspend BET Threshold Filing Change - HB2:130	-	-	2,000	2,000	2,000	2,000	4
5	Cigarette and Tobacco 10 cent contingency plus 20 cent Increase - HB2:131-132	-	-	30,000	30,000	30,000	30,000	5
6	Suspend BET Carryforward - HB2:136	-	-	-	-	2,000	2,000	6
7	Increase in R&D tax credit by \$1M - HB2:153 and (SB 1) (Impact not included in Gov Rec)	-	-	-	(175)	-	(175)	7
8	Transfer from Lottery Commission - additional advertising funding	-	-	-	2,200	-	2,300	8
9	Transfer from Racing and Charitable Gaming - HB314 - single game wager limit	-	-	-	600	-	600	9
10	Cigarette and tobacco inventory floor tax - HB2:133	3,000	3,000	-	-	-	-	10
11	Additional Revenue from DRA Auditors - HB 1	-	-	2,900	2,900	6,700	6,700	11
12	TOTAL REVENUE ADJUSTMENTS	\$ 3,000	\$ 3,000	\$ 35,300	\$ 37,925	\$ 41,100	\$ 43,825	12
13								13
14	APPROPRIATION ADJUSTMENTS:							14
15	Additional hardship grants over appropriation	\$ (600)	\$ (600)	\$ -	\$ -	\$ -	\$ -	15
16	TOTAL APPROPRIATION ADJUSTMENTS	\$ (600)	\$ (600)	\$ -	\$ -	\$ -	\$ -	16
17								17
18								18

STATE OF NEW HAMPSHIRE														
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS														
HIGHWAY FUND														
(Dollars in Thousands)														
	2013				2014				2015					
	Governor		House		Governor		House		Governor		House			
	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital		
1	Beginning Balance, July 1 (Budgetary)	\$ 50,269	\$ 296,929	\$ 50,269	\$ 296,929	\$ 51,703	\$ 296,909	\$ 53,523	\$ 296,909	\$ 38,351	\$ 296,805	\$ 40,400	\$ 296,805	1
2														2
3	Additions:													3
4	Revenue:													4
5	Road Toll	123,500	-	123,400	-	122,800	-	122,800	-	122,100	-	122,100	-	5
6	Motor Vehicle Fees	109,800	-	110,100	-	113,300	-	112,900	-	109,700	-	113,300	-	6
7	Miscellaneous	45,500	-	44,000	-	5,900	-	6,300	-	5,900	-	6,300	-	7
8	Revenue Adjustments:													8
9	Addition Proceeds from I-95 Sale - Expedited Schedule	-	-	-	-	9,500	-	9,500	-	8,700	-	8,700	-	9
10	Total Additions	278,800	-	277,500	-	251,500	-	251,500	-	246,400	-	250,400	-	10
11														11
12	Less Appropriations:													12
13	Operating Budget Appropriations	(294,591)	(8,520)	(294,591)	(8,520)	(262,269)	(8,604)	(262,040)	(8,604)	(267,086)	(8,604)	(266,721)	(8,604)	13
14	Appropriation Adjustments:													14
15	DoIT Transfer Appropriation Reduction (Ch 223:10, L'11)	157	-	157	-	-	-	-	-	-	-	-	-	15
16	DOS Appropriation Reduction (Ch 223:15, L'11)	975	-	975	-	-	-	-	-	-	-	-	-	16
17	DOT Appropriation Reduction (Ch 223:19, L'11)	13,833	-	13,833	-	-	-	-	-	-	-	-	-	17
18	Retirement System Reform (Ch 224, L'11)	2,064	-	3,094	-	-	-	-	-	-	-	-	-	18
19	Compensation and Benefit Reduction (Ch 224:202, L'11)	4,331	-	6,942	-	-	-	-	-	-	-	-	-	19
20	Settlement Payments (RSA 99-D:2)	(20)	-	(20)	-	-	-	-	-	-	-	-	-	20
21	Transfers From Highway Surplus (RSA 228:12)	(852)	-	(2,494)	-	-	-	-	-	-	-	-	-	21
22	Unidentified Variance	(1,121)	-	-	-	-	-	-	-	-	-	-	-	22
23														23
24	Less: Lapse Estimate	9,358	-	9,358	-	8,917	-	8,917	-	9,081	-	9,081	-	24
25	Lapse Percent	3.33%		3.33%		3.29%		3.29%		3.29%		3.30%		25
26	Other Debits (Unrefunded Road Toll)	(3,000)	-	(3,000)	-	(3,000)	-	(3,000)	-	(3,000)	-	(3,000)	-	26
27	Net Appropriations	(268,866)	(8,520)	(265,746)	(8,520)	(256,352)	(8,604)	(256,123)	(8,604)	(261,005)	(8,604)	(260,640)	(8,604)	27
28														28
29														29
30														30
31	Current Year Balance	9,934	(8,520)	11,754	(8,520)	(4,852)	(8,604)	(4,623)	(8,604)	(14,605)	(8,604)	(10,240)	(8,604)	31
32														32
33	Transfer to Capital Account	(8,500)	8,500	(8,500)	8,500	(8,500)	8,500	(8,500)	8,500	(8,500)	8,500	(8,500)	8,500	33
34	Transfer (to) from General Fund	-	-	-	-	-	-	-	-	-	-	-	-	34
35														35
36	Balance, June 30 (Budgetary)	\$ 51,703	\$ 296,909	\$ 53,523	\$ 296,909	\$ 38,351	\$ 296,805	\$ 40,400	\$ 296,805	\$ 15,246	\$ 296,701	\$ 21,660	\$ 296,701	36
37														37
38														38
39														39
40	GAAP Adjustments	(16,400)	(295,803)	(16,400)	(295,803)	(16,400)	(295,005)	(16,400)	(295,005)	(16,400)	(295,005)	(16,400)	(295,005)	40
41														41
42	Balance, June 30 (GAAP)	\$ 35,303	\$ 1,106	\$ 37,123	\$ 1,106	\$ 21,951	\$ 1,800	\$ 24,000	\$ 1,800	\$ (1,154)	\$ 1,696	\$ 5,260	\$ 1,696	42

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
FISH AND GAME FUND								
(Dollars in Thousands)								
		2013		2014		2015		
		Governor	House	Governor	House	Governor	House	
1	Beginning Balance, July 1 (Budgetary)	\$ 3,203	\$ 3,203	\$ 1,829	\$ 1,817	\$ 2,616	\$ 2,280	1
2								2
3	Additions:							3
4	Revenue:							4
5	Unrestricted Revenue	10,585	10,000	10,144	9,700	10,144	9,700	5
6	Revenue Adjustments:							6
7	Unrefunded Road Toll	1,214	1,500	1,500	1,500	1,500	1,500	7
8	Increase Saltwater Fishing License Fees (HB 2:22)	-	-	250	110	250	140	8
9	Transfer From Lifetime License Fund (HB 2:107)	-	-	1,500	1,500	-	-	9
10	Total Additions	11,799	11,500	13,394	12,810	11,894	11,340	10
11								11
12	Less Appropriations:							12
13	Operating Budget Appropriations	(14,120)	(14,120)	(12,997)	(12,997)	(13,217)	(13,217)	13
14	Appropriation Adjustments:							14
15	Retirement System Reform (Ch 224, L'11)	187	187	-	-	-	-	15
16	Compensation and Benefit Reduction (Ch 224:202, L'11)	350	350	-	-	-	-	16
17	Unidentified Variance	3	-	-	-	-	-	17
18								18
19	Less: Lapse Estimate	407	697	390	650	397	661	19
20	Lapse Percent	3.00%	5.00%	3.00%	5.00%	3.00%	5.00%	20
21	Net Appropriations	(13,173)	(12,886)	(12,607)	(12,347)	(12,820)	(12,556)	21
22								22
23								23
24								24
25	Current Year Balance	(1,374)	(1,386)	787	463	(926)	(1,216)	25
26								26
27	Balance, June 30 (Budgetary)	\$ 1,829	\$ 1,817	\$ 2,616	\$ 2,280	\$ 1,690	\$ 1,064	27
28								28
29								29
30								30
31	GAAP Adjustments	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	31
32								32
33	Balance, June 30 (GAAP)	\$ 829	\$ 817	\$ 1,616	\$ 1,280	\$ 690	\$ 63	33

SCHEDULE OF STATE AID TO CITIES, TOWNS, AND SCHOOL DISTRICTS

		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
AID BY CATEGORY		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>House Finance</u>	<u>House Finance</u>
1	Adequate Education Aid	940,762,976	941,830,717	941,357,888	941,830,717	936,064,198	936,064,198
2	Building Aid	44,902,654	46,301,028	48,891,283	47,076,655	45,181,264	42,800,000
3	Court Ordered Placements	2,173,602	1,285,791	2,193,744	1,500,000	2,500,000	2,500,000
4	Driver Education	1,337,100	1,563,300	-	-	-	-
5	Dropout Prevention	1,004,666	2,122,110	486,860	600,000	600,000	600,000
6	Kindergarten Aid	2,661,675	2,842,800	1,707,750	1,952,310	-	-
7	Kindergarten Construction Aid ¹	3,261,884	2,741,088	3,038,661	-	-	-
8	Local Education Improvement ²	66,143	625,396	23,950	-	-	-
9	Reading Recovery	(33,493)	-	-	-	-	-
10	Retirement Normal Contribution - Teachers	32,537,542	27,809,968	2,198,706	-	-	-
11	School Breakfast	120,448	113,808	117,845	184,000	184,000	184,000
12	School Lunch	831,238	832,003	832,003	832,003	832,003	832,003
13	Catastrophic Aid (Special Education)	30,091,336	23,750,920	21,613,130	21,637,308	21,637,308	23,637,308
14	Tuition & Transportation	7,419,843	6,951,048	6,900,000	6,900,000	6,922,619	7,900,000
	Education Total	1,067,137,614	1,058,769,977	1,029,361,820	1,022,512,993	1,013,921,392	1,014,517,509
ENVIRONMENTAL							
15	Flood Control	811,515	811,515	221,952	209,953	225,000	225,000
16	Landfill Closure Grants	981,070	894,703	927,658	899,812	835,589	1,065,696
17	Public Water System Grants	1,101,762	1,149,844	1,184,996	1,138,309	1,050,284	1,201,941
18	State Aid Grants - Pollution Control	6,463,893	5,902,524	5,199,986	3,326,403	3,092,459	7,317,768
19	Water Supply Land Protection Grants	-	-	-	-	-	-
	Environmental Total	9,358,240	8,758,586	7,534,592	5,574,477	5,203,332	9,810,405
OTHER GEN. FUNDS							
20	Meals & Rooms Distribution	58,805,057	58,805,057	58,805,057	58,805,057	58,805,057	63,805,057
21	Railroad Tax ³	98,006	58,379	58,379	36,671	36,671	36,671
22	State Revenue Sharing	-	-	-	-	-	-
23	Retirement Normal Contribution	51,522,121	44,269,159	3,500,000	-	-	-
	less: Teacher Normal Contribution	32,537,542	27,809,967	2,198,706	-	-	-
	Net Police & Fire Normal Contribution	18,984,579	16,459,191	1,301,294	-	-	-
	Other General Funds Total	77,887,642	75,322,627	60,164,730	58,841,728	58,841,728	63,841,728
HIGHWAY FUNDS							
24	Block Grants	29,665,000	34,897,125	34,538,280	30,250,000	30,000,000	30,000,000
GRAND TOTAL		1,184,048,496	1,177,748,315	1,131,599,422	1,117,179,198	1,107,966,452	1,118,169,642

NOTES: 1 Kindergarten Construction Aid added by Senate includes \$888,395 in FY 12 to pay for temporary kindergarten classrooms as permanent classrooms are built and
2 Local Education Improvement expenditures in FY 2012 reflect outstanding payments for FY 2011.
3 Amounts for FY 2013 through FY 2015 are estimated based on FY 2012 actual expenditure.