



New Hampshire Senate
News Release

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Senate leaders urge spending caution after Annual Financial Report reveals budget shortfall

Concord, NH – Today, the Department of Administrative Services released the State of New Hampshire's Comprehensive Annual Financial Report (CAFR) which shows a shortfall of \$1.5 million of expected surplus for FY 15. As a result, fewer dollars will be sent to the State's Rainy Day Fund than budget writers anticipated.

"For months there has been overly ambitious speculation about a large surplus coming out of FY 15 with numerous legislative proposals ready to spend the surplus balance. Today's CAFR shows there is no surplus and we must continue to be careful stewards of New Hampshire taxpayer dollars," said Senate President Chuck Morse (R-Salem).

"We are also aware of a number of potential significant costs that still need to be addressed which could impact the State's budget. We will address those issues and continue to take care of the needs of the State of New Hampshire, but we must keep a close eye on spending and clearly define the state's fiscal priorities as we move forward in FY 16."

Senate Finance Chair Jeanie Forrester (R-Meredith) added, "The CAFR shortfall we are seeing is due primarily to overspending in the traditional Medicaid program. An unforeseen expense like this reinforces the need to be cautious when proposing new spending outside of the budget."

"We are also waiting to see the savings generated from the Continuing Resolution as a result of the governor's budget veto last year, which we agreed would fund the State Employee pay raise. The people of New Hampshire have entrusted us to set clear spending priorities while also ensuring that the needs of the state are addressed in a fiscally responsible and prudent manner and that is what we will continue to do," said Forrester.

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