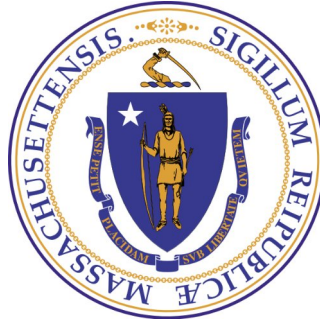


Commonwealth of Massachusetts

STATUTORY BASIS FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019



Commonwealth of Massachusetts



Statutory Basis Financial Report

For the Fiscal Year Ended June 30, 2019

Prepared by
Office of the Comptroller
Statewide Financial Reporting Team



Andrew W. Maylor
Comptroller of the Commonwealth

This document is available at the Comptroller's website: www.macomptroller.org

Inspirational Women From History

Lucy Stone - Photo courtesy of <https://www.loc.gov/resource/cph.3b24168/>

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Sarah Parker Remond - Photo courtesy of <https://sarahparkerremond.wordpress.com/about/>

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Statutory Basis Financial Report

For the Fiscal Year Ended June 30, 2019

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Introductory Section



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Acknowledgements



Lucy Stone (1818-1893)

Lucy Stone left her West Brookfield, Massachusetts farm, first to attend Oberlin College in Ohio and become the first woman from Massachusetts to earn a college degree, then to speak across the country before crowds of thousands on the topic of women's rights. She helped to organize the first National Rights Convention, in Worcester, a watershed moment in the fight for women's suffrage. Her advocacy culminated with the founding of *Woman's Journal* in 1870, a weekly newspaper considered the "voice of the woman's movement", which would influence the ultimately successful fight for women's suffrage.

Source: <https://www.womenshistory.org/education-resources/biographies/lucy-stone>



ANDREW W. MAYLOR
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January 6, 2020

The People of Massachusetts
His Excellency Charles D. Baker, Governor
Senator Michael J. Rodrigues, Chair of the Senate Committee on Ways and Means
Representative Aaron Michlewitz, Chair of the House Committee on Ways and Means
Secretary Michael J. Heffernan, Executive Office for Administration and Finance

The Office of the Comptroller is pleased to provide the Commonwealth's Statutory Financial Report (SBFR) for the fiscal year ended June 30, 2019. In our opinion, the SBFR provides independent and unbiased accounting of Commonwealth revenues and expenditures for Fiscal Year 2019. It has also been reviewed in accordance with professional standards established by the American Institute of Certified Accountants.

Under M.G.L. c. 7A, s. 7, the Comptroller is responsible for interpreting and implementing accounting standards through the establishment of a statewide accounting system and corresponding accounting rules for all Commonwealth departments. Pursuant to M.G.L. c. 7A, s. 12, the Comptroller is also required to file the SBFR with the Governor, the Secretary of Administration and Finance, the House and Senate Committees on Ways and Means, the Clerks of the House and Senate, and any other Parties specified in general or special law by October 31st of each year. The enactment of the final FY19 Supplemental Appropriations Act and a technical corrections bill on December 13, 2019 resulted in this office's inability to meet the statutory deadline.

Once the Final Supplemental technical corrections bill was enacted, we immediately closed the Commonwealth's books for Fiscal Year 2019. In the ensuing days, our statewide financial reporting team implemented the requisite transactions in the state's accounting system, recorded those transactions in the SBFR, finalized and submitted the SBFR for review to our external auditors, and today filed the SBFR pursuant to M.G.L. c. 7A. Annually, the two-month period between August 31 and October 31 should be dedicated to the completion of reporting, reconciliation, and independent auditor review of the statements, including certification of the Consolidated Net Surplus (CNS). The issued SBFR then serves as the basis for the Comprehensive Annual Financial Report (CAFR) required pursuant to M.G.L. c. 7A, s.12. Commencing in Calendar Year 2020 the Office of the Comptroller will proceed with closing the fiscal year, certifying the CNS and issuing the SBFR using a timeframe that allows compliance with the relevant statutory deadlines.

As we conclude our review of Fiscal Year 2019, we would like to take the opportunity to acknowledge the remarkable effort and dedication of the Office of the Comptroller staff, who continually support our mission to promote accountability, integrity, and clarity in Commonwealth business, fiscal, and administrative enterprises.

Respectfully,

Andrew W. Maylor
Comptroller of the Commonwealth

Report Summary

As of June 30, 2019, the Commonwealth had a budgetary fund balance of approximately \$3.959 billion and completed FY19 with a budget surplus according to state finance law (see below for the statutory definition of a balanced budget and surplus) of \$623 million. During the fiscal year, the balance of the Commonwealth's Stabilization (or rainy day) Fund increased by \$1.423 billion, to \$3.424 billion, as a result of transfers of capital gains tax revenues, abandoned property, investment earnings, and statutorily required deposits of the FY19 budget surplus. No funds were drawn from the Stabilization Fund in FY19 other than a portion of capital gains tax revenues legally required to be deposited in the state pension and retiree benefits funds. (The Budgeted Funds – Operations table on page 7 displays the FY19 summary of budgeted funds compared to FY18. Details of FY19 Stabilization Fund activity are provided on pages 10 and [130](#).) The total budgeted fund balance of \$3.959 billion reflects a gain (revenues and other financing sources greater than expenditures and other financing uses) of approximately \$1.573 billion, added to the FY19 beginning balance of \$2.387 billion. This follows an FY18 operating gain of \$939 million. In addition to the \$3.424 billion reserved in the Stabilization Fund, \$521 million is reserved for continuing appropriations and debt service in fiscal year 2020. The remaining undesignated balance of \$14 million is made up of smaller budgeted fund balances.

During FY19, budgeted fund tax revenues increased by \$1.862 billion, or 7.2%, from FY18, as tax revenue growth due to the continuing expansion of the Massachusetts economy and strength of the stock market resulted in growth in the Commonwealth's most significant tax revenue sources -- income taxes (including capital gains taxes), sales taxes, and corporate/business taxes. Before transfers between budgeted funds (which do not affect total budgeted fund balances), total budgeted fund revenues and other financing sources increased by \$2.563 billion, or 5.8%. Budgeted fund expenditures and other financing uses increased by \$1.930 billion, or 4.5%, primarily due to increases in Medicaid spending, additional payments to hospitals that care for the uninsured, and higher contributions to the state pension system to pay down the Commonwealth's unfunded pension liability. A more detailed analysis of revenue and spending changes, as well as the economic factors that affected the budget, is included in the sections that follow.

Overview of the Financial Statements

This report focuses primarily on the Commonwealth's budgeted funds. For the budgeted funds, the activity (inflows and outflows) and balances (assets and liabilities) of each fund are presented separately. For all other funds included in this report, the activity – inflows and outflows – is presented in tabular form, but per statute, the full balance sheets for each fund are not shown.

The financial operations of these funds are maintained in the Massachusetts Management Accounting and Reporting System (MMARS), the statewide accounting system, which is operated by the Commonwealth and contains detailed information summarized in this report.

The SBFR is intended to satisfy the requirements of state finance law and to present the results of FY19 activity in the Commonwealth's funds. The report contains computations required by state finance law, including the certification of, transfers to, and balances in, the Stabilization Fund.

Basis of Accounting and Definition of the Consolidated Net Surplus

The statutory (or budgetary) basis of accounting, as defined in Massachusetts law, is used to budget and control the Commonwealth's fiscal operations. The statutory basis of accounting is not in conformity with accounting principles generally accepted in the United States of America (GAAP) as defined for governments by the Governmental Accounting Standards Board (GASB). In addition, per statute, the Commonwealth-managed Fiduciary Funds are not included in this presentation. The Comptroller's Office will report the Commonwealth's financial position on a GAAP basis in the State's Comprehensive Annual Financial Report (CAFR). That report provides a basis for comparison with other jurisdictions, as the accounting rules for the CAFR are the same for all governments, whereas the statutory basis of accounting may differ across states. There are significant differences between what is contained in the SBFR and what will be presented in the GAAP-based CAFR, the major ones being that the CAFR reflects capital assets and depreciation expense, all types of long-term obligations – including debt, pensions, and other-post employment benefits (or OPEB,

which are mainly retirees' health insurance benefits) – and in the CAFR the financial statements are presented in an all-encompassing, net position and net expense format.

The Commonwealth's statutory basis of accounting, as set out in [Chapter 29 of the Massachusetts General Laws](#), defines the "consolidated net surplus" as the ending "undesignated", or unreserved, balances in the budgeted funds, that is, those funds subject to the state's annual appropriation process, though by statute several budgeted funds are excluded from the consolidated net surplus calculation. State finance law defines a "balanced budget" as a consolidated net surplus of \$0 or greater. The largest of the budgeted funds are the General Fund and the Commonwealth Transportation Fund, which in FY19 accounted for approximately 93.9% and 4.6%, respectively, of total budgeted fund expenditures and other financing uses. The remaining approximately 1.5% of budgeted fund activity comprises 13 smaller funds, four of which by statute are excluded from the consolidated net surplus calculations.

In accordance with Section 12 of Chapter 7A of the Massachusetts General Laws, the Office of the Comptroller is required to transmit the SBFR by October 31st. However, due to the fact that the final FY19 supplemental budget bill and related technical correction legislation were not enacted and signed into law until December 13, 2019, this SBFR is being transmitted on January 6, 2020 in order to provide sufficient time to accurately incorporate the bill's provisions into this report and have it reviewed by the Commonwealth's independent auditor.

The SBFR for the fiscal year ended June 30, 2019 is reviewed, not audited, by KPMG LLP and represents the closing of the Commonwealth's books for the fiscal year.

The Economic Context

The funding available to the Commonwealth to finance its programs is determined largely by the performance of the state's economy, particularly growth in employment, which drives the personal income tax, the state's largest revenue source. In FY19, the Commonwealth's economy continued to perform well, though employment growth has slowed due to full employment in the state and a consequent shortage of workers. Between June 2018 and June 2019, employment grew by approximately 35,500 jobs, or 1.0%, compared to employment growth of 1.5% for the United States as a whole over the same period. As of June 2019, the Massachusetts unemployment rate was 3.0%, compared to 3.7% nationally.

The Budgeted Funds

The FY19 budget enacted by the Legislature (the General Appropriation Act) included an FY19 tax revenue estimate of \$28.261 billion (an increase from the FY19 consensus estimate of \$27.594 billion, which the Legislature adjusted upward by \$667 million after tax revenue ended FY18 well above forecast), and further increased by \$247 million to \$28.509 billion as a result of \$122 million in tax law changes and \$125 million in tax settlements included in the General Appropriation Act. \$26.568 billion of that revenue was to be deposited in the budgeted funds and \$1.941 billion was to be deposited directly into non-budgeted funds for transfers of sales tax revenue dedicated to the Massachusetts Bay Transportation Authority (\$1.038 billion) and the Massachusetts School Building Authority (\$878 million), and revenue deposited in the non-budgeted Workforce Training Fund (\$24 million).

In October 2018, with tax revenues tracking estimates assumed in the FY19 enacted budget, the Secretary of Administration and Finance affirmed the FY19 tax revenue estimate. In January 2019, the Secretary of Administration and Finance revised the Fiscal Year 2019 state tax revenue estimate upward to \$28.641 billion (including \$49 million in projected judgment and settlement revenue), to reflect strong growth in year-to-date income tax collections, primarily due to a surge in capital gains taxes.

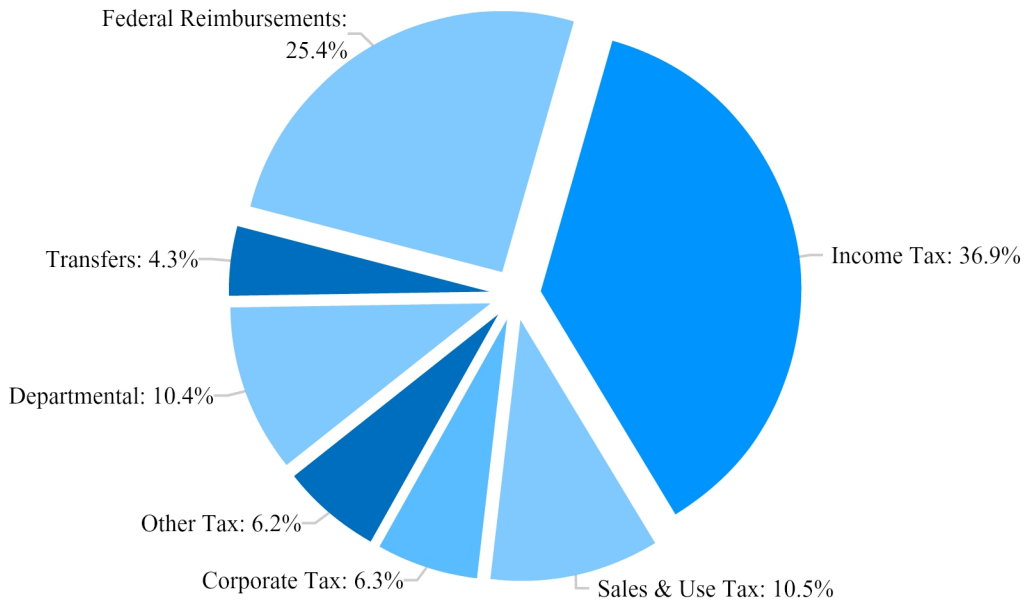
FY19 tax revenues upon which the FY19 General Appropriation Act was based ended the year at \$29.741 billion (including \$49 million in tax settlements exceeding \$10 million each), of which \$27.769 billion was deposited in the budgeted funds). Tax revenue deposited in the budgeted funds grew by \$1.862 billion, or 7.2%, from FY18, and was \$1.047 billion above the final FY19 tax estimate.

The FY19 General Appropriation Act (GAA) authorized approximately \$42.758 billion in spending, exclusive of approximately \$2.609 billion in required pension contributions and \$352 million in FY18 spending authorized to be continued into FY19 as part of the FY18 and FY19 general appropriation acts and various FY18 supplemental budgets.

Approximately \$864 million in supplemental appropriations were authorized during FY19, \$321 million of which were enacted prior to June 30, 2019. Subsequent to year end, a supplemental budget was enacted totaling approximately \$542 million in new appropriations, \$297 million of which funded FY19 Medicaid expenses, \$20 million of which funded local road and bridge (Chapter 90) assistance to cities and towns, \$8 million of which funded FY19 local Sheriffs' expenses, and \$8 million of which funded FY19 snow and ice removal costs. The remaining final supplemental appropriations were continued to FY20 and reappropriated, including \$32 million for additional investments in the MBTA, \$11 million for a transfer to the Massachusetts Clean Water Trust for a program to eliminate certain toxic chemicals in city and town drinking water supplies, \$10 million for a pilot program to prevent gun and other violent crime, and \$10 million for matching funds to encourage private contributions to Massachusetts public colleges and universities. In addition to the year-end FY19 supplemental appropriations just described, the year's significant supplemental appropriation activity included:

- \$134 million for the Medical Assistance Trust Fund payments to hospitals that care for low-income patients;
- \$48 million for FY19 collective bargaining costs;
- \$30 million for heating assistance subsidies to low income residents;
- \$28 million for additional Department of Correction costs;
- \$21 million for salary increases of human services direct care workers;
- \$10 million for supplements to wages of home care workers who care for the elderly;
- \$10 million for family shelters and related services to the homeless.

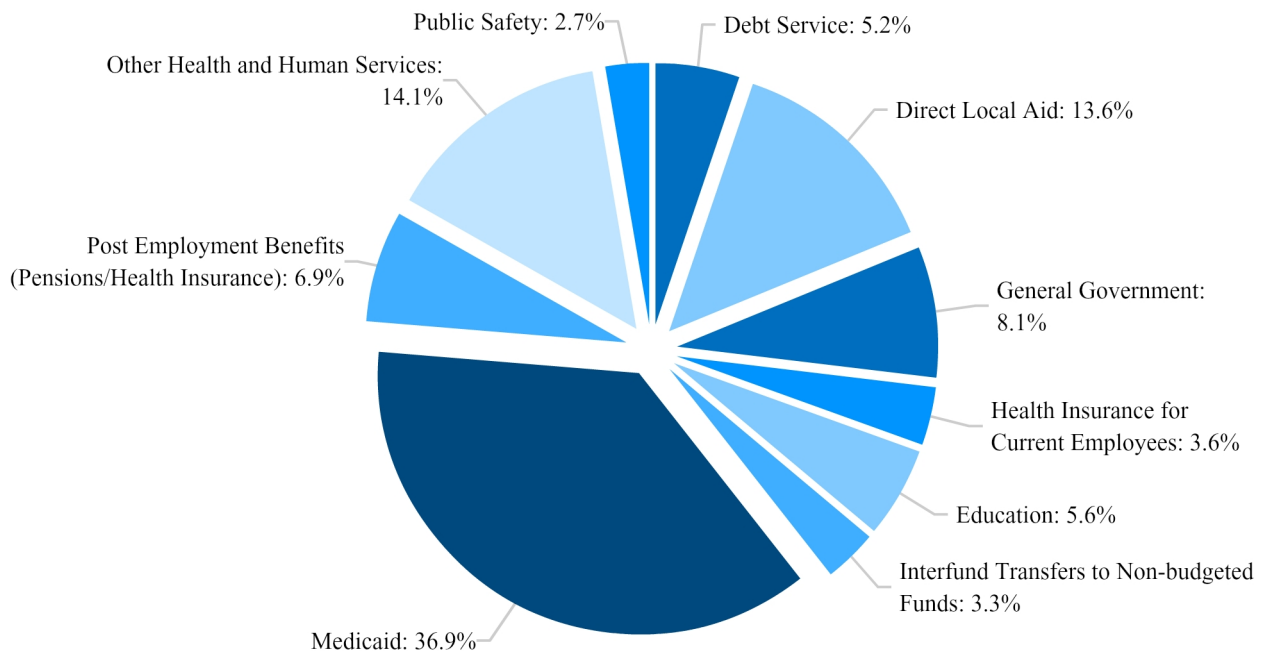
**Budgeted Fund Revenues and Other Financing Sources
Before Transfers Between Budgeted Funds (Total of \$46.4 billion)**



FY19 budgeted revenues and other financing sources (before transfers between the budgeted funds, which are included in both spending and revenue and thus have no effect on fund balances) totaled \$46.383 billion, an increase of \$2.563 billion, or 5.8%, from FY18. As the Massachusetts economy continued to expand robustly, tax revenue grew by \$1.862 billion, or 7.2%. Personal income tax withholding increased by \$488 million, or 3.9%, capital gains revenue (part of the personal income tax) increased by \$875 million, or 73.9%, from FY18, sales and use tax grew by \$253 million, or 5.5%, corporate taxes grew by \$516 million, or 21.6%, and estate and inheritance taxes increased by \$128 million, or 27.1%. Federal reimbursements totaled \$11.772 billion, an increase of \$395 million, or 3.5%, primarily due to growth in reimbursements for increased Medicaid program spending and for Medical Assistance Trust payments to local hospitals that care for Medicaid-eligible patients. Departmental revenue, which consists primarily of assessments and fees for state licenses and state services, totaled \$4.832 billion, an increase of \$90 million, or 1.9%, from FY18. Interfund transfers from non-budgeted funds totaled \$2.010 billion, an increase of \$217 million, or 12.1%, from FY18, due primarily to other non-budgeted fund transfers to the General Fund.

The Commonwealth continues to receive revenues, as it will in perpetuity, from the Master Settlement Agreement (MSA) between the states and the tobacco industry to recover health care costs for tobacco-related illnesses. In FY19, the Commonwealth received \$237 million in tobacco settlement funds, a decrease of \$7 million compared to FY18. The \$237 million represented approximately 65.1% of the estimated amounts shown in the MSA. Statute requires that a portion of tobacco settlement proceeds be transferred directly to the State Retiree Benefits Trust Fund (SRBTF) to fund the Commonwealth's liability for retiree health care, with the percentage of proceeds transferred increasing by 10% each year until 100% of such proceeds is to be deposited in the SRBTF in FY2022 and after. For FY19, the statutorily required transfer was 70% of tobacco settlement revenues; however, FY19 budget actions reduced the percentage of tobacco settlement revenues deposited to the SRBTF from 70% to 30%. That action reduced the FY19 transfer to approximately \$71 million, compared to the statutorily required transfer of \$166 million.

**Budgeted Expenditures and Other Financing Uses
Before Transfers Between Budgeted Funds (Total of \$44.8 billion)**



FY19 budgeted expenditures and other financing uses, including transfers to non-budgeted funds (but before transfers between the budgeted funds) totaled \$44.810 billion, an increase of \$1.930 billion, or 4.5%, from FY18, with the increase primarily attributable to higher spending on Medicaid and other health care spending, pension contributions, and Local Aid.

Spending on programs and services totaled \$37.932 billion, an increase of \$1.800 billion, or 5.0%, from FY18. Medicaid expenditures totaled \$16.521 billion, an increase of \$776 million, or 4.9%, from FY18, with the growth primarily due to increased medical services utilization, Medicare premium increases, and health care cost growth, especially pharmacy costs for emerging drugs. Spending for direct local aid (both education aid and unrestricted aid), at \$6.075 billion, was up \$189 million, also up 3.2%, from FY18.

Spending on state employee health benefits paid through the Group Insurance Commission (excluding benefits paid to retirees) increased by \$12 million, or 0.7%, increasing from \$1.634 billion to \$1.646 billion, as saving initiatives kept growth low. Budgeted debt service totaled \$2.327 billion, up \$4 million, or 0.2%, from FY18.

Interfund transfers to non-budgeted funds totaled \$1.441 billion, a decrease of \$93 million or 6.0%, primarily due to a decrease in transfers to the Medical Assistance Trust Fund (where expenditures vary greatly from year-to-year, depending on the timeliness of federal government approval of certain reimbursements), which declined by \$217 million, or 37.4% from FY18, which offset growth in post-employment benefits (for pension contributions and retiree health benefits), which totaled \$3.110 billion, an increase of \$219 million, or 7.6%, as the Commonwealth increased its pension contribution by \$214 million, or 8.9%, from FY18.

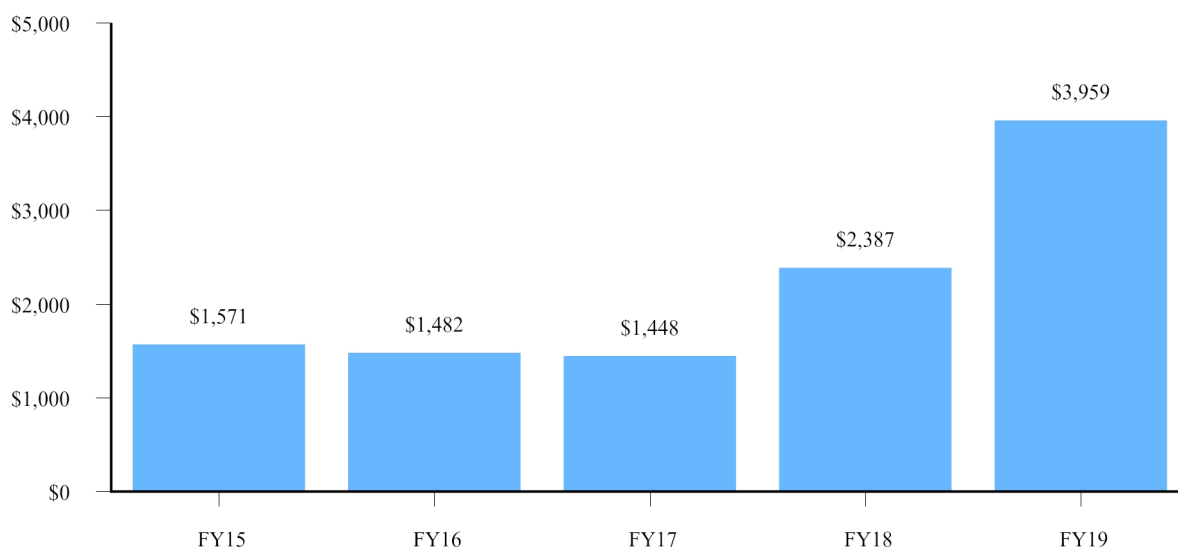
In conducting the budget process, the Commonwealth excludes from its forecast those “interfund” transactions within the budgeted funds that are included in this report; these transactions by their nature have no impact on the combined fund balance of the budgeted funds. The Budgeted Funds - Operations table isolates this “interfund” activity from the budgeted sources and subtracts this revenue and spending to align forecasts prepared during the budget process and in bond disclosure documents to actual amounts in this report. In FY19, transfers among the Budgeted Funds totaled \$1.993 billion, an increase of \$776 million, or 63.8%, from FY18, primarily due to transfers from the General Fund and other budgeted funds to the Stabilization Fund, resulting from increased capital gains taxes and the end of fiscal year’s budget surplus, both of which are statutorily required to be deposited in the Stabilization Fund.

A detailed list of these interfund transfers is included in [Note 3](#) of the financial statements and [Schedule C](#) of the Supplemental Information section of this report.

Budgeted Funds - Operations
(Amounts in thousands)

	2019	2018
Beginning fund balances:		
Reserved and designated.....	\$ 371,473	\$ 117,396
Reserved for Stabilization Fund	2,001,299	1,300,678
Undesignated	13,898	29,661
Total	2,386,670	1,447,735
Revenues and other financing sources:		
Taxes	27,768,601	25,906,660
Federal reimbursements	11,771,905	11,376,956
Departmental and other revenues, including tobacco settlement	4,831,749	4,742,182
Interfund transfers from non-budgeted funds and other financing sources	2,010,287	1,793,423
Budgeted revenues and other financing sources	46,382,542	43,819,221
Intragovernmental Service Fund revenues	418,649	437,226
Interfund transfers among budgeted funds and other financing sources	1,574,656	779,788
Total revenues and other financing sources.....	48,375,847	45,036,235
Expenditures and other financing uses:		
Programs and services	37,931,622	36,131,642
Debt service	2,327,110	2,323,361
Post employment benefits.....	3,110,197	2,891,491
Interfund transfers to non-budgeted funds and other financing uses.....	1,441,086	1,533,793
Budgeted expenditures and other financing uses	44,810,015	42,880,287
Intragovernmental Service Fund expenditures	418,649	437,226
Interfund transfers among budgeted funds and other financing uses	1,574,656	779,788
Total expenditures and other financing uses.....	46,803,320	44,097,301
Excess/(deficiency) of revenues and other financing sources over expenditures and other financing uses	1,572,527	938,934
Ending fund balances:		
Reserved and designated.....	521,274	371,473
Reserved for Stabilization Fund	3,424,376	2,001,299
Undesignated	13,547	13,898
Total	\$ 3,959,197	\$ 2,386,670

Budgeted Funds – Fund Balance (Including Stabilization Fund)
(Amounts in millions)



The graph of Budgeted Funds - Fund Balance above portrays the combined fund balance in the budgeted funds for the past five years.

As of June 30, 2019, the ending balance is comprised mainly of the fund balance of the General Fund and the Stabilization Fund. Due to designations of fund balances, \$521 million of the total budgeted fund balance, exclusive of the Stabilization Fund, is reserved for appropriations and debt service in FY19. The remaining \$14 million is undesignated in the budgeted environmental funds that are not included in the consolidated net surplus calculation.

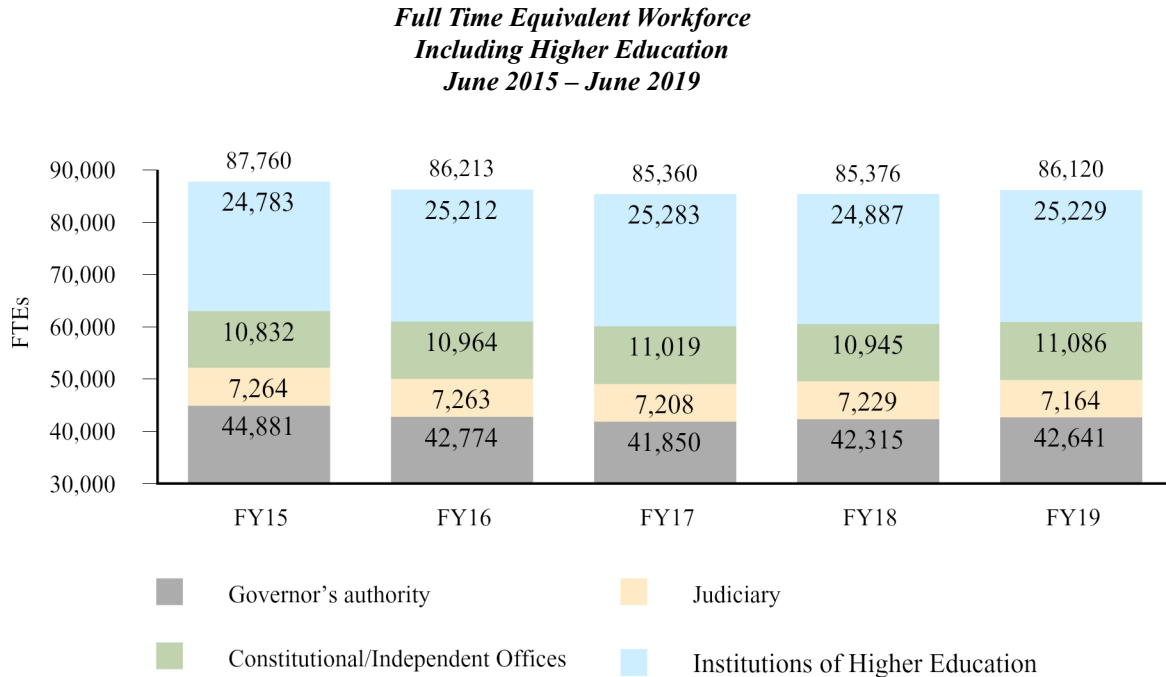
Lottery and Gaming

Gross Lottery revenues (including revenues from the Arts Lottery) grew from \$5.442 billion in FY18 to \$5.653 billion in FY19, an increase of \$211 million, or 3.9%. Lottery profits, after deducting administrative expenses and fringe benefit charges to reimburse the Commonwealth's General Fund for pension and employee health insurance benefits, but prior to distributions to reimburse the Massachusetts Cultural Council and compulsive gambling appropriations as mandated in the FY19 budget, totaled \$1.104 billion, an increase of \$107 million, or 10.7%, from FY18. Of that \$1.104 billion in profits, and as mandated in the FY19 General Appropriation Act, approximately \$1.032 billion was transferred to the General Fund to reimburse it for so-called Unrestricted General Government Aid (formerly Lottery Local Aid), \$16 million reimbursed the Massachusetts Cultural Council appropriation, and \$2 million reimbursed a compulsive gambling prevention program appropriation, and the remaining \$54 million was transferred to the General Fund.

FY19 was the fourth fiscal year in which tax revenues were collected on profits generated by slot machines at the Plainridge slots parlor and the first year in which taxes were collected on the profits at the full service casinos in Springfield (which opened in August 2018) and Everett (which opened in June 2019). FY19 budgeted fund tax revenues remitted to the Commonwealth by Plainridge, which are equal to 40% of gross profits (or "gross gaming revenues") from the slot machines, totaled approximately \$68 million, an increase of less than \$1 million from FY18, which was earmarked for local aid; an additional \$15 million in non-budgeted fund revenue, equal to 9% of gross gaming revenue from the slot machines, was earmarked for the advancement of horse racing. Revenues from the Springfield casino (equal to 25% of gross gaming revenue) totaled \$58 million, and taxes from the gaming operations of the Everett casino (also equal to 25% of gross gaming revenues) totaled \$4 million for the less than two weeks in which the casino was operating in FY19. In addition to the gaming taxes generated from the Everett casino, approximately \$36 million in fines were levied on the owners of the facility by the Massachusetts Gaming Commission prior to, and a condition of, the casino's opening.

Full-Time Equivalent Employment

The chart below shows the Commonwealth's full-time equivalent employment, including the Massachusetts Department of Transportation (MassDOT) for all state funding sources (budgetary, non-budgetary, capital, federal, and trust) over the past five fiscal years. As of June 30, 2019, the number of Commonwealth employees increased by a net of 744 full-time equivalent employees (FTEs) from June 30, 2018, to a total of 86,120. The largest increase was in the University of Massachusetts (456 FTEs).



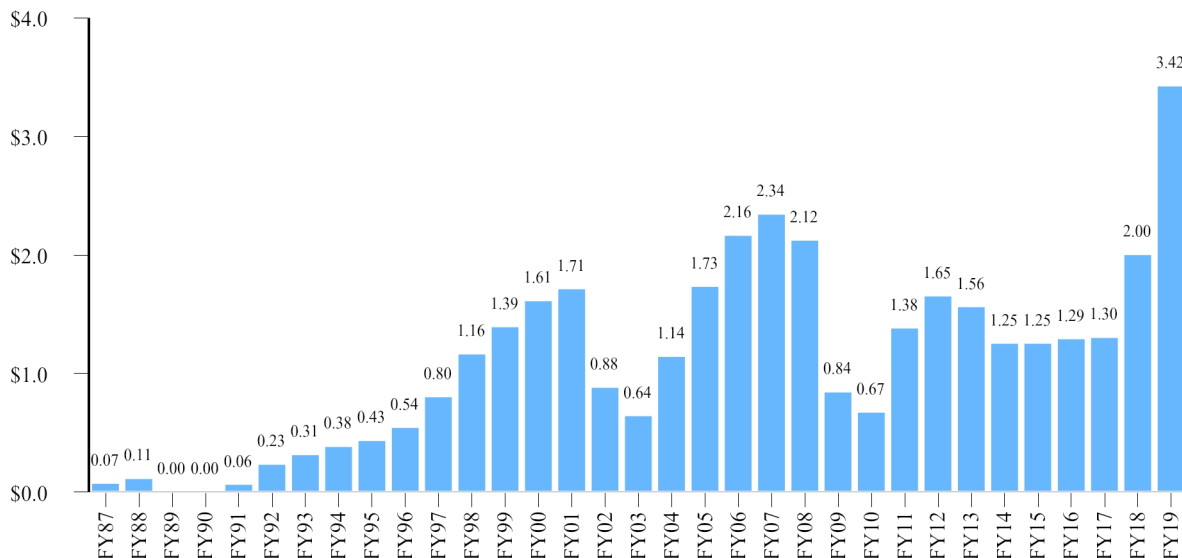
The Stabilization Fund

The Stabilization (or rainy day) Fund provides a reserve to be used in the event of an economic downturn or other fiscal emergency. The balance of the Stabilization Fund increased by \$1.423 billion, to \$3.424 billion, between FY18 and FY19, with the main sources of growth being transfers of certain capital gains tax revenues and the end of fiscal year surplus.

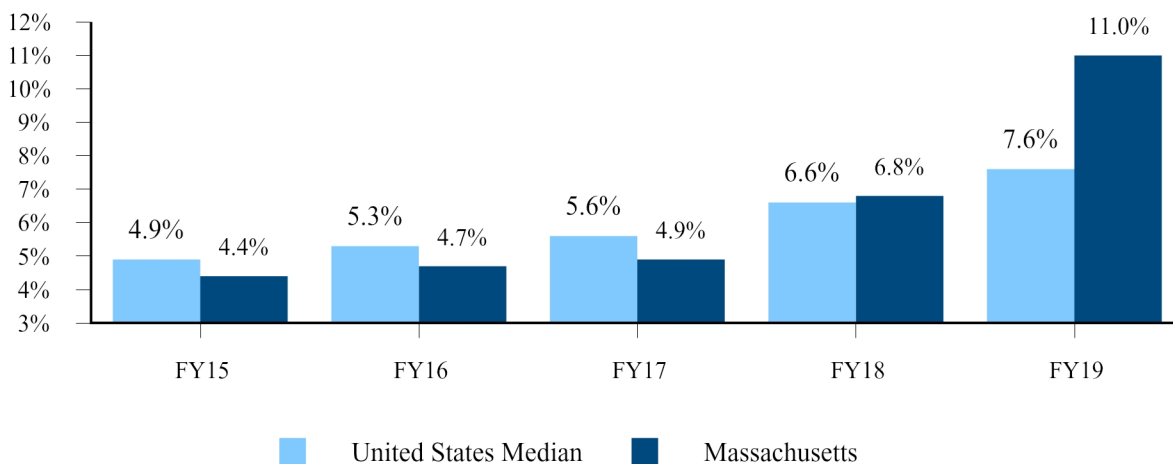
Massachusetts state finance law includes a statutory requirement to transfer tax revenue attributable to capital gains above an annual threshold to the Stabilization Fund, State Pension Liability Fund, and State Retiree Benefits Trust Fund. The FY19 capital gains tax threshold, as determined by the Department of Revenue, was \$1.212 billion. In July 2019, the Department of Revenue certified that FY19 tax collections attributable to capital gains totaled \$2.060 billion which, per statute, resulted in an \$848 million transfer of above-threshold capital gains tax revenue from the General Fund, with \$764 million going to the Stabilization Fund and \$42 million being transferred to both the State Pension Liability Fund and the State Retiree Benefits Trust Fund. In closing the books on FY19, the Comptroller transferred \$593 million of the consolidated net surplus to the Stabilization Fund per state finance law. During the fiscal year, the Fund also earned \$53 million in investment income and received a small amount of tax revenue, and at the end of the fiscal year, an additional \$4 million was transferred to the Stabilization Fund from an increase in FY19 net abandoned property collections, as required by state finance law and \$10 million from casino gaming tax revenue and related fines. The Commonwealth made no withdrawals from the Stabilization in FY19, other than the statutorily required transfers of capital gains tax revenue to Pension and Retiree Benefits Funds. (Detail on transfers to and from the Stabilization Fund is shown in the table on [page 130](#)).

The following two charts show the end of fiscal year Stabilization Fund balances since the inception of the fund in FY1987, and the Stabilization Fund balance as a percentage of General Funds own-source expenditures over the past five fiscal years, compared to the median of all states.

***Stabilization Fund Balance
(Amounts in billions)***



***Stabilization Fund Balance as a Percentage of General Fund Own-Source Expenditures
Massachusetts vs. Median of all U.S. States***



Rainy day fund balances are typically measured both in terms of the absolute size of those funds and the funds' balances as a percentage of General Fund expenditures, with the latter calculation taking into account a state's level of spending that stabilization funds are required to cover when economic downturns cause unanticipated declines in states' tax revenues and increases in demand for state services. According to The National Association of State Budget Officers' (NASBO) [*Spring 2019 Fiscal Survey of the States*](#), at the close of FY18 (the most recent year for which final rainy day fund balances were available for all states), the Commonwealth Stabilization Fund's balance of \$2.001 billion, of General Fund expenditures, was the seventh largest in the nation in absolute terms, and Massachusetts will have the fourth largest Stabilization Fund balance at the end of FY19. As a percentage of total General Fund expenditures (after

subtracting \$11.772 billion in FY19 federally reimbursed General Fund expenditures, since all other states in the NASBO survey exclude federally reimbursed spending from General Fund expenditures, meaning that their Stabilization Fund percentage calculations are a proportion of “own-source” General Fund expenditures), the Commonwealth’s FY18 Stabilization Fund balance of 6.8% as a percentage of General Fund own-source expenditures was slightly above the national median of 6.6%. For FY19, the Commonwealth’s Stabilization Fund balance as a percentage of General Fund own source expenditures was 11.0%, well above the national median of 7.6% as reported in the NASBO survey.

With the \$1.423 billion added to the Stabilization Fund balance in FY19, the Fund’s balance has risen to its highest level since the fund’s inception in FY87, and is almost \$1.1 billion higher than the previous maximum balance reached in FY07. The [FY20 General Appropriation Act as enacted](#) assumes that a deposit of more than \$521 million will be made to the Fund in FY20 from above-threshold capital gains tax revenue and interest earnings.

The Non-Budgeted Funds

The Non-Budgeted Funds represent operations in which the government has imposed its sovereign authority but has excluded these operations from the annual budget process. During FY19, the Commonwealth maintained 119 non-budgeted funds, while another 32 were inactive.

The largest non-budgeted funds in terms of operating revenues include the State Lottery and Gaming Fund, the Federal Grants Fund, the MBTA State and Local Contribution Trust Fund (which accounts for sales tax revenue dedicated to and transferred to the MBTA), the School Modernization Trust Fund (which accounts for sales tax revenue dedicated to and transferred to Massachusetts School Building Authority), the Commonwealth Care Trust Fund, the Medical Assistance Trust Fund, the Health Safety Net Trust Fund, the MassHealth Delivery System Reform Trust Fund, the Convention and Exhibition Center Fund and the Massachusetts Transportation Trust Fund. Other funds that show large inflows include the Grant Anticipation Notes Trust Fund, which is funded by federal highway spending reimbursements.

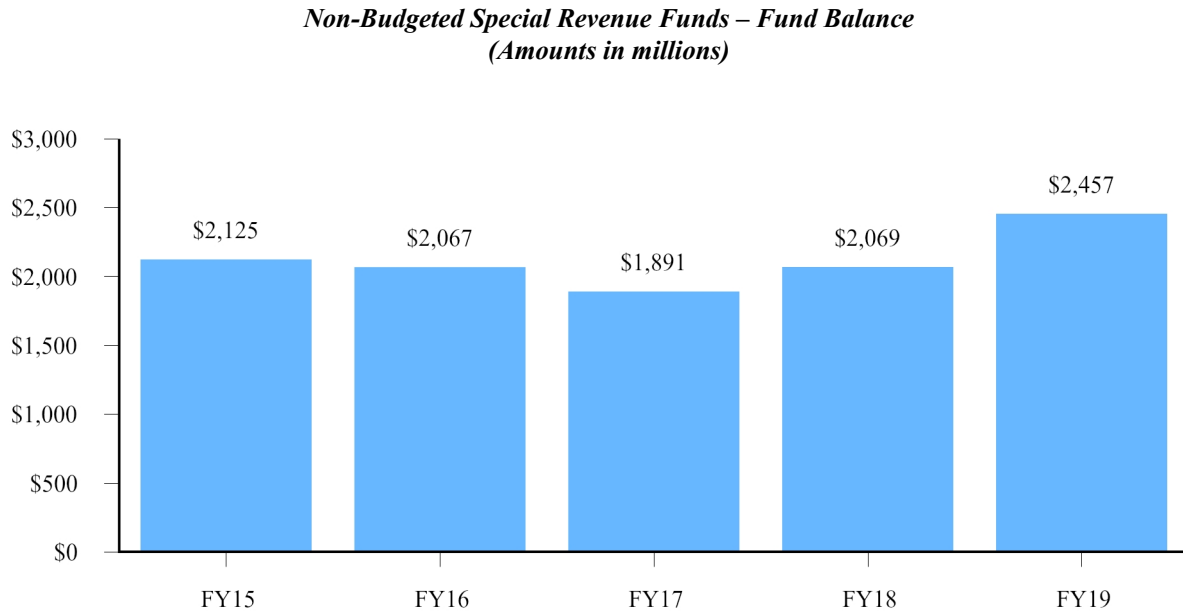
The table on the following page, [Non-Budgeted Special Revenue Funds - Operations](#), summarizes the FY19 non-budgeted funds. A Statement of Revenues, Expenditures and Changes in Fund Balance is presented in a table within this report for each of the individual non-budgeted funds in the financial section of this report. The table includes the State Lottery Funds, where Lottery revenues and expenditures occur prior to Lottery profits being transferred to the General Fund to reimburse it for local aid and other appropriations.

Non-Budgeted Special Revenue Funds - Operations
(Amounts in thousands)

	2019	2018
Beginning fund balance, as restated.....	\$ 2,078,845	\$ 1,891,339
Revenues and other financing sources:		
Taxes.....	2,430,998	2,269,843
Assessments	896,066	806,095
Federal grants and reimbursements	3,560,594	3,488,353
Departmental and miscellaneous.....	7,038,509	6,779,993
Transfers and other financing sources.....	1,879,734	1,519,517
Total revenues and other financing sources	15,805,901	14,863,801
Expenditures and other financing uses:		
Programs and services	12,467,743	12,527,983
Debt service.....	206,011	195,607
Transfers and other financing uses.....	2,753,518	1,962,804
Total expenditures and other financing uses.....	15,427,272	14,686,394
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	378,629	177,407
Ending fund balance.....	<u>\$ 2,457,474</u>	<u>\$ 2,068,746</u>

In FY19, \$64 million of the Commonwealth's federal transportation funds were used to repay prior year expenditures, which were financed through Federal Grant Anticipation Notes (GANs). In addition, approximately \$37 million in interest payments for the GANs were funded by a General Fund appropriation.

The chart below, Non-Budgeted Special Revenue Funds - Fund Balance, shows the combined fund balance in the Non-Budgeted Special Revenue funds for the past five years.



Individual non-budgeted funds that represent approximately 95% of total non-budgeted fund FY19 year-end balances include:

- \$1.010 billion– Massachusetts Transportation Trust Fund;
- \$354 million – Central Artery/Tunnel Project Repair and Maintenance Trust Fund;
- \$269 million – Convention and Exhibition Center Fund;
- \$147 million – Enhanced 911 Fund;
- \$145 million – Commonwealth Care Trust Fund;
- \$105 million – Health Safety Net Trust Fund;
- \$91 million – Grant Anticipation Note Trust Fund;
- \$38 million – Workforce Training Trust Fund;
- \$28 million – MassHealth Delivery System Reform Trust Fund;
- \$28 million – Substance Use Disorder Federal Reinvestment Trust Fund;
- \$21 million – Community Preservation Trust Fund;
- \$20 million – Regional Greenhouse Gas Initiative (RGGI) Auction Trust Fund;
- \$16 million – Community Mitigation Fund;
- \$16 million – Department of Industrial Accidents Special Fund;

- \$15 million – Social Innovation Financing Trust Fund;
- \$14 million – Distressed Hospital Trust Fund; and
- \$13 million – Race Horse Development Trust Fund.

In FY19, one Non-Budgeted Special Revenue Fund had an operating deficit in excess of \$10 million. That was the Central Artery/Tunnel Project Repair and Maintenance Trust which ran a deficit of \$25 million. (In the fund statements, the Medical Marijuana Trust Fund also shows an operating deficit of approximately \$18 million, but this was the result of a transfer of the fund balance from that fund to a budgetary fund, the more recently established Marijuana Regulation Fund.)

As noted in previous reports, the Government Land Bank Fund has a continuing structural fund deficit. The FY19 deficit balance of approximately \$35 million remains an unbudgeted drain on the Commonwealth's cash pool. While steps have been taken to stop the growth in this deficit, the Fund should be abolished and the deficit transferred to the General Fund. More consolidation and elimination is needed for the non-budgeted special revenue funds generally.

The Capital Projects Funds

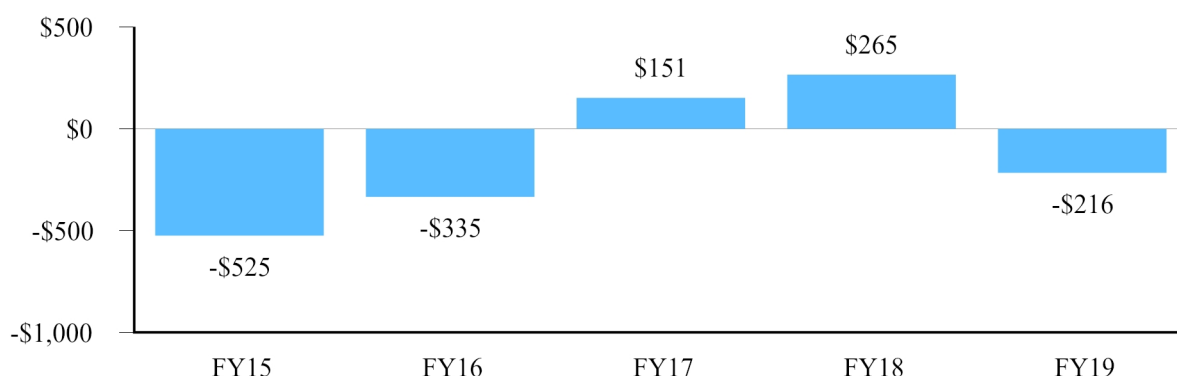
The purpose of the capital project funds is to account for the construction or acquisition of capital assets. The Governor may propose capital outlay budgets which, upon enactment by the Legislature and approval by the Governor, become capital outlay acts. Capital outlay acts financed through the sale of debt require a two-thirds vote of the Legislature. Numerous acts may be combined for reporting in an individual Capital Projects Fund, but each act is accounted for separately within the fund. These accounts record authorizations for expenditures in itemized capital appropriation accounts and equivalent authorizations to issue bonds or notes.

The structure of these funds is such that each capital outlay authorization is in balance, creating authorization for inflows (which may be from sales of bonds, federal reimbursements or other revenues) and expenditures. Imbalances due to timing differences develop when the expenditure precedes the inflow of funds from the sale of bonds or federal reimbursements. Due to restrictions imposed by federal tax arbitrage rules, tax exempt bonds are not routinely sold in anticipation of expenditures.

To fund the FY19 capital budget, the Commonwealth borrowed by issuing \$1.808 billion in long-term bonds, which was new money general obligation debt; with no special obligation debt issued during FY19. In addition, the Commonwealth issued \$819 million in debt to refund already existing obligations, taking advantage of continued low interest rates in FY19. Finally, MassDOT issued approximately \$437 million in bonds to refund outstanding Metropolitan Highway System Revenue Bonds.

The following graph Capital Projects Funds - Fund Balance/(Deficit) shows the combined fund balance in the Capital Projects Funds for the past five years. Typically, the combined ending balance in the Capital Projects Funds is negative, as capital spending occurs prior to bonds being issued by the Commonwealth. At the end of FY19, the Capital Projects Funds had a \$216 million deficit balance (including \$657 million in accounts payable), as the Commonwealth had not yet reimbursed itself for capital spending that it typically funds in arrears through subsequent bond issues. This deficit was eliminated in September 2019 when the Commonwealth issued \$825 million in new money general obligation bonds.

Capital Projects Funds – Fund Balance/(Deficit)
(Amounts in millions)



The following table, Capital Projects Funds - Operations, includes the FY19 Capital Projects Funds, summarized and compared to FY18. Financial statements for each of the individual funds are included in the financial section of this report.

Capital Projects Funds - Operations
(Amounts in thousands)

	2019	2018
Beginning fund balance/(deficit)	\$ 265,260	\$ 150,555
Revenues and other financing sources:		
Federal grants and reimbursements.....	66,085	99,001
Departmental and miscellaneous	12,099	10,537
Proceeds of general and special obligation bonds.....	2,110,729	2,727,039
Proceeds of refunding bonds.....	955,907	1,310,616
Transfers and other financing sources.....	646,738	599,840
Total revenues and other financing sources.....	3,791,558	4,747,033
Expenditures and other financing uses:		
Acquisition and maintenance of capital assets.....	3,178,487	3,185,685
Payments to advance refunding escrow agent/principal on current refundings....	955,907	1,310,616
Transfers and other financing uses.....	138,817	136,027
Total expenditures and other financing uses.....	4,273,211	4,632,328
Excess/(deficiency) of revenues and other financing sources over expenditures and other financing uses	(481,653)	114,705
Ending fund balance/(deficit)	\$ (216,393)	\$ 265,260

The Administration oversees a coordinated fiscal strategy for the management of the capital projects funds. This strategy includes a five-year capital budget linked to debt management and capital management. The focus of this strategy is to manage capital spending within outstanding debt levels and debt service obligations the Administration considers appropriate for the Commonwealth. An important part of the strategy is to control capital spending within an administrative “cap.”

During FY19, significant capital spending included:

- \$441 million for state owned facilities including higher education campuses, trial courts, and state health care facilities;
- \$392 million in support for rail enhancement projects and MBTA projects, including investment in reducing the MBTA's State of Good Repair backlog, acquisition of new vehicles for the red and orange lines, the green line extension, and south coast rail;
- \$255 million for affordable housing development and public housing;
- \$207 million in Chapter 90 reimbursements to municipalities for local road and bridge projects;
- \$115 million in spending for the Department of Conservation and Recreation, including improvements to roadways, parks, and for environmental spending;
- \$82 million in bridge repair projects under the Commonwealth's Accelerated Bridge Program;
- \$80 million for the MassWorks economic development initiative, which provides infrastructure grants to municipalities;
- \$63 million to directly address climate change, including funds for repairing and rebuilding seawalls and inland dams, helping cities and towns plan for and protect against the impact of a changing climate, and energy efficiency improvements in public housing, some of which are also included in categories above;
- \$62 million for grants from the Massachusetts Life Sciences Center to foster economic development in the life sciences sector;
- \$26 million for aid to towns in western Massachusetts to extend high-speed broadband networks;
- \$20 million for construction and planning grants from the Board of Library Commissioners to public library systems; and
- \$15 million for the Workforce Skills capital grants to educational institutions.

During FY19, the Commonwealth passed or agreed to terms for approximately \$10.251 billion in bond authorizations and approximately \$344 million in deauthorizations of previously enacted bond bills.

The Non-Appropriated Funds of Higher Education

The statistical section of this SBFR includes data on the financial operations of the non-appropriated funds of the 25 institutions of higher education as reported on MMARS. Each institution of higher education is authorized and directed in its enabling statute to collect, retain and expend certain fees, rents, sales, donations, federal financial participation and other types of revenue through campus-based systems. These financial resources are integral parts of the total financial activity of each campus. They also represent resources in addition to amounts made available from Commonwealth appropriations.

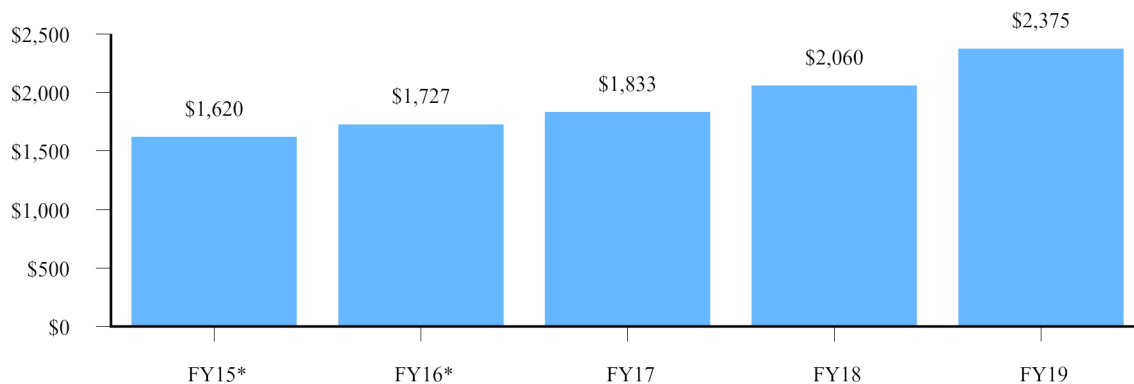
The following table, Non-Appropriated Funds of Higher Education – Operations, includes the FY19 activity in the Higher Education funds, summarized and compared to FY18. Financial statements for each of the individual funds are included in the statistical section of this report.

Non-Appropriated Funds of Higher Education - Operations
(Amounts in thousands)

	2019	2018
Beginning fund balance.....	\$ 2,060,261	\$ 1,833,417
Revenues and other financing sources:		
Federal grants and reimbursements	520,197	517,513
Departmental revenue.....	2,614,915	2,479,663
Miscellaneous revenue.....	1,735,344	1,932,448
Total revenues and other financing sources.....	4,870,456	4,929,624
Expenditures and other financing uses:		
Programs and services	4,555,731	4,702,780
Excess/(deficiency) of revenues and other financing sources over/(under)		
expenditures and other financing uses	314,725	226,844
Ending fund balance	<u>\$ 2,374,986</u>	<u>\$ 2,060,261</u>

The following chart, Non-Appropriated Funds of Higher Education - Fund Balance, shows the combined fund balance for the past five years. The combined balance represents approximately \$1.229 billion fund balance for the University of Massachusetts, approximately \$693 million fund balance for the State University system and approximately \$453 million fund balance for the Community Colleges.

***Non-Appropriated Funds of Higher
Education – Fund Balance***
(Amounts in millions)



* Fund balances were restated due to amounts previously unreported

#

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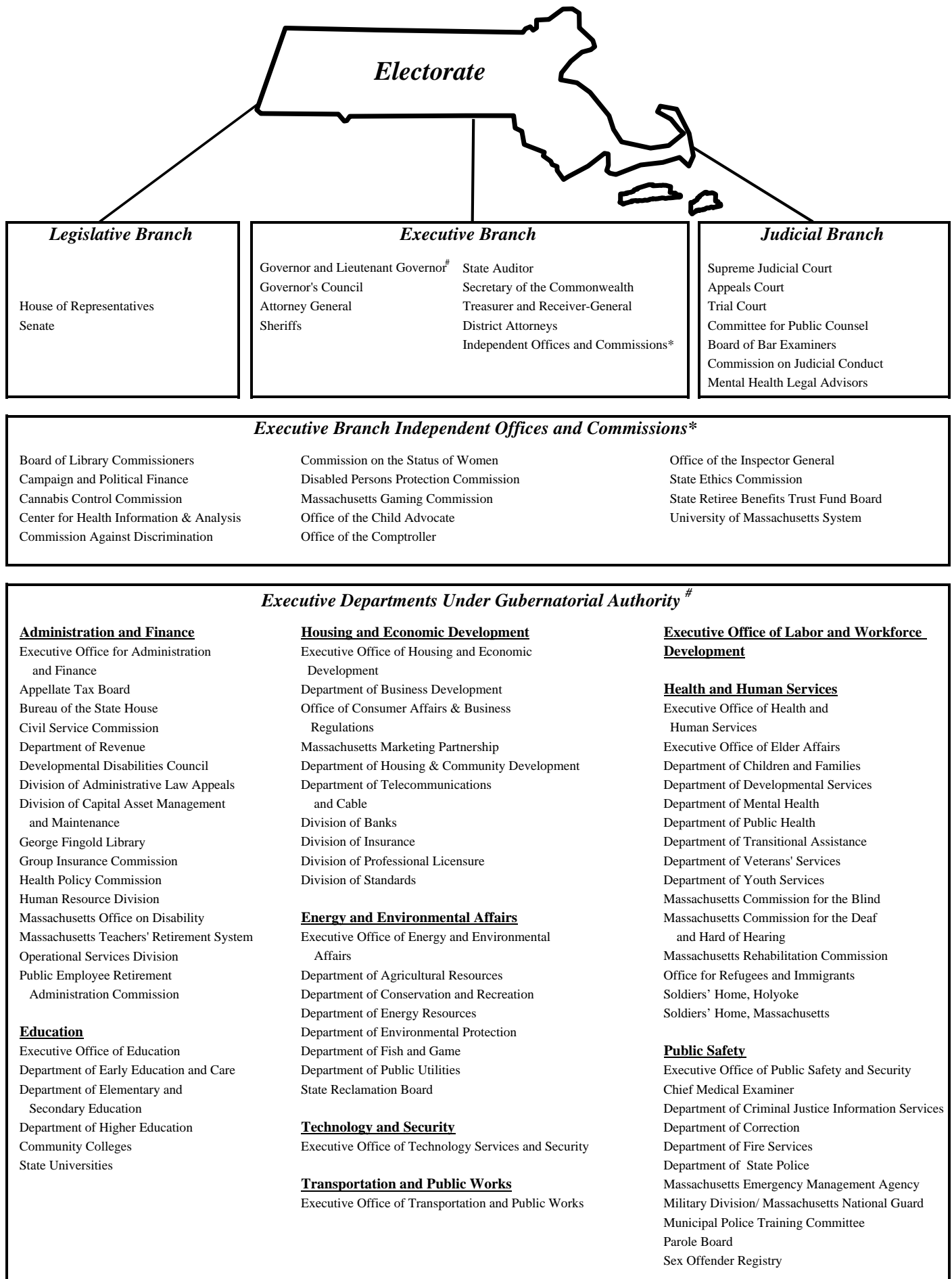
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Clara Barton (1821-1912)

Recognizing that soldiers wounded during the Civil War were not receiving adequate supplies, Clara Barton worked to solicit, coordinate, and deliver medical supplies to battlefields. The Oxford, Massachusetts native traveled with the Union Army, bringing services and supplies by wagon to some of the conflict's bloodiest battles. After the war, she founded the American Red Cross and helmed the organization as it provided aid to refugees and prisoners of the Spanish-American War, and expanded its mission to provide aid to victims of natural disasters.

Source: <https://www.history.com/topics/womens-history/clara-barton>

Financial Section



Independent Accountants' Review Report
Combined Financial Statements - Statutory Basis
Notes to Combined Financial Statements - Statutory Basis
Combining and Individual Fund Financial Statements - Statutory Basis



Sarah Parker Remond (1826–1894)

Sarah Parker Remond, born into a free African-American family of outspoken abolitionists in Salem, Massachusetts, got a front-row seat to the abolitionist movement from a young age. Starting at the age of 16, Remond was speaking out herself, first across the United States, then to the British Isles. She raised money in support of the abolitionist cause and built support for Britain to blockade the Confederacy during the Civil War. Following the war, Remond advocated for women's suffrage in Britain before becoming a doctor in Italy.

Source: <https://www.massmoments.org/moment-details/sarah-remond-ejected-from-boston-theater.html>



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Accountants' Review Report

Mr. Andrew W. Maylor, Comptroller
Commonwealth of Massachusetts:

We have reviewed the accompanying combined financial statements – statutory basis of the Commonwealth of Massachusetts as of and for the year ended June 30, 2019, and the related notes to the combined financial statements - statutory basis as listed in the accompanying table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the combined financial statements – statutory basis as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements – statutory basis in accordance with Section 12 of Chapter 7A of the Massachusetts General Laws, as amended, and the budgetary principles of the Commonwealth of Massachusetts (hereafter referred to as the Statutory Basis of Accounting) as described in notes 1 and 2, and is not intended to be a presentation in conformity with U.S. generally accepted accounting principles. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements – statutory basis that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the combined financial statements – statutory basis for them to be in accordance with the Massachusetts General Laws Statutory Basis of Accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying combined financial statements – statutory basis in order for them to be in accordance with the basis of accounting described in notes 1 and 2.

Basis of Accounting

The accompanying combined financial statements – statutory basis were prepared on the basis of accounting that demonstrates compliance with the Massachusetts General Laws Statutory Basis of Accounting as described in notes 1 and 2, and is not intended to be a presentation in accordance with U.S. generally accepted accounting principles. Our conclusion is not modified with respect to this matter.



Other Matters

The combining and individual fund financial statements - statutory basis and supplemental information listed in the accompanying table of contents are presented for purposes of additional analysis and are not required parts of the combined financial statements – statutory basis. 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 combined financial statements – statutory basis. Such information has been subjected to the review procedures applied in our review of combined financial statements – statutory basis. We are not aware of any material modifications that should be made to combining and individual fund financial statements- statutory basis and supplemental information. We have not audited the combining and individual fund financial statements – statutory basis and supplemental information and accordingly, do not express an opinion on such information.

The introductory and statistical sections listed in the accompanying table of contents are presented for purposes of additional analysis and are not required parts of the combined financial statements – statutory basis. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on such information.

Restriction of Use

This report is intended solely for the information and use of management and elected and appointed officials of the Commonwealth of Massachusetts and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Boston, Massachusetts
January 6, 2020

Combined Financial Statements - Statutory Basis

Budgeted Funds
Combined Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	Totals (Memorandum only)	
	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 4,666,602	\$ 2,496,151
Cash with fiscal agent.....	15,409	19,373
Investments.....	286,069	272,468
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	452,875	476,376
Other receivables.....	91,728	184,466
Due from cities and towns.....	25,421	34,647
Total assets.....	<u>\$ 5,538,104</u>	<u>\$ 3,483,481</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 1,451,104	\$ 997,489
Accrued payroll.....	127,803	99,322
Total liabilities.....	<u>1,578,907</u>	<u>1,096,811</u>
Fund balance:		
Combined fund balance:		
Reserved for:		
Continuing appropriations.....	505,865	352,100
Commonwealth Stabilization	3,424,376	2,001,299
Debt service.....	15,409	19,373
Unreserved:		
Undesignated.....	13,547	13,898
Total fund balance.....	<u>3,959,197</u>	<u>2,386,670</u>
Total liabilities and fund balance.....	<u>\$ 5,538,104</u>	<u>\$ 3,483,481</u>

See accompanying notes to financial statements and accountants' review report

Budgeted Funds

Combined Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual Fiscal Year Ended June 30, 2019 (Amounts in thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES			
Revenues:			
Taxes.....	\$ 26,571,600	\$ 27,768,601	\$ 1,197,001
Assessments	465,308	431,793	(33,515)
Federal grants and reimbursements.....	11,504,856	11,771,905	267,049
Tobacco settlement revenue	251,241	236,632	(14,609)
Departmental	3,911,494	4,149,461	237,967
Miscellaneous.....	305,400	432,510	127,110
Total revenues	43,009,899	44,790,902	1,781,003
Other financing sources:			
Fringe benefit cost recovery.....	465,209	451,149	(14,060)
Lottery reimbursements.....	110,457	107,289	(3,168)
Lottery distributions	995,602	1,088,049	92,447
Operating transfers in.....	437,794	483,883	46,089
Stabilization transfer	398,809	1,454,575	1,055,766
Total other financing sources.....	2,407,871	3,584,945	1,177,074
Total revenues and other financing sources.....	45,417,770	48,375,847	2,958,077
EXPENDITURES AND OTHER FINANCING USES			
Expenditures:			
Legislature.....	105,511	67,643	37,868
Judiciary	1,002,178	982,509	19,669
Inspector General	5,086	5,083	3
Governor and Lieutenant Governor	8,018	6,851	1,167
Secretary of the Commonwealth.....	55,940	50,778	5,162
Treasurer and Receiver-General.....	253,963	244,182	9,781
Auditor of the Commonwealth.....	19,180	18,382	798
Attorney General.....	53,422	51,562	1,860
Ethics Commission.....	2,255	2,199	56
District Attorney.....	130,579	129,040	1,539
Office of Campaign & Political Finance.....	1,654	1,618	36
Sheriffs' Departments.....	659,100	658,005	1,095
Disabled Persons Protection Commission.....	4,251	4,249	2
Board of Library Commissioners.....	27,241	27,179	62
Comptroller	14,895	14,066	829
Administration and Finance	2,562,167	2,283,218	278,949
Energy and Environmental Affairs.....	281,575	256,867	24,708
Health and Human Services	6,569,097	6,325,148	243,949
Executive Office of Technology Services and Security.....	137,261	112,947	24,314
Massachusetts Department of Transportation.....	127,000	127,000	—
Office of the Child Advocate.....	1,229	772	457
Cannabis Control Commission.....	13,055	9,883	3,172
Executive Office of Education.....	2,603,076	2,496,063	107,013
Center for Health Information and Analysis.....	30,699	20,086	10,613
Public Safety and Security	1,315,179	1,226,217	88,962
Housing and Economic Development.....	636,316	583,431	52,885
Labor and Workforce Development.....	76,294	50,206	26,088
Direct local aid	6,083,151	6,074,697	8,454
Medicaid program expenses.....	16,520,617	16,520,543	74
Post employment benefits	3,120,669	3,110,197	10,472
Debt service:			
Principal retirement.....	1,298,042	1,204,506	93,536
Interest and fiscal charges.....	1,119,164	1,122,604	(3,440)
Total expenditures	44,837,864	43,787,731	1,050,133
Other financing uses:			
Fringe benefit cost assessment	—	6,008	(6,008)
Operating transfers out.....	1,028,150	1,120,542	(92,392)
State Retiree Benefits transfer.....	—	42,420	(42,420)
State Pension transfer	—	42,420	(42,420)
Stabilization transfer	389,200	1,441,121	(1,051,921)
Medical assistance transfer.....	586,600	363,078	223,522
Total other financing uses.....	2,003,950	3,015,589	(1,011,639)
Total expenditures and other financing uses.....	46,841,814	46,803,320	38,494
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (1,424,044)	1,572,527	\$ 2,996,571
Fund balance/(deficit) at beginning of year.....		2,386,670	
Fund balance/(deficit) at end of year		\$ 3,959,197	

See accompanying notes to financial statements and accountants' review report

Non-Budgeted Special Revenue and Capital Projects Funds
 Combined Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
 Fiscal Year Ended June 30, 2019
 (Amounts in thousands)

			Totals (Memorandum only)	
	Non-Budgeted Special Revenue	Capital Projects	2019	2018
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 2,430,998	\$ —	\$ 2,430,998	\$ 2,269,843
Assessments.....	896,066	—	896,066	806,095
Federal grants and reimbursements.....	3,560,594	66,085	3,626,679	3,587,354
Departmental.....	6,970,497	5,340	6,975,837	6,738,262
Miscellaneous.....	68,012	6,759	74,771	52,268
Total revenues.....	13,926,167	78,184	14,004,351	13,453,822
Other financing sources:				
Issuance of general obligation bonds.....	—	1,808,136	1,808,136	1,734,443
Bond premiums/(discounts) on general obligation bonds.....	—	302,593	302,593	233,292
Issuance of special obligation bonds.....	—	—	—	650,000
Bond premiums/(discounts) on special obligation bonds.....	—	—	—	109,304
Issuance of current refunding bonds.....	437,195	818,831	1,256,026	602,425
Bond premiums/(discounts) on current refunding bonds.....	49,927	137,076	187,003	80,193
Issuance of advance refunding bonds.....	—	—	—	526,180
Bond premiums/(discounts) on advance refunding bonds.....	—	—	—	101,818
Operating transfers in.....	1,029,534	537,009	1,566,543	1,430,554
Medical assistance transfer.....	363,078	—	363,078	579,944
State share of federal highway construction.....	—	109,729	109,729	108,859
Total other financing sources.....	1,879,734	3,713,374	5,593,108	6,157,012
Total revenues and other financing sources.....	15,805,901	3,791,558	19,597,459	19,610,834
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Judiciary.....	2,566	11,432	13,998	14,066
Inspector General.....	223	—	223	387
Governor and Lieutenant Governor.....	83	—	83	73
Secretary of the Commonwealth.....	4,424	1,505	5,929	7,211
Treasurer and Receiver-General.....	6,563,831	41,228	6,605,059	6,415,605
Auditor of the Commonwealth.....	—	—	—	1,299
Attorney General.....	46,543	1,021	47,564	49,648
Ethics Commission.....	—	—	—	6
District Attorney.....	3,047	—	3,047	3,108
Office of Campaign & Political Finance.....	1,088	—	1,088	—
Sheriffs' Departments.....	11,984	3,800	15,784	17,389
Disabled Persons Protection Commission.....	762	—	762	571
Board of Library Commissioners.....	2,802	19,945	22,747	22,727
Massachusetts Gaming Commission.....	50,371	—	50,371	44,238
Comptroller.....	1,582	—	1,582	2,128
Administration and Finance.....	457,422	383,807	841,229	863,184
Energy and Environmental Affairs.....	125,546	215,774	341,320	333,937
Health and Human Services.....	2,293,626	114,359	2,407,985	2,580,045
Executive Office of Technology Services and Security.....	5,290	48,712	54,002	64,381
Massachusetts Department of Transportation.....	974,742	1,753,167	2,727,909	2,852,773
Executive Office of Education.....	1,016,983	91,104	1,108,087	1,063,014
Center for Health Information and Analysis.....	—	2,876	2,876	9
Public Safety and Security.....	195,590	40,118	235,708	262,536
Housing and Economic Development.....	553,902	447,762	1,001,664	967,390
Labor and Workforce Development.....	155,336	1,877	157,213	147,943
Debt service:				
Principal retirement.....	90,815	—	90,815	87,857
Interest and fiscal charges.....	115,196	—	115,196	107,750
Total expenditures.....	12,673,754	3,178,487	15,852,241	15,909,275
Other financing uses:				
Payments to advance refunding bonds escrow.....	—	—	—	627,998
Principal on current refundings.....	487,122	955,907	1,443,029	682,618
Fringe benefit cost assessment.....	190,755	29,088	219,843	212,721
Lottery operating reimbursements.....	107,289	—	107,289	103,136
Lottery distributions.....	1,088,049	—	1,088,049	983,108
Operating transfers out.....	870,522	—	870,522	691,007
Stabilization transfer.....	9,781	—	9,781	—
State share of federal highway construction.....	—	109,729	109,729	108,859
Total other financing uses.....	2,753,518	1,094,724	3,848,242	3,409,447
Total expenditures and other financing uses.....	15,427,272	4,273,211	19,700,483	19,318,722
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses.....	378,629	(481,653)	(103,024)	292,112
Fund balance/(deficit) at beginning of year, as restated.....	2,078,845	265,260	2,344,105	2,041,894
Fund balance/(deficit) at end of year.....	\$ 2,457,474	\$ (216,393)	\$ 2,241,081	\$ 2,334,006

See accompanying notes to financial statements and accountants' review report

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1. FINANCIAL STATEMENT PRESENTATION

A. INTRODUCTION

The accompanying combined financial statements (Statutory Basis Financial Report or SBFR) of the Commonwealth of Massachusetts (the Commonwealth) are presented in accordance with the requirements of Section 12 of Chapter 7A as amended by Section 4 of Chapter 88 of the Acts of 1997 of the Massachusetts General Laws, as amended most recently by Chapter 26, Section 4 of the Acts of 2009. The Office of the Comptroller also publishes the Commonwealth's Comprehensive Annual Financial Report (CAFR), which is prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America for governments.

The SBFR includes the budgeted, non-budgeted, special revenue, and capital projects funds of the Commonwealth, as recorded by the Office of the Comptroller in compliance with Massachusetts General Laws and in accordance with the Commonwealth's budgetary principles.

The SBFR's financial statements are not intended to include independent authorities, non-appropriated funds of higher education, or other organizations included in the Commonwealth's reporting entity as it would be defined under GAAP.

B. GOVERNMENTAL FUND TYPES

The fund types are organized as follows:

Governmental fund types account for the general governmental activities of the Commonwealth.

Budgeted Funds - are the primary operating funds of the Commonwealth. They account for all budgeted governmental transactions, i.e., those subject to the annual appropriation process. Major budgeted funds include the General, Commonwealth Transportation and Stabilization Funds, which are identified by the Comptroller as the operating funds of the Commonwealth. In addition, there are 12 smaller budgeted funds, the Intragovernmental Services Fund, the Inland Fisheries and Game Fund, the Marine Recreational Fisheries Development Fund, the Underground Storage Tank Petroleum Product Cleanup Fund, the Public Safety Training Fund, the Local Capital Projects Fund, the Gaming Local Aid Fund, the Education Fund, the Local Aid Stabilization Fund, the Gaming Economic Development Fund, the Community College Fund and the Marijuana Regulation Fund.

Non-Budgeted Special Revenue Funds - are established by law to account for revenue sources that have been segregated from the budgeted funds to support specific governmental activities such as federal grants, the operations of the state lottery and funds related to the Massachusetts Gaming Commission.

Capital Projects Funds - account for financial resources used to acquire or construct major capital assets and to finance local capital projects. These resources are derived almost entirely from proceeds of bonds and other obligations, which are generally received after related expenditures have been incurred, operating transfers authorized by the Legislature, and from federal reimbursements. Deficit balances in Capital Projects Funds represent amounts to be financed, primarily through future bond sales.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. STATUTORY BASIS OF ACCOUNTING

The SBFR is prepared from the Commonwealth's books and records and other official reports that are maintained on the basis of accounting used in the preparation of the Commonwealth's legally adopted annual budget (statutory basis). The statutory basis emphasizes accountability and budgetary control of appropriations. The SBFR is not intended to present the Commonwealth's financial condition and results of operations in conformity with GAAP.

Under the statutory basis of accounting, revenues generally are recognized when cash deposits are received by the Treasury. However, revenues receivable for federal grants and reimbursements generally are recognized when related expenditures are incurred, provided that the related revenues are received by the Commonwealth by August 31, the end of the statutory accounts receivable period. Amounts due from political subdivisions of the Commonwealth are recognized when considered measurable and available. These are largely payments from municipalities reimbursing for pension costs paid by the Commonwealth on their behalf, authorized under Section 3(8)c of Chapter 32 of the Massachusetts General Laws, provided that the revenues are received by August 31.

Under the statutory basis of accounting, expenditures are generally recorded when the related cash disbursement occurs. At year-end, payroll is accrued and payables are recognized, to the extent of approved encumbrances, for goods or services received by June 30, and payment made by August 31. Costs incurred under the federally-sponsored Medicaid program, amounts required to settle claims and judgments against the Commonwealth, and certain other liabilities are not recognized until they are encumbered or otherwise processed for payment. In some cases the liabilities will have been incurred prior to June 30, but recorded when paid in the following fiscal year, not as statutory payables.

The accounting policies followed in preparing the accompanying statutory basis financial report are described in the remainder of this section.

B. CASH, SHORT-TERM INVESTMENTS AND INVESTMENTS

The Commonwealth follows the practice of pooling cash and cash equivalents, except for balances in the Commonwealth Stabilization Fund, which are sequestered. Cash equivalents consist of short-term investments with an original maturity of three months or less and are stated at cost. Interest earned on pooled cash is allocated to the General Fund and, when so directed by law, to certain other Governmental Funds.

The Office of the Treasurer and Receiver-General (Treasury) manages the Commonwealth's short-term external mixed investment pool, the Massachusetts Municipal Depository Trust (MMDT). MMDT is comprised of two portfolios, a Cash Portfolio and a Short Term Bond Fund. The Cash Portfolio is a money-market-like investment pool; its investments are carried at amortized cost, which approximates fair value. The Short Term Bond Fund investments are carried at fair value.

Investors in MMDT are not allowed to overdraw their shares. For a complete copy of MMDT's separately issued financial statements, please contact the Office of the State Treasurer's Cash Management Department, at (617) 367-9333. The statements can also be downloaded from the Cash Management section of the Office of the State Treasurer's website at www.mass.gov/treasury. General Law Chapter 29, Section 38 enumerates the Commonwealth's investment policy for non-pension assets.

C. DEDICATED REVENUE AND PLEDGES

The Commonwealth has a number of bond programs in which bonds are secured by a pledge of dedicated revenues provided to bondholders, pursuant to trust agreements, as well as pledges of revenue for general operations. Like the Commonwealth, certain state authorities have also issued special obligation bonds secured by specific Commonwealth revenues. These other authorities' debts are not included in the SBFR, but are included in the CAFR.

All federal highway reimbursements are dedicated to funding the principal portion only of federal grant anticipation notes (GANs) issued in fiscal years 2011, 2014, 2015, 2017 and 2018, with no new bonds issued in FY19. As of June 30, 2019, total principal remaining to be paid was approximately \$685 million. Maturities are from FY20 through FY27. Debt service paid during FY19 was approximately \$100 million.

The Commonwealth has special obligation bonds outstanding under the Accelerated Bridge Program (ABP) and the Rail Enhancement Program (REP), with no new bonds issued in FY19. These bonds mature from FY20 to FY48 and are secured by a senior lien on 17 cents of the total 24 cents per gallon gasoline tax, the full 24 cents per gallon of special fuels taxes (comprised primarily of taxes on diesel fuel), and the full 19.1% of the average price per gallon tax on liquefied natural gas and all Registry of Motor Vehicle fees deposited into the Commonwealth Transportation Fund (CTF). These bonds also have a subordinate lien on 6.86 cents of the 24 cent per gallon gasoline tax not included in

the senior lien. As of June 30, 2019, approximately \$1.665 billion and \$1.105 billion in principal was outstanding on the ABP and REP bonds, respectively, and approximately \$1.122 billion and \$967 million of interest (net of the federal subsidy) was expected to be paid through maturity related to the ABP and REP bonds, respectively.

The ABP projected interest costs are net of federal subsidies under the Build America Bond (BABs) program. BABs is a temporary program under which the Commonwealth and other state and local governments issued taxable bonds in calendar 2009 and 2010 in return for a subsidy from the federal government equal to 35% to 45% (depending on whether the proceeds are used for projects in economically distressed areas) of the interest costs on the bonds.

Other special obligation bonds for highway construction purposes are secured by a pledge of 6.86 cents of the 24 cent per gallon gasoline tax, with no new debt issued during FY19. As of June 30, 2019, bonds secured by these pledged funds totaled approximately \$81 million of principal. These bonds mature from FY20 to FY22 and were issued in multiple series. Principal and interest paid during FY19 amounted to approximately \$24 million and \$6 million, respectively. The lien on these bonds has been closed, meaning that no additional new-money bonds can be issued against these revenues under this trust agreement.

A portion of the Commonwealth's receipts from the sales tax (other than the tax on meals) is dedicated through non-budgeted special revenue funds to the Massachusetts Bay Transportation Authority (MBTA) and the Massachusetts School Building Authority (MSBA). The amount dedicated to the MBTA is the amount raised by a 1.0% sales tax (not including meals), subject to an inflation-adjusted floor. A comparable amount, though without the floor, is dedicated to the MSBA beginning in fiscal 2010, with lesser amounts having been dedicated to the MSBA from fiscal 2005 through fiscal 2009.

Legislation approved by the Governor on October 31, 2014 increased the amount statutorily required to be credited to the MBTA by \$160 million annually, starting in fiscal 2015. The \$160 million increase in the dedicated sales tax revenue amount and the amount included in the inflation-adjusted floor were intended to replace the \$160 million annual state appropriation the MBTA received from fiscal 2010 through fiscal 2014. In FY19, total dedicated sales tax revenue that was directed to the MBTA was approximately \$1.053 billion. Dedicated revenues to the MBTA increase by the lesser of the annual increase in the Boston consumer price index or prior calendar year annual sales taxes, with a floor of 0% and a ceiling of 3.0%.

The MSBA also receives a pledge starting in FY11 of a 1.0% sales tax (not including meals) but with no annual floor or ceiling. In FY19, approximately \$893 million of the dedicated sales tax revenue stream was directed to the MSBA.

The Commonwealth has also pledged sales tax revenue and rooms tax surcharges from areas contiguous to convention centers and the Worcester DCU Arena and Convention Center to support such centers' operations. As of June 30, 2019, taxes within the Convention Center districts support approximately \$528 million of outstanding principal and approximately \$261 million of interest on debts related to these Convention Centers. Taxes collected in FY19 were approximately \$164 million, while debt service on the bonds was approximately \$55 million.

The Transportation Modernization Act of 2009, as amended, eliminated the pledges of sales tax revenue to MassDOT through the Commonwealth Transportation Fund (CTF). Beginning in FY14, motor vehicle sales tax collections were shifted from the General Fund to the CTF while also eliminating the 0.385% pledge of regular and meals sales tax. During FY19, approximately \$566 million in motor vehicle sales tax revenue was transferred to MassDOT. From the Commonwealth Transportation Fund, \$127 million was dedicated to funding the operations of the MBTA while an additional \$88 million was dedicated to funding the operations of the regional transit authorities. These amounts are transferred through the CTF.

D. INTERFUND/INTRAFUND TRANSACTIONS

Transactions of a buyer/seller nature between departments within a fund are not eliminated.

Transfers in and out net to approximately \$2 million due to higher education non-appropriated fund activity, which is not included in the combined statements - statutory basis.

E. CURRENT EMPLOYEE BENEFITS

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements and state laws. Upon retirement, termination or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rate of pay (not accrued on a statutory basis).

F. FRINGE BENEFIT COST RECOVERY

The Commonwealth pays the fringe benefit costs of its employees and retirees through the General Fund. These fringe benefits include the costs of employees' health insurance, pensions, unemployment compensation, and other costs necessary to support the state work force. As directed by Chapter 29, Sections 5D and 6B(f) of the Massachusetts General Laws, these costs are assessed to other funds based on their payroll costs, net of credits for direct payments.

Since these fringe benefit costs and pensions are not appropriated in the budget, the required assessment creates a variance between budget and actual expenditures at year-end. The fringe benefit cost recoveries of approximately \$451 million in the General Fund results from cost assessments from the other budgeted funds, non-budgeted special revenue funds, capital projects funds, non-appropriated activities of higher education, expendable trust, and agency funds.

G. LOTTERY REVENUE AND PRIZES

Ticket revenues are recognized when sold and prizes awarded by the Massachusetts State Lottery Commission are recognized as drawings are held. Games expenditures are accrued at year-end only for open jackpots for Mega Millions, Powerball and Megabucks.

H. RECEIVABLES

Reimbursements due to the Commonwealth for its expenditures on federally funded reimbursement and grant programs are reported as "Due from federal government." Other receivables include reimbursement of fringe benefit assessments from authorities and the institutions of higher education along with other departmental receivables.

I. DUE FROM CITIES AND TOWNS

"Due from Cities and Towns" represents reimbursements due to the Commonwealth for its expenditures on certain programs for the benefit of cities and towns.

J. RISK MANAGEMENT

The Commonwealth is self-insured for state employees' workers' compensation, casualty, theft, tort claims and other losses. Such liabilities are not recognized in the governmental funds on the statutory basis until encumbered and/or processed for payment. For employees' workers' compensation, the Commonwealth assumes the full risk of claims filed under a program managed by the Human Resources Division.

For personal injury or property damages, Chapter 258 of the Massachusetts General Laws limits the risk assumed by the Commonwealth to \$100,000 per occurrence, in most circumstances.

The Group Insurance Commission administers contributory health care and other insurance programs for the Commonwealth's employees and retirees.

K. ENCUMBRANCES

Encumbrance accounting is utilized in the Governmental Funds as a significant aspect of budgetary control. The full amounts of purchase orders, contracts and other commitments of appropriated resources are encumbered and recorded as deductions from appropriations prior to actual expenditure, ensuring that such commitments do not exceed appropriations. Encumbrances outstanding at year-end for goods or services received on or before June 30, but paid after, are reported as expenditures and statutory basis liabilities as a component of accounts payable.

L. FUND BALANCES

Fund balance has been reserved as follows:

“Reserved for continuing appropriations” - are unexpended amounts in appropriations, which the Legislature has specifically authorized to be carried into the next fiscal year.

“Reserved for Commonwealth Stabilization” - are amounts set aside in the Commonwealth Stabilization Fund in accordance with Section 5C of Chapter 29 of the Massachusetts General Laws.

“Reserved for debt service” - are amounts held by fiscal agents or the Commonwealth to fund future debt service obligations.

The remainder of fund balance is unreserved and undesignated and consists of cumulative surplus or deficits of the fund not otherwise designated.

M. TOTAL COLUMN - MEMORANDUM ONLY

Total and subtotal columns on the combined financial statements - statutory basis are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present consolidated financial position, results of operations, or changes in financial position. Interfund eliminations have not been made in the aggregation of these data.

The financial statements include certain prior year summarized comparative information in total but not by fund. Such information does not include sufficient detail to constitute a full comparative presentation. Accordingly, such information should be read in conjunction with the Commonwealth’s financial statements for the year ended June 30, 2018, from which the summarized information was derived.

N. ESTIMATES

The preparation of the SBFR requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial report. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

O. BEGINNING OF YEAR FUND BALANCE

The beginning fund balance of the non-budgeted special revenue funds were adjusted by \$10 million to reflect the addition of funds previously classified as trust funds and not previously presented in this report.

3. BUDGETARY CONTROL

State finance law requires that a balanced budget be approved by the Governor and the Legislature. The Governor presents an annual budget to the Legislature, which includes estimates of revenues and other financing sources and recommended expenditures and other financing uses. The Legislature, which has full authority to amend the budget, adopts an expenditure budget by appropriating monies at the individual appropriation account level in an annual appropriations act.

Before signing the appropriations act, the Governor may veto or reduce any specific item, subject to legislative override. Further changes to the budget established in the annual appropriations act may be made via supplemental appropriation acts or other legislative acts. These must also be signed by the Governor and are subject to the line item veto.

In addition, Massachusetts General Laws authorize the Secretary of Administration and Finance, with the approval of the Governor, upon determination that available revenues will be insufficient to meet authorized expenditures, to withhold allotments of appropriated funds, which effectively reduce the affected accounts' expenditure budgets.

The majority of the Commonwealth's appropriations are non-continuing accounts which lapse at the end of each fiscal year. Others are continuing accounts for which the Legislature has authorized that an unspent balance from the prior year be carried forward and made available for spending in the current fiscal year. In addition, the Legislature may direct that certain revenues be retained and made available for spending within an appropriation. Fringe benefits, pension costs, and certain other costs that are mandated by state finance law are not itemized in the appropriation process and are not separately budgeted.

Because revenue budgets are not updated subsequent to the original appropriation act, the comparison of the initial revenue budget to the subsequent, and often modified, expenditure budget can be misleading. Also, these financial statements portray fund accounting with gross inflows and outflows, thus creating a difference from separately published budget documents, which eliminate some interfund activity. In conducting the budget process, the Commonwealth excludes those interfund transactions that by their nature have no impact on the combined fund balance of the budgeted funds.

Generally, expenditures may not exceed the level of spending authorized for an appropriation account. However, the Commonwealth is required to pay certain Medicaid expenses regardless of appropriations, due to superseding federal law.

The FY04 General Appropriation Act (Chapter 26, Section 167 of the Acts of 2003) amended Section 9C, of Chapter 29, directing the Governor to notify the Legislature in writing as to the reasons for and the effect of any reductions in spending. This proposal must be delivered to the Legislature 15 days before any reductions take effect. Alternatively, funds from the Stabilization Fund may be used to cure the deficiency, subject to appropriation.

The following table summarizes budgetary activity for FY19 (amounts in thousands):

	Revenues	Expenditures
General Appropriation Act, Chapter 154 of the Acts of 2018:		
Direct appropriations	\$ 42,416,300	\$ 41,257,530
Estimated revenues, transfers, retained revenue appropriations, and appropriations carried forward from FY2018.....	—	1,500,398
Total original budget	42,416,300	42,757,928
Supplemental Acts of 2018:		
Chapter 273.....	—	134,150
Chapter 368.....	—	3,850
Supplemental Acts of 2019:		
Chapter 5.....	—	134,783
Chapter 6.....	—	8,000
Chapter 21.....	—	3,500
Chapter 34.....	—	36,695
Chapter 67.....	—	250
Chapter 142.....	—	542,433
Total budgeted revenues and expenditures per Legislative action.....	—	863,661
Plus: Pension contributions and revenue authorized in the General Appropriation Act, and other transfers of revenue and spending	3,001,470	3,220,225
Budgeted revenues and expenditures as reported	<u>\$ 45,417,770</u>	<u>\$ 46,841,814</u>

The following table identifies the interfund activity from budgeted sources and uses to reconcile forecasts prepared during the budget process to the results presented in these statements (amounts in thousands):

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Actual as presented in the combined budget and actual statement - statutory basis.....	\$ 48,375,847	\$ 46,803,320
Adjustments to revenues and expenditures:		
Transfer of revenues to the Intragovernmental Service Fund	(418,649)	(418,649)
Adjustments to other financing sources and uses:		
Fringe benefit cost assessments.....	(6,008)	(6,008)
Transfer of surplus revenues from the Intragovernmental Service Fund to the General Fund	(3,453)	(3,453)
RMV license plates.....	(3,792)	(3,792)
Transfers from General Fund to the Commonwealth Transportation Fund.....	(120,000)	(120,000)
Transfers from budgeted funds to the Stabilization Fund.....	(1,441,121)	(1,441,121)
Other fund deficit support.....	(85)	(85)
Other	(197)	(197)
Adjusted actuals pertaining to the budgeted funds	<u>\$ 46,382,542</u>	<u>\$ 44,810,015</u>

The section divider for the budgeted funds contains a list of budgeted funds grouped by categories.

The Office of the Comptroller has the responsibility to ensure that budgetary control is maintained on an individual appropriation account basis. Budgetary control is exercised through the state accounting system, the Massachusetts Management Accounting and Reporting System (MMARS). Encumbrances and expenditures are not allowed to exceed the appropriation account's spending authorization.

4. MASSACHUSETTS DEPARTMENT OF TRANSPORTATION (MassDOT)

MassDOT is a legally separate entity from the Commonwealth. MassDOT operations are reported separately in the non-budgeted special revenue funds section of this report, which includes all of the Commonwealth's highway and turnpike-related operations as well as the activity of the Registry of Motor Vehicles. MassDOT capital spending and revenue activity are reported in the capital funds section of this report, in the General Capital Projects Fund, Central Artery Statewide Road and Bridge Infrastructure Fund, the Highway Capital Projects Fund, and the Federal Highway Construction Program Fund.

MassDOT financial activity is included in this report in order to reflect all activity reported on the Commonwealth's MMARS accounting system. For the SBFR, MassDOT is treated as an agency or department of the Commonwealth, as specified in Massachusetts General Laws. However, for GAAP reporting purposes, as reflected in the Commonwealth's CAFR, MassDOT is reported as a discretely presented component unit of the Commonwealth.

5. INDIVIDUAL FUND DEFICITS

The following non-budgeted special revenue and capital projects funds are included in the combined totals and have individual fund deficits at June 30, 2019, as follows (amounts in thousands) (excludes MassDOT):

Non-budgeted special revenue:	
Federal Grants Fund.....	\$ (36,898)
Other:	
Health Information Technology Trust Fund	(4,475)
Government Land Bank Fund	(35,033)
Total non-budgeted special revenue funds	<u>(76,406)</u>
Capital projects:	
Highway Capital Projects Fund	(353,279)
Total.....	<u>\$ (429,685)</u>

None of the funds detailed above were in deficit due to finance-related contractual provisions and all were allowed to be in deficit by General Law.

6. MEDICAID COSTS

Approximately 43.6% of the Commonwealth's budgeted fund spending for programs and services is devoted to Medicaid. It is the largest and has been one of the fastest growing items in the Commonwealth's budget. For the fiscal year ended June 30, 2019, the General Fund includes approximately \$16.521 billion in expenditures for Medicaid claims. The combined financial statements - statutory basis includes Medicaid claims processed but unpaid at June 30, 2019 of approximately \$40 million as accounts payable.



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Combining and Individual Fund Financial Statements - Statutory Basis



Anne Sullivan (1866-1936)

Anne Sullivan rose from abject poverty at the Tewksbury Almshouse to be valedictorian of her class at the Perkins Institution in Watertown, Massachusetts. Upon graduation, she was tasked with teaching a young deafblind girl named Helen Keller. Eschewing a formal lesson plan, Sullivan decided instead to customize her teaching to Helen's interest. Within months, Helen had learned hundreds of words, multiplication tables, and Braille. Sullivan's child-centered teaching method became the centerpiece of Perkins' Deafblind Program.

Source: <https://www.perkins.org/history/people/anne-sullivan>

Individual Budgeted Funds

Budgeted funds are those funds subject to appropriation in either the annual General Appropriation Act (GAA) or other appropriations bills. Unless otherwise specified, budgeted funds are also subject to Section 5C of Chapter 29 of the Massachusetts General Laws (MGL) which defines the “consolidated net surplus” calculation (and determines whether the annual budget is in balance) as well as year-end transfers to eliminate deficits in budgeted funds.

MAJOR BUDGETED FUNDS:

The General Fund - The General Fund is the Commonwealth’s primary Governmental Fund. All governmental activities not specifically directed to another fund are accounted for in the General Fund. As a result, most budgeted expenditures of the Executive secretariats, the Legislature, constitutional offices, Judiciary, institutions of higher education and independent commissions are paid from the General Fund. It similarly receives a significant portion of sales, individual income and corporate taxes and the full amount of most other governmental taxes.

Commonwealth Transportation Fund - to account for revenues from motor fuels taxes and all fees and fines received by the Registry of Motor Vehicles relating to the use and operation of motor vehicles and trailers. Spending is for debt service on general and special obligation debt, as well as for amounts, subject to appropriation, to fund the programs and services of the Massachusetts Department of Transportation.

The Commonwealth Stabilization Fund - to account for amounts calculated in accordance with state finance law and to maintain a reserve to enhance the Commonwealth’s fiscal stability. Tax revenues from certain lottery winners selling their stream of future winnings in exchange for current payments are recorded in this fund. In addition, transfers are required for fiscal year capital gains tax revenues exceeding \$1 billion (adjusted annually for economic growth), judgments and settlements of more than \$10 million that exceed the previous 5 years average of judgments and settlements, and a portion of the gaming tax revenues. Any excess undesignated fund balance as calculated by Section 5C of Chapter 29 of the MGL, are also transferred to this fund.

ADMINISTRATIVE CONTROL FUND:

This fund accounts for the revenues generated by certain administrative functions of government, for which the Legislature has required a separate fund be established.

Intragovernmental Service Fund - to account for the charges of any state agency for services provided to another state agency.

BUDGETED ENVIRONMENTAL FUNDS:

Inland Fisheries and Game Fund - to account for revenues from license and permit fees for inland fishing, hunting, trapping, and sporting licenses and revenue producing stamps or the sales of land, rights and properties, gifts, interest, and federal grant reimbursements; used for developing, maintaining and operating the Division of Fisheries and Wildlife. The fund is not subject to the requirements of Section 5C of Chapter 29 of the MGL.

Marine Recreational Fisheries Development Fund - to account for salt water permit fees collected, funds, grants and gifts received as authorized, including investment income; used for development and administration of recreational saltwater fishing improvement programs. The fund is not subject to the requirements of Section 5C of Chapter 29 of the MGL.

Underground Storage Tank Petroleum Product Cleanup Fund - to account for fees, appropriations, grants, gifts or other contributions, and investment income. Expenditures are to provide reimbursements for cleanup and other expenses as a result of damage caused by underground storage tanks and systems.

OTHER BUDGETED FUNDS:

These funds account for a variety of miscellaneous taxes, fees, fines and other revenues, which are restricted to the financing of specific Commonwealth programs.

Public Safety Training Fund - to account for certain surcharge revenues imposed by MGL. Expenditures are for the instruction and recruitment of public safety personnel. The fund is not subject to the requirements of Section 5C of Chapter 29 of the MGL.

Local Capital Projects Fund - to account for funds generated by the casino license fees and by the tax imposed on revenues generated by casinos (but not the slots parlor).

Gaming Local Aid Fund - to account for gaming tax revenues imposed on casino revenues. The fund is used to finance local aid distributions to cities and towns.

Education Fund - to account for a portion of the funds generated by the tax imposed on casino revenue (but not slots parlor) revenue. 35% of the funds received shall be appropriated for higher education purposes. Any expenditures for either higher education or K-12 education from this fund are required to supplement, not offset, General Appropriation Act spending.

Local Aid Stabilization Fund - to account for funds generated by the tax imposed on casino revenues. Monies are used to supplement local aid distributions to cities and towns. The fund is not subject to the requirements of Section 5C of Chapter 29 of the MGL.

Gaming Economic Development Fund - to account for a portion of the funds generated by the tax imposed on casino (but not slots parlor) revenue. Expenditures from the are to be used to support economic development and job growth.

Community College Fund - to account for a portion of gaming license fees.

Marijuana Regulation Fund - to account for tax, application, civil penalties and interest revenues generated by the licensing and regulation of marijuana establishments. The fund is used to administer the operations of the Cannabis Control Commission and other departments to carry out marijuana regulations.

The following funds have been enacted in legislation but had no activity in FY19 and are not presented in this report:

Temporary Holding Fund - to account for cumulative tax revenues during the fiscal year in excess of permissible tax revenues as defined in Chapter 62F, Section 6A of the MGL. The fund balance in the fund closes annually to the Stabilization Fund to the extent of expenditures from that fund. Any remaining balance transfers to the General Fund. The mechanism transferring tax revenues to the fund was repealed effective January 1, 2013, but the fund itself was not repealed.

Tax Reduction Fund - to account for the maintenance of a reserve, which shall be used only to reduce personal income taxes.

Collective Bargaining Reserve Fund - to account for transfers from the General Fund which may be used to fund negotiated contracts for state employees.

Substance Abuse Prevention and Treatment Fund - to account for sales tax revenues (non-dedicated) collected from the sale of alcoholic beverages, with the funds used for substance abuse treatment and prevention services. In November 2010, the sales tax on alcoholic beverages was repealed via referendum, effective January 1, 2011, but the fund itself was not repealed.

International Educational and Foreign Language Grant Program Fund - to account for appropriations, bond proceeds or other monies authorized to be used to support programs and activities that advance cultural awareness, to support international education programs and promote the study of foreign languages.

Dam Safety Trust Fund - to account for all revenues generated through agreements with public or private entities for dam safety purposes, and all fines, costs, expenses and interest imposed. Revenues over \$250,000 in a fiscal year shall be credited to the General Fund.

Children and Families Protection Fund - to account for any penalties collected for violations of the Massachusetts Pesticide Control Act, amounts credited to the fund are used for the implementation and enforcement of said Act.

Community First Trust Fund - The secretary of health and human services may expend amounts in excess of the \$16 million collected from federal reimbursements in the nonbudgeted Community First Trust Fund to ensure compliance with the state balancing incentive payment program. Monies deposited in the fund are used for non-institutionally-based long-term services and support. The fund is not subject to the requirements of Section 5C of Chapter 29 of the MGL.

Home and Community-based Services Policy Lab Fund - to account for appropriations and any additional nonstate-sourced funds such as federal or private grants or donations. The fund is used to support research and analysis to enhance the development, evaluation, design and continued improvement of programs to individuals who need long-term services and support.

Regional Water Entity Reimbursement Fund - to account for amounts to reimburse the Massachusetts Water Resources Authority for costs to provide financial assistance to cities and towns to rehabilitate collection systems.

Massachusetts Tourism Fund - to account for revenues received from hotel taxes; used to fund the Office of Travel and Tourism promotions and the Massachusetts Convention Center Authority.

Manufacturing Fund - to account for a portion of gaming facility license fees.

Agricultural Resolve and Security Fund - to account for gifts, grants, donations, federal reimbursements and grants plus any interest earnings. Expenditures are to be used to foster agriculture in the Commonwealth and other purposes of the Department of Agricultural Resources.

School Improvement Fund - to account for appropriations allocated in each fiscal year to the fund which are to be used to improve the quality of education at the school building level.

Budgeted Funds
Combining Balance Sheet - Statutory Basis
As of June 30, 2019
(Amounts in thousands)

	Administrative Control			
	General	Commonwealth Transportation	Commonwealth Stabilization	Intragovernmental Service
ASSETS				
Cash and short-term investments.....	\$ 1,367,025	\$ 53,677	\$ 3,138,307	\$ 58,612
Cash with fiscal agent.....	—	15,409	—	—
Investments.....	—	—	286,069	—
Receivables, net of allowance for uncollectibles:				
Due from federal government.....	452,875	—	—	—
Other receivables.....	91,728	—	—	—
Due from cities and towns.....	25,421	—	—	—
Total assets.....	<u>\$ 1,937,049</u>	<u>\$ 69,086</u>	<u>\$ 3,424,376</u>	<u>\$ 58,612</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable.....	\$ 1,377,648	\$ 21,677	\$ —	\$ 45,280
Accrued payroll.....	125,154	—	—	2,363
Total liabilities.....	<u>1,502,802</u>	<u>21,677</u>	<u>—</u>	<u>47,643</u>
Fund balance/(deficit):				
Reserved for:				
Continuing appropriations.....	434,247	32,000	—	10,969
Commonwealth Stabilization.....	—	—	3,424,376	—
Debt service.....	—	15,409	—	—
Unreserved:				
Undesignated.....	—	—	—	—
Total fund balance/(deficit).....	<u>434,247</u>	<u>47,409</u>	<u>3,424,376</u>	<u>10,969</u>
Total liabilities and fund balance.....	<u>\$ 1,937,049</u>	<u>\$ 69,086</u>	<u>\$ 3,424,376</u>	<u>\$ 58,612</u>

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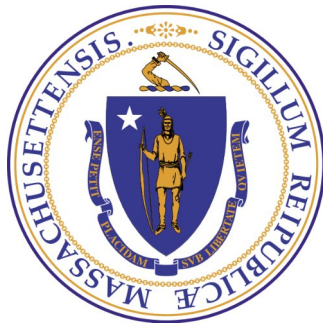
Environmental			Budgeted Other					
Inland Fisheries and Game	Marine Recreational Fisheries Development	Underground Storage Tank Petroleum Product Cleanup	Public Safety Training	Local Capital Projects	Gaming Local Aid	Education	Local Aid Stabilization	Gaming Economic Development
\$ 10,983	\$ 4,417	\$ 16,824	\$ —	\$ 4,296	\$ —	\$ 1,739	\$ 50	\$ 8,530
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
<u>\$ 10,983</u>	<u>\$ 4,417</u>	<u>\$ 16,824</u>	<u>\$ —</u>	<u>\$ 4,296</u>	<u>\$ —</u>	<u>\$ 1,739</u>	<u>\$ 50</u>	<u>\$ 8,530</u>
\$ 417	\$ 521	\$ 849	\$ —	\$ 2,698	\$ —	\$ —	\$ —	\$ 1,029
197	18	—	—	—	—	—	—	39
614	539	849	—	2,698	—	—	—	1,068
—	750	15,975	—	1,598	—	1,739	—	7,462
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
10,369	3,128	—	—	—	—	—	50	—
10,369	3,878	15,975	—	1,598	—	1,739	50	7,462
<u>\$ 10,983</u>	<u>\$ 4,417</u>	<u>\$ 16,824</u>	<u>\$ —</u>	<u>\$ 4,296</u>	<u>\$ —</u>	<u>\$ 1,739</u>	<u>\$ 50</u>	<u>\$ 8,530</u>

continued

Budgeted Funds
Combining Balance Sheet - Statutory Basis
As of June 30, 2019
(Amounts in thousands)

	Budgeted Other		Totals (Memorandum only)	
	Community College	Marijuana Regulation	2019	2018
ASSETS				
Cash and short-term investments	\$ —	\$ 2,141	\$ 4,666,602	\$ 2,496,151
Cash with fiscal agent	—	—	15,409	19,373
Investments	—	—	286,069	272,468
Receivables, net of allowance for uncollectibles:				
Due from federal government	—	—	452,875	476,376
Other receivables	—	—	91,728	184,466
Due from cities and towns	—	—	25,421	34,647
Total assets	<u>\$ —</u>	<u>\$ 2,141</u>	<u>\$ 5,538,104</u>	<u>\$ 3,483,481</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ —	\$ 985	\$ 1,451,104	\$ 997,489
Accrued payroll	—	31	127,803	99,322
Total liabilities	<u>—</u>	<u>1,016</u>	<u>1,578,907</u>	<u>1,096,811</u>
Fund balance/(deficit):				
Reserved for:				
Continuing appropriations	—	1,125	505,865	352,100
Commonwealth Stabilization	—	—	3,424,376	2,001,299
Debt service	—	—	15,409	19,373
Unreserved:				
Undesignated	—	—	13,547	13,898
Total fund balance/(deficit)	<u>—</u>	<u>1,125</u>	<u>3,959,197</u>	<u>2,386,670</u>
Total liabilities and fund balance	<u>\$ —</u>	<u>\$ 2,141</u>	<u>\$ 5,538,104</u>	<u>\$ 3,483,481</u>

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Budgeted Funds
Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

				Administrative Control
	General	Commonwealth Transportation	Commonwealth Stabilization	Intragovernmental Service
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes	\$ 26,395,856	\$ 1,357,356	\$ 429	\$ —
Assessments	409,190	22,603	—	—
Federal grants and reimbursements	11,762,585	—	—	—
Tobacco settlement revenue	236,632	—	—	—
Departmental	3,014,566	657,019	—	428,910
Miscellaneous	378,072	1,418	52,913	—
Total revenues	42,196,901	2,038,396	53,342	428,910
Other financing sources:				
Fringe benefit cost recovery	451,149	—	—	—
Lottery reimbursements	107,289	—	—	—
Lottery distributions	1,088,049	—	—	—
Operating transfers in	207,115	138,737	—	829
Stabilization transfer	—	—	1,454,575	—
Total other financing sources	1,853,602	138,737	1,454,575	829
Total revenues and other financing sources	44,050,503	2,177,133	1,507,917	429,739
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Legislature	67,643	—	—	—
Judiciary	982,509	—	—	—
Inspector General	5,083	—	—	—
Governor and Lieutenant Governor	6,807	—	—	44
Secretary of the Commonwealth	50,778	—	—	—
Treasurer and Receiver-General	244,182	—	—	—
Auditor of the Commonwealth	18,382	—	—	—
Attorney General	51,562	—	—	—
Ethics Commission	2,199	—	—	—
District Attorney	129,040	—	—	—
Office of Campaign & Political Finance	1,618	—	—	—
Sheriffs' Departments	657,858	—	—	—
Disabled Persons Protection Commission	4,249	—	—	—
Board of Library Commissioners	27,179	—	—	—
Comptroller	9,173	—	—	4,893
Administration and Finance	2,095,634	—	—	149,243
Energy and Environmental Affairs	238,051	—	—	1,742
Health and Human Services	6,180,350	—	—	114,808
Executive Office of Technology Services and Security	35,849	—	—	77,098
Massachusetts Department of Transportation	—	127,000	—	—
Office of the Child Advocate	772	—	—	—
Cannabis Control Commission	1,901	—	—	—
Executive Office of Education	2,490,816	—	—	611
Center for Health Information and Analysis	20,086	—	—	—
Public Safety and Homeland Security	1,165,922	—	—	58,112
Housing and Economic Development	578,788	—	—	1,893
Labor and Workforce Development	49,831	—	—	—
Direct local aid	6,003,140	—	—	—
Medicaid program expenses	16,520,543	—	—	—
Post employment benefits	3,069,787	40,410	—	—
Debt service:				
Principal retirement	608,971	579,469	—	16,066
Interest and fiscal charges	595,228	527,376	—	—
Total expenditures	41,913,931	1,274,255	—	424,510
Other financing uses:				
Fringe benefit cost assessment	—	—	—	—
Operating transfers out	473,849	643,208	—	3,453
State Retiree Benefits transfer	—	—	42,420	—
State Pension transfer	—	—	42,420	—
Stabilization transfer	1,206,132	231,634	—	—
Medical assistance transfer	363,078	—	—	—
Total other financing uses	2,043,059	874,842	84,840	3,453
Total expenditures and other financing uses	43,956,990	2,149,097	84,840	427,963
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	93,513	28,036	1,423,077	1,776
Fund balance/(deficit) at beginning of year	340,734	19,373	2,001,299	9,193
Fund balance/(deficit) at end of year	\$ 434,247	\$ 47,409	\$ 3,424,376	\$ 10,969

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continued

Budgeted Funds
Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Budgeted Other		Totals (Memorandum only)	
	Community College	Marijuana Regulation	2019	2018
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes	\$ —	\$ 13,949	\$ 27,768,601	\$ 25,906,660
Assessments	—	—	431,793	439,686
Federal grants and reimbursements	—	—	11,771,905	11,376,956
Tobacco settlement revenue	—	—	236,632	243,313
Departmental	—	8,742	4,149,461	4,071,620
Miscellaneous	—	25	432,510	424,789
Total revenues	—	22,716	44,790,902	42,463,024
Other financing sources:	—	—	—	—
Fringe benefit cost recovery	—	—	451,149	434,924
Lottery reimbursements	—	—	107,289	103,136
Lottery distributions	—	—	1,088,049	983,108
Operating transfers in	—	21,579	483,883	315,398
Stabilization transfer	—	—	1,454,575	736,645
Total other financing sources	—	21,579	3,584,945	2,573,211
Total revenues and other financing sources	—	44,295	48,375,847	45,036,235
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:	—	—	—	—
Legislature	—	—	67,643	67,850
Judiciary	—	—	982,509	919,016
Inspector General	—	—	5,083	4,370
Governor and Lieutenant Governor	—	—	6,851	6,574
Secretary of the Commonwealth	—	—	50,778	39,339
Treasurer and Receiver-General	—	—	244,182	215,183
Auditor of the Commonwealth	—	—	18,382	18,610
Attorney General	—	—	51,562	47,993
Ethics Commission	—	—	2,199	2,042
District Attorney	—	—	129,040	119,206
Office of Campaign & Political Finance	—	—	1,618	1,594
Sheriffs' Departments	—	117	658,005	620,318
Disabled Persons Protection Commission	—	—	4,249	3,131
Board of Library Commissioners	—	—	27,179	25,443
Comptroller	—	—	14,066	13,877
Administration and Finance	—	—	2,283,218	2,305,871
Energy and Environmental Affairs	—	604	256,867	230,956
Health and Human Services	—	29,989	6,325,148	6,035,926
Executive Office of Technology Services and Security	—	—	112,947	73,456
Massachusetts Department of Transportation	—	—	127,000	127,000
Office of the Child Advocate	—	—	772	706
Cannabis Control Commission	—	7,982	9,883	2,241
Executive Office of Education	—	—	2,496,063	2,289,929
Center for Health Information and Analysis	—	—	20,086	21,452
Public Safety and Homeland Security	—	164	1,226,217	1,166,779
Housing and Economic Development	—	52	583,431	533,168
Labor and Workforce Development	—	—	50,206	46,785
Direct local aid	—	—	6,074,697	5,885,520
Medicaid program expenses	—	—	16,520,543	15,744,534
Post employment benefits	—	—	3,110,197	2,891,491
Debt service:	—	—	—	—
Principal retirement	—	—	1,204,506	1,299,705
Interest and fiscal charges	—	—	1,122,604	1,023,656
Total expenditures	—	38,908	43,787,731	41,783,720
Other financing uses:	—	—	—	—
Fringe benefit cost assessment	—	1,563	6,008	4,952
Operating transfers out	—	—	1,120,542	954,099
State Retiree Benefits transfer	—	—	42,420	25,695
State Pension transfer	—	—	42,420	25,695
Stabilization transfer	—	2,699	1,441,121	723,195
Medical assistance transfer	—	—	363,078	579,944
Total other financing uses	—	4,262	3,015,589	2,313,580
Total expenditures and other financing uses	—	43,170	46,803,320	44,097,300
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	—	1,125	1,572,527	938,935
Fund balance/(deficit) at beginning of year	—	—	2,386,670	1,447,735
Fund balance/(deficit) at end of year	\$ —	\$ 1,125	\$ 3,959,197	\$ 2,386,670

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Budgeted Funds

Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	General			Commonwealth Transportation		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES						
Revenues:						
Taxes.....	\$ 25,195,500	\$ 26,395,856	\$ 1,200,356	\$ 1,335,100	\$1,357,356	\$ 22,256
Assessments.....	442,780	409,190	(33,590)	22,528	22,603	75
Federal grants and reimbursements.....	11,497,356	11,762,585	265,229	—	—	—
Tobacco settlement revenue.....	251,241	236,632	(14,609)	—	—	—
Departmental.....	3,202,261	3,014,566	(187,695)	666,461	657,019	(9,442)
Miscellaneous.....	297,014	378,072	81,058	—	1,418	1,418
Total revenues.....	40,886,152	42,196,901	1,310,749	2,024,089	2,038,396	14,307
Other financing sources:						
Fringe benefit cost recovery.....	465,209	451,149	(14,060)	—	—	—
Lottery reimbursements.....	110,457	107,289	(3,168)	—	—	—
Lottery distributions.....	995,602	1,088,049	92,447	—	—	—
Operating transfers in.....	225,419	207,115	(18,304)	128,996	138,737	9,741
Stabilization transfer.....	—	—	—	—	—	—
Total other financing sources.....	1,796,687	1,853,602	56,915	128,996	138,737	9,741
Total revenues and other financing sources.....	42,682,839	44,050,503	1,367,664	2,153,085	2,177,133	24,048
EXPENDITURES AND OTHER FINANCING USES						
Expenditures:						
Legislature.....	105,511	67,643	37,868	—	—	—
Judiciary.....	1,002,178	982,509	19,669	—	—	—
Inspector General.....	5,086	5,083	3	—	—	—
Governor and Lieutenant Governor.....	7,974	6,807	1,167	—	—	—
Secretary of the Commonwealth.....	55,924	50,778	5,146	—	—	—
Treasurer and Receiver-General.....	253,963	244,182	9,781	—	—	—
Auditor of the Commonwealth.....	19,180	18,382	798	—	—	—
Attorney General.....	53,413	51,562	1,851	—	—	—
Ethics Commission.....	2,255	2,199	56	—	—	—
District Attorney.....	130,579	129,040	1,539	—	—	—
Office of Campaign & Political Finance.....	1,654	1,618	36	—	—	—
Sheriffs' Departments.....	658,950	657,858	1,092	—	—	—
Disabled Persons Protection Commission.....	4,251	4,249	2	—	—	—
Board of Library Commissioners.....	27,241	27,179	62	—	—	—
Comptroller.....	9,223	9,173	50	—	—	—
Administration and Finance.....	2,303,961	2,095,634	208,327	—	—	—
Energy and Environmental Affairs.....	257,148	238,051	19,097	—	—	—
Health and Human Services.....	6,409,353	6,180,350	229,003	—	—	—
Executive Office of Technology Services and Security.....	38,839	35,849	2,990	—	—	—
Massachusetts Department of Transportation.....	—	—	—	127,000	127,000	—
Office of the Child Advocate.....	1,229	772	457	—	—	—
Cannabis Control Commission.....	2,000	1,901	99	—	—	—
Executive Office of Education.....	2,591,958	2,490,816	101,142	—	—	—
Center for Health Information and Analysis.....	30,699	20,086	10,613	—	—	—
Public Safety and Security.....	1,235,243	1,165,922	69,321	—	—	—
Housing and Economic Development.....	626,012	578,788	47,224	—	—	—
Labor and Workforce Development.....	75,919	49,831	26,088	—	—	—
Direct local aid.....	6,011,427	6,003,140	8,287	—	—	—
Medicaid program expenses.....	16,520,617	16,520,543	74	—	—	—
Post employment benefits.....	3,080,259	3,069,787	10,472	40,410	40,410	—
Debt service:						
Principal retirement.....	628,727	608,971	19,756	645,645	579,469	66,176
Interest and fiscal charges.....	614,538	595,228	19,310	504,625	527,376	(22,751)
Total expenditures.....	42,765,311	41,913,931	851,380	1,317,680	1,274,255	43,425
Other financing uses:						
Fringe benefit cost assessment.....	—	—	—	—	—	—
Operating transfers out.....	388,734	473,849	(85,115)	639,417	643,208	(3,791)
State Retiree Benefits transfer.....	—	—	—	—	—	—
State Pension transfer.....	—	—	—	—	—	—
Stabilization transfer.....	389,200	1,206,132	(816,932)	—	231,634	(231,634)
Medical assistance transfer.....	586,600	363,078	223,522	—	—	—
Total other financing uses.....	1,364,534	2,043,059	(678,525)	639,417	874,842	(235,425)
Total expenditures and other financing uses.....	44,129,845	43,956,990	172,855	1,957,097	2,149,097	(192,000)
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses.....	\$ (1,447,006)	93,513	\$ 1,540,519	\$ 195,988	28,036	\$ (167,952)
Fund balance/(deficit) at beginning of year.....		340,734			19,373	
Fund balance/(deficit) at end of year.....		\$ 434,247			\$ 47,409	

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Commonwealth Stabilization			Administrative Control			Environmental		
			Intragovernmental Services			Inland Fisheries and Game		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ —	\$ 429	\$ 429	\$ —	\$ —	\$ —	\$ 1,000	\$ 1,011	\$ 11
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	7,500	9,320	1,820
—	—	—	—	—	—	—	—	—
—	—	—	—	428,910	428,910	7,074	7,297	223
8,000	52,913	44,913	—	—	—	386	82	(304)
8,000	53,342	45,342	—	428,910	428,910	15,960	17,710	1,750
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	829	829	191	197	6
398,809	1,454,575	1,055,766	—	—	—	—	—	—
398,809	1,454,575	1,055,766	—	829	829	191	197	6
406,809	1,507,917	1,101,108	—	429,739	429,739	16,151	17,907	1,756
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	44	44	—	—	—	—
—	—	—	16	—	16	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	5	—	5
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—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	5,672	4,893	779	—	—	—
—	—	—	203,803	149,243	54,560	161	75	86
—	—	—	3,164	1,742	1,422	17,597	14,907	2,690
—	—	—	128,875	114,808	14,067	—	—	—
—	—	—	98,422	77,098	21,324	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	1,860	611	1,249	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	77,637	58,112	19,525	—	—	—
—	—	—	7,553	1,893	5,660	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	23,671	16,066	7,605	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	550,717	424,510	126,207	17,763	14,982	2,781
—	—	—	—	—	—	—	3,473	(3,473)
—	—	—	—	3,453	(3,453)	—	—	—
—	42,420	(42,420)	—	—	—	—	—	—
—	42,420	(42,420)	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	84,840	(84,840)	—	3,453	(3,453)	—	3,473	(3,473)
—	84,840	(84,840)	550,717	427,963	122,754	17,763	18,455	(692)
\$ 406,809	1,423,077	\$ 1,016,268	\$ (550,717)	1,776	\$ 552,493	\$ (1,612)	(548)	\$ 1,064
	2,001,299			9,193			10,917	
	\$ 3,424,376			\$ 10,969			\$ 10,369	

continued

Budgeted Funds

Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	Environmental					
	Marine Recreational Fisheries Development			Underground Storage Tank Petroleum Product Cleanup		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES						
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	—	—
Federal grants and reimbursements	—	—	—	—	—	—
Tobacco settlement revenue	—	—	—	—	—	—
Departmental	1,641	1,776	135	30,000	30,000	—
Miscellaneous	—	—	—	—	—	—
Total revenues	1,641	1,776	135	30,000	30,000	—
Other financing sources:						
Fringe benefit cost recovery	—	—	—	—	—	—
Lottery reimbursements	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—
Operating transfers in	—	—	—	—	85	85
Stabilization transfer	—	—	—	—	—	—
Total other financing sources	—	—	—	—	85	85
Total revenues and other financing sources	1,641	1,776	135	30,000	30,085	85
EXPENDITURES AND OTHER FINANCING USES						
Expenditures:						
Legislature	—	—	—	—	—	—
Judiciary	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—
Auditor of the Commonwealth	—	—	—	—	—	—
Attorney General	—	—	—	—	—	—
Ethics Commission	—	—	—	—	—	—
District Attorney	—	—	—	—	—	—
Office of Campaign & Political Finance	—	—	—	—	—	—
Sheriffs' Departments	—	—	—	—	—	—
Disabled Persons Protection Commission	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—
Administration and Finance	—	—	—	29,708	13,732	15,976
Energy and Environmental Affairs	2,424	1,563	861	—	—	—
Health and Human Services	—	—	—	—	—	—
Executive Office of Technology Services and Security	—	—	—	—	—	—
Massachusetts Department of Transportation	—	—	—	—	—	—
Office of the Child Advocate	—	—	—	—	—	—
Cannabis Control Commission	—	—	—	—	—	—
Executive Office of Education	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—
Public Safety and Security	—	—	—	—	—	—
Housing and Economic Development	—	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—
Direct local aid	—	—	—	—	—	—
Medicaid program expenses	—	—	—	—	—	—
Post employment benefits	—	—	—	—	—	—
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—
Total expenditures	2,424	1,563	861	29,708	13,732	15,976
Other financing uses:						
Fringe benefit cost assessment	—	183	(183)	—	378	(378)
Operating transfers out	—	—	—	—	—	—
State Retiree Benefits transfer	—	—	—	—	—	—
State Pension transfer	—	—	—	—	—	—
Stabilization transfer	—	—	—	—	—	—
Medical assistance transfer	—	—	—	—	—	—
Total other financing uses	—	183	(183)	—	378	(378)
Total expenditures and other financing uses	2,424	1,746	678	29,708	14,110	15,598
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (783)	30	\$ 813	\$ 292	15,975	\$ 15,683
Fund balance/(deficit) at beginning of year		3,848			—	
Fund balance/(deficit) at end of year		\$ 3,878			\$ 15,975	

See accountants' review report

continued

Budgeted Funds

Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	Budgeted Other					
	Education			Local Aid Stabilization		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES						
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	—	—
Federal grants and reimbursements	—	—	—	—	—	—
Tobacco settlement revenue	—	—	—	—	—	—
Departmental	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—
Total revenues	—	—	—	—	—	—
Other financing sources:						
Fringe benefit cost recovery	—	—	—	—	—	—
Lottery reimbursements	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—
Operating transfers in	8,396	13,693	5,297	—	—	—
Stabilization transfer	—	—	—	—	—	—
Total other financing sources	8,396	13,693	5,297	—	—	—
Total revenues and other financing sources	8,396	13,693	5,297	—	—	—
EXPENDITURES AND OTHER FINANCING USES						
Expenditures:						
Legislature	—	—	—	—	—	—
Judiciary	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—
Auditor of the Commonwealth	—	—	—	—	—	—
Attorney General	—	—	—	—	—	—
Ethics Commission	—	—	—	—	—	—
District Attorney	—	—	—	—	—	—
Office of Campaign & Political Finance	—	—	—	—	—	—
Sheriffs' Departments	—	—	—	—	—	—
Disabled Persons Protection Commission	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—
Administration and Finance	3,230	3,230	—	—	—	—
Energy and Environmental Affairs	—	—	—	—	—	—
Health and Human Services	—	—	—	—	—	—
Executive Office of Technology Services and Security	—	—	—	—	—	—
Massachusetts Department of Transportation	—	—	—	—	—	—
Office of the Child Advocate	—	—	—	—	—	—
Cannabis Control Commission	—	—	—	—	—	—
Executive Office of Education	3,656	3,530	126	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—
Public Safety and Security	—	—	—	—	—	—
Housing and Economic Development	—	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—
Direct local aid	4,908	4,907	1	—	—	—
Medicaid program expenses	—	—	—	—	—	—
Post employment benefits	—	—	—	—	—	—
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—
Total expenditures	11,794	11,667	127	—	—	—
Other financing uses:						
Fringe benefit cost assessment	—	11	(11)	—	—	—
Operating transfers out	—	—	—	—	—	—
State Retiree Benefits transfer	—	—	—	—	—	—
State Pension transfer	—	—	—	—	—	—
Stabilization transfer	—	276	(276)	—	—	—
Medical assistance transfer	—	—	—	—	—	—
Total other financing uses	—	287	(287)	—	—	—
Total expenditures and other financing uses	11,794	11,954	(160)	—	—	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (3,398)	1,739	\$ 5,137	\$ —	—	\$ —
Fund balance/(deficit) at beginning of year	—	—	—	—	50	—
Fund balance/(deficit) at end of year	—	\$ 1,739	—	—	\$ 50	—

See accountants' review report

Budgeted Funds

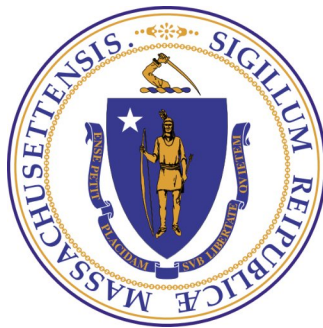
Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	Totals (Memorandum only)		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES			
Revenues:			
Taxes.....	\$ 26,571,600	\$ 27,768,601	\$ 1,197,001
Assessments	465,308	431,793	(33,515)
Federal grants and reimbursements.....	11,504,856	11,771,905	267,049
Tobacco settlement revenue	251,241	236,632	(14,609)
Departmental	3,911,494	4,149,461	237,967
Miscellaneous	305,400	432,510	127,110
Total revenues.....	43,009,899	44,790,902	1,781,003
Other financing sources:			
Fringe benefit cost recovery	465,209	451,149	(14,060)
Lottery reimbursements.....	110,457	107,289	(3,168)
Lottery distributions	995,602	1,088,049	92,447
Operating transfers in	437,794	483,883	46,089
Stabilization transfer	398,809	1,454,575	1,055,766
Total other financing sources.....	2,407,871	3,584,945	1,177,074
Total revenues and other financing sources.....	45,417,770	48,375,847	2,958,077
EXPENDITURES AND OTHER FINANCING USES			
Expenditures:			
Legislature.....	105,511	67,643	37,868
Judiciary	1,002,178	982,509	19,669
Inspector General	5,086	5,083	3
Governor and Lieutenant Governor	8,018	6,851	1,167
Secretary of the Commonwealth.....	55,940	50,778	5,162
Treasurer and Receiver-General.....	253,963	244,182	9,781
Auditor of the Commonwealth.....	19,180	18,382	798
Attorney General.....	53,422	51,562	1,860
Ethics Commission.....	2,255	2,199	56
District Attorney.....	130,579	129,040	1,539
Office of Campaign & Political Finance.....	1,654	1,618	36
Sheriffs' Departments.....	659,100	658,005	1,095
Disabled Persons Protection Commission.....	4,251	4,249	2
Board of Library Commissioners.....	27,241	27,179	62
Comptroller	14,895	14,066	829
Administration and Finance	2,562,167	2,283,218	278,949
Energy and Environmental Affairs.....	281,575	256,867	24,708
Health and Human Services.....	6,569,097	6,325,148	243,949
Executive Office of Technology Services and Security	137,261	112,947	24,314
Massachusetts Department of Transportation	127,000	127,000	—
Office of the Child Advocate.....	1,229	772	457
Cannabis Control Commission.....	13,055	9,883	3,172
Executive Office of Education.....	2,603,076	2,496,063	107,013
Center for Health Information and Analysis	30,699	20,086	10,613
Public Safety and Security	1,315,179	1,226,217	88,962
Housing and Economic Development.....	636,316	583,431	52,885
Labor and Workforce Development	76,294	50,206	26,088
Direct local aid	6,083,151	6,074,697	8,454
Medicaid program expenses.....	16,520,617	16,520,543	74
Post employment benefits	3,120,669	3,110,197	10,472
Debt service:			
Principal retirement	1,298,042	1,204,506	93,536
Interest and fiscal charges	1,119,164	1,122,604	(3,440)
Total expenditures.....	44,837,864	43,787,731	1,050,133
Other financing uses:			
Fringe benefit cost assessment	—	6,008	(6,008)
Operating transfers out	1,028,150	1,120,542	(92,392)
State Retiree Benefits transfer.....	—	42,420	(42,420)
State Pension transfer	—	42,420	(42,420)
Stabilization transfer	389,200	1,441,121	(1,051,921)
Medical assistance transfer.....	586,600	363,078	223,522
Total other financing uses.....	2,003,950	3,015,589	(1,011,639)
Total expenditures and other financing uses.....	46,841,814	46,803,320	38,494
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (1,424,044)	1,572,527	\$ 2,996,571
Fund balance/(deficit) at beginning of year		2,386,670	
Fund balance/(deficit) at end of year		\$ 3,959,197	

See accountants' review report



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General Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 1,367,025	\$ 697,815
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	452,875	476,377
Other receivables	91,728	184,466
Due from cities and towns.....	25,421	34,647
Total assets.....	<u>\$ 1,937,049</u>	<u>\$ 1,393,305</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 1,377,648	\$ 956,051
Accrued payroll	125,154	96,520
Total liabilities	<u>1,502,802</u>	<u>1,052,571</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	434,247	340,734
Total fund balance	<u>434,247</u>	<u>340,734</u>
Total liabilities and fund balance.....	<u>\$ 1,937,049</u>	<u>\$ 1,393,305</u>

See accountants' review report

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 25,195,500	\$ 26,395,856	\$ 1,200,356	\$ 24,573,613
Assessments.....	442,780	409,190	(33,590)	417,483
Federal grants and reimbursements	11,497,356	11,762,585	265,229	11,369,508
Tobacco settlement revenue.....	251,241	236,632	(14,609)	243,313
Departmental	3,202,261	3,014,566	(187,695)	2,932,173
Miscellaneous	297,014	378,072	81,058	408,374
Total revenues.....	40,886,152	42,196,901	1,310,749	39,944,464
Other financing sources:				
Fringe benefit cost recovery	465,209	451,149	(14,060)	434,924
Lottery reimbursements.....	110,457	107,289	(3,168)	103,136
Lottery distributions	995,602	1,088,049	92,447	983,108
Operating transfers in	225,419	207,115	(18,304)	203,427
Total other financing sources.....	1,796,687	1,853,602	56,915	1,724,595
Total revenues and other financing sources.....	42,682,839	44,050,503	1,367,664	41,669,059
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Legislature	105,511	67,643	37,868	67,850
Judiciary	1,002,178	982,509	19,669	919,016
Inspector General.....	5,086	5,083	3	4,370
Governor and Lieutenant Governor.....	7,974	6,807	1,167	6,574
Secretary of the Commonwealth	55,924	50,778	5,146	39,339
Treasurer and Receiver-General	253,963	244,182	9,781	209,460
Auditor of the Commonwealth	19,180	18,382	798	18,610
Attorney General	53,413	51,562	1,851	47,989
Ethics Commission.....	2,255	2,199	56	2,042
District Attorney	130,579	129,040	1,539	119,206
Office of Campaign and Political Finance	1,654	1,618	36	1,594
Sheriffs' Department.....	658,950	657,858	1,092	620,299
Disabled Persons Protection Commission.....	4,251	4,249	2	3,131
Board of Library Commissioners	27,241	27,179	62	25,443
Comptroller.....	9,223	9,173	50	8,816

continued

General Fund

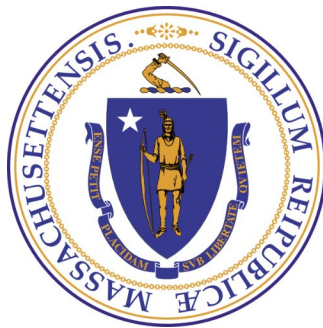
Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
Expenditures (continued):				
Administration and Finance	2,303,961	2,095,634	208,327	2,124,934
Energy and Environmental Affairs	257,148	238,051	19,097	213,839
Health and Human Services	6,409,353	6,180,350	229,003	5,919,367
Executive Office of Technology Services and Security	38,839	35,849	2,990	7,857
Office of the Child Advocate	1,229	772	457	706
Cannabis Control Commission	2,000	1,901	99	2,241
Executive Office of Education	2,591,958	2,490,816	101,142	2,289,267
Center for Health Information and Analysis	30,699	20,086	10,613	21,452
Public Safety and Security	1,235,243	1,165,922	69,321	1,099,956
Housing and Economic Development	626,012	578,788	47,224	531,539
Labor and Workforce Development	75,919	49,831	26,088	46,585
Direct local aid	6,011,427	6,003,140	8,287	5,821,177
Medicaid	16,520,617	16,520,543	74	15,744,534
Post employment benefits	3,080,259	3,069,787	10,472	2,846,432
Debt service:				
Principal retirement	628,727	608,971	19,756	643,448
Interest and fiscal charges	614,538	595,228	19,310	525,435
Total expenditures	42,765,311	41,913,931	851,380	39,932,508
Other financing uses:				
Operating transfers out	388,734	473,849	(85,115)	312,007
Stabilization transfer	389,200	1,206,132	(816,932)	589,663
Medical assistance transfer	586,600	363,078	223,522	579,944
Total other financing uses	1,364,534	2,043,059	(678,525)	1,481,614
Total expenditures and other financing uses	44,129,845	43,956,990	172,855	41,414,122
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (1,447,006)</u>	93,513	<u>\$ 1,540,519</u>	254,937
Fund balance/(deficit) at beginning of year		340,734		85,797
Fund balance/(deficit) at end of year		<u>\$ 434,247</u>		<u>\$ 340,734</u>

See accountants' review report



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Commonwealth Transportation Fund

Balance Sheet - Statutory Basis

As of June 30, 2019

(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 53,677	\$ 693
Cash with fiscal agent.....	15,409	19,373
Total assets.....	<u>\$ 69,086</u>	<u>\$ 20,066</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 21,677	\$ 693
Total liabilities	<u>21,677</u>	<u>693</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	32,000	—
Reserved for debt service.....	15,409	19,373
Total fund balance.....	<u>47,409</u>	<u>19,373</u>
Total liabilities and fund balance.....	<u>\$ 69,086</u>	<u>\$ 20,066</u>

See accountants' review report

Commonwealth Transportation Fund

Statement of Revenues, Expenditures And Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 1,335,100	\$1,357,356	\$ 22,256	\$ 1,331,772
Assessments.....	22,528	22,603	75	22,204
Departmental	666,461	657,019	(9,442)	684,374
Miscellaneous	—	1,418	1,418	702
Total revenues.....	2,024,089	2,038,396	14,307	2,039,052
Other financing sources:				
Operating transfers in	128,996	138,737	9,741	43,762
Total other financing sources.....	128,996	138,737	9,741	43,762
Total revenues and other financing sources.....	2,153,085	2,177,133	24,048	2,082,814
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Treasurer and Receiver-General	—	—	—	5,723
Massachusetts Department of Transportation	127,000	127,000	—	127,000
Post employment benefits.....	40,410	40,410	—	45,059
Debt service:				
Principal retirement	645,645	579,469	66,176	641,016
Interest and fiscal charges.....	504,625	527,376	(22,751)	498,221
Total expenditures.....	1,317,680	1,274,255	43,425	1,317,019
Other financing uses:				
Operating transfers out	639,417	643,208	(3,791)	634,676
Stabilization transfer.....	—	231,634	(231,634)	129,826
Total other financing uses.....	639,417	874,842	(235,425)	764,502
Total expenditures and other financing uses.....	1,957,097	2,149,097	(192,000)	2,081,521
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ 195,988	28,036	\$ (167,952)	1,293
Fund balance/(deficit) at beginning of year		19,373		18,080
Fund balance/(deficit) at end of year.....		\$ 47,409		\$ 19,373

See accountants' review report

Commonwealth Stabilization Fund

Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 3,138,307	\$ 1,728,831
Investments.....	286,069	272,468
Total assets.....	<u>\$ 3,424,376</u>	<u>\$ 2,001,299</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for Commonwealth Stabilization	3,424,376	2,001,299
Total fund balance	<u>3,424,376</u>	<u>2,001,299</u>
Total liabilities and fund balance.....	<u>\$ 3,424,376</u>	<u>\$ 2,001,299</u>

See accountants' review report

Commonwealth Stabilization Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ —	\$ 429	\$ 429	\$ 272
Miscellaneous	8,000	52,913	44,913	15,094
Total revenues.....	8,000	53,342	45,342	15,366
Other financing sources:				
Stabilization transfer.....	398,809	1,454,575	1,055,766	736,645
Total other financing sources.....	398,809	1,454,575	1,055,766	736,645
Total revenues and other financing sources.....	406,809	1,507,917	1,101,108	752,011
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and Finance	—	—	—	—
Total expenditures.....	—	—	—	—
Other financing uses:				
State Retiree Benefits transfer	—	42,420	(42,420)	25,695
State Pension transfer	—	42,420	(42,420)	25,695
Total other financing uses.....	—	84,840	(84,840)	51,390
Total expenditures and other financing uses.....	—	84,840	(84,840)	51,390
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ 406,809	1,423,077	\$ 1,016,268	700,621
Fund balance/(deficit) at beginning of year		2,001,299		1,300,678
Fund balance/(deficit) at end of year.....		\$ 3,424,376		\$ 2,001,299

See accountants' review report

Intragovernmental Service Fund

Balance Sheet - Statutory Basis

As of June 30, 2019

(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 58,612	\$ 51,811
Total assets.....	<u>\$ 58,612</u>	<u>\$ 51,811</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ 45,280	\$ 40,021
Accrued payroll	2,363	2,597
Total liabilities	<u>47,643</u>	<u>42,618</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	10,969	9,193
Total fund balance	<u>10,969</u>	<u>9,193</u>
Total liabilities and fund balance	<u>\$ 58,612</u>	<u>\$ 51,811</u>

See accountants' review report

Intragovernmental Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ 428,910	\$ 428,910	\$ 444,863
Total revenues	—	428,910	428,910	444,863
Other financing sources:				
Operating transfers in	—	829	829	—
Total other financing sources	—	829	829	—
Total revenues and other financing sources.....	—	429,739	429,739	444,863
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Governor and Lieutenant Governor	44	44	—	—
Secretary of the Commonwealth	16	—	16	—
Comptroller	5,672	4,893	779	5,060
Administration and Finance	203,803	149,243	54,560	180,863
Energy and Environmental Affairs	3,164	1,742	1,422	1,355
Health and Human Services	128,875	114,808	14,067	105,389
Executive Office of Technology Services and Security ..	98,422	77,098	21,324	65,599
Executive Office of Education	1,860	611	1,249	662
Public Safety and Security	77,637	58,112	19,525	64,775
Housing and Economic Development	7,553	1,893	5,660	1,629
Labor and Workforce Development	—	—	—	200
Debt service:				
Principal retirement	23,671	16,066	7,605	15,241
Total expenditures	550,717	424,510	126,207	440,773
Other financing uses:				
Operating transfers out	—	3,453	(3,453)	7,416
Total other financing uses	—	3,453	(3,453)	7,416
Total expenditures and other financing uses	550,717	427,963	122,754	448,189
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (550,717)</u>	1,776	<u>\$ 552,493</u>	(3,326)
Fund balance/(deficit) at beginning of year		9,193		12,519
Fund balance/(deficit) at end of year		<u>\$ 10,969</u>		<u>\$ 9,193</u>

See accountants' review report

Inland Fisheries And Game Fund

Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 10,983	\$ 11,719
Total assets.....	<u>\$ 10,983</u>	<u>\$ 11,719</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ 417	\$ 610
Accrued payroll	197	192
Total liabilities	<u>614</u>	<u>802</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	10,369	10,917
Total fund balance	<u>10,369</u>	<u>10,917</u>
Total liabilities and fund balance	<u>\$ 10,983</u>	<u>\$ 11,719</u>

See accountants' review report

Inland Fisheries And Game Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes	\$ 1,000	\$ 1,011	\$ 11	\$ 1,003
Federal grants and reimbursements	7,500	9,320	1,820	7,410
Departmental	7,074	7,297	223	7,401
Miscellaneous	386	82	(304)	617
Total revenues	15,960	17,710	1,750	16,431
Other financing sources:				
Operating transfers in	191	197	6	199
Total other financing sources	191	197	6	199
Total revenues and other financing sources	16,151	17,907	1,756	16,630
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Attorney General	5	—	5	—
Administration and Finance	161	75	86	74
Energy and Environmental Affairs	17,597	14,907	2,690	14,812
Total expenditures	17,763	14,982	2,781	14,886
Other financing uses:				
Fringe benefit cost assessment	—	3,473	(3,473)	3,329
Total other financing uses	—	3,473	(3,473)	3,329
Total expenditures and other financing uses	17,763	18,455	(692)	18,215
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (1,612)	(548)	\$ 1,064	(1,585)
Fund balance/(deficit) at beginning of year		10,917		12,502
Fund balance/(deficit) at end of year		\$ 10,369		\$ 10,917

See accountants' review report

Marine Recreational Fisheries Development Fund

Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 4,417	\$ 3,975
Total assets.....	<u>\$ 4,417</u>	<u>\$ 3,975</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ 521	\$ 114
Accrued payroll	18	13
Total liabilities	<u>539</u>	<u>127</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	750	1,000
Unreserved fund balance:		
Undesignated.....	<u>3,128</u>	<u>2,848</u>
Total fund balance.....	<u>3,878</u>	<u>3,848</u>
Total liabilities and fund balance.....	<u>\$ 4,417</u>	<u>\$ 3,975</u>

See accountants' review report

Marine Recreational Fisheries Development Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ 1,641	\$ 1,776	\$ 135	\$ 1,787
Total revenues	1,641	1,776	135	1,787
Other financing sources:				
Operating transfers in	—	—	—	—
Total other financing sources	—	—	—	—
Total revenues and other financing sources	1,641	1,776	135	1,787
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Energy and Environmental Affairs	2,424	1,563	861	950
Total expenditures	2,424	1,563	861	950
Other financing uses				
Fringe benefit cost assessment	—	183	(183)	169
Total other financing uses	—	183	(183)	169
Total expenditures and other financing uses	2,424	1,746	678	1,119
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (783)	30	\$ 813	668
Fund balance/(deficit) at beginning of year		3,848		3,180
Fund balance/(deficit) at end of year		\$ 3,878		\$ 3,848

See accountants' review report

Underground Storage Tank Petroleum Product Cleanup Fund

Balance Sheet - Statutory Basis

As of June 30, 2019

(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 16,824	\$ —
Total assets.....	<u>\$ 16,824</u>	<u>\$ —</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ 849	\$ —
Total liabilities	<u>849</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	15,975	—
Total fund balance	<u>15,975</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ 16,824</u>	<u>\$ —</u>

See accountants' review report

Underground Storage Tank Petroleum Product Cleanup Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ 30,000	\$ 30,000	\$ —	\$ —
Total revenues	30,000	30,000	—	—
Other financing sources:				
Operating transfers in	—	85	85	—
Total other financing sources	—	85	85	—
Total revenues and other financing sources	30,000	30,085	85	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and Finance	29,708	13,732	15,976	—
Total expenditures	29,708	13,732	15,976	—
Other financing uses:				
Fringe benefit cost assessment	—	378	(378)	—
Total other financing uses	—	378	(378)	—
Total expenditures and other financing uses	29,708	14,110	15,598	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ 292	15,975	\$ 15,683	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		\$ 15,975		\$ —

See accountants' review report

Public Safety Training Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ —	\$ 1,256
Total assets.....	<u>\$ —</u>	<u>\$ 1,256</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	—	1,173
Unreserved fund balance:		
Undesignated.....	—	83
Total fund balance.....	<u>—</u>	<u>1,256</u>
Total liabilities and fund balance.....	<u>\$ —</u>	<u>\$ 1,256</u>

See accountants' review report

Public Safety Training Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ 1,200	\$ 1,151	\$ (49)	\$ 1,022
Total revenues	1,200	1,151	(49)	1,022
Other financing sources:				
Operating transfers in	—	—	—	—
Total other financing sources	—	—	—	—
Total revenues and other financing sources	1,200	1,151	(49)	1,022
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Attorney General	4	—	4	4
Sheriffs' Department	30	30	—	20
Public Safety and Security	2,136	2,019	117	2,048
Total expenditures	2,170	2,049	121	2,072
Other financing uses:				
Fringe benefit cost assessment	—	358	(358)	586
Total other financing uses	—	358	(358)	586
Total expenditures and other financing uses	2,170	2,407	(237)	2,658
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (970)</u>	<u>(1,256)</u>	<u>\$ (286)</u>	<u>(1,636)</u>
Fund balance/(deficit) at beginning of year		1,256		2,892
Fund balance/(deficit) at end of year		<u>\$ —</u>		<u>\$ 1,256</u>

See accountants' review report

Community First Trust Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ —	\$ —
Total assets.....	<u>\$ —</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Accrued payroll	—	—
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	—	—
Unreserved fund balance:		
Undesignated.....	—	—
Total fund balance.....	<u>—</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ —</u>	<u>\$ —</u>

See accountants' review report

Community First Trust Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Federal grants and reimbursements	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	—	—	—	—
Total other financing sources	—	—	—	—
Total revenues and other financing sources	—	—	—	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Health and Human Services	—	—	—	11,170
Total expenditures	—	—	—	11,170
Other financing uses:				
Fringe benefit cost assessment	—	—	—	867
Total other financing uses	—	—	—	867
Total expenditures and other financing uses	—	—	—	12,037
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ —	—	\$ —	(12,037)
Fund balance/(deficit) at beginning of year		—		12,037
Fund balance/(deficit) at end of year		\$ —		\$ —

See accountants' review report

Local Capital Projects Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 4,296	\$ —
Total assets.....	<u>\$ 4,296</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 2,698	\$ —
Total liabilities	<u>2,698</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	1,598	—
Total fund balance	<u>1,598</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ 4,296</u>	<u>\$ —</u>

See accountants' review report

Local Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Federal grants and reimbursements	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	2,699	4,401	1,702	—
Total other financing sources	2,699	4,401	1,702	—
Total revenues and other financing sources	2,699	4,401	1,702	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Housing and Economic Development	2,699	2,698	1	—
Total expenditures	2,699	2,698	1	—
Other financing uses:				
Stabilization transfer	—	105	(105)	—
Total other financing uses	—	105	(105)	—
Total expenditures and other financing uses	2,699	2,803	(104)	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ —	1,598	\$ 1,598	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		\$ 1,598		\$ —

See accountants' review report

Gaming Local Aid Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ —	\$ —
Total assets.....	<u>\$ —</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	—	—
Unreserved fund balance:		
Undesignated.....	—	—
Total fund balance	<u>—</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ —</u>	<u>\$ —</u>

See accountants' review report

Gaming Local Aid Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	66,395	87,955	21,560	68,011
Total other financing sources	66,395	87,955	21,560	68,011
Total revenues and other financing sources	66,395	87,955	21,560	68,011
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and Finance	21,305	21,305	—	—
Direct local aid	66,816	66,650	166	64,343
Total expenditures	88,121	87,955	166	64,343
Other financing uses:				
Fringe benefit cost assessment	—	—	—	—
Operating transfers out	—	—	—	—
Stabilization transfer	—	—	—	3,668
Total other financing uses	—	—	—	3,668
Total expenditures and other financing uses	88,121	87,955	166	68,011
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (21,726)</u>	—	<u>\$ 21,726</u>	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		<u>\$ —</u>		<u>\$ —</u>

See accountants' review report

Education Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 1,739	\$ —
Total assets.....	<u>\$ 1,739</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	1,739	—
Unreserved fund balance:		
Undesignated.....	—	—
Total fund balance	<u>1,739</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ 1,739</u>	<u>\$ —</u>

See accountants' review report

Education Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	8,396	13,693	5,297	—
Total other financing sources	8,396	13,693	5,297	—
Total revenues and other financing sources	8,396	13,693	5,297	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and Finance	3,230	3,230	—	—
Executive Office of Education	3,656	3,530	126	—
Direct local aid	4,908	4,907	1	—
Total expenditures	11,794	11,667	127	—
Other financing uses:				
Fringe benefit cost assessment	—	—	—	—
Stabilization transfer	—	276	(276)	—
Fringe benefit cost assessment	—	11	(11)	—
Total other financing uses	—	287	(287)	—
Total expenditures and other financing uses	11,794	11,954	(160)	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ (3,398)	1,739	\$ 5,137	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		\$ 1,739		\$ —

See accountants' review report

Local Aid Stabilization Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 50	\$ 50
Total assets.....	<u>\$ 50</u>	<u>\$ 50</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	—	—
Unreserved fund balance:		
Undesignated.....	50	50
Total fund balance	<u>50</u>	<u>50</u>
Total liabilities and fund balance.....	<u>\$ 50</u>	<u>\$ 50</u>

See accountants' review report

Local Aid Stabilization Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	—	—	—	—
Total other financing sources	—	—	—	—
Total revenues and other financing sources	—	—	—	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Executive Office of Education	—	—	—	—
Total expenditures	—	—	—	—
Other financing uses:				
Operating transfers out	—	—	—	—
Total other financing uses	—	—	—	—
Total expenditures and other financing uses	—	—	—	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ —	—	\$ —	—
Fund balance/(deficit) at beginning of year		50		50
Fund balance/(deficit) at end of year		\$ 50		\$ 50

See accountants' review report

Gaming Economic Development Fund

Balance Sheet - Statutory Basis

As of June 30, 2019

(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 8,530	\$ —
Total assets.....	<u>\$ 8,530</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 1,029	\$ —
Accrued payroll	39	—
Total liabilities	<u>1,068</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	7,462	—
Total fund balance	<u>7,462</u>	<u>—</u>
Total liabilities and fund balance	<u>\$ 8,530</u>	<u>\$ —</u>

See accountants' review report

Gaming Economic Development Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	5,698	9,292	3,594	—
Total other financing sources	5,698	9,292	3,594	—
Total revenues and other financing sources	5,698	9,292	3,594	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Executive Office of Education	5,602	1,106	4,496	—
Labor and Workforce Development	375	375	—	—
Total expenditures	5,977	1,481	4,496	—
Other financing uses:				
Fringe benefit cost assessment	—	42	(42)	—
Stabilization transfer	—	275	(275)	—
Operating transfers out	—	32	(32)	—
Total other financing uses	—	349	(349)	—
Total expenditures and other financing uses	5,977	1,830	4,147	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (279)</u>	<u>7,462</u>	<u>\$ 7,741</u>	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		<u>\$ 7,462</u>		<u>\$ —</u>

See accountants' review report

Community College Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ —	\$ —
Total assets.....	<u>\$ —</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ —	\$ —
Total liabilities	<u>—</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	—	—
Unreserved fund balance:		
Undesignated.....	<u>—</u>	<u>—</u>
Total fund balance	<u>—</u>	<u>—</u>
Total liabilities and fund balance.....	<u>\$ —</u>	<u>\$ —</u>

See accountants' review report

Community College Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental	\$ —	\$ —	\$ —	\$ —
Total revenues	—	—	—	—
Other financing sources:				
Operating transfers in	—	—	—	—
Total other financing sources	—	—	—	—
Total revenues and other financing sources	—	—	—	—
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Executive Office of Education	—	—	—	—
Total expenditures	—	—	—	—
Other financing uses:				
Operating transfers out	—	—	—	—
Total other financing uses	—	—	—	—
Total expenditures and other financing uses	—	—	—	—
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	\$ —	—	\$ —	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		\$ —		\$ —

See accountants' review report

Marijuana Regulation Fund
Balance Sheet - Statutory Basis

As of June 30, 2019
(Amounts in thousands)

	2019	2018
ASSETS		
Cash and short-term investments.....	\$ 2,141	\$ —
Total assets.....	<u>\$ 2,141</u>	<u>\$ —</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 985	\$ —
Accrued payroll	31	—
Total liabilities	<u>1,016</u>	<u>—</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	1,125	—
Total fund balance	<u>1,125</u>	<u>—</u>
Total liabilities and fund balance	<u>\$ 2,141</u>	<u>\$ —</u>

See accountants' review report

Marijuana Regulation Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	2019 Budget	2019 Actual	Variance Favorable (Unfavorable)	2018 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes	\$ 40,000	\$ 13,949	\$ (26,051)	\$ —
Departmental	2,857	8,742	5,885	39
Miscellaneous	—	25	25	—
Total revenues	42,857	22,716	(20,141)	39
Other financing sources:				
Operating transfers in	—	21,579	21,579	—
Total other financing sources	—	21,579	21,579	—
Total revenues and other financing sources	42,857	44,295	1,438	39
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Sheriff's Department	120	117	3	—
Energy and Environmental Affairs	1,241	604	637	—
Health and Human Services	30,869	29,989	880	—
Cannabis Control Commission	11,055	7,982	3,073	—
Public Safety and Security	164	164	—	—
Housing and Economic Development	52	52	—	—
Total expenditures	43,501	38,908	4,593	—
Other financing uses:				
Fringe benefit cost assessment	—	1,563	(1,563)	—
Stabilization transfer	—	2,699	(2,699)	39
Total other financing uses	—	4,262	(4,262)	39
Total expenditures and other financing uses	43,501	43,170	331	39
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	<u>\$ (644)</u>	1,125	<u>\$ 1,769</u>	—
Fund balance/(deficit) at beginning of year		—		—
Fund balance/(deficit) at end of year		<u>\$ 1,125</u>		<u>\$ —</u>

See accountants' review report



Henrietta Swan Leavitt (1868-1921)

While working as a “computer” at the Harvard College Observatory on a type of star called Cepheid variables, Henrietta Swan Leavitt found that she could accurately and consistently relate the period of a given star’s brightness cycle to its absolute magnitude. The discovery of this relationship made it possible, for the first time, to calculate their distance from Earth. The discovery by Leavitt, a native of Lancaster, Massachusetts, fundamentally reshaped astronomers’ notions of the galaxy, and upended the notion that the Sun and the Milky Way were at the center of the universe.

Source: <https://www.aavso.org/henrietta-leavitt-%E2%80%93-celebrating-forgotten-astronomer>

Non-Budgeted Funds

SPECIAL REVENUE FUNDS:

These funds account for the proceeds of specific revenue sources that are restricted to finance specific functions. Funds that are not subject to appropriation are considered Non-Budgeted Special Revenue Funds.

Federal Grants Fund - to account for federal grants that are designated for specific programs, excluding federal highway construction grants, which are accounted for in the Federal Highway Construction Capital Projects Fund, and federal reimbursement programs, such as Medicaid, which are accounted for in the General Fund.

LOTTERY FUNDS:

The two lottery funds account for the operations of the State and Arts Lotteries.

State Lottery and Gaming Fund - to account for revenue from the sale of lottery tickets and for the payment of prizes, expenses of the State Lottery Commission and the distribution to municipalities and school districts. Transfers are made from lottery profits to the General Fund.

Arts Lottery Fund - to account for revenues from the sale of lottery tickets, for payment of prizes and the expenses of the State Lottery Commission, and for the administration of the Arts Lottery Council. Residual fund balance transfers are made to the General Fund at the end of the fiscal year.

GAMING FUNDS:

Massachusetts Gaming Control Fund - to account for all gaming fees and assessments not recorded in other funds by legislative mandate and other monies authorized by the General Court. Expenditures are to finance the activities of the Massachusetts Gaming Commission (MGC).

Gaming Revenue Fund - to account for revenues collected from taxes on gross gaming revenue received from gaming licenses. The revenues shall be transferred to other funds to finance the activities of those funds.

OTHER FUNDS:

The other special revenue funds account for a variety of miscellaneous taxes, assessments, fees, fines and other revenues, which are restricted to the financing of specific Commonwealth programs.

Catastrophic Illness in Children Relief Fund - to account for a portion of an employer's unemployment health insurance contribution and certain Federal Financial Participation (FFP). The funds are for medical expenses of childhood catastrophic illnesses not covered by any other state and federal program.

Commonwealth Care Trust Fund - to collect fair share employer assessments, free rider surcharges, cigarette tax revenues, transfers from the Health Safety Net Trust Fund and any funds that may be appropriated or transferred into the fund for the purpose of increasing health care coverage, including subsidized health insurance to low - income residents. Funds may be transferred to the Health Safety Net Trust Fund.

Medical Assistance Trust Fund - to account for any funds from public entities and federal revenues related to medical assistance; to be used to provide supplemental Medicaid payments to certain safety net hospitals.

Health Safety Net Trust Fund - to account for reimbursing hospitals and community health centers for a portion of the cost of reimbursable health services provided to low-income, uninsured or underinsured residents of the Commonwealth. Revenues are from surcharges and assessments in health care services.

Community First Trust Fund - To account for revenues received from FFP earned on any qualifying expenditures from the fund. Expenditures are for non - institutionally - based long-term service and support and may be made for services provided in prior fiscal years, but may not exceed more than \$16 million.

Money Follows the Person Rebalancing Demonstration Grant Trust Fund - to account for funds used for expenses that primarily benefit individuals who have disabilities or long-term illnesses or who are elders. Monies equal to the amount of FFP collected from the previous quarter shall be transferred to the fund.

Public Health Trust Fund - to account for fees assessed on slot machines and all other monies credited or transferred to the fund from any other source under law. Funds shall be expended to assist social service and public health programs dedicated to addressing problems associated with compulsive gambling.

Healthcare Payment Reform Fund - to account for a portion of gaming license fees, 5% of the acute hospital assessments and any monies credited or transferred to the fund from any other fund or source. Funds are used to improve the quality and reduce the cost of health care in the Commonwealth.

Distressed Hospital Trust Fund - to account for gifts, grants and donations, interest earnings, 60% of the acute hospital assessments, and any funds provided from other sources. Expenditures support efforts to meet the health care cost growth benchmark and any activities funded by the e-Health Institute, the Healthcare Payment Reform Fund, other health related purposes.

Prevention and Wellness Trust Fund - to account for appropriations or other monies authorized to be credited to the fund, fines and penalties gifts, grants and donations, interest earnings, and any funds provided from other sources. Also, 26 2/3% of the acute hospital assessments shall be credited to this fund. Expenditures shall support the state's efforts to meet the health care cost growth benchmark and any activities funded by the Healthcare Payment Reform Fund and other health related purposes.

Massachusetts Health Information Exchange Fund - to account for expenditures to support the dissemination and development of the statewide health information exchange. There shall be credited to the fund any appropriations, proceeds of any bonds or notes of the commonwealth issued for the purpose, federal grants or loans; private gifts, grants or donations, and investment income.

MassHealth Delivery System Reform Trust Fund - to account for any transfers from the Health Safety Net Trust Fund, FFP revenues, appropriations; and any interest earned. The monies will be expended for approved Medicaid payments, reimbursements for services delivered to MassHealth beneficiaries; and for enhanced service and incentive payments to acute hospitals, and other providers or care organizations.

Community Hospital Reinvestment Trust Fund - to account for gifts, grants, donations, and interest earned. To be used to provide financial support to eligible acute care hospitals.

Non-acute Care Hospital Reimbursement Trust Fund - to account for assessments on acute care hospitals, FFP revenues, appropriations, and interest income. Funds shall be expended for Medicaid payments to non-acute, nonpublic hospitals licensed by the Department of Public Health.

Substance Use Disorder Federal Reinvestment Trust Fund - to account for FFP revenues, other federal reimbursements, grants, premiums, gifts, interest income and any other funds specifically designated to the fund. Funds shall be used to implement MassHealth's substance use disorder waiver demonstration project and to enhance and expand substance use disorder services.

Safety Net Provider Trust Fund - to account for operating transfers and any income designated to the fund by legislation. Funds shall be expended for payments to qualifying provider under an approved federal waiver.

Home Care Technology Trust Fund - to account for fees, appropriations, transfers, federal reimbursements, grants, premiums, gifts or other contributions from any source, investment income, and any other revenues. Funds shall be used to provide technological support for the aging service access points network.

Dam and Seawall Repair or Removal Fund - to account for federal grants, loan repayments, and investment earnings. Funds shall be used to provide grants or loans to local governmental entities, charitable organizations and private dam owners to finance or refinance costs related to dams and flood or wave control repair or remediation projects.

Department of Telecommunication and Energy Trust Fund - to account for assessments on interstate operating revenue of electric companies and investment income. The expenditures are for activities of the Department related to the regulation of electric companies.

Fingerprint-Based Background Check Trust Fund - to account for any appropriations and other monies including any private donations. Expenditures shall be for the sole purpose of carrying out state and national criminal background checks and verifications.

Liability Management and Reduction Fund - to account for chargebacks assessed to departments as premiums for the provision of insurance coverage for state agencies to cover payment of judgments, settlements and litigation costs in tort claims.

Medical Marijuana Trust Fund - to account for revenues generated from fees collected after July 1, 2013, as authorized by the MGL. Expenditures from the fund shall be for the administrative costs of operations and programs regulating medical marijuana use in the Commonwealth.

Essex Regional Emergency Communication Center Fund - The fund shall be used for the operation of the Regional Emergency Communications Center (RECC) to provide centralized emergency communication services to participating communities. There shall be credited to the fund a per capita assessment, any other funding, including, but not limited to, appropriations, gifts, grants, contributions, transfers or investment income.

Dockside Testing Trust Fund - to account for fees collected from harvesters of molluscan shellfish on Georges Bank in the amount of \$35,000 per vessel. Expenditures shall be for the administrative costs of the operations and programs related to regulating and monitoring the shellfish harvesters, including the testing of shellfish as necessary to ensure that they are safe for human consumption.

Commonwealth of Massachusetts Civil Monetary Penalty (CMP) Fund - to account for civil monetary penalties paid by nursing homes participating in the medical program for the protection of health and property of residents in a nursing home if the facility is found deficient.

MBTA State and Local Contribution Fund - to account for the transfer of dedicated sales tax revenue and the Massachusetts Bay Transportation Authority (MBTA) service area assessments from the Commonwealth to the MBTA.

Massachusetts Community Preservation Trust Fund - to account for surcharges from the registry of deeds, public and private sources as gifts, grants and donations, from damages, penalties costs from litigation settlements and surcharge on municipal liens imposed by the cities and towns that accept funds from the trust, to further community open space preservation programs.

Health Insurance Portability and Accountability Act Fund - to account for revenues received from Federal reimbursements under the Social Security Act, other Federal reimbursements, grants, gifts or other contributions to meet the costs of compliance with the Federal Health Insurance Portability and Accountability Act (HIPPA) of 1996.

State Racing Fund - to account for racing-related taxes and assessments, to be used for expenditures governing simulcasting and to provide certain relief to the racing industry in the Commonwealth.

Division of Professional Licensure Trust Fund - to support programs and administrative costs of the Division of Professional Licensure. Revenues are from professional registration fees. Moneys deposited into the trust fund that are unexpended at the end of the fiscal year, and that total not more than 50% of the division's expenditures for the previous fiscal year, shall not revert to the General Fund.

Victims of Drunk Driving Trust Fund - to account for fines collected from individuals convicted of driving under the influence of various substances defined by the law. Expenditures are for grants to community based programs to provide counseling and support services to victims of accidents.

State Athletic Commission Fund - to account for licensing fees, other fees and fines collected up to a maximum of \$200,000 per year. All revenues in excess of \$200,000 shall be transferred to the General Fund. Expenditures are for the administration of the State Athletic Commission, including payments for officials and referees of athletic events sanctioned by the Commission.

Organ and Tissue Donor Registration Fund - to account for funds received from public and private donations, fees, and interest revenue; for the purpose of registration of residents of the Commonwealth as organ and tissue donors.

Department of Fire Services Hazardous Materials Emergency Mitigation Response Recovery Trust Fund - to account for monies received from fees, fines and investment income up to a maximum of \$250,000 per year. Any unexpended funds in excess of \$250,000 at the end of a fiscal year are transferred to the General Fund. Expenditures are for emergency hazardous materials response and mitigation costs.

Registers Technological Fund - to account for funds received from deed surcharges for the benefit of abolished counties. Expenditures are for technological improvements at the registries of deeds in those counties.

County Registers Technological Fund - to account for monies received from deed surcharges for Barnstable, Bristol, Dukes, Norfolk, Plymouth and Nantucket Counties. Expenditures are for technical improvements at those counties.

State Election Campaign Fund - to account for the costs of quadrennial statewide elections provided for through contributions from citizens.

Enhanced 911 Fund - to account for expenditures by the State Police and the Executive Office of Public Safety and Security to automatically identify a telephone number used to place or route a 911 call.

Counsel for Indigent Salary Enhancement Trust Fund - to account for fees collected for private applications for criminal complaints for misdemeanors in Commonwealth courts, including investment income. Expenditures are for rate enhancements for advocates for the indigent. Any amounts received in excess of \$12 million in any fiscal year shall be credited to the General Fund.

Special Projects Permitting and Oversight Fund - to account for environmental permitting fees. Expenditures are for permitting, technical assistance, compliance and other activities related to environmental oversight.

Division of Energy Resources Credit Trust Fund - to account for the receipt, retention, redemption, sale or transfer of energy conservation credits, renewable energy certificates or credits, emission credits and similar allowances. The Division of Energy Resources may expend these funds for the implementation of programs for energy reliability, renewable energy, public procurement of energy and energy efficiency and climate change.

School Modernization and Reconstruction Trust Fund - to account for dedicated sales tax revenues to support the School Building Assistance Program.

Roche Community Rink Fund - to account for the residual net revenues of the privately operated ice skating rink located in the West Roxbury section of the City of Boston.

Health Care Workforce Transformation Fund - to account for appropriations, gifts, grants, loan repayments and interest income. Expenditures of not more than 10% of the amount held in the fund in any one year shall be used for the combined cost of program administration, technical assistance to grantees and program evaluation. Funds of not less than 20% may be transferred to the Department of Public Health and up to 10% may be transferred to the Massachusetts Nursing and Allied Health Workforce Development Trust Fund. Funds remaining shall be expended for various healthcare related jobs programs.

Workforce Competitiveness Trust Fund - to account for funds to support the development and implementation of employer and work responsive programs to enhance worker skills, income, productivity and retention and to increase the quality and competitiveness of Massachusetts firms.

Fire Prevention and Public Safety Fund - to account for all penalties recovered under the Cigarette Fire Safety Regulation Act to be used for fire safety and prevention programs.

Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund - to account for the fire safety certification fees submitted by cigarette manufacturers. The fund is used solely to support state processing, testing, enforcement and oversight activities related to implementation of the cigarette fire safety regulations.

Massachusetts Nursing and Allied Health Workforce Development Trust Fund - to account for appropriations, grants, loans or private donations received to increase the number of public and private higher education faculty and students who participate in programs that support careers in fields related to nursing and allied health.

Health Information Technology Trust Fund - to account for federal reimbursements received under the Health Information Technology for Economic and Clinical Health Act and other revenues. Expenditures are for incentive payments to eligible Massachusetts Medicaid health care providers and for the promotion of electronic health record adoption and health information exchange in the Commonwealth.

Build America Bonds Subsidy Trust Fund - to account for subsidies from the United States Treasury related to debt service payable on Build America bonds issued by the Commonwealth. Expenditures are used to pay debt service related to these bonds.

Housing Preservation and Stabilization Fund - to account for appropriations, transfers, and all interest earnings. Expenditures shall be made for providing affordable housing for low-income families and individuals in the commonwealth, particularly those most at risk of becoming homeless.

Office of Refugees and Immigrants Trust Fund - to account for grants, bequests, gifts or contributions. Expenditures shall be made only for operating costs of the office for refugees and immigrants and costs associated with refugee and immigrant-related programs, grants and initiatives of the director.

Veterans Independence Plus Initiative Trust Fund - to account for reimbursements collected from the US Department of Veterans Affairs. Expenditures from the fund shall be for the administration of the Veterans Independence Plus Initiative Program.

Massachusetts Environmental Police Trust Fund - to account for certain administrative surcharges, a 10% maintenance fee charged on private details, any bond proceeds or appropriations, interest or investment earnings, and all other amounts credited or transferred to the fund. Funds may be expended on programs and costs related to the division of law enforcement.

Domestic and Sexual Violence Prevention and Victim Assistance Fund - to support innovative practices to prevent domestic and sexual violence and provide assistance to victims of domestic violence in the commonwealth. The fund shall be credited any appropriations, bond proceeds or other monies authorized.

Massachusetts Seafood Marketing Program Fund - to account for a portion of the monies from the sale of commercial harvester and dealer permits issued not to exceed \$250,000 per fiscal year; any appropriations, grants, gifts or other monies authorized; and any investment income. All amounts credited to the fund shall be for the purpose of developing and administering the seafood marketing program.

Government Land Bank Fund - to account for proceeds from disposition, conversion and redevelopment of land used for industrial and low income housing developments to fund payments of principal and interest on bonds and notes of the Massachusetts Development Finance Agency.

Natural Heritage and Endangered Species Fund - to account for revenues from public and private sources and/or the federal government as reimbursements, grants, donations or other receipts and investment income; used to acquire by purchase, lease, easement or license land critical to nongame wildlife and endangered species for purposes of protecting and enhancing nongame wildlife.

Massachusetts Mathematics, Science, Technology and Engineering Grant Fund (STEM Pipeline Fund) - to account for support provided to Massachusetts students who participate in programs that support careers in fields related to mathematics, science, technology and engineering.

Massachusetts Alternative and Clean Energy Investment Trust Fund - to account for any funds invested in clean energy technology research and issued as seed grants to companies, universities and nonprofits to encourage the creation of clean technology ventures and the training of workers to perform associated green jobs.

Regional Greenhouse Gas Initiatives (RGGI) Auction Trust Fund - to account for auction proceeds under the carbon dioxide cap and trade program. Expenditures shall be made to adopt rules and regulations establishing a carbon dioxide cap to limit and reduce carbon dioxide emissions released by electricity-generating stations.

Mosquito and Greenhead Fly Control Fund - to account for assessments to cities and towns of various mosquito control districts; to support activities designed to control mosquitoes and/or “greenhead” flies.

Ocean Resources and Waterways Trust Fund - to account for appropriations, investment income, and grants or ocean development mitigation fees; for use in restoring or enhancing marine habitat and resources affected by project developments.

Off Highway Vehicle Program Fund - to account for fees, fines and investment income collected for use in enforcement and environmental development, repair and restorations of trails and facilities.

Workforce Training Trust Fund - to account for the 0.075% unemployment surcharge on taxable wages on employers; to provide grants to employers, employer groups, labor organizations and training providers for projects to provide education and training to existing employees and newly hired workers.

Oil Overcharge Fund - to account for the fines and penalties collected under federal litigation from certain oil companies; used to provide fuel assistance and home insulation for low-income residents.

Substance Abuse Services Fund - to account for funds used to expand inpatient treatment facilities and ongoing case management for civilly committed individuals.

Victims of Human Trafficking Trust Fund - to account for the proceeds of assets seized and forfeited, fines and assessments and interest earnings. Funds shall be transferred to the Victim and Witness Assistance Board to administer grants to public, private non-profit or community-based programs in the Commonwealth.

Department of Public Utilities Storm Trust Fund - to account for assessments charged against each electric company under the jurisdictional control of the Department of Public Utilities and any investment income. Funds shall be used in investigating the preparation for and response to storm and other emergency events by electric companies in the Commonwealth.

Homeless Animal Prevention and Care Fund - to offset costs associated with the vaccination, spaying and neutering of homeless dogs and cats owned by low-income residents and to assist with the training of animal control officers. The fund shall consist of voluntary tax check-off donations, gifts, grants, donations and investment income.

Horseneck Beach Reservation Trust Fund - to account for the long-term preservation, maintenance, nourishment and public safety of Horseneck Beach in the Town of Westport. Revenues shall consist of a surcharge of \$1 imposed by on admission to and parking in the Horseneck Beach Reservation. Expenditures for public safety may be made available to the Town of Westport’s police, fire, ambulance and emergency personnel.

Environmental Trust Fund - to account for fines, gifts, grants and investment income used for restoration, protection and improvement of the quality of Boston Harbor, Lynn Harbor, Massachusetts Bay, Buzzards Bay and Cape Cod Bay.

Social Innovation Financing Trust Fund - to account for appropriations used to fund contracts to improve outcomes and lower costs for contracted government services.

Children’s Trust Fund - to account for gifts, grants, interest and donations to the Child Abuse Prevention Board and certain appropriations; used for support programs to raise awareness of child abuse and prevention programs.

Child Support Enforcement Fund - to account for child support payments, fees and penalties c, federal monies and any related interest earnings. Expenditures are for child-support related activities.

Massachusetts Military Family Relief Fund - to account for revenues received from voluntary tax check-off donations, gifts, grants, donations and investment income; to help members of the Massachusetts National Guard and Massachusetts residents who are members of the U. S. Armed Forces and who were called to active duty after September 11, 2001.

Department of Industrial Accidents Special Fund - to account for assessments to employers and cities and towns for workers' compensation insurance premiums and penalties assessed against employers who fail to insure for workers' compensation; used to reimburse the General Fund for the operating account of the Department of Industrial Accidents and for administrative overhead.

Logan Airport Health Study Trust Fund - to account for monies allocated by the Massachusetts Port Authority or any other public or private entity. Funds shall be expended for administration and project management activities and for direct support to community health centers within the study area.

Massachusetts State Public Health HIV and Hepatitis Fund - to account for revenues received from voluntary tax check-off donations from public and private sources as gifts, grants, and donations; used for research, treatment, and education related to acquired immune deficiency syndrome.

Head Injury Treatment Services Trust Fund - to account for revenues from a surcharge on fines resulting from "driving under the influence" convictions and investment income; funds shall be used to develop and maintain non-residential rehabilitation services for head injured persons.

Board of Registration in Medicine Trust Fund - to account for licensing fees of medical professionals. Expenditures are for the administration and operation of the Board.

Water Pollution Abatement and Drinking Water Projects Administration Fund - to account for transfers from the Massachusetts Clean Water Trust and general obligation bond proceeds; used for the administration of the Department of Environmental Protection to fund water pollution abatement projects.

Child Care Quality Fund - to account for revenues from the sale of "Invest in Children" distinctive license plates; funds are used for providing grants for not-for-profit childcare organizations for the purpose of improving childcare services.

Convention and Exhibition Center Fund - to account for certain rooms and sales and use taxes, surcharges imposed on tourist tickets, including cruises and land-based sightseeing located in the Commonwealth; used to finance the construction and operating expenses of the Boston Convention Center and convention centers in Worcester and Springfield.

Firearms Fingerprint Identity Verification Trust Fund - to account for firearm registration fees for the purpose of financing fingerprint identification verifications with the fingerprint records maintained by the Federal Bureau of Investigations or any other federal agency for the verification of firearms license application identities.

Grant Anticipation Note Trust Fund - to account for proceeds to cover federal grant anticipation note expenditures and pay the related debt service.

Race Horse Development Fund - to account for the daily assessment of 9% of gross gaming revenues collected by slot machine-only venues. Expenditures from this fund shall be made to each licensee to support the operations of thoroughbred racing in the Commonwealth.

Community Mitigation Fund - to account for gaming tax revenue transferred from the Gaming Revenue Fund and all other monies credited or transferred to the fund from any other fund or source. Funds shall be expended to assist the communities in offsetting costs related to the construction and operation of a gaming establishment.

Capital Needs Investment Fund - to account for funds appropriated. The funds shall be for the restoration costs of the Mayflower II and the construction of a public safety building in the Town of Barre.

Massachusetts Tourism Trust Fund - to account for the \$10,000,000 collected from the room occupancy excise and revenues under the Gaming Revenue Fund designated by legislation. Spending from the fund will be as follows; 40% to the Massachusetts marketing partnership and 60% to regional tourism councils to promote tourism and for related administrative costs.

Long-Term Facility Quality Improvement Fund - to account for income from legislatively mandated fines and penalties imposed by the department of public health on long-term care facilities, revenues from appropriations: gifts, grants, donations rebates and settlements. Spending will be used to improve safety and enhance the quality of care provided in long-term care facilities.

Sexual Assault Nurse Examiner Trust Fund - to account for gifts, grants, donations, bequests, cash, securities and property contributions from any source. Spending will be used to support the sexual assault nurse examiner program costs and provide services for sexual assault patients.

Transportation Infrastructure Enhancement Trust Fund - to account for assessments based on the number of annual rides in a fiscal year by each transportation network company within the commonwealth; $\frac{1}{2}$ of the funds are proportionately distributed to cities and towns, $\frac{1}{4}$ of the funds are distributed to the Massachusetts Development Finance Agency, and the final $\frac{1}{4}$ is distributed to the Commonwealth Transportation Fund.

Nickerson State Park Trust Fund - to account for a \$5 surcharge on admission for out-of-state campers in Nickerson State Park. Expenditures shall be made for the long-term preservation and maintenance of the Nickerson State Park.

Massachusetts United States Olympic Fund - to account for revenues from the sale of distinctive vehicle license plates, voluntary tax check-off donations, and public and private gifts, grants and donations. Funds shall be used for assisting commonwealth athletes in paying all or part of the costs associated with participating on the United States Olympic or Paralympic teams.

State House Special Event Fund - to account for the fees collected from nongovernmental individuals, entities and groups and the related expenditures for using the state house for meetings, receptions or exhibits.

Quality in Health Professions Trust Fund - to account for the license or registration fees of health professionals issued by department of public health. Funds shall be used for the administrative costs of the operations and programs of the health licensing board.

Nantasket Beach Reservation Trust Fund - to account for the surcharge for admission into parking at Nantasket Beach Reservation. Funds shall be used for the preservation, maintenance, and safety of Nantasket Beach.

Milk Producers Security Fund - to account for revenues from commonwealth milk dealers imposed on the volume of milk purchases, transfers and investment income. The fund shall be for reimbursing Massachusetts producers who sold milk to a dealer when the dealer has defaulted in the timely payment for the milk under regulations issued.

Commonwealth Security Trust Fund - to account for fees from the sale of United We Stand distinctive license plates and interest earnings. Funds shall be used for grants to local police and fire departments to enhance emergency response including responses to acts of terrorism; and the design, construction and maintenance of memorials dedicated to those killed in the line of duty.

Organ Transplant Fund - to account for revenues collected from voluntary tax check-off donations, public and private gifts, grants, and donations, and from the federal government. Funds shall assist residents in paying all or part of any costs associated with a medically required organ transplant.

Municipal Police Training Fund - to account for a \$2 surcharge (not to exceed \$10 million in a calendar year; any excess surcharge is deposited to the general fund) on each rental car contract in the commonwealth, any interest earned, appropriations, any public and private gifts, grants, and donations, and any transfers from the Marijuana Regulation Fund or the Public Safety Training Fund. Funds shall be used for operating expenses of the municipal police training committee and for the training programs for police officers.

Department of Public Utilities Energy Facilities Siting Board Trust Fund - to account for application fees to construct an electricity generating facility and any interest earned. Funds shall be used by the department for the operation of the energy facilities siting board.

Department of Public Utilities Unified Carrier Registration Trust Fund - to account for registration fees from motor vehicle interstate carriers and any interest earned. Funds shall be used for the regulation of motor carriers.

Municipal Naloxone Bulk Purchase Trust Fund - to account for revenues collected from municipalities and non-profit organizations purchasing naloxone, any appropriations authorized, and any public and private gifts, grants, and donations. Funds are used to provide price reductions for municipalities purchasing naloxone through the program, in addition to any discounts procured through bulk purchasing.

Debt and Long-Term Liability Reduction Trust Fund - to account for the transfer of 10% of category 1 license revenues from the Gaming Revenue Fund. Funds shall be used for the payment and prepayment of commonwealth debt and other long-term liabilities.

Public Health Grant Trust Fund - to account for money received from public and private sources. Funds shall be used to collaborate with nonprofit organizations to participate in competitive grant opportunities that further the mission of the department.

Commonwealth Facility Trust for Energy Efficiency Fund - to account for an initial transfer of \$500,000 from the Energy Credit, Efficiency and Sustainable Design Trust Fund, monies received as reimbursements for projects funded by this fund, and any monies specifically authorized. Funds are used for funding certain small and medium energy and water efficiency projects at state facilities.

Garden of Peace Trust Fund - to account for any monies specifically authorized for transfer into the fund and any public and private gifts, grants and donations for the operation of the Garden of Peace.

Cultural and Performing Arts Mitigation Trust Fund - to account monies transferred from the Gaming Revenue Fund, investment income and another monies to be credited to the fund. Funds shall be used to support programs of the Massachusetts Cultural Council.

MASSACHUSETTS DEPARTMENT OF TRANSPORTATION (MassDOT) FUNDS:

Massachusetts Transportation Trust Fund - to account for assessments, federal grants, departmental revenues, transfers and expenditures related to MassDOT.

Central Artery/Tunnel Project Repair and Maintenance Trust Fund - to account for any costs incurred in connection with the repairs and maintenance of the Central Artery and the Ted Williams Tunnel.

Motor Vehicle Safety Inspection Trust Fund - to account for motor vehicle inspection fees for administration and operation of safety inspection programs by the Registry of Motor Vehicles.

Transportation Infrastructure and Development Fund - to account for monies transferred from the Gaming Revenue Fund and all other monies credited or transferred to the fund from any other fund or source and proceeds from the investment of such funds. Any expenditures from this fund shall be solely for the purpose of transportation and related infrastructure projects.

The following funds have been enacted in legislation but were inactive in FY19 and are not presented in this report:

Regional Transit Authorities Forward Funding Trust Fund - to account for revenues allocated to support capital or other eligible activities for regional transit authorities.

MBTA Infrastructure Renovation Fund - to account for supplemental appropriations beyond the MBTA State and Local Contribution Fund for certain MBTA infrastructure improvements. Funds are to be used for, but not limited to, compliance with the American with Disabilities Act, elevator and escalator improvements, waterproofing, fare gates, signage, lighting and structural improvements.

Smart Growth Housing Trust Fund - to account for revenues from state surplus property sold for between \$25 million to \$50 million, appropriations, and monetary sanctions imposed by the department. Expenditures are for payments to communities for zoning incentive and density bonus payments related to smart growth or starter home zoning districts.

Natural Resources Damages Trust Fund - to account for gifts, grants and other contributions received to fund natural resources restoration projects.

Essential Community Provider Trust Fund - to account for amounts appropriated for transfers and interest earned by the fund; used for payments to acute care hospitals and community health centers.

Department of Mental Retardation Trust Fund - to account for any receipts from assessments, transfers for public facilities and any other FFP. Expenditures are for operating the intermediate care facilities and community residences serving individuals with mental retardation.

Agricultural Inspection and Infrastructure Trust Fund - to account for agricultural inspection fees, interest or investment earnings; and all other monies credited or transferred to the fund by law. Expenditures shall be for agricultural programs and costs related to the Agricultural Innovation Center.

Massachusetts Board of Higher Education Scholar-Internship Match Fund - to provide a match not to exceed \$5,000 per student, for industry scholarships given to Massachusetts students going on to study for a post-secondary degree at Massachusetts public higher education institutions.

District Local Technical Assistance Fund - to account for grants to regional planning agencies for technical assistance to municipalities and to develop a statewide permitting model. Technical assistance services funded by these grants shall include services for zoning, land use planning, conservation, public safety planning, information technology and statistical trend modeling.

Educational Rewards Grant Program Fund - to account for grants to students in accredited post-secondary certificate or vocational technology programs or associate degrees in targeted high-demand occupations.

Housing and Economic Development Trust Fund - to account for grants, bequests, gifts or contributions of cash or securities, or contributions of services or property in kind and all interest earned on monies in the trust. Expenditures shall be for operating costs of the executive office of housing and community development, operating costs of the Massachusetts marketing partnership, and costs associated with housing and economic development programs, grants and initiatives.

Climate Change Adaptation Infrastructure Investment Fund - to account for amounts credited or transferred to the fund, federal grants, loan repayments, investment earnings and any other amounts required to be credited to the fund. Amounts credited to the fund may be used for the operations of the division of waterways and the office of dam safety, the department of environmental protection, the department of fish and game and the office of coastal zone management and to provide grants or loans to agencies of the Commonwealth and local governmental bodies to finance or refinance costs of certain environmental or coastal projects.

Human Service Salary Reserve Fund - to account for funds transferred from the General Fund to provide a one-time subsidy to personnel earning less than \$40,000 in annual compensation who are employed by private human service providers that deliver human and social services under contracts with departments within the Executive Office of Health and Human Services and the Executive Office of Elder Affairs.

County Correction Deeds Fund - to account for approximately 7.5% of the deeds excise tax distributed to counties for the operation of county correctional facilities. With consolidation of counties into the Commonwealth in FY10, this fund became inactive in FY11.

Commonwealth Sewer Rate Relief Fund - to account for transfers of amounts from the General Fund or other funds; used for the purpose of mitigating sewer rate increases and making sewer rate relief grants to municipalities.

Gaming Licensing Fund - to account for the licensing fees of all gaming establishments but excluding initial application fees. Monies from this fund shall be transferred to various funds. This fund expired on December 31, 2015.

Securities Fraud Prosecution Fund - to account for criminal penalties, fines and settlements and any income from the investment of amounts credited to the fund. Expenditures from this fund are for investigations, enforcement of and dissemination of information about the Uniform Securities Act.

Flood Control Compact Fund - to account for any funds authorized and specifically designated to the fund plus any interest or investment earnings on any such monies. Expenditures shall be made for costs arising under any compact authorized by the general court, which may include reimbursing cities and towns or other states for flood control costs.

Public Records Assistance Fund - to account for revenues collected from punitive damages fines assessed to agencies or municipalities in violation of certain public record laws, appropriations, bond proceeds, gifts, grants, private contributions, operating transfers and earned investment income. To be used to provide grants to municipalities to support information technology capabilities and improve access to public records.

Olmsted Park Improvement Fund - to account for expenditures by the Department of Conservation & Recreation for the purposes of providing rehabilitation and improvement grants to cities and towns with an Olmsted Park within its municipal boundaries. The fund shall consist of public and private sources such as gifts, grants and donations, interest earned on revenues from gifts, grants and donations and any funds provided from other sources.

Municipal Epinephrine Bulk Purchase Trust Fund - to account for payments from participating cities and towns, appropriations, gifts, grants, donations, rebates and settlements. Funds shall be used for the purchase and distribution of epinephrine to first responder departments and the elementary and secondary schools in participating cities and towns.

State Parks Preservation Trust Fund - to account for revenues received from public and private gifts, grants, and donations, and from the federal government for preservation efforts. Funds shall be used for the purposes of maintaining and preserving all state-owned parks.

Abandoned Vessel Trust Fund - to account for revenues generated from the sale of abandoned vessels and any appropriations from the General Fund. Funds shall be used for removing abandoned vessels from public waterways.

Endowment Incentive Holding Fund - to account for the collection of private contributions into each higher education institution's recognized foundation. The commonwealth shall contribute funds to each institution's recognized foundation in an amount necessary to match private contributions in the current fiscal year.

Community Behavioral Health Promotion and Prevention Trust Fund - to account for any transfers into the fund and any public and private gifts, grants and donations. Funds shall be used to promote positive mental, emotional and behavioral health and to prevent substance use disorders among children and young adults.

Chestnut Hill Reservation Improvement Fund - to account for \$25,000 of the fair market value of an easement, any public and private gifts, grants and donations, transfers from other funds, and interest earned. Funds shall be used to make improvements to the Chestnut Hill Reservation. This fund will expire on December 30, 2020 and any funds remaining revert to the General Fund.

Civics Project Trust Fund - to account for monies specifically authorized for the fund, any public and private gifts, grants and donations, and interest earned. Funds shall be used to provide support to educators for teaching subjects promoting civic service.

Technical Rescue Services Fund - to account for compensation received under specific contracts, cost reimbursements, any monies specifically authorized for the fund, any public and private gifts, grants and donations, and interest earned. Funds shall be used for the maintenance and operation of technical rescue regions, technical rescue services and training, and the acquisition of technical rescue equipment.

Massachusetts Veterans and Warriors to Agriculture Program Fund - to account for appropriations, any public and private gifts, grants and donations, and interest earned. Funds shall be used to enhance the education, training, employment, income, productivity and retention of veterans currently working or aspiring to work in the agricultural field.

Global Warming Solutions Trust Fund - to account for appropriations, any public and private gifts, grants and donations, rebates, settlements, interest earned and any other revenues specifically credited to the fund. The fund is used to issue grants or loans to governmental, quasi-governmental or non-profit entities for costs incurred implementing the Clean Energy and Climate Plan related to climate change mitigation and adaptation.

Transfer of Development Rights Revolving Fund - to account for appropriations, any public and private gifts, grants and donations, rebates, settlements, interest earned and any other revenues specifically credited to the fund. Expenditures from the fund are to provide loans to municipalities for the acquisition of transferable development rights to protect conservation values and encourage development.

Childhood Lead Poisoning Prevention Trust Fund - to account for certain surcharges, appropriations, any public and private sources, gifts, grants, donations, and settlements. Funds shall be used to produce and distribute educational materials, train lead paint inspectors and homeowners to abate or contain lead paint.



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Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Lotteries			Gaming		Non-Budgeted Other Funds	
	Federal Grants	State Lottery and Gaming	State Arts Lottery	Gaming Control	Gaming Revenue	Catastrophic Illness in Children Relief	Commonwealth Care Trust
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ —	\$ 465	\$ —	\$ —	\$ 130,702	\$ —	\$ 130,014
Assessments	—	—	—	—	—	—	—
Federal grants and reimbursements.....	2,437,859	—	—	—	—	—	—
Departmental	—	5,607,494	36,672	38,076	35,500	—	247,296
Miscellaneous	—	8,101	161	—	—	—	—
Total revenues	2,437,859	5,616,060	36,833	38,076	166,202	—	377,310
Other financing sources:							
Issuance of current refunding bonds	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds.....	—	—	—	—	—	—	—
Operating transfers in	1,111	—	—	—	—	3,135	45,773
Medical assistance transfer	—	—	—	—	—	—	—
Total other financing sources	1,111	—	—	—	—	3,135	45,773
Total revenues and other financing sources	2,438,970	5,616,060	36,833	38,076	166,202	3,135	423,083
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary	2,414	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—
Secretary of the Commonwealth	892	—	—	—	—	—	—
Treasurer and Receiver-General	1,061	4,417,257	28,786	—	—	—	—
Attorney General	44,757	—	—	1,507	—	—	—
District Attorney	2,764	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	—
Sheriffs' Departments	2,809	—	—	—	—	—	—
Disabled Persons Protection Commission	762	—	—	—	—	—	—
Board of Library Commissioners	2,802	—	—	—	—	—	—
Massachusetts Gaming Commission	—	—	—	27,955	—	—	—
Comptroller	—	—	—	—	—	—	—
Administration and Finance	5,004	—	—	—	—	—	339,448
Energy and Environmental Affairs	39,126	—	—	—	—	—	—
Health and Human Services	440,974	—	—	915	—	2,503	—
Executive Office of Technology Services and Security	—	—	—	—	—	—	—
Massachusetts Department of Transportation	395	—	—	—	—	—	—
Executive Office of Education	1,015,652	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—
Public Safety and Security	109,358	—	—	60	—	—	—
Housing and Economic Development	530,229	—	—	—	—	—	—
Labor and Workforce Development	121,313	—	—	—	—	—	2,363
Debt service:							
Principal retirement	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—	—
Total expenditures	2,320,312	4,417,257	28,786	30,437	—	2,503	341,811
Other financing uses:							
Principal on current refundings	—	—	—	—	—	—	—
Fringe benefit cost assessment	69,080	11,512	—	2,927	—	196	441
Lottery operating reimbursements	—	107,289	—	—	—	—	—
Lottery distributions	—	1,080,002	8,047	—	—	—	—
Operating transfers out	47,713	—	—	2,985	156,421	75	19,461
Stabilization transfer	—	—	—	—	9,781	—	—
Total other financing uses	116,793	1,198,803	8,047	5,912	166,202	271	19,902
Total expenditures and other financing uses	2,437,105	5,616,060	36,833	36,349	166,202	2,774	361,713
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	1,865	—	—	1,727	—	361	61,370
Fund balances/(deficits) at beginning of year, as restated ..	(38,763)	—	—	3,639	—	5,320	83,445
Fund balances/(deficits) at end of year	\$ (36,898)	\$ —	\$ —	\$ 5,366	\$ —	\$ 5,681	\$ 144,815

See accountants' review report

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds							
	Community Hospital Reinvestment Trust	Non-Acute Care Hospital Reimburse ment Trust	Substance Use Disorder Federal Reinvestment Trust	Safety Net Provider Trust	Home Care Technology Trust	Dam and Seawall Repair or Removal	Department of Telecommunication and Energy Trust	Fingerprint- Based Background Check Trust
REVENUES AND OTHER FINANCING SOURCES								
Revenues:								
Taxes.....	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	12,309	—	—	—	—	5,547	—
Federal grants and reimbursements.....	—	4,915	35,581	—	—	—	—	—
Departmental	—	—	—	—	—	603	—	5,300
Miscellaneous	155	—	—	—	1,799	135	10	—
Total revenues	155	17,224	35,581	—	1,799	738	5,557	5,300
Other financing sources:								
Issuance of current refunding bonds	—	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds.....	—	—	—	—	—	—	—	—
Operating transfers in	10,000	—	—	171,640	—	—	—	—
Medical assistance transfer.....	—	—	—	—	—	—	—	—
Total other financing sources	10,000	—	—	171,640	—	—	—	—
Total revenues and other financing sources	10,155	17,224	35,581	171,640	1,799	738	5,557	5,300
EXPENDITURES AND OTHER FINANCING USES								
Expenditures:								
Judiciary	—	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—	—
Secretary of the Commonwealth.....	—	—	—	—	—	—	—	—
Treasurer and Receiver-General.....	—	—	—	—	—	—	—	—
Attorney General.....	—	—	—	—	—	—	—	—
District Attorney.....	—	—	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	—	—
Sheriffs' Departments.....	—	—	—	—	—	—	—	—
Disabled Persons Protection Commission.....	—	—	—	—	—	—	—	—
Board of Library Commissioners.....	—	—	—	—	—	—	—	—
Massachusetts Gaming Commission.....	—	—	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—	—	—
Administration and Finance	—	—	—	—	—	—	—	—
Energy and Environmental Affairs.....	—	—	—	—	—	—	4,714	—
Health and Human Services	—	10,703	11,002	167,599	908	—	—	—
Executive Office of Technology Services and Security.....	—	—	—	—	—	—	—	—
Cannabis Control Commission.....	—	—	—	—	—	—	—	—
Executive Office of Education.....	—	—	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—	—
Public Safety and Security	—	—	—	—	—	—	—	4,065
Housing and Economic Development.....	—	—	—	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—	—	—
Debt service:								
Principal retirement.....	—	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—	—	—
Total expenditures.....	—	10,703	11,002	167,599	908	—	4,714	4,065
Other financing uses:								
Principal on current refundings	—	—	—	—	—	—	—	—
Fringe benefit cost assessment	—	—	—	—	—	—	1,025	270
Lottery operating reimbursements.....	—	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—	—
Operating transfers out	—	—	—	—	—	—	103	111
Stabilization transfer	—	—	—	—	—	—	—	—
Total other financing uses	—	—	—	—	—	—	1,128	381
Total expenditures and other financing uses	—	10,703	11,002	167,599	908	—	5,842	4,446
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	10,155	6,521	24,579	4,041	891	738	(285)	854
Fund balances/(deficits) at beginning of year, as restated ..	835	427	2,927	—	—	5,596	3,544	5,185
Fund balances/(deficits) at end of year	\$ 10,990	\$ 6,948	\$ 27,506	\$ 4,041	\$ 891	\$ 6,334	\$ 3,259	\$ 6,039

See accountants' review report

Non-Budgeted Other Funds

Liability Management and Reduction	Medical Marijuana Trust	Essex Regional Emergency Communications Center	Dockside Testing Trust	Civil Monetary Penalty (CMP)	MBTA State and Local Contribution	Community Preservation Trust	Health Insurance Portability and Accountability Act	State Racing	Division of Professional Licensure Trust
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,053,201	\$ 23,174	\$ —	\$ 788	\$ —
—	—	576	—	—	170,120	—	—	680	—
—	—	—	—	—	—	—	8,537	—	—
2,319	6,967	—	—	2,516	—	—	—	453	11,144
32	—	—	—	—	—	156	—	569	—
2,351	6,967	576	—	2,516	1,223,321	23,330	8,537	2,490	11,144
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	10,000	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	10,000	—	—	—
2,351	6,967	576	—	2,516	1,223,321	33,330	8,537	2,490	11,144
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	1,223,321	—	—	—	—
68	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	563	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	2,535	—
1,582	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	33,838	—	—	30
—	2,655	—	173	312	—	—	13,634	70	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	18	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	8,978
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,650	2,673	563	173	312	1,223,321	33,838	13,634	2,605	9,008
—	—	—	—	—	—	—	—	—	—
31	386	24	27	—	—	13	250	236	1,616
—	—	—	—	—	—	—	—	—	—
—	21,730	9	10	—	—	5	64	182	515
—	—	—	—	—	—	—	—	—	—
31	22,116	33	37	—	—	18	314	418	2,131
1,681	24,789	596	210	312	1,223,321	33,856	13,948	3,023	11,139
670	(17,822)	(20)	(210)	2,204	—	(526)	(5,411)	(533)	5
1,868	17,822	58	436	7,322	—	21,281	9,211	1,556	4,854
\$ 2,538	\$ —	\$ 38	\$ 226	\$ 9,526	\$ —	\$ 20,755	\$ 3,800	\$ 1,023	\$ 4,859

continued

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds						
	Victims of Drunk Driving Trust	State Athletic Commission	Organ and Tissue Donor Registration	Department of Fire Services Hazardous Material Emergency Mitigation Response Recovery Trust	Registers Technological	County Registers Technological	State Election Campaign
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ —	\$ 126	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	—	—	—
Federal grants and reimbursements.....	—	—	—	—	—	—	—
Departmental	350	5	190	265	4,287	2,359	226
Miscellaneous	8	—	—	—	—	—	11
Total revenues	<u>358</u>	<u>131</u>	<u>190</u>	<u>265</u>	<u>4,287</u>	<u>2,359</u>	<u>237</u>
Other financing sources:							
Issuance of current refunding bonds	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds.....	—	—	—	—	—	—	—
Operating transfers in	—	—	—	—	—	—	—
Medical assistance transfer.....	—	—	—	—	—	—	—
Total other financing sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues and other financing sources	<u>358</u>	<u>131</u>	<u>190</u>	<u>265</u>	<u>4,287</u>	<u>2,359</u>	<u>237</u>
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—
Secretary of the Commonwealth.....	—	—	—	—	3,532	—	—
Treasurer and Receiver-General.....	—	—	—	—	—	—	—
Attorney General.....	211	—	—	—	—	—	—
District Attorney.....	86	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	1,088
Sheriffs' Departments.....	—	—	—	—	—	—	—
Disabled Persons Protection Commission.....	—	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—	—
Massachusetts Gaming Commission.....	—	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—	—
Administration and Finance	—	—	—	—	—	—	—
Energy and Environmental Affairs.....	—	—	—	—	—	—	—
Health and Human Services	—	—	198	—	—	—	—
Executive Office of Technology Services and Security.....	—	—	—	—	—	1,114	—
Massachusetts Department of Transportation	—	—	—	—	—	—	—
Executive Office of Education	—	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—
Public Safety and Security	—	—	—	198	—	—	—
Housing and Economic Development.....	—	76	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—	—
Debt service:							
Principal retirement.....	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—	—
Total expenditures.....	<u>297</u>	<u>76</u>	<u>198</u>	<u>198</u>	<u>3,532</u>	<u>1,114</u>	<u>1,088</u>
Other financing uses:							
Principal on current refundings	—	—	—	—	—	—	—
Fringe benefit cost assessment	2	23	—	—	446	—	—
Lottery operating reimbursements.....	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—
Operating transfers out	1	8	—	394	194	—	—
Stabilization transfer	—	—	—	—	—	—	—
Total other financing uses	<u>3</u>	<u>31</u>	<u>—</u>	<u>394</u>	<u>640</u>	<u>—</u>	<u>—</u>
Total expenditures and other financing uses	<u>300</u>	<u>107</u>	<u>198</u>	<u>592</u>	<u>4,172</u>	<u>1,114</u>	<u>1,088</u>
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	58	24	(8)	(327)	115	1,245	(851)
Fund balances/(deficits) at beginning of year, as restated ..	629	294	769	577	814	3,134	1,210
Fund balances/(deficits) at end of year	<u>\$ 687</u>	<u>\$ 318</u>	<u>\$ 761</u>	<u>\$ 250</u>	<u>\$ 929</u>	<u>\$ 4,379</u>	<u>\$ 359</u>

See accountants' review report

Non-Budgeted Other Funds									
Enhanced 911	Counsel for Indigent Salary Enhancement Trust	Special Projects Permitting and Oversight	Department of Energy Resources Credit Trust	School Modernization and Reconstruction Trust	Roche Community Rink	Health Care Workforce Transformation	Workforce Competitiveness Trust	Fire Prevention and Public Safety	Cigarette Fire Safety and Firefighter Protection Act Enforcement
\$ —	\$ —	\$ —	\$ —	\$ 893,200	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
128,216	—	2,537	—	—	47	—	—	—	1,065
551	—	—	—	—	—	—	—	—	11
128,767	—	2,537	—	893,200	47	—	—	—	1,076
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	6,175	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	6,175	—	—
128,767	—	2,537	—	893,200	47	—	6,175	—	1,076
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	893,200	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
7,333	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	2,363	1,657	—	—	—	—	—	—
59	—	—	—	—	—	258	—	—	—
343	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
79,380	—	—	—	—	—	—	—	21	976
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	1,060	—	—
—	—	—	—	—	—	—	—	—	—
87,115	—	2,363	1,657	893,200	—	258	1,060	21	976
—	—	—	—	—	—	—	—	—	—
3,621	—	179	—	—	—	—	—	—	36
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
2,094	—	86	1	—	—	—	—	2	19
—	—	—	—	—	—	—	—	—	—
5,715	—	265	1	—	—	—	—	2	55
92,830	—	2,628	1,658	893,200	—	258	1,060	23	1,031
35,937	—	(91)	(1,658)	—	47	(258)	5,115	(23)	45
110,670	2	7,130	1,701	—	546	258	1,763	75	1,588
\$ 146,607	\$ 2	\$ 7,039	\$ 43	\$ —	\$ 593	\$ —	\$ 6,878	\$ 52	\$ 1,633

continued

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds						
	Nursing and Allied Health Workforce Development Trust	Health Information Technology Trust	Build America Bonds Subsidy Trust	Housing Preservation and Stabilization Trust	Office of Refugees and Immigrants Trust	Veterans Independence Plus Initiative Trust	Environmental Police Trust
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	—	—	—
Federal grants and reimbursements	—	74,196	46,699	—	—	—	—
Departmental	288	—	—	—	101	67	572
Miscellaneous	—	—	—	—	—	—	—
Total revenues	288	74,196	46,699	—	101	67	572
Other financing sources:							
Issuance of current refunding bonds	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds	—	—	—	—	—	—	—
Operating transfers in	350	26,453	—	7,139	2	—	—
Medical assistance transfer	—	—	—	—	—	—	—
Total other financing sources	350	26,453	—	7,139	2	—	—
Total revenues and other financing sources	638	100,649	46,699	7,139	103	67	572
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—	—
Attorney General	—	—	—	—	—	—	—
District Attorney	—	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	—
Sheriffs' Departments	—	—	—	—	—	—	—
Disabled Persons Protection Commission	—	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—	—
Massachusetts Gaming Commission	—	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—	—
Administration and Finance	—	124	—	—	—	—	—
Energy and Environmental Affairs	—	—	—	—	—	—	252
Health and Human Services	363	96,905	—	—	56	21	—
Executive Office of Technology Services and Security	—	3,833	—	—	—	—	—
Massachusetts Department of Transportation	—	—	—	—	—	—	—
Executive Office of Education	—	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—
Public Safety and Security	—	—	—	—	—	—	—
Housing and Economic Development	—	—	—	5,345	—	—	—
Labor and Workforce Development	—	—	—	—	—	—	—
Debt service:							
Principal retirement	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	46,662	—	—	—	—
Total expenditures	363	100,862	46,662	5,345	56	21	252
Other financing uses:							
Principal on current refundings	—	—	—	—	—	—	—
Fringe benefit cost assessment	—	1,709	—	—	8	—	2
Lottery operating reimbursements	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—
Operating transfers out	101	147	—	—	2	—	22
Stabilization transfer	—	—	—	—	—	—	—
Total other financing uses	101	1,856	—	—	10	—	24
Total expenditures and other financing uses	464	102,718	46,662	5,345	66	21	276
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	174	(2,069)	37	1,794	37	46	296
Fund balances/(deficits) at beginning of year, as restated	362	(2,406)	8,778	12,912	109	3	31
Fund balances/(deficits) at end of year	\$ 536	\$ (4,475)	\$ 8,815	\$ 14,706	\$ 146	\$ 49	\$ 327

See accountants' review report

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds						
	Workforce Training Trust	Oil Overcharge	Substance Abuse Services	Victims of Human Trafficking Trust	Department of Public Utilities Storm Trust	Homeless Animal Prevention and Care	Horseneck Beach Reservation Trust
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes	\$ 25,131	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	459	—	—
Federal grants and reimbursements	—	—	—	—	—	—	—
Departmental	—	—	—	101	—	344	28
Miscellaneous	—	72	—	—	—	—	—
Total revenues	25,131	72	—	101	459	344	28
Other financing sources:							
Issuance of current refunding bonds	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds	—	—	—	—	—	—	—
Operating transfers in	—	—	—	—	—	—	—
Medical assistance transfer	—	—	—	—	—	—	—
Total other financing sources	—	—	—	—	—	—	—
Total revenues and other financing sources	25,131	72	—	101	459	344	28
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—	—
Attorney General	—	—	—	—	—	—	—
District Attorney	—	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	—
Sheriffs' Departments	—	—	—	—	—	—	—
Disabled Persons Protection Commission	—	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—	—
Massachusetts Gaming Commission	—	—	—	—	—	—	—
Comptroller	—	—	—	—	—	—	—
Administration and Finance	—	—	—	—	—	—	—
Energy and Environmental Affairs	—	2	—	—	247	335	27
Health and Human Services	—	—	59	—	—	—	—
Executive Office of Technology Services and Security	—	—	—	—	—	—	—
Massachusetts Department of Transportation	—	—	—	—	—	—	—
Executive Office of Education	—	—	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—
Public Safety and Security	—	—	—	—	—	—	—
Housing and Economic Development	—	—	—	—	—	—	—
Labor and Workforce Development	26,654	—	—	—	—	—	—
Debt service:							
Principal retirement	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—	—
Total expenditures	26,654	2	59	—	247	335	27
Other financing uses:							
Principal on current refundings	—	—	—	—	—	—	—
Fringe benefit cost assessment	761	—	—	—	80	17	—
Lottery operating reimbursements	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—
Operating transfers out	400	—	—	—	7	—	—
Stabilization transfer	—	—	—	—	—	—	—
Total other financing uses	1,161	—	—	—	87	17	—
Total expenditures and other financing uses	27,815	2	59	—	334	352	27
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	(2,684)	70	(59)	101	125	(8)	1
Fund balances/(deficits) at beginning of year, as restated	41,144	324	59	16	168	405	56
Fund balances/(deficits) at end of year	\$ 38,460	\$ 394	\$ —	\$ 117	\$ 293	\$ 397	\$ 57

See accountants' review report

Non-Budgeted Other Funds

Environmental Trust	Social Innovation Financing Trust	Children's Trust	Child Support Enforcement	Military Family Relief	Department of Industrial Accidents Special	Logan Airport Health Study Trust	State Public Health HIV and Hepatitis	Head Injury Treatment Services Trust	Board of Registration in Medicine Trust
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	20,751	—	—	—	—
—	—	—	22,620	—	—	—	—	—	—
685	—	—	3,346	232	6,329	—	122	5,576	9,322
53	—	5	216	4	69	—	2	13	—
738	—	5	26,182	236	27,149	—	124	5,589	9,322
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	9,100	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	9,100	—	—	—	—	—	—	—	—
738	9,100	5	26,182	236	27,149	—	124	5,589	9,322
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	188	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	4,662	—	23,631	—	—	—	—	—	—
1,178	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	76	94	6,590	7,915
—	—	—	—	—	—	—	—	—	—
—	—	4	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	250	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	1,025	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,178	4,662	4	23,819	250	1,025	76	94	6,590	7,915
—	—	—	—	—	—	—	—	—	—
90	—	—	1,924	—	5,084	—	—	—	1,775
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
35	—	1	748	—	20,730	—	—	—	683
—	—	—	—	—	—	—	—	—	—
125	—	1	2,672	—	25,814	—	—	—	2,458
1,303	4,662	5	26,491	250	26,839	76	94	6,590	10,373
(565)	4,438	—	(309)	(14)	310	(76)	30	(1,001)	(1,051)
2,255	10,983	196	8,255	656	15,243	90	207	5,389	9,327
\$ 1,690	\$ 15,421	\$ 196	\$ 7,946	\$ 642	\$ 15,553	\$ 14	\$ 237	\$ 4,388	\$ 8,276

continued

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds						
	Water Pollution Abatement and Drinking Water Projects Administration	Child Care Quality	Convention and Exhibition Center	Firearms Fingerprint Identity Verification Trust	Grant Anticipation Note Trust	Race Horse Development	Community Mitigation
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes	\$ —	\$ —	\$ 164,197	\$ —	\$ —	\$ —	\$ —
Assessments	—	—	—	—	—	—	—
Federal grants and reimbursements	6,737	—	—	—	571,822	—	—
Departmental	—	177	—	2,069	—	15,429	—
Miscellaneous	—	—	2,700	—	3,164	—	—
Total revenues	6,737	177	166,897	2,069	574,986	15,429	—
Other financing sources:							
Issuance of current refunding bonds	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds	—	—	—	—	—	—	—
Operating transfers in	—	—	—	—	30,151	2,445	6,358
Medical assistance transfer	—	—	—	—	—	—	—
Total other financing sources	—	—	—	—	30,151	2,445	6,358
Total revenues and other financing sources	6,737	177	166,897	2,069	605,137	17,874	6,358
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—	—
Attorney General	—	—	—	—	—	—	—
District Attorney	—	—	—	—	—	—	9
Office of Campaign and Political Finance	—	—	—	—	—	—	—
Sheriffs' Departments	—	—	—	—	—	—	400
Disabled Persons Protection Commission	—	—	—	—	—	—	—
Board of Library Commissioners	—	—	—	—	—	—	—
Massachusetts Gaming Commission	—	—	—	—	—	17,072	1,809
Comptroller	—	—	—	—	—	—	—
Administration and Finance	—	—	39,711	—	—	—	—
Energy and Environmental Affairs	3,979	—	—	—	—	—	—
Health and Human Services	—	—	—	—	—	—	—
Executive Office of Technology Services and Security	—	—	—	—	—	—	—
Massachusetts Department of Transportation	—	—	—	—	—	—	—
Executive Office of Education	—	—	—	—	—	—	338
Center for Health Information and Analysis	—	—	—	—	—	—	—
Public Safety and Security	—	—	—	1,163	—	—	—
Housing and Economic Development	—	—	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—	—
Debt service:							
Principal retirement	—	—	24,475	—	63,700	—	—
Interest and fiscal charges	—	—	30,126	—	36,793	—	—
Total expenditures	3,979	—	94,312	1,163	100,493	17,072	2,556
Other financing uses:							
Principal on current refundings	—	—	—	—	—	—	—
Fringe benefit cost assessment	1,328	—	—	—	—	—	14
Lottery operating reimbursements	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—
Operating transfers out	1,701	—	—	—	505,807	—	1
Stabilization transfer	—	—	—	—	—	—	—
Total other financing uses	3,029	—	—	—	505,807	—	15
Total expenditures and other financing uses	7,008	—	94,312	1,163	606,300	17,072	2,571
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	(271)	177	72,585	906	(1,163)	802	3,787
Fund balances/(deficits) at beginning of year, as restated	1,198	1,150	196,270	4,223	92,536	12,517	12,674
Fund balances/(deficits) at end of year	\$ 927	\$ 1,327	\$ 268,855	\$ 5,129	\$ 91,373	\$ 13,319	\$ 16,461

See accountants' review report

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Non-Budgeted Other Funds						
	Milk Producers Security	Commonwealth Security Trust	Organ Transplant	Municipal Police Training	Energy Facilities Siting Board Trust	Unified Carrier Registration Trust	Municipal Naloxone Bulk Purchase Trust
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments.....	—	—	—	—	—	—	—
Federal grants and reimbursements.....	—	—	—	—	—	—	—
Departmental.....	—	—	146	1,095	75	2,438	—
Miscellaneous.....	7	85	—	—	—	—	767
Total revenues.....	7	85	146	1,095	75	2,438	767
Other financing sources:							
Issuance of current refunding bonds.....	—	—	—	—	—	—	—
Bond premiums/(discounts) on current refunding bonds.....	—	—	—	—	—	—	—
Operating transfers in.....	—	—	—	—	94	500	—
Medical assistance transfer.....	—	—	—	—	—	—	—
Total other financing sources.....	—	—	—	—	94	500	—
Total revenues and other financing sources.....	7	85	146	1,095	169	2,938	767
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary.....	—	—	—	—	—	—	—
Inspector General.....	—	—	—	—	—	—	—
Governor and Lieutenant Governor.....	—	—	—	—	—	—	—
Secretary of the Commonwealth.....	—	—	—	—	—	—	—
Treasurer and Receiver-General.....	—	—	—	—	—	—	—
Attorney General.....	—	—	—	—	—	—	—
District Attorney.....	—	—	—	—	—	—	—
Office of Campaign and Political Finance.....	—	—	—	—	—	—	—
Sheriffs' Departments.....	—	—	—	—	—	—	—
Disabled Persons Protection Commission.....	—	—	—	—	—	—	—
Board of Library Commissioners.....	—	—	—	—	—	—	—
Massachusetts Gaming Commission.....	—	—	—	—	—	—	—
Comptroller.....	—	—	—	—	—	—	—
Administration and Finance.....	—	—	—	—	—	—	—
Energy and Environmental Affairs.....	—	—	—	—	—	1,572	—
Health and Human Services.....	—	—	27	—	—	—	946
Executive Office of Technology Services and Security.....	—	—	—	—	—	—	—
Massachusetts Department of Transportation.....	—	—	—	—	—	—	—
Executive Office of Education.....	—	—	—	—	—	—	—
Center for Health Information and Analysis.....	—	—	—	—	—	—	—
Public Safety and Security.....	—	—	—	—	—	—	—
Housing and Economic Development.....	—	—	—	—	—	—	—
Labor and Workforce Development.....	—	—	—	—	—	—	—
Debt service:							
Principal retirement.....	—	—	—	—	—	—	—
Interest and fiscal charges.....	—	—	—	—	—	—	—
Total expenditures.....	—	—	27	—	—	1,572	946
Other financing uses:							
Principal on current refundings.....	—	—	—	—	—	—	—
Fringe benefit cost assessment.....	—	—	—	—	—	458	—
Lottery operating reimbursements.....	—	—	—	—	—	—	—
Lottery distributions.....	—	—	—	—	—	—	—
Operating transfers out.....	—	—	—	—	—	42	—
Stabilization transfer.....	—	—	—	—	—	—	—
Total other financing uses.....	—	—	—	—	—	500	—
Total expenditures and other financing uses.....	—	—	27	—	—	2,072	946
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses.....	7	85	119	1,095	169	866	(179)
Fund balances/(deficits) at beginning of year, as restated.....	1,211	247	1,080	—	—	—	465
Fund balances/(deficits) at end of year.....	\$ 1,218	\$ 332	\$ 1,199	\$ 1,095	\$ 169	\$ 866	\$ 286

See accountants' review report

Non-Budgeted Other Funds					MassDOT			
Debt and Long-Term Liability Reduction Trust	Public Health Grant Trust	Commonwealth Facility Trust For Energy Efficiency	Garden of Peace Trust	Cultural and Performing Arts Mitigation Trust	Massachusetts Transportation Trust	Central Artery/Tunnel Project Repair and Maintenance Trust	Motor Vehicle Inspection Trust	Transportation Infrastructure and Development
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—	—
—	—	—	—	—	17,658	—	—	—
—	—	—	212	—	502,260	—	57,882	—
—	175	—	—	—	29,318	15,434	309	106
—	175	—	212	—	549,236	15,434	58,191	106
—	—	—	—	—	437,195	—	—	—
—	—	—	—	—	49,927	—	—	—
9,781	—	500	—	1,956	659,248	—	—	—
—	—	—	—	—	—	—	—	—
9,781	—	500	—	1,956	1,146,370	—	—	—
9,781	175	500	212	1,956	1,695,606	15,434	58,191	106
—	—	151	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	83	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	206	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	879	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	5,761	—	—	—
—	—	—	—	—	376	—	2,121	—
—	151	—	—	—	70	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	953,772	9,436	9,537	1,602
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	101	—	—	—
—	—	—	—	—	71	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	151	151	—	—	961,319	9,436	11,658	1,602
—	—	—	—	—	—	—	—	—
—	—	—	—	—	487,122	—	—	—
—	14	—	—	—	77,062	—	1,577	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	5	—	—	—	3,275	31,202	48,295	—
—	—	—	—	—	—	—	—	—
—	19	—	—	—	567,459	31,202	49,872	—
—	170	151	—	—	1,528,778	40,638	61,530	1,602
9,781	5	349	212	1,956	166,828	(25,204)	(3,339)	(1,496)
—	—	—	—	—	843,074	378,740	5,612	4,661
\$ 9,781	\$ 5	\$ 349	\$ 212	\$ 1,956	\$ 1,009,902	\$ 353,536	\$ 2,273	\$ 3,165

continued

Non-Budgeted Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Totals (Memorandum only)	
	2019	2018
REVENUES AND OTHER FINANCING SOURCES		
Revenues:		
Taxes.....	\$ 2,430,998	\$ 2,269,843
Assessments	896,066	806,095
Federal grants and reimbursements	3,560,594	3,488,353
Departmental	6,970,497	6,731,084
Miscellaneous	68,012	48,909
Total revenues	13,926,167	13,344,284
Other financing sources:		
Issuance of current refunding bonds	437,195	—
Bond premiums/(discounts) on current refunding bonds	49,927	—
Operating transfers in	1,029,534	939,573
Medical assistance transfer	363,078	579,944
Total other financing sources	1,879,734	1,519,517
Total revenues and other financing sources	15,805,901	14,863,801
EXPENDITURES AND OTHER FINANCING USES		
Expenditures:		
Judiciary	2,566	1,764
Inspector General	223	387
Governor and Lieutenant Governor	83	73
Secretary of the Commonwealth	4,424	5,710
Treasurer and Receiver-General	6,563,831	6,369,962
Attorney General	46,543	48,675
District Attorney	3,047	3,108
Office of Campaign and Political Finance	1,088	—
Sheriffs' Departments	11,984	14,362
Disabled Persons Protection Commission	762	571
Board of Library Commissioners	2,802	2,791
Massachusetts Gaming Commission	50,371	44,238
Comptroller	1,582	2,128
Administration and Finance	457,422	423,701
Energy and Environmental Affairs	125,546	123,529
Health and Human Services	2,293,626	2,517,235
Executive Office of Technology Services and Security	5,290	8,754
Massachusetts Department of Transportation	974,742	1,041,745
Executive Office of Education	1,016,983	1,009,933
Center for Health Information and Analysis	—	5
Public Safety and Security	195,590	223,318
Housing and Economic Development	553,902	539,198
Labor and Workforce Development	155,336	146,796
Debt service:		
Principal retirement	90,815	87,857
Interest and fiscal charges	115,196	107,750
Total expenditures	12,673,754	12,723,590
Other financing uses:		
Principal on current refundings	487,122	—
Fringe benefit cost assessment	190,755	185,564
Lottery operating reimbursements	107,289	103,136
Lottery distributions	1,088,049	983,108
Operating transfers out	870,522	690,996
Stabilization transfer	9,781	—
Total other financing uses	2,753,518	1,962,804
Total expenditures and other financing uses	15,427,272	14,686,394
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	378,629	177,407
Fund balances/(deficits) at beginning of year, as restated	2,078,845	1,891,339
Fund balances/(deficits) at end of year	\$ 2,457,474	\$ 2,068,746

See accountants' review report

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources used to acquire or construct major capital assets of the Commonwealth and to finance local governmental capital projects.

General Capital Projects Fund - to account for proceeds of bonds sold to fund the construction or acquisition of capital assets for general Commonwealth purposes, excluding highway construction and projects targeted for specific localities or purposes.

Convention and Exhibition Center Project Fund - to account for proceeds of bonds to finance the construction of a convention center in the City of Boston.

Capital Improvements and Investment Trust Fund - to account for the Commonwealth's reimbursement to cities and towns for expenses incurred for projects for construction and reconstruction of town and county ways.

Highway Capital Projects Fund - to account for the proceeds of bonds sold to finance construction of state highways and to fund the Commonwealth's share of Federally sponsored highway construction.

Federal Highway Construction Program - to account for federal highway construction grants which, with the Commonwealth's required share of matching funds, finance interstate highways and similar projects within Massachusetts to promote a nationwide highway system.

OTHER FUNDS:

Government Land Bank Capital Projects Fund - to account for proceeds of bonds used to finance the acquisition, holding, protection, maintenance, repair or use of lands and for personnel and the administrative costs of the Massachusetts Development Finance Agency.

Local Aid Capital Projects Fund - to account for the proceeds of bonds sold to finance the construction of correctional facilities, water pollution abatement projects and other local projects in specific localities of the Commonwealth.

MASSACHUSETTS DEPARTMENT OF TRANSPORTATION (MassDOT) FUND:

Central Artery Statewide Road and Bridge Infrastructure Fund - to account for bond proceeds, certain revenues from Registry of Motor Vehicle fees, (net of debt service expenditures) and payments from authorities. The purpose of expenditures from the fund is to meet the estimated additional costs associated with the Central Artery/Ted Williams Tunnel Project and for costs of the statewide road and bridge program.

The following funds have been enacted in legislation but were inactive in FY19 and are not presented in this report:

Capital Investment Trust Fund - to account for a transfer from the General Fund to finance appropriated items of a capital nature.

Transportation Deferred Maintenance Trust Fund - to account for funds transferred from various sources by the Secretary of Administration and Finance to design, construct, maintain and repair the Commonwealth's roads and bridges.

Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

	General Capital Projects	Convention and Exhibition Center Capital	Capital Improvements and Investment Trust	Highway Capital Projects
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Federal grants and reimbursements	\$ 65,357	\$ —	\$ —	\$ —
Departmental	—	—	—	—
Miscellaneous	—	—	—	5,398
Total revenues	65,357	—	—	5,398
Other financing sources:				
Issuance of general obligation bonds.....	1,120,401	—	—	687,235
Bond premiums (discounts) on general obligation bonds	175,179	—	—	127,414
Issuance of special obligation bonds	—	—	—	—
Bond premiums (discounts) on special obligation bonds	—	—	—	—
Issuance of current refunding bonds.....	242,813	—	2,649	491,094
Bond premiums (discounts) on current refunding bonds	39,745	—	400	84,673
Issuance of advance refunding bonds.....	—	—	—	—
Bond premiums (discounts) on advance refunding bonds.....	—	—	—	—
Operating transfers in	—	—	—	—
State share of federal highway construction.....	—	—	—	—
Total other financing sources	1,578,138	—	3,049	1,390,416
Total revenues and other financing sources	1,643,495	—	3,049	1,395,814
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Judiciary.....	11,432	—	—	—
Secretary of the Commonwealth	1,505	—	—	—
Treasurer and Receiver-General	41,228	—	—	—
Auditor of the Commonwealth	—	—	—	—
Attorney General	851	—	—	170
Ethics Commission.....	—	—	—	—
Sheriffs' Departments.....	3,800	—	—	—
Board of Library Commissioners	19,945	—	—	—
Administration and Finance.....	380,503	—	—	3,304
Energy and Environmental Affairs	208,436	—	—	3,159
Health and Human Services	114,259	—	—	—
Executive Office of Technology Services and Security	48,712	—	—	—
Massachusetts Department of Transportation.....	94,837	—	—	1,052,514
Executive Office of Education.....	91,104	—	—	—
Center for Health Information and Analysis.....	2,876	—	—	—
Public Safety and Security	40,118	—	—	—
Housing and Economic Development	447,262	—	—	—
Labor and Workforce Development	1,877	—	—	—
Total expenditures.....	1,508,745	—	—	1,059,147
Other financing uses:				
Payments to advance refunding bonds escrow	—	—	—	—
Principal on current refundings	282,558	—	3,049	575,767
Fringe benefit cost assessment	17,573	—	—	—
Operating transfers out	—	—	—	—
State share of federal highway construction.....	—	—	—	109,729
Total other financing uses	300,131	—	3,049	685,496
Total expenditures and other financing uses	1,808,876	—	3,049	1,744,643
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	(165,381)	—	—	(348,829)
Fund balances/(deficits) at beginning of year	223,926	8,393	—	(4,450)
Fund balances/(deficits) at end of year	\$ 58,545	\$ 8,393	\$ —	\$ (353,279)

See accountant's review report

Federal Highway Construction Program	Government Land Bank Capital Projects	Local Aid Capital Projects	MassDOT		Totals (Memorandum only)	
			Central Artery Statewide Road and Bridge Infrastructure		2019	2018
\$ 728	\$ —	\$ —	\$ —	\$ 66,085	\$ 99,001	
5,340	—	—	—	5,340	7,178	
—	—	—	1,361	6,759	3,359	
6,068	—	—	1,361	78,184	109,538	
—	500	—	—	1,808,136	1,734,443	
—	—	—	—	302,593	233,292	
—	—	—	—	—	650,000	
—	—	—	—	—	109,304	
—	—	22,570	59,705	818,831	602,425	
—	—	3,897	8,361	137,076	80,193	
—	—	—	—	—	526,180	
—	—	—	—	—	101,818	
505,807	—	—	31,202	537,009	490,981	
109,729	—	—	—	109,729	108,859	
615,536	500	26,467	99,268	3,713,374	4,637,495	
621,604	500	26,467	100,629	3,791,558	4,747,033	
—	—	—	—	11,432	12,302	
—	—	—	—	1,505	1,501	
—	—	—	—	41,228	45,643	
—	—	—	—	—	1,299	
—	—	—	—	1,021	973	
—	—	—	—	—	6	
—	—	—	—	3,800	3,027	
—	—	—	—	19,945	19,936	
—	—	—	—	383,807	439,483	
4,179	—	—	—	215,774	210,408	
100	—	—	—	114,359	62,810	
—	—	—	—	48,712	55,627	
605,811	—	—	5	1,753,167	1,811,028	
—	—	—	—	91,104	53,081	
—	—	—	—	2,876	4	
—	—	—	—	40,118	39,218	
—	500	—	—	447,762	428,192	
—	—	—	—	1,877	1,147	
610,090	500	—	5	3,178,487	3,185,685	
—	—	—	—	—	627,998	
—	—	26,467	68,066	955,907	682,618	
11,515	—	—	—	29,088	27,157	
—	—	—	—	—	11	
—	—	—	—	109,729	108,859	
11,515	—	26,467	68,066	1,094,724	1,446,643	
621,605	500	26,467	68,071	4,273,211	4,632,328	
(1)	—	—	32,558	(481,653)	114,705	
516	—	—	36,875	265,260	150,555	
\$ 515	\$ —	\$ —	\$ 69,433	\$ (216,393)	\$ 265,260	



Jennie Loitman Barron (1891 – 1969)

Jennie Loitman Barron was one of few women to attain a law degree during her time, and she made it a point to expand opportunities in law for women – arguing for women’s service on juries, and organizing a campaign to allow women to become notaries. In 1934, she was appointed assistant attorney general, and became the first woman to try a major criminal case in Massachusetts. In 1937, she became an associate justice of the Boston Municipal Court, the state’s first full-time female judge. And in 1957, she was appointed as the first female justice to the Massachusetts Superior Court, where she served for ten years.

Source: <https://bwht.org/downtown/>

Supplemental Information



Calculation of Transfers – Stabilization and Tax Reduction Funds

Schedule A – FY2019 Tax Revenues by Revenue Class

Schedule B – Calculation of Cap on Stabilization Fund

Schedule C – Detail of Elimination of Budgetary Inter Fund Activity

Non-Tax Revenue Initiatives

Schedule of Pension and Post Employment Health Benefits – Last Six Fiscal Years

See accountants' review report

Calculation of Transfers: Stabilization Fund*

Fiscal Year Ended June 30, 2019

(Amounts are in thousands)

This statement is prepared on the statutory basis of accounting pursuant to General Laws Chapter 29, Section 5c. It presents information contained in the official books and accounting records of the Commonwealth. Financial statements supporting this calculation are presented in the Financial Section of this report.

	General Fund	Commonwealth Transportation Fund	Local Capital Projects Fund	Education Fund	Gaming Economic Development Fund	Marijuana Regulation Fund	Underground Storage Tank Petroleum Product Cleanup Fund	Total
Budgeted Fund Undesignated Balances (Consolidated Net Surplus).....	\$ 387,733	\$ 231,634	\$ 105	\$ 276	\$ 275	\$ 2,699	\$ —	\$ 622,722
<u>Disposition of Consolidated Net Surplus per Section 81 of Ch. 41 of the Acts of 2019:</u>								
To the Massachusetts Life Sciences Investment Fund.....	(10,000)	—	—	—	—	—	—	(10,000)
To the Massachusetts Community Preservation Trust Fund.....	(20,000)	—	—	—	—	—	—	(20,000)
Remaining Consolidated Net Surplus to be Deposited in Stabilization Fund	<u>\$ 357,733</u>	<u>\$ 231,634</u>	<u>\$ 105</u>	<u>\$ 276</u>	<u>\$ 275</u>	<u>\$ 2,699</u>	<u>\$ —</u>	<u>\$ 592,722</u>

Stabilization Balance Reconciliation:

Balance as of July 1, 2018	\$ 2,001,299
Capital Gains Tax Transfers to Stabilization Fund during FY2019 per Chapter 29, Section 5G	848,399
Minus Capital Gains Tax Transfers from Stabilization Fund to State Pension and State Retiree Benefits Trust Funds	(84,840)
Transfer to Stabilization Fund from Abandoned Property Revenue Growth from Prior Fiscal Year	3,673
Transfer of certain tax revenues to the Stabilization Fund	429
Transfer of 10% of casino gaming tax revenue (MGM and Encore).....	6,231
Transfer of 10% of Encore casino fines.....	3,550
Stabilization Fund investment income.....	52,913
Remaining Consolidated Net Surplus Deposited in Stabilization Fund, per Calculation Above	592,722
Stabilization Fund Balance as of June 30, 2019	<u>\$ 3,424,376</u>
Memo: Change in Stabilization Fund Balance, FY18-19	\$ 1,423,077

* Excludes funds with no FY19 balances or activity

Note: Details may not add to totals due to rounding

Calculation of Transfers: Tax Reduction Fund

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

This statement is prepared pursuant to Chapters 29 Sections 2H and 2I of the Massachusetts General Laws, as amended. It is prepared on the statutory basis of accounting and presents information contained in the official books and accounting records of the Commonwealth. Supporting information is presented in individual schedules, as indicated, and in the Financial Section of this report.

The computation is as follows:

Part 1: Comparison of Stabilization Fund, after current fiscal year transfers, to 15% of budgeted revenues and other financial resources:

Undesignated fund balance in the Stabilization Fund	\$ 3,424,376
Allowable Stabilization Fund balance (per Schedule B).....	6,957,381
	<hr/>
Stabilization Fund excess, if any, transferable to Tax Reduction Fund.....	\$ —
	<hr/>

Part 2: Status of Stabilization Fund after transfers:

Stabilization Fund balance	\$ 3,424,376
Transfer to Tax Reduction Fund.....	—
	<hr/>
Stabilization Fund balance after transfer to Tax Reduction Fund	\$ 3,424,376
	<hr/>

Part 3: Status of Tax Reduction Fund after transfers:

Tax Reduction Fund balance	\$ —
Transfers from Stabilization Fund.....	—
	<hr/>
Tax Reduction Fund balance after transfers	\$ —
	<hr/>

Schedule A
FY2019 Tax Revenues by Revenue Class

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

Alcoholic beverages.....	\$ 86,195
Cigarette.....	439,822
Cigarette excise - Commonwealth Care	113,439
Corporations	2,946,667
Deeds	318,347
Estate and inheritance	601,306
Health care coverage penalty - Commonwealth Care	16,574
Income	17,109,259
Insurance.....	400,597
Motor and special fuels.....	775,463
Room occupancy	282,204
Sales and use.....	6,842,114
Club alcoholic beverages.....	926
Motor vehicle excise.....	77
Convention center surcharges.....	17,001
Community preservation	23,174
Satellite	8,605
Gaming revenue - Massachusetts Gaming Commission	130,702
State racing - Massachusetts Gaming Commission.....	788
Beano	1,162
Raffles and bazaars	1,123
Boxing.....	126
DOI excess and surplus lines.....	44,848
UI surcharge.....	25,131
Controlled substances	13,949
 FY 2019 state tax revenue	 <u><u>\$ 30,199,599</u></u>

This schedule is prepared on the statutory basis of accounting. It presents tax revenues as reported in the governmental funds of the Commonwealth. It differs from the schedule of tax collections prepared by the Comptroller, Commissioner of Revenue and State Auditor for calculations in accordance with Chapter 62F of the General Laws, as amended. The differences are due to 2/5ths of Beano revenue and the health care coverage penalty in the Commonwealth Care Fund, both of which are recognized on the statutory basis of accounting but are not accounted for on the schedule of tax collections prepared by the Department of Revenue.

Schedule B
Calculation of Cap on Stabilization Fund

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

Total revenues and other financial resources pertaining to the budgeted funds	\$ 48,375,847
Elimination of budgetary interfund activity exclusive of fund closure (per Schedule C)	<u>(1,993,305)</u>
Adjusted revenues and other financial resources pertaining to the budgeted funds	<u>46,382,542</u>
Allowable Stabilization Fund balance, 15% of budgeted revenue	<u><u>\$ 6,957,381</u></u>

Calculation of Stabilization Fund Cap as defined by Massachusetts General Laws Chapter 29 Section 2H.

Schedule C
Detail of Elimination of Budgetary Inter Fund Activity

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

Adjustments to revenues :		
Transfer to the Intragovernmental Service Fund.....	\$	(418,649)
Adjustments to other financing sources and uses:		
Fringe benefit cost assessments.....		(6,008)
Transfer from the Intragovernmental Service Fund to the General Fund		(3,453)
RMV license plates.....		(3,792)
Transfer from General Fund to the Commonwealth Transportation Fund.....		(120,000)
Transfer from budgeted funds to the Stabilization Fund.....		(1,441,121)
Other fund deficit support		(85)
Other		(197)
Elimination of budgetary interfund activity	\$	(1,993,305)

Non-Tax Revenue Initiatives

Fiscal Year Ended June 30, 2019
(Amounts in thousands)

Chapter 653 of the Acts of 1989, amended Chapter 29 of the Massachusetts General Laws by adding Sections 29D and 29E, which authorize certain non-tax revenue initiatives and require reporting thereon, as follows.

I. Debt Collection:

Pursuant to Massachusetts General Laws Chapter 29, Section D, Chapter 7A Section 8, allows private debt collection agencies to engage in debt collection for the Commonwealth. The fees paid are contingency-based from the proceeds collected. Collections and fees paid during FY19 were (amounts in thousands):

Department Collectors	Collections	Fees
Collecto, Inc.....	\$ 3,352	\$ 448
Premier Credit of North America, LLC.....	964	148
Delta.....	813	127
Allen Daniels	813	126
Financial Asset Management Systems, Inc	183	23
Linebarger, Goggan, Blair & Sampson, LLP.....	54	12
Total	<u>\$ 6,179</u>	<u>\$ 884</u>

Under the same program, the following amounts were collected and fees paid for the Institutions of Higher Education (these figures are as subset of the above) (amounts in thousands):

Department Collectors	Collections	Fees
Collecto, Inc	\$ 2,935	\$ 382
Delta	704	110
Premier Credit of North America, LLC	620	106
Allen Daniels.....	606	92
Total.....	<u>\$ 4,865</u>	<u>\$ 690</u>

II. Cost Avoidance:

The Comptroller's appropriation authorizes contract arrangements engaged on a contingent fee basis for the purpose of identification and pursuit of cost saving/avoidance opportunities. During FY19, the following amounts were generated (amounts in thousands):

State expenditures avoided	\$ 1,871
Contractor payments.....	(355)
Net cost savings/avoidance.....	<u>\$ 1,516</u>

III. Intercept:

Intercept is authorized by M.G.L. Chapter 7A Section 3 and 815 CMR 9:06. Intercept is an automated process that offsets Commonwealth payments to delinquent receivables that have been approved by the Office of the State Comptroller. FY19 activity (amounts in thousands):

Total Commonwealth intercepts	<u>\$ 16,004</u>
Amounts included above that were intercepted on behalf of the Institutions of Higher Education	<u>\$ 8,423</u>

Schedule of Pension and Other Post-Employment Health Benefits

(Amounts in thousands except for percentages)

Pension funding progress for the last six fiscal years

	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded Actuarial Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
State Employee's Retirement System						
Actuarial Valuation as of January 1, 2019	\$ 27,136,639	\$ 42,595,224	\$ 15,458,585	63.7%	\$ 6,354,473	243.3%
Actuarial Valuation as of January 1, 2018	26,248,250	40,456,611	14,208,361	64.9%	6,155,194	230.8%
Actuarial Valuation as of January 1, 2017	24,773,042	38,316,719	13,543,677	64.7%	5,927,012	228.5%
Actuarial Valuation as of January 1, 2016	23,465,963	36,966,278	13,500,315	63.5%	5,792,288	233.1%
Actuarial Valuation as of January 1, 2015	22,720,160	33,679,150	10,958,990	67.5%	5,591,911	196.0%
Actuarial Valuation as of January 1, 2014	21,581,133	30,679,600	9,098,467	70.3%	5,344,510	170.2%
Teachers' Retirement System						
Actuarial Valuation as of January 1, 2019	\$ 27,854,444	\$ 53,864,141	\$ 26,009,697	51.7%	\$ 7,074,960	367.6%
Actuarial Valuation as of January 1, 2018	27,057,700	51,653,285	24,595,585	52.4%	6,829,012	360.2%
Actuarial Valuation as of January 1, 2017	25,638,136	49,193,503	23,555,367	52.1%	6,583,871	357.8%
Actuarial Valuation as of January 1, 2016	24,593,787	46,562,807	21,969,020	52.8%	6,388,732	343.9%
Actuarial Valuation as of January 1, 2015	23,946,759	44,115,769	20,169,010	54.3%	6,204,274	325.1%
Actuarial Valuation as of January 1, 2014	22,940,196	40,741,695	17,801,499	56.3%	5,962,650	298.6%

For a complete analysis of the Commonwealth's actuarial valuation report, please go to <http://www.mass.gov/perac>. Alternatively, copies of the Commonwealth's actuarial valuation may be obtained by contacting the Massachusetts Public Employee Retirement Administration Commission, 5 Middlesex Avenue, Suite 304, Somerville, MA 02145. Telephone number: (617) 666-4446.

State Retiree Benefits Trust

The results of the January 1, 2019 Other Post-Employment Benefits (OPEB) Actuarial Valuation will be presented in the Comprehensive Annual Financial Report (CAFR) due to changes in accounting standards.

Statistical Section



Ten-Year Schedules – Statutory Basis

Higher Education Non-appropriated Funds – Statutory Basis

See accountants' review report

Ten-Year Schedule of Revenues and Other Financing Sources
All Governmental Fund Types - Statutory Basis

Fiscal Year Ended June 30, 2019
(Amounts in millions)

	2019	% Total	2018	% Total	2017	% Total	2016	% Total
Taxes	\$ 30,200	44.4	\$ 28,177	44.0	\$ 26,042	42.1	\$ 25,800	42.7
Federal reimbursements	12,961	19.1	12,536	19.5	11,801	19.1	11,528	19.1
Federal grants	2,438	3.6	2,428	3.8	2,370	3.8	2,363	3.9
Lotteries	5,652	8.3	5,441	8.5	5,257	8.5	5,407	8.9
Assessments	1,328	2.0	1,246	1.9	1,209	2.0	1,058	1.7
Motor vehicle licenses and registrations	566	0.8	565	0.9	546	0.9	546	0.9
Fees, investment earnings, etc	5,650	8.3	5,525	8.6	4,963	8.0	5,016	8.3
Proceeds of general and special obligation bonds and related premiums	2,111	3.1	2,727	4.3	3,136	5.1	3,003	5.0
Proceeds of refunding bonds	1,443	2.1	1,311	2.0	2,269	3.7	1,674	2.8
Other interfund transfers	5,624	8.3	4,202	6.5	4,233	6.8	4,067	6.7
Total revenues and other financing sources	<u>\$ 67,973</u>	<u>100.0</u>	<u>\$ 64,158</u>	<u>100.0</u>	<u>\$ 61,826</u>	<u>100.0</u>	<u>\$ 60,462</u>	<u>100.0</u>

2015	% Total	2014	% Total	2013	% Total	2012	% Total	2011	% Total	2010	% Total
\$ 25,239	44.4	\$ 23,665	43.6	\$ 22,396	43.8	\$ 21,384	42.7	\$ 20,776	38.2	\$ 18,792	40.3
10,287	18.1	9,265	17.1	9,078	17.8	8,931	17.8	10,151	18.6	9,374	20.1
2,269	4.0	2,328	4.3	2,396	4.7	2,655	5.3	3,097	5.7	3,134	6.7
5,194	9.1	5,050	9.3	5,043	9.9	4,941	9.9	4,632	8.5	4,629	9.9
1,033	1.8	1,079	2.0	1,018	2.0	986	2.0	960	1.8	971	2.1
546	1.0	495	0.9	487	1.0	474	0.9	497	0.9	463	1.0
4,409	7.8	4,252	7.9	3,858	7.5	3,580	7.2	3,461	6.4	2,828	6.0
3,404	6.0	2,262	4.2	1,512	3.0	1,921	3.8	2,306	4.2	1,672	3.6
707	1.2	722	1.3	231	0.5	480	1.0	947	1.7	538	1.2
3,748	6.6	5,093	9.4	4,982	9.8	4,731	9.4	7,618	14.0	4,233	9.1
<u>\$ 56,836</u>	<u>100.0</u>	<u>\$ 54,211</u>	<u>100.0</u>	<u>\$ 51,001</u>	<u>100.0</u>	<u>\$ 50,083</u>	<u>100.0</u>	<u>\$ 54,445</u>	<u>100.0</u>	<u>\$ 46,634</u>	<u>100.0</u>

Ten-Year Schedule of Tax Revenues by Source
All Governmental Fund Types - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in millions)

	2019	% Total	2018	% Total	2017	% Total	2016	% Total
Income.....	\$ 17,109	56.6	\$ 16,240	57.7	\$ 14,684	56.3	\$ 14,394	55.9
Sales and use.....	6,842	22.7	6,490	23.0	6,241	24.0	6,090	23.6
Corporations.....	2,947	9.8	2,409	8.5	2,196	8.4	2,333	9.0
Motor fuels.....	775	2.6	769	2.7	769	3.0	767	3.0
Cigarette and tobacco.....	553	1.8	594	2.1	619	2.4	641	2.5
Insurance.....	401	1.3	364	1.3	358	1.4	369	1.4
Estate and inheritance.....	601	2.0	473	1.7	337	1.3	399	1.5
Alcoholic beverages.....	86	0.3	85	0.3	84	0.3	83	0.3
Other.....	886	2.9	753	2.7	754	2.9	724	2.8
Total taxes.....	<u>\$ 30,200</u>	<u>100.0</u>	<u>\$ 28,177</u>	<u>100.0</u>	<u>\$ 26,042</u>	<u>100.0</u>	<u>\$ 25,800</u>	<u>100.0</u>

2015	% Total	2014	% Total	2013	% Total	2012	% Total	2011	% Total	2010	% Total
\$ 14,449	57.2	\$ 13,202	55.8	\$ 12,831	57.3	\$ 11,911	55.6	\$ 11,576	55.6	\$ 10,110	53.8
5,804	23.0	5,519	23.3	5,184	23.1	5,079	23.8	4,921	23.7	4,626	24.6
2,227	8.8	2,195	9.3	1,888	8.4	2,002	9.4	1,931	9.3	1,835	9.8
756	3.0	732	3.1	651	2.9	662	3.1	661	3.2	655	3.5
647	2.6	661	2.8	558	2.6	574	2.6	599	2.9	597	3.1
333	1.3	316	1.3	373	1.7	318	1.5	296	1.4	285	1.5
341	1.4	402	1.7	313	1.4	293	1.4	310	1.5	221	1.2
80	0.3	79	0.3	77	0.3	77	0.4	73	0.4	72	0.4
602	2.4	559	2.4	521	2.3	468	2.2	409	2.0	391	2.1
<u>\$ 25,239</u>	<u>100.0</u>	<u>\$ 23,665</u>	<u>100.0</u>	<u>\$ 22,396</u>	<u>100.0</u>	<u>\$ 21,384</u>	<u>100.0</u>	<u>\$ 20,776</u>	<u>100.0</u>	<u>\$ 18,792</u>	<u>100.0</u>

Ten-Year Schedule of Expenditures and Other Financing Uses by Secretariat

All Governmental Fund Types - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in millions)

	2019	% Total	2018	% Total	2017	% Total	2016	% Total
Legislature	\$ 68	0.1	\$ 68	0.1	\$ 67	0.1	\$ 61	0.1
Judiciary	997	1.5	933	1.5	929	1.5	896	1.5
Inspector General	5	—	4	—	4	—	4	—
Governor and Lieutenant Governor	7	—	7	—	7	—	7	—
Secretary of the Commonwealth	57	0.1	46	0.1	52	0.1	45	0.1
Treasurer and Receiver-General	6,849	10.3	6,631	10.5	6,314	10.3	6,485	10.7
Auditor of the Commonwealth	18	—	20	—	21	—	20	—
Attorney General	100	0.2	98	0.2	71	0.1	63	0.1
Ethics Commission	2	—	2	—	2	—	3	—
District Attorney	132	0.2	122	0.2	123	0.2	116	0.2
Office of Campaign and Political Finance	3	—	2	—	2	—	2	—
Sheriffs' Departments	674	1.0	637	1.0	624	1.0	616	1.0
Disabled Persons Protection Commission	5	—	4	—	3	—	3	—
Board of Library Commissioners	50	0.1	48	0.1	40	0.1	48	0.1
Massachusetts Gaming Commission	51	0.1	45	0.1	38	0.1	35	0.1
Comptroller	16	—	16	—	16	—	17	—
Administration and Finance	9,126	13.7	8,975	14.2	9,016	14.6	8,823	14.8
Energy and Environmental Affairs	598	0.9	565	0.9	543	0.9	627	1.0
Health and Human Services	25,325	38.1	24,438	38.2	23,037	37.6	22,579	37.3
Executive Office of Technology Services and Security ..	167	0.3	137	0.2	—	—	—	—
Transportation and Public Works	—	—	—	—	—	—	—	—
Massachusetts Department of Transportation	2,855	4.3	2,980	4.7	3,129	5.1	3,287	5.4
Office of the Child Advocate	1	—	1	—	1	—	1	—
Cannabis Control Commission	10	—	2	—	—	—	—	—
Executive Office of Education	3,604	5.4	3,353	5.3	3,280	5.3	3,320	5.5
Center for Health Information and Analysis	23	—	21	—	23	—	27	—
Public Safety and Security	1,462	2.2	1,430	2.3	1,406	2.3	1,396	2.3
Housing and Economic Development	1,585	2.4	1,500	2.4	1,359	2.2	1,320	2.2
Labor and Workforce Development	207	0.3	195	0.3	214	0.3	214	0.4
Post employment benefits	3,110	4.7	2,891	4.6	2,660	4.3	2,503	4.1
Debt service	2,533	3.8	2,519	4.0	2,479	4.0	2,470	4.1
Payments to advance refunding escrow agent/Principal on current refunding	1,443	2.2	1,311	2.1	2,269	3.7	1,674	2.8
Other fund deficit support	—	—	—	—	145	0.2	71	0.1
Other interfund transfers	5,421	8.1	4,412	7.0	3,677	6.0	3,685	6.1
Total expenditures and other financing uses	<u>\$ 66,504</u>	<u>100.0</u>	<u>\$ 63,414</u>	<u>100.0</u>	<u>\$ 61,550</u>	<u>100.0</u>	<u>\$ 60,417</u>	<u>100.0</u>

Schedule reflects changes in accordance with Article 87 reorganizations of the Massachusetts Constitution at various times over the last ten years at point of implementation.

2015	% Total	2014	% Total	2013	% Total	2012	% Total	2011	% Total	2010	% Total
\$ 60	0.1	\$ 56	0.1	\$ 57	0.1	\$ 58	0.1	\$ 58	0.1	\$ 59	0.1
852	1.5	831	1.5	802	1.5	780	1.6	788	1.5	788	1.7
5	—	6	—	6	—	3	—	3	—	4	—
7	—	5	—	6	—	7	—	5	—	5	—
52	0.1	53	0.1	50	0.1	43	0.1	46	0.1	54	0.1
6,224	11.1	5,893	10.9	5,867	11.3	5,847	11.7	5,610	10.6	5,483	11.5
21	—	19	—	19	—	18	—	17	—	17	—
56	0.1	53	0.1	50	0.1	53	0.1	51	0.1	53	0.1
2	—	2	—	2	—	2	—	2	—	2	—
111	0.2	108	0.2	108	0.2	101	0.2	97	0.2	96	0.2
2	—	1	—	1	—	1	—	3	—	1	—
595	1.1	571	1.0	543	1.0	532	1.1	511	1.0	378	0.8
3	—	2	—	2	—	2	—	2	—	2	—
49	0.1	45	0.1	41	0.1	34	0.1	34	0.1	34	0.1
21	—	23	—	14	—	1	—	—	—	—	—
20	—	18	—	14	—	13	—	14	—	15	—
8,832	15.9	8,862	16.3	8,665	16.8	7,456	14.9	7,206	13.7	7,040	14.9
628	1.1	561	1.0	490	0.9	456	0.9	482	0.9	529	1.1
20,398	36.0	18,649	34.1	17,447	34.1	17,632	35.1	17,737	33.5	16,044	33.8
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	509	1.1
3,248	5.8	2,914	5.4	2,439	4.7	2,323	4.6	2,278	4.3	1,542	3.2
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
3,218	5.7	3,130	5.8	2,952	5.7	3,030	6.0	3,225	6.1	3,184	6.7
28	—	25	—	9	—	—	—	1,172	2.2	1,308	2.7
1,350	2.4	1,313	2.4	1,324	2.6	1,236	2.5	—	—	—	—
1,281	2.3	1,251	2.3	1,214	2.3	1,203	2.4	1,283	2.4	1,245	2.6
223	0.4	237	0.4	300	0.6	390	0.8	428	0.8	403	0.8
2,287	3.9	2,109	3.7	1,990	3.8	1,892	3.8	1,839	3.5	1,749	3.7
2,507	4.5	2,410	4.4	2,351	4.5	2,272	4.5	2,128	4.0	2,117	4.5
707	1.3	722	1.3	230	0.4	388	0.8	540	1.0	538	1.1
89	0.2	168	0.3	—	—	—	—	65	0.1	—	—
3,409	6.2	4,673	8.6	4,752	9.2	4,352	8.7	7,272	13.8	4,373	9.2
<u>\$ 56,285</u>	<u>100.0</u>	<u>\$ 54,710</u>	<u>100.0</u>	<u>\$ 51,745</u>	<u>100.0</u>	<u>\$ 50,125</u>	<u>100.0</u>	<u>\$ 52,896</u>	<u>100.0</u>	<u>\$ 47,572</u>	<u>100.0</u>

**Ten-Year Schedule of Budgeted Funds Expenditures and Other Financing Uses by
Major Program Category**

Fiscal Year Ended June 30, 2019

(Amounts in millions)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Direct local aid	\$ 6,075	\$ 5,886	\$ 5,703	\$ 5,568	\$ 5,420	\$ 5,292	\$ 5,116	\$ 4,929	\$ 4,785	\$ 4,837
Medicaid	16,521	15,745	15,252	14,851	13,655	11,901	10,800	10,431	10,237	9,287
Other Health and Human Services	6,210	5,931	5,600	5,433	5,301	4,980	4,769	4,711	4,615	4,616
Elementary and Secondary Education	605	552	523	539	515	515	489	436	349	358
Higher Education	1,284	1,173	1,168	1,194	1,162	1,092	991	937	943	846
Early Education and Care	607	564	540	548	538	510	483	494	515	513
Public Safety and Security	1,168	1,102	1,060	1,066	1,041	1,010	960	930	905	1,053
Energy and Environmental Affairs	255	230	222	221	225	215	202	187	186	202
Post employment benefits	3,110	2,900	2,660	2,503	2,287	2,109	1,990	1,892	1,839	1,749
Group health insurance	1,644	1,634	1,663	1,630	1,665	1,403	1,278	1,206	1,130	1,064
Debt service	2,327	2,323	2,285	2,174	2,190	2,133	2,117	1,923	1,664	1,860
Major programs	39,806	38,039	36,676	35,727	33,999	31,160	29,195	28,076	27,168	26,385
Other program expenditures	3,563	3,113	3,235	3,241	3,326	3,294	3,007	2,899	2,851	2,999
Interfund transfers and other financing uses	3,434	2,945	1,908	1,959	1,527	3,200	3,149	2,515	5,520	1,810
Total expenditures and other financing uses	<u>\$ 46,803</u>	<u>\$ 44,097</u>	<u>\$ 41,819</u>	<u>\$ 40,927</u>	<u>\$ 38,852</u>	<u>\$ 37,654</u>	<u>\$ 35,351</u>	<u>\$ 33,490</u>	<u>\$ 35,539</u>	<u>\$ 31,194</u>

Ten-Year Schedule of Long-Term Bonds and Notes Outstanding

As of June 30, 2019

(Amounts in millions)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General obligation bonds	\$ 23,676	\$ 23,144	\$ 22,717	\$ 21,668	\$ 20,802	\$ 19,387	\$ 19,140	\$ 18,852	\$ 18,517	\$ 17,683
Grant anticipation notes*	685	748	738	657	700	531	449	610	766	991
Special obligation bonds	3,378	3,469	2,991	2,754	2,324	2,292	1,924	1,972	1,592	1,053
Commonwealth long-term bonds...	<u>\$ 27,739</u>	<u>\$ 27,361</u>	<u>\$ 26,446</u>	<u>\$ 25,079</u>	<u>\$ 23,826</u>	<u>\$ 22,210</u>	<u>\$ 21,513</u>	<u>\$ 21,434</u>	<u>\$ 20,875</u>	<u>\$ 19,727</u>

*Inclusive of cross-over refunding notes but exclusive of unamortized premiums.



Christa McAuliffe (1948 – 1986)

Framingham, Massachusetts native Christa McAuliffe, a schoolteacher, was selected from a pool of more than 11,000 applicants to become the first civilian in space. NASA officials say McAuliffe was chosen because of her infectious enthusiasm, and she eagerly galvanized public interest in the space program. McAuliffe was tasked with conducting classes from space that would be broadcast to millions of children back on earth. Tragically, seventy-three seconds into the Space Shuttle Challenger's flight, a leak caused the shuttle to break apart, killing McAuliffe and her six crewmembers.

Source: <https://cm-center.org/christa-mcauliffe>

HIGHER EDUCATION

NON-APPROPRIATED ACTIVITY

The Commonwealth's Public Institutions of Higher Education are allowed, by their enabling statutes, to collect, retain, and expend certain fees, rents, donations and other types of revenue. These financial resources are important elements in the overall financial operations of the respective institutions, and are in addition to amounts made available from appropriations. The Public Institutions of Higher Education include:

University of Massachusetts System - The University system includes the campuses at Amherst, Worcester, Boston, Lowell, Dartmouth and certain institutes and programs operated by the Office of the University President.

State University Systems - The State College and University Systems include the three state colleges, and six state universities, which provide four-year post-secondary education programs. These include:

- Bridgewater State University
- Framingham State University
- Fitchburg State University
- Massachusetts College of Art & Design
- Massachusetts Maritime Academy
- Massachusetts College of Liberal Arts
- Salem State University
- Worcester State University
- Westfield State University

Community College System - The Community College System includes the fifteen community colleges, which provide two-year post secondary education programs.

- Berkshire Community College
- Bunker Hill Community College
- Bristol Community College
- Cape Cod Community College
- Greenfield Community College
- Holyoke Community College
- Massasoit Community College
- Massachusetts Bay Community College
- Middlesex Community College
- Mount Wachusett Community College
- Northern Essex Community College
- North Shore Community College
- Quinsigamond Community College
- Roxbury Community College
- Springfield Technical Community College

Higher Education System
Combining Higher Education Non-Appropriated Activity - Statutory Basis

Fiscal Year Ended June 30, 2019

(Amounts in thousands)

				Totals	
	University of Massachusetts	State Universities and Colleges	Community Colleges	2019	2018
Revenues and other financing sources:					
Federal grants and reimbursements	\$ 305,952	\$ 62,296	\$ 151,949	\$ 520,197	\$ 517,513
Departmental revenue	1,608,975	624,838	381,102	2,614,915	2,479,663
Miscellaneous revenue	1,140,741	361,499	233,104	1,735,344	1,932,448
Total revenues and other financing sources	3,055,668	1,048,633	766,155	4,870,456	4,929,624
Expenditures and other financing uses:					
(by MMARS subsidiary):					
AA Regular employee compensation	781,588	185,640	142,129	1,109,357	1,106,336
BB Regular employee related expenses	22,098	6,423	3,349	31,870	29,146
CC Special employees and contracted services	273,866	144,144	180,993	599,003	589,919
DD Pension and insurance	228,452	58,821	30,444	317,717	323,304
EE Administrative expenditures	246,801	82,583	27,341	356,725	354,991
FF Facility operational supplies	141,063	17,896	14,458	173,417	162,109
GG Energy costs and space rental	138,946	42,618	29,999	211,563	208,471
HH Consultant services	176,775	15,877	15,765	208,417	192,257
JJ Operational services	59,595	43,283	14,538	117,416	99,127
KK Equipment purchase	32,037	5,066	6,263	43,366	37,931
LL Equipment leases, maintenance and repair	29,153	9,101	9,297	47,551	43,801
MM Purchased client services and programs	37,888	3,968	3,003	44,859	43,195
NN Construction and improvements	160,530	39,205	26,522	226,257	199,568
PP Aid to local governments	—	278	901	1,179	3,243
RR Benefit programs	261,063	114,806	155,303	531,172	697,787
SS Debt payment	28,313	17,104	3,301	48,718	33,328
TT Loans and special payments	190,775	123,021	25,162	338,958	429,659
UU Information technology (IT) expenses	87,167	32,372	28,647	148,186	148,608
Total expenditures and other financing uses	2,896,110	942,206	717,415	4,555,731	4,702,780
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	159,558	106,427	48,740	314,725	226,844
Fund balance at beginning of year	1,069,492	586,251	404,518	2,060,261	1,833,417
Fund balance at end of year	\$ 1,229,050	\$ 692,678	\$ 453,258	\$ 2,374,986	\$ 2,060,261

Note: Details might not add up due to rounding

University of Massachusetts
Combining Higher Education Non-Appropriated Activity - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Totals	
	2019	2018
Revenues and other financing sources:		
Federal grants and reimbursements	\$ 305,952	\$ 297,417
Departmental revenue	1,608,975	1,491,102
Miscellaneous revenue	1,140,741	1,267,970
Total revenues and other financing sources	3,055,668	3,056,489
Expenditures and other financing uses:		
(by MMARS subsidiary):		
AA Regular employee compensation	781,588	746,058
BB Regular employee related expenses	22,098	19,621
CC Special employees and contracted services	273,866	264,634
DD Pension and insurance	228,452	217,011
EE Administrative expenditures	246,801	245,595
FF Facility operational supplies	141,063	128,035
GG Energy costs and space rental	138,946	136,646
HH Consultant services	176,775	162,964
JJ Operational services	59,595	45,252
KK Equipment purchase	32,037	25,670
LL Equipment leases, maintenance and repair	29,153	28,231
MM Purchased client services and programs	37,888	35,977
NN Construction and improvements	160,530	134,819
RR Benefit programs	261,063	420,160
SS Debt payment	28,313	13,618
TT Loans and special payments	190,775	262,920
UU Information technology (IT) expenses	87,167	88,540
Total expenditures and other financing uses	2,896,110	2,975,751
Excess (deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	159,558	80,738
Fund balance at beginning of year	1,069,492	988,754
Fund balance at end of year	\$ 1,229,050	\$ 1,069,492

Note: Details might not add up due to rounding

State University and College System
Combining Higher Education Non-Appropriated Activity - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Bridgewater State University	Framingham State University	Fitchburg State University	Massachusetts College of Art
Revenues and other financing sources:				
Federal grants and reimbursements.....	\$ 16,854	\$ 6,788	\$ 8,620	\$ 2,703
Departmental revenue	144,138	61,275	66,798	38,695
Miscellaneous revenue	91,059	65,361	26,741	22,811
Total revenues and other financing sources	252,051	133,424	102,159	64,209
Expenditures and other financing uses:				
(by MMARS subsidiary):				
AA Regular employee compensation	73,945	10,821	19,506	11,089
BB Regular employee related expenses	1,442	445	547	486
CC Special employees and contracted services	44,901	10,969	15,505	6,256
DD Pension and insurance	26,757	3,408	6,016	864
EE Administrative expenditures	7,588	46,093	2,628	2,524
FF Facility operational supplies	2,045	1,168	1,438	1,306
GG Energy costs and space rental	5,545	3,448	4,404	2,091
HH Consultant services	1,934	1,022	1,271	1,530
JJ Operational services.....	12,592	7,057	4,466	2,927
KK Equipment purchase.....	1,380	452	632	611
LL Equipment leases, maintenance and repair	2,099	789	885	335
MM Purchased client services and programs.....	2,366	338	256	—
NN Construction and improvements	5,626	2,376	4,054	11,491
PP Aid to local governments	—	—	18	—
RR Benefit programs.....	31,261	10,368	10,642	9,952
SS Debt payment	2,051	494	—	—
TT Loans and special payments.....	18,722	12,474	23,618	9,698
UU Information technology (IT) expenses	6,605	3,375	4,475	2,028
Total expenditures and other financing uses	246,859	115,097	100,361	63,188
Excess (deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses.....	5,192	18,327	1,798	1,021
Fund balance at beginning of year	37,576	57,286	50,933	15,962
Fund balance at end of year	\$ 42,768	\$ 75,613	\$ 52,731	\$ 16,983

Note: Details might not add up due to rounding

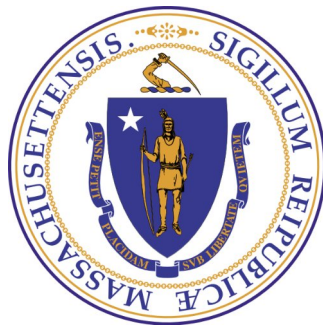
Massachusetts Maritime Academy	Massachusetts College of Liberal Arts	Salem State University	Worcester State University	Westfield State University	Totals	
					2019	2018
\$ 1,412	\$ 3,065	\$ 13,295	\$ 513	\$ 9,046	\$ 62,296	\$ 60,836
28,931	21,542	106,682	66,949	89,828	624,838	585,416
14,949	14,534	56,002	26,852	43,190	361,499	394,060
45,292	39,141	175,979	94,314	142,064	1,048,633	1,040,312
7,823	8,104	26,603	4,669	23,080	185,640	194,211
1,230	479	340	773	681	6,423	6,135
9,187	6,943	17,285	9,316	23,782	144,144	143,999
1,194	933	9,322	1,182	9,145	58,821	60,329
1,746	1,843	14,017	3,911	2,233	82,583	79,617
1,783	400	2,704	2,606	4,446	17,896	18,042
1,925	1,958	5,551	12,262	5,434	42,618	42,704
1,006	1,446	2,648	3,186	1,834	15,877	13,163
9,911	3,346	1,314	1,152	518	43,283	39,116
403	148	615	315	510	5,066	5,939
1,783	98	444	1,512	1,156	9,101	8,942
—	—	522	—	486	3,968	3,552
1,037	1,589	3,952	6,069	3,011	39,205	40,286
—	160	—	—	100	278	79
1,428	7,036	19,872	12,141	12,106	114,806	111,135
—	766	543	692	12,558	17,104	16,377
7,965	3,132	15,022	983	31,407	123,021	127,417
2,949	1,025	5,283	2,163	4,469	32,372	30,986
51,370	39,406	126,037	62,932	136,956	942,206	942,029
(6,078)	(265)	49,942	31,382	5,108	106,427	98,283
19,538	14,072	81,285	236,085	73,514	586,251	487,968
\$ 13,460	\$ 13,807	\$ 131,227	\$ 267,467	\$ 78,622	\$ 692,678	\$ 586,251

Community College System
Combining Higher Education Non-Appropriated Activity - Statutory Basis
Fiscal Year Ended June 30, 2019
(Amounts in thousands)

	Berkshire Community College	Bunker Hill Community College	Bristol Community College	Cape Cod Community College	Greenfield Community College	Holyoke Community College	Massasoit Community College
Revenues and other financing sources:							
Federal grants and reimbursements.....	\$ 3,651	\$ 23,457	\$ 14,936	\$ 5,290	\$ 2,809	\$ 10,533	\$ 14,504
Departmental revenue	8,494	52,830	33,992	11,849	10,739	12,863	29,207
Miscellaneous revenue	4,326	32,475	25,166	14,661	4,838	16,059	19,687
Total revenues and other financing sources	16,471	108,762	74,094	31,800	18,386	39,455	63,398
Expenditures and other financing uses:							
(by MMARS subsidiary):							
AA Regular employee compensation	1,453	38,331	9,707	5,202	2,655	6,176	9,508
BB Regular employee related expenses	144	258	356	170	17	294	146
CC Special employees and contracted services.....	5,107	18,137	25,625	10,649	5,246	7,827	18,751
DD Pension and insurance	582	3,086	3,792	2,380	1,000	1,907	3,659
EE Administrative expenditures	1,090	3,278	1,801	1,619	968	1,521	2,178
FF Facility operational supplies	381	1,196	1,189	318	188	975	1,033
GG Energy costs and space rental.....	757	4,356	3,494	2,068	948	2,525	1,266
HH Consultant services.....	584	1,421	789	422	388	661	1,255
JJ Operational services.....	664	1,514	519	424	344	1,120	439
KK Equipment purchase	195	1,012	466	177	131	197	378
LL Equipment leases, maintenance and repair	156	665	257	190	176	133	590
MM Purchased client services and programs.....	—	655	499	—	10	21	286
NN Construction and improvements	1,527	6,595	3,064	495	172	853	1,303
PP Aid to local governments	—	—	40	—	20	—	2
RR Benefit programs	946	25,797	16,120	6,062	3,765	13,202	9,751
SS Debt payment	14	245	—	—	—	193	945
TT Loans and special payments.....	1,580	—	1,606	5	141	—	4,927
UU Information technology (IT) expenses	1,139	6,234	2,173	1,340	577	2,710	2,175
Total expenditures and other financing uses	16,319	112,780	71,497	31,521	16,746	40,315	58,592
Excess (deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	152	(4,018)	2,597	279	1,640	(860)	4,806
Fund balance at beginning of year	2,893	25,448	14,391	23,740	2,686	13,734	38,215
Fund balance at end of year	\$ 3,045	\$ 21,430	\$ 16,988	\$ 24,019	\$ 4,326	\$ 12,874	\$ 43,021

Note: Details might not add up due to rounding

Massachusetts Bay Community College	Middlesex Community College	Mount Wachusett Community College	Northern Essex Community College	North Shore Community College	Quinsigamond Community College	Roxbury Community College	Springfield Technical Community College	Totals	
								2019	2018
\$ 7,552	\$ 17,702	\$ 797	\$ 8,957	\$ 12,934	\$ 13,675	\$ 4,358	\$ 10,794	\$ 151,949	\$ 159,260
19,180	31,826	27,763	35,654	32,875	43,925	7	29,898	381,102	403,145
12,666	26,075	15,392	18,992	15,458	2,458	10,474	14,377	233,104	270,418
39,398	75,603	43,952	63,603	61,267	60,058	14,839	55,069	766,155	832,823
1,197	7,996	19,451	8,718	23,198	7,002	—	1,535	142,129	166,067
151	618	200	289	128	15	37	526	3,349	3,390
7,042	25,138	8,400	14,649	7,944	14,511	3,101	8,866	180,993	181,286
590	2,863	2,430	3,392	1,590	2,366	52	755	30,444	45,964
2,047	1,494	2,284	1,358	1,443	2,168	1,242	2,850	27,341	29,779
531	1,571	1,124	1,097	1,125	856	690	2,184	14,458	16,032
2,158	2,771	770	2,660	1,186	3,117	849	1,074	29,999	29,121
1,360	1,318	917	498	2,082	959	1,067	2,044	15,765	16,130
—	3,096	1,109	1,896	219	1,069	1,098	1,027	14,538	14,759
—	962	361	112	373	488	63	1,348	6,263	6,322
—	1,577	1,490	315	175	467	114	2,992	9,297	6,628
261	—	756	—	101	—	—	414	3,003	3,666
2,484	—	3,523	1,278	1,187	896	512	2,633	26,522	24,463
—	—	187	—	652	—	—	—	901	3,164
8,908	318	1,134	20,479	11,692	16,379	5,380	15,370	155,303	166,492
34	—	366	334	1,170	—	—	—	3,301	3,333
—	16,214	347	—	—	337	5	—	25,162	39,322
2,147	1,450	68	2,282	1,677	3,276	910	489	28,647	29,082
28,910	67,386	44,917	59,357	55,942	53,906	15,120	44,107	717,415	785,000
10,488	8,217	(965)	4,246	5,325	6,152	(281)	10,962	48,740	47,823
31,935	23,251	8,201	7,034	16,015	12,547	20,807	163,621	404,518	356,695
\$ 42,423	\$ 31,468	\$ 7,236	\$ 11,280	\$ 21,340	\$ 18,699	\$ 20,526	\$ 174,583	\$ 453,258	\$ 404,518



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Commonwealth of Massachusetts



**STATUTORY BASIS FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019**