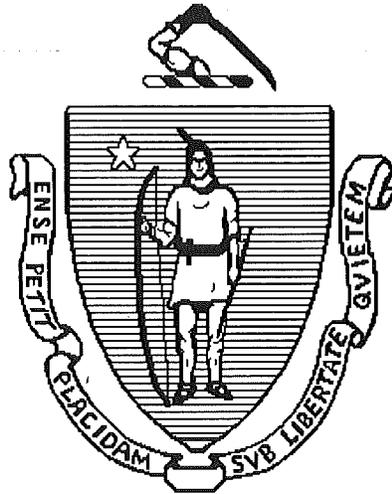


# Commonwealth of Massachusetts



## Statutory Basis Financial Report

*For the Fiscal Year Ended June 30, 1999*

Martin J. Benison, CGFM  
*State Comptroller*

Prepared by  
*The Financial Reporting and Analysis Bureau  
Office of the State Comptroller*

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# Statutory Basis Financial Report

For the Fiscal Year Ended June 30, 1999

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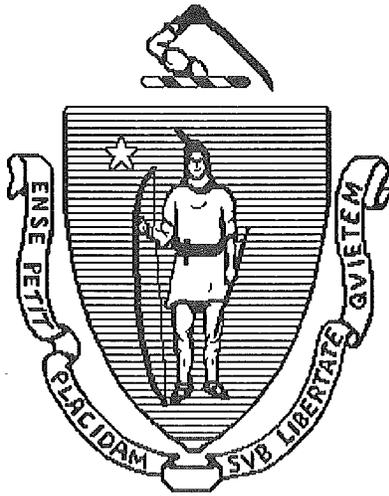
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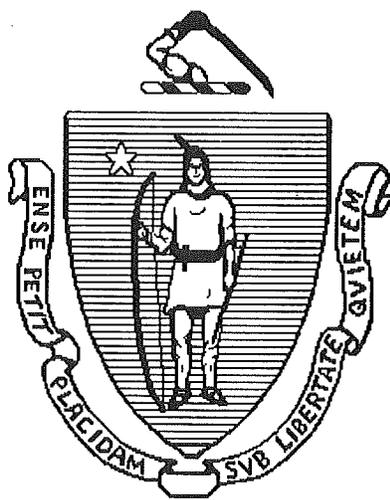
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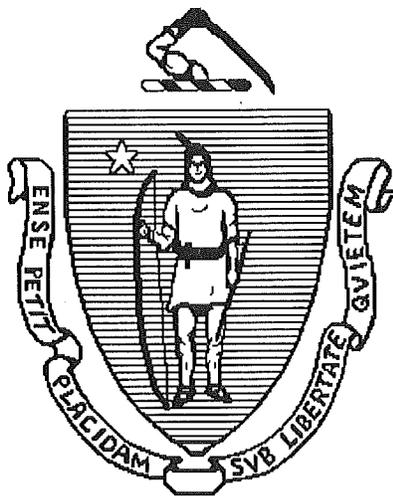
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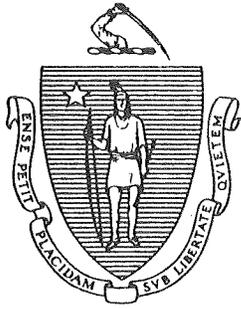
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*October 21, 1999*

*To the Citizens of the Commonwealth of Massachusetts,  
Governor Argeo Paul Cellucci, and Honorable Members of the General  
Court*



*Martin J. Benison, Comptroller  
One Ashburton Place  
Boston, MA 02108*

I am pleased to report that as of June 30, 1999, the financial condition of the Commonwealth remains sound. Nearly \$1.4 billion, or approximately 7% of budgeted revenues is in the Commonwealth's Stabilization Fund, sometimes called the "rainy day" fund. With the fund nearly at the maximum, the Commonwealth is preparing for that inevitable rainy day.

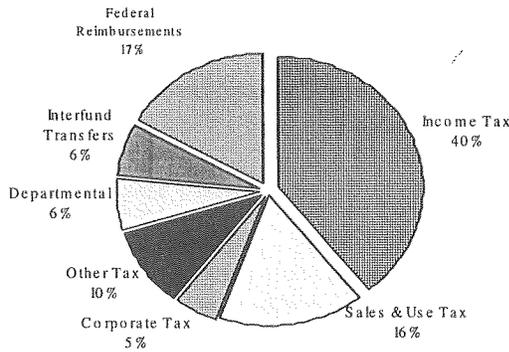
The fund balance in the budgeted funds at the end of the year reflects a prudent fiscal strategy. Year end transfers of budget surpluses were made to the capital projects funds to make strategic investments to manage the Commonwealth's capital budget; \$408.9 million was set aside to defease high interest debt that otherwise could not be refunded, \$118.6 million was set aside for new infrastructure projects that were not previously authorized, and \$110.4 million was transferred to capital projects to finance projects that would normally be funded with general obligation debt. After these transfers, \$2.1 billion, 14.8% of annual tax revenues remained in the Commonwealth's budgeted funds, including the \$1.4 billion in the Stabilization Fund.

In accordance with Massachusetts General Laws, the Office of the Comptroller transmits the Statutory Basis Financial Report, ("SBFR,") on or before October 31<sup>st</sup>. The SBFR report for fiscal year ended June 30, 1999 ("FY99") herein is audited by Deloitte & Touche, LLP, Independent Certified Public Accountants and represents the conclusion of financial activity and the closing of the Commonwealth's books on the Statutory basis of accounting for the fiscal year. This audit is conducted in conjunction with the State Auditor's Office which provides knowledge, expertise, experience, and resources to close and audit the year.

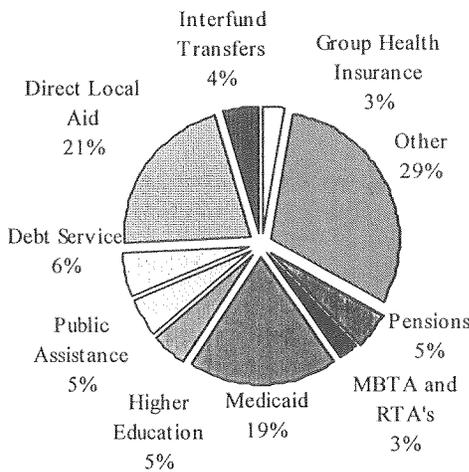
This report includes the budgeted funds, non-budgeted special revenue funds, capital project funds, fiduciary funds and the non-appropriated funds of higher education. The financial operations of these funds are maintained in the Massachusetts Management Accounting and Reporting System, ("MMARS.") The statewide accounting system 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, to present fairly the results of FY99 activity in the Commonwealth's funds. The report contains computations required by state finance law including the certification of the Stabilization Fund and Tax Reduction Fund. The statutory basis of accounting, defined in Massachusetts law is typically used to budget and control fiscal operations. The statutory basis of accounting is not in accordance with generally accepted accounting principles, ("GAAP,") as defined for governments by the Government Accounting Standards Board. I will report the Commonwealth's financial position on a GAAP basis in December, in our Comprehensive Annual Financial Report, ("CAFR.")

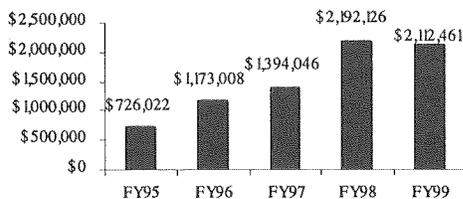
**Budgeted  
Revenues And Other Sources**



**Budgeted  
Expenditures And Other Uses**



**Budgeted Funds - Fund Balance  
(Amounts in thousands)**



**Budgeted Funds**

Uses of budgeted funds exceeded sources of budgeted funds, resulting in an "operating loss" of \$79.7 million. This is the result of \$637.9 million in transfers of year end surplus to fund future capital projects (\$229.0 million) and to defease high interest bond (\$408.9 million) that otherwise could not be defeased prior to maturity. More importantly, any gain or loss has to be viewed in a trend. Generally accepted standards indicate that a structural balance is achieved when revenues exceed expenditures over a period of multiple years. The \$229.0 million transferred for capital outlay allows the Commonwealth to sell less in bonds in the future to pay for capital costs. The funds for defeasance allow the Commonwealth to pay *less* in the future for capital costs already bonded. When viewed in an overall fiscal context, this is sound policy.

In FY99, budgeted revenues and other financing sources including transfers were essentially flat (increase of 1.8%) reflecting the implementation of a number of tax cuts that reduced tax revenues in excess of \$900 million. From a multi-year perspective, the proportion of revenue sources did not materially change from FY98 to FY99. Budgeted expenditures and other financing uses including transfers were up 6.5% from FY98 to FY99. The Budgeted Funds – Operations table on page 3 displays the FY99 budgeted funds, summarized and compared to FY98. Financial statements for each of the 62 individual budgeted funds are included in the financial section of this report.

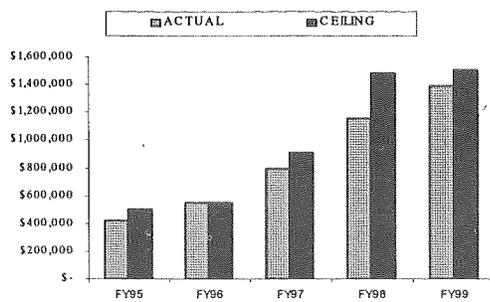
In conducting the budget process, the Commonwealth excludes those "interfund" transactions that, by their nature, have no impact on the combined fund balance of the budgeted funds. The table isolates this "interfund" activity from the budgeted sources and uses to align forecasts prepared during the budget process, to actuals in this report. For example, the table isolates the assessments on municipalities collected by the Commonwealth and paid to the MBTA and regional transit authorities. A detailed list of these interfund transfers is included in footnote 3.

The graph of Budgeted Funds – Fund Balance, shows the combined fund balance in the budgeted funds for the past five years. This "bottom line" perspective demonstrates the accumulation of resources attributable to balanced budgets over this period. The FY99 ending balance of \$2.1 billion is composed of four items. The aforementioned Stabilization Fund balance of \$1.4 billion is the largest component. The other components include \$386.9 million undesignated surplus available for appropriation in fiscal 2000, \$330.2 million reserved and designated for continuing appropriations and debt service, and the remaining \$6.8 million reserved for future tax reductions, subject to appropriation.

**Budgeted Funds - Operations**  
**(Amounts in thousands)**

	1998	1999
<b>Beginning fund balances:</b>		
Reserved and designated.....	\$ 225,151	\$ 286,348
Reserved for Tax Reduction .....	91,764	367,663
Reserved for Stabilization Fund.....	799,300	1,159,588
Undesignated.....	277,831	378,527
<b>Total.....</b>	<b>1,394,046</b>	<b>2,192,126</b>
<b>Revenues and other sources:</b>		
Taxes.....	14,026,256	14,291,463
Federal reimbursements.....	3,361,181	3,442,929
Departmental and other revenues.....	1,286,452	1,297,849
Interfund transfers from non-budgeted funds and other uses.....	1,125,950	1,132,863
<b>Budgeted revenues and other sources.....</b>	<b>19,799,839</b>	<b>20,165,104</b>
Mass transit assessments.....	155,610	159,916
Intragovernmental Service Fund revenues.....	84,958	96,860
Interfund transfers among budgeted funds and other sources.....	1,364,217	1,145,111
<b>Total revenues and other sources.....</b>	<b>21,404,624</b>	<b>21,566,991</b>
<b>Expenditures and other uses:</b>		
Programs and services.....	16,238,763	17,341,111
Debt service.....	1,213,363	1,173,815
Pension.....	1,069,771	990,211
Interfund transfers to non-budgeted funds and other uses.....	479,862	739,632
<b>Budgeted expenditures and other uses.....</b>	<b>19,001,759</b>	<b>20,244,769</b>
Payments of mass transit assessments.....	155,610	159,916
Intragovernmental Service Fund expenditures.....	84,958	96,860
Interfund transfers among budgeted funds and other uses.....	1,364,217	1,145,111
<b>Total expenditures and other uses.....</b>	<b>20,606,544</b>	<b>21,646,656</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses.....</b>	<b>798,080</b>	<b>(79,665)</b>
<b>Ending fund balances:</b>		
Reserved and designated.....	286,348	330,227
Reserved for Tax Reduction .....	367,663	6,818
Reserved for Stabilization Fund.....	1,159,588	1,388,523
Undesignated.....	378,527	386,893
<b>Total.....</b>	<b>\$ 2,192,126</b>	<b>\$ 2,112,461</b>

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

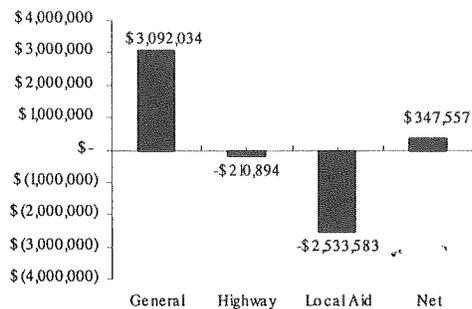


I cannot emphasize enough the importance of the balance in the Stabilization Fund and its direct correlation to the positive financial condition in the Commonwealth. State finance law, as amended during FY98, increased the maximum balance that may accumulate in the fund to a level of 7.5% of budgeted revenues and other sources. The law then directs that any amount in excess of this "cap" to be transferred to the Tax Reduction Fund. This "cap" for FY99 was \$1.5 billion.

The graph, Stabilization Fund Balance portrays this "cap" and the balance of the fund, over a five year period.

Despite the Commonwealth's positive financial condition, a few cautionary notes are merited. There are certain problems with the definitions in the state finance law, enacted in 1986 and continued with slight modifications to the present. A balanced budget, the "Consolidated Net Surplus," is defined as the combined undesignated component of the General, Local Aid, and Highway Funds. According to this restricted definition, fiscal balance *was* achieved in FY99 in the amount of \$347.6 million. However this definition excludes certain components of fund balance, such as reserves for continuing appropriations and the *entire balances* of other budgeted funds. This definition is idiosyncratic, having the potential to be misleading and confusing. The Commonwealth should adopt a more straightforward definition of fiscal balance.

**"Consolidated Net Surplus"**  
Prior to Transfers  
(Amounts in Thousands)



The calculation of deposits to the Stabilization Fund is also problematic. Under current law, the "Consolidated Net Surplus" in the General, Highway and Local Aid Funds is measured in comparison to 0.5% of state tax revenues. Any amount in excess of 0.5% of taxes is computed for transfer to Capital Project funds and for transfer to the Stabilization Fund. For the Stabilization Fund transfer, 60% is taken from the General Fund and 40% from the Local Aid Fund. Other funds in surplus, such as the Special Revenue Funds, *do not contribute* to the transfer. This is counterintuitive that the Local Aid Fund, which is in deficit, contributes to the transfer, thus becoming *more deficient*. State finance law should be amended to rationalize the contributions to the Stabilization Fund.

Further complicating this issue is the existence of a large number of "minor" budgeted funds. Over the past several years, dozens of new "minor" funds have been created. These funds split off revenues and expenditures previously accounted for as part of a major fund, such as the General Fund. The funds are currently excluded from the definition of fiscal balance and are likewise excluded from the contributions to the Stabilization Fund. A number of these funds have structural imbalances leading to chronic deficits. This trend to fragment the budget into such special interest funds should be addressed with a plan to either consolidate to a more reasonable number of funds or to include these funds in the definition of fiscal balance.

A final cautionary note pertains to the disposition of the accumulated surplus. Maintaining a prudent portion of the surplus in the strategic reserve, the Stabilization Fund, is paramount. The Legislature and the Governor now face the challenge to frame fiscal policy for the remainder of this surplus. There are numerous choices, each of which has long-term implications on how the Commonwealth maintains its positive financial position. These choices include one-time authorizations such as tax reduction, financing of capital projects, or continued annual appropriation for increased spending on programs. Whatever choices are made, it is important to maintain the long-term structural balance. Accumulated balances should not be committed entirely to purposes with ongoing spending requirements.

### ***Non-Budgeted Funds***

The Non-Budgeted Funds represent operations, in which the government has imposed its sovereign authority, and has excluded these operations from the annual budget process. During FY99, the Commonwealth maintained 26 of these funds, including funds for the Lottery, Federal Grants, Debt Defeasance, Grant Anticipation, Sewer Rate Relief, the Medical Security Trust Fund and Uncompensated Care Fund. These funds are commonly referred to as special or dedicated revenue funds whose specific revenues are matched to related expenditures.

The table on page 6, Non-Budgeted Funds – Operations, includes a summary of the FY99 non-budgeted funds. Financial statements for each of the individual funds are included in the financial section of this report. Several of these funds merit mentioning. At June 30, 1999, the Federal Grants Fund has a positive fund balance, but there is a deficiency in cash within the fund. This situation results in the Commonwealth drawing funds from the federal government a few days after applicable cash disbursements to assure an “interest neutral” timing of the federal – state cash exchange. These requirements were established by the Cash Management Improvement Act of 1990. Within the Lottery Funds, gross revenues continued to increase this fiscal year. Net income also increased, resulting in an increase of distributions to cities and towns of \$20.2 million.

**Non-Budgeted Funds - Operations**  
(Amounts in thousands)

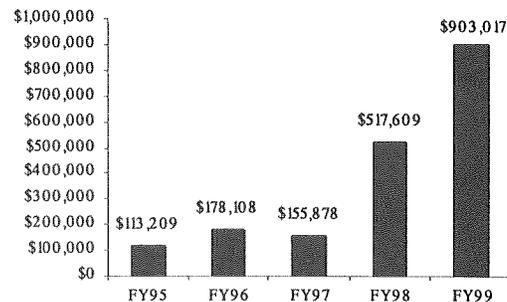
	1998	1999
Beginning fund balance.....	\$ 155,878	\$ 517,609
Revenues and other sources:		
Taxes.....	11,631	12,734
Assessments.....	261,650	269,555
Federal grants and reimbursements.....	1,482,709	2,017,000
Departmental and miscellaneous.....	3,955,294	4,107,227
Transfers and other sources.....	1,003,098	999,116
Total revenues and sources.....	6,714,382	7,405,632
Expenditures and other uses:		
Programs and services.....	4,675,102	4,837,590
Debt service.....	1,227	38,428
Transfers and other uses.....	1,676,322	2,154,206
Total expenditures and uses.....	6,352,651	7,020,224
Excess of revenues and sources over expenditures and uses.....	361,731	385,408
Ending fund balance.....	\$ 517,609	\$ 903,017

Federal Grant Anticipation Notes, ("GANS") activity related to the Central Artery / Tunnel project continued this year. During FY98, the Legislature authorized the issuance of up to \$1.5 billion in GANS to finance the current cash needs of the project. These GANS mature from between 7 to 17 years from the date of issuance and are redeemed by pledged future federal reimbursements. The GANS are not considered general obligation debt of the Commonwealth. Activity related to issuance of GANS and the accumulation of pledged funds and the payment of debt service is accounted for in the Grant Anticipation Note Trust Fund. The \$244.7 million balance in the fund represents \$49.1 million held for payment of interest on the GANS and \$195.6 million of proceeds held by the Treasurer to be released in the coming months as expenditures are incurred.

The universal health care funds, established in 1988, including the Uncompensated Care, Labor Shortage and Medical Security Trust Funds have annual revenue in excess of \$1.0 billion. They also have a combined fund balance of over \$223.6 million. Finally, the Sewer Rate Relief Fund ended the fiscal year with a fund balance of \$14.7 million.

The graph Non-Budgeted Funds – Fund Balance shows the combined fund balance in Non-Budgeted Funds for the past five years. In each year, the entire balance is designated for the specific purpose of the fund. The large increase in fund balance was the result of the statutory transfer of \$408.9 million to the Debt De-feasance Fund from the budgeted funds. These funds were used in September of 1999 to defease high interest General Obligation Debt. Four dormant funds have been abolished over the past two years, including the JFK Library, the Park Fund, the Freight Rail Fund and Passenger Rail Fund. These dormant funds had accumulated balances, but no activity. More consolidation and elimination is needed. For example, the Government Land Bank Fund has a chronic structural fund deficit. The FY99 deficit balance of \$35.1 million represents an unbudgeted drain on the General Fund. The Government Land Bank Fund should be abolished and the deficit transferred into the General Fund. A periodic reexamination of all non-budgeted funds represents sound financial practice.

*Non-Budgeted Funds - Fund Balance*  
(Amounts in thousands)



### *Capital Projects Funds*

The purpose of these funds is to construct or acquire capital, assets for governmental use. The Governor may propose capital outlay budgets, which, upon enactment by a two-thirds vote of the Legislature and approval by the Governor, become capital outlay acts. Numerous acts may be combined for reporting in an individual Capital Projects Fund, but each act is accounted separately within the Capital Project Fund. These accounts, record authorizations for expenditures in itemized capital appropriation accounts and equivalent authorizations to issue bonds or notes in anticipation of federal reimbursements.

Certain funds or accounts may also be authorized by law to receive other revenues. A situation such as this occurs upon transfers of surplus from the Budgeted Funds. At the conclusion of FY98, \$189.2 million from the year's surplus was transferred to the Capital Investment Trust Fund. An additional \$118.6 million was transferred in FY99. This fund supports capital projects without the need to issue bonds. In addition, the amount of \$110.4 million was transferred from the Budgeted Funds as part of the surplus disposition calculation to provide financing to Capital Projects Funds.

The structure of these funds is 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 authorization for expenditures. Imbalances due to timing differences develop when the outflow (expenditure) precedes the inflow of funds from the sale of bonds or federal reimbursements. Because of federal tax arbitrage rules, the sale of bonds is

discouraged in anticipation of expenditures, contributing to this imbalance. As a result, these funds report not only temporary fund deficits, but cash deficits as well.

A significant portion of the Capital Projects activity relates to the Central Artery / Tunnel project. Pursuant to statute and agreement with the Massachusetts Turnpike Authority, (the "MTA,") and the Massachusetts Port Authority ("MassPort") these entities have committed to significant on going contributions to the Commonwealth as part of the financing for this project. The tables to the right show the payment received for the past four fiscal years and future anticipated payments. These funds are in addition to funds from the Commonwealth and federal funds for the project.

**Capital Projects Funds - Operations**  
(Amounts in thousands)

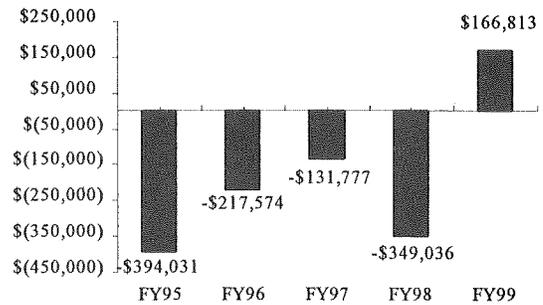
	1998	1999
Beginning fund deficits.....	\$ (131,777)	\$ (349,036)
Revenues and other sources:		
Federal grants and reimbursements.....	785,241	6,354
Departmental and miscellaneous.....	832	11,805
Payment from Authorities.....	112,515	1,082,234
General obligation financing.....	766,953	1,014,806
Special obligation financing.....	100,059	-
Proceeds of refunding bonds.....	861,793	498,792
Transfers from budgetary surplus.....	111,571	110,414
Transfer for Capital Projects Funds.....	696,650	985,030
Transfer for Federal Reimbursements.....	-	577,975
Transfers and other sources.....	550,672	685,182
Total revenues and other sources.....	3,986,286	4,972,592
Expenditures and other uses:		
Acquisition of assets.....	2,663,419	2,848,330
Payments to refunded bond escrow.....	861,793	498,792
Transfers and other uses.....	678,333	1,109,621
Total expenditures and other uses.....	4,203,545	4,456,743
Excess (deficiency) of revenues and other sources over expenditures and uses.....	(217,259)	515,849
Ending fund balance (deficit).....	\$ (349,036)	\$ 166,813

The Capital Projects Funds – Operations. includes the FY99 Capital Projects Funds, summarized and compared to FY98. Financial statements for each of the individual funds are included in the financial section of this report. The graph Capital Projects Funds – Fund Balance (deficits) shows the combined fund balance in Capital Projects Funds for the past five years.

The Commonwealth has a practice of pooling cash from all governmental funds, so the short-term cash deficits in the Capital Projects Funds create a drain on the Commonwealth's overall cash flow. The five-year graph shows the effect of elapsed time between capital expenditures and the sale of related debt. In FY99 the combined balance in the Capital Projects Funds was positive as a result of the budgeted surpluses set aside to fund future capital project. The Commonwealth could have issued additional, authorized bonds in the amount of \$294.7 million. Had such action been taken, individual fund deficits would have been reduced and cash balances would have increased by that amount.

The Administration has implemented a coordinated fiscal strategy for the management of Capital Projects Funds. This strategy includes a five-year capital budget linked to debt management and cash management. The focus of this strategy is to manage capital spending and outstanding debt, to levels the Administration considers appropriate for the Commonwealth. An important part of the strategy is to control capital spending within an annual administrative "cap." As additional capital outlays have been enacted and significant projects such as the Central Artery / Tunnel Project have been authorized, it becomes more challenging to restrain spending to such limits is increasing. Strategies to manage this situation, such as alternative financing for capital projects as exemplified by the MTA and Massport's participation in the Central Artery / Tunnel Project and the judicious use of operating surpluses, should continue.

**Capital Projects Funds -  
Fund Balance Deficit  
(Amounts in thousands)**



**Estimate and Actual Payments  
from the Authorities  
(Amounts in thousands)**

Fiscal Year	MTA	MassPort
<b>Actual</b>		
1996	\$ 100,000	\$ -
1997	-	-
1998	100,000	12,100
1999	1,055,000	31,000
Total	<u>\$ 1,255,000</u>	<u>\$ 43,100</u>
<b>Estimated</b>		
2000	100,000	52,200
2001	-	-
2002	-	-
2003	-	105,000
2004	-	50,000
2005	-	50,000
2006	-	-
Total	<u>\$ 100,000</u>	<u>\$ 257,200</u>
Total	<u>\$ 1,355,000</u>	<u>\$ 300,300</u>

### *Fiduciary Funds (Excluding Agency Funds)*

The fiduciary funds record the Commonwealth's responsibility for assets it controls on behalf of other parties. Examples of such funds are the Unemployment Compensation and Pension Trust Funds. The following table, which excludes assets, held on a purely custodial capacity in so-called Agency Funds, summarizes the FY99 activity of the Fiduciary Funds. Over 92% of this Fiduciary Fund activity is related to the Commonwealth's Pension Fund detailed in fund statements found in this report.

On October 26, 1998, the Commonwealth updated its pension valuation and that valuation is the basis for the current funding schedule. Details of this valuation are outlined in footnote 10.

On April 28, 1999, a pension valuation report prepared by independent actuarial consultants to the Pension Reserves Investment Management ("PRIM") Board was released. Using the same data and assumptions employed by the Public Employee Retirement Administration Commission ("PERAC") in its October, 1998 valuation report, the independent report finds the unfunded actuarial liability to be \$7.8 billion rather than \$5.8 billion. The new study did not re-evaluate the earlier findings with respect to cost-of-living increases granted for local systems prior to July, 1997. Neither PERAC nor the independent consultants to the PRIM Board have yet determined the source of the differences. PERAC expects to work with actuarial firms to determine the source of the differences and to conduct additional validation tests on its new actuarial software.

#### **Fiduciary Fund - Operations (Amounts in thousands)**

	1998	1999
Beginning fund balance.....	\$ 20,888,042	\$ 25,123,216
Revenues and other sources:		
Taxes.....	1,092,698	883,503
Federal reimbursements.....	28,930	29,335
Departmental and other revenues.....	1,773,290	1,776,578
Interfund transfers and other sources.....	81,875	9,295
Investment earnings.....	3,435,381	2,904,495
Total revenues and sources.....	6,412,174	5,603,206
Expenditures and other uses:		
Expenditures.....	2,094,295	2,268,725
Interfund transfers.....	82,705	70,250
Total expenditures and uses.....	2,177,000	2,338,975
Excess of revenues and sources over expenditures and uses....	4,235,174	3,264,231
Ending fund balance.....	\$ 25,123,216	\$ 28,387,447

**Non-Appropriated Funds of Higher Education**

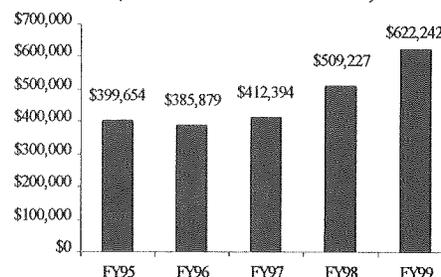
The SBFR includes the financial operations of the non-appropriated funds of the 25 Institutions of Higher Education in the Statistical Section of the report. Over the past few years, significant efforts have been taken by our office and the institutions to improve the accuracy and timeliness of this Higher Education segment of the financial report. 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.

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

	1998	1999
Beginning fund balance.....	\$ 412,394	\$ 509,227
Revenues and other sources:		
Federal Grants and reimbursements.....	220,672	200,149
Departmental and miscellaneous.....	980,267	866,700
Transfers and other sources.....	327,839	383,842
Total revenues and other sources.....	1,528,778	1,450,691
Expenditures and other uses:		
Programs and services.....	1,174,447	973,214
Transfers and other uses.....	257,498	364,462
Total expenditures and uses.....	1,431,945	1,337,676
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	96,833	113,015
Ending fund balance.....	\$ 509,227	\$ 622,242

The Non-Appropriated Funds for Higher Education – Operations includes the FY99 funds, summarized and compared to FY98. Financial statements for each of the individual funds are included in the statistical section of this report. The graph Non-Appropriated Funds for Higher Education – Fund Balance shows the combined fund balance for the past five years. The combined balance represents \$500.9 million for the University of Massachusetts, \$69.1 million for the State College system and \$52.1 million for the Community Colleges. These balances are designated for specific purposes, such as restrictions on endowments or other specialized purposes specified by the funding contributions.

Non-Appropriated Funds of Higher Education - Fund Balance  
(Amounts in Thousands)



### *Other Observations*

In February of 1999, the Attorney General investigated an alleged embezzlement scheme in the Office of the State Treasurer between 1992 and 1999. On February 22, 1999, the State Treasurer, the State Auditor and the Comptroller convened a task force to make recommendations to the State Treasurer, with respect to checking accounts then managed with manually printed checks at local printers in the State Treasurer's Office. The task force issued recommendations on March 31, 1999, designed to minimize or eliminate the potential for errors, loss or theft. These recommendations have been implemented by the State Treasurer.

The alleged theft of funds at the Treasury reminds us of the need for constant vigilance against attacks on Commonwealth systems and controls. It is important to note that these alleged violations of law occurred in accounts outside the Commonwealth's centralized systems. The Commonwealth's centralized systems include numerous checks and controls designed to deter just such an attack. When these thefts were first identified the Treasurer took immediate actions to curtail activity in these accounts. The Treasurer continues to work with the Office of the State Auditor and this office to transfer activity to the Commonwealth's MMARS systems where appropriate and to institute stronger controls in accounts that remain in stand alone systems.

### *Conclusions And Recommendations*

Building upon the observations in this letter, a detailed review of these financial statements suggests the need for action to further improve and strengthen state finance law and fiscal practice.

**The Commonwealth must constantly monitor and update its systems and controls.** To this end the Office of the Comptroller has begun a multi-pronged effort to improve controls throughout the Commonwealth. This effort must continue.

**The Commonwealth should adopt a more straightforward definition of fiscal balance including all of the budgeted funds.** The existence of numerous budgeted funds tends to fragment the budget process and introduces unwarranted complexities into the policy debate.

**Funds with significant deficits**  
(Amounts in thousands)

	1998	1999	% increase
Local Aid.....	\$(1,939,756)	\$(2,581,361)	33%
Toxic Use Reduction .....	(1,850)	(4,608)	149%
Environmental Permitting and Compliance			
Assurance .....	(21,700)	(26,947)	24%
Environmental Law			
Enforcement .....	(1,311)	(1,872)	43%
Marine Fisheries .....	(2,739)	(3,814)	39%
Second Century.....	(3,367)	(4,124)	22%
Victimand Witness			
Assistance.....	(3,894)	(5,653)	45%
Intercity Bus Capital			
Assistance .....	(6,388)	(7,084)	11%
Government Land Bank...	(34,496)	(35,097)	2%

**The Commonwealth should eliminate funds that have chronic deficits.** The table identifies nine funds with significant deficits that continued to grow during FY99 and where no plan exists to bring them into balance. The structure of these funds should be changed to balance revenues with expenses or the funds should be eliminated and their activity consolidated into the General Fund.

**The management of spending to the administratively capped debt limit should continue.** The Commonwealth has committed to an extensive capital projects agenda and great discipline will be needed to assure spending on these projects is matched with financing from bonds, federal reimbursement, transfer of budgetary surplus and financial participation from component units. Assuring proper balance between outflows and inflows, and limiting the segment funded by bonds to the administratively imposed limit, will be a major challenge.

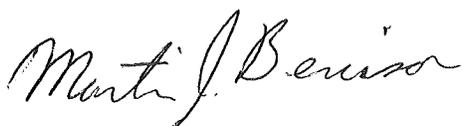
**The Commonwealth should continue to emphasize optimization of both tax and non-tax revenues.** This state-wide campaign has generated nearly \$180 million in revenues since fiscal 1996. The revenue optimization strategy should continue.

**The Commonwealth must continue its investment in information technology as a source of solutions to its business problems.** Significant opportunities exist to improve the productivity of the administration of government, and technology projects will yield a substantial and favorable return on investment. This issue became increasingly evident with the resolution of the "Y2K" issue that has faced the Commonwealth. Through a two-year effort established by the Executive Office for Administration and Finance within its Information Technology Division, the Commonwealth is well prepared for the change in the millennium on January 1, 2000. This effort demonstrated that many of these compliance changes were just patches and continued investment will always be needed.

I express my thanks and appreciation to the many dedicated people in the Office of the Comptroller who have supported me so strongly for the past nine months. You have made FY99 a successful year. I am grateful to Governor Cellucci and Lieutenant Governor Swift for the trust they have placed in me. We will continue to put forward our best efforts so that this trust is well founded.

I wish to conclude by dedicating this report to William Kilmartin, who served as Comptroller from 1988 through 1998. Bill's leadership in the areas of financial management and technology over these past ten years has brought fundamental changes to the Commonwealth that will bring continued benefits for years to come. Bill's personal integrity and dedication to public service serve as a model to which all public servants can aspire. His friendship, professional advice and guidance were instrumental in preparing me to step forward in the role of Comptroller.

Respectfully submitted,

A handwritten signature in cursive script that reads "Martin J. Benison". The signature is written in dark ink and is positioned above the printed name and title.

Martin J. Benison  
Comptroller

## CONSTITUTIONAL OFFICERS

Argeo Paul Cellucci  
*Governor*

Jane M. Swift  
*Lieutenant Governor*

William F. Galvin  
*Secretary of State*

Thomas F. Reilly  
*Attorney General*

Shannon P. O'Brien  
*Treasurer and Receiver-General*

A. Joseph DeNucci  
*Auditor*

## LEGISLATIVE OFFICERS

Thomas F. Birmingham  
*President of the Senate*

Thomas M. Finneran  
*Speaker of the House*

## JUDICIAL OFFICERS

Margaret H. Marshall  
*Chief Justice, Supreme Judicial Court*

Joseph P. Warner  
*Chief Justice, Appeals Court*

Barbara A. Dortch-Okara  
*Chief Justice for Administration and Management, Trial Court*

**REPORT PREPARED BY:**

Eric S. Berman, CPA  
*Deputy Comptroller*

Monica Middleton  
*Administrative Assistant*

**Financial Reporting And Analysis Bureau:**

Bhavdeep J. Trivedi, CGFM  
*Director*

Marybeth D. Shaughnessy, CPA, CGFM  
*Assistant Director*

John Haran, CPA, CGFM  
*Accountant*

Pauline Lieu, CPA, CGFM  
*Accountant*

Neil Gouse, CGFM  
*Accountant*

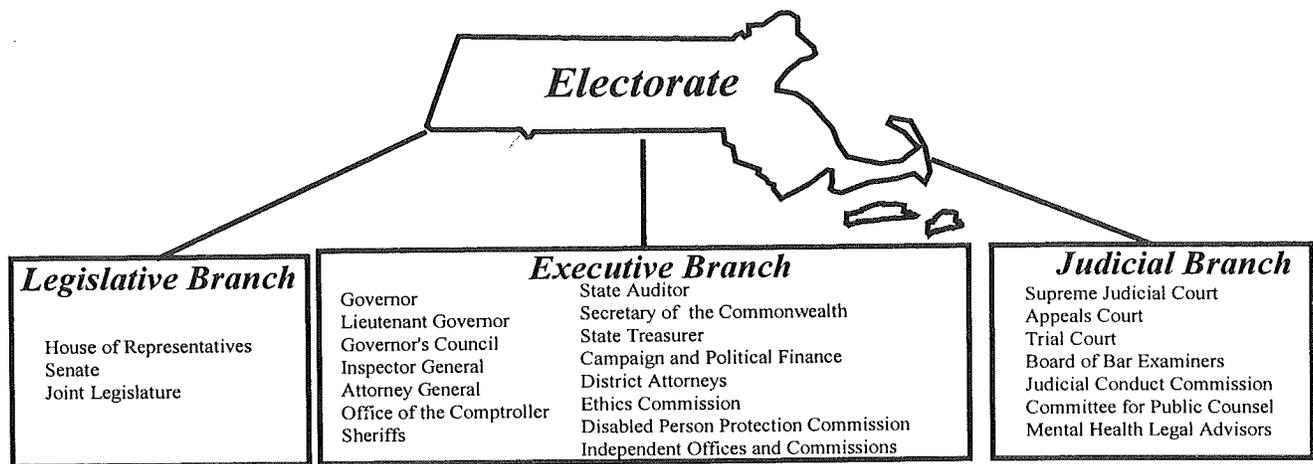
Cathy DiGianni  
*Administrative Secretary*

Christopher Yarde  
*Intern*

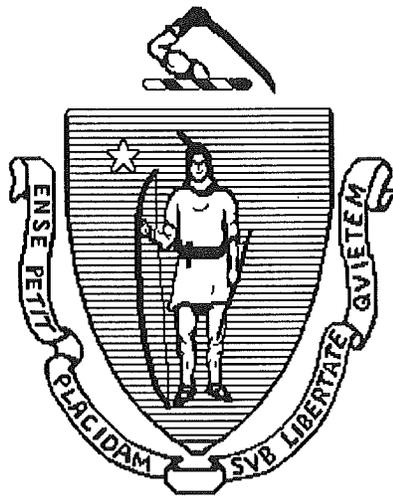
James Powers, CPA  
*Special Projects*

Lauren Johnson  
*Layout and Design*  
*Director Resource Management*

Jobie Nastanski  
*Analyst*



<b>State Agencies</b>		
<p><b><u>Administration and Finance</u></b> Executive Office Secretary of Administration and Finance Developmental Disabilities Appellate Tax Board Fiscal Affairs Division Division of Operational Services Civil Service Commission Department of Revenue Department of Veteran Services Division of Administrative Law Appeals Division of Capital Asset Management and Maintenance Group Insurance Commission Commission Against Discrimination Teachers' Retirement Board Public Employee Retirement Administration Commission Human Resource Division Information Technology Division Massachusetts Office on Disability Bureau of State Buildings George Fingold Library</p> <p><b><u>Public Safety</u></b> Executive Office of Public Safety Architectural Access Board Committee on Criminal Justice Criminal History Systems Board Criminal Justice Training Council Department of Correction Department of Public Safety Department of Police Governor's Highway Safety Bureau Massachusetts Emergency Management Agency Merit Rating Board Military Division Chief Medical Examiner Parole Board Registry of Motor Vehicles Board of Building Regulations Department of Fire Services</p>	<p><b><u>Economic Development</u></b> Department of Economic Development Division of Housing &amp; Community Development</p> <p><b><u>Education</u></b> Department of Education Higher Education University System State and Community Colleges</p> <p><b><u>Elder Affairs</u></b> Executive Office of Elder Affairs</p> <p><b><u>Environmental Affairs</u></b> Executive Office of Environmental Affairs Department of Food and Agriculture Department of Environmental Management Department of Environmental Protection Fisheries and Wildlife Environmental Law Enforcement Metropolitan District Commission State Reclamation Board Low Level Radioactive Waste</p> <p><b><u>Transportation and Construction</u></b> Executive Office of Transportation and Construction Massachusetts Aeronautics Commission Massachusetts Highway Department</p>	<p><b><u>Health and Human Services</u></b> Executive Office of Health and Human Services Department of Mental Health Department of Mental Retardation Department of Public Health Department of Social Services Department of Transitional Assistance Department of Youth Services Division of Medical Assistance Massachusetts Commission for the Blind Massachusetts Commission for the Deaf and Hard of Hearing Massachusetts Rehabilitation Commission Office for Child Care Services Office for Refugees and Immigrants Soldier's Home Chelsea, Holyoke Division of Health Care Finance &amp; Policy</p> <p><b><u>Labor</u></b> Department of Labor &amp; Work Force Development Conciliation and Arbitration Division of Industrial Accidents Joint Labor Management Commission Labor Relations Commission Division of Employment and Training</p> <p><b><u>Consumer Affairs</u></b> Office of Consumer Affairs &amp; Business Regulations Board of Medicine Department of Telecommunications and Energy Division of Banks Division of Insurance Division of Registration Division of Standards State Racing Commission Alcoholic Beverages Control Commission Division of Energy Resources</p>



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**ADVISORY BOARD TO THE COMPTROLLER**

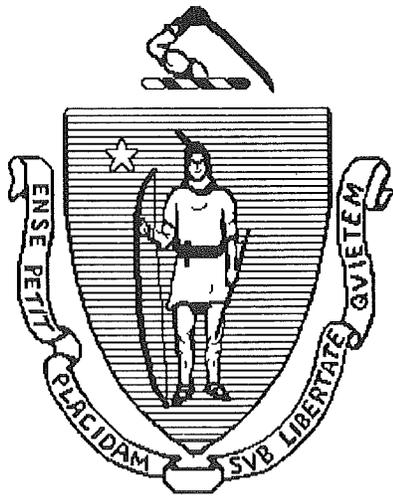
Andrew S. Natsios (Chair)  
*Secretary for Administration and Finance*

A. Joseph DeNucci  
*Auditor*

Shannon P. O'Brien  
*Treasurer and Receiver-General*

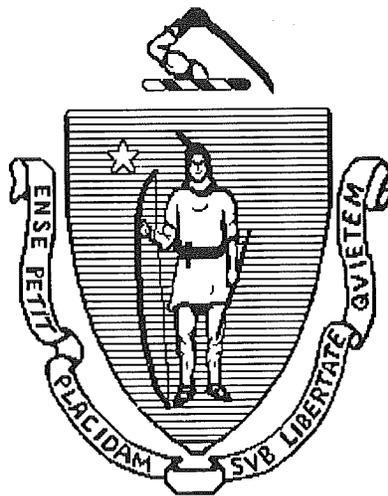
Barbara A. Dortch-Okara  
*Chief Justice for Administration and Management, Trial Court*

Thomas F. Reilly  
*Attorney General*

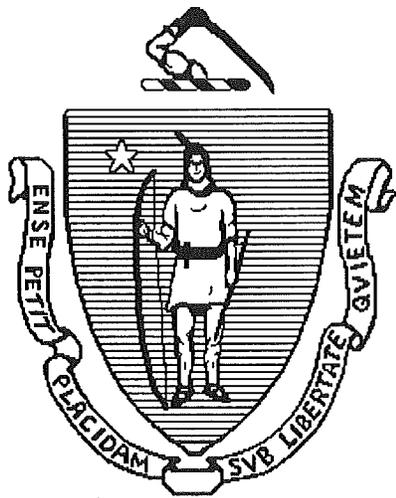


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# *Financial Section*



Independent Auditor's Report  
Combined Financial Statements – Statutory Basis  
Combining and Individual Fund Financial Statements – Statutory Basis



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**INDEPENDENT AUDITORS' REPORT**

Mr. Martin Benison, Comptroller  
The Commonwealth of Massachusetts:

We have audited the accompanying combined financial statements – statutory basis of the Commonwealth of Massachusetts as of June 30, 1999, and for the year then ended, listed in the foregoing Table of Contents. These combined financial statements – statutory basis are the responsibility of the management of the Commonwealth of Massachusetts. Our responsibility is to express an opinion on these combined financial statements – statutory basis based on our audit. We did not audit the financial statements of the Pension Reserves Investment Trust, which is the investment vehicle of the Commonwealth of Massachusetts' Pension Trust Funds, the financial statements of which reflect 86.4 percent and 74.0 percent, respectively, of the total assets and total revenues of the Fiduciary Fund Type. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Reserves Investment Trust, is based solely on the report of the other auditor.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements – statutory basis are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements – statutory basis. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement – statutory basis presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinion.

As described in Note 2 to the combined financial statements – statutory basis, the Commonwealth of Massachusetts prepares its combined financial statements – statutory basis on a prescribed basis of accounting that demonstrates compliance with General Laws and budgetary principles and funds of the Commonwealth of Massachusetts which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, based upon our audit and the report of the other auditor, such combined financial statements – statutory basis referred to above present fairly, in all material respects, the financial position of the Commonwealth of Massachusetts as of June 30, 1999, and the results of its operations for the year then ended, on the basis of accounting described in Note 2.

Our audit was conducted for the purpose of forming an opinion on the combined financial statements – statutory basis taken as a whole. The combining and individual fund statements – statutory basis and supplemental information listed in the foregoing Table of Contents are presented for the purpose of additional analysis and are not a required part of the combined financial statements – statutory basis of the Commonwealth of Massachusetts. These statements are also the responsibility of the management of the Commonwealth of Massachusetts. Such additional information has been subjected to the auditing procedures applied in the audit of the combined financial statements – statutory basis and, based on our audit and the report of the other auditor, in our opinion, is fairly stated in all material respects in relation to the combined financial statements – statutory basis taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report, and accordingly, we express no opinion on such data.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 1999, on our consideration of the Commonwealth of Massachusetts' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

This report is intended solely for the use of 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.

*Deloitte + Touche LLP*

October 21, 1999

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# *Combined Financial Statements - Statutory Basis*

**All Fund Types And Account Groups**  
**Combined Balance Sheet - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

	Governmental Fund Types			Fiduciary Fund Types
	Budgeted	Non-Budgeted Special Revenue	Capital Projects	Trust and Agency
<b>ASSETS AND OTHER DEBITS</b>				
Cash and short-term investments.....	\$ 4,741,334	\$ 883,434	\$ 743,922	\$ 1,158,708
Cash on deposit with U.S. Treasury.....	-	-	-	1,884,073
Cash with fiscal agent.....	26,061	49,104	-	-
Investments.....	-	-	-	26,884,071
Advances to related entity.....	255,224	-	-	-
Assets held in trust.....	-	-	-	1,911,271
Receivables, net of allowance for uncollectibles:				
Taxes.....	4,749	672	-	-
Due from federal government.....	292,504	316,145	262	-
Other receivables.....	16,839	51,210	-	377,950
Due from cities and towns.....	147,004	-	-	-
Due from other funds.....	1,812	-	78,425	-
Fixed assets:				
Land.....	-	-	-	-
Buildings.....	-	-	-	-
Machinery and equipment.....	-	-	-	-
Construction in progress.....	-	-	-	-
Amount available for retirement of long-term obligations.....	-	-	-	-
Amount to be provided for retirement of long-term obligations.....	-	-	-	-
<b>Total assets and other debits.....</b>	<b>\$ 5,485,527</b>	<b>\$ 1,300,565</b>	<b>\$ 822,609</b>	<b>\$ 32,216,073</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>				
Liabilities:				
Deficiency in cash and short-term investments.....	\$ 2,592,112	\$ 42,414	\$ 246,369	\$ -
Accounts payable.....	742,560	274,711	408,659	1,690,428
Accrued payroll.....	38,394	1,858	768	101
Other liabilities.....	-	-	-	2,105,330
Due to cities and towns.....	-	-	-	25,260
Due to other funds.....	-	78,565	-	1,672
Capital leases.....	-	-	-	-
Bonds and notes payable.....	-	-	-	-
<b>Total liabilities.....</b>	<b>3,373,066</b>	<b>397,548</b>	<b>655,796</b>	<b>3,822,791</b>
Fund equity and other credits:				
Investment in general fixed assets.....	-	-	-	-
Fund balances (deficit):				
Reserved for:				
Continuing appropriations.....	212,166	-	-	-
Commonwealth stabilization.....	1,388,523	-	-	-
Tax reduction.....	6,818	-	-	-
Transitional escrow.....	92,000	-	-	-
Debt service.....	26,061	435,096	-	-
Employees' pension benefits.....	-	-	-	26,266,725
Unemployment benefits.....	-	-	-	1,884,073
Capital projects.....	-	7,003	461,466	-
Unreserved:				
Designated for specific purpose.....	-	460,918	-	242,484
Undesignated.....	386,893	-	(294,653)	-
<b>Total fund equity (deficit) and other credits.....</b>	<b>2,112,461</b>	<b>903,017</b>	<b>166,813</b>	<b>28,393,282</b>
<b>Total liabilities, fund equity and other credits.....</b>	<b>\$ 5,485,527</b>	<b>\$ 1,300,565</b>	<b>\$ 822,609</b>	<b>\$ 32,216,073</b>

See notes to combined financial statements - statutory basis.

Account Groups		Totals (Memorandum Only)	
General Fixed Assets	General Long-term Obligations	1999	1998
\$ -	\$ -	\$ 7,527,398	\$ 6,467,535
-	-	1,884,073	1,699,693
-	-	75,165	37,631
-	-	26,884,071	23,395,600
-	-	255,224	232,762
-	-	1,911,271	1,866,078
-	-	5,421	5,840
-	-	608,911	464,323
-	-	445,999	531,001
-	-	147,004	150,028
-	-	80,237	108,916
603,990	-	603,990	589,512
4,260,337	-	4,260,337	4,005,976
1,271,673	-	1,271,673	1,187,321
97,234	-	97,234	156,227
-	461,157	461,157	53,299
-	11,504,284	11,504,284	11,182,160
<u>\$ 6,233,234</u>	<u>\$ 11,965,441</u>	<u>\$ 58,023,449</u>	<u>\$ 52,133,902</u>
\$ -	\$ -	\$ 2,880,895	\$ 2,352,930
-	-	3,116,358	2,859,779
-	-	41,121	26,350
-	-	2,105,330	2,099,009
-	-	25,260	22,673
-	-	80,237	108,916
-	156,980	156,980	156,856
-	11,808,461	11,808,461	11,078,603
-	11,965,441	20,214,642	18,705,116
6,233,234	-	6,233,234	5,939,036
-	-	212,166	260,289
-	-	1,388,523	1,159,588
-	-	6,818	367,663
-	-	92,000	-
-	-	461,157	53,299
-	-	26,266,725	23,221,308
-	-	1,884,073	1,699,693
-	-	468,469	269,478
-	-	703,402	698,419
-	-	92,240	(239,987)
<u>6,233,234</u>	<u>-</u>	<u>37,808,807</u>	<u>33,428,786</u>
<u>\$ 6,233,234</u>	<u>\$ 11,965,441</u>	<u>\$ 58,023,449</u>	<u>\$ 52,133,902</u>

**All Governmental Fund Types And Expendable Trust Funds**  
**Combined Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis**

Fiscal Years Ended June 30, 1999 and 1998  
 (Amounts in thousands)

	Governmental Fund Types		
	Budgeted	Non-Budgeted Special Revenue	Capital Projects
<b>REVENUES AND OTHER FINANCING SOURCES</b>			
Revenues:			
Taxes.....	\$ 14,291,463	\$ 12,734	\$ -
Assessments.....	264,295	269,555	-
Federal grants and reimbursements.....	3,442,929	2,017,000	6,354
Departmental.....	1,073,427	3,924,796	1,255
Payments from authorities.....	-	-	1,082,234
Miscellaneous.....	216,960	182,063	10,550
<b>Total revenues.....</b>	<b>19,289,074</b>	<b>6,406,148</b>	<b>1,100,393</b>
Other financing sources:			
Proceeds of general obligation bonds.....	-	-	1,014,806
Proceeds of grant anticipation notes.....	-	319,434	-
Proceeds of special obligation bonds.....	-	-	-
Proceeds of refunding bonds.....	-	-	498,792
Fringe benefit cost recovery.....	121,376	-	-
Lottery reimbursements.....	75,949	17,925	-
Lottery distributions.....	809,095	-	-
Transfer for MBTA contract assistance.....	135,343	-	-
Sewer rate relief.....	-	53,914	-
Caseload mitigation.....	3,461	-	-
Surplus transfer to capital projects.....	-	-	110,414
Transfer for capital projects funds.....	-	-	118,638
Debt defeasance trust transfer.....	-	408,889	-
Operating transfers in.....	406,908	199,322	866,392
Collective bargaining reserve.....	86,000	-	-
Transfer for transitional escrow.....	92,000	-	-
Stabilization transfer.....	165,622	-	-
Federal reimbursement transfer in.....	2,345	-	577,975
Transfer for tax reduction.....	379,818	-	-
State share of federal highway construction.....	-	-	685,182
Other sources.....	-	-	-
<b>Total other financing sources.....</b>	<b>2,277,917</b>	<b>999,484</b>	<b>3,872,199</b>
<b>Total revenues and other financing sources.....</b>	<b>21,566,991</b>	<b>7,405,632</b>	<b>4,972,592</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>			
Expenditures:			
Legislature.....	51,259	-	138
Judiciary.....	507,599	159	23,732
Inspector General.....	2,136	-	522
Governor and Lieutenant Governor.....	5,368	-	-
Secretary of the Commonwealth.....	31,765	641	15,176
Treasurer and Receiver-General.....	113,392	2,687,593	6,996
Auditor of the Commonwealth.....	13,826	-	636
Attorney General.....	26,585	5,763	2,448
Ethics Commission.....	1,383	-	25
District Attorney.....	69,675	2,845	1,204
Office of Campaign & Political Finance.....	753	-	-
Sheriff's Departments.....	129,703	2,016	132
Disabled Persons Protection Commission.....	1,500	-	52
Board of Library Commissioners.....	7,194	2,614	17,850
Comptroller.....	7,517	-	1,676
Administration and finance.....	1,124,289	73,643	242,759
Environmental affairs.....	210,226	26,043	139,087
Communities and development.....	136,304	225,114	83,127
Health and human services.....	3,792,766	1,098,765	36,611
Transportation and construction.....	821,690	5,081	2,139,970
Education.....	286,715	462,202	21,522
Higher education.....	929,849	4,389	30,045
Public safety.....	845,285	35,808	38,500
Economic development.....	56,291	3,591	546
Elder affairs.....	170,407	26,383	113

Fiduciary Fund Type	Totals (Memorandum Only)	
	1999	1998
Expendable Trust		
\$ 883,503	\$ 15,187,700	\$ 15,130,585
78	533,928	519,090
29,335	5,495,618	4,885,563
18,103	5,017,581	4,943,108
-	1,082,234	112,515
293,650	703,223	586,038
1,224,669	28,020,284	26,176,899
-	1,014,806	766,953
-	319,434	580,557
-	-	100,059
-	498,792	861,793
-	121,376	224,761
-	93,874	104,083
-	809,095	788,802
-	135,343	129,176
-	53,914	50,700
-	3,461	10
-	110,414	111,571
-	118,638	189,235
-	408,889	-
6,796	1,479,418	1,354,698
-	86,000	75,068
-	92,000	-
-	165,622	317,357
-	580,320	772,498
-	379,818	454,264
-	685,182	550,672
2,499	2,499	3,079
9,295	7,158,895	7,435,336
1,233,964	35,179,179	33,612,235
-	51,397	51,259
189	531,679	476,116
-	2,658	2,378
-	5,368	5,080
12	47,594	28,779
530	2,808,511	2,664,061
353	14,815	15,399
2,504	37,300	38,024
-	1,408	1,304
3,402	77,126	72,224
1,720	2,473	764
7	131,858	40,513
-	1,552	1,578
-	27,658	22,280
-	9,193	10,108
5,235	1,445,926	1,460,097
6,389	381,745	374,028
1,730	446,275	434,135
18,714	4,946,856	4,839,183
1,556	2,968,297	2,019,263
2,510	772,949	684,861
168	964,451	893,373
2,826	922,419	870,397
371	60,799	38,476
47	196,950	179,418

**All Governmental Fund Types And Expendable Trust Funds**  
**Combined Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis**

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	Governmental Fund Types		
	Budgeted	Non-Budgeted Special Revenue	Capital Projects
Expenditures (continued):			
Consumer affairs.....	43,339	7,138	1,326
Labor.....	44,449	148,741	180
Direct local aid.....	4,310,169	9,061	-
Medicaid.....	3,856,453	-	-
Pension.....	990,211	-	-
Debt service:			
Principal retirement.....	658,018	539	-
Interest and fiscal charges.....	515,797	37,889	-
Total expenditures.....	19,761,913	4,866,018	2,804,373
Other financing uses:			
Payments to refunded bond escrow agent.....	-	-	498,792
Fringe benefit cost assessment.....	23,309	26,995	13,365
Lottery operating reimbursements.....	-	93,874	-
Lottery distributions.....	-	809,095	-
Transfer for MBTA contract assistance.....	135,343	-	-
Federal reimbursement transfer out.....	-	580,320	-
State share of federal highway construction.....	-	-	685,182
Operating transfers out.....	307,335	643,922	455,031
Sewer rate relief.....	53,914	-	-
Collective bargaining reserve.....	86,000	-	-
Caseload mitigation.....	3,461	-	-
Transfer for capital projects funds.....	118,638	-	-
Surplus transfer for capital projects.....	110,414	-	-
Stabilization transfer.....	165,622	-	-
Transfer for transitional escrow.....	92,000	-	-
Transfer for debt defeasance.....	408,889	-	-
Transfer for tax reduction.....	379,818	-	-
Total other financing uses.....	1,884,743	2,154,206	1,652,370
Total expenditures and other financing uses.....	21,646,656	7,020,224	4,456,743
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(79,665)	385,408	515,849
Fund balances (deficits) at beginning of year.....	2,192,126	517,609	(349,036)
Fund balances (deficits) at end of year.....	\$ 2,112,461	\$ 903,017	\$ 166,813

See notes to combined financial statements - statutory basis.

Fiduciary Fund Type	Totals (Memorandum Only)	
Expendable Trust	1999	1998
7,654	59,457	46,028
888,983	1,082,353	1,003,957
-	4,319,230	3,956,744
-	3,856,453	3,665,839
-	990,211	1,069,771
-	658,557	707,265
-	553,686	507,324
944,900	28,377,204	26,180,026
-	498,792	861,793
2,669	66,338	155,803
-	93,874	104,083
-	809,095	788,802
-	135,343	129,176
-	580,320	772,498
-	685,182	550,672
67,581	1,473,869	1,354,698
-	53,914	50,700
-	86,000	75,068
-	3,461	10
-	118,638	189,235
-	110,414	111,571
-	165,622	317,357
-	92,000	-
-	408,889	-
-	379,818	454,264
70,250	5,761,569	5,915,730
1,015,150	34,138,773	32,095,756
218,814	1,040,406	1,516,479
1,901,908	4,262,607	2,746,128
\$ 2,120,722	\$ 5,303,013	\$ 4,262,607

## Budgeted Funds

### Combined Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis - Budget and Actual

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES AND OTHER FINANCING SOURCES</b>			
Revenues:			
Taxes.....	\$ 13,708,000	\$ 14,291,463	\$ 583,463
Assessments.....	-	264,295	264,295
Federal grants and reimbursements.....	3,399,100	3,442,929	43,829
Departmental.....	1,291,900	1,073,427	(218,473)
Miscellaneous.....	-	216,960	216,960
<b>Total revenues.....</b>	<b>18,399,000</b>	<b>19,289,074</b>	<b>890,074</b>
Other financing sources:			
Fringe benefit cost recovery.....	-	121,376	121,376
Lottery reimbursements.....	81,071	75,949	(5,122)
Lottery distributions.....	660,300	809,095	148,795
Transfer for MBTA contract assistance.....	-	135,343	135,343
Caseload mitigation.....	-	3,461	3,461
Operating transfers in.....	377,792	406,908	29,116
Collective bargaining reserve.....	-	86,000	86,000
Transfer for transitional escrow.....	-	92,000	92,000
Stabilization transfer.....	-	165,622	165,622
Federal reimbursement transfer in.....	-	2,345	2,345
Transfer for tax reduction.....	162,500	379,818	217,318
<b>Total other financing sources.....</b>	<b>1,281,663</b>	<b>2,277,917</b>	<b>996,254</b>
<b>Total revenues and other financing sources.....</b>	<b>19,680,663</b>	<b>21,566,991</b>	<b>1,886,328</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>			
Expenditures:			
Legislature.....	75,343	51,259	24,084
Judiciary.....	538,380	507,599	30,781
Inspector General.....	2,147	2,136	11
Governor and Lieutenant Governor.....	6,285	5,368	917
Secretary of the Commonwealth.....	34,903	31,765	3,138
Treasurer and Receiver-General.....	116,322	113,392	2,930
Auditor of the Commonwealth.....	13,827	13,826	1
Attorney General.....	28,974	26,585	2,389
Ethics Commission.....	1,393	1,383	10
District Attorney.....	69,950	69,675	275
Office of Campaign & Political Finance.....	757	753	4
Sheriff's Departments.....	132,357	129,703	2,654
Disabled Persons Protection Commission.....	1,514	1,500	14
Board of Library Commissioners.....	7,198	7,194	4
Comptroller.....	7,525	7,517	8
Administration and finance.....	1,284,385	1,124,289	160,096
Environmental affairs.....	234,690	210,226	24,464
Communities and development.....	138,759	136,304	2,455
Health and human services.....	3,919,182	3,792,766	126,416
Transportation and construction.....	835,244	821,690	13,554
Education.....	293,265	286,715	6,550
Higher education.....	939,767	929,849	9,918
Public safety.....	860,753	845,285	15,468
Economic development.....	81,264	56,291	24,973
Elder affairs.....	173,687	170,407	3,280
Consumer affairs.....	47,303	43,339	3,964
Labor.....	59,025	44,449	14,576
Direct local aid.....	4,321,113	4,310,169	10,944
Medicaid.....	3,899,601	3,856,453	43,148
Pension.....	990,768	990,211	557
Debt service:			
Principal retirement.....	666,118	658,018	8,100
Interest and fiscal charges.....	550,382	515,797	34,585
<b>Total expenditures.....</b>	<b>20,332,181</b>	<b>19,761,913</b>	<b>570,268</b>
Other financing uses:			
Fringe benefit cost assessment.....	-	23,309	(23,309)
Transfer for MBTA contract assistance.....	135,394	135,343	51
Operating transfers out.....	307,335	307,335	-
Sewer rate relief.....	53,914	53,914	-
Collective bargaining reserve.....	86,000	86,000	-
Caseload mitigation.....	3,461	3,461	-
Transfer for capital projects funds.....	118,638	118,638	-
Surplus transfer for capital projects.....	-	110,414	(110,414)
Stabilization transfer.....	-	165,622	(165,622)
Transfer for transitional escrow.....	92,000	92,000	-
Transfer for debt defeasance.....	408,889	408,889	-
Transfer for tax reduction.....	379,818	379,818	-
<b>Total other financing uses.....</b>	<b>1,585,449</b>	<b>1,884,743</b>	<b>(299,294)</b>
<b>Total expenditures and other financing uses.....</b>	<b>21,917,630</b>	<b>21,646,656</b>	<b>270,974</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(2,236,967)	(79,665)	2,157,302
Fund balances at beginning of year.....	2,192,126	2,192,126	-
<b>Fund balances (deficits) at end of year.....</b>	<b>\$ (44,841)</b>	<b>\$ 2,112,461</b>	<b>\$ 2,157,302</b>

See notes to combined financial statements - statutory basis.

## Nonexpendable Trust Fund

Statement Of Revenues, Expenses And Changes In Fund Balances - Statutory Basis

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	1999	1998
<b>REVENUES</b>		
Revenues:		
Investment earnings.....	\$ -	\$ -
Total revenues.....	-	-
<b>EXPENSES</b>		
Expenses:		
Treasurer and Receiver-General.....	-	-
Total expenses.....	-	-
Excess of revenues over expenses.....	-	-
Fund balances at beginning of year.....	5,835	5,835
Fund balances at end of year.....	\$ 5,835	\$ 5,835

See notes to combined financial statements - statutory basis.

## Pension Trust Funds

### Combined Statement of Changes in Net Assets Available for Pension Benefits - Statutory Basis

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	1999	1998
<b>Additions:</b>		
Commonwealth contributions.....	\$ 877,908	\$ 939,089
Employees contributions.....	586,839	530,761
Total contributions.....	1,464,747	1,469,850
<b>Net investment income:</b>		
Net appreciation in fair value of investments.....	2,249,726	2,788,533
Interest.....	404,958	352,503
Dividends.....	205,062	256,430
Real estate operating income, net.....	81,704	71,824
Alternative investments.....	6,286	5,205
Other.....	4,936	3,755
Total investment income.....	2,952,672	3,478,250
Less: investment expense.....	48,177	42,869
Net investment income.....	2,904,495	3,435,381
Total additions.....	4,369,242	4,905,231
<b>Deductions:</b>		
Administration.....	8,217	35,973
Retirement benefits and refunds.....	1,315,608	1,208,011
Total deductions.....	1,323,825	1,243,984
Net increase .....	3,045,417	3,661,247
Net assets available for pension benefits at beginning of year (fund balances reserved for employees' pension benefits).....	23,221,308	19,560,061
Net assets available for pension benefits at end of year (fund balances reserved for employees' pension benefits).....	\$ 26,266,725	\$ 23,221,308

See notes to combined financial statements - statutory basis.

## 1. FINANCIAL STATEMENT PRESENTATION

**Introduction** – The accompanying combined financial statements – statutory basis 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. The Office of the Comptroller also publishes the Commonwealth's Comprehensive Annual Financial Report (CAFR) which is prepared on the basis of generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board, the authoritative standard-setting body for establishing governmental accounting and financial reporting principles.

The combined financial statements – statutory basis include all budgeted and non-budgeted funds and account groups 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 combined financial statements – statutory basis 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.

**Statutory Basis Accounting** – The Commonwealth reports its statutory basis financial position and results of operations in funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. Transactions between funds within a fund type, if any, have not been eliminated.

Account groups are accounting entities used to provide accountability for the Commonwealth's general fixed assets and long-term obligations. They are not considered funds because they do not report expendable available financial resources and related liabilities.

The Fund types and account groups are organized as follows:

**Governmental Fund Types** - accounts 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. Major budgeted funds include the General, Highway and Local Aid funds which are identified by the Comptroller as the operating funds of the Commonwealth.

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

**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 from proceeds of general obligation bonds which are generally received after the expenditure has been incurred, operating transfers authorized by the Legislature and from federal reimbursements. Deficit balances in Capital Projects Funds represent amounts to be financed.

**Fiduciary Fund Types** – account for assets held by the Commonwealth in a trustee capacity (Trust Funds), or as an agent (Agency Funds) for individuals, private organizations, other governmental units, and/or other funds.

**Expendable Trust Funds** – account for trusts whose principal and investment income may be expended for their designated purpose.

**Nonexpendable Trust Funds** – account for trusts whose principal cannot be spent.

**Pension Trust Funds** – account for the net assets available for plan benefits held in trust for the State Employees' and Teachers' Retirement Systems.

**Agency Funds** – account for assets the Commonwealth holds on behalf of others. Agency Funds are custodial in nature and do not involve measurement of operations.

**Account Groups** – establish control and accountability over the Commonwealth's general fixed assets and long-term obligations.

**General Fixed Assets Account Group** – accounts for the general fixed assets of the Commonwealth and Capital Leases.

**General Long-term Obligations Account Group** – accounts for long-term bonds and notes issued by the Commonwealth and capital leases.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Statutory Basis of Accounting** – The Statutory Basis Financial Report is prepared from the Commonwealth's books and records and other official reports which 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 Statutory Basis Financial Report is not intended to present the Commonwealth's financial condition and results of operations in conformity with GAAP. Under GAAP, the books are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting.

Revenues are generally recognized when cash deposits are received by the Treasury. However, revenues receivable for federal grants and reimbursements are recognized when related expenditures are incurred. Amounts due from political subdivisions of the Commonwealth are recognized when considered measurable and available. Deeds excise taxes are recognized at the time of collection by the counties and the Commonwealth. Under GAAP, revenues are recognized when they become both measurable and available.

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. 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. Under GAAP, expenditures are recorded in the period in which the related fund liability is incurred.

The Pension Trust Funds are reported using a flow of economic resources measurement focus and the accrual basis of accounting on both the Statutory and GAAP basis. Under this method, additions are recorded when earned and deductions are recorded at the time liabilities are incurred. This measurement focus emphasizes the determination of net changes in assets available for pension benefits.

The accounting policies followed in preparing the accompanying combined financial statements – statutory basis are described as follows.

### **Cash, Short-term Investments and Investments** –

The Commonwealth follows the practice of pooling the cash and cash equivalents of its Governmental and Fiduciary Funds. 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, Expendable Trust Funds and to certain Special Revenue and Capital Projects Funds when so directed by law.

The Commonwealth enters into interest rate swap agreements to modify interest rates on outstanding debt. Other than the net interest expenditures resulting from these agreements no amounts are recorded in the financials statements.

The Pension Trust Funds, with investments total approximately \$26,884,000,000 at fair value, are permitted to make investments in equity securities, fixed income securities, real estate and other alternative investments. For investments traded in an active market, the fair value of the investment will be its market price. The Pension Trust Funds include investments in real estate, venture capital funds, real estate funds, limited partnerships, futures pools, international hedge pools, commodities pools, balanced pools, leveraged buyouts, private placements and other alternative investments. The structure, risk profile, return potential and marketability differ from traditional equity and fixed income investments. Concentration of credit risk exists if a number of companies in which the fund has invested are engaged in similar activities and have similar economic characteristics that could cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. To mitigate the exposure to concentrations of risk, the Pension Trust Funds invest in a variety of industries located in diverse geographic areas. As of June 30, 1999, the estimated fair values, determined by management with input from the investment managers, of these real estate and alternative investments were \$2,481,029,000 of the Pension Trust Funds, representing 7.7% of the total assets of the Fiduciary Fund Type.

**Securities Lending Program** - The Pension Trust Funds participate in securities lending programs. Under these programs, the Trusts receive a fee for allowing brokerage firms to borrow certain securities for a predetermined period of time, securing such loans with cash or collateral typically equaling 102% to 105% of the fair value of the security borrowed. At June 30, 1999, the market value of the securities on loan from the Pension Reserve Investment Trust (PRIT) was approximately

\$1,292,000,000. The value of the collateral held by PRIT amounted to \$1,394,000,000 at June 30, 1999. The PRIT securities on loan were collateralized at all times by U.S. Treasury securities of at least 100% of the value.

**Receivables** – Receivables are stated net of estimated allowances for uncollectible accounts. Reimbursements due to the Commonwealth for its expenditures on federally funded reimbursement and grant programs are reported as “Due from federal government.”

**Due from Cities and Towns** – Represents reimbursement due to the Commonwealth for its expenditures on certain programs for the benefit of cities and towns.

**Advances to Related Entity** – The Commonwealth periodically provides working capital advances to the Massachusetts Bay Transportation Authority (MBTA) to fund its net cost of service. These advances are repaid through subsequent appropriations by the Legislature and assessments to cities and towns for their respective shares of the MBTA’s net cost of service.

**Inventories** – The costs of materials and supplies are recorded as expenditures in Governmental Funds when purchased. Such inventories are not material in total to the financial statements and therefore are not recorded.

**General Fixed Assets** – General fixed asset acquisitions are recorded as expenditures in the acquiring fund and capitalized in the General Fixed Assets Account Group in the year purchased. General fixed assets are recorded at historical cost, or at estimated historical cost if actual historical cost is not available. Donated fixed assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized.

The Commonwealth capitalizes all land except land associated with infrastructure. It capitalizes buildings and equipment, including computer software, with costs in excess of fifteen thousand dollars at the date of acquisition and with expected useful lives greater than one year. Interest incurred during construction is not material and is not capitalized. Public domain general fixed assets and infrastructure (roads, bridges, tunnels, dams, water and sewer systems, etc.) are not capitalized. No depreciation is provided on general fixed assets.

**Interfund/Intrafund Transactions** – During the course of its operations, the Commonwealth records transactions between funds and/or between departments. On the statutory basis, transactions between Governmental and Fiduciary Fund Types are recorded as adjustments to the funds’ cash accounts. As a result, a fund may report a deficiency in cash and short-term investments.

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

Transfers in and out net to \$5.6 million due to higher education non-appropriated fund activity, which is not included in the combined statements – statutory basis.

**Risk Management** – The Commonwealth does not insure for state employees workers’ compensation, casualty, theft, tort claims and other losses. Such liabilities are not recognized 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 (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.

The Commonwealth has entered into agreements for insurance for Central Artery/Tunnel Project workers’ compensation and certain other claims that may arise in the course of the Project. This special arrangement has been approved by the Federal Highway Administration as a cost-effective method to fund current and potential future claims by contractors, workers, and other parties affected by the project. Pursuant to the agreement, the Commonwealth conveys a sum of money to the agent each month. This amount includes both federal and state share. The agent manages and settles all claims. At the conclusion of the program, the balance remaining, if any, will be returned to the Commonwealth and the federal government. The monthly amount conveyed to the agent is accounted for (on the statutory basis of accounting) as an expenditure in the Federal Highway Capital Projects Fund.

**Encumbrances** – Encumbrance accounting is utilized in the Governmental Fund Types 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 are reported as statutory basis liabilities and expenditures.

**Fringe Benefit Cost Recovery** – The Commonwealth appropriates and pays the fringe benefit costs of its employees and retirees through the General Fund and the Intragovernmental Service 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 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 \$121,376,000 in the budgeted funds are offset by fringe benefit costs assessments of \$66,338,000 in the governmental fund types and the expendable trust funds. The remainder of \$55,038,000 is assessed to the higher education non-appropriated activity which is not included in the combined financial statements - statutory basis.

**School Construction Grants** - The Commonwealth, through legislation, is committed to reimburse certain cities, towns and regional school districts for a portion of their debt service costs for school construction and renovation. These costs are recorded as expenditures when paid. The amounts expected to be liquidated with available financial resources are reported as expenditures and fund liabilities under GAAP. The long-term portion of this liability is recorded in the General Long-Term Obligation Account Group on a GAAP basis.

**Compensated Absences** – 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 then-current rate of pay. Vacation and sick leave are recorded as expenditures when paid.

**Lottery Revenue and Prizes** – Ticket revenues and prizes awarded by the Massachusetts Lottery Commission are recognized as drawings are held. For certain prizes payable in installments, the Commonwealth purchases

annuities, "principal only" and "interest only" treasury strips in the Commonwealth's name, which are recorded as annuity contracts and prizes payable in the Agency Funds on a GAAP basis. The Commonwealth retains the risk related to such annuities.

**Fund Balances** – The Commonwealth reports fund balances as reserved where legally restricted for a specific future use. Otherwise, these balances are considered unreserved.

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 5C of Chapter 29 of Massachusetts General Laws.

"Reserved for tax reduction" - is the amount set aside in the Tax Reduction Fund according to Section 6 of Chapter 29B of the Massachusetts General Laws and amount set aside in the Tax Escrow Fund to fund the FY98 portion of permanent tax reductions authorized by Chapter 175 of the Acts of 1998.

"Reserved for transitional escrow" – are reserves set aside until December 31, 1999 under Section 46 of Chapter 68, Acts of 1999.

"Reserved for debt service" – are amounts held by fiscal agents or the Commonwealth to fund future debt service obligations.

"Reserved for employees' pension benefits" – are the net assets of the Commonwealth's public employee retirement systems which cannot be used for any other purpose.

"Reserved for unemployment benefits" – are amounts reserved for payment of unemployment compensation.

"Reserved for capital projects" - are amounts reserved for capital projects.

Unreserved fund balance is segregated into two components:

"Designated for specific purpose" – are all unreserved

fund balances for which the Legislature or Executive Branch has evidenced an intention to restrict for a specific purpose.

"Undesignated" – consists of cumulative surpluses or deficits of the Governmental Fund Types not otherwise designated.

**Reclassification** – Certain reclassifications have been made to the 1998 account balances to conform to the presentation used in 1999.

### 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 appropriations 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 account's expenditure budget.

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 to allocate fringe benefits and other costs which are mandated by state finance law are not itemized in the appropriation process or separately budgeted.

The original fiscal year 1999 appropriations act was Chapter 194, Acts of 1998. This appropriation act authorized \$18,717,021,000 in direct appropriations. In addition, the act contained \$810,540,000 in authorizations to retain and expend certain non-tax revenues of which \$800,120,000 were estimated to be collected and expended, plus \$106,849,000 of interagency chargebacks. Chapter 194 included estimates of \$13,870,500,000 in tax revenues and approximately \$5,644,200,000 in non-tax revenues. With these revenues (exclusive of chargebacks) projected to total approximately \$19,514,700,000 and with unreserved balances of approximately \$378,527,000 carried forward from the fiscal year 1998, the budget as presented in this original appropriation act was considered to be in balance.

During fiscal year 1999, the Legislature also passed and the Governor signed, with some modification through veto, Chapters 319, 386, 399, 481 and 482 of the Acts of 1998, and Chapters 10, 20, 22 and 26 of the Acts of 1999, which included numerous supplemental budgetary appropriations. These supplements added \$954,000 in direct appropriations and \$207,319,000 in additional retained revenue authorizations and \$2,192,000 in additional interagency chargebacks.

Subsequent to June 30, 1999 the Legislature passed and the Governor signed Chapters 55 as amended and 68 of the Acts of 1999 which included \$95,703,000 in additional supplemental appropriations, \$605,720,000 in additional retained revenue authorizations. The cumulative fiscal year 1999 appropriations, retained revenues, and interagency chargebacks totaled \$20,546,299,000. Appropriations continued from fiscal year 1998 totaled approximately \$260,289,000 and certain interfund transfers directed by statute totaled approximately \$1,111,042,000.

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 discrepancy to separately published budget documents. 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 statutorily required to pay debt service, regardless of whether such amounts are

appropriated. In addition, certain interfund assessments to allocate fringe benefits and other costs which are mandated by state finance law are not itemized in the appropriation process or separately budgeted.

The following table identifies this interfund activity from the budgeted sources and uses to align more clearly forecasts prepared during the budget process to the detailed fund accounting of the Commonwealth's statutory financial 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.....	\$ 21,566,991	\$ 21,646,656
Adjustments to revenues and expenditures		
Municipal transit assessments.....	(159,916)	(159,916)
Transfer to the Intragovernmental Service Fund Revenues.....	(96,860)	(96,860)
Adjustments to other financing sources and uses:		
MBTA subsidy transfer.....	(135,343)	(135,343)
Fringe benefit cost assessments.....	(23,309)	(23,309)
Transfer from the Intragovernmental Service Fund to the General Fund.....	(2,516)	(2,516)
Transfer from the Revenue Maximization Fund to the General Fund.....	(49,809)	(49,809)
RMV License Plates.....	(1,939)	(1,939)
Stabilization transfers.....	(165,622)	(165,622)
Transfer from Tax Exemption Escrow Trust Fund.....	(171,018)	(171,018)
Transfer to Transitional Escrow Fund.....	(92,000)	(92,000)
Collective Bargaining Reserve Fund.....	(86,000)	(86,000)
Transfer from Tax Reduction Fund.....	(208,800)	(208,800)
Transfer to Close Health Care Access Fund.....	(23,105)	(23,105)
Transfer to Close Commonwealth Economic Development Fund.....	(355)	(355)
Transfer to Close Re-Employment and Job Placement Fund.....	(2,539)	(2,539)
Transfer from General to Children's and Senior's Health Fund.....	(36,952)	(36,952)
MVRRA Debt Service Reimbursement.....	(4,435)	(4,435)
Transfer to Child Care Fund.....	(91,874)	(91,874)
Transfer to Social Services Program Fund.....	(45,937)	(45,937)
Transfer to Inland Fisheries and Game Fund.....	(97)	(97)
Transfer to Caseload Mitigation Fund.....	(3,461)	(3,461)
Actual as presented on budgetary documents.....	<u>\$20,165,104</u>	<u>\$20,244,769</u>

Please see section divider for the budgeted funds to review the 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, Massachusetts Management Accounting and Reporting System (MMARS). Encumbrances and expenditures are

not allowed to exceed the appropriation account's spending authorization.

#### 4. DEPOSITS AND INVESTMENTS

The Commonwealth maintains a cash and short-term investment pool that is available for use by all funds. Each fund type's net equity in this pool is displayed on the combined balance sheet as either "Cash and short-term investments" or "Deficiency in cash and short-term investments." The investments of the Pension Trust Funds are held in a trust.

The Office of the Treasurer and Receiver-General (the "Treasury") manages the Commonwealth's short-term investment pool. Statutes authorize investment in obligations of the U.S. Treasury, authorized bonds of all states, banker's acceptances, certificates of deposit, commercial paper rated within the three highest classifications established by Standard & Poor's Corporation and Moody's Commercial Paper Record and repurchase agreements that any of these obligations secure. Such investments are carried at cost, which approximates fair value.

The pooled cash and short-term investments at June 30, 1999 are as follows (amounts in thousands):

	Carrying Value
Cash and Certificates of deposit.....	\$ 361,358
Short-term investments:	
U.S. Treasury obligations.....	917,291
Commercial paper.....	1,831,072
Short-term investment pool.....	1,000,000
Repurchase agreements.....	611,947
Total.....	<u>\$ 4,721,668</u>

Pooled cash and short-term investments include the following:

Cash and short-term investments.....	\$ 7,527,398
Cash with fiscal agent.....	75,165
Deficiency in cash and short-term investments.....	<u>(2,880,895)</u>
Total.....	<u>\$ 4,721,668</u>

The Pension Trust Funds have invested a significant

portion of their portfolios into a trust, which pools assets for investment purposes and allocates returns on these investments in proportion to each fund's share of the pool.

The investments are carried at fair value. At June 30, 1999, they are as follows (amounts in thousands):

	Amount
Investments:	
Equity securities.....	\$ 12,882,016
U.S. government and government agency securities.....	2,780,953
Fixed income securities.....	3,054,631
Real estate.....	1,313,761
Alternative investments.....	1,167,268
International investments.....	5,685,442
Total.....	<u>\$ 26,884,071</u>

**Financial Instruments with Off-Balance Sheet Risk** - Certain investments of the Commonwealth may involve a degree of risk not accounted for on the respective financial statements. A description of such "off-balance sheet risks" are as follows:

**Forward Currency Contracts** - The Pension Trust Funds enter into forward currency contracts to hedge the exposure to change in foreign currency exchange rates on foreign portfolio holdings. The market value of the contract will fluctuate with changes in currency exchange rates. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar.

When the contract is closed, the Pension Trust Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Fluctuations in the value of forward currency contracts are recorded as unrealized gains or losses by the Pension Trust Funds.

**Future Contracts** - The Pension Trust Funds may purchase and sell financial futures contracts to hedge against changes in the values of securities the fund owes or expects to purchase. Upon entering such contracts, they must pledge to the broker an amount of cash or securities equal to a percentage of the contract amount.

The potential risk is that the change in the value of futures contracts primarily corresponds with the value of underlying instruments which may correspond to the change in value of the hedged instruments. In addition, there is a risk that PRIT may not be able to close out its

future positions due to a non-liquid secondary market. Risks may arise from the potential inability of a counterparty to meet the terms of a contract and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar. The Pension Trust Funds may also invest in financial futures contracts for non-hedging purposes.

Payments are made or received by the Pension Trust Funds each day, depending on the daily fluctuations in the value of the underlying security and are recorded as unrealized gains or losses. When the contracts are closed, the Pension Trust Funds recognize a realized gain or loss.

**Options** - PRIT is also engaged in selling or "writing" options. The Pension Trust Funds, as writers of options, may have no control over whether the underlying securities may be sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option. As of June 30, 1999, there were no material options outstanding.

## 5. SHORT-TERM FINANCING AND CREDIT AGREEMENTS

Massachusetts General Laws authorize the Treasurer to issue temporary notes in anticipation of revenue or bond financing. When this short-term debt does not meet long-term financing criteria, it is classified among fund liabilities.

**General Fund** - The Commonwealth is authorized by Massachusetts General Laws to issue short-term notes to finance working capital advances to the MBTA. The Commonwealth retires these notes through subsequent appropriations and assessments to cities and towns. There were no such notes outstanding at June 30, 1999.

The balance of revenue anticipation notes (RANs) outstanding fluctuates during the fiscal year, but must be reduced to zero at June 30. During fiscal year 1999, there were no RANs issued or outstanding.

**Capital Projects Funds** - The Commonwealth may issue bond anticipation notes (BANs) to temporarily finance its capital projects. During fiscal year 1999, there were no BANs issued or outstanding.

**Letter-of-Credit Agreements** - During fiscal year 1999, the Commonwealth maintained letter-of-credit agreements with several banks in order to provide credit and liquidity support for its commercial paper program. The letters of credit were available to secure up to

\$400,000,000 of Commonwealth commercial paper plus interest thereon. Advances were available, subject to certain limitations and bearing interest at the bank rate as defined, in anticipation of revenue or bond proceeds and repayable by the following June 30, subject to extension in certain circumstances, at the Commonwealth's option. No such advances were drawn during the fiscal year ended June 30, 1999, or subsequent thereto. One \$200,000,000 letter of credit agreement expired on September 1, 1998. The remaining agreement expires on October 31, 2000. The average costs are approximately .09% on both unutilized and utilized amounts.

**Line-of-Credit Agreement** – During fiscal year 1999, the Commonwealth did not maintain any line-of-credit agreements to provide liquidity support for commercial paper notes. On September 28, 1999, the Commonwealth entered into line-of-credit agreements with two banks to provide a total of \$400,000,000 in liquidity support for the state's commercial paper program. These agreements expire in September of 2001 and 2002, respectively. The costs of these facilities average approximately .08% on unutilized amounts and .095% on utilized amounts.

## 6. LONG-TERM DEBT

Under the Constitution of the Commonwealth of Massachusetts, the Commonwealth may borrow money (a) for defense, (b) in anticipation of receipts from taxes or other sources, any such loan to be paid out of the revenue of the year in which the loan is made, or (c) by a two-thirds vote of the members of each house of the Legislature present and voting thereon. The Constitution further provides that borrowed money shall not be expended for any other purpose than that for which it was borrowed or for the reduction or discharge of the principal of the loan. In addition, the Commonwealth may give, loan or pledge its credit by a two-thirds vote of the members of each house of the Legislature present and voting thereon, but such credit may not in any manner be given or loaned to or in aid of any individual, or of any private association, or of any corporation which is privately owned or managed.

The Commonwealth has waived its sovereign immunity and consented to be sued on contractual obligations, including bonds and notes issued by it and all claims with respect thereto. However, the property of the Commonwealth is not subject to attachment or levy to pay a judgment, and the satisfaction of any judgment generally requires legislative appropriation. Enforcement of a claim for the payment of principal or interest on

bonds and notes of the Commonwealth may also be subject to the provisions of federal or Commonwealth statutes, if any, enacted to extend the time for payment or impose other constraints upon enforcement.

As of June 30, 1999, the Commonwealth had three types of long-term debt outstanding: general obligation bonds, special obligation bonds and grant anticipation notes.

The general obligation bonds are authorized and issued primarily to provide funds for Commonwealth-owned capital projects and local government improvements. They are backed by the full faith and credit of the Commonwealth and paid from the Governmental Funds, in which debt service principal and interest payments are appropriated. Massachusetts General Laws provide for the allocation of bond proceeds to these authorizations in arrears, as expenditures are made, unless the proceeds are allocated at the time of issuance.

Some Commonwealth general obligation debt is issued as college opportunity bonds (COBs) as authorized by the Massachusetts General Laws. Such bonds were issued in fiscal years 1996, 1997, 1998 and 1999 in initial amounts totaling \$82,578,000, with maturities ranging from 2000 through 2018. COBs have an accreting interest component payable at maturity. The annual accretion rate of each COB's maturity is a variable rate equal to the change in annual Consumer Price Index (CPI) plus 2.0%. Assuming the CPI averages 3.5% during the life of the outstanding COBs the payments due at maturities of the COBs will total \$144,344,000. In addition, COBs pay current interest in the amount of 0.5% per year of the initial amount still outstanding. These bonds are backed by the full faith and credit of the Commonwealth.

On August 1, 1999 the Commonwealth issued approximately \$12,900,000 in additional College Opportunity Bonds, with maturities of 2004 to 2019. The terms and conditions of these bonds are the same of those issued in fiscal years 1996, 1997, 1998 and 1999.

Chapter 38 of the Acts of 1997 and Chapter 300 of the Acts of 1998 abolished several Massachusetts counties on various effective dates. As part of these provisions, the Commonwealth assumed the outstanding debt of Middlesex County on July 1, 1997, and that of Hampden and Worcester Counties on July 1, 1998. As of June 30, 1999, \$2,345,000 of these obligations remains outstanding. On July 1, 1999 the Commonwealth assumed the debt of Essex County in the amount of \$2,100,000.

The Commonwealth also issues special obligation revenue bonds as authorized by Massachusetts General Laws. Such bonds may be secured by all or a portion of revenues credited to the Highway Fund and are not general obligations of the Commonwealth. At June 30, 1999, the Commonwealth had outstanding \$585,730,000 of such special obligation bonds, secured by a pledge of 6.86 cents of the 21 cent motor fuel excise tax imposed on gasoline. No new special obligation bonds were issued during the fiscal year.

The Commonwealth also issues Federal Highway Grant Anticipation Notes (GANS) to finance current cash flow for the Central Artery/Tunnel Project in anticipation of future federal reimbursements. Section 9 through 10D of Chapter 11 of the Acts of 1997, as amended by Chapter 121 of the Acts of 1998, authorizes the Commonwealth to sell up to \$1,500,000,000 in GANS. All Federal Highway Construction reimbursements and reimbursements from the federal highway constructions trust funds are pledged to the repayment of the GANS. Up to \$900,000,000 of said notes may be paid off through the issuance of authorized general obligation bonds of the Commonwealth in the event federal financial assistance is not available. At June 30, 1999, the Commonwealth has \$921,720,000 of GANS outstanding, including accrued interest on capital appreciation bonds with maturity dates ranging from 2005 to 2015. These notes are secured by the pledge of Federal Highway Construction reimbursements without a general obligation pledge.

For financial reporting purposes, long-term debt is carried at its face value, which includes discount and any issuance costs financed. The outstanding amount represents the total principal to be repaid. For capital appreciation bonds, the outstanding amount represents total principal and interest to be repaid. When short-term debt has been refinanced on a long-term basis, it is reported as outstanding at its face amount.

The amount of long-term debt authorized but unissued is measured in accordance with the statutory basis of accounting. Only the net proceeds (exclusive of discount and costs of issuance) are deducted from the total authorized by the Legislature.

Long-term debt outstanding (including discount and issuance cost) and debt authorized-unissued at June 30, 1999 are as follows (amounts in thousands):

Purpose	Bonds Outstanding	Maturities	Authorized and Unissued
GANS.....	\$ 921,720	2005-2015	\$ 600,009
Capital Projects:			
General.....	5,060,692	1999-2025	5,154,056
Highway.....	4,218,274	1999-2018	5,016,975
Local Aid.....	1,549,075	1999-2017	425,671
Other.....	58,700	1999-2025	807,306
	<u>10,886,741</u>		<u>11,404,008</u>
Total.....	<u>\$ 11,808,461</u>		<u>\$ 12,004,017</u>

Interest rates on the Commonwealth's debt outstanding at June 30, 1999 ranged from 0.1% to 14.125%.

Changes in long-term debt outstanding (including discount and issuance cost) and bonds authorized - unissued for the year ended June 30, 1999 are as follows (amounts in thousands):

	Bonds Outstanding	Authorized and Unissued
Balance July 1, 1998.....	\$ 11,078,603	\$ 12,316,738
General and special obligation bonds:		
Principal, less discount and issuance costs.....	1,014,806	(1,014,806)
Discount and issuance costs.....	15,684	-
County debt:		
Principal of bonds assumed.....	1,505	-
Grant Anticipation Notes:		
Principal, less discount and issuance costs.....	319,434	(319,434)
Discount and issuance costs.....	2,286	-
General obligation refunding bonds:		
Principal of bonds issued.....	499,520	-
Refunded bonds.....	(464,820)	-
Increase in bonds authorized.....	-	1,513,829
Contributions in lieu of bonds.....	-	(492,310)
Bonds retired.....	(658,557)	-
Balance June 30, 1999.....	<u>\$ 11,808,461</u>	<u>\$ 12,004,017</u>

At June 30, 1999, debt service requirements to maturity for principal (including discount, capital appreciation and issuance costs) and interest are as follows (amounts in thousands):

Fiscal year ending June 30,	Principal	Interest	Total
2000.....	\$ 675,564	\$ 552,554	\$ 1,228,118
2001.....	720,675	517,954	1,238,629
2002.....	686,631	482,383	1,169,014
2003.....	701,641	451,722	1,153,363
2004.....	695,994	421,980	1,117,974
2005 and thereafter.....	8,327,956	2,387,669	10,715,625
Total.....	<u>\$ 11,808,461</u>	<u>\$4,814,262</u>	<u>\$ 16,622,723</u>

The Commonwealth issued bonds and notes under negotiated contracts and under competitive bidding contracts during fiscal year 1999. The costs for legal counsel and underwriting fees under competitive bond sale costs were estimated at \$102,000 and \$1,666,000 respectively. Negotiated legal fees and underwriter fees were estimated at \$182,000 and \$5,000,000, respectively. In addition, the Commonwealth paid \$80,000 for disclosure counsel services.

**Advance Refunding and Defeased Bonds** - As authorized by the Massachusetts General Laws, the Commonwealth advance refunded certain general obligation bonds through the issuance of \$499,520,000 of general obligation refunding bonds during fiscal year 1999. Proceeds totaling approximately \$498,793,000 were used to purchase U. S. Government securities which were deposited in irrevocable trusts with an escrow agent to provide for all future debt service payments of the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the liabilities therefore have been removed from the General Long-term Obligations Account Group. As a result of these advance refundings, the Commonwealth decreased current year debt service payments and has taken advantage of lower interest rates, and it has decreased its aggregate debt service payments by approximately \$32,530,000 over the next 20 years and will experience an economic gain (the difference between the present values of the debt service payments of the refunded and refunding bonds) of approximately \$24,930,000. At June 30, 1999, approximately \$464,820,000 of the bonds refunded remain outstanding and are defeased.

The refunding bonds issued in fiscal year 1999 constituted variable rate demand bonds. The variable rate for those bonds are determined weekly based on the activity of a remarketing agent, and interest is paid

monthly. In connection with issuance of the variable rate demand bonds, the Commonwealth has entered into interest rate exchange ("swap") agreements with certain counterparties. These agreements require the counterparties to pay the Commonwealth an amount equal to the variable rate payable on the bonds and in return the Commonwealth pays a fixed rate. Only the net difference in interest payments is actually exchanged with the counterparty. The bond principal is not exchanged. The Commonwealth continues to pay interest to the bondholders at the variable rate provided by the bonds.

Through these agreements the Commonwealth has effectively fixed its interest payment obligations relative to the variable rate bonds at a rate equal to 4.32%, including the costs of the liquidity facility and remarketing. The Commonwealth will be exposed to a variable rate if the counterparties default or if the swap is terminated. A termination of the swap agreement may also result in the Commonwealth's making or receiving a termination payment.

The variable rate bonds are supported by a stand-by bond purchase liquidity facility with a commercial bank, which requires that the bank purchase any bonds that are not successfully remarketed and tendered. Until and unless remarketed, the Commonwealth would be required to pay the bank interest on such bonds at a rate equal to the bank's prime interest rate. In addition, the Commonwealth would be required to repay the principal amount of any such bonds in equal quarterly installments over the remainder of the term of the stand-by bond purchase agreement. As of June 30, 1999 the stand-by bond purchase facility has not been used. The stand-by bond purchase agreement has a stated expiration date of September 2003, but may be renewed or extended by mutual consent of the Commonwealth and the bank. In connection with the agreement the Commonwealth pays a fee equal to 0.10% per year of the principal amount of variable rate bonds outstanding.

In prior years, the Commonwealth also defeased certain general obligation and other bonds by placing the proceeds of refunding bonds in irrevocable trusts to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the financial statements. At June 30, 1999, approximately \$2,330,546,000 of bonds outstanding from advance refundings in prior fiscal years are considered defeased.

On October 13, 1999 the Commonwealth defeased \$512,565,000 of outstanding debt at maturity issued prior

to June 30, 1999. The Commonwealth deposited \$400,001,000 of available funds from FY99, pursuant to Chapter 55, Section 7 of the Acts of 1999, into an irrevocable trust to provide for all future debt service payments on bonds. The defeasance resulted in no economic gain or loss.

**Statutory Debt Limit** –The Massachusetts General Laws establish limits on the amount of direct debt outstanding. By statutorily limiting the Commonwealth’s ability to issue direct debt, this limit provides a control on annual capital spending. The direct debt limit for fiscal year 1999 was approximately \$10,046,697,000. Outstanding debt subject to the limit at June 30, 1999 was approximately \$9,516,320,000. The limit increases 5% per year.

For purposes of determining compliance with the limit, outstanding direct debt is defined to include general obligation bonds and minibonds at the amount of their original net proceeds. It excludes bond anticipation notes and discount and issuance costs, if any, financed by these bonds. It also excludes special obligation bonds, grant anticipation notes, refunded bonds, and certain refunding bonds and debt issued by counties.

The amounts excluded from the debt limit are as follows (amounts in thousands):

	<u>Debt Outstanding</u>
Balance June 30, 1999.....	\$ 11,808,461
Less amounts excluded:	
Discount and issuance cost.....	(677,326)
Chapter 5 of the Acts of 1992 Refunding..	(130,069)
Special Obligation Principal.....	(582,410)
GANS Principal.....	(899,991)
County Debt Assumed.....	<u>(2,345)</u>
Outstanding Direct Debt.....	<u>\$ 9,516,320</u>

**7. LEASES**

In order to finance the acquisition of equipment, the Commonwealth has entered into various lease/purchase agreements, including tax-exempt lease purchase (TELP) agreements, which are accounted for as capital leases. Lease agreements are for various terms and contain clauses indicating that their continuation is subject to appropriation by the Legislature. For the fiscal year ended June 30, 1999, capital lease/purchase expenditures totaled approximately \$63,404,000. At June 30, 1999, the Commonwealth’s aggregate outstanding liability under capital leases, the present value of the net minimum lease payments, totals approximately \$156,980,000. This liability is reported in the General Long-Term Obligations Account Group. Equipment acquired under capital leases and included in the General Fixed Assets Account Group totaled approximately \$143,436,000.

The Commonwealth has numerous operating lease agreements for real property and equipment with varying terms. These agreements contain provisions indicating that continuation is subject to appropriation by the Legislature. Operating lease expenditures for the fiscal year ended June 30, 1999 was approximately \$121,003,000.

The following is a schedule of future minimum payments under non-cancelable leases as of June 30, 1999 (amounts in thousands):

Fiscal Year Ending June 30,	<u>Capital Leases</u>	<u>Operating Leases</u>
2000.....	\$ 46,462	\$ 118,001
2001.....	38,565	93,949
2002.....	28,948	75,621
2003.....	22,030	54,590
2004.....	14,656	27,187
2005 and thereafter.....	<u>34,284</u>	<u>286,222</u>
Total.....	184,945	655,570
Less interest.....	<u>(27,965)</u>	-
Present value .....	<u>\$ 156,980</u>	<u>\$ 655,570</u>

**8. INDIVIDUAL FUND DEFICITS**

Certain Budgeted, Non-Budgeted Special Revenue and Capital Projects Funds included in the combined totals have individual fund deficits at June 30, 1999, as follows (amounts in thousands):

Budgeted Funds:	
Highway Fund.....	\$ 180,586
Local Aid Fund.....	2,581,361
Mosquito and Greenhead Fly Control Fund.....	1,848
Environmental Challenge Fund.....	4,176
Toxic Use Reduction Fund.....	4,608
Environmental Permitting and Compliance Assurance Fund.....	26,947
Environmental Law Enforcement Fund.....	1,872
Public Access Fund.....	298
Harbors and Inland Waters Maintenance Fund.....	2,121
Marine Fisheries Fund.....	3,814
Low-Level Radioactive Waste Management Fund.....	307
Clean Air Act Compliance Fund.....	104
Second Century Fund.....	4,124
Anti-trust Law Enforcement Fund.....	2,188
Victim and Witness Assistance Fund.....	5,653
Intercity Bus Capital Assistance Fund.....	7,084
Ponkapoag Recreational Fund.....	77
Leo J. Martin Recreation Fund.....	194
Division of Insurance Fund.....	651
Social Services Program Fund.....	269
Local Consumer Inspection Fund.....	296
	<u>2,828,578</u>
Non-Budgeted Special Revenue:	
Other:	
Government Land Bank Fund.....	35,097
Child Support Enforcement Fund.....	854
	<u>35,951</u>
Capital Projects:	
Boston Convention and Exhibition Center Fund.....	19,000
Highway Fund.....	257,944
Local Aid Fund.....	20,779
Water Pollution Control Fund.....	5,447
State Recreation Areas Fund.....	102
Metropolitan Parks Fund.....	4,095
Government Land Bank Fund.....	11,000
	<u>318,367</u>
Total .....	<u>\$ 3,182,896</u>

In order to resolve the deficits in the budgeted funds, the Comptroller has recommended authorization of transfers from other budgeted funds with surplus balances or a plan of fund consolidation. If these changes are adopted by the legislature, the deficiencies will be resolved. For the Non-Budgeted Special Revenue Funds, the Comptroller has recommended similar budgeted transfers to subsidize and resolve the deficits or their consolidation into budgeted funds. Such steps require legislative action.

In the Capital Project Funds, the deficit of \$318,367,000 reflects the time lag between capital expenditures and the receipt or allocation of proceeds from the sale of related bonds. Subsequent to June 30, 1999, the Commonwealth issued \$500,000,000 in general obligation bonds to finance the deficit.

**9. MEDICAID COSTS**

The Commonwealth provides medical care for low-income, elderly and other residents who qualify for such assistance under the federally-sponsored Medical Assistance Program (Medicaid). The Commonwealth pays the full cost of care and is reimbursed by the federal government for 50% of that cost. For the fiscal year ended June 30, 1999, the General Fund and Children's and Senior's Health Fund include \$3,856,453,000 in expenditures for Medicaid claims processed for payment.

The combined financial statements – statutory basis include Medicaid claims processed but unpaid at June 30, 1999, as accounts payable of approximately \$88,407,000. The Commonwealth estimates its total liability, as determined in accordance with generally accepted accounting principles, at \$587,220,000 including the amounts reported as accounts payable at June 30, 1999. This amount includes estimates of both the cost of care provided as of June 30, 1999, for which claims have not been processed and other costs. Of this amount, \$274,635,000 is expected to be reimbursed by the federal government.

**10. RETIREMENT SYSTEMS**

*Primary Government* – The Commonwealth is statutorily responsible for the pension benefits for Commonwealth employees (members of the State Employees' Retirement System) and for teachers of the cities, towns, regional school districts throughout the Commonwealth and Quincy College (members of the Teachers' Retirement System, except for teachers in the Boston public schools, who are members of the State-Boston Retirement System but whose pensions are also the responsibility of the Commonwealth).

The members of the retirement systems do not participate in the Social Security System. The Commonwealth has assumed responsibility for payment of cost-of-living adjustments (COLA) for the separate (non-teacher) retirement systems of its cities, towns and counties, granted in fiscal year 1997 and prior. The Commonwealth is statutorily required to have an actuarial valuation once every three years and every two years on a GAAP basis.

Certain Commonwealth employees and current retirees employed prior to the establishment of the State Employees' Retirement System are covered on a "pay-as-you-go" basis.

**Plan Descriptions –**

**State Employees' Retirement System (SERS)** is a single employer defined benefit public employee retirement system (PERS), covering substantially all employees of the Commonwealth and certain employees of the independent authorities and agencies including the state police officers at the Massachusetts Port Authority and the Massachusetts Turnpike Authority. The SERS is administered by the Commonwealth and is part of the reporting entity and does not issue a stand alone financial report.

**Teachers' Retirement System (TRS)** is an agent multiple employer defined benefit PERS with 104 participating employers. The Commonwealth is a non-employer contributor and is responsible for all contributions and future benefit requirements of the TRS. The TRS covers certified teachers in cities (except the City of Boston), towns, regional school districts and Quincy College. The TRS is administered by the Commonwealth and is part of the reporting entity and does not issue a stand-alone financial report.

**State – Boston Retirement System (SBRS)** is hybrid multiple employer defined benefit PERS. SBRS provides pension benefits to all full-time employees upon commencement of employment with any of the various government agencies covered by SBRS. The Commonwealth is a non-employer contributor and is only responsible for the actual cost of pension benefits for SBRS participants who serve in the City of Boston's School Department in a teaching capacity. The cost of pension benefits of the other participants is the responsibility of the City of Boston. SBRS is not administered by the Commonwealth and is not part of the reporting entity and a stand-alone financial report is not available.

The policy for postretirement benefit increases for all retirees of the SERS, TRS, SBRS and COLA are subject to legislative approval.

**Membership** – Membership in SERS, TRS and SBRS as of January 1, 1998, the date of the most recent valuation, is as follows:

	SERS	TRS	SBRS
Retirees and beneficiaries			
currently receiving benefits.....	43,144	30,499	2,742
Terminated employees entitled to			
benefits but not yet receiving them....	2,073	1,850	96
Subtotal.....	45,217	32,349	2,838
Current employees:			
Vested.....	48,035	50,477	4,181
Non-vested.....	34,596	24,422	1,269
Subtotal.....	82,631	74,899	5,450
Total.....	127,848	107,248	8,288

During fiscal year 1998, the Commonwealth abolished Franklin and Middlesex Counties and in fiscal year 1999 the Commonwealth abolished Worcester, Hampden and Hampshire counties, transferring their functions, assets, debts and obligations to the Commonwealth. The SERS actuarial accrued liability includes former county employees who were transferred to the Commonwealth.

**Benefit Provisions** – Massachusetts General Laws established uniform benefit and contribution requirements for all contributory PERS. These requirements provide for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, and group classification. The authority for amending these provisions is with the legislature.

Retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of interest they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension. Average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55.

**Funding Progress** - The SERS, TRS and SBRS actuarial determined contributions were computed as part of the actuarial valuation as of January 1, 1998. The Commonwealth had revised three actuarial assumptions used in the calculation of contribution requirements and Unfunded Actuarial Liability (UAL). First, the assumed

rate of return on investments of present and future assets was changed from 8.5% to 8.25% per year resulting in a \$641,000,000 increase in the UAL. Second, the use of an updated mortality table resulted in a \$1,100,000,000 increase in the UAL. Third, a change from using the market value of assets to an actuarial value of assets had the effect in this valuation of reporting assets at 97% of the market value. This third change results in a

\$643,000,000 increase in UAL. Other significant assumptions used are (a) projected salary increases of 6% per year, (b) cost of living (inflation rate) increases of 3% per year on the first \$12,000 of the retirees total allowance, and (c) interest rate credited to the annuity savings fund of 5.5% per year. These calculations use a level dollar amortization method over 20 years closed period.

The following table presents the schedule of funding progress as presented in the five most recent actuarial valuations at the dates indicated (amounts in thousands):

Actuarial Valuation as of January 1,	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded Actuarial Liability (UAL)	Funded Ratio %	Annual Covered Payroll *	UAL as a % of Covered Payroll
<b>State Employers Retirement System</b>						
1998**	\$ 9,914,000	\$ 11,361,000	\$ 1,447,000	87.3 %	\$ 3,111,000	46.5 %
1996	7,366,000	9,441,000	2,075,000	78.0	2,989,000	69.4
1995	5,879,000	8,602,000	2,723,000	68.3	2,992,000	91.0
1993	5,071,000	8,738,000	3,667,000	58.0	2,919,000	125.6
1992	4,699,000	7,303,000	2,604,000	64.3	2,638,000	98.7
<b>Teachers Retirement System</b>						
1998**	10,170,000	13,095,000	2,925,000	77.7	3,175,000	92.1
1996	7,553,000	10,252,000	2,699,000	73.7	2,810,000	96.0
1995	6,014,000	9,712,000	3,698,000	61.9	2,667,000	138.7
1993	5,142,000	8,921,000	3,779,000	57.6	2,428,000	155.6
1992	4,784,000	8,706,000	3,922,000	55.0	2,032,000	193.0
<b>State - Boston Retirement System</b>						
1998**	699,000	1,219,000	520,000	57.3	285,000	182.5
1996	549,000	1,025,000	476,000	53.6	274,000	173.7
1995	438,000	833,000	395,000	52.6	232,000	170.3
1993	370,000	743,000	373,000	49.8	206,000	181.1
1992	342,000	759,000	417,000	45.1	184,000	226.6

\* - The covered payroll amounts approximate the employer payroll.

\*\* - Revised actuarial assumptions

In addition to these system liabilities, the Commonwealth had assumed financial responsibility for the COLA granted to participants in the 104 retirement systems of cities, towns and counties in fiscal year 1997 and prior fiscal years. Chapter 17 of the Acts of 1997 effective for fiscal year 1998 transferred the responsibility for funding COLAs for separate (non-teacher) retirement systems of cities and towns to the respective system. Any future COLA granted by the Legislature to employees of these plans will be the responsibility of the individual system. The individual employer governments are also responsible for the basic pension benefits. The retirement systems are not administered by the Commonwealth and

are not part of the reporting entity. The actuarial accrued liability for COLA as of January 1, 1998 was \$912,029,000.

**Contributions Required and Contributions Made** – The retirement systems' funding policies have been established by Chapter 32 of the Massachusetts General Laws. The legislature has the authority to amend these policies. The annuity portion of the SERS, TRS and SBRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation – 5% for those hired before January 1, 1975, 7% for those hired from January 1, 1975, through December 31, 1983

and 8% for those hired on or after January 1, 1984, plus an additional 2% of compensation above \$30,000 per year for those hired on or after January 1, 1979. Regular employees and state police hired after June 30, 1996 are required to contribute 9% and 12% respectively of their regular compensation plus an additional 2% of compensation above \$30,000 per year. Costs of administering the plan are funded out of plan assets.

The Commonwealth's contribution for the pension benefit portion of the retirement allowance of SERS and TRS and required payments to cover SBRS and COLA contributions were originally established on a "pay-as-you-go" basis. As a result, amounts were appropriated each year to pay current benefits, without a systematic provision to fully fund future liabilities already incurred. Beginning in fiscal year 1988, the Commonwealth enacted the Pension Reform Act of 1987 and addressed the unfunded liability of SERS, TRS and its participation in SBRS and its COLA obligation. Chapter 32, Section 22C of General Laws enacted in 1998 calls for the payment of normal cost plus an amortization payment of UAL such that the UAL is reduced to zero by June 30, 2018.

This legislation also directs the Secretary of Administration and Finance to prepare a funding schedule to meet these requirements, and to update this funding schedule every three years on the basis of new actuarial valuation reports prepared under the Secretary's direction. Any such schedule is subject to legislative approval. If a schedule is not so approved, payments are to be made in accordance with the most recently approved schedule.

The current legislatively approved funding schedule, based on the October 26, 1998 valuation, was adopted by

the Legislature as part of the fiscal year 1999 budget process. Under the current schedule the amortization payments are designed to eliminate the unfunded liability by fiscal year 2018. Based on the previous funding schedule required contributions by the Commonwealth of \$945,340,000 during the fiscal year ended June 30, 1999. Of this amount \$124,494,000 represents payments for COLA granted to participants in retirement systems of cities, towns and counties.

GAAP requires that pension expenditures (costs) be based on an acceptable actuarial cost method and that they be not less than:

- Normal cost and amortization cost
- Interest and amortization on any unfunded prior service costs

The funding schedule discussed above follows an acceptable actuarial funding methodology to compute normal cost and the unfunded accrued actuarial liability.

**Pension Actuarial Valuation** – On April 28, 1999 a pension valuation report prepared by independent actuarial consultants to the Pension Reserves Investment Management (PRIM) Board was released. Using the same data and assumptions employed by PERAC in its October, 1998 valuation report, the independent report found the unfunded actuarial liability to be \$6.346 billion (rather than \$4.371 billion) for state employees and state teachers and \$583.3 million (rather than \$519.9 million) for Boston teachers. The total unfunded liability which includes cost of living adjustments totaled \$7.841 billion rather than \$5.803 billion. Neither PERAC nor the independent consultants to the PRIM Board have yet determined the source of the differences.

The following table presents the schedule of employer contributions (amounts in thousands):

Actuarial Valuation as of January 1,	Annual Required Contribution (ARC)	Interest on NPO	Amortization of NPO	Pension Cost	Actual Contribution Made	Net Pension (Obligation) Asset (NPO)	% of ARC Contributed	% of Pension Cost Contributed
<b>State Employers Retirement System</b>								
*1998	\$ 261,255	\$ (83,446)	\$ 77,180	\$ 254,989	\$ 494,289	\$ 1,250,766	189 %	194 %
1997	246,037	(65,478)	41,889	222,448	463,590	1,011,466	188	208
1996	232,158	(46,918)	29,523	214,763	433,114	770,324	187	202
1995	249,640	(31,639)	19,614	237,615	417,361	551,973	167	176
1994	266,564	(18,448)	9,152	257,268	398,900	372,227	150	155
1993	243,587	(5,539)	2,694	240,742	402,100	230,595	165	167
1992	252,687	136	(65)	252,758	323,700	69,237	128	128
1991	282,682	2,335	(1,094)	283,923	311,400	(1,705)	110	110
1990	259,102	4,569	(2,103)	261,568	289,500	(29,182)	112	111
1989	298,800	2,160	(977)	299,983	269,866	(57,114)	90	90
1988	279,582	-	-	279,582	252,585	(26,997)	90	90
<b>Teachers Retirement System</b>								
*1998	315,474	(59,126)	54,686	311,034	446,619	852,267	142	144
1997	245,426	(44,832)	28,681	229,275	418,519	716,682	171	183
1996	232,403	(30,311)	19,073	221,165	392,003	527,439	169	177
1995	277,343	(24,002)	14,880	268,221	342,441	356,601	123	128
1994	247,460	(15,975)	7,925	239,410	322,100	282,381	130	135
1993	225,838	(9,946)	4,837	220,729	296,100	199,691	131	134
1992	223,041	(4,996)	2,384	220,429	282,300	124,320	127	128
1991	249,436	(3,452)	1,617	247,601	266,900	62,449	107	108
1990	227,270	(1,459)	671	226,482	251,400	43,150	111	111
1989	249,108	(1,595)	722	248,235	246,531	18,232	99	99
1988	232,661	-	-	232,661	252,597	19,936	109	109
<b>State-Boston Retirement System</b>								
*1998	48,795	(2,114)	1,995	48,636	35,000	11,983	72	72
1997	34,621	(2,082)	1,332	33,871	35,000	25,619	101	103
1996	32,908	(1,860)	1,171	32,219	34,822	24,490	106	108
1995	28,168	(1,816)	1,126	27,478	28,000	21,887	99	102
1994	22,448	(1,216)	603	21,835	28,000	21,365	125	128
1993	20,463	(650)	316	20,129	27,200	15,200	133	135
1992	26,530	(634)	303	26,199	26,400	8,129	100	101
1991	23,149	(413)	193	22,929	25,700	7,928	111	112
1990	21,118	(251)	116	20,983	23,000	5,157	109	110
1989	21,744	(127)	58	21,675	23,225	3,140	107	107
1988	20,315	-	-	20,315	21,905	1,590	108	108

\* Last year for which an actuarial valuation has been completed.

The total contributions required for SERS, TRS and SBRS are based on the entry age normal cost method using the same actuarial assumptions used to compute the net pension obligation.

During the year ended June 30, 1999, the Commonwealth's pension expenditure included payments totaling \$19,310,000 to current retirees employed prior to the establishment of the current plans and the non-contributory plans.

**Post-retirement Health Care and Life Insurance Benefits**

– In addition to providing pension benefits, under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities, and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care benefit costs which is comparable to contributions required from employees. The Commonwealth is reimbursed for the cost of benefits to retirees of the eligible authorities and non-state agencies. The Commonwealth recognizes its share of the costs of providing these benefits when paid. These payments totaled approximately \$182,541,000 for the fiscal year ended June 30, 1999. There are approximately 45,100 participants eligible to receive benefits at June 30, 1999.

**11. COMMITMENTS**

Under Chapters 161A and 161B of the General Laws, the Commonwealth is obligated to provide annual subsidies to the MBTA and certain regional transit authorities for contract assistance, debt service assistance and their net cost of service deficiencies. The Commonwealth recovers a portion of these payments through assessments to the cities and towns served. During fiscal year 1999, net expenditures were \$499,093,000 and \$38,618,000, respectively. For fiscal year 2000, the Commonwealth has appropriated \$555,815,000 and \$40,192,000 to the MBTA and regional transit authorities, respectively. These appropriations cover net costs of service for the calendar year ended December 31, 1998.

The Commonwealth is also statutorily obligated to provide contract assistance for debt service obligations to the Massachusetts Convention Center Authority, the Massachusetts Development Finance Authority and the Water Pollution Abatement Trust. Such assistance totaled \$63,467,000 in fiscal year 1999. For fiscal year 2000, appropriations for this purpose totaled \$76,853,000.

At June 30, 1999, the aggregate outstanding debt for which the Commonwealth is obligated to provide contract assistance support totaled approximately \$3,569,077,000 long-term and \$396,441,000 short-term. In addition, the Commonwealth guarantees the debt of certain local governments and public higher education building authorities. The guaranteed long-term debt outstanding at June 30, 1999 was approximately \$216,206,000.

At June 30, 1999, the Commonwealth had commitments of approximately \$3,027,529,000 construction projects. The majority relate to construction funding for a major infrastructure project known as the Central Artery/Tunnel Project. The Central Artery/Tunnel Project continues to anticipate federal participation and payments from the Massachusetts Turnpike Authority (MTA) and the Massachusetts Port Authority (MassPort).

During fiscal year 1999, the Commonwealth received payments from MTA and MassPort pursuant to three separate memoranda of understandings dated September 12, 1997 and August 13, 1998 and February 19, 1999 respectively. The MTA and MassPort made payments to the Commonwealth to finance portion of the Central Artery/Tunnel Project in the amount of \$1,055,000,000 and \$30,735,000 respectively.

The remaining future payments are as follows:  
(Amounts in thousands)

Fiscal Year	MTA	MassPort
2000.....	\$100,000	\$52,236
2001.....	-	-
2002.....	-	-
2003.....	-	-
2004.....	-	105,000
2005.....	-	50,000
2006.....	-	50,000
Total.....	\$100,000	\$257,236

**12. CONTINGENCIES**

A number of lawsuits are pending or threatened against the Commonwealth which arose from the ordinary course of operations. These include claims for property damage and personal injury, breaches of contract, condemnation proceedings and other alleged violations of law. For those cases in which it is probable that a loss will be incurred and the amount of the potential judgment can be reasonably estimated or a settlement or judgment has been reached but not paid, the Attorney General estimates the liability to be approximately \$32,700,000 which is expected to be paid in fiscal year 2000. No accrual has been made for this amount in the combined financial statements – statutory basis.

Workers' compensation costs are recognized when claims are presented and paid. The Commonwealth's outstanding liability for such claims at June 30, 1999, is

estimated to be \$261,600,000, of which approximately \$36,400,000 is expected to be paid during fiscal year 2000. No accrual has been made for these amounts in the combined financial statements – statutory basis.

The Commonwealth receives significant financial assistance from the federal government. Entitlement to these resources is generally conditional upon compliance with terms and conditions of the grant or reimbursement agreements and with applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all federal financial assistance is subject to financial and compliance audits. Any disallowances become liabilities of the fund which received the assistance. At June 30, 1999, the Commonwealth estimated that liabilities, if any, which may result from such audits are not material.

Chapter 200A of the Massachusetts General Laws, the Commonwealth's Abandoned Property Law, requires deposit of certain unclaimed assets into a managed Fiduciary Fund (the "Unclaimed Check Fund"). These unclaimed assets, less \$4,742,000, which is expected to be reclaimed and paid in fiscal year 2000, are to be remitted to the General Fund each June 30, where it is included as miscellaneous revenue. Amounts remitted during fiscal year 1999 totaled approximately \$64,723,000. Since inception, approximately \$821,616,000 has been remitted. A portion of this amount represents a contingency, because claims for refunds can be made by the owners of the property.

**Unclaimed Check Fund** – In February 1999 former employees of the State Treasurer's Office were charged with attempting to embezzle \$6.5 million from the Unclaimed Check fund. These funds have been recovered by the Commonwealth. The Attorney General is conducting a criminal investigation of the matter and believes that the likelihood of loss by the Commonwealth in excess of \$20 million is remote. The grand jury formally indicted the individuals in September 1999.

**Tobacco Settlement** – On November 23, 1998, the Commonwealth joined a multi-state agreement, known as the Master Settlement Agreement ("MSA") which resolved the Commonwealth's and other states' litigation against the cigarette industry. Under the MSA, annual payments are made to each settling state, including the Commonwealth in perpetuity. The Superior Court of the Commonwealth approved the MSA and entered a Consent Decree and Final Judgement on December 4, 1998. The 60-day appeal period for these orders expired on February 2, 1999 with no appeal filed.

Under the MSA, there are five "initial payments" to be paid annually by the cigarette industry to the Commonwealth. In addition, a separate stream of annual payments is made in perpetuity. These payments should begin no later than July 15, 2000. On December 28, 1998, the companies timely made their first payment into the escrow account established under the MSA, in the amount of \$2.4 billion, which is to be apportioned among the states that have settled, including the Commonwealth.

The Commonwealth's allocable share of the total amounts payable under the MSA is 4.038979%. The Attorney General has estimated that over the initial 25-year period, \$7.59 billion could be received under the settlement. The initial payment due to the Commonwealth for calendar 1999 is approximately \$98 million, and the initial and annual payment for calendar 2000 is approximately \$259 million.

The annual payments under the MSA are subject to various adjustments and contingencies. The initial adjustment will be upward by 3% or the amount of the Consumer Price Index (whichever is greater). Other adjustments might occur based on changes in domestic cigarette sales volume or, as a decrease, based upon funding made available to the states under qualifying federal legislation.

The MSA includes a secondary fund, a "Strategic Contribution" fund, totaling \$8.61 billion. Proceeds will be allocated, based on an arbitration decision on May 21, 1999 to the states over the period 2008 through 2017. Massachusetts was awarded \$414 million, which will be payable in equal installments during the years 2008 through 2017.

The amounts that might be payable, if any, by the Commonwealth for the legal costs incurred in relation to the tobacco litigation cannot be determined at this time.

In the various budgets submitted for fiscal 2000 from the Governor, the General Court and the Senate, all agree that health care initiatives in the Commonwealth would be the major beneficiary of settlement funds. The Budgets differ as to timing, mechanism and allocation.

**13. NON-TAX REVENUE INITIATIVES**

Chapter 653, 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.

**Debt Collection** Pursuant to Massachusetts General Laws Chapter 29, Section 29D, 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 fiscal year 1999 were:

Department Collectors	Collections	Fees
Allen Daniel Associates.....	\$ 93,119	\$ 16,605
Collection Company of America.....	683,181	155,959
Gragil Associates.....	156,299	33,135
Payco.....	556,576	133,668
Walker Associates.....	815,177	120,217
Windham Professionals.....	725,547	159,893
Total.....	\$ 3,029,899	\$ 619,477

Under a similar program for the Commonwealth's public institutions of higher education, the following amounts were collected and fees paid:

Department Collectors	Collections	Fees
Allen Daniel Associates.....	\$ 694,257	\$ 121,815
Associated Credit Services.....	540	103
Collection Company of America.....	1,681,155	527,424
Financial Collection Agency.....	23,720	2,899
Glenn Associates.....	471,769	91,939
Gragil Associates.....	17,980	4,508
Payco.....	421,112	100,683
Walker Associates.....	1,646	343
Windham Professionals.....	254,746	25,131
Total.....	\$3,566,925	\$ 874,845

**Revenue Maximization** – Pursuant to Massachusetts General Law Chapter 29 Section 29E and Chapter 194 Section 276 of the fiscal year 1999 Budget, contractors were engaged on a contingent fee basis to assist several of the Commonwealth's departments in the identification and collection of federal and other revenues. During fiscal year 1999, approximately \$159,772,000 was collected through such efforts. After contractor fees of

\$13,902,000 were paid on a contingent basis, the Commonwealth received approximately \$145,870,000.

Pursuant to Chapter 194 of Section 348 of the fiscal year 1999 Budget, the Comptroller's Office is authorized to engage vendors for the purpose of identification and pursuit of cost savings/avoidance opportunities. For fiscal year 1999 there was one department engaged in a Section 348 procurement/project. In fiscal year 1999, estimated total cost avoidance based on actuarial calculations was approximately \$68,828,000 and fees paid to the Public Consulting Group were \$2,901,000.

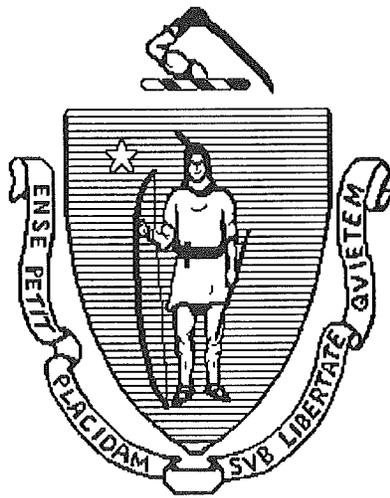
**Utility Audits** – Massachusetts General Law, Chapter 20 Section 29G, authorizes the Department of Procurement and General Services to solicit services and enter into contingent contracts on behalf of governmental entities for the potential of recoupment of overcharges associated with utility expenses. During fiscal year 1999, approximately \$218,000 was recouped and \$107,000 was paid or payable to the Cost Control Associates and the Utility Management Group, resulting in a net benefit to the Commonwealth of approximately \$111,000. As of June 30, 1999, reviews were in process for 12 municipalities who have taken advantage of the master service agreement negotiated by Procurement and General Services.

**14. SUBSEQUENT EVENTS**

Subsequent to year-end, two additional counties will be abolished.

The county of Essex will be transferred July 1, 1999, (FY00); and the county of Berkshire will be transferred on July 1, 2000 (FY01). The transfer date can be earlier if a county has failed to make a required payment on an outstanding bond or note. The Commonwealth will include in its audited financial statements the financial activity of an abolished county in the fiscal year the actual transfers occur.

Footnote six discusses additional long-term debt activity after June 30, 1999. Footnote twelve discusses activity regarding Tobacco Settlement and Unclaimed Check Fund.

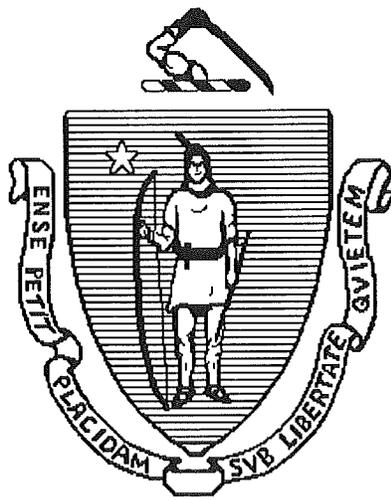


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# *Combining and Individual Fund Financial Statements - Statutory Basis*



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# *Individual Budgeted Funds*

## **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, institutions of higher education and independent commissions and a portion of expenditures for the judicial system are paid for 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.

## **HIGHWAY FUND:**

The Highway Fund accounts for highway user taxes including the gas tax and fees; used to finance highway maintenance and safety services, and provide matching funds for federally sponsored highway projects as required.

*Infrastructure Fund (Subfund of Highway Fund)* details specific components of revenue and expenditure related to the Highway Fund, segregated per instructions in Section 2 O of Chapter 29 of the General Laws.

## **LOCAL AID FUND:**

The Local Aid Fund accounts for revenue from sales, income, other corporate taxes and lottery profits which have been earmarked for distribution to cities and towns or are used to finance programs that benefit local communities, and a major portion of the court systems.

## **COMMONWEALTH STABILIZATION FUND:**

The Commonwealth Stabilization Fund accounts for amounts calculated in accordance with state finance law and maintain a reserve to enhance the Commonwealth's fiscal stability.

## **ADMINISTRATIVE CONTROL FUNDS:**

To account for the revenues generated by certain administrative functions of government, for which the Legislature has required that separate funds be established.

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

*Intragovernmental Service Fund* accounts for the charges of any state agency for services provided by another state agency, for example, charges levied by the public employee retirement administration for worker's compensation chargeback.

*Revenue Maximization Fund* accounts for increased collections as a result of special initiatives; these revenues become available for expenditure by the various state agencies.

*Tax Exemption Escrow Trust Fund* accounts for a reserve to partly fund the permanent personal income tax cuts enacted by Chapter 175 of the Acts of 1998.

*Collective Bargaining Reserve Fund* accounts for transfers from the general fund which may be used to fund negotiated contracts for state employees.

*Transitional Escrow Fund* accounts for funds set aside to be held until December 31, 1999 as a reserve per section 46 of Chapter 68 of the Acts of 1999.

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## ENVIRONMENTAL FUNDS :

These funds account for a variety of revenues, which finance programs to preserve, protect and enhance the environment.

### Natural Heritage and Endangered Species Fund

accounts for revenues from public and private sources and/or the federal government as reimbursements, grants, donations or other receipts; 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.

### Mosquito and Greenhead Fly Control Fund

accounts for assessments to cities and towns of various mosquito control districts; appropriated to support activities designed to control mosquitoes and/or greenhead flies.

Inland Fisheries and Game Fund accounts for revenues from license and permit fees for inland fishing, hunting and trapping and/or the sales of land, rights and properties, gifts, interest, and federal grant reimbursements; used for developing, maintaining and operating the division of fisheries.

Environmental Challenge Fund accounts for inappropriate disposal of hazardous waste and other environmental infractions; used for cleanup, control or response actions for oil and hazardous materials, and to reduce the production of hazardous waste.

Toxic Use Reduction Fund accounts for the fees, penalties, and other financial charges collected by the Toxic Use Reduction Institute including grants or gifts collected. Appropriations are for the specific purpose of cleaning up and reducing toxic waste.

Clean Environment Fund accounts for programs for recycling compost, solid waste source reduction and other environmental programs which are financed through unclaimed bottle deposits escheated to the Commonwealth.

Environmental Permitting and Compliance Assurance Fund accounts for revenues from the

issuance of permits for the removal of hazardous materials and certain other fees; used to fund the cost of monitoring, discharge sampling and analysis, inspection, technical assistance, and enforcement activities necessary to ensure compliance by persons holding permits.

### Underground Storage Tank Petroleum Product Cleanup Fund

accounts for fees, penalties, grants, gifts or other contributions used to provide reimbursements for cleanup and other expenditures incurred as a result of damage caused by underground storage tanks and systems.

Environmental Law Enforcement Fund accounts for revenues from certain gas taxes, federal grants, and revenue from law enforcement coverage details throughout the Commonwealth; used for operating the division of law enforcement.

Public Access Fund accounts for revenues from certain gas taxes and federal reimbursements; used for the cost of acquisition, construction, maintenance operation and improvement of public access to state waterways.

### Harbors and Inland Waters Maintenance Fund

accounts for certain gas taxes, fines, permits and federal reimbursements used for maintenance, dredging and cleaning of harbors, inland waters and great ponds.

Marine Fisheries Fund accounts for revenues from certain gas taxes, licenses, and fees; used to manage the division of marine fisheries.

Watershed Management Fund accounts for revenues from the sale of wood products harvested on watershed lands, and assessments from the Massachusetts Water Resource Authority; used to maintain and operate the MDC Watershed Division.

### Low Level Radioactive Waste Management Fund

accounts for assessments on persons licensed or registered to receive, possess, use, transfer or acquire radioactive material; used for the expenses of the Low Level Radioactive Waste Management Board to carry out its duties.

**Asbestos Cost Recovery Fund** accounts for revenues from court judgments/settlements relative to the removal of asbestos; used for operations, maintenance, encapsulation and removal of asbestos.

**Clean Air Act Compliance Fund** accounts for revenues from permit applications and grants; used for the implementation, administration, monitoring and analysis of permitting compliance and enforcement of technical assistance programs.

**Solid Waste Disposal Fund** accounts for monies received relative to solid waste disposal including assessments from cities and towns to be appropriated for the purpose of management, maintenance and operation of solid waste disposal facilities.

**Second Century Fund** accounts for fees or charges for use of the Commonwealth's system of parks, forests or other natural resources subject to the oversight of the department of environmental management pursuant to section two of chapter twenty-one; and expenditure for the enhancement, improvement and maintenance of forest and parks systems.

**Safe Drinking Water Fund** accounts for drinking water assessments to end suppliers engaged in the distribution of water and used for the administration of monitoring federal safe drinking water act.

#### **OTHER FUNDS:**

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

**Child Support Penalty Fee Fund** accounts for penalties, fees or interest assessed by IV-D agency to establish the enforcement of child support authorized under Title IV of the Social Security Act.

**Workforce Training Fund** accounts for revenues from new unemployment surcharge of .075% of unemployment taxable wages on employers; to provide grants to employers and labor groups to

provide education and training to new and existing employees.

**Brownfields Revitalization Fund** accounts for transfers from General Fund and related interest or investment earnings; amount appropriated for financial assistance to project sites located within Federal Empowerment Zones or Enterprise communities.

**Firearms Records Keeping Fund** accounts for revenues from firearms registration fees for the purpose of implementing, enhancing and maintaining a state firearms information system.

**Clean Election Fund** accounts for revenues from the voluntary tax return check off on personal tax returns; for the purpose of payment to eligible candidates for public financing of campaigns for statewide elective office.

**Antitrust Law Enforcement Fund** accounts for fines, penalties received and expenses paid related to actions brought by the Attorney General in connection with antitrust actions.

**Victim and Witness Assistance Fund** accounts for assessments imposed on individuals convicted of crimes; used to make grants to District Attorney's Offices and the Parole Board for programs serving crime victims and witnesses.

**Intercity Bus Capital Assistance Fund** accounts for the acquisition of vehicles for inter-city transportation and the revenues and costs associated with their operation.

**Motorcycle Safety Fund** accounts for motorcycle registration fees collected to administer motorcycle safety programs.

**Drug Analysis Fund** accounts for certain revenues received by the courts resulting from fines; used for the cost of analysis of controlled substances.

**Re-Employment and Job Placement Fund** accounts for the excise on employer contributions and activities authorized under Title III and Title IX of the Social

Security Act and Title V of the Job Training Partnership Act.

**Trust Fund for the Head Injury Treatment Services Fund** accounts for revenues from a surcharge on fines resulting from DUI convictions; funds the Massachusetts Rehabilitation Commission's statewide head injury program to develop and maintain non-residential rehabilitation services for head injured persons.

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

**Health Care Access Fund** accounts for a portion of the cigarette tax fees assessed from certain programs, and federal reimbursements associated with the uncompensated care pool; used for establishing a program of preventive pediatric health care services, universal immunizations and managed care community health centers.

**Ponkapoag Recreational Fund** accounts for a portion of golf course revenues; used for the capital improvement, purchase of equipment, and maintenance of the golf course.

**Leo J. Martin Recreation Fund** accounts for a portion of golf course revenues; used for the capital improvement, purchase of equipment and maintenance of the golf course.

**Division of Insurance Fund** accounts for revenues collected from agent licenses to a maximum amount of three million dollars; used to fund the cost related to accreditation from the National Association of Insurance Commissioners.

**Health Protection Fund** accounts for a portion of the cigarette tax, penalties, forfeitures, interest, settlements of lawsuits and fines collected in connection with sales of cigarettes; used to supplement existing funding for school health education programs, workplace and community smoking prevention and cessation programs, public service advertising, and for support of community

health centers and their programs of prenatal and maternal care.

**State Building Management Fund** accounts for revenue rentals and commissions, such as parking fees and expenditures for the maintenance and operation of the Massachusetts Information Technology Center, the Springfield State Office Building, the State Transportation Building and other facilities.

**Reggie Lewis Track and Athletic Center Fund** accounts for revenues from user fees, concession stand commissions and other fees; used for equipment repair, maintenance and nonpayroll operating expenses.

**Assisted Living Administration Fund** accounts for certification fees; used for operating expenses associated with the regulation of Elder Affairs Assisted Living.

**Commonwealth Economic Development Fund** accounts for monies transferred from the federal loan interest fund; used to promote employee and worker training, education and the general economic development of the Commonwealth.

**Commonwealth Cost Relief Fund** accounts for transfers from other funds; used for subsidies and other assistance for water pollution abatement projects, mitigation of sewer rate increases, and for extraordinary expenditures of the Commonwealth.

**Children's and Senior's Health Fund** accounts for a portion of the cigarette and smokeless tobacco tax, inventory tax and related investment income; to be appropriated for the provision of medical benefits to expansion beneficiaries and a five year pilot program of pharmacy assistance.

**Diversity Awareness Education Trust Fund** accounts for fines and related interest or investment earnings from the trial courts from assault and battery cases with the intent to intimidate based on race, color, religion, sexual orientation, nationality or disability; to be appropriated for the purpose of developing and maintaining diversity awareness

educational programs and courses for persons convicted of such crimes.

**Child Care Fund** accounts for monies transferred from Transitional Aid to Needy Families Fund; used for the administration of child care programs under the Office of Child Care Services.

**Transitional Aid to Needy Families Fund** accounts for all federal revenues and reimbursements received by the Commonwealth pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, effectively ending Aid to Families with Dependent Children (AFDC) and replacing it with Transitional Aid to Needy Families (TANF) block grants.

**Social Services Program Fund** accounts for monies transferred from Transitional Aid to Needy Families Fund, used for the operation of the Department of Social Services.

**Local Consumer Inspection Fund** accounts for all amounts generated from item pricing fines, appropriated to provide financial assistance to eligible local or regional agencies.

**University of Massachusetts Lowell Wannalancit Complex Building Management Fund** (inactive) accounts for revenues from leasing, operation, granting of concession or other use of the Wannalancit Complex; used to meet obligations related to operation and ownership of the complex .

**Caseload Increase Mitigation Fund** accounts for revenues or other financing sources directed by budget to be appropriated for increased costs due to excessive welfare cases or to accommodate for fluctuations in federal funding for the Department of Transitional Assistance.

**Boston Convention and Exhibition Center Fund** accounts for surcharges imposed on tourist tickets, such as cruise and for any land-based sightseeing located in the Commonwealth to finance the construction of a new Boston Convention Center.

**Voting Equipment Loan Fund** accounts for transfers from General Fund; loans to municipalities to replace punch card voting systems which shall be repaid to the Commonwealth no later than ten years after such loan is made.

The following fund was closed in fiscal 1998:

**Commonwealth Fiscal Recovery Fund** accounts for dedicated taxes, investment income and payments for debt service on the Commonwealth Fiscal Recovery Bonds.

The following funds have been enacted in legislation but are inactive for fiscal 1999:

**Rate Payer Parity Trust Fund** accounts for all personal and corporate tax revenues attributable to the sale of assets relative to electric companies and penalties and fees collected for the purpose of providing extraordinary assistance in achieving the required electricity rate reduction.

**Danvers State Hospital Reuse** accounts for first \$100,000 proceeds of sale, lease or other disposition of the Danvers State Hospital Disposition sites and is available for the needs of mental health clients formerly served by the Danvers State Hospital.

**Budgeted Funds**  
**Combining Balance Sheet - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

<b>ASSETS</b>	<u>General</u>	<u>Highway</u>	<u>Local Aid</u>
Cash and short-term investments.....	\$ 2,874,405	-	\$ -
Cash with fiscal agent.....	-	26,061	-
Advances to related entity.....	255,224	-	-
Receivables, net of allowance for uncollectibles:			
Taxes.....	4,749	-	-
Due from federal government.....	172,546	-	-
Other receivables.....	6,077	-	-
Due from cities and towns.....	146,509	-	495
Due from other funds.....	1,672	140	-
<b>Total assets.....</b>	<b>\$ 3,461,182</b>	<b>\$ 26,201</b>	<b>\$ 495</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Deficiency in cash and short-term investments.....	\$ -	188,880	\$ 2,375,075
Accounts payable.....	449,631	15,300	206,243
Accrued payroll.....	34,453	2,607	538
Due to other funds.....	-	-	-
<b>Total liabilities.....</b>	<b>484,084</b>	<b>206,787</b>	<b>2,581,856</b>
Fund balances (deficits):			
Reserved for:			
Continuing appropriations.....	94,851	4,247	18,471
Commonwealth stabilization.....	-	-	-
Tax reduction.....	-	-	-
Transitional escrow.....	-	-	-
Debt service.....	-	26,061	-
Unreserved:			
Undesignated.....	2,882,247	(210,894)	(2,599,832)
<b>Total fund balances (deficits).....</b>	<b>2,977,098</b>	<b>(180,586)</b>	<b>(2,581,361)</b>
<b>Total liabilities and fund balances.....</b>	<b>\$ 3,461,182</b>	<b>\$ 26,201</b>	<b>\$ 495</b>

Commonwealth Stabilization	Administrative Control	Environmental	Other	Totals (Memorandum only)	
				1999	1998
\$ 1,388,523	\$ 218,907	\$ -	\$ 259,499	\$ 4,741,334	\$ 4,003,541
-	-	-	-	26,061	26,059
-	-	-	-	255,224	232,762
-	-	-	-	4,749	5,108
-	-	-	119,958	292,504	171,943
-	-	10,762	-	16,839	19,061
-	-	-	-	147,004	150,028
-	-	-	-	1,812	6,130
<u>\$ 1,388,523</u>	<u>\$ 218,907</u>	<u>\$ 10,762</u>	<u>\$ 379,457</u>	<u>\$ 5,485,527</u>	<u>\$ 4,614,632</u>
\$ -	\$ -	\$ 28,157	\$ -	\$ 2,592,112	\$ 1,781,454
-	11,460	9,533	50,393	742,560	612,316
-	52	654	90	38,394	24,616
-	-	-	-	-	4,120
-	<u>11,512</u>	<u>38,344</u>	<u>50,483</u>	<u>3,373,066</u>	<u>2,422,506</u>
-	37,145	6,996	50,456	212,166	260,289
1,388,523	-	-	-	1,388,523	1,159,588
-	6,818	-	-	6,818	367,663
-	92,000	-	-	92,000	-
-	-	-	-	26,061	26,059
-	<u>71,432</u>	<u>(34,578)</u>	<u>278,518</u>	<u>386,893</u>	<u>378,527</u>
<u>1,388,523</u>	<u>207,395</u>	<u>(27,582)</u>	<u>328,974</u>	<u>2,112,461</u>	<u>2,192,126</u>
<u>\$ 1,388,523</u>	<u>\$ 218,907</u>	<u>\$ 10,762</u>	<u>\$ 379,457</u>	<u>\$ 5,485,527</u>	<u>\$ 4,614,632</u>

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	General	Highway	Local Aid	Commonwealth Stabilization
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 8,545,797	\$ 543,847	\$ 4,925,633	\$ -
Assessments.....	236,420	10,680	-	-
Federal grants and reimbursements.....	2,640,527	-	-	-
Departmental.....	576,852	303,207	1,476	-
Miscellaneous.....	99,219	2,024	292	63,313
<b>Total revenues.....</b>	<b>12,098,815</b>	<b>859,758</b>	<b>4,927,401</b>	<b>63,313</b>
Other financing sources:				
Fringe benefit cost recovery.....	121,376	-	-	-
Lottery reimbursements.....	75,949	-	-	-
Lottery distributions.....	1,000	-	808,095	-
Transfer for MBTA contract assistance.....	135,343	-	-	-
Caseload mitigation.....	-	-	-	-
Operating transfers in.....	200,077	-	-	-
Collective bargaining reserve.....	-	-	-	-
Transfer for transitional escrow.....	-	-	-	-
Stabilization transfer.....	-	-	-	165,622
Federal reimbursement transfer in.....	-	2,345	-	-
Transfer for tax reduction.....	296,298	-	83,520	-
<b>Total other financing sources.....</b>	<b>830,043</b>	<b>2,345</b>	<b>891,615</b>	<b>165,622</b>
<b>Total revenues and other financing sources.....</b>	<b>12,928,858</b>	<b>862,103</b>	<b>5,819,016</b>	<b>228,935</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Legislature.....	51,259	-	-	-
Judiciary.....	52,011	-	438,648	-
Inspector General.....	2,136	-	-	-
Governor and Lieutenant Governor.....	5,368	-	-	-
Secretary of the Commonwealth.....	23,258	-	8,382	-
Treasurer and Receiver-General.....	108,207	701	3,171	-
Auditor of the Commonwealth.....	13,086	-	740	-
Attorney General.....	24,747	7	749	-
Ethics Commission.....	690	-	693	-
District Attorney.....	242	-	61,571	-
Office of Campaign & Political Finance.....	376	-	377	-
Sheriff's Departments.....	124,576	192	1,456	-
Disabled Persons Protection Commission.....	1,500	-	-	-
Board of Library Commissioners.....	4,395	-	2,799	-
Comptroller.....	7,068	-	-	-
Administration and finance.....	829,615	6,101	144,751	-
Environmental affairs.....	67,318	27,272	31,694	-
Communities and development.....	100,099	-	33,728	-
Health and human services.....	3,116,383	-	3,455	-
Transportation and construction.....	515,424	180,787	125,438	-
Education.....	14,102	-	248,672	-
Higher education.....	911,620	-	92	-
Public safety.....	418,042	211,571	163,617	-
Economic development.....	11,588	-	249	-
Elder affairs.....	158,617	-	10,908	-
Consumer affairs.....	37,730	2,089	-	-
Labor.....	38,891	-	187	-
Direct local aid.....	740	43,407	4,266,022	-
Medicaid.....	3,549,050	-	-	-
Pension.....	348,761	70,934	569,551	-
Debt service:				
Principal retirement.....	426,320	166,683	62,950	-
Interest and fiscal charges.....	250,958	191,673	73,080	-
<b>Total expenditures.....</b>	<b>11,214,177</b>	<b>901,417</b>	<b>6,252,980</b>	<b>-</b>
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	-
Transfer for MBTA contract assistance.....	-	45,115	90,228	-
Operating transfers out.....	106,409	2,525	842	-
Sewer rate relief.....	-	-	50,323	-
Collective bargaining reserve.....	86,000	-	-	-
Caseload mitigation.....	2,816	-	-	-
Transfer for capital projects funds.....	118,638	-	-	-
Surplus transfer for capital projects.....	110,414	-	-	-
Stabilization transfer.....	99,373	-	66,249	-
Transfer for transitional escrow.....	92,000	-	-	-
Transfer for debt defeasance.....	54,500	354,389	-	-
Transfer for tax reduction.....	-	-	-	-
<b>Total other financing uses.....</b>	<b>670,150</b>	<b>402,029</b>	<b>207,642</b>	<b>-</b>
<b>Total expenditures and other financing uses.....</b>	<b>11,884,327</b>	<b>1,303,446</b>	<b>6,460,622</b>	<b>-</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	1,044,531	(441,343)	(641,606)	228,935
Fund balances (deficit) at beginning of year.....	1,932,567	260,757	(1,939,755)	1,159,588
<b>Fund balances (deficit) at end of year.....</b>	<b>\$ 2,977,098</b>	<b>\$ (180,586)</b>	<b>\$ (2,581,361)</b>	<b>\$ 1,388,523</b>

Totals (Memorandum only)				
Administrative Control	Environmental	Other	1999	1998
\$ 163	\$ 7,876	\$ 268,147	\$ 14,291,463	\$ 14,026,256
-	17,195	-	264,295	255,134
53,649	2,572	746,181	3,442,929	3,361,181
95,418	56,666	39,808	1,073,427	1,082,591
18,973	31,854	1,327	217,002	189,295
<u>168,203</u>	<u>116,163</u>	<u>1,055,463</u>	<u>19,289,116</u>	<u>18,914,457</u>
-	-	-	121,376	224,761
-	-	-	75,949	71,990
-	-	-	809,095	788,802
-	-	-	135,343	129,176
-	-	3,461	3,461	10
8,170	564	198,055	406,866	428,739
86,000	-	-	86,000	75,068
92,000	-	-	92,000	-
-	-	-	165,622	317,357
-	-	-	2,345	-
-	-	-	379,818	454,264
<u>186,170</u>	<u>564</u>	<u>201,516</u>	<u>2,277,875</u>	<u>2,490,167</u>
<u>354,373</u>	<u>116,727</u>	<u>1,256,979</u>	<u>21,566,991</u>	<u>21,404,624</u>
-	-	-	51,259	51,045
16,940	-	-	507,599	465,833
-	-	-	2,136	1,858
-	-	-	5,368	5,080
125	-	-	31,765	22,333
-	6	1,307	113,392	97,773
-	-	-	13,826	12,953
-	87	995	26,585	25,383
-	-	-	1,383	1,279
-	-	7,862	69,675	66,139
-	-	-	753	764
3,449	-	30	129,703	40,405
-	-	-	1,500	1,516
-	-	-	7,194	6,241
449	-	-	7,517	7,129
84,154	22,785	36,883	1,124,289	1,072,737
486	82,324	1,132	210,226	197,964
-	-	2,477	136,304	135,636
25,077	-	647,851	3,792,766	3,681,018
36	5	-	821,690	795,525
-	-	23,941	286,715	237,184
15,833	1,818	486	929,849	861,840
46,337	174	5,544	845,285	809,305
-	-	44,454	56,291	28,800
-	-	882	170,407	153,879
69	-	3,451	43,339	36,914
-	-	5,371	44,449	47,977
-	-	-	4,310,169	3,948,982
-	-	307,403	3,856,453	3,665,839
-	965	-	990,211	1,069,771
-	-	2,065	658,018	706,489
-	-	86	515,797	506,874
<u>192,955</u>	<u>108,164</u>	<u>1,092,220</u>	<u>19,761,913</u>	<u>18,762,465</u>
1,032	11,688	10,589	23,309	93,082
-	-	-	135,343	129,176
52,330	4,498	140,731	307,335	423,616
-	-	3,591	53,914	50,700
-	-	-	86,000	75,068
-	-	645	3,461	10
-	-	-	118,638	189,235
-	-	-	110,414	111,571
-	-	-	165,622	317,357
-	-	-	92,000	-
-	-	-	408,889	-
379,818	-	-	379,818	454,264
<u>433,180</u>	<u>16,186</u>	<u>155,556</u>	<u>1,884,743</u>	<u>1,844,079</u>
<u>626,135</u>	<u>124,350</u>	<u>1,247,776</u>	<u>21,646,656</u>	<u>20,606,544</u>
(271,762)	(7,623)	9,203	(79,665)	798,080
479,157	(19,959)	319,771	2,192,126	1,394,046
<u>\$ 207,395</u>	<u>\$ (27,582)</u>	<u>\$ 328,974</u>	<u>\$ 2,112,461</u>	<u>\$ 2,192,126</u>

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis - Budget And Actual

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	General			Highway		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES AND OTHER FINANCING SOURCES</b>						
<b>Revenues:</b>						
Taxes.....	\$ 8,242,000	\$ 8,545,797	\$ 303,797	\$ 522,200	\$ 543,847	\$ 21,647
Assessments.....	-	236,420	236,420	-	10,680	10,680
Federal grants and reimbursements.....	2,659,200	2,640,527	(18,673)	2,700	-	(2,700)
Departmental.....	820,200	576,852	(243,348)	275,000	303,207	28,207
Miscellaneous.....	-	99,219	99,219	-	2,024	2,024
<b>Total revenues.....</b>	<b>11,721,400</b>	<b>12,098,815</b>	<b>377,415</b>	<b>799,900</b>	<b>859,758</b>	<b>59,858</b>
<b>Other financing sources:</b>						
Fringe benefit cost recovery.....	-	121,376	121,376	-	-	-
Lottery reimbursements.....	81,071	75,949	(5,122)	-	-	-
Lottery distributions.....	1,000	1,000	-	-	-	-
Transfer for MBTA contract assistance.....	-	135,343	135,343	-	-	-
Caseload mitigation.....	-	-	-	-	-	-
Operating transfers in.....	203,029	200,077	(2,952)	-	-	-
Collective bargaining reserve.....	-	-	-	-	-	-
Transfer for transitional escrow.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Federal reimbursement transfer in.....	-	-	-	-	2,345	2,345
Transfer for tax reduction.....	162,500	296,298	133,798	-	-	-
<b>Total other financing sources.....</b>	<b>447,600</b>	<b>830,043</b>	<b>382,443</b>	<b>-</b>	<b>2,345</b>	<b>2,345</b>
<b>Total revenues and other financing sources.....</b>	<b>12,169,000</b>	<b>12,928,858</b>	<b>759,858</b>	<b>799,900</b>	<b>862,103</b>	<b>62,203</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>						
<b>Expenditures:</b>						
Legislature.....	75,343	51,259	24,084	-	-	-
Judiciary.....	57,345	52,011	5,334	-	-	-
Inspector General.....	2,147	2,136	11	-	-	-
Governor and Lieutenant Governor.....	6,285	5,368	917	-	-	-
Secretary of the Commonwealth.....	26,140	23,258	2,882	-	-	-
Treasurer and Receiver-General.....	110,790	108,207	2,583	707	701	6
Auditor of the Commonwealth.....	13,087	13,086	1	-	-	-
Attorney General.....	27,072	24,747	2,325	8	7	1
Ethics Commission.....	695	690	5	-	-	-
District Attorney.....	289	242	47	-	-	-
Office of Campaign & Political Finance.....	378	376	2	-	-	-
Sheriff's Departments.....	126,714	124,576	2,138	242	192	50
Disabled Persons Protection Commission.....	1,514	1,500	14	-	-	-
Board of Library Commissioners.....	4,395	4,395	-	-	-	-
Comptroller.....	7,076	7,068	8	-	-	-
Administration and finance.....	896,322	829,615	66,707	20,840	6,101	14,739
Environmental affairs.....	80,860	67,318	13,542	27,985	27,272	713
Communities and development.....	102,462	100,099	2,363	-	-	-
Health and human services.....	3,186,975	3,116,383	70,592	-	-	-
Transportation and construction.....	520,430	515,424	5,006	184,906	180,787	4,119
Education.....	14,349	14,102	247	-	-	-
Higher education.....	921,430	911,620	9,810	-	-	-
Public safety.....	423,641	418,042	5,599	215,179	211,571	3,608
Economic development.....	12,048	11,588	460	-	-	-
Elder affairs.....	161,701	158,617	3,084	-	-	-
Consumer affairs.....	41,132	37,730	3,402	2,102	2,089	13
Labor.....	45,226	38,891	6,335	-	-	-
Direct local aid.....	2,220	740	1,480	43,472	43,407	65
Medicaid.....	3,549,504	3,549,050	454	-	-	-
Pension.....	349,219	348,761	458	71,033	70,934	99
<b>Debt service:</b>						
Principal retirement.....	431,568	426,320	5,248	168,735	166,683	2,052
Interest and fiscal charges.....	282,284	250,958	31,326	194,032	191,673	2,359
<b>Total expenditures.....</b>	<b>11,480,641</b>	<b>11,214,177</b>	<b>266,464</b>	<b>929,241</b>	<b>901,417</b>	<b>27,824</b>
<b>Other financing uses:</b>						
Fringe benefit cost assessment.....	-	-	-	-	-	-
Transfer for MBTA contract assistance.....	-	-	-	45,132	45,115	17
Operating transfers out.....	106,409	106,409	-	2,525	2,525	-
Sewer rate relief.....	-	-	-	-	-	-
Collective bargaining reserve.....	86,000	86,000	-	-	-	-
Caseload mitigation.....	2,816	2,816	-	-	-	-
Transfer for capital projects funds.....	118,638	118,638	-	-	-	-
Surplus transfer for capital projects.....	-	110,414	(110,414)	-	-	-
Stabilization transfer.....	-	99,373	(99,373)	-	-	-
Transfer for transitional escrow.....	92,000	92,000	-	-	-	-
Transfer for debt defeasance.....	54,500	54,500	-	354,389	354,389	-
Transfer for tax reduction.....	-	-	-	-	-	-
<b>Total other financing uses.....</b>	<b>460,363</b>	<b>670,150</b>	<b>(209,787)</b>	<b>402,046</b>	<b>402,029</b>	<b>17</b>
<b>Total expenditures and other financing uses.....</b>	<b>11,941,004</b>	<b>11,884,327</b>	<b>56,677</b>	<b>1,331,287</b>	<b>1,303,446</b>	<b>27,841</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....</b>						
	227,996	1,044,531	816,535	(531,387)	(441,343)	90,044
Fund balances (deficit) at beginning of year.....	1,932,567	1,932,567	-	260,757	260,757	-
<b>Fund balances (deficit) at end of year.....</b>	<b>\$ 2,160,563</b>	<b>\$ 2,977,098</b>	<b>\$ 816,535</b>	<b>\$ (270,630)</b>	<b>\$ (180,586)</b>	<b>\$ 90,044</b>

Local Aid			Commonwealth Stabilization			Administrative Control		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,685,700	\$ 4,925,633	\$ 239,933	\$ -	\$ -	\$ -	\$ -	\$ 163	\$ 163
-	-	-	-	-	-	-	53,649	53,649
7,800	1,476	(6,324)	38,429	-	(38,429)	4,505	95,418	90,913
-	292	292	-	63,313	63,313	-	18,973	18,973
4,693,500	4,927,401	233,901	38,429	63,313	24,884	4,505	168,203	163,698
-	-	-	-	-	-	-	-	-
659,300	808,095	148,795	-	-	-	-	-	-
-	-	-	-	-	-	-	8,170	8,170
-	-	-	-	-	-	-	86,000	86,000
-	-	-	-	-	-	-	92,000	92,000
-	-	-	-	165,622	165,622	-	-	-
-	83,520	83,520	-	-	-	-	-	-
659,300	891,615	232,315	-	165,622	165,622	-	186,170	186,170
5,352,800	5,819,016	466,216	38,429	228,935	190,506	4,505	354,373	349,868
-	-	-	-	-	-	-	-	-
462,873	438,648	24,225	-	-	-	18,162	16,940	1,222
-	-	-	-	-	-	-	-	-
8,638	8,382	256	-	-	-	125	125	-
3,510	3,171	339	-	-	-	-	-	-
740	740	-	-	-	-	-	-	-
756	749	7	-	-	-	-	-	-
698	693	5	-	-	-	-	-	-
61,741	61,571	170	-	-	-	-	-	-
379	377	2	-	-	-	-	-	-
1,914	1,456	458	-	-	-	3,449	3,449	-
-	-	-	-	-	-	-	-	-
2,803	2,799	4	-	-	-	-	-	-
-	-	-	-	-	-	449	449	-
155,805	144,751	11,054	-	-	-	127,061	84,154	42,907
32,306	31,694	612	-	-	-	499	486	13
33,770	33,728	42	-	-	-	-	-	-
13,699	3,455	10,244	-	-	-	28,203	25,077	3,126
129,867	125,438	4,429	-	-	-	36	36	-
254,383	248,672	5,711	-	-	-	-	-	-
92	92	-	-	-	-	15,833	15,833	-
169,718	163,617	6,101	-	-	-	46,338	46,337	1
250	249	1	-	-	-	-	-	-
11,054	10,908	146	-	-	-	-	-	-
-	-	-	-	-	-	69	69	-
187	187	-	-	-	-	-	-	-
4,275,421	4,266,022	9,399	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
569,551	569,551	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
63,725	62,950	775	-	-	-	-	-	-
73,979	73,080	899	-	-	-	-	-	-
6,327,859	6,252,980	74,879	-	-	-	240,224	192,955	47,269
-	-	-	-	-	-	-	1,032	(1,032)
90,262	90,228	34	-	-	-	-	-	-
842	842	-	-	-	-	52,330	52,330	-
50,323	50,323	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	66,249	(66,249)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	379,818	379,818	-
141,427	207,642	(66,215)	-	-	-	432,148	433,180	(1,032)
6,469,286	6,460,622	8,664	-	-	-	672,372	626,135	46,237
(1,116,486)	(641,606)	474,880	38,429	228,935	190,506	(667,867)	(271,762)	396,105
(1,939,755)	(1,939,755)	-	1,159,588	1,159,588	-	479,157	479,157	-
\$ (3,056,241)	\$ (2,581,361)	\$ 474,880	\$ 1,198,017	\$ 1,388,523	\$ 190,506	\$ (188,710)	\$ 207,395	\$ 396,105

## Budgeted Funds

### Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis - Budget And Actual

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	Environmental			Other		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES AND OTHER FINANCING SOURCES</b>						
<b>Revenues:</b>						
Taxes.....	\$ 8,700	\$ 7,876	\$ (824)	\$ 249,400	\$ 268,147	\$ 18,747
Assessments.....	-	17,195	17,195	-	-	-
Federal grants and reimbursements.....	3,985	2,572	(1,413)	733,215	746,181	12,966
Departmental.....	94,512	56,666	(37,846)	51,454	39,808	(11,646)
Miscellaneous.....	-	31,854	31,854	-	1,327	1,327
<b>Total revenues.....</b>	<b>107,197</b>	<b>116,163</b>	<b>8,966</b>	<b>1,034,069</b>	<b>1,055,463</b>	<b>21,394</b>
<b>Other financing sources:</b>						
Fringe benefit cost recovery.....	-	-	-	-	-	-
Lottery reimbursements.....	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-
Transfer for MBTA contract assistance.....	-	-	-	-	-	-
Caseload mitigation.....	-	-	-	-	3,461	3,461
Operating transfers in.....	-	564	564	174,763	198,055	23,292
Collective bargaining reserve.....	-	-	-	-	-	-
Transfer for transitional escrow.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Federal reimbursement transfer in.....	-	-	-	-	-	-
Transfer for tax reduction.....	-	-	-	-	-	-
<b>Total other financing sources.....</b>	<b>-</b>	<b>564</b>	<b>564</b>	<b>174,763</b>	<b>201,516</b>	<b>26,753</b>
<b>Total revenues and other financing sources.....</b>	<b>107,197</b>	<b>116,727</b>	<b>9,530</b>	<b>1,208,832</b>	<b>1,256,979</b>	<b>48,147</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>						
<b>Expenditures:</b>						
Legislature.....	-	-	-	-	-	-
Judiciary.....	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-
Governor and Lieutenant Governor.....	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	-
Treasurer and Receiver-General.....	7	6	1	1,308	1,307	1
Auditor of the Commonwealth.....	-	-	-	-	-	-
Attorney General.....	105	87	18	1,033	995	38
Ethics Commission.....	-	-	-	-	-	-
District Attorney.....	-	-	-	7,920	7,862	58
Office of Campaign & Political Finance.....	-	-	-	-	-	-
Sheriff's Departments.....	-	-	-	38	30	8
Disabled Persons Protection Commission.....	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-
Administration and finance.....	25,468	22,785	2,683	58,889	36,883	22,006
Environmental affairs.....	91,866	82,324	9,542	1,174	1,132	42
Communities and development.....	-	-	-	2,527	2,477	50
Health and human services.....	-	-	-	690,305	647,851	42,454
Transportation and construction.....	5	5	-	-	-	-
Education.....	-	-	-	24,533	23,941	592
Higher education.....	1,886	1,818	68	526	486	40
Public safety.....	174	174	-	5,703	5,544	159
Economic development.....	-	-	-	68,966	44,454	24,512
Elder affairs.....	-	-	-	932	882	50
Consumer affairs.....	-	-	-	4,000	3,451	549
Labor.....	-	-	-	13,612	5,371	8,241
Direct local aid.....	-	-	-	-	-	-
Medicaid.....	-	-	-	350,097	307,403	42,694
Pension.....	965	965	-	-	-	-
Debt service:						
Principal retirement.....	-	-	-	2,090	2,065	25
Interest and fiscal charges.....	-	-	-	87	86	1
<b>Total expenditures.....</b>	<b>120,476</b>	<b>108,164</b>	<b>12,312</b>	<b>1,233,740</b>	<b>1,092,220</b>	<b>141,520</b>
<b>Other financing uses:</b>						
Fringe benefit cost assessment.....	-	11,688	(11,688)	-	10,589	(10,589)
Transfer for MBTA contract assistance.....	-	-	-	-	-	-
Operating transfers out.....	4,498	4,498	-	140,731	140,731	-
Sewer rate relief.....	-	-	-	3,591	3,591	-
Collective bargaining reserve.....	-	-	-	-	-	-
Caseload mitigation.....	-	-	-	645	645	-
Transfer for capital projects funds.....	-	-	-	-	-	-
Surplus transfer for capital projects.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Transfer fro transitional escrow.....	-	-	-	-	-	-
Transfer for debt defeasance.....	-	-	-	-	-	-
Transfer for tax reduction.....	-	-	-	-	-	-
<b>Total other financing uses.....</b>	<b>4,498</b>	<b>16,186</b>	<b>(11,688)</b>	<b>144,967</b>	<b>155,556</b>	<b>(10,589)</b>
<b>Total expenditures and other financing uses.....</b>	<b>124,974</b>	<b>124,350</b>	<b>624</b>	<b>1,378,707</b>	<b>1,247,776</b>	<b>130,931</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(17,777)	(7,623)	10,154	(169,875)	9,203	179,078
Fund balances (deficit) at beginning of year.....	(19,959)	(19,959)	-	319,771	319,771	-
<b>Fund balances (deficit) at end of year.....</b>	<b>\$ (37,736)</b>	<b>\$ (27,582)</b>	<b>\$ 10,154</b>	<b>\$ 149,896</b>	<b>\$ 328,974</b>	<b>\$ 179,078</b>

216,960  
94,214

2,117,783

Totals (Memorandum only)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 13,708,000	\$ 14,291,463	\$ 583,463
-	264,295	264,295
3,399,100	3,442,929	43,829
1,291,900	1,073,427	(218,473)
-	217,002	217,002
18,399,000	19,289,116	890,116
-	121,376	121,376
81,071	75,949	(5,122)
660,300	809,095	148,795
-	135,343	135,343
-	3,461	3,461
377,792	406,866	29,074
-	86,000	86,000
-	92,000	92,000
-	165,622	165,622
-	2,345	2,345
162,500	379,818	217,318
1,281,663	2,277,875	996,212
19,680,663	21,566,991	1,886,328
75,343	51,259	24,084
538,380	507,599	30,781
2,147	2,136	11
6,285	5,368	917
34,903	31,765	3,138
116,322	113,392	2,930
13,827	13,826	1
28,974	26,585	2,389
1,393	1,383	10
69,950	69,675	275
757	753	4
132,357	129,703	2,654
1,514	1,500	14
7,198	7,194	4
7,525	7,517	8
1,284,385	1,124,289	160,096
234,690	210,226	24,464
138,759	136,304	2,455
3,919,182	3,792,766	126,416
835,244	821,690	13,554
293,265	286,715	6,550
939,767	929,849	9,918
860,753	845,285	15,468
81,264	56,291	24,973
173,687	170,407	3,280
47,303	43,339	3,964
59,025	44,449	14,576
4,321,113	4,310,169	10,944
3,899,601	3,856,453	43,148
990,768	990,211	557
666,118	658,018	8,100
550,382	515,797	34,585
20,332,181	19,761,913	570,268
-	23,309	(23,309)
135,394	135,343	51
307,335	307,335	-
53,914	53,914	-
86,000	86,000	-
3,461	3,461	-
118,638	118,638	-
-	110,414	(110,414)
-	165,622	(165,622)
92,000	92,000	-
408,889	408,889	-
379,818	379,818	-
1,585,449	1,884,743	(299,294)
21,917,630	21,646,656	270,974
(2,236,967)	(79,665)	2,157,302
2,192,126	2,192,126	-
\$ (44,841)	\$ 2,112,461	\$ 2,157,302

**General Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

<b>ASSETS</b>	<u>1999</u>	<u>1998</u>
Cash and short-term investments.....	\$ 2,874,405	\$ 1,765,009
Advances to related entity.....	255,224	232,762
Receivables, net of allowance for uncollectibles:		
Taxes.....	4,749	5,108
Due from federal government.....	172,546	133,883
Other receivables.....	6,077	8,454
Due from cities and towns.....	146,509	149,621
Due from other funds.....	1,672	5,792
Total assets.....	<u>\$ 3,461,182</u>	<u>\$ 2,300,629</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 449,631	\$ 345,736
Accrued payroll.....	34,453	22,326
Total liabilities.....	<u>484,084</u>	<u>368,062</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	94,851	89,922
Unreserved fund balance:		
Undesignated.....	2,882,247	1,842,645
Total fund balance.....	<u>2,977,098</u>	<u>1,932,567</u>
Total liabilities and fund balance.....	<u>\$ 3,461,182</u>	<u>\$ 2,300,629</u>

**General Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 8,242,000	\$ 8,545,797	\$ 303,797	\$ 8,312,968
Assessments.....	-	236,420	236,420	226,737
Federal grants and reimbursements.....	2,659,200	2,640,527	(18,673)	2,671,658
Departmental.....	820,200	576,852	(243,348)	593,226
Miscellaneous.....	-	99,219	99,219	111,695
Total revenues.....	<u>11,721,400</u>	<u>12,098,815</u>	<u>377,415</u>	<u>11,916,284</u>
Other financing sources:				
Fringe benefit cost recovery.....	-	121,376	121,376	224,761
Lottery reimbursements.....	81,071	75,949	(5,122)	71,990
Lottery distributions.....	1,000	1,000	-	1,000
Transfer for MBTA contract assistance.....	-	135,343	135,343	129,176
Transfers for tax reduction.....	162,500	296,298	133,798	55,058
Operating transfers in.....	203,029	200,077	(2,952)	197,036
Total other financing sources.....	<u>447,600</u>	<u>830,043</u>	<u>382,443</u>	<u>679,021</u>
Total revenues and other financing sources.....	<u>12,169,000</u>	<u>12,928,858</u>	<u>759,858</u>	<u>12,595,305</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Legislature.....	75,343	51,259	24,084	51,045
Judiciary.....	57,345	52,011	5,334	47,139
Inspector General.....	2,147	2,136	11	1,858
Governor and Lieutenant Governor.....	6,285	5,368	917	5,080
Secretary of the Commonwealth.....	26,140	23,258	2,882	16,513
Treasurer and Receiver-General.....	110,790	108,207	2,583	91,788
Auditor of the Commonwealth.....	13,087	13,086	1	12,246
Attorney General.....	27,072	24,747	2,325	23,574
Ethics Commission.....	695	690	5	638
District Attorney.....	289	242	47	247
Office of Campaign and Political Finance.....	378	376	2	381
Sheriff's Departments.....	126,714	124,576	2,138	40,307
Disabled Persons Protection Commission.....	1,514	1,500	14	1,516
Board of Library Commissioners.....	4,395	4,395	-	3,815
Comptroller.....	7,076	7,068	8	6,701

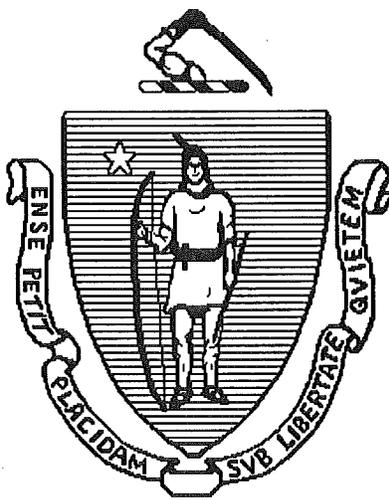
## General Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
Expenditures (continued):				
Administration and finance.....	896,322	829,615	66,707	801,647
Environmental affairs.....	80,860	67,318	13,542	58,463
Communities and development.....	102,462	100,099	2,363	100,642
Health and human services.....	3,186,975	3,116,383	70,592	3,010,817
Transportation and construction.....	520,430	515,424	5,006	496,854
Education.....	14,349	14,102	247	12,998
Higher education.....	921,430	911,620	9,810	856,624
Public safety.....	423,641	418,042	5,599	393,800
Economic development.....	12,048	11,588	460	10,556
Elder affairs.....	161,701	158,617	3,084	142,853
Consumer affairs.....	41,132	37,730	3,402	31,717
Labor.....	45,226	38,891	6,335	45,711
Direct local aid.....	2,220	740	1,480	689
Medicaid.....	3,549,504	3,549,050	454	3,470,215
Pension.....	349,219	348,761	458	375,212
Debt service:				
Principal retirement.....	431,568	426,320	5,248	372,233
Interest and fiscal charges.....	282,284	250,958	31,326	253,536
<b>Total expenditures.....</b>	<b>11,480,641</b>	<b>11,214,177</b>	<b>266,464</b>	<b>10,737,415</b>
Other financing uses:				
Collective bargaining reserve.....	86,000	86,000	-	75,068
Caseload mitigation.....	2,816	2,816	-	5
Transfer for capital projects funds.....	118,638	118,638	-	96,235
Surplus transfer for capital projects.....	-	110,414	(110,414)	111,571
Transfer for transitional escrow.....	92,000	92,000	-	-
Transfer for debt defeasance.....	54,500	54,500	-	-
Operating transfers out.....	106,409	106,409	-	210,889
Stabilization transfer.....	-	99,373	(99,373)	250,414
Transfer for tax reduction.....	-	-	-	362,500
<b>Total other financing uses.....</b>	<b>460,363</b>	<b>670,150</b>	<b>(209,787)</b>	<b>1,106,682</b>
<b>Total expenditures and other financing uses.....</b>	<b>11,941,004</b>	<b>11,884,327</b>	<b>56,677</b>	<b>11,844,097</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	227,996	1,044,531	816,535	751,208
Fund balance at beginning of year.....	1,932,567	1,932,567	-	1,181,359
Fund balance at end of year.....	<u>\$ 2,160,563</u>	<u>\$ 2,977,098</u>	<u>\$ 816,535</u>	<u>\$ 1,932,567</u>



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**Highway Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 255,399
Cash with fiscal agent.....	26,061	26,059
Receivables, net of allowance for uncollectibles:		
Other receivables.....	-	56
Due from other funds.....	140	338
Total assets.....	\$ 26,201	\$ 281,852
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 188,880	\$ -
Accounts payable.....	15,300	19,483
Accrued payroll.....	2,607	1,612
Total liabilities.....	206,787	21,095
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	4,247	27,285
Reserved for debt service.....	26,061	26,059
Unreserved fund balance (deficit):		
Undesignated.....	(210,894)	207,413
Total fund balance (deficit).....	(180,586)	260,757
Total liabilities and fund balance.....	\$ 26,201	\$ 281,852

**Highway Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 522,200	\$ 543,847	\$ 21,647	\$ 531,143
Assessments.....	-	10,680	10,680	11,121
Federal grants and reimbursements.....	-	-	-	2,950
Departmental.....	275,000	303,207	28,207	317,513
Miscellaneous.....	-	2,024	2,024	2,145
Total revenues.....	<u>797,200</u>	<u>859,758</u>	<u>62,558</u>	<u>864,872</u>
Other financing sources:				
Federal reimbursement transfer in .....	2,700	2,345	(355)	-
Operating transfers in.....	-	-	-	338
Total other financing sources.....	<u>2,700</u>	<u>2,345</u>	<u>(355)</u>	<u>338</u>
Total revenues and other financing sources.....	<u>799,900</u>	<u>862,103</u>	<u>62,203</u>	<u>865,210</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Treasurer and Receiver-General.....	707	701	6	600
Attorney General.....	8	7	1	8
Sheriff's Departments.....	242	192	50	54
Administration and finance.....	20,840	6,101	14,739	6,605
Environmental affairs.....	27,985	27,272	713	25,566
Transportation and construction.....	184,906	180,787	4,119	171,036
Public safety.....	215,179	211,571	3,608	183,466
Labor.....	-	-	-	2
Consumer affairs.....	2,102	2,089	13	2,009
Direct local aid.....	43,472	43,407	65	43,472
Pension.....	71,033	70,934	99	76,627
Debt service:				
Principal retirement.....	168,735	166,683	2,052	149,338
Interest and fiscal charges.....	194,032	191,673	2,359	179,732
Total expenditures.....	<u>929,241</u>	<u>901,417</u>	<u>27,823</u>	<u>838,515</u>
Other financing uses:				
Transfer for MBTA contract assistance.....	45,132	45,115	17	43,059
Transfer for capital projects funds.....	-	-	-	93,000
Transfer for debt defeasance.....	354,389	354,389	-	-
Operating transfers out.....	2,525	2,525	-	3,766
Total other financing uses.....	<u>402,046</u>	<u>402,029</u>	<u>17</u>	<u>139,825</u>
Total expenditures and other financing uses.....	<u>1,331,287</u>	<u>1,303,446</u>	<u>27,840</u>	<u>978,340</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(531,387)	(441,343)	90,044	(113,130)
Fund balance at beginning of year.....	260,757	260,757	-	373,887
Fund balance (deficit) at end of year.....	<u>\$ (270,630)</u>	<u>\$ (180,586)</u>	<u>\$ 90,044</u>	<u>\$ 260,757</u>

**Infrastructure Fund (Subfund Of Highway Fund)**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 718,071	\$ 584,818
Cash with fiscal agent.....	26,061	26,059
Total assets.....	\$ 744,132	\$ 610,877
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	26,061	26,059
Unreserved fund balance:		
Undesignated.....	718,071	584,818
Total fund balance.....	744,132	610,877
Total liabilities and fund balance.....	\$ 744,132	\$ 610,877

Note: The Infrastructure Fund was established by Section 16 of Chapter 121, Acts of 1990 as a subfund of the Highway Fund, and it is a component of, not an addition to, that fund. The entire Highway Fund, including this subfund, is presented in the preceding financial statements labeled Highway Fund.

**Infrastructure Fund (Subfund Of Highway Fund)**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	Variance Favorable (Unfavorable)	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 183,771	\$ 183,771	\$ -	\$ 178,700
Miscellaneous.....	-	1,601	1,601	1,635
Total revenues.....	<u>183,771</u>	<u>185,372</u>	<u>1,601</u>	<u>180,335</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>183,771</u>	<u>185,372</u>	<u>1,601</u>	<u>180,335</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Debt service:				
Principal retirement.....	20,275	20,275	-	22,570
Interest and fiscal charges.....	31,842	31,842	-	29,072
Total expenditures.....	<u>52,117</u>	<u>52,117</u>	<u>-</u>	<u>51,642</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	<u>52,117</u>	<u>52,117</u>	<u>-</u>	<u>51,642</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	131,654	133,255	1,601	128,693
Fund balance at beginning of year.....	610,877	610,877	-	482,184
Fund balance at end of year.....	<u>\$ 742,531</u>	<u>\$ 744,132</u>	<u>\$ 1,601</u>	<u>\$ 610,877</u>

Note: The Infrastructure Fund was established by Section 16 of Chapter 121, Acts of 1990 as a subfund of the Highway Fund, and it is a component of, not an addition to, that fund. The entire Highway Fund, including this subfund, is presented in the preceding financial statements labeled Highway Fund.

**Local Aid Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Due from cities and towns.....	\$ 495	\$ 407
Total assets.....	\$ 495	\$ 407
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 2,375,075	\$ 1,770,509
Accounts payable.....	206,243	169,549
Accrued payroll.....	538	104
Total liabilities.....	2,581,856	1,940,162
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	18,471	40,114
Unreserved fund balance (deficit):		
Undesignated.....	(2,599,832)	(1,979,869)
Total fund balance (deficit).....	(2,581,361)	(1,939,755)
Total liabilities and fund balance.....	\$ 495	\$ 407

## Local Aid Fund

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

Fiscal Year Ended June 30, 1999

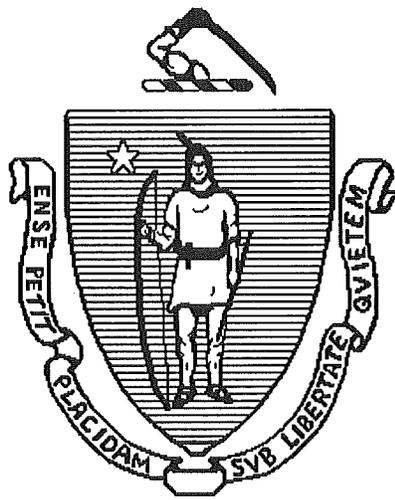
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 4,685,700	\$ 4,925,633	\$ 239,933	\$ 4,760,501
Departmental.....	7,800	1,476	(6,324)	759
Miscellaneous.....	-	292	292	302
<b>Total revenues.....</b>	<b>4,693,500</b>	<b>4,927,401</b>	<b>233,901</b>	<b>4,761,562</b>
Other financing sources:				
Lottery distributions.....	659,300	808,095	148,795	787,802
Transfers for tax reduction.....	-	83,520	83,520	36,706
<b>Total other financing sources.....</b>	<b>659,300</b>	<b>891,615</b>	<b>232,315</b>	<b>824,508</b>
<b>Total revenues and other financing sources.....</b>	<b>5,352,800</b>	<b>5,819,016</b>	<b>466,216</b>	<b>5,586,070</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Judiciary.....	462,873	438,648	24,225	418,694
Secretary of the Commonwealth .....	8,638	8,382	256	4,948
Treasurer and Receiver-General.....	3,510	3,171	339	2,783
Auditor of the Commonwealth.....	740	740	-	707
Attorney General.....	756	749	7	723
Ethics Commission.....	698	693	5	641
District Attorney.....	61,741	61,571	170	58,496
Office of Campaign and Political Finance.....	379	377	2	383
Sheriff's Departments.....	1,914	1,456	458	33
Board of Library Commissioners.....	2,803	2,799	4	2,426
Administration and finance.....	155,805	144,751	11,054	121,372
Environmental affairs.....	32,306	31,694	612	28,757
Communities and development.....	33,770	33,728	42	30,927
Health and human services.....	13,699	3,455	10,244	1,421
Transportation and construction.....	129,867	125,438	4,429	126,471
Education.....	254,383	248,672	5,711	200,247
Higher education.....	92	92	-	5

**Local Aid Fund**  
**Statement of Revenues, Expenditures And Changes in Fund Balance**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
Expenditures (continued):				
Public safety.....	169,718	163,617	6,101	217,824
Economic development.....	250	249	1	-
Elder affairs.....	11,054	10,908	146	9,335
Labor.....	187	187	-	242
Direct local aid.....	4,275,421	4,266,022	9,399	3,904,821
Medicaid.....	-	-	-	32,000
Pension.....	569,551	569,551	-	616,886
Debt service:				
Principal retirement.....	63,725	62,950	775	54,989
Interest and fiscal charges.....	73,979	73,080	899	71,237
Total expenditures.....	<u>6,327,859</u>	<u>6,252,980</u>	<u>74,879</u>	<u>5,906,368</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	65,434
Transfer for MBTA contract assistance.....	90,262	90,228	34	86,117
Sewer rate relief.....	50,323	50,323	-	44,210
Operating transfers out.....	842	842	-	924
Stabilization transfer.....	-	66,249	(66,249)	66,943
Total other financing uses.....	<u>141,427</u>	<u>207,642</u>	<u>(66,215)</u>	<u>263,628</u>
Total expenditures and other financing uses.....	<u>6,469,286</u>	<u>6,460,622</u>	<u>8,664</u>	<u>6,169,996</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses.....	(1,116,486)	(641,606)	474,880	(583,926)
Fund balance (deficit) at beginning of year.....	<u>(1,939,755)</u>	<u>(1,939,755)</u>	-	<u>(1,355,829)</u>
Fund balance (deficit) at end of year.....	<u>\$ (3,056,241)</u>	<u>\$ (2,581,361)</u>	<u>\$ 474,880</u>	<u>\$ (1,939,755)</u>



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**Commonwealth Stabilization Fund**  
**Balance Sheet- Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,388,523	\$ 1,159,588
Total assets.....	<u>\$ 1,388,523</u>	<u>\$ 1,159,588</u>
 <b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for stabilization.....	1,388,523	1,159,588
Total fund balance.....	<u>1,388,523</u>	<u>1,159,588</u>
Total liabilities and fund balance.....	<u>\$ 1,388,523</u>	<u>\$ 1,159,588</u>

**Commonwealth Stabilization Fund**

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

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 38,429	\$ -	\$ (38,429)	\$ -
Miscellaneous.....	-	63,313	63,313	42,931
Total revenues.....	<u>38,429</u>	<u>63,313</u>	<u>24,884</u>	<u>42,931</u>
Other financing sources:				
Stabilization transfer.....	-	165,622	165,622	317,357
Total other financing sources.....	-	165,622	165,622	317,357
Total revenues and other financing sources.....	<u>38,429</u>	<u>228,935</u>	<u>190,506</u>	<u>360,288</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfers for tax reduction.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	-	-	-	-
Excess of revenues and other financing sources over expenditures and other financing uses.....	38,429	228,935	190,506	360,288
Fund balance at beginning of year.....	1,159,588	1,159,588	-	799,300
Fund balance at end of year.....	<u>\$1,198,017</u>	<u>\$ 1,388,523</u>	<u>\$ 190,506</u>	<u>\$1,159,588</u>

**Tax Reduction Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 6,818	\$ 205,163
Total assets.....	\$ 6,818	\$ 205,163
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved for:		
Tax reduction.....	6,818	205,163
Total fund balance.....	6,818	205,163
Total liabilities and fund balance.....	\$ 6,818	\$ 205,163

**Tax Reduction Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Miscellaneous.....	\$ -	\$ 10,455	\$ 10,455	\$ 5,163
Total revenues.....	-	10,455	10,455	5,163
Other financing sources:				
Transfers for tax reduction.....	-	-	-	200,000
Total other financing sources.....	-	-	-	200,000
Total revenues and other financing sources.....	-	10,455	10,455	205,163
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfers for tax reduction.....	208,800	208,800	-	91,764
Total other financing uses.....	208,800	208,800	-	91,764
Total expenditures and other financing uses.....	208,800	208,800	-	91,764
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(208,800)	(198,345)	10,455	113,399
Fund balance at beginning of year.....	205,163	205,163	-	91,764
Fund balance (deficit) at end of year.....	\$ (3,637)	\$ 6,818	\$ 10,455	\$ 205,163

**Intragovernmental Service Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 10,720	\$ 7,975
Total assets.....	\$ 10,720	\$ 7,975
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 10,671	\$ 7,951
Accrued payroll.....	49	24
Total liabilities.....	10,720	7,975
Fund balance:		
Unreserved fund balance :		
Undesignated.....	-	-
Total fund balance.....	-	-
Total liabilities and fund balance.....	\$ 10,720	\$ 7,975

**Intragovernmental Service Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 95,304	\$ 95,304	\$ 81,828
Total revenues.....	-	95,304	95,304	81,828
Other financing sources:				
Operating transfers in.....	-	8,170	8,170	8,637
Total other financing sources.....	-	8,170	8,170	8,637
Total revenues and other financing sources.....	-	103,474	103,474	90,465
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Secretary of the Commonwealth.....	125	125	-	124
Administration and finance.....	85,472	83,395	2,077	72,846
Environmental affairs.....	372	362	10	433
Health and human services.....	8,110	8,002	108	6,464
Transportation and construction.....	26	26	-	141
Public safety.....	8,147	8,147	-	6,929
Total expenditures.....	102,252	100,057	2,195	86,937
Other financing uses:				
Fringe benefit cost assessment.....	-	896	(896)	841
Operating transfers out.....	2,521	2,521	-	2,864
Total other financing uses.....	2,521	3,417	(896)	3,705
Total expenditures and other financing uses.....	104,773	103,474	1,299	90,642
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(104,773)	-	104,773	(177)
Fund balance at beginning of year.....	-	-	-	177
Fund balance (deficit) at end of year.....	\$(104,773)	\$ -	\$ 104,773	\$ -

**Revenue Maximization Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 7,522	\$ 5,835
Total assets.....	\$ 7,522	\$ 5,835
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 548	\$ 1,035
Total liabilities.....	548	1,035
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	6,974	4,800
Total fund balance.....	6,974	4,800
Total liabilities and fund balance.....	\$ 7,522	\$ 5,835

## Revenue Maximization Fund

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

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ 163	\$ 163	\$ 29,732
Federal grants and reimbursements.....	-	53,649	53,649	37,386
Departmental.....	4,505	114	(4,391)	30
<b>Total revenues.....</b>	<b>4,505</b>	<b>53,926</b>	<b>49,421</b>	<b>67,148</b>
Other financing sources:				
Operating transfers in.....	-	-	-	-
<b>Total other financing sources.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenues and other financing sources.....</b>	<b>4,505</b>	<b>53,926</b>	<b>49,421</b>	<b>67,148</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Comptroller.....	449	449	-	428
Administration and finance.....	4,061	107	3,954	1,747
Environmental affairs.....	3	-	3	-
Health and human services.....	4,316	1,298	3,018	1,944
Transportation and construction.....	7	7	-	-
Elder affairs.....	-	-	-	5
Consumer affairs.....	-	-	-	1
<b>Total expenditures.....</b>	<b>8,836</b>	<b>1,861</b>	<b>6,975</b>	<b>4,125</b>
Other financing uses:				
Fringe benefit cost assessment.....	-	82	(82)	94
Operating transfers out.....	49,809	49,809	-	60,498
<b>Total other financing uses.....</b>	<b>49,809</b>	<b>49,891</b>	<b>(82)</b>	<b>60,592</b>
<b>Total expenditures and other financing uses.....</b>	<b>58,645</b>	<b>51,752</b>	<b>6,893</b>	<b>64,717</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(54,140)	2,174	56,314	2,431
Fund balance at beginning of year.....	4,800	4,800	-	2,369
<b>Fund balance (deficit) at end of year.....</b>	<b>\$ (49,340)</b>	<b>\$ 6,974</b>	<b>\$ 56,314</b>	<b>\$ 4,800</b>

**Tax Exemption Escrow Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 162,500
Total assets.....	\$ -	\$ 162,500
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved for:		
Tax reduction.....	-	162,500
Total fund balance.....	-	162,500
Total liabilities and fund balance.....	\$ -	\$ 162,500

**Tax Exemption Escrow Trust Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Miscellaneous.....	\$ -	\$ 8,518	\$ 8,518	\$ -
Total revenues.....	-	8,518	8,518	-
Other financing sources:				
Transfers for tax reduction.....	-	-	-	162,500
Total other financing sources.....	-	-	-	162,500
Total revenues and other financing sources.....	-	8,518	8,518	162,500
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfer for tax reduction.....	171,018	171,018	-	-
Total other financing uses.....	171,018	171,018	-	-
Total expenditures and other financing uses.....	171,018	171,018	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(171,018)	(162,500)	8,518	162,500
Fund balance at beginning of year.....	162,500	162,500	-	-
Fund balance (deficit) at end of year.....	\$ (8,518)	\$ -	\$ 8,518	\$ 162,500

**Collective Bargaining Reserve Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 101,847	\$ 106,982
Total assets.....	\$ 101,847	\$ 106,982
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 241	\$ 287
Accrued payroll.....	3	1
Total liabilities.....	244	288
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	30,171	40,627
Unreserved fund balance:		
Undesignated.....	71,432	66,067
Total fund balance.....	101,603	106,694
Total liabilities and fund balance.....	\$ 101,847	\$ 106,982

**Collective Bargaining Reserve Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Collective bargaining reserve.....	-	86,000	86,000	75,068
Total other financing sources.....	-	86,000	86,000	75,068
Total revenues and other financing sources.....	-	86,000	86,000	75,068
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Judiciary.....	18,162	16,940	1,222	-
Treasurer and Receiver - General.....	-	-	-	1,569
Sheriff's Departments.....	3,449	3,449	-	-
Administration and finance.....	37,529	652	36,877	962
Environmental affairs.....	124	124	-	5,174
Communities and development.....	-	-	-	14
Health and human services.....	15,777	15,777	-	16,078
Transportation & Construction.....	3	3	-	1,020
Education.....	-	-	-	135
Higher education.....	15,833	15,833	-	2,467
Public safety.....	38,190	38,190	-	1,571
Economic development.....	-	-	-	11
Consumer affairs.....	69	69	-	-
Labor.....	-	-	-	71
Total expenditures.....	129,136	91,037	38,099	29,072
Other financing uses:				
Fringe benefit cost assessment.....	-	54	(54)	-
Total other financing uses.....	-	54	(54)	-
Total expenditures and other financing uses.....	129,136	91,091	38,045	29,072
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(129,136)	(5,091)	124,045	45,996
Fund balance at beginning of year.....	106,694	106,694	-	60,698
Fund balance (deficit) at end of year.....	<u>\$ (22,442)</u>	<u>\$ 101,603</u>	<u>\$ 124,045</u>	<u>\$ 106,694</u>

**Commonwealth Fiscal Recovery Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash with fiscal agent.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	-	-
Unreserved fund balance:		
Undesignated.....	<u>-</u>	<u>-</u>
Total fund balance.....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

## Commonwealth Fiscal Recovery Fund

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

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ -	\$ -	\$ 130,340
Miscellaneous.....	-	-	-	1,178
<b>Total revenues.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,518</b>
Other financing sources:				
Proceeds of refunding bonds.....	-	-	-	-
<b>Total other financing sources.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenues and other financing sources.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,518</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Debt service:				
Principal retirement.....	-	-	-	129,900
Interest and fiscal charges.....	-	-	-	2,364
<b>Total expenditures.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,264</b>
Other financing uses:				
Payments to refunded bond escrow agents.....	-	-	-	-
<b>Total other financing uses.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures and other financing uses.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,264</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	-	-	-	(746)
Fund balance at beginning of year.....	-	-	-	746
Fund balance at end of year.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Transitional Escrow Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 92,000	\$ -
Total assets.....	\$ 92,000	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved for:		
Transitional escrow fund.....	92,000	-
Total fund balance.....	92,000	-
Total liabilities and fund balance.....	\$ 92,000	\$ -

**Transitional Escrow Fund**

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

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Miscellaneous.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Transfers for transitional escrow.....	-	92,000	92,000	-
Total other financing sources.....	-	92,000	92,000	-
Total revenues and other financing sources.....	-	92,000	92,000	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Transfers for transitional escrow.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	-	-	-	-
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	92,000	92,000	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	<u>\$ -</u>	<u>\$ 92,000</u>	<u>\$ 92,000</u>	<u>\$ -</u>

**Natural Heritage And Endangered Species Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 36	\$ 91
Total assets.....	\$ 36	\$ 91
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	36	91
Total fund balance.....	36	91
Total liabilities and fund balance.....	\$ 36	\$ 91

**Natural Heritage And Endangered Species Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Federal grants and reimbursements.....	\$ 61	\$ -	\$ (61)	\$ 47
Departmental.....	320	3	(317)	5
Miscellaneous.....	-	233	233	197
Total revenues.....	<u>381</u>	<u>236</u>	<u>(145)</u>	<u>249</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>381</u>	<u>236</u>	<u>(145)</u>	<u>249</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	279	256	23	204
Total expenditures.....	<u>279</u>	<u>256</u>	<u>23</u>	<u>204</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	35	(35)	41
Total other financing uses.....	-	35	(35)	41
Total expenditures and other financing uses.....	<u>279</u>	<u>291</u>	<u>(12)</u>	<u>245</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	102	(55)	(157)	4
Fund balance at beginning of year.....	91	91	-	87
Fund balance at end of year.....	<u>\$ 193</u>	<u>\$ 36</u>	<u>\$ (157)</u>	<u>\$ 91</u>

**Mosquito And Greenhead Fly Control Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 1,738	\$ 1,182
Accounts payable.....	79	101
Accrued payroll.....	31	18
Total liabilities.....	1,848	1,301
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	315	163
Unreserved fund balance (deficit):		
Undesignated.....	(2,163)	(1,464)
Total fund balance (deficit).....	(1,848)	(1,301)
Total liabilities and fund balance.....	\$ -	\$ -

**Mosquito And Greenhead Fly Control Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Assessments.....	\$ -	\$ 4,550	\$ 4,550	\$ 4,276
Departmental.....	4,678	-	(4,678)	-
Miscellaneous.....	-	444	444	435
Total revenues.....	<u>4,678</u>	<u>4,994</u>	<u>316</u>	<u>4,711</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>4,678</u>	<u>4,994</u>	<u>316</u>	<u>4,711</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	5,275	4,871	404	4,541
Total expenditures.....	<u>5,275</u>	<u>4,871</u>	<u>404</u>	<u>4,541</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	664	(664)	723
Operating transfers out.....	6	6	-	6
Total other financing uses.....	<u>6</u>	<u>670</u>	<u>(664)</u>	<u>729</u>
Total expenditures and other financing uses.....	<u>5,281</u>	<u>5,541</u>	<u>(260)</u>	<u>5,270</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(603)	(547)	56	(559)
Fund balance (deficit) at beginning of year.....	<u>(1,301)</u>	<u>(1,301)</u>	<u>-</u>	<u>(742)</u>
Fund balance (deficit) at end of year.....	<u>\$ (1,904)</u>	<u>\$ (1,848)</u>	<u>\$ 56</u>	<u>\$ (1,301)</u>

**Inland Fisheries And Game Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 3,616	\$ 2,845
Total assets.....	\$ 3,616	\$ 2,845
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 473	\$ 513
Accrued payroll.....	63	42
Total liabilities.....	536	555
Fund balance:		
Unreserved fund balance:		
Undesignated.....	3,080	2,290
Total fund balance.....	3,080	2,290
Total liabilities and fund balance.....	\$ 3,616	\$ 2,845

## Inland Fisheries And Game Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REREVENUES AND OTHER FINANCING SOURCES</b>				
<b>Revenues:</b>				
Taxes.....	\$ 932	\$ 844	\$ (88)	\$ 821
Federal grants and reimbursements.....	2,307	2,572	265	2,911
Departmental.....	7,051	7,270	219	7,592
Miscellaneous.....	-	237	237	233
<b>Total revenues.....</b>	<b>10,290</b>	<b>10,923</b>	<b>633</b>	<b>11,557</b>
<b>Other financing sources:</b>				
Operating transfers in.....	-	97	97	104
<b>Total other financing sources.....</b>	<b>-</b>	<b>97</b>	<b>97</b>	<b>104</b>
<b>Total revenues and other financing sources.....</b>	<b>10,290</b>	<b>11,020</b>	<b>730</b>	<b>11,661</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
<b>Expenditures:</b>				
Attorney General.....	18	-	18	6
Environmental affairs.....	9,359	9,001	358	8,745
Pension.....	965	965	-	1,046
<b>Total expenditures.....</b>	<b>10,342</b>	<b>9,966</b>	<b>376</b>	<b>9,797</b>
<b>Other financing uses</b>				
Fringe benefit cost assessment.....	-	253	(253)	374
Operating transfers out.....	11	11	-	13
<b>Total other financing uses.....</b>	<b>11</b>	<b>264</b>	<b>(253)</b>	<b>387</b>
<b>Total expenditures and other financing uses.....</b>	<b>10,353</b>	<b>10,230</b>	<b>123</b>	<b>10,184</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....</b>	<b>(63)</b>	<b>790</b>	<b>853</b>	<b>1,477</b>
Fund balance at beginning of year.....	2,290	2,290	-	813
<b>Fund balance at end of year.....</b>	<b>\$ 2,227</b>	<b>\$ 3,080</b>	<b>\$ 853</b>	<b>\$ 2,290</b>

**Environmental Challenge Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999

(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 4,147	\$ 4,574
Accounts payable.....	26	18
Accrued payroll.....	3	2
Total liabilities.....	4,176	4,594
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(4,176)	(4,594)
Total fund balance (deficit).....	(4,176)	(4,594)
Total liabilities and fund balance.....	\$ -	\$ -

## Environmental Challenge Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999</u>	<u>1999</u>	<u>Variance</u>	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>	<u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 4,357	\$ 8,056	\$ 3,699	\$ 4,845
Total revenues.....	<u>4,357</u>	<u>8,056</u>	<u>3,699</u>	<u>4,845</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>4,357</u>	<u>8,056</u>	<u>3,699</u>	<u>4,845</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	6,351	6,294	57	5,645
Total expenditures.....	<u>6,351</u>	<u>6,294</u>	<u>57</u>	<u>5,645</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	1,344	(1,344)	1,337
Total other financing uses.....	-	1,344	(1,344)	1,337
Total expenditures and other financing uses.....	<u>6,351</u>	<u>7,638</u>	<u>(1,287)</u>	<u>6,982</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,994)	418	2,412	(2,137)
Fund balance (deficit) at beginning of year.....	<u>(4,594)</u>	<u>(4,594)</u>	<u>-</u>	<u>(2,457)</u>
Fund balance (deficit) at end of year.....	<u><u>\$(6,588)</u></u>	<u><u>\$(4,176)</u></u>	<u><u>\$ 2,412</u></u>	<u><u>\$(4,594)</u></u>

**Toxic Use Reduction Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 4,205	\$ 1,260
Accounts payable.....	331	551
Accrued payroll.....	72	39
Total liabilities.....	4,608	1,850
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(4,608)	(1,850)
Total fund balance (deficit).....	(4,608)	(1,850)
Total liabilities and fund balance.....	\$ -	\$ -

## Toxic Use Reduction Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 4,231	\$ 2,615	\$ (1,616)	\$ 5,308
Total revenues.....	<u>4,231</u>	<u>2,615</u>	<u>(1,616)</u>	<u>5,308</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>4,231</u>	<u>2,615</u>	<u>(1,616)</u>	<u>5,308</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	3,985	2,880	1,105	2,740
Higher education.....	1,886	1,818	68	1,811
Total expenditures.....	<u>5,871</u>	<u>4,698</u>	<u>1,173</u>	<u>4,551</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	671	(671)	792
Operating transfers out.....	4	4	-	8
Total other financing uses.....	<u>4</u>	<u>675</u>	<u>(671)</u>	<u>800</u>
Total expenditures and other financing uses.....	<u>5,875</u>	<u>5,373</u>	<u>502</u>	<u>5,351</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,644)	(2,758)	(1,114)	(43)
Fund balance (deficit) at beginning of year.....	<u>(1,850)</u>	<u>(1,850)</u>	<u>-</u>	<u>(1,807)</u>
Fund balance (deficit) at end of year.....	<u><u>\$ (3,494)</u></u>	<u><u>\$ (4,608)</u></u>	<u><u>\$ (1,114)</u></u>	<u><u>\$ (1,850)</u></u>

**Clean Environment Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 13,632	\$ 6,310
Total assets.....	\$ 13,632	\$ 6,310
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 2,134	\$ 1,599
Accrued payroll.....	165	101
Total liabilities.....	2,299	1,700
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	-	130
Unreserved fund balance:		
Undesignated.....	11,333	4,480
Total fund balance.....	11,333	4,610
Total liabilities and fund balance.....	\$ 13,632	\$ 6,310

**Clean Environment Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 18,020	\$ -	\$ (18,020)	\$ -
Miscellaneous.....	-	25,684	25,684	19,818
Total revenues.....	<u>18,020</u>	<u>25,684</u>	<u>7,664</u>	<u>19,818</u>
Other financing sources:				
Other sources.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>18,020</u>	<u>25,684</u>	<u>7,664</u>	<u>19,818</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	170	144	26	173
Environmental affairs.....	16,905	16,663	242	16,413
Transportation and construction.....	5	5	-	-
Total expenditures.....	<u>17,080</u>	<u>16,812</u>	<u>268</u>	<u>16,586</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	2,147	(2,147)	2,327
Operating transfers out.....	2	2	-	33
Total other financing uses.....	<u>2</u>	<u>2,149</u>	<u>(2,147)</u>	<u>2,360</u>
Total expenditures and other financing uses.....	<u>17,082</u>	<u>18,961</u>	<u>(1,879)</u>	<u>18,946</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....				
	938	6,723	5,785	872
Fund balance at beginning of year.....	4,610	4,610	-	3,738
Fund balance at end of year.....	<u>\$ 5,548</u>	<u>\$ 11,333</u>	<u>\$ 5,785</u>	<u>\$ 4,610</u>

**Environmental Permitting And Compliance Assurance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 26,940	\$ 21,691
Accounts payable.....	<u>7</u>	<u>9</u>
Total liabilities.....	<u>26,947</u>	<u>21,700</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(26,947)</u>	<u>(21,700)</u>
Total fund balance (deficit).....	<u>(26,947)</u>	<u>(21,700)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Environmental Permitting And Compliance Assurance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 5,817	\$ 5,843	\$ 26	\$ 6,025
Miscellaneous.....	-	206	206	266
Total revenues.....	<u>5,817</u>	<u>6,049</u>	<u>232</u>	<u>6,291</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>5,817</u>	<u>6,049</u>	<u>232</u>	<u>6,291</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	9,336	9,318	18	8,674
Total expenditures.....	<u>9,336</u>	<u>9,318</u>	<u>18</u>	<u>8,674</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	1,978	(1,978)	1,991
Total other financing uses.....	-	1,978	(1,978)	1,991
Total expenditures and other financing uses.....	<u>9,336</u>	<u>11,296</u>	<u>(1,960)</u>	<u>10,665</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(3,519)	(5,247)	(1,728)	(4,374)
Fund balance (deficit) at beginning of year.....	<u>(21,700)</u>	<u>(21,700)</u>	-	<u>(17,326)</u>
Fund balance (deficit) at end of year.....	<u>\$ (25,219)</u>	<u>\$ (26,947)</u>	<u>\$ (1,728)</u>	<u>\$ (21,700)</u>

**Underground Storage Tank Petroleum Product Cleanup Fund  
Balance Sheet - Statutory Basis**

June 30, 1999

(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 6,231	\$ 17,041
Total assets.....	<u>\$ 6,231</u>	<u>\$ 17,041</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 2,660	\$ 8,565
Accrued payroll.....	8	4
Total liabilities.....	<u>2,668</u>	<u>8,569</u>
Fund equity:		
Unreserved fund balance:		
Undesignated.....	3,563	8,472
Total fund balance.....	<u>3,563</u>	<u>8,472</u>
Total liabilities and fund balance.....	<u>\$ 6,231</u>	<u>\$ 17,041</u>

**Underground Storage Tank Petroleum Product Cleanup Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 19,522	\$ 16,477	\$ (3,045)	\$ 16,890
Miscellaneous.....	-	2,059	2,059	2,480
Total revenues.....	<u>19,522</u>	<u>18,536</u>	<u>(986)</u>	<u>19,370</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>19,522</u>	<u>18,536</u>	<u>(986)</u>	<u>19,370</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	23,091	22,368	723	22,317
Environmental affairs.....	631	628	3	636
Public safety.....	162	161	1	127
Total expenditures.....	<u>23,884</u>	<u>23,157</u>	<u>727</u>	<u>23,080</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	286	(286)	333
Operating transfers out.....	2	2	-	2
Total other financing uses.....	<u>2</u>	<u>288</u>	<u>(286)</u>	<u>335</u>
Total expenditures and other financing uses.....	<u>23,886</u>	<u>23,445</u>	<u>441</u>	<u>23,415</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(4,364)	(4,909)	(545)	(4,045)
Fund balance at beginning of year.....	8,472	8,472	-	12,517
Fund balance at end of year.....	<u>\$ 4,108</u>	<u>\$ 3,563</u>	<u>\$ (545)</u>	<u>\$ 8,472</u>

**Environmental Law Enforcement Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency cash and short-term investments.....	\$ 1,297	\$ 983
Accounts payable.....	492	273
Accrued payroll.....	<u>83</u>	<u>55</u>
Total liabilities.....	<u>1,872</u>	<u>1,311</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(1,872)</u>	<u>(1,311)</u>
Total fund balance (deficit) .....	<u>(1,872)</u>	<u>(1,311)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Environmental Law Enforcement Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 1,864	\$ 1,688	\$ (176)	\$ 1,641
Departmental.....	3,164	3,435	271	3,389
Total revenues.....	<u>5,028</u>	<u>5,123</u>	<u>95</u>	<u>5,030</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>5,028</u>	<u>5,123</u>	<u>95</u>	<u>5,030</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	4,923	4,808	115	4,499
Public safety.....	13	13	-	-
Total expenditures.....	<u>4,936</u>	<u>4,821</u>	<u>115</u>	<u>4,499</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	848	(848)	929
Operating transfers out.....	15	15	-	17
Total other financing uses.....	<u>15</u>	<u>863</u>	<u>(848)</u>	<u>946</u>
Total expenditures and other financing uses.....	<u>4,951</u>	<u>5,684</u>	<u>(733)</u>	<u>5,445</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	77	(561)	(638)	(415)
Fund balance (deficit) at beginning of year.....	<u>(1,311)</u>	<u>(1,311)</u>	<u>-</u>	<u>(896)</u>
Fund balance (deficit) at end of year.....	<u>\$ (1,234)</u>	<u>\$ (1,872)</u>	<u>\$ (638)</u>	<u>\$(1,311)</u>

**Public Access Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999

(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 10
Total assets.....	<u>\$ -</u>	<u>\$ 10</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 152	\$ -
Accounts payable.....	139	51
Accrued payroll.....	<u>7</u>	<u>3</u>
Total liabilities.....	<u>298</u>	<u>54</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	-	50
Unreserved fund balance (deficit):		
Undesignated.....	<u>(298)</u>	<u>(94)</u>
Total fund balance (deficit).....	<u>(298)</u>	<u>(44)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ 10</u>

## Public Access Fund

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

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 932	\$ 843	\$ (89)	\$ 821
Federal grants and reimbursements.....	350	-	(350)	-
Departmental.....	-	1	1	1
<b>Total revenues.....</b>	<b>1,282</b>	<b>844</b>	<b>(438)</b>	<b>822</b>
Other financing sources:				
Operating transfers in.....	-	-	-	-
<b>Total other financing sources.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total revenues and other financing sources.....</b>	<b>1,282</b>	<b>844</b>	<b>(438)</b>	<b>822</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	1,336	987	349	1,318
<b>Total expenditures.....</b>	<b>1,336</b>	<b>987</b>	<b>349</b>	<b>1,318</b>
Other financing uses:				
Fringe benefit cost assessment.....	-	110	(110)	148
Operating transfers out.....	1	1	-	1
<b>Total other financing uses.....</b>	<b>1</b>	<b>111</b>	<b>(110)</b>	<b>149</b>
<b>Total expenditures and other financing uses.....</b>	<b>1,337</b>	<b>1,098</b>	<b>239</b>	<b>1,467</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(55)	(254)	(199)	(645)
Fund balance (deficit) at beginning of year.....	(44)	(44)	-	601
<b>Fund balance (deficit) at end of year.....</b>	<b>\$ (99)</b>	<b>\$ (298)</b>	<b>\$ (199)</b>	<b>\$ (44)</b>

**Harbors And Inland Waters Maintenance Fund  
Balance Sheet - Statutory Basis**

June 30, 1999

(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 1,504
Total assets.....	<u>\$ -</u>	<u>\$ 1,504</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 1,037	\$ -
Accounts payable.....	1,036	1,229
Accrued payroll.....	<u>48</u>	<u>5</u>
Total liabilities.....	<u>2,121</u>	<u>1,234</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	4,747	6,923
Unreserved fund balance (deficit):		
Undesignated.....	<u>(6,868)</u>	<u>(6,653)</u>
Total fund balance (deficit).....	<u>(2,121)</u>	<u>270</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ 1,504</u>

**Harbors And Inland Waters Maintenance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 3,108	\$ 2,813	\$ (295)	\$ 2,735
Miscellaneous.....	-	22	22	23
Total revenues.....	<u>3,108</u>	<u>2,835</u>	<u>(273)</u>	<u>2,758</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>3,108</u>	<u>2,835</u>	<u>(273)</u>	<u>2,758</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	9,961	5,068	4,893	3,920
Total expenditures.....	<u>9,961</u>	<u>5,068</u>	<u>4,893</u>	<u>3,920</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	157	(157)	179
Operating transfers out.....	1	1	-	2
Total other financing uses.....	<u>1</u>	<u>158</u>	<u>(157)</u>	<u>181</u>
Total expenditures and other financing uses.....	<u>9,962</u>	<u>5,226</u>	<u>4,736</u>	<u>4,101</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(6,854)	(2,391)	4,463	(1,343)
Fund balance (deficit) at beginning of year.....	270	270	-	1,613
Fund balance (deficit) at end of year.....	<u>\$ (6,584)</u>	<u>\$ (2,121)</u>	<u>\$ 4,463</u>	<u>\$ 270</u>

**Marine Fisheries Fund**  
**Balance Sheet- Statutory Basis**

June 30, 1999

(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 3,586	\$ 2,198
Accounts payable.....	186	515
Accrued payroll.....	42	26
Total liabilities.....	3,814	2,739
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	-	60
Unreserved fund balance (deficit):		
Undesignated.....	(3,814)	(2,799)
Total fund balance (deficit).....	(3,814)	(2,739)
Total liabilities and fund balance.....	\$ -	\$ -

**Marine Fisheries Fund**  
**Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 1,864	\$ 1,688	\$ (176)	\$ 1,641
Federal grants and reimbursements.....	1,267	-	(1,267)	273
Departmental.....	2,007	2,721	714	2,542
Miscellaneous.....	-	5	5	4
Total revenues.....	<u>5,138</u>	<u>4,414</u>	<u>(724)</u>	<u>4,460</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>5,138</u>	<u>4,414</u>	<u>(724)</u>	<u>4,460</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	5,194	4,656	538	4,702
Total expenditures.....	<u>5,194</u>	<u>4,656</u>	<u>538</u>	<u>4,702</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	826	(826)	985
Operating transfers out.....	7	7	-	9
Total other financing uses.....	<u>7</u>	<u>833</u>	<u>(826)</u>	<u>994</u>
Total expenditures and other financing uses.....	<u>5,201</u>	<u>5,489</u>	<u>(288)</u>	<u>5,696</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(63)	(1,075)	(1,012)	(1,236)
Fund balance (deficit) at beginning of year.....	<u>(2,739)</u>	<u>(2,739)</u>	<u>-</u>	<u>(1,503)</u>
Fund balance (deficit) at end of year.....	<u>\$ (2,802)</u>	<u>\$ (3,814)</u>	<u>\$ (1,012)</u>	<u>\$ (2,739)</u>

**Watershed Management Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Receivables, net of allowance for uncollectibles:		
Other receivables.....	\$ 10,762	\$ 10,551
Total assets.....	\$ 10,762	\$ 10,551
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 9,609	\$ 5,307
Accounts payable.....	774	789
Accrued payroll.....	87	57
Due to other funds.....	-	4,120
Total liabilities.....	10,470	10,273
Fund balance:		
Unreserved fund balance:		
Undesignated.....	292	278
Total fund balance.....	292	278
Total liabilities and fund balance.....	\$ 10,762	\$ 10,551

**Watershed Management Fund**  
**Statement of Revenues, Expenditures And Change In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Assessments.....	\$ -	\$ 10,298	\$ 10,298	\$10,517
Departmental.....	17,781	5,693	(12,088)	7,725
Miscellaneous.....	-	314	314	399
Total revenues.....	<u>17,781</u>	<u>16,305</u>	<u>(1,476)</u>	<u>18,641</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>17,781</u>	<u>16,305</u>	<u>(1,476)</u>	<u>18,641</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	11,553	10,328	1,225	10,013
Total expenditures.....	<u>11,553</u>	<u>10,328</u>	<u>1,225</u>	<u>10,013</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	1,514	(1,514)	1,818
Operating transfers out.....	4,449	4,449	-	6,738
Total other financing uses.....	<u>4,449</u>	<u>5,963</u>	<u>(1,514)</u>	<u>8,556</u>
Total expenditures and other financing uses.....	<u>16,002</u>	<u>16,291</u>	<u>(289)</u>	<u>18,569</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	1,779	14	(1,765)	72
Fund balance at beginning of year.....	278	278	-	206
Fund balance (deficit) at end of year.....	<u>\$ 2,057</u>	<u>\$ 292</u>	<u>\$ (1,765)</u>	<u>\$ 278</u>

**Low Level Radioactive Waste Management Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 304	\$ 210
Accounts payable.....	2	9
Accrued payroll.....	1	2
Total liabilities.....	307	221
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(307)	(221)
Total fund balance (deficit).....	(307)	(221)
Total liabilities and fund balance.....	\$ -	\$ -

**Low Level Radioactive Waste Management Fund**  
**Statements Of Revenues, Expenditures And Changes In Fund Equity - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Assessments.....	\$ -	\$ 157	\$ 157	\$ 330
Departmental.....	<u>209</u>	<u>1</u>	<u>(208)</u>	<u>1</u>
Total revenues.....	<u>209</u>	<u>158</u>	<u>(51)</u>	<u>331</u>
Other financing sources:				
Operating transfers in.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>209</u>	<u>158</u>	<u>(51)</u>	<u>331</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	<u>227</u>	<u>206</u>	<u>21</u>	<u>300</u>
Total expenditures.....	<u>227</u>	<u>206</u>	<u>21</u>	<u>300</u>
Other financing uses:				
Fringe benefit cost assessment.....	<u>-</u>	<u>38</u>	<u>(38)</u>	<u>73</u>
Operating transfers out.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total other financing uses.....	<u>-</u>	<u>38</u>	<u>(38)</u>	<u>74</u>
Total expenditures and other financing uses.....	<u>227</u>	<u>244</u>	<u>(17)</u>	<u>374</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(18)	(86)	(68)	(43)
Fund balance (deficit) at beginning of year.....	<u>(221)</u>	<u>(221)</u>	<u>-</u>	<u>(178)</u>
Fund balance (deficit) at end of year.....	<u>\$ (239)</u>	<u>\$ (307)</u>	<u>\$ (68)</u>	<u>\$ (221)</u>

**Asbestos Cost Recovery Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 4,271	\$ 2,061
Total assets.....	\$ 4,271	\$ 2,061
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 18	\$ 184
Total liabilities.....	18	184
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	1,934	1,207
Unreserved fund balance:		
Undesignated.....	2,319	670
Total fund balance.....	4,253	1,877
Total liabilities and fund balance.....	\$ 4,271	\$ 2,061

## Asbestos Cost Recovery Fund

### Statement Of Revenues, Expenditures And Change In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1999</u>	<u>Variance</u>	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>	<u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 937	\$ -	\$ (937)	\$ -
Miscellaneous.....	-	2,649	2,649	1,546
<b>Total revenues.....</b>	<b><u>937</u></b>	<b><u>2,649</u></b>	<b><u>1,712</u></b>	<b><u>1,546</u></b>
Other financing sources:				
Operating transfers in.....	-	-	-	-
<b>Total other financing sources.....</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total revenues and other financing sources.....</b>	<b><u>937</u></b>	<b><u>2,649</u></b>	<b><u>1,712</u></b>	<b><u>1,546</u></b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	2,207	273	1,934	6,256
<b>Total expenditures.....</b>	<b><u>2,207</u></b>	<b><u>273</u></b>	<b><u>1,934</u></b>	<b><u>6,256</u></b>
Other financing uses:				
Operating transfers out.....	-	-	-	-
<b>Total other financing uses.....</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total expenditures and other financing uses.....</b>	<b><u>2,207</u></b>	<b><u>273</u></b>	<b><u>1,934</u></b>	<b><u>6,256</u></b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,270)	2,376	3,646	(4,710)
Fund balance at beginning of year.....	1,877	1,877	-	6,587
<b>Fund balance at end of year.....</b>	<b><u>\$ 607</u></b>	<b><u>\$ 4,253</u></b>	<b><u>\$ 3,646</u></b>	<b><u>\$ 1,877</u></b>

**Clean Air Act Compliance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 50	\$ 601
Accounts payable.....	31	94
Accrued payroll.....	23	14
Total liabilities.....	<u>104</u>	<u>709</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(104)	(709)
Total fund balance (deficit).....	<u>(104)</u>	<u>(709)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Clean Air Act Compliance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 1,669	\$ 2,909	\$ 1,240	\$ 1,919
Total revenues.....	<u>1,669</u>	<u>2,909</u>	<u>1,240</u>	<u>1,919</u>
Other financing sources:				
Operating transfers in.....	-	467	467	501
Total other financing sources.....	<u>-</u>	<u>467</u>	<u>467</u>	<u>501</u>
Total revenues and other financing sources.....	<u>1,669</u>	<u>3,376</u>	<u>1,707</u>	<u>2,420</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	2,365	2,317	48	2,097
Total expenditures.....	<u>2,365</u>	<u>2,317</u>	<u>48</u>	<u>2,097</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	454	(454)	500
Operating transfers out.....	-	-	-	5
Total other financing uses.....	<u>-</u>	<u>454</u>	<u>(454)</u>	<u>505</u>
Total expenditures and other financing uses.....	<u>2,365</u>	<u>2,771</u>	<u>(406)</u>	<u>2,602</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(696)	605	1,301	(182)
Fund balance (deficit) at beginning of year.....	<u>(709)</u>	<u>(709)</u>	<u>-</u>	<u>(527)</u>
Fund balance (deficit) at end of year.....	<u>\$ (1,405)</u>	<u>\$ (104)</u>	<u>\$ 1,301</u>	<u>\$ (709)</u>

**Solid Waste Disposal Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 2	\$ 2
Total assets.....	<u>\$ 2</u>	<u>\$ 2</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance :		
Undesignated.....	<u>2</u>	<u>2</u>
Total fund balance .....	<u>2</u>	<u>2</u>
Total liabilities and fund balance.....	<u>\$ 2</u>	<u>\$ 2</u>

**Solid Waste Disposal Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ 1
Total revenues.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Other financing sources:				
Operating transfers in.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Operating transfers out.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	-	-	1
Fund balance at beginning of year.....	2	2	-	1
Fund balance at end of year.....	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>

**Second Century Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 3,031	\$ 2,896
Accounts payable.....	1,091	401
Accrued payroll.....	2	70
Total liabilities.....	4,124	3,367
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(4,124)	(3,367)
Total fund balance (deficit).....	(4,124)	(3,367)
Total liabilities and fund balance.....	\$ -	\$ -

**Second Century Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 2,503	\$ 1,642	\$ (861)	\$ 358
Miscellaneous.....	-	1	(1)	69
Total revenues.....	<u>2,503</u>	<u>1,643</u>	<u>(862)</u>	<u>427</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>2,503</u>	<u>1,643</u>	<u>(862)</u>	<u>427</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Treasurer and Receiver-General.....	7	6	1	-
Environmental affairs.....	2,494	2,394	100	2,311
Total expenditures.....	<u>2,501</u>	<u>2,400</u>	<u>101</u>	<u>2,311</u>
Other financing uses:				
Operating transfers out.....	-	-	-	1
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total expenditures and other financing uses.....	<u>2,501</u>	<u>2,400</u>	<u>101</u>	<u>2,312</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	2	(757)	(759)	(1,885)
Fund balance (deficit) at beginning of year.....	(3,367)	(3,367)	-	(1,482)
Fund balance (deficit) at end of year.....	<u>\$ (3,365)</u>	<u>\$ (4,124)</u>	<u>\$ (759)</u>	<u>\$ (3,367)</u>

**Safe Drinking Water Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 151	\$ 93
Total assets.....	\$ 151	\$ 93
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 54	\$ 95
Accrued payroll.....	19	11
Total liabilities.....	73	106
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	78	(13)
Total fund balance (deficit).....	78	(13)
Total liabilities and fund balance.....	\$ 151	\$ 93

**Safe Drinking Water Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Assessments.....	\$ -	\$ 2,190	\$ 2,190	\$ 2,153
Departmental.....	2,246	-	(2,246)	-
Total revenues.....	<u>2,246</u>	<u>2,190</u>	<u>(56)</u>	<u>2,153</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>2,246</u>	<u>2,190</u>	<u>(56)</u>	<u>2,153</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Attorney General.....	87	87	-	83
Environmental affairs.....	1,692	1,649	43	1,711
Total expenditures.....	<u>1,779</u>	<u>1,736</u>	<u>43</u>	<u>1,794</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	363	(363)	369
Operating transfers out.....	-	-	-	3
Total other financing uses.....	-	363	(363)	372
Total expenditures and other financing uses.....	<u>1,779</u>	<u>2,099</u>	<u>(320)</u>	<u>2,166</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	467	91	(376)	(13)
Fund balance (deficit) at beginning of year.....	(13)	(13)	-	-
Fund balance (deficit) at end of year.....	<u>\$ 454</u>	<u>\$ 78</u>	<u>\$ (376)</u>	<u>\$ (13)</u>

**Child Support Penalty Fee Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 506	\$ -
Total assets.....	<u>\$ 506</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	506	-
Total fund balance .....	<u>506</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ 506</u>	<u>\$ -</u>

**Child Support Penalty Fee Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 506	\$ 506	\$ -
Total revenues.....	-	506	506	-
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	-	506	506	-
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	-
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	-	-	-	-
Excess of revenues and other financing sources over expenditures and other uses.....	-	506	506	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	\$ -	\$ 506	\$ 506	\$ -

**Workforce Training Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 10,804	\$ -
Total assets.....	\$ 10,804	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 454	\$ -
Accrued payroll.....	3	-
Total liabilities.....	457	-
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	8,186	-
Unreserved fund balance:		
Undesignated.....	2,161	-
Total fund balance .....	10,347	-
Total liabilities and fund balance.....	\$ 10,804	\$ -

## Workforce Training Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ 11,200	\$ 11,200	\$ -
Departmental.....	9,010	-	(9,010)	-
Total revenues.....	<u>9,010</u>	<u>11,200</u>	<u>2,190</u>	<u>-</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	<u>9,010</u>	<u>11,200</u>	<u>2,190</u>	<u>-</u>
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Labor.....	8,999	812	8,187	-
Total expenditures.....	<u>8,999</u>	<u>812</u>	<u>8,187</u>	<u>-</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	40	(40)	-
Operating transfers out.....	1	1	-	-
Total other financing uses.....	<u>1</u>	<u>41</u>	<u>(40)</u>	<u>-</u>
Total expenditures and other uses.....	<u>9,000</u>	<u>853</u>	<u>8,147</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other uses.....	10	10,347	10,337	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	<u>\$ 10</u>	<u>\$ 10,347</u>	<u>\$ 10,337</u>	<u>\$ -</u>

**Brownfields Revitalization Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 22,758	\$ 45,000
Total assets.....	<u>\$ 22,758</u>	<u>\$ 45,000</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 5	\$ -
Accrued payroll.....	<u>2</u>	<u>-</u>
Total liabilities.....	<u>7</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	22,755	45,000
Unreserved fund balance (deficit):		
Undesignated.....	<u>(4)</u>	<u>-</u>
Total fund balance .....	<u>22,751</u>	<u>45,000</u>
Total liabilities and fund balance.....	<u>\$ 22,758</u>	<u>\$ 45,000</u>

**Brownfields Revitalization Fund**

**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Operating transfers in.....	-	-	-	45,000
Total other financing sources.....	-	-	-	45,000
Total revenues and other financing sources.....	-	-	-	45,000
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Economic development.....	45,000	22,245	22,755	-
Total expenditures.....	45,000	22,245	22,755	-
Other financing uses:				
Fringe benefit cost assessment.....	-	4	(4)	-
Total other financing uses.....	-	4	(4)	-
Total expenditures and other financing uses.....	45,000	22,249	22,751	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(45,000)	(22,249)	22,751	45,000
Fund balance at beginning of year.....	45,000	45,000	-	-
Fund balance at end of year.....	\$ -	\$ 22,751	\$ 22,751	\$ 45,000

**Firearms Records Keeping Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 351	\$ -
Total assets.....	<u>\$ 351</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>351</u>	<u>-</u>
Total fund balance .....	<u>351</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ 351</u>	<u>\$ -</u>

**Firearms Records Keeping Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 351	\$ 351	\$ -
Total revenues.....	-	351	351	-
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other sources.....	-	351	351	-
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Public safety.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	-	-	-	-
Excess of revenues and other financing sources over expenditures and other uses.....	-	351	351	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	\$ -	\$ 351	\$ 351	\$ -

**Clean Election Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 513	\$ -
Total assets.....	\$ 513	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	513	-
Total fund balance .....	513	-
Total liabilities and fund balance.....	\$ 513	\$ -

**Clean Election Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 318	\$ 318	\$ -
Miscellaneous.....	-	8	8	-
Total revenues.....	-	326	326	-
Other financing sources:				
Operating transfers in.....	-	187	187	-
Total other financing sources.....	-	187	187	-
Total revenues and other sources.....	-	513	513	-
<b>EXPENDITURES AND OTHER USES</b>				
Expenditures:				
Campaign & Political Finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other uses.....	-	-	-	-
Excess of revenues and other financing sources over expenditures and other uses.....	-	513	513	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	\$ -	\$ 513	\$ 513	\$ -

**Antitrust Law Enforcement Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 2,188	\$ 1,771
Total liabilities.....	<u>2,188</u>	<u>1,771</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(2,188)</u>	<u>(1,771)</u>
Total fund balance (deficit).....	<u>(2,188)</u>	<u>(1,771)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

## Antitrust Law Enforcement Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 50	\$ -	\$ (50)	\$ 38
Total revenues.....	<u>50</u>	<u>-</u>	<u>(50)</u>	<u>38</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>50</u>	<u>-</u>	<u>(50)</u>	<u>38</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Attorney General.....	353	353	-	337
Total expenditures.....	<u>353</u>	<u>353</u>	<u>-</u>	<u>337</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	64	(64)	79
Total other financing uses.....	-	64	(64)	79
Total expenditures and other financing uses.....	<u>353</u>	<u>417</u>	<u>(64)</u>	<u>416</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(303)	(417)	(114)	(378)
Fund balance (deficit) at beginning of year.....	<u>(1,771)</u>	<u>(1,771)</u>	<u>-</u>	<u>(1,393)</u>
Fund balance (deficit) at end of year.....	<u>\$ (2,074)</u>	<u>\$ (2,188)</u>	<u>\$ (114)</u>	<u>\$ (1,771)</u>

**Victim and Witness Assistance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 5,638	\$ 3,875
Accounts payable.....	13	18
Accrued payroll.....	2	1
Total liabilities.....	5,653	3,894
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(5,653)	(3,894)
Total fund balance (deficit).....	(5,653)	(3,894)
Total liabilities and fund balance.....	\$ -	\$ -

**Victim and Witness Assistance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 8,639	\$ 8,260	\$ (379)	\$ 8,952
Miscellaneous.....	-	138	138	141
Total revenues.....	<u>8,639</u>	<u>8,398</u>	<u>(241)</u>	<u>9,093</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>8,639</u>	<u>8,398</u>	<u>(241)</u>	<u>9,093</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Treasurer and Receiver-General.....	479	479	-	479
Attorney General.....	474	472	2	453
District attorney.....	7,491	7,461	30	7,007
Sheriff's Department.....	1	1	-	-
Public safety.....	211	211	-	177
Total expenditures.....	<u>8,656</u>	<u>8,624</u>	<u>32</u>	<u>8,116</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	1,532	(1,532)	1,743
Operating transfers out.....	1	1	-	1
Total other financing uses.....	<u>1</u>	<u>1,533</u>	<u>(1,532)</u>	<u>1,744</u>
Total expenditures and other financing uses.....	<u>8,657</u>	<u>10,157</u>	<u>(1,500)</u>	<u>9,860</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(18)	(1,759)	(1,741)	(767)
Fund balance (deficit) at beginning of year.....	<u>(3,894)</u>	<u>(3,894)</u>	-	<u>(3,127)</u>
Fund balance (deficit) at end of year.....	<u>\$ (3,912)</u>	<u>\$ (5,653)</u>	<u>\$ (1,741)</u>	<u>\$ (3,894)</u>

**Intercity Bus Capital Assistance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 7,084	\$ 6,388
Total liabilities.....	7,084	6,388
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(7,084)	(6,388)
Total fund balance (deficit).....	(7,084)	(6,388)
Total liabilities and fund balance.....	\$ -	\$ -

**Intercity Bus Capital Assistance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 720	\$ 1,455	\$ 735	\$ 701
Total revenues.....	<u>720</u>	<u>1,455</u>	<u>735</u>	<u>701</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>720</u>	<u>1,455</u>	<u>735</u>	<u>701</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Debt service:				
Principal retirement.....	2,090	2,065	25	29
Interest and fiscal charges.....	87	86	1	5
Total expenditures.....	<u>2,177</u>	<u>2,151</u>	<u>26</u>	<u>34</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>2,177</u>	<u>2,151</u>	<u>26</u>	<u>34</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(1,457)	(696)	761	667
Fund balance (deficit) at beginning of year.....	<u>(6,388)</u>	<u>(6,388)</u>	<u>-</u>	<u>(7,055)</u>
Fund balance (deficit) at end of year.....	<u>\$ (7,845)</u>	<u>\$ (7,084)</u>	<u>\$ 761</u>	<u>\$ (6,388)</u>

**Motorcycle Safety Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 193	\$ 183
Total assets.....	\$ 193	\$ 183
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 20	\$ 37
Accrued payroll.....	1	-
Total liabilities.....	21	37
Fund balance:		
Unreserved fund balance:		
Undesignated.....	172	146
Total fund balance.....	172	146
Total liabilities and fund balance.....	\$ 193	\$ 183

## Motorcycle Safety Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 170	\$ 211	\$ 41	\$ 199
Total revenues.....	<u>170</u>	<u>211</u>	<u>41</u>	<u>199</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>170</u>	<u>211</u>	<u>41</u>	<u>199</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Public safety.....	289	171	118	270
Total expenditures.....	<u>289</u>	<u>171</u>	<u>118</u>	<u>270</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	14	(14)	45
Total other financing uses.....	<u>-</u>	<u>14</u>	<u>(14)</u>	<u>45</u>
Total expenditures and other financing uses.....	<u>289</u>	<u>185</u>	<u>104</u>	<u>315</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(119)	26	145	(116)
Fund balance at beginning of year.....	<u>146</u>	<u>146</u>	<u>-</u>	<u>262</u>
Fund balance at end of year.....	<u>\$ 27</u>	<u>\$ 172</u>	<u>\$ 145</u>	<u>\$ 146</u>

**Drug Analysis Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 503	\$ 861
Total assets.....	\$ 503	\$ 861
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 232	\$ -
Total liabilities.....	232	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	271	861
Total fund balance.....	271	861
Total liabilities and fund balance.....	\$ 503	\$ 861

## Drug Analysis Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999

(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 145	\$ 129	(16)	\$ 130
Total revenues.....	<u>145</u>	<u>129</u>	<u>(16)</u>	<u>130</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>145</u>	<u>129</u>	<u>(16)</u>	<u>130</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Health and human services.....	731	719	(12)	-
Total expenditures.....	<u>731</u>	<u>719</u>	<u>(12)</u>	<u>-</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>731</u>	<u>719</u>	<u>(12)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses...	(586)	(590)	(4)	130
Fund balance at beginning of year.....	861	861	-	731
Fund balance at end of year.....	<u>\$ 275</u>	<u>\$ 271</u>	<u>(4)</u>	<u>\$ 861</u>

**Re-Employment and Job Placement Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 2,539
Total assets.....	<u>\$ -</u>	<u>\$ 2,539</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	-	2,539
Total fund balance.....	<u>-</u>	<u>2,539</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ 2,539</u>

**Re-Employment and Job Placement Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources:				
Operating transfers in.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Labor.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Operating transfers out.....	<u>2,539</u>	<u>2,539</u>	<u>-</u>	<u>-</u>
Total other financing uses.....	<u>2,539</u>	<u>2,539</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>2,539</u>	<u>2,539</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(2,539)	(2,539)	-	-
Fund balance at beginning of year.....	<u>2,539</u>	<u>2,539</u>	<u>-</u>	<u>2,539</u>
Fund balance at end of year.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,539</u>

**Trust Fund For The Head Injury Treatment Services Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 904	\$ 885
Total assets.....	\$ 904	\$ 885
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 126	\$ 32
Total liabilities.....	126	32
Fund balance:		
Unreserved fund balance:		
Undesignated.....	778	853
Total fund balance.....	778	853
Total liabilities and fund balance.....	\$ 904	\$ 885

**Trust Fund For The Head Injury Treatment Services Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 464	\$ 464	\$ -	\$ 339
Miscellaneous.....	-	33	33	116
Total revenues.....	<u>464</u>	<u>497</u>	<u>33</u>	<u>455</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>464</u>	<u>497</u>	<u>33</u>	<u>455</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Health and human services.....	750	572	178	225
Total expenditures.....	<u>750</u>	<u>572</u>	<u>178</u>	<u>225</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	<u>750</u>	<u>572</u>	<u>178</u>	<u>225</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(286)	(75)	211	230
Fund balance at beginning of year.....	853	853	-	623
Fund balance at end of year.....	<u>\$ 567</u>	<u>\$ 778</u>	<u>\$ 211</u>	<u>\$ 853</u>

**Massachusetts Tourism Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 7,251	\$ 7,880
Total assets.....	<u>\$ 7,251</u>	<u>\$ 7,880</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 5,920	\$ 3,685
Accrued payroll.....	21	12
Total liabilities.....	<u>5,941</u>	<u>3,697</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	1,500	4,008
Unreserved fund balance:		
Undesignated.....	<u>(190)</u>	<u>175</u>
Total fund balance.....	<u>1,310</u>	<u>4,183</u>
Total liabilities and fund balance.....	<u>\$ 7,251</u>	<u>\$ 7,880</u>

**Massachusetts Tourism Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 34,800	\$ 33,864	\$ (936)	\$ 31,087
Total revenues.....	<u>34,800</u>	<u>33,864</u>	<u>(936)</u>	<u>31,087</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>34,800</u>	<u>33,864</u>	<u>(936)</u>	<u>31,087</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	14,156	14,156	-	11,211
Environmental affairs.....	-	-	-	5
Economic development.....	23,966	22,209	1,757	18,072
Total expenditures.....	<u>38,122</u>	<u>36,365</u>	<u>1,757</u>	<u>29,288</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	369	(369)	380
Operating transfers out.....	3	3	-	3
Total other financing uses.....	<u>3</u>	<u>372</u>	<u>(369)</u>	<u>383</u>
Total expenditures and other financing uses.....	<u>38,125</u>	<u>36,737</u>	<u>1,388</u>	<u>29,671</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(3,325)	(2,873)	452	1,416
Fund balance at beginning of year.....	4,183	4,183	-	2,767
Fund balance at end of year.....	<u>\$ 858</u>	<u>\$ 1,310</u>	<u>\$ 452</u>	<u>\$ 4,183</u>

**Health Care Access Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
<b>Total assets</b> .....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ 20,995
Accounts payable.....	-	2,053
Accrued payroll.....	-	57
<b>Total liabilities</b> .....	-	23,105
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	-	(23,105)
<b>Total fund balance (deficit)</b> .....	-	(23,105)
<b>Total liabilities and fund balance</b> .....	\$ -	\$ -

## Health Care Access Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999 Budget</u>	<u>1999 Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1998 Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ -	\$ -	\$ 15,000
Departmental.....	-	-	-	676
Total revenues.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,676</u>
Other financing sources:				
Operating transfers in.....	-	23,105	23,105	-
Total other financing sources.....	<u>-</u>	<u>23,105</u>	<u>23,105</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>23,105</u>	<u>23,105</u>	<u>15,676</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Health and human services.....	-	-	-	27,954
Higher education.....	-	-	-	508
Total expenditures.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,462</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	276
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>276</u>
Total expenditures and other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,738</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	-	23,105	23,105	(13,062)
Fund balance (deficit) at beginning of year.....	<u>(23,105)</u>	<u>(23,105)</u>	<u>-</u>	<u>(10,043)</u>
Fund balance (deficit) at end of year.....	<u>\$ (23,105)</u>	<u>\$ -</u>	<u>\$ 23,105</u>	<u>\$ (23,105)</u>

**Ponkapoag Recreational Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 46	\$ 35
Total assets.....	\$ 46	\$ 35
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 118	\$ 61
Accrued payroll.....	5	4
Total liabilities.....	123	65
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(77)	(30)
Total fund balance (deficit).....	(77)	(30)
Total liabilities and fund balance.....	\$ 46	\$ 35

**Ponkapog Recreational Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 700	\$ 700	\$ -	\$ 700
Total revenues.....	700	700	-	700
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	700	700	-	700
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	716	690	26	672
Total expenditures.....	716	690	26	672
Other financing uses:				
Fringe benefit cost assessment.....	-	56	(56)	64
Operating transfers out.....	1	1	-	1
Total other financing uses.....	1	57	(56)	65
Total expenditures and other financing uses.....	717	747	(30)	737
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(17)	(47)	(30)	(37)
Fund balance (deficit) at beginning of year.....	(30)	(30)	-	7
Fund balance (deficit) at end of year.....	\$ (47)	\$ (77)	\$ (30)	\$ (30)

**Leo J. Martin Recreation Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 167	\$ 133
Accounts payable.....	24	19
Accrued payroll.....	3	4
Total liabilities.....	194	156
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(194)	(156)
Total fund balance (deficit).....	(194)	(156)
Total liabilities and fund balance.....	\$ -	\$ -

**Leo J. Martin Recreation Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 450	\$ 450	\$ -	\$ 448
Miscellaneous.....	-	-	-	2
Total revenues.....	<u>450</u>	<u>450</u>	<u>-</u>	<u>450</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>450</u>	<u>450</u>	<u>-</u>	<u>450</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	458	442	16	425
Total expenditures.....	<u>458</u>	<u>442</u>	<u>16</u>	<u>425</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	46	(46)	49
Total other financing uses.....	<u>-</u>	<u>46</u>	<u>(46)</u>	<u>49</u>
Total expenditures and other financing uses.....	<u>458</u>	<u>488</u>	<u>(30)</u>	<u>474</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(8)	(38)	(30)	(24)
Fund balance (deficit) at beginning of year.....	<u>(156)</u>	<u>(156)</u>	<u>-</u>	<u>(132)</u>
Fund balance (deficit) at end of year.....	<u>\$ (164)</u>	<u>\$ (194)</u>	<u>\$ (30)</u>	<u>\$ (156)</u>

**Division of Insurance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 123
Total assets.....	\$ -	\$ 123
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 58	\$ -
Accounts payable.....	569	332
Accrued payroll.....	24	8
Total liabilities.....	651	340
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(651)	(217)
Total fund balance (deficit) .....	(651)	(217)
Total liabilities and fund balance.....	\$ -	\$ 123

**Division of Insurance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 <u>Budget</u>	1999 <u>Actual</u>	Variance Favorable (Unfavorable)	1998 <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 3,000	\$ 3,000	\$ -	\$ 3,000
Total revenues.....	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Consumer affairs.....	3,698	3,153	545	3,137
Total expenditures.....	<u>3,698</u>	<u>3,153</u>	<u>545</u>	<u>3,137</u>
Other financing uses:				
Fringe benefits cost assessment.....	-	268	(268)	298
Operating transfers out.....	13	13	-	16
Total other financing uses.....	<u>13</u>	<u>281</u>	<u>(268)</u>	<u>314</u>
Total expenditures and other financing uses.....	<u>3,711</u>	<u>3,434</u>	<u>277</u>	<u>3,451</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(711)	(434)	277	(451)
Fund balance (deficit) at beginning of year.....	(217)	(217)	-	234
Fund balance (deficit) at end of year.....	<u>\$ (928)</u>	<u>\$ (651)</u>	<u>\$ 277</u>	<u>\$ (217)</u>

**Health Protection Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 28,011	\$ 23,529
Total assets.....	\$ 28,011	\$ 23,529
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 11,098	\$ 9,938
Accrued payroll.....	20	3
Total liabilities.....	11,118	9,941
Fund balance:		
Unreserved fund balance:		
Undesignated.....	16,893	13,588
Total fund balance .....	16,893	13,588
Total liabilities and fund balance.....	\$ 28,011	\$ 23,529

**Health Protection Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 97,050	\$ 92,783	\$ (4,267)	\$ 98,032
Departmental.....	83	-	(83)	-
Miscellaneous.....	-	208	208	152
Total revenues.....	<u>97,133</u>	<u>92,991</u>	<u>(4,142)</u>	<u>98,184</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>97,133</u>	<u>92,991</u>	<u>(4,142)</u>	<u>98,184</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Attorney General.....	200	165	35	199
District Attorney.....	14	12	2	8
Sheriff's department.....	37	29	8	10
Administration and finance.....	9	9	-	-
Health and human services.....	62,258	59,840	2,418	59,296
Education.....	24,533	23,941	592	23,173
Higher education.....	53	42	11	39
Public safety.....	5,200	5,161	39	5,141
Total expenditures.....	<u>92,304</u>	<u>89,199</u>	<u>3,105</u>	<u>87,866</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	481	(481)	433
Operating transfers out.....	6	6	-	3
Total other financing uses.....	<u>6</u>	<u>487</u>	<u>(481)</u>	<u>436</u>
Total expenditures and other financing uses.....	<u>92,310</u>	<u>89,686</u>	<u>2,624</u>	<u>88,302</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses...	4,823	3,305	(1,518)	9,882
Fund balance at beginning of year.....	13,588	13,588	-	3,706
Fund balance at end of year.....	<u>\$ 18,411</u>	<u>\$ 16,893</u>	<u>\$ (1,518)</u>	<u>\$ 13,588</u>

**State Building Management Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 9,114	\$ 8,720
Total assets.....	\$ 9,114	\$ 8,720
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 350	\$ 125
Total liabilities.....	350	125
Fund balance:		
Unreserved fund balance:		
Undesignated.....	8,764	8,595
Total fund balance.....	8,764	8,595
Total liabilities and fund balance.....	\$ 9,114	\$ 8,720

**State Building Management Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 17,229	\$ 17,245	\$ 16	\$ 16,062
Miscellaneous.....	-	940	940	-
Total revenues.....	<u>17,229</u>	<u>18,185</u>	<u>956</u>	<u>16,062</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>17,229</u>	<u>18,185</u>	<u>956</u>	<u>16,062</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	20,927	18,016	2,911	18,912
Total expenditures.....	<u>20,927</u>	<u>18,016</u>	<u>2,911</u>	<u>18,912</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	<u>20,927</u>	<u>18,016</u>	<u>2,911</u>	<u>18,912</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(3,698)	169	3,867	(2,850)
Fund balance at beginning of year.....	8,595	8,595	-	11,445
Fund balance at end of year.....	<u>\$ 4,897</u>	<u>\$ 8,764</u>	<u>\$ 3,867</u>	<u>\$ 8,595</u>

**Reggie Lewis Track and Athletic Center Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 253	\$ 161
Total assets.....	<u>\$ 253</u>	<u>\$ 161</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 14	\$ 14
Accrued payroll.....	<u>7</u>	<u>-</u>
Total liabilities.....	<u>21</u>	<u>14</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>232</u>	<u>147</u>
Total fund balance .....	<u>232</u>	<u>147</u>
Total liabilities and fund balance.....	<u>\$ 253</u>	<u>\$ 161</u>

**Reggie Lewis Track and Athletic Center Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 300	\$ 332	\$ 32	\$ 287
Total revenues.....	300	332	32	287
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	300	332	32	287
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Higher education.....	247	247	-	240
Total expenditures.....	247	247	-	240
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	247	247	-	240
Excess of revenues and other financing sources over expenditures and other financing uses....	53	85	32	47
Fund balance at beginning of year.....	147	147	-	100
Fund balance at end of year.....	\$ 200	\$ 232	\$ 32	\$ 147

**Assisted Living Administration Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 460	\$ 235
Total assets.....	\$ 460	\$ 235
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 9	\$ 12
Accrued payroll.....	2	1
Total liabilities.....	11	13
Fund balance:		
Unreserved fund balance:		
Undesignated.....	449	222
Total fund balance .....	449	222
Total liabilities and fund balance.....	\$ 460	\$ 235

**Assisted Living Administration Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 235	\$ 463	\$ 228	\$ 302
Total revenues.....	235	463	228	302
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	235	463	228	302
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Elder affairs.....	226	198	28	144
Total expenditures.....	226	198	28	144
Other financing uses:				
Fringe benefit cost assessment.....	-	38	(38)	34
Total other financing uses.....	-	38	(38)	34
Total expenditures and other financing uses.....	226	236	(10)	178
Excess of revenues and other financing sources over expenditures and other financing uses....	9	227	218	124
Fund balance at beginning of year.....	222	222	-	98
Fund balance at end of year.....	\$ 231	\$ 449	\$ 218	\$ 222

**Commonwealth Economic Development Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 355
Total assets.....	\$ -	\$ 355
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	-	355
Total fund balance .....	-	355
Total liabilities and fund balance.....	\$ -	\$ 355

**Commonwealth Economic Development Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Operating transfers in.....	-	-	-	215
Total other financing sources.....	-	-	-	215
Total revenues and other financing sources.....	-	-	-	215
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Sheriff's departments.....	-	-	-	1
Education.....	-	-	-	631
Economic development.....	-	-	-	161
Labor.....	-	-	-	703
Total expenditures.....	-	-	-	1,496
Other financing uses:				
Fringe benefit cost assessment.....	-	-	-	22
Operating transfers out.....	355	355	-	-
Total other financing uses.....	355	355	-	22
Total expenditures and other financing uses.....	355	355	-	1,518
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(355)	(355)	-	(1,303)
Fund balance at beginning of year.....	355	355	-	1,658
Fund balance at end of year.....	\$ -	\$ -	\$ -	\$ 355

**Commonwealth Cost Relief Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 13,446	\$ 21,670
Total assets.....	<u>\$ 13,446</u>	<u>\$ 21,670</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>13,446</u>	<u>21,670</u>
Total fund balance.....	<u>13,446</u>	<u>21,670</u>
Total liabilities and fund balance.....	<u>\$ 13,446</u>	<u>\$ 21,670</u>

## Commonwealth Cost Relief Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u> <u>Budget</u>	<u>1999</u> <u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>	<u>1998</u> <u>Actual</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	5,728	4,633	1,095	8,630
Total expenditures.....	<u>5,728</u>	<u>4,633</u>	<u>1,095</u>	<u>8,630</u>
Other financing uses:				
Sewer rate relief.....	3,591	3,591	-	6,490
Total other financing uses.....	<u>3,591</u>	<u>3,591</u>	<u>-</u>	<u>6,490</u>
Total expenditures and other financing uses.....	<u>9,319</u>	<u>8,224</u>	<u>1,095</u>	<u>15,120</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses....	(9,319)	(8,224)	1,095	(15,120)
Fund balance at beginning of year.....	21,670	21,670	-	36,790
Fund balance at end of year.....	<u>\$ 12,351</u>	<u>\$ 13,446</u>	<u>\$ 1,095</u>	<u>\$ 21,670</u>

**Children's and Seniors' Health Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 87,734	\$ 131,699
Due from federal government.....	3,379	-
Total assets.....	<u>\$ 91,113</u>	<u>\$ 131,699</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 694	\$ 13,991
Accrued payroll.....	-	10
Total liabilities.....	<u>694</u>	<u>14,001</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>90,419</u>	<u>117,698</u>
Total fund balance .....	<u>90,419</u>	<u>117,698</u>
Total liabilities and fund balance.....	<u>\$ 91,113</u>	<u>\$ 131,699</u>

**Children's and Seniors' Health Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 97,050	\$ 95,196	\$ (1,854)	\$ 100,877
Federal grants and reimbursements.....	191,543	172,947	(18,596)	86,551
Departmental.....	2,903	5,923	3,020	723
Total revenues.....	<u>291,496</u>	<u>274,066</u>	<u>(17,430)</u>	<u>188,151</u>
Other financing sources:				
Operating transfers in.....	36,952	36,952	-	36,952
Total other financing sources.....	<u>36,952</u>	<u>36,952</u>	<u>-</u>	<u>36,952</u>
Total revenues and other financing sources.....	<u>328,448</u>	<u>311,018</u>	<u>(17,430)</u>	<u>225,103</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Attorney General.....	6	5	1	-
Administration and finance.....	69	69	-	-
Health and human services.....	48,648	28,914	19,734	14,926
Elder affairs.....	706	684	22	1,542
Consumer Affairs.....	2	2	-	-
Medicaid.....	350,097	307,403	42,694	163,624
Total expenditures.....	<u>399,528</u>	<u>337,077</u>	<u>62,451</u>	<u>180,092</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	1,220	(1,220)	431
Operating transfers out.....	-	-	-	1
Total other financing uses.....	<u>-</u>	<u>1,220</u>	<u>(1,220)</u>	<u>432</u>
Total expenditures and other financing uses.....	<u>399,528</u>	<u>338,297</u>	<u>61,231</u>	<u>180,524</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses...	(71,080)	(27,279)	43,801	44,579
Fund balance at beginning of year.....	117,698	117,698	-	73,119
Fund balance at end of year.....	<u>\$ 46,618</u>	<u>\$ 90,419</u>	<u>\$ 43,801</u>	<u>\$ 117,698</u>

**Diversity Awareness Education Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 3	\$ 2
Total assets.....	\$ 3	\$ 2
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	3	2
Total fund balance .....	3	2
Total liabilities and fund balance.....	\$ 3	\$ 2

**Diversity Awareness Education Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ 1	\$ 1	\$ 1
Total revenues.....	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	-	-	-	-
Total expenditures.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	1	1	1
Fund balance at beginning of year.....	<u>2</u>	<u>2</u>	<u>-</u>	<u>1</u>
Fund balance at end of year.....	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 2</u>

**Child Care Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 4,632
Due from federal government.....	28,931	19,196
	\$ 28,931	\$ 23,828
	\$ 28,931	\$ 23,828
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Deficiency in cash and short-term investments.....	\$ 5,436	\$ -
Accounts payable.....	22,203	22,164
	27,639	22,164
	27,639	22,164
<b>Fund balance:</b>		
Unreserved fund balance :		
Undesignated.....	1,292	1,664
	1,292	1,664
	\$ 28,931	\$ 23,828

**Child Care Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
<b>Revenues:</b>				
Federal grants and reimbursements.....	\$ 77,817	\$ 79,523	\$ 1,706	\$ 72,339
Total revenues.....	<u>77,817</u>	<u>79,523</u>	<u>1,706</u>	<u>72,339</u>
<b>Other financing sources:</b>				
Operating transfers in.....	91,874	91,874	-	91,874
Total other financing sources.....	<u>91,874</u>	<u>91,874</u>	<u>-</u>	<u>91,874</u>
Total revenues and other financing sources.....	<u>169,691</u>	<u>171,397</u>	<u>1,706</u>	<u>164,213</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
<b>Expenditures:</b>				
Health and human services.....	183,366	171,769	11,597	162,549
Total expenditures.....	<u>183,366</u>	<u>171,769</u>	<u>11,597</u>	<u>162,549</u>
<b>Other financing uses:</b>				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>183,366</u>	<u>171,769</u>	<u>11,597</u>	<u>162,549</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(13,675)	(372)	13,303	1,664
Fund balance at beginning of year.....	1,664	1,664	-	-
Fund balance (deficit) at end of year.....	<u>\$ (12,011)</u>	<u>\$ 1,292</u>	<u>\$ 13,303</u>	<u>\$ 1,664</u>

**Transitional Aid to Needy Families Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	\$ 87,648	\$ 18,864
Total assets.....	\$ 87,648	\$ 18,864
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 81,026	\$ 18,899
Accounts payable.....	6,622	-
Total liabilities.....	87,648	18,899
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	-	(35)
Total fund balance (deficit) .....	-	(35)
Total liabilities and fund balance.....	\$ 87,648	\$ 18,864

**Transitional Aid to Needy Families Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Federal grants and reimbursements.....	\$ 412,067	\$ 448,722	\$ 36,655	\$ 434,090
Total revenues.....	<u>412,067</u>	<u>448,722</u>	<u>36,655</u>	<u>434,090</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	<u>412,067</u>	<u>448,722</u>	<u>36,655</u>	<u>434,090</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Treasurer and Receiver-General.....	829	828	1	554
Administration and finance.....	-	-	-	59
Communities and development.....	2,527	2,477	50	4,053
Health and human services.....	305,752	297,820	7,932	282,953
Transportation and construction.....	-	-	-	3
Higher education.....	227	197	30	120
Public safety.....	3	1	2	-
Labor.....	4,613	4,559	54	1,248
Total expenditures.....	<u>313,951</u>	<u>305,882</u>	<u>8,069</u>	<u>288,990</u>
Other financing uses:				
Fringe benefit cost assessment.....	-	4,349	(4,349)	7,319
Operating transfers out.....	137,811	137,811	-	137,811
Caseload mitigation.....	645	645	-	5
Total other financing uses.....	<u>138,456</u>	<u>142,805</u>	<u>(4,349)</u>	<u>145,135</u>
Total expenditures and other financing uses.....	<u>452,407</u>	<u>448,687</u>	<u>3,720</u>	<u>434,125</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(40,340)	35	40,375	(35)
Fund balance (deficit) at beginning of year.....	(35)	(35)	-	-
Fund balance (deficit) at end of year.....	<u>\$ (40,375)</u>	<u>\$ -</u>	<u>\$ 40,375</u>	<u>\$ (35)</u>

**Social Services Program Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,652	\$ -
Total assets.....	<u>\$ 1,652</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ 480
Accounts payable.....	<u>1,921</u>	<u>-</u>
Total liabilities.....	<u>1,921</u>	<u>480</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	15	-
Unreserved fund balance (deficit):		
Undesignated.....	<u>(284)</u>	<u>(480)</u>
Total fund balance (deficit).....	<u>(269)</u>	<u>(480)</u>
Total liabilities and fund balance.....	<u>\$ 1,652</u>	<u>\$ -</u>

**Social Services Program Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Federal grants and reimbursements.....	\$ 51,788	\$ 44,989	\$ (6,799)	\$ 52,976
Total revenues.....	51,788	44,989	(6,799)	52,976
Other financing sources:				
Operating transfers in.....	45,937	45,937	-	45,937
Total other financing sources.....	45,937	45,937	-	45,937
Total revenues and other financing sources.....	97,725	90,926	(6,799)	98,913
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
District attorney.....	414	389	25	381
Health and human services.....	88,800	88,217	583	96,391
Total expenditures.....	89,214	88,606	608	96,772
Other financing uses:				
Fringe benefit cost assessment.....	-	2,108	(2,108)	2,621
Operating transfers out.....	1	1	-	-
Total other financing uses.....	1	2,109	(2,108)	2,621
Total expenditures and other financing uses.....	89,215	90,715	(1,500)	99,393
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	8,510	211	(8,299)	(480)
Fund balance (deficit) at beginning of year.....	(480)	(480)	-	-
Fund balance (deficit) at end of year.....	\$ 8,030	\$ (269)	\$ (8,299)	\$ (480)

**Local Consumer Inspection Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 50
Total assets.....	\$ -	\$ 50
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 295	\$ -
Accounts payable.....	1	50
Total liabilities.....	296	50
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(296)	-
Total fund balance (deficit).....	(296)	-
Total liabilities and fund balance.....	\$ -	\$ 50

**Local Consumer Inspection Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 338	\$ -	\$ (338)	\$ 50
Total revenues.....	338	-	(338)	50
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	338	-	(338)	50
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Consumer affairs.....	300	296	(4)	50
Total expenditures.....	300	296	(4)	50
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	300	296	(4)	50
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	38	(296)	(334)	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance (deficit) at end of year.....	\$ 38	\$ (296)	\$ (334)	\$ -

**University of Massachusetts - Lowell  
Wannalancit Complex Building Management Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	-
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Undesignated.....	-	-
Total fund balance .....	-	-
Total liabilities and fund balance.....	\$ -	\$ -

**University of Massachusetts - Lowell**  
**Wannalancit Complex Building Management Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ 26
Total revenues.....	-	-	-	26
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	-	-	-	26
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Higher education.....	-	-	-	26
Total expenditures.....	-	-	-	26
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	-	-	-	26
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	-	-	-
Fund balance at beginning of year.....	-	-	-	-
Fund balance at end of year.....	\$ -	\$ -	\$ -	\$ -

**Caseload Increase Mitigation Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 131,471	\$ 128,010
Total assets.....	<u>\$ 131,471</u>	<u>\$ 128,010</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	131,471	128,010
Total fund balance .....	<u>131,471</u>	<u>128,010</u>
Total liabilities and fund balance.....	<u>\$ 131,471</u>	<u>\$ 128,010</u>

**Caseload Increase Mitigation Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ 7,018	\$ -	\$ (7,018)	\$ -
Total revenues.....	7,018	-	(7,018)	-
Other financing sources:				
Operating transfers in.....	-	3,461	3,461	10
Total other financing sources.....	-	3,461	3,461	10
Total revenues and other financing sources.....	7,018	3,461	(3,557)	10
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Environmental affairs.....	-	-	-	-
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 expenditures and other financing uses.....	7,018	3,461	(3,557)	10
Fund balance at beginning of year.....	128,010	128,010	-	128,000
Fund balance at end of year.....	\$ 135,028	\$ 131,471	\$ (3,557)	\$ 128,010

**Boston Convention and Exhibition Center Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 44,021	\$ 8,917
Total assets.....	<u>\$ 44,021</u>	<u>\$ 8,917</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	18,000	-
Unreserved fund balance:		
Undesignated.....	<u>26,021</u>	<u>8,917</u>
Total fund balance .....	<u>44,021</u>	<u>8,917</u>
Total liabilities and fund balance.....	<u>\$ 44,021</u>	<u>\$ 8,917</u>

**Boston Convention and Exhibition Center Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ 20,500	\$ 35,104	\$ 14,604	\$ 8,917
Total revenues.....	<u>20,500</u>	<u>35,104</u>	<u>14,604</u>	<u>8,917</u>
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>20,500</u>	<u>35,104</u>	<u>14,604</u>	<u>8,917</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Administration and finance.....	18,000	-	18,000	-
Total expenditures.....	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>-</u>
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	2,500	35,104	32,604	8,917
Fund balance at beginning of year.....	8,917	8,917	-	-
Fund balance at end of year.....	<u>\$ 11,417</u>	<u>\$ 44,021</u>	<u>\$ 32,604</u>	<u>\$ 8,917</u>

**Voting Equipment Loan Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,397	\$ 2,145
Total assets.....	\$ 1,397	\$ 2,145
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ 748
Total liabilities.....	-	748
Fund balance:		
Unreserved fund balance:		
Undesignated.....	1,397	1,397
Total fund balance .....	1,397	1,397
Total liabilities and fund balance.....	\$ 1,397	\$ 2,145

**Voting Equipment Loan Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999 Budget	1999 Actual	Variance Favorable (Unfavorable)	1998 Actual
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Departmental.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Operating transfers in.....	-	-	-	2,145
Total other financing sources.....	-	-	-	2,145
Total revenues and other financing sources.....	-	-	-	2,145
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Secretary of the Commonwealth.....	-	-	-	748
Total expenditures.....	-	-	-	748
Other financing uses:				
Operating transfers out.....	-	-	-	-
Total other financing uses.....	-	-	-	-
Total expenditures and other financing uses.....	-	-	-	748
Excess of revenues and other financing sources over expenditures and other financing uses....	-	-	-	1,397
Fund balance at beginning of year.....	1,397	1,397	-	-
Fund balance at end of year.....	<u>\$ 1,397</u>	<u>\$ 1,397</u>	<u>\$ -</u>	<u>\$ 1,397</u>

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# Non-Budgeted Funds

## **SPECIAL REVENUE FUNDS:**

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

**FEDERAL GRANTS FUND:** accounts 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:**

To account for the operations of the State and Arts Lotteries.

State Lottery Fund accounts for revenue from 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 to the local aid fund.

Arts Lottery Fund accounts for revenues from 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. Transfers are made to the local aid fund.

## **UNIVERSAL HEALTH CARE FUND:**

To account for assessments and other revenues that are dedicated to making health care and health insurance accessible and affordable to all citizens of the Commonwealth.

Uncompensated Care Fund accounts for funds received from hospitals, transfers from budgeted funds and federal reimbursements; used for the purposes of the Uncompensated Care Pool.

Labor Shortage Fund accounts for assessments on each acute care hospital equal to one-tenth of one-percent of gross patient service revenues; used for training health care workers, career development within the health care profession, and establishment of day care programs at hospitals and other health care facilities.

Medical Security Trust Fund accounts for premiums, fees, and contributions; used for health insurance for workers receiving unemployment insurance.

## **OTHER FUNDS:**

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

Department of Telecommunication and Energy Trust Fund accounts for expenditures by the department of telecommunications and energy commission for activities of the department related to the regulation of electric companies.

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

Debt Defeasance Trust Fund accounts for transfers from general fund and highway fund for purpose of defeasing debt pursuant to chapter 55 of the Acts of 1999 section 6, 7 and 8, as amended. The funds are to be used by December 31, 1999.

Freight Rail Fund accounts for certain fees for rights-of-way; used for acquisition, construction, prevention, rehabilitation, reconstruction, or other improvements of land, and real rights-of-way and related facilities or equipment.

**Passenger Rail Fund** accounts for certain fees for rights-of-way; used for acquisition, construction, preservation, rehabilitation, reconstruction or other improvements of land and real rights-of-way and related facilities or equipment.

**J.F.K. Library and Park Fund** (closed) accounts for rents paid by the MBTA for the use of a certain parcel of land and for the proceeds from sale of land, which was used by the MDC to lay out and construct the JFK Park.

**Government Land Bank Fund** accounts for proceeds from disposition of land and investment income; used for payments of principal and interest on bonds and notes of the Massachusetts Development Finance Agency.

**Federally-Assisted Housing Fund** accounts for federal financial assistance; used for payments of principal and interest on bond debt.

**Oil Overcharge Fund** accounts for the fines and penalties collected under federal litigation from certain oil companies; used to provide fuel assistance and weatherization for low income residents.

**Environmental Trust Fund** accounts for fines, gifts and grants; used for restoration, protection and improvement of the quality of Boston Harbor, Lynn Harbor, Massachusetts's Bay, Buzzard's Bay and Cape Cod Bay.

**Children's Trust Fund** accounts for gifts, grants, interest, and donations to the Child Abuse Prevention Board and certain appropriations designated to be transferred to the fund; used for support programs to raise awareness of child abuse and prevention programs.

**Child Support Enforcement Fund** accounts for Federal Grants; used for activities associated with the collection of child support.

**Department of Industrial Accidents Special Fund** accounts for assessments to employers and cities and towns for worker's compensation insurance premiums

and penalties assessed against employers who fail to insure for the worker's compensation; used to reimburse the general fund for the operating account of the Department of Industrial Accidents and for administrative overhead.

**County Correction Fund** accounts for seven and one half percent of the deeds excise tax distributed to counties for the operation of county correctional facilities.

**Massachusetts AIDS Fund** accounts for gifts, grants, and donations; used for research, treatment, and education related to AIDS.

**Board of Registration in Medicine Fund** accounts for certain revenues and expenditures of the board.

**Water Pollution Abatement Projects Administration Fund** accounts for transfers from the Water Pollution Abatement Trust and General Obligation Bond Proceeds; used for the administration of the Department of Environmental Protection to fund water pollution abatement projects.

**Commonwealth Sewer Rate Relief Fund** accounts 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.

**Motor Vehicle Emissions Inspection Compliance Fund** (closed) accounts for the Commonwealth's programs to comply with the Federal Clean Air Act. This fund may incur to operate at a deficit to be reimbursed no later than March 1, 1998 by fees from Motor Vehicle Emission Inspection.

**Motor Vehicle Safety Inspection Trust Fund** accounts for vehicle inspection fees for administration and operation of safety inspection programs by the registry.

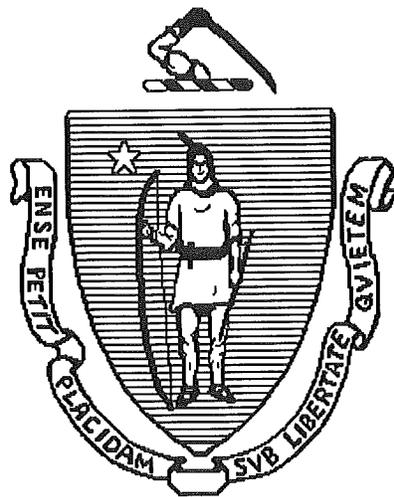
**Child Care Quality Fund** accounts for expenditures by the commissioner of the Office for Children for providing grants for not-for-profit child care organizations for the purpose of improving child care services.

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**Grant Anticipation Note Trust Fund** accounts for proceeds to cover GANS expenditures and pay the related debt service of the proceeds.

The following fund has been enacted in legislation but are inactive for fiscal 1999:

**Energy Technology Development Fund** accounts for monies received from miscellaneous trusts, gifts and donations to be administered and expended by the commissioner of the Division of Energy Resources to promote energy efficiency and the research development and commercialization of new energy technologies.



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**Non-Budgeted Special Revenue Funds  
Combining Balance Sheet - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

	Federal Grants	Lotteries	Universal Health Care
<b>ASSETS</b>			
Cash and short-term investments.....	\$ -	\$ 22,725	\$ 224,202
Cash with fiscal agent.....	-	-	-
Receivables, net of allowance for uncollectibles:			
Taxes.....	-	-	-
Due from federal government.....	202,648	-	49,259
Other receivables.....	-	1,951	49,259
<b>Total assets.....</b>	<b>\$ 202,648</b>	<b>\$ 24,676</b>	<b>\$ 322,720</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Deficiency in cash and short-term investments.....	\$ 42,414	\$ -	\$ -
Accounts payable.....	147,476	24,676	99,061
Accrued payroll.....	1,667	-	14
Due to other funds.....	-	-	-
<b>Total liabilities.....</b>	<b>191,557</b>	<b>24,676</b>	<b>99,075</b>
Fund balances:			
Reserved fund balance:			
Reserved for debt service.....	-	-	-
Reserved for capital projects.....	-	-	-
Unreserved:			
Designated for specific purpose.....	11,091	-	223,645
<b>Total fund balances.....</b>	<b>11,091</b>	<b>-</b>	<b>223,645</b>
<b>Total liabilities and fund balances.....</b>	<b>\$ 202,648</b>	<b>\$ 24,676</b>	<b>\$ 322,720</b>

Totals (Memorandum only)		
Other	1999	1998
\$ 636,507	\$ 883,434	\$ 562,881
49,104	49,104	11,572
672	672	732
64,238	316,145	287,905
-	51,210	29,282
<u>\$ 750,521</u>	<u>\$ 1,300,565</u>	<u>\$ 892,372</u>
\$ -	\$ 42,414	\$ 26,573
3,498	274,711	243,921
177	1,858	1,145
78,565	78,565	103,124
<u>82,240</u>	<u>397,548</u>	<u>374,763</u>
435,096	435,096	27,240
7,003	7,003	-
226,182	460,918	490,369
<u>668,281</u>	<u>903,017</u>	<u>517,609</u>
<u>\$ 750,521</u>	<u>\$ 1,300,565</u>	<u>\$ 892,372</u>

**Non-Budgeted Special Revenue Funds**  
**Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis**

Fiscal Year Ended June 30, 1999 and 1998  
(Amounts in thousands)

	Federal Grants	Lotteries	Universal Health Care
<b>REVENUES AND OTHER FINANCING SOURCES</b>			
Revenues:			
Taxes.....	\$ -	\$ 2,191	\$ -
Assessments.....	-	-	251,114
Federal grants and reimbursements.....	1,235,886	-	182,483
Departmental.....	-	3,556,727	353,463
Miscellaneous.....	112	15,624	136,410
Total revenues.....	<u>1,235,998</u>	<u>3,574,542</u>	<u>923,470</u>
Other financing sources:			
Proceeds of grant anticipation notes.....	-	-	-
Lottery reimbursements.....	-	17,925	-
Sewer rate relief.....	-	-	-
Debt defeasance trust transfer.....	-	-	-
Operating transfers in.....	-	-	157,822
Total other financing sources.....	<u>-</u>	<u>17,925</u>	<u>157,822</u>
Total revenues and other financing sources.....	<u>1,235,998</u>	<u>3,592,467</u>	<u>1,081,292</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>			
Expenditures:			
Judiciary.....	159	-	-
Secretary of the Commonwealth.....	641	-	-
Treasurer and Receiver-General.....	523	2,687,066	-
Attorney General.....	5,763	-	-
District Attorney.....	2,837	-	-
Sheriff's Departments.....	2,016	-	-
Disabled Persons Protection Commission.....	-	-	-
Board of Library Commissioners.....	2,614	-	-
Administration and finance.....	1,946	-	129
Environmental affairs.....	18,614	-	-
Communities and development.....	224,316	-	-
Health and human services.....	261,254	-	837,348
Transportation and construction.....	5,081	-	-
Education.....	462,202	-	-
Higher education.....	4,389	-	-
Public safety.....	29,791	-	-
Economic development.....	3,587	-	-
Elder affairs.....	26,383	-	-
Consumer affairs.....	1,358	-	-
Labor.....	132,595	-	16,146
Direct local aid.....	-	-	-
Debt service:			
Principal retirement.....	-	-	-
Interest and fiscal charges.....	-	-	-
Total expenditures.....	<u>1,186,069</u>	<u>2,687,066</u>	<u>853,623</u>
Other financing uses:			
Fringe benefit cost assessment.....	19,257	2,432	298
Lottery operating reimbursements.....	-	93,874	-
Lottery distributions.....	-	809,095	-
Federal reimbursement transfer out.....	-	-	-
Operating transfers out.....	29,401	-	176,234
Total other financing uses.....	<u>48,658</u>	<u>905,401</u>	<u>176,532</u>
Total expenditures and other financing uses.....	<u>1,234,727</u>	<u>3,592,467</u>	<u>1,030,155</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	1,271	-	51,137
Fund balances at beginning of year.....	9,820	-	172,508
Fund balances at end of year.....	<u>\$ 11,091</u>	<u>\$ -</u>	<u>\$ 223,645</u>

Totals		
(Memorandum only)		
Other	1999	1998
\$ 10,543	\$ 12,734	\$ 11,631
18,441	269,555	261,650
598,631	2,017,000	1,482,709
14,606	3,924,796	3,844,785
29,917	182,063	110,509
<u>672,138</u>	<u>6,406,148</u>	<u>5,711,284</u>
319,434	319,434	580,557
-	17,925	32,093
53,914	53,914	50,700
408,889	408,889	-
41,500	199,322	339,748
<u>823,737</u>	<u>999,484</u>	<u>1,003,098</u>
<u>1,495,875</u>	<u>7,405,632</u>	<u>6,714,382</u>
-	159	365
-	641	725
4	2,687,593	2,560,007
-	5,763	4,851
8	2,845	2,062
-	2,016	108
-	-	11
-	2,614	2,591
71,568	73,643	64,753
7,429	26,043	22,399
798	225,114	217,879
163	1,098,765	1,106,905
-	5,081	6,745
-	462,202	435,695
-	4,389	4,833
6,017	35,808	37,093
4	3,591	7,945
-	26,383	25,379
5,780	7,138	1,383
-	148,741	165,612
9,061	9,061	7,762
539	539	776
37,889	37,889	450
<u>139,260</u>	<u>4,866,018</u>	<u>4,676,329</u>
5,008	26,995	41,736
-	93,874	104,083
-	809,095	788,802
580,320	580,320	-
438,287	643,922	741,701
<u>1,023,615</u>	<u>2,154,206</u>	<u>1,676,322</u>
<u>1,162,875</u>	<u>7,020,224</u>	<u>6,352,651</u>
333,000	385,408	361,731
335,281	517,609	155,878
<u>\$ 668,281</u>	<u>\$ 903,017</u>	<u>\$ 517,609</u>

**Federal Grants Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	\$ 202,648	\$ 164,519
Total assets.....	\$ 202,648	\$ 164,519
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 42,414	\$ 26,573
Accounts payable.....	147,476	127,050
Accrued payroll.....	1,667	1,076
Total liabilities.....	191,557	154,699
Fund equity:		
Unreserved fund balance:		
Designated for specific purpose.....	11,091	9,820
Total fund balance.....	11,091	9,820
Total liabilities and fund balance.....	\$ 202,648	\$ 164,519

## Federal Grants Fund

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

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 1,235,886	\$ 1,219,978
Miscellaneous.....	112	37
Total revenues	1,235,998	1,220,015
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	1,235,998	1,220,015
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Judiciary.....	159	365
Secretary of the Commonwealth.....	641	725
Treasurer and Receiver-General.....	523	764
Attorney General.....	5,763	4,851
District Attorney.....	2,837	2,036
Sheriff's Departments.....	2,016	108
Disabled persons protection commission.....	-	11
Board of Library Commissioners.....	2,614	2,591
Administration and finance.....	1,946	1,648
Environmental affairs.....	18,614	16,093
Communities and development.....	224,316	217,122
Health and human services.....	261,254	258,812
Transportation and construction.....	5,081	6,745
Education.....	462,202	435,695
Higher education.....	4,389	4,817
Public safety.....	29,791	31,288
Economic development.....	3,587	5,257
Elder affairs.....	26,383	25,379
Consumer affairs.....	1,358	43
Labor.....	132,595	145,557
Total expenditures.....	1,186,069	1,159,907
Other financing uses:		
Fringe benefit cost assessment.....	19,257	32,782
Operating transfers out.....	29,401	28,746
Total other financing uses.....	48,658	61,528
Total expenditures and other financing uses.....	1,234,727	1,221,435
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	1,271	(1,420)
Fund balance at beginning of year.....	9,820	11,240
Fund balance at end of year.....	\$ 11,091	\$ 9,820

**State Lottery Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 13,598	\$ 23,443
Receivables, net of allowance for uncollectibles:		
Other receivables.....	<u>1,908</u>	<u>-</u>
Total assets.....	<u>\$ 15,506</u>	<u>\$ 23,443</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	<u>\$ 15,506</u>	<u>\$ 23,443</u>
Total liabilities.....	<u>15,506</u>	<u>23,443</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	<u>-</u>	<u>-</u>
Total fund balance.....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ 15,506</u>	<u>\$ 23,443</u>

## State Lottery Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Taxes.....	\$ 2,191	\$ 2,390
Departmental.....	3,274,057	3,092,139
Miscellaneous.....	13,164	14,723
Total revenues.....	3,289,412	3,109,252
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	3,289,412	3,109,252
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Treasurer and Receiver-General.....	2,476,712	2,328,664
Total expenditures.....	2,476,712	2,328,664
Other financing uses:		
Fringe benefit cost assessment.....	2,339	2,943
Lottery operating reimbursements .....	79,880	92,730
Lottery distributions.....	730,481	710,188
Total other financing uses.....	812,700	805,861
Total expenditures and other financing uses.....	3,289,412	3,134,525
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	-	(25,273)
Fund balance at beginning of year.....	-	25,273
Fund balance at end of year.....	\$ -	\$ -

**Arts Lottery Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 9,127	\$ 17,156
Receivables, net of allowance for uncollectibles:		
Other receivables.....	43	-
Total assets.....	\$ 9,170	\$ 17,156
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 9,170	\$ 17,156
Total liabilities.....	9,170	17,156
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	-	-
Total fund balance.....	-	-
Total liabilities and fund balance.....	\$ 9,170	\$ 17,156

## Arts Lottery Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 282,670	\$ 286,026
Miscellaneous.....	2,460	2,560
Total revenues.....	285,130	288,586
Other financing sources:		
Lottery reimbursements.....	17,925	32,093
Total other financing sources.....	17,925	32,093
Total revenues and other financing sources.....	303,055	320,679
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Treasurer and Receiver-General.....	210,354	230,577
Total expenditures.....	210,354	230,577
Other financing uses:		
Fringe benefit cost assessment.....	93	135
Lottery operating reimbursements .....	13,994	11,353
Lottery distributions.....	78,614	78,614
Total other financing uses.....	92,701	90,102
Total expenditures and other financing uses.....	303,055	320,679
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	-
Fund balance at beginning of year.....	-	-
Fund balance at end of year.....	\$ -	\$ -

**Uncompensated Care Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 108,304	\$ 101,856
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	49,259	29,282
Other receivables.....	49,259	29,282
Total assets.....	\$ 206,822	\$ 160,420
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 98,642	\$ 71,989
Total liabilities.....	98,642	71,989
Fund balance:		
Unreserved fund balance		
Designated for specific purpose.....	108,180	88,431
Total fund balance.....	108,180	88,431
Total liabilities and fund balance.....	\$ 206,822	\$ 160,420

## Uncompensated Care Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Assessments.....	\$ 251,114	\$ 247,511
Federal grants and reimbursements.....	182,483	145,069
Departmental.....	308,795	407,820
Miscellaneous.....	131,864	78,362
Total revenues.....	874,256	878,762
Other financing sources:		
Operating transfers in.....	157,822	310,755
Total other financing sources.....	157,822	310,755
Total revenues and other financing sources.....	1,032,078	1,189,517
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Health and human services.....	837,348	847,234
Total expenditures.....	837,348	847,234
Other financing uses:		
Operating transfers out.....	174,981	292,455
Total other financing uses.....	174,981	292,455
Total expenditures and other financing uses.....	1,012,329	1,139,689
Excess of revenues and other financing sources over expenditures and other financing uses.....	19,749	49,828
Fund balance at beginning of year.....	88,431	38,603
Fund balance at end of year.....	\$ 108,180	\$ 88,431

**Labor Shortage Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,158	\$ 2,210
Total assets.....	\$ 1,158	\$ 2,210
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	1,158	2,210
Total fund balance.....	1,158	2,210
Total liabilities and fund balance.....	\$ 1,158	\$ 2,210

## Labor Shortage Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Assessments.....	\$ -	\$ 6
Miscellaneous.....	90	108
Total revenues.....	90	114
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	90	114
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Higher education.....	-	16
Total expenditures.....	-	16
Other financing uses:		
Fringe benefit cost assessment.....	-	11
Operating transfers out.....	1,142	3
Total other financing uses.....	1,142	14
Total expenditures and other financing uses.....	1,142	30
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,052)	84
Fund balance at beginning of year.....	2,210	2,126
Fund balance at end of year.....	\$ 1,158	\$ 2,210

**Medical Security Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 114,740	\$ 81,914
Total assets.....	<u>\$ 114,740</u>	<u>\$ 81,914</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 419	\$ 39
Accrued payroll.....	<u>14</u>	<u>8</u>
Total liabilities.....	<u>433</u>	<u>47</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	<u>114,307</u>	<u>81,867</u>
Total fund balance.....	<u>114,307</u>	<u>81,867</u>
Total liabilities and fund balance.....	<u>\$ 114,740</u>	<u>\$ 81,914</u>

**Medical Security Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 44,668	\$ 44,795
Miscellaneous.....	4,456	3,265
Total revenues.....	49,124	48,060
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	49,124	48,060
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	129	21
Labor.....	16,146	20,052
Total expenditures.....	16,275	20,073
Other financing uses:		
Fringe benefit cost assessment.....	298	350
Operating transfers out.....	111	96
Total other financing uses.....	409	446
Total expenditures and other financing uses.....	16,684	20,519
Excess of revenues and other financing sources over expenditures and other financing uses.....	32,440	27,541
Fund balance at beginning of year.....	81,867	54,326
Fund balance at end of year.....	\$ 114,307	\$ 81,867

**Department of Telecommunication and Energy Trust Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,069	\$ 859
Total assets.....	<u>\$ 1,069</u>	<u>\$ 859</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 110	\$ -
Accrued payroll.....	15	-
Total liabilities.....	<u>125</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	944	859
Total fund balance.....	<u>944</u>	<u>859</u>
Total liabilities and fund balance.....	<u>\$ 1,069</u>	<u>\$ 859</u>

**Department of Telecommunication and Energy Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Assessments.....	\$ 2,320	\$ -
Total revenues.....	<u>2,320</u>	<u>-</u>
Other financing sources:		
Operating transfers in.....	<u>-</u>	<u>859</u>
Total other financing sources.....	<u>-</u>	<u>859</u>
Total revenues and other financing sources.....	<u>2,320</u>	<u>859</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Consumer affairs.....	<u>2,145</u>	<u>-</u>
Total expenditures.....	<u>2,145</u>	<u>-</u>
Other financing uses:		
Fringe benefit cost assessment.....	89	-
Operating transfers out.....	<u>1</u>	<u>-</u>
Total other financing uses.....	<u>90</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>2,235</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	85	859
Fund balance at beginning of year.....	<u>859</u>	<u>-</u>
Fund balance at end of year.....	<u>\$ 944</u>	<u>\$ 859</u>

**Liability Management and Reduction Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 217	\$ -
Total assets.....	\$ 217	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	217	-
Total fund balance.....	217	-
Total liabilities and fund balance.....	\$ 217	\$ -

**Liability Management and Reduction Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 267	\$ -
Total revenues.....	267	-
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	267	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	50	-
Total expenditures.....	50	-
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	50	-
Excess of revenues and other financing sources over expenditures and other financing uses.....	217	-
Fund balance at beginning of year.....	-	-
Fund balance at end of year.....	\$ 217	\$ -

**Debt Defeasance Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 408,889	\$ -
<b>Total assets.....</b>	<b>\$ 408,889</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
<b>Total liabilities.....</b>	<b>-</b>	<b>-</b>
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	385,992	-
Reserved for capital projects.....	7,003	-
Unreserved fund balance:		
Designated for specific purpose.....	15,894	-
<b>Total fund balance.....</b>	<b>408,889</b>	<b>-</b>
<b>Total liabilities and fund balance.....</b>	<b>\$ 408,889</b>	<b>\$ -</b>

## Debt Defeasance Trust Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Debt defeasance trust transfer.....	408,889	-
Total other financing sources.....	408,889	-
Total revenues and other financing sources.....	408,889	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	-	-
Excess of revenues and other financing sources over expenditures and other financing uses.....	408,889	-
Fund balance at beginning of year.....	-	-
Fund balance at end of year.....	\$ 408,889	\$ -

**Freight Rail Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 2,918
Total assets.....	\$ -	\$ 2,918
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	-	2,918
Total fund balance.....	-	2,918
Total liabilities and fund balance.....	\$ -	\$ 2,918

**Freight Rail Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ -	\$ 119
Total revenues.....	-	119
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	119
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Transportation and construction.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Operating transfers out.....	2,918	-
Total other financing uses.....	2,918	-
Total expenditures and other financing uses.....	2,918	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(2,918)	119
Fund balance at beginning of year.....	2,918	2,799
Fund balance at end of year.....	\$ -	\$ 2,918

**Passenger Rail Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 3,486
Total assets.....	\$ -	\$ 3,486
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	-	3,486
Total fund balance.....	-	3,486
Total liabilities and fund balance.....	\$ -	\$ 3,486

## Passenger Rail Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ -	\$ 28
Total revenues.....	-	28
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	28
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Transportation and construction.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Operating transfers out.....	3,486	-
Total other financing uses.....	3,486	-
Total expenditures and other financing uses.....	3,486	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(3,486)	28
Fund balance at beginning of year.....	3,486	3,458
Fund balance at end of year.....	\$ -	\$ 3,486

**J.F.K. Library and Park Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	<u>-</u>	<u>-</u>
Total fund balance.....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**J.F.K. Library and Park Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ -	\$ 19
Total revenues.....	-	19
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	19
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Legislature.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Operating transfers out.....	-	3,306
Total other financing uses.....	-	3,306
Total expenditures and other financing uses.....	-	3,306
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	-	(3,287)
Fund balance at beginning of year.....	-	3,287
Fund balance at end of year.....	\$ -	\$ -

**Government Land Bank Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 35,097	\$ 34,496
Total liabilities.....	<u>35,097</u>	<u>34,496</u>
Fund balance:		
Unreserved fund balance (deficit):		
Designated for specific purpose.....	(35,097)	(34,496)
Total fund balance (deficit).....	<u>(35,097)</u>	<u>(34,496)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Government Land Bank Fund**

**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 190	\$ 393
Total revenues.....	190	393
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	190	393
 <b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Debt service:		
Principal retirement.....	435	679
Interest and fiscal charges.....	356	412
Total expenditures.....	791	1,091
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	791	1,091
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(601)	(698)
Fund balance (deficit) at beginning of year.....	(34,496)	(33,798)
Fund balance (deficit) at end of year.....	\$ (35,097)	\$ (34,496)

**Federally-Assisted Housing Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	<u>-</u>	<u>-</u>
Total fund balance.....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Federally-Assisted Housing Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 136	\$ 135
Total revenues.....	136	135
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	136	135
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Debt service:		
Principal retirement.....	104	97
Interest and fiscal charges.....	32	38
Total expenditures.....	136	135
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	136	135
Excess of revenues and other financing sources over expenditures and other financing uses.....	-	-
Fund balance at beginning of year.....	-	-
Fund balance at end of year.....	\$ -	\$ -

**Oil Overcharge Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 9,544	\$ 11,510
Total assets.....	\$ 9,544	\$ 11,510
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 306	\$ 406
Accrued payroll.....	10	3
Total liabilities.....	316	409
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	9,228	11,101
Total fund balance.....	9,228	11,101
Total liabilities and fund balance.....	\$ 9,544	\$ 11,510

## Oil Overcharge Fund

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

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 4	\$ 5
Miscellaneous.....	1,302	1,557
Total revenues.....	1,306	1,562
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	1,306	1,562
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	7	24
Communities and development.....	798	757
Public safety.....	70	89
Economic development.....	4	2,688
Consumer affairs.....	2,152	-
Total expenditures.....	3,031	3,558
Other financing uses:		
Fringe benefit cost assessment.....	130	132
Operating transfers out.....	18	13
Total other financing uses.....	148	145
Total expenditures and other financing uses.....	3,179	3,703
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,873)	(2,141)
Fund balance at beginning of year.....	11,101	13,242
Fund balance at end of year.....	\$ 9,228	\$ 11,101

**Environmental Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 5,374	\$ 4,849
Total assets.....	\$ 5,374	\$ 4,849
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 309	\$ 177
Total liabilities.....	309	177
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	5,065	4,672
Total fund balance.....	5,065	4,672
Total liabilities and fund balance.....	\$ 5,374	\$ 4,849

## Environmental Trust Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 1,476	\$ 1,350
Miscellaneous.....	216	221
Total revenues.....	1,692	1,571
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	1,692	1,571
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	1,118	802
Public safety.....	135	49
Total expenditures.....	1,253	851
Other financing uses:		
Operating transfers out.....	46	27
Total other financing uses.....	46	27
Total expenditures and other financing uses.....	1,299	878
Excess of revenues and other financing sources over expenditures and other financing uses.....	393	693
Fund balance at beginning of year.....	4,672	3,979
Fund balance at end of year.....	\$ 5,065	\$ 4,672

**Children's Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 355	\$ 564
Total assets.....	\$ 355	\$ 564
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 13	\$ 121
Accrued payroll.....	1	-
Total liabilities.....	14	121
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	341	443
Total fund balance.....	341	443
Total liabilities and fund balance.....	\$ 355	\$ 564

**Children's Trust Fund**

**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ 32	\$ 33
Total revenues.....	32	33
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	32	33
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Health and human services.....	99	166
Total expenditures.....	99	166
Other financing uses:		
Operating transfers out.....	35	11
Total other financing uses.....	35	11
Total expenditures and other financing uses.....	134	177
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(102)	(144)
Fund balance at beginning of year.....	443	587
Fund balance at end of year.....	\$ 341	\$ 443

**Child Support Enforcement Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,034	\$ 1,599
Due from federal government.....	88	312
Total assets.....	\$ 1,122	\$ 1,911
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 1,932	\$ 1,493
Accrued payroll.....	44	16
Total liabilities.....	1,976	1,509
Fund balance:		
Unreserved fund balance (deficit):		
Designated for specific purpose.....	(854)	402
Total fund balance (deficit).....	(854)	402
Total liabilities and fund balance.....	\$ 1,122	\$ 1,911

**Child Support Enforcement Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 18,307	\$ 14,533
Departmental.....	18	23
Miscellaneous.....	78	76
Total revenues.....	<u>18,403</u>	<u>14,632</u>
Other financing sources:		
Other sources.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	<u>18,403</u>	<u>14,632</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Treasurer and Receiver-General.....	4	2
District Attorney.....	8	26
Administration and finance.....	19,259	13,716
Labor.....	-	3
Total expenditures.....	<u>19,271</u>	<u>13,747</u>
Other financing uses:		
Fringe benefit cost assessment.....	202	161
Operating transfers out.....	186	285
Total other financing uses.....	<u>388</u>	<u>446</u>
Total expenditures and other financing uses.....	<u>19,659</u>	<u>14,193</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(1,256)	439
Fund balance (deficit) at beginning of year.....	402	(37)
Fund balance (deficit) at end of year.....	<u>\$ (854)</u>	<u>\$ 402</u>

*Fringe, Accruals - 312  
- Fed. Rec - 312*

*CTR  
posts*

**Department of Industrial Accidents Special Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 11,787	\$ 10,917
Total assets.....	\$ 11,787	\$ 10,917
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 2	\$ 1
Total liabilities.....	2	1
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	11,785	10,916
Total fund balance.....	11,785	10,916
Total liabilities and fund balance.....	\$ 11,787	\$ 10,917

**Department of Industrial Accidents Special Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Assessments.....	\$ 16,121	\$ 14,133
Departmental.....	4,575	4,561
Miscellaneous.....	808	935
Total revenues.....	21,504	19,629
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	21,504	19,629
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Labor.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Fringe benefit cost assessment.....	3,018	3,595
Operating transfers out.....	17,617	16,951
Total other financing uses.....	20,635	20,546
Total expenditures and other financing uses.....	20,635	20,546
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	869	(917)
Fund balance at beginning of year.....	10,916	11,833
Fund balance at end of year.....	\$ 11,785	\$ 10,916

**County Correction Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 5,437	\$ 4,345
Receivables, net of allowance for uncollectibles:		
Taxes.....	672	732
Total assets.....	\$ 6,109	\$ 5,077
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ 450
Total liabilities.....	-	450
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	6,109	4,627
Total fund balance.....	6,109	4,627
Total liabilities and fund balance.....	\$ 6,109	\$ 5,077

**County Correction Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Taxes.....	\$ 10,543	\$ 9,241
Total revenues.....	10,543	9,241
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	10,543	9,241
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Direct local aid.....	9,061	7,762
Total expenditures.....	9,061	7,762
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	9,061	7,762
Excess of revenues and other financing sources over expenditures and other financing uses.....	1,482	1,479
Fund balance at beginning of year.....	4,627	3,148
Fund balance at end of year.....	\$ 6,109	\$ 4,627

**Massachusetts AIDS Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 634	\$ 755
Total assets.....	\$ 634	\$ 755
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ 289
Total liabilities.....	-	289
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	634	466
Total fund balance.....	634	466
Total liabilities and fund balance.....	\$ 634	\$ 755

## Massachusetts AIDS Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ 232	\$ 507
Total revenues.....	232	507
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	232	507
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Health and human services.....	64	693
Total expenditures.....	64	693
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	64	693
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	168	(186)
Fund balance at beginning of year.....	466	652
Fund balance at end of year.....	\$ 634	\$ 466

**Board Of Registration In Medicine Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts In Thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 306	\$ 127
Total assets.....	<u>\$ 306</u>	<u>\$ 127</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 191	\$ 122
Accrued payroll.....	20	5
Total liabilities.....	<u>211</u>	<u>127</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	95	-
Total fund balance.....	<u>95</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ 306</u>	<u>\$ 127</u>

**Board Of Registration In Medicine Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 1,832	\$ 1,639
Total revenues.....	<u>1,832</u>	<u>1,639</u>
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	<u>1,832</u>	<u>1,639</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Consumer affairs.....	1,483	1,340
Total expenditures.....	<u>1,483</u>	<u>1,340</u>
Other financing uses:		
Fringe benefit cost assessment.....	160	185
Operating transfers out.....	94	114
Total other financing uses.....	<u>254</u>	<u>299</u>
Total expenditures and other financing uses.....	<u>1,737</u>	<u>1,639</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	95	-
Fund balance at beginning of year.....	-	-
Fund balance at end of year.....	<u>\$ 95</u>	<u>\$ -</u>

**Water Pollution Abatement Projects Administration Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 800	\$ 314
Total assets.....	\$ 800	\$ 314
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 316	\$ 186
Accrued payroll.....	61	27
Total liabilities.....	377	213
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	423	101
Total fund balance.....	423	101
Total liabilities and fund balance.....	\$ 800	\$ 314

**Water Pollution Abatement Projects Administration Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ 7,050	\$ 5,719
Total revenues.....	<u>7,050</u>	<u>5,719</u>
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	<u>7,050</u>	<u>5,719</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	5,129	4,325
Total expenditures.....	<u>5,129</u>	<u>4,325</u>
Other financing uses:		
Fringe benefit cost assessment.....	1,070	1,064
Operating transfers out.....	529	291
Total other financing uses.....	<u>1,599</u>	<u>1,355</u>
Total expenditures and other financing uses.....	<u>6,728</u>	<u>5,680</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	322	39
Fund balance at beginning of year.....	101	62
Fund balance at end of year.....	<u>\$ 423</u>	<u>\$ 101</u>

**Commonwealth Sewer Rate Relief Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 14,739	\$ 13,071
Total assets.....	<u>\$ 14,739</u>	<u>\$ 13,071</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	14,739	13,071
Total fund balance.....	<u>14,739</u>	<u>13,071</u>
Total liabilities and fund balance.....	<u>\$ 14,739</u>	<u>\$ 13,071</u>

**Commonwealth Sewer Rate Relief Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Sewer rate relief.....	53,914	50,700
Total other financing sources.....	53,914	50,700
Total revenues and other financing sources.....	53,914	50,700
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	52,246	49,035
Total expenditures.....	52,246	49,035
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	52,246	49,035
Excess of revenues and other financing sources over expenditures and other financing uses.....	1,668	1,665
Fund balance at beginning of year.....	13,071	11,406
Fund balance at end of year.....	\$ 14,739	\$ 13,071

**Motor Vehicle Emissions Inspection Compliance Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	<u>-</u>	<u>-</u>
Total fund balance .....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Motor Vehicle Emissions Inspection Compliance Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
Other financing sources:		
Operating transfers in.....	<u>-</u>	<u>3,134</u>
Total other financing sources.....	<u>-</u>	<u>3,134</u>
Total revenues and other financing sources.....	<u>-</u>	<u>3,134</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	<u>-</u>	<u>370</u>
Total expenditures.....	<u>-</u>	<u>370</u>
Other financing uses:		
Fringe benefit cost assessment.....	<u>-</u>	<u>86</u>
Operating transfers out.....	<u>-</u>	<u>24</u>
Total other financing uses.....	<u>-</u>	<u>110</u>
Total expenditures and other financing uses.....	<u>-</u>	<u>480</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	<u>-</u>	<u>2,654</u>
Fund balance (deficit) at beginning of year.....	<u>-</u>	<u>(2,654)</u>
Fund balance at end of year.....	<u>\$ -</u>	<u>\$ -</u>

**Motor Vehicle Safety Inspection Trust Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 1,305	\$ 5,036
Total assets.....	<u>\$ 1,305</u>	<u>\$ 5,036</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 319	\$ 999
Accrued payroll.....	26	10
Total liabilities.....	<u>345</u>	<u>1,009</u>
 Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	960	4,027
Total fund balance.....	<u>960</u>	<u>4,027</u>
Total liabilities and fund balance.....	<u>\$ 1,305</u>	<u>\$ 5,036</u>

**Motor Vehicle Safety Inspection Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 5,977	\$ 5,889
Total revenues.....	5,977	5,889
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	5,977	5,889
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	13	333
Environmental affairs.....	1,175	785
Public safety.....	5,812	5,667
Total expenditures.....	7,000	6,785
Other financing uses:		
Fringe benefit cost assessment.....	339	292
Operating transfers out.....	1,705	1,131
Total other financing uses.....	2,044	1,423
Total expenditures and other financing uses.....	9,044	8,208
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(3,067)	(2,319)
Fund balance at beginning of year.....	4,027	6,346
Fund balance at end of year.....	\$ 960	\$ 4,027

**Child Care Quality Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 150	\$ 15
Total assets.....	\$ 150	\$ 15
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Unreserved fund balance:		
Designated for specific purpose.....	150	15
Total fund balance.....	150	15
Total liabilities and fund balance.....	\$ 150	\$ 15

## Child Care Quality Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ 135	\$ 15
Total revenues.....	135	15
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	135	15
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Health and human services.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Fringe benefit cost assessment.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	-	-
Excess of revenues and other financing sources over expenditures and other financing uses.....	135	15
Fund balance at beginning of year.....	15	-
Fund balance at end of year.....	\$ 150	\$ 15

**Grant Anticipation Note Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 209,964	\$ 310,433
Cash with fiscal agent.....	49,104	11,572
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	64,150	93,792
Total assets.....	\$ 323,218	\$ 415,797
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Due to other funds.....	\$ 78,565	\$ 103,124
Total liabilities.....	78,565	103,124
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	49,104	27,240
Unreserved fund balance:		
Designated for specific purpose.....	195,549	285,433
Total fund balance.....	244,653	312,673
Total liabilities and fund balance.....	\$ 323,218	\$ 415,797

## Grant Anticipation Note Trust Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 580,320	\$ 103,124
Miscellaneous.....	20,199	2,240
Total revenues.....	600,519	105,364
Other financing sources:		
Proceeds of grant anticipation notes.....	319,434	580,557
Operating transfers in.....	41,500	25,000
Total other financing sources.....	360,934	605,557
Total revenues and other financing sources.....	961,453	710,921
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Debt service:		
Interest and fiscal charges.....	37,501	-
Total expenditures.....	37,501	-
Other financing uses:		
Federal reimbursement transfers out.....	580,320	-
Operating transfers out.....	411,652	398,248
Total other financing uses.....	991,972	398,248
Total expenditures and other financing uses.....	1,029,473	398,248
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(68,020)	312,673
Fund balance at beginning of year.....	312,673	-
Fund balance at end of year.....	\$ 244,653	\$ 312,673

# Capital Projects Funds

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

## **CAPITAL INVESTMENT TRUST FUND:**

To account for a transfer from the general fund to fund appropriated items of a capital nature. Specifically in Section 107 2E of Chapter 88 of the Acts of 1997.

## **BOSTON CONVENTION AND EXHIBITION CENTER CAPITAL FUND:**

To account for proceeds of bonds to finance the construction of a convention center in Boston.

## **CAPITAL IMPROVEMENT AND INVESTMENT TRUST FUND:**

To account for the commonwealth to reimburse cities and towns for expenses incurred for projects for construction and reconstruction of town and county ways.

## **CAPITAL EXPENDITURE RESERVE FUND:**

To account for amounts paid by the Massachusetts Turnpike Authority as payment towards acquisition cost of the Third Harbor Tunnel and federal financial participation money related to expenditure amounts paid by Massachusetts Port Authority as determined by a feasibility study; used to pay principal and interest on bonds designated Highway Funding loan, related notes or direct capital expenditures.

## **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 federal sponsored highway construction.

## **FEDERAL HIGHWAY CONSTRUCTION PROGRAM CAPITAL PROJECTS FUND:**

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.

## **LOCAL AID FUNDS:**

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.

*Local Aid Capital Projects Fund* accounts for proceeds of bonds to finance a program of studies, preparation of plans, construction, reconstruction, renovations, alterations and improvements to state and federally assisted housing units.

*Lockup Facilities Improvements Capital Projects Fund* accounts for proceeds of bonds to finance improvements to lockup facilities and state police lockup facilities.

*Suffolk County Jail Facility Capital Projects Fund* accounts for proceeds of bonds to finance improvements to the Suffolk County Jail.

*County Correctional Facilities Capital Projects Fund* accounts for proceeds of bonds to finance improvements to County Correctional Facilities.

*Local Infrastructure Capital Projects Fund* accounts for proceeds of bonds, and to finance improvements to the Commonwealth's Correctional Facilities.

*Water Pollution Control Capital Projects Fund* accounts for proceeds of bonds, to finance grants to implement the Clean Water Act.

## **OTHER FUNDS:**

To account for the proceeds of bonds to finance land acquisition for economic development, preservation and recreational purposes, and other capital projects.

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**State Recreation Areas Capital Projects Fund** accounts for proceeds of bonds and other monies received by Department of Environmental Management pertaining to state parks, reservations and recreation areas outside the metropolitan parks district; used for purposes of state parks, reservations and recreation areas outside the metropolitan parks district.

**Metropolitan Parks Capital Projects Fund** accounts for bond proceeds, grants and gifts; used for capital expenditures by the Metropolitan District Commission.

**Federally-Assisted Housing Capital Projects Fund** accounts for proceeds from bonds; used to finance grants to housing authorities for housing projects so they may undertake major improvements.

**Government Land Bank Capital Projects Fund** accounts 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.

**Intercity Bus Capital Assistance Capital Projects Fund** accounts for proceeds of bonds; used for the acquisition and leasing of inter-city coaches and for planning and other relevant costs.

**Capital Projects Funds**  
**Combining Balance Sheet - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

	General	Capital Investment Trust	Boston Convention and Exhibition Center	Capital Improvements and Investment Trust
<b>ASSETS</b>				
Cash and short-term investments.....	\$ 107,816	\$ 59,215	\$ -	\$ 168,926
Receivables, net of allowance for uncollectibles:				
Due from federal government.....	262	-	-	-
Due from other funds.....	-	-	-	-
Total assets.....	<u>\$ 108,078</u>	<u>\$ 59,215</u>	<u>\$ -</u>	<u>\$ 168,926</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Deficiency in cash and short-term investments.....	\$ -	\$ -	\$ 19,000	\$ -
Accounts payable.....	84,183	28,348	-	13,696
Accrued payroll.....	192	5	-	2
Total liabilities.....	<u>84,375</u>	<u>28,353</u>	<u>19,000</u>	<u>13,698</u>
Fund balance (deficits):				
Reserved fund balance:				
Reserved for capital projects.....	-	30,862	-	155,228
Unreserved:				
Undesignated.....	23,703	-	(19,000)	-
Total fund balance (deficits).....	<u>23,703</u>	<u>30,862</u>	<u>(19,000)</u>	<u>155,228</u>
Total liabilities and fund balances.....	<u>\$ 108,078</u>	<u>\$ 59,215</u>	<u>\$ -</u>	<u>\$ 168,926</u>

Capital Expenditure Reserve	Highway	Federal Highway Construction	Local Aid	Other	Totals (Memorandum Only)	
					1999	1998
\$ 315,135	\$ -	\$ 92,830	\$ -	\$ -	\$ 743,922	\$ 420,217
-	-	-	-	-	262	4,475
-	-	78,425	-	-	78,425	102,786
<u>\$ 315,135</u>	<u>\$ -</u>	<u>\$ 171,255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 822,609</u>	<u>\$ 527,478</u>
\$ -	\$ 201,924	\$ -	\$ 11,436	\$ 14,009	\$ 246,369	\$ 544,903
39,755	55,624	171,111	14,756	1,186	408,659	331,101
4	396	144	23	2	768	510
<u>39,759</u>	<u>257,944</u>	<u>171,255</u>	<u>26,215</u>	<u>15,197</u>	<u>655,796</u>	<u>876,514</u>
275,376	-	-	-	-	461,466	269,478
-	(257,944)	-	(26,215)	(15,197)	(294,653)	(618,514)
<u>275,376</u>	<u>(257,944)</u>	<u>-</u>	<u>(26,215)</u>	<u>(15,197)</u>	<u>166,813</u>	<u>(349,036)</u>
<u>\$ 315,135</u>	<u>\$ -</u>	<u>\$ 171,255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 822,609</u>	<u>\$ 527,478</u>

**Capital Projects Funds**

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 1999 and 1998  
(Amounts in thousands)

	General	Capital Investment Trust	Boston Convention and Exhibition Center	Capital Improvements and Investment Trust
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Federal grants and reimbursements.....	\$ 5,437	\$ -	\$ -	\$ -
Departmental.....	-	-	-	-
Payments from authorities.....	-	-	-	-
Miscellaneous.....	-	-	-	-
Total revenues.....	<u>5,437</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources:				
Proceeds of general obligation bonds.....	346,711	-	-	-
Proceeds of special obligation bonds.....	-	-	-	-
Proceeds of refunding bonds.....	74,000	-	-	-
Surplus transfer for capital projects.....	110,414	-	-	-
Transfer for capital projects funds.....	-	-	-	118,638
Operating transfers in.....	5,721	-	-	-
Federal reimbursement transfer in.....	-	-	-	-
State share of federal highway construction.....	-	-	-	-
Total other financing sources.....	<u>536,846</u>	<u>-</u>	<u>-</u>	<u>118,638</u>
Total revenues and other financing sources.....	<u>542,283</u>	<u>-</u>	<u>-</u>	<u>118,638</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Legislature.....	138	-	-	-
Judiciary.....	13,869	3,653	-	100
Inspector General.....	6	-	-	-
Secretary of the Commonwealth.....	1,387	11,941	-	-
Treasurer and Receiver-General.....	212	-	-	25
Auditor of the Commonwealth.....	565	-	-	-
Attorney General.....	1,206	-	-	-
Ethics Commission.....	25	-	-	-
District Attorney.....	820	-	-	384
Sheriff's Departments.....	132	-	-	-
Disabled Persons Protection Commission.....	52	-	-	-
Board of Library Commissioners.....	-	12,740	-	2,368
Comptroller.....	1,650	-	-	26
Administration and finance.....	163,883	14,664	-	24,910
Environmental affairs.....	90,220	9,275	-	3,433
Communities and development.....	72,466	7,140	-	1,500
Health and human services.....	18,804	8,097	-	7,699
Transportation and construction.....	18,516	-	-	43,234
Education.....	-	14,679	-	6,843
Higher education.....	6,460	13,543	-	10,042
Public safety.....	12,930	3,542	-	2,061
Economic development.....	344	-	-	-
Elder affairs.....	113	-	-	-
Consumer affairs.....	1,215	35	-	-
Labor.....	-	-	-	20
Total expenditures.....	<u>405,013</u>	<u>99,309</u>	<u>-</u>	<u>102,645</u>
Other financing uses:				
Payments to refunded bond escrow agent.....	74,000	-	-	-
Fringe benefit cost assessment.....	2,543	54	-	-
State share of federal highway construction.....	-	-	-	-
Operating transfers out.....	49,831	1	-	-
Total other financing uses.....	<u>126,374</u>	<u>55</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>531,387</u>	<u>99,364</u>	<u>-</u>	<u>102,645</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	10,896	(99,364)	-	15,993
Fund balances (deficits) at beginning of year.....	12,807	130,226	(19,000)	139,235
Fund balances (deficits) at end of year.....	<u>\$ 23,703</u>	<u>\$ 30,862</u>	<u>\$ (19,000)</u>	<u>\$ 155,228</u>

Capital Expenditure Reserve	Highway	Federal Highway Construction	Local Aid	Other	Totals (Memorandum only)	
					1999	1998
\$ -	\$ -	\$ 917	\$ -	\$ -	\$ 6,354	\$ 785,241
-	-	1,255	-	-	1,255	243
1,082,234	-	-	-	-	1,082,234	112,515
10,424	-	126	-	-	10,550	589
<u>1,092,658</u>	<u>-</u>	<u>2,298</u>	<u>-</u>	<u>-</u>	<u>1,100,393</u>	<u>898,588</u>
-	572,610	-	85,890	9,595	1,014,806	766,953
-	-	-	-	-	-	100,059
-	329,548	-	94,855	389	498,792	861,793
-	-	-	-	-	110,414	111,571
-	-	-	-	-	118,638	189,235
-	859,286	-	-	1,385	866,392	507,415
-	-	577,975	-	-	577,975	-
-	-	685,182	-	-	685,182	550,672
-	<u>1,761,444</u>	<u>1,263,157</u>	<u>180,745</u>	<u>11,369</u>	<u>3,872,199</u>	<u>3,087,698</u>
<u>1,092,658</u>	<u>1,761,444</u>	<u>1,265,455</u>	<u>180,745</u>	<u>11,369</u>	<u>4,972,592</u>	<u>3,986,286</u>
-	-	-	-	-	138	214
-	-	-	6,110	-	23,732	9,692
365	103	48	-	-	522	520
-	-	-	1,848	-	15,176	5,716
-	-	-	6,759	-	6,996	4,901
-	71	-	-	-	636	2,276
-	250	968	24	-	2,448	4,386
-	-	-	-	-	25	25
-	-	-	-	-	1,204	871
-	-	-	-	-	132	-
-	-	-	-	-	52	51
-	-	-	2,742	-	17,850	13,448
-	-	-	-	-	1,676	2,979
-	1,948	-	29,642	7,712	242,759	313,078
-	12,266	4,334	17,443	2,116	139,087	146,528
-	-	-	2,021	-	83,127	80,014
-	579	-	1,432	-	36,611	33,326
411,735	407,674	1,257,392	33	1,386	2,139,970	1,988,965
-	-	-	-	-	21,522	5,865
-	-	-	-	-	30,045	26,583
-	13,730	171	6,066	-	38,500	21,354
-	-	202	-	-	546	977
-	-	-	-	-	113	124
-	76	-	-	-	1,326	1,329
-	-	160	-	-	180	197
<u>412,100</u>	<u>436,697</u>	<u>1,263,275</u>	<u>74,120</u>	<u>11,214</u>	<u>2,804,373</u>	<u>2,663,419</u>
-	329,548	-	94,855	389	498,792	861,793
85	8,105	2,121	427	30	13,365	17,899
-	685,182	-	-	-	685,182	550,672
405,099	69	25	5	1	455,031	109,762
<u>405,184</u>	<u>1,022,904</u>	<u>2,146</u>	<u>95,287</u>	<u>420</u>	<u>1,652,370</u>	<u>1,540,126</u>
<u>817,284</u>	<u>1,459,601</u>	<u>1,265,421</u>	<u>169,407</u>	<u>11,634</u>	<u>4,456,743</u>	<u>4,203,545</u>
275,374	301,843	34	11,338	(265)	515,849	(217,259)
2	(559,787)	(34)	(37,553)	(14,932)	(349,036)	(131,777)
<u>\$ 275,376</u>	<u>\$ (257,944)</u>	<u>\$ -</u>	<u>\$ (26,215)</u>	<u>\$ (15,197)</u>	<u>\$ 166,813</u>	<u>\$ (349,036)</u>

**General Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 107,816	\$ 88,089
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	262	4,475
Total assets.....	<u>\$ 108,078</u>	<u>\$ 92,564</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 84,183	\$ 79,693
Accrued payroll.....	192	64
Total liabilities.....	<u>84,375</u>	<u>79,757</u>
 Fund equity:		
Unreserved fund balance:		
Undesignated.....	23,703	12,807
Total fund equity .....	23,703	12,807
Total liabilities and fund equity.....	<u>\$ 108,078</u>	<u>\$ 92,564</u>

**General Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 5,437	\$ 12,744
Total revenues.....	<u>5,437</u>	<u>12,744</u>
Other financing sources:		
Proceeds of general obligation bonds.....	346,711	489,860
Proceeds of refunding bonds.....	74,000	318,953
Surplus transfer for capital projects.....	110,414	77,921
Operating transfer in.....	5,721	-
Total other financing sources.....	<u>536,846</u>	<u>886,734</u>
Total revenues and other financing sources.....	<u>542,283</u>	<u>899,478</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Legislature.....	138	214
Judiciary.....	13,869	6,748
Inspector General.....	6	6
Secretary of the Commonwealth.....	1,387	1,973
Treasurer and Receiver-General.....	212	2,813
Auditor of the Commonwealth.....	565	2,015
Attorney General.....	1,206	2,814
Ethics Commission.....	25	25
District Attorney.....	820	871
Sheriff's Departments.....	132	-
Disabled Persons Protection Commission.....	52	51
Comptroller.....	1,650	2,979
Administration and finance.....	163,883	201,510
Environmental affairs.....	90,220	68,709
Communities and development.....	72,466	68,383
Health and human services.....	18,804	30,264
Transportation and construction.....	18,516	16,020
Education.....	-	2,486
Higher education.....	6,460	6,123
Public safety.....	12,930	6,551
Economic development.....	344	361
Elder affairs.....	113	124
Consumer affairs.....	1,215	1,281
Labor.....	-	94
Total expenditures.....	<u>405,013</u>	<u>422,415</u>
Other financing uses:		
Payments to refunded bond escrow agent.....	74,000	318,953
Fringe benefit cost assessment.....	2,543	3,081
Operating transfers out.....	49,831	9,542
Total other financing uses.....	<u>126,374</u>	<u>331,576</u>
Total expenditures and other financing uses.....	<u>531,387</u>	<u>753,991</u>
Excess of revenues and other financing sources over expenditures and other financing uses .....	10,896	145,487
Fund balance (deficit) at beginning of year.....	12,807	(132,680)
Fund balance at end of year.....	<u>\$ 23,703</u>	<u>\$ 12,807</u>

**Capital Investment Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 59,215	\$ 153,519
Total assets.....	<u>\$ 59,215</u>	<u>\$ 153,519</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 28,348	\$ 23,292
Accrued payroll.....	5	1
Total liabilities.....	<u>28,353</u>	<u>23,293</u>
Fund balance:		
Reserved fund balance:		
Reserved for capital projects.....	30,862	130,226
Total fund balance .....	<u>30,862</u>	<u>130,226</u>
Total liabilities and fund balance.....	<u>\$ 59,215</u>	<u>\$ 153,519</u>

**Capital Investment Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Transfer for capital projects funds.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Judiciary.....	3,653	169
Secretary of the Commonwealth.....	11,941	2,735
Board of Library Commissioners.....	12,740	1,760
Administration and finance.....	14,664	14,482
Environmental affairs.....	9,275	44,115
Communities and development.....	7,140	9,855
Health and human services.....	8,097	2,211
Education.....	14,679	3,379
Higher education.....	13,543	20,452
Public safety.....	3,542	334
Consumer affairs.....	35	-
Labor.....	-	57
Total expenditures.....	99,309	99,549
Other financing uses:		
Fringe benefit cost assessment.....	54	25
Operating transfers out.....	1	-
Total other financing uses.....	55	25
Total expenditures and other financing uses.....	99,364	99,574
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(99,364)	(99,574)
Fund balance at beginning of year.....	130,226	229,800
Fund balance at end of year.....	\$ 30,862	\$ 130,226

**Boston Convention and Exhibition Center Capital Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 19,000	\$ 19,000
Total liabilities.....	<u>19,000</u>	<u>19,000</u>
Fund equity:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(19,000)</u>	<u>(19,000)</u>
Total fund balance (deficit).....	<u>(19,000)</u>	<u>(19,000)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Boston Convention and Exhibition Center Capital Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
Other financing sources:		
Proceeds of general obligation bonds.....	<u>-</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>-</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	<u>-</u>	<u>19,000</u>
Total expenditures.....	<u>-</u>	<u>19,000</u>
Other financing uses:		
Operating transfers out.....	<u>-</u>	<u>-</u>
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>-</u>	<u>19,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	-	(19,000)
Fund balance (deficit) at beginning of year.....	<u>(19,000)</u>	<u>-</u>
Fund balance (deficit) at end of year.....	<u>\$ (19,000)</u>	<u>\$ (19,000)</u>

**Capital Improvements and Investment Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 168,926	\$ 139,235
Total assets.....	<u>\$ 168,926</u>	<u>\$ 139,235</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 13,696	\$ -
Accrued payroll.....	<u>2</u>	<u>-</u>
Total liabilities.....	<u>13,698</u>	<u>-</u>
Fund balance:		
Reserved fund balance:		
Reserved for capital projects.....	<u>155,228</u>	<u>139,235</u>
Total fund balance .....	<u>155,228</u>	<u>139,235</u>
Total liabilities and fund balance.....	<u>\$ 168,926</u>	<u>\$ 139,235</u>

**Capital Improvements and Investment Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
Other financing sources:		
Transfer for capital projects funds.....	118,638	189,235
Total other financing sources.....	<u>118,638</u>	<u>189,235</u>
Total revenues and other financing sources.....	<u>118,638</u>	<u>189,235</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Judiciary.....	100	-
Treasurer and Receiver-General.....	25	-
District Attorney.....	384	-
Board of Library Commissioners.....	2,368	-
Comptroller.....	26	-
Administration and finance.....	24,910	-
Environmental affairs.....	3,433	-
Communities and development.....	1,500	-
Health and human services.....	7,699	-
Transportation and construction.....	43,234	50,000
Education.....	6,843	-
Higher education.....	10,042	-
Public safety.....	2,061	-
Labor.....	20	-
Total expenditures.....	<u>102,645</u>	<u>50,000</u>
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>102,645</u>	<u>50,000</u>
Excess of revenues and other financing sources over expenditures and other financing uses .....	15,993	139,235
Fund balance at beginning of year.....	139,235	-
Fund balance at end of year.....	<u>\$ 155,228</u>	<u>\$ 139,235</u>

**Capital Expenditure Reserve Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 315,135	\$ 2
Total assets.....	\$ 315,135	\$ 2
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 39,755	\$ -
Accrued payroll.....	4	-
Total liabilities.....	39,759	-
Fund balance:		
Reserved fund balance:		
Reserved for capital projects.....	275,376	2
Total fund balance.....	275,376	2
Total liabilities and fund balance.....	\$ 315,135	\$ 2

**Capital Expenditure Reserve Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Payments from authorities.....	\$ 1,082,234	\$ 112,515
Miscellaneous.....	10,424	-
Total revenues.....	1,092,658	112,515
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	1,092,658	112,515
 <b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Inspector General.....	365	288
Transportation and construction.....	411,735	12,114
Total expenditures.....	412,100	12,402
Other financing uses:		
Fringe benefit cost assessment.....	85	82
Operating transfers out.....	405,099	100,029
Total other financing uses.....	405,184	100,111
Total expenditures and other financing uses.....	817,284	112,513
Excess of revenues and other financing sources over expenditures and other financing uses .....	275,374	2
Fund balance at beginning of year.....	2	-
Fund balance at end of year.....	\$ 275,376	\$ 2

**Highway Capital Projects Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 201,924	\$ 497,490
Accounts payable.....	55,624	61,962
Accrued payroll.....	396	335
Total liabilities.....	<u>257,944</u>	<u>559,787</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(257,944)</u>	<u>(559,787)</u>
Total fund balance (deficit).....	<u>(257,944)</u>	<u>(559,787)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Highway Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ -	\$ 491
Total revenues.....	-	491
Other financing sources:		
Proceeds of general obligation bonds.....	572,610	136,922
Proceeds of special obligation bonds.....	-	100,059
Proceeds of refunding bonds.....	329,548	436,522
Surplus transfer for capital projects.....	-	33,650
Operating transfers in.....	859,286	404,628
Total other financing sources.....	1,761,444	1,111,781
Total revenues and other financing sources.....	1,761,444	1,112,272
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Inspector General.....	103	226
Auditor of the Commonwealth.....	71	261
Attorney General.....	250	477
Administration and finance.....	1,948	197
Environmental affairs.....	12,266	15,860
Health and human services.....	579	719
Transportation and construction.....	407,674	491,466
Higher education.....	-	8
Public safety.....	13,730	8,619
Consumer affairs.....	76	48
Total expenditures.....	436,697	517,881
Other financing uses:		
Payments to refunded bond escrow agent.....	329,548	436,522
Fringe benefit cost assessment.....	8,105	10,324
State share of Federal Highway .....	685,182	550,672
Operating transfers out.....	69	98
Total expenditures and other financing uses.....	1,022,904	997,616
Total expenditures and other uses.....	1,459,601	1,515,497
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	301,843	(403,225)
Fund balance (deficit) at beginning of year.....	(559,787)	(156,562)
Fund balance (deficit) at end of year.....	\$ (257,944)	\$ (559,787)

**Federal Highway Construction Program Capital Projects Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 92,830	\$ 39,372
Receivables, net of allowance for uncollectibles:		
Due from other funds.....	<u>78,425</u>	<u>102,786</u>
Total assets.....	<u>\$ 171,255</u>	<u>\$ 142,158</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ 171,111	\$ 142,098
Accrued payroll.....	<u>144</u>	<u>94</u>
Total liabilities.....	<u>171,255</u>	<u>142,192</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>-</u>	<u>(34)</u>
Total fund balance (deficit).....	<u>-</u>	<u>(34)</u>
Total liabilities and fund balance.....	<u>\$ 171,255</u>	<u>\$ 142,158</u>

**Federal Highway Construction Program Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Federal grants and reimbursements.....	\$ 917	\$ 772,497
Departmental.....	1,255	243
Miscellaneous.....	126	98
Total revenues.....	2,298	772,838
Other financing sources:		
State share of federal highway construction.....	685,182	550,672
Federal reimbursement transfers in.....	577,975	-
Operating transfers in.....	-	102,787
Total other financing sources.....	1,263,157	653,459
Total revenues and other financing sources.....	1,265,455	1,426,297
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Inspector General.....	48	-
Attorney General.....	968	1,052
Environmental affairs.....	4,334	3,578
Transportation and construction.....	1,257,392	1,416,666
Public safety.....	171	506
Economic development.....	202	616
Labor.....	160	46
Total expenditures.....	1,263,275	1,422,464
Other financing uses:		
Fringe benefit cost assessment.....	2,121	3,834
Operating transfers out.....	25	33
Total other financing uses.....	2,146	3,867
Total expenditures and other financing uses.....	1,265,421	1,426,331
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	34	(34)
Fund balance (deficit) at beginning of year.....	(34)	-
Fund balance (deficit) at end of year.....	\$ -	\$ (34)

**Local Aid Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 11,565	\$ 25,371
Accounts payable.....	9,191	11,433
Accrued payroll.....	<u>23</u>	<u>16</u>
Total liabilities.....	<u>20,779</u>	<u>36,820</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(20,779)</u>	<u>(36,820)</u>
Total fund balance (deficit).....	<u>(20,779)</u>	<u>(36,820)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Local Aid Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	84,689	133,302
Proceeds of refunding bonds.....	77,658	106,318
Total other financing sources.....	162,347	239,620
Total revenues and other financing sources.....	162,347	239,620
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Judiciary.....	6,110	2,775
Secretary of Commonwealth.....	1,848	1,008
Treasurer and Receiver-General.....	6,759	2,088
Attorney general.....	24	43
Board of Library Commissioners.....	2,742	11,688
Administration and finance.....	29,546	64,597
Environmental affairs.....	11,635	12,031
Communities and development.....	2,021	1,776
Health and human services.....	1,432	132
Transportation and construction.....	33	688
Public safety.....	6,066	5,279
Total expenditures.....	68,216	102,105
Other financing uses:		
Payments to refunded bond escrow agent.....	77,658	106,318
Fringe benefit cost assessment.....	427	537
Operating transfers out.....	5	8
Total expenditures and other financing uses.....	78,090	106,863
Total expenditures and other uses.....	146,306	208,968
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	16,041	30,652
Fund balance (deficit) at beginning of year.....	(36,820)	(67,472)
Fund balance (deficit) at end of year.....	\$ (20,779)	\$ (36,820)

**Lockup Facilities Improvements Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 11	\$ 14
Total assets.....	<u>\$ 11</u>	<u>\$ 14</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	11	14
Total fund balance.....	<u>11</u>	<u>14</u>
Total liabilities and fund balance.....	<u>\$ 11</u>	<u>\$ 14</u>

**Lockup Facilities Improvements Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
Other financing sources:		
Proceeds of general obligation bonds.....	<u>-</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>-</u>	<u>-</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	<u>3</u>	<u>-</u>
Total expenditures.....	<u>3</u>	<u>-</u>
Other financing uses:		
Operating transfers out.....	<u>-</u>	<u>-</u>
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>3</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(3)	-
Fund balance at beginning of year.....	<u>14</u>	<u>14</u>
Fund balance at end of year.....	<u>\$ 11</u>	<u>\$ 14</u>

**Suffolk County Jail Facility Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ 18
Total liabilities.....	-	18
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	-	(18)
Total fund balance (deficit).....	-	(18)
Total liabilities and fund balance.....	\$ -	\$ -

**Suffolk County Jail Facility Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	18	61
Total other financing sources.....	18	61
Total revenues and other financing sources.....	18	61
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	-	79
Total expenditures.....	-	79
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	-	79
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	18	(18)
Fund balance (deficit) at beginning of year.....	(18)	-
Fund balance (deficit) at end of year.....	\$ -	\$ (18)

**County Correctional Facilities Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ 78
Accounts payable.....	-	-
Total liabilities.....	<u>-</u>	<u>78</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	-	(78)
Total fund balance (deficit).....	<u>-</u>	<u>(78)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**County Correctional Facilities Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	171	670
Proceeds of refunding bonds.....	3,261	-
Total other financing sources.....	3,432	670
Total revenues and other financing sources.....	3,432	670
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	93	635
Public safety.....	-	65
Total expenditures.....	93	700
Other financing uses:		
Payments to refunded bond escrow agent.....	3,261	1
Total other financing uses.....	3,261	1
Total expenditures and other financing uses.....	3,354	701
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	78	(31)
Fund balance (deficit) at beginning of year.....	(78)	(47)
Fund balance (deficit) at end of year.....	\$ -	\$ (78)

**Local Infrastructure Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>-</u>	<u>-</u>
Total fund (deficit).....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Local Infrastructure Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	-	2,350
Proceeds of refunding bonds.....	243	-
Total other financing sources.....	243	2,350
Total revenues and other financing sources.....	243	2,350
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Health and human services.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Payments to refunded bond escrow agent.....	243	-
Total other financing uses.....	243	-
Total expenditures and other financing uses.....	243	-
Excess of revenues and other financing sources over expenditures and other financing uses .....	-	2,350
Fund balance (deficit) at beginning of year.....	-	(2,350)
Fund balance at end of year.....	\$ -	\$ -

**Water Pollution Control Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 118	\$ -
Total assets.....	\$ 118	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ -	\$ 93
Accounts payable.....	5,565	558
Total liabilities.....	5,565	651
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(5,447)	(651)
Total fund balance (deficit).....	(5,447)	(651)
Total liabilities and fund balance.....	\$ 118	\$ -

**Water Pollution Control Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	1,012	1,121
Proceeds of refunding bonds.....	13,693	-
Total other financing sources.....	14,705	1,121
Total revenues and other financing sources.....	14,705	1,121
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	5,808	658
Total expenditures.....	5,808	658
Other financing uses:		
Payments to refunded bond escrow agent.....	13,693	3
Total other financing uses.....	13,693	3
Total expenditures and other financing uses.....	19,501	661
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(4,796)	460
Fund balance (deficit) at beginning of year.....	(651)	(1,111)
Fund balance (deficit) at end of year.....	\$ (5,447)	\$ (651)

**State Recreation Areas Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 2	\$ 4
Accounts payable.....	100	13
Total liabilities.....	102	17
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	(102)	(17)
Total fund balance (deficit).....	(102)	(17)
Total liabilities and fund balance.....	\$ -	\$ -

## State Recreation Areas Capital Projects Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	166	46
Proceeds of refunding bonds.....	16	-
Total other financing sources.....	182	46
Total revenues and other financing sources.....	182	46
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Environmental affairs.....	251	20
Total expenditures.....	251	20
Other financing uses:		
Payments to refunded bond escrow agent.....	16	-
Total other financing uses.....	16	-
Total expenditures and other financing uses.....	267	20
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(85)	26
Fund balance (deficit) at beginning of year.....	(17)	(43)
Fund balance (deficit) at end of year.....	\$ (102)	\$ (17)

**Metropolitan Parks Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 3,007	\$ 2,864
Accounts payable.....	1,086	252
Accrued payroll.....	<u>2</u>	<u>-</u>
Total liabilities.....	<u>4,095</u>	<u>3,116</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(4,095)</u>	<u>(3,116)</u>
Total fund balance (deficit).....	<u>(4,095)</u>	<u>(3,116)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Metropolitan Parks Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	1,429	591
Proceeds of refunding bonds.....	373	-
Total other financing sources.....	1,802	591
Total revenues and other financing sources.....	1,802	591
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	512	778
Environmental affairs.....	1,865	1,557
Total expenditures.....	2,377	2,335
Other financing uses:		
Payments to refunded bond escrow agent.....	373	-
Fringe benefit cost assessment.....	30	15
Operating transfers out.....	1	1
Total other financing uses.....	404	16
Total expenditures and other financing uses.....	2,781	2,351
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(979)	(1,760)
Fund balance (deficit) at beginning of year.....	(3,116)	(1,356)
Fund balance (deficit) at end of year.....	\$ (4,095)	\$ (3,116)

**Federally-Assisted Housing Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short- term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>-</u>	<u>-</u>
Total fund balance .....	<u>-</u>	<u>-</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Federally-Assisted Housing Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	-	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Economic development.....	-	-
Total expenditures.....	-	-
Other financing uses:		
Operating transfers out.....	-	48
Total other financing uses.....	-	48
Total expenditures and other financing uses.....	-	48
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	-	(48)
Fund balance at beginning of year.....	-	48
Fund balance at end of year.....	\$ -	\$ -

**Government Land Bank Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Deficiency in cash and short-term investments.....	\$ 11,000	\$ 11,800
Total liabilities.....	<u>11,000</u>	<u>11,800</u>
Fund balance:		
Unreserved fund balance (deficit):		
Undesignated.....	<u>(11,000)</u>	<u>(11,800)</u>
Total fund balance (deficit).....	<u>(11,000)</u>	<u>(11,800)</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ -</u>

**Government Land Bank Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	-	-
Other financing sources:		
Proceeds of general obligation bonds.....	8,000	-
Total other financing sources.....	8,000	-
Total revenues and other financing sources.....	8,000	-
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Administration and finance.....	7,200	11,800
Total expenditures.....	7,200	11,800
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	7,200	11,800
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	800	(11,800)
Fund balance (deficit) at beginning of year.....	(11,800)	-
Fund balance (deficit) at end of year.....	\$ (11,000)	\$ (11,800)

**Intercity Bus Capital Assistance Capital Projects Fund**  
**Balance Sheet - Statutory Basis**

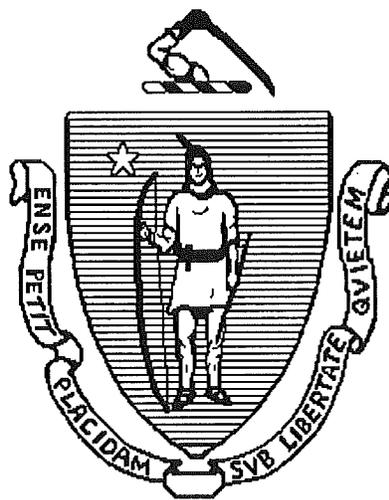
June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash and short-term investments.....	\$ -	\$ 1
Total assets.....	<u>\$ -</u>	<u>\$ 1</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable.....	<u>-</u>	<u>-</u>
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balance:		
Unreserved fund balance:		
Undesignated.....	<u>-</u>	<u>1</u>
Total fund balance .....	<u>-</u>	<u>1</u>
Total liabilities and fund balance.....	<u>\$ -</u>	<u>\$ 1</u>

**Intercity Bus Capital Assistance Capital Projects Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Departmental.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
Other financing sources:		
Operating transfers in.....	<u>1,385</u>	<u>2,030</u>
Total other financing sources.....	<u>1,385</u>	<u>2,030</u>
Total revenues and other financing sources.....	<u>1,385</u>	<u>2,030</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Transportation and construction.....	<u>1,386</u>	<u>2,011</u>
Total expenditures.....	<u>1,386</u>	<u>2,011</u>
Other financing uses:		
Fringe benefit cost assessment.....	<u>-</u>	<u>-</u>
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>1,386</u>	<u>2,011</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses .....	(1)	19
Fund equity (deficit) at beginning of year.....	<u>1</u>	<u>(18)</u>
Fund balance at end of year.....	<u>\$ -</u>	<u>\$ 1</u>



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# *Fiduciary Fund Types*

Fiduciary Funds are used to account for assets held by the Commonwealth in a trustee capacity or as an agent for individuals, private organizations or other governments.

## **EXPENDABLE TRUST FUNDS:**

*Expendable Trust Fund* accounts for various gifts, bequests or contributions held by the Commonwealth of which both principal and interest may be expended for purposes designated by the donor.

*Revolving Loan Fund* accounts for federal grants, investment and interest income; to be expended for loans to non-profit private entities to establish housing for individuals recovering from alcohol or drug abuse and for loans to local housing authorities.

*Teacher Quality Endowment Fund* accounts for funds to be paid in an incoming teacher signing bonus program to be administered by the department of education for the purpose of encouraging the best and brightest candidates to teach in public schools.

*Unemployment Compensation Fund* accounts for unemployment taxes collected from employers and held by the United States Treasury in the Federal Unemployment Trust Fund, from which funds are drawn for the payment of benefits to the unemployed.

## **NONEXPENDABLE TRUST FUNDS:**

*Nonexpendable Trust Fund* accounts for various gifts and bequests held by the Commonwealth, of which only the income may be expended for purposes specified by the donor.

## **PENSION TRUST FUNDS:**

*Pension Trust Funds* accounts for the assets, liabilities and fund balances held in trust by the State Employees' and Teachers' Retirement Systems for the payment of retirement, disability and death benefits to members of these retirement systems.

## **AGENCY FUNDS:**

*Agency Funds* accounts for cash, investments held or managed by the Commonwealth on behalf of others. These include the investments made by cities, towns and local authorities in the Municipal Depository Trust, employees' contributions to the deferred compensation plan, annuity contracts held for lottery prize winners, local option taxes collected but not yet remitted, assets held in escrow accounts by the Commonwealth's court system and human service departments, child support payments collected or receivable and not yet remitted to custodial parents, and deposits required from insurance companies and similar organizations.

**Fiduciary Fund Types**  
**Combining Balance Sheet - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

<b>ASSETS</b>	<u>Expendable Trust Funds</u>	<u>Nonexpendable Trust Funds</u>	<u>Pension Trust Funds</u>
Cash and short-term investments.....	\$ 260,374	\$ 5,835	\$ 639,092
Cash on deposit with U.S. Treasury.....	1,884,073	-	-
Investments.....	-	-	26,884,071
Assets held in trust.....	-	-	-
Other receivables, net of allowance for uncollectibles.....	-	-	377,950
<b>Total assets.....</b>	<b><u>\$ 2,144,447</u></b>	<b><u>\$ 5,835</u></b>	<b><u>\$ 27,901,113</u></b>
 <b>LIABILITIES AND FUND BALANCES</b> 			
<b>Liabilities:</b>			
Accounts payable.....	\$ 18,882	\$ -	\$ 1,632,716
Accrued payroll.....	101	-	-
Agency liabilities.....	4,742	-	-
Due to cities and towns.....	-	-	-
Due to other funds.....	-	-	1,672
<b>Total liabilities.....</b>	<b><u>23,725</u></b>	<b><u>-</u></b>	<b><u>1,634,388</u></b>
<b>Fund balances:</b>			
Reserved for:			
Employees' pension benefits.....	-	-	26,266,725
Unemployment benefits.....	1,884,073	-	-
Unreserved:			
Designated for specific purpose.....	236,649	5,835	-
<b>Total fund balances.....</b>	<b><u>2,120,722</u></b>	<b><u>5,835</u></b>	<b><u>26,266,725</u></b>
<b>Total liabilities and fund balances.....</b>	<b><u>\$ 2,144,447</u></b>	<b><u>\$ 5,835</u></b>	<b><u>\$ 27,901,113</u></b>

Agency Funds	Totals (Memorandum only)	
	1999	1998
\$ 253,407	\$ 1,158,708	\$ 1,480,896
-	1,884,073	1,699,693
-	26,884,071	24,134,309
1,911,271	1,911,271	1,866,078
-	377,950	482,658
<u>\$ 2,164,678</u>	<u>\$ 32,216,073</u>	<u>\$ 28,924,925</u>
\$ 38,830	\$ 1,690,428	\$ 1,672,441
-	101	79
2,100,588	2,105,330	2,837,718
25,260	25,260	22,673
-	1,672	1,672
<u>2,164,678</u>	<u>3,822,791</u>	<u>3,795,874</u>
-	26,266,725	23,221,308
-	1,884,073	1,699,693
-	242,484	208,050
-	28,393,282	25,129,051
<u>\$ 2,164,678</u>	<u>\$ 32,216,073</u>	<u>\$ 28,924,925</u>

**Expendable Trust Funds**  
**Combining Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	Expendable Trusts	Unemployment Compensation Trust	Totals (Memorandum Only)	
			1999	1998
<b>ASSETS</b>				
Cash and short-term investments.....	\$ 260,374	\$ -	\$ 260,374	\$ 220,168
Cash on deposit with U.S. Treasury.....	-	1,884,073	1,884,073	1,699,693
Total assets.....	<u>\$ 260,374</u>	<u>\$ 1,884,073</u>	<u>\$ 2,144,447</u>	<u>\$ 1,919,861</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable.....	18,882	-	18,882	13,444
Accrued payroll.....	101	-	101	79
Agency liabilities.....	4,742	-	4,742	4,430
Total liabilities.....	<u>23,725</u>	<u>-</u>	<u>23,725</u>	<u>17,953</u>
Fund balances:				
Reserved for:				
Unemployment benefits.....	-	1,884,073	1,884,073	1,699,693
Unreserved:				
Designated for specific purpose.....	236,649	-	236,649	202,215
Total fund balances.....	<u>236,649</u>	<u>1,884,073</u>	<u>2,120,722</u>	<u>1,901,908</u>
Total liabilities and fund balances.....	<u>\$ 260,374</u>	<u>\$ 1,884,073</u>	<u>\$ 2,144,447</u>	<u>\$ 1,919,861</u>

## Expendable Trust Funds

### Combining Statement Of Revenues, Expenses And Changes In Fund Balances - Statutory Basis

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	Expendable Trusts	Unemployment Compensation Trust	Totals (Memorandum only)	
			1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Revenues:				
Taxes.....	\$ -	\$ 883,503	\$ 883,503	\$ 1,092,698
Assessments.....	78	-	78	2,306
Federal grants and reimbursements.....	13,669	15,666	29,335	28,930
Departmental.....	7,121	10,982	18,103	15,489
Miscellaneous.....	174,990	118,660	293,650	285,645
<b>Total revenues.....</b>	<b>195,858</b>	<b>1,028,811</b>	<b>1,224,669</b>	<b>1,425,068</b>
Other financing sources:				
Operating transfers in.....	6,796	-	6,796	78,796
Other sources.....	2,499	-	2,499	3,079
<b>Total other financing sources.....</b>	<b>9,295</b>	<b>-</b>	<b>9,295</b>	<b>81,875</b>
<b>Total revenues and other financing sources.....</b>	<b>205,153</b>	<b>1,028,811</b>	<b>1,233,964</b>	<b>1,506,943</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Expenditures:				
Judiciary.....	189	-	189	226
Secretary of the Commonwealth.....	12	-	12	5
Treasurer and Receiver-General.....	530	-	530	1,380
Auditor of the Commonwealth.....	353	-	353	170
Attorney General.....	2,504	-	2,504	3,404
District Attorney.....	3,402	-	3,402	3,152
Office of Campaign & Political Finance.....	1,720	-	1,720	-
Sheriff's Departments.....	7	-	7	-
Administration and finance.....	5,235	-	5,235	9,529
Environmental affairs.....	6,389	-	6,389	7,137
Communities and development.....	1,730	-	1,730	606
Health and human services.....	18,714	-	18,714	17,934
Transportation and construction.....	1,556	-	1,556	526
Education.....	2,510	-	2,510	6,117
Higher education.....	168	-	168	117
Public safety.....	2,826	-	2,826	2,645
Economic development.....	371	-	371	754
Elder affairs.....	47	-	47	36
Consumer affairs.....	7,654	-	7,654	6,402
Labor.....	44,552	844,431	888,983	790,171
<b>Total expenditures.....</b>	<b>100,469</b>	<b>844,431</b>	<b>944,900</b>	<b>850,311</b>
Other financing uses:				
Fringe benefit cost assessment.....	2,669	-	2,669	3,086
Operating transfers out.....	67,581	-	67,581	79,619
<b>Total other financing uses.....</b>	<b>70,250</b>	<b>-</b>	<b>70,250</b>	<b>82,705</b>
<b>Total expenditures and other financing uses.....</b>	<b>170,719</b>	<b>844,431</b>	<b>1,015,150</b>	<b>933,016</b>
Excess and other financing sources over expenditures and other financing uses.....	34,434	184,380	218,814	573,927
Fund balances at beginning of year.....	202,215	1,699,693	1,901,908	1,327,981
<b>Fund balances at end of year.....</b>	<b>\$ 236,649</b>	<b>\$ 1,884,073</b>	<b>\$ 2,120,722</b>	<b>\$ 1,901,908</b>

**Expendable Trust Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 189,265	\$ 154,106
Total assets.....	\$ 189,265	\$ 154,106
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable.....	\$ 18,162	\$ 13,444
Accrued payroll.....	101	79
Agency liabilities.....	4,742	4,430
Total liabilities.....	23,005	17,953
Fund balances:		
Unreserved:		
Designated for specific purpose.....	166,260	136,153
Total fund balances.....	166,260	136,153
Total liabilities and fund balances.....	\$ 189,265	\$ 154,106

**Expendable Trust Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Assessments.....	\$ 78	\$ 2,306
Federal grants and reimbursements.....	13,669	11,464
Departmental.....	7,121	8,377
Miscellaneous.....	172,092	188,055
Total revenues.....	<u>192,960</u>	<u>210,202</u>
Other financing sources:		
Operating transfers in.....	6,796	18,796
Other sources.....	142	85
Total other financing sources.....	<u>6,938</u>	<u>18,881</u>
Total revenues and other financing sources.....	<u>199,898</u>	<u>229,083</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Judiciary.....	189	226
Secretary of the Commonwealth.....	12	5
Treasurer and Receiver-General.....	530	1,380
Auditor of the Commonwealth.....	353	170
Attorney General.....	2,504	3,404
District Attorney.....	3,402	3,152
Office of Campaign & Political Finance.....	1,720	-
Sheriff's Departments.....	7	-
Administration and finance.....	5,235	9,529
Environmental affairs.....	6,389	7,137
Communities and development.....	1,196	575
Health and human services.....	18,714	17,926
Transportation and construction.....	1,556	526
Education.....	2,116	6,117
Higher education.....	168	117
Public safety.....	2,826	2,645
Economic development.....	371	754
Elder affairs.....	47	36
Consumer affairs.....	7,654	6,402
Labor.....	44,552	52,365
Total expenditures.....	<u>99,541</u>	<u>112,466</u>
Other financing uses:		
Fringe benefit cost assessment.....	2,669	3,086
Operating transfers out.....	67,581	79,619
Total other financing uses.....	<u>70,250</u>	<u>82,705</u>
Total expenditures and other financing uses.....	<u>169,791</u>	<u>195,171</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	30,107	33,912
Fund balances at beginning of year.....	136,153	102,241
Fund balances at end of year.....	<u>\$ 166,260</u>	<u>\$ 136,153</u>

**Revolving Loan Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 8,498	\$ 6,062
Total assets.....	\$ 8,498	\$ 6,062
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable.....	\$ 523	\$ -
Total liabilities.....	523	-
Fund balances:		
Unreserved:		
Designated for specific purpose.....	7,975	6,062
Total fund balances.....	7,975	6,062
Total liabilities and fund balances.....	\$ 8,498	\$ 6,062

## Revolving Loan Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ 90	\$ 92
Total revenues.....	<u>90</u>	<u>92</u>
Other financing sources:		
Other sources.....	<u>2,357</u>	<u>2,994</u>
Total other financing sources.....	<u>2,357</u>	<u>2,994</u>
Total revenues and other financing sources.....	<u>2,447</u>	<u>3,086</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Communities and development.....	534	31
Health and human services.....	-	8
Total expenditures.....	<u>534</u>	<u>39</u>
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>534</u>	<u>39</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	1,913	3,047
Fund balances at beginning of year.....	6,062	3,015
Fund balances at end of year.....	<u>\$ 7,975</u>	<u>\$ 6,062</u>

**Teacher Quality Endowment Fund**  
**Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 62,611	\$ 60,000
Total assets.....	\$ 62,611	\$ 60,000
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable.....	\$ 197	\$ -
Total liabilities.....	197	-
Fund balances:		
Unreserved:		
Designated for specific purpose.....	62,414	60,000
Total fund balances.....	62,414	60,000
Total liabilities and fund balances.....	\$ 62,611	\$ 60,000

## Teacher Quality Endowment Fund

### Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Miscellaneous.....	\$ 2,808	\$ -
Total revenues.....	<u>2,808</u>	<u>-</u>
Other financing sources:		
Operating transfers in.....	-	60,000
Total other financing sources.....	<u>-</u>	<u>60,000</u>
Total revenues and other financing sources.....	<u>2,808</u>	<u>60,000</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Education.....	394	-
Total expenditures.....	<u>394</u>	<u>-</u>
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>394</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	2,414	60,000
Fund balances at beginning of year.....	60,000	-
Fund balances at end of year.....	<u>\$ 62,414</u>	<u>\$ 60,000</u>

**Unemployment Compensation Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash on deposit with U.S. Treasury.....	\$ 1,884,073	\$ 1,699,693
Total assets.....	<u>\$ 1,884,073</u>	<u>\$ 1,699,693</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	<u>-</u>	<u>-</u>
Fund balances:		
Reserved for:		
Unemployment benefits.....	<u>1,884,073</u>	<u>1,699,693</u>
Total fund balances.....	<u>1,884,073</u>	<u>1,699,693</u>
Total liabilities and fund balances.....	<u>\$ 1,884,073</u>	<u>\$ 1,699,693</u>

**Unemployment Compensation Fund**  
**Statement Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>REVENUES AND OTHER FINANCING SOURCES</b>		
Revenues:		
Taxes.....	\$ 883,503	\$ 1,092,698
Federal grants and reimbursements.....	15,666	17,466
Departmental.....	10,982	7,112
Miscellaneous.....	118,660	97,498
Total revenues.....	<u>1,028,811</u>	<u>1,214,774</u>
Other financing sources:		
Operating transfers in.....	-	-
Total other financing sources.....	-	-
Total revenues and other financing sources.....	<u>1,028,811</u>	<u>1,214,774</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
Expenditures:		
Labor.....	844,431	737,806
Total expenditures.....	<u>844,431</u>	<u>737,806</u>
Other financing uses:		
Operating transfers out.....	-	-
Total other financing uses.....	-	-
Total expenditures and other financing uses.....	<u>844,431</u>	<u>737,806</u>
Excess of revenues and other financing sources over expenditures and other financing uses.....	184,380	476,968
Fund balances at beginning of year.....	1,699,693	1,222,725
Fund balances at end of year.....	<u>\$ 1,884,073</u>	<u>\$ 1,699,693</u>

**Nonexpendable Trust Fund  
Balance Sheet - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>ASSETS</b>		
Cash and short-term investments.....	\$ 5,835	\$ 5,835
Total assets.....	\$ 5,835	\$ 5,835
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balances:		
Unreserved:		
Designated for specific purpose.....	5,835	5,835
Total fund balances.....	5,835	5,835
Total liabilities and fund balances.....	\$ 5,835	\$ 5,835

**Nonexpendable Trust Fund**

**Statement Of Revenues, Expenses And Changes In Fund Balances - Statutory Basis**

June 30, 1999  
(Amounts in thousands)

	<u>1999</u>	<u>1998</u>
<b>REVENUES</b>		
Revenues:		
Investment earnings.....	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>
<b>EXPENSES</b>		
Expenses:		
Treasurer and Receiver-General.....	<u>-</u>	<u>-</u>
Total expenses.....	<u>-</u>	<u>-</u>
Excess of revenues over expenses.....	-	-
Fund balances at beginning of year.....	<u>5,835</u>	<u>5,835</u>
Fund balances at end of year.....	<u>\$ 5,835</u>	<u>\$ 5,835</u>

**Pension Trust Funds**  
**Combining Statement of Net Assets Available for Pension Benefits - Statutory Basis**

June 30, 1999 and 1998  
(Amounts in thousands)

	State Employees' PERS	Teachers' PERS	Totals (Memorandum only)	
			1999	1998
<b>ASSETS</b>				
Cash and short-term investments.....	\$ 321,081	\$ 318,011	\$ 639,092	\$ 992,738
Investments at fair value.....	13,201,623	13,682,448	26,884,071	23,395,600
Other receivables, net of allowance for uncollectibles.....	167,627	210,323	377,950	482,658
<b>Total assets.....</b>	<b>\$ 13,690,331</b>	<b>\$ 14,210,782</b>	<b>\$ 27,901,113</b>	<b>\$ 24,132,287</b>
<b>LIABILITIES</b>				
Accounts payable.....	\$ 821,613	\$ 811,103	\$ 1,632,716	\$ <del>1,648,016</del>
Due to other funds.....	-	1,672	1,672	1,672
<b>Total liabilities.....</b>	<b>821,613</b>	<b>812,775</b>	<b>1,634,388</b>	<b>910,979</b>
<b>Net assets available for pension benefits (fund balances reserved for employees' pension benefits).....</b>	<b>\$ 12,868,718</b>	<b>\$ 13,398,007</b>	<b>\$ 26,266,725</b>	<b>\$ <del>23,221,308</del></b>

*Check # A  
GASB-31 Reversal*

## Pension Trust Funds

### Combined Statement of Changes in Net Assets Available for Pension Benefits - Statutory Basis

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

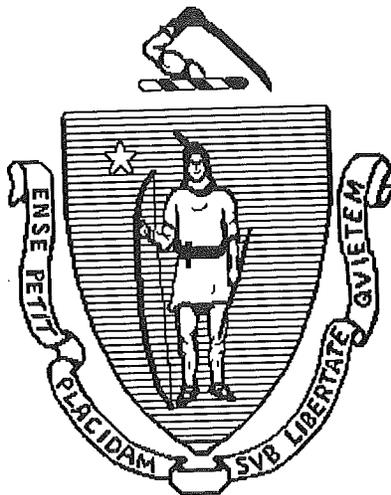
	State Employees' PERS	Teachers' PERS	Totals (Memorandum only)	
			1999	1998
<b>Additions:</b>				
Commonwealth contributions.....	\$ 363,793	\$ 514,115	\$ 877,908	\$ 939,089
Employees contributions.....	314,409	272,430	586,839	530,761
<b>Total contributions.....</b>	<b>678,202</b>	<b>786,545</b>	<b>1,464,747</b>	<b>1,469,850</b>
<b>Net investment income:</b>				
Net appreciation in fair value of investments.....	1,113,080	1,136,646	2,249,726	2,788,533
Interest.....	200,358	204,600	404,958	352,503
Dividends.....	101,457	103,605	205,062	256,430
Real estate operating income, net.....	40,424	41,280	81,704	71,824
Alternative investments.....	3,110	3,176	6,286	5,205
Other.....	2,442	2,494	4,936	3,755
<b>Total investment income.....</b>	<b>1,460,871</b>	<b>1,491,801</b>	<b>2,952,672</b>	<b>3,478,250</b>
Less: investment expense.....	23,836	24,341	48,177	42,869
<b>Net investment income.....</b>	<b>1,437,035</b>	<b>1,467,460</b>	<b>2,904,495</b>	<b>3,435,381</b>
<b>Total additions.....</b>	<b>2,115,237</b>	<b>2,254,005</b>	<b>4,369,242</b>	<b>4,905,231</b>
<b>Deductions:</b>				
Administration.....	3,112	5,105	8,217	35,973
Retirement benefits and refunds.....	680,473	635,135	1,315,608	1,208,011
<b>Total deductions.....</b>	<b>683,585</b>	<b>640,240</b>	<b>1,323,825</b>	<b>1,243,984</b>
<b>Net increase .....</b>	<b>1,431,652</b>	<b>1,613,765</b>	<b>3,045,417</b>	<b>3,661,247</b>
Net assets available for pension benefits at beginning of year (fund balances reserved for employees' pension benefits).....	11,437,066	11,784,242	23,221,308	19,560,061
<b>Net assets available for pension benefits at end of year (fund balances reserved for employees' pension benefits).....</b>	<b>\$ 12,868,718</b>	<b>\$ 13,398,007</b>	<b>\$ 26,266,725</b>	<b>\$ 23,221,308</b>

**Agency Funds**  
**Statement Of Changes In Assets And Liabilities - Statutory Basis**

Fiscal Years Ended June 30, 1999 and 1998  
(Amounts in thousands)

	Balance June 30, 1998	Additions	Deductions	Balance June 30, 1999
<b>ASSETS</b>				
Cash and short-term investments.....	\$ 262,155	\$ 4,720,637	\$ 4,729,385	\$ 253,407
Assets held in trust.....	1,866,078	88,495	43,302	1,911,271
<b>Total assets.....</b>	<b>\$ 2,128,233</b>	<b>\$ 4,809,132</b>	<b>\$ 4,772,687</b>	<b>\$ 2,164,678</b>
<b>LIABILITIES</b>				
Accounts payable.....	\$ 10,981	\$ 1,648,730	\$ 1,620,881	\$ 38,830
Due to cities and towns.....	22,673	245,349	242,762	25,260
Due to federal government.....	-	57	57	-
Agency liabilities.....	2,094,579	2,835,908	2,829,899	2,100,588
<b>Total liabilities.....</b>	<b>\$ 2,128,233</b>	<b>\$ 4,730,044</b>	<b>\$ 4,693,599</b>	<b>\$ 2,164,678</b>

# *Supplementary Information*



Calculation of Transfers – Stabilization and Tax Reduction Funds

## Calculation Of Transfers: Stabilization Fund

June 30, 1999  
(Amounts in thousands)

This statement is prepared on the statutory basis of accounting pursuant to General Law Chapter 29, Section 5c most recently amended by Ch. 88 of Acts of 1997. 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.

Part 1: Status of Consolidated Net Surplus in the Operating Funds before Stabilization Fund transfers, and Capital Projects Fund transfer but after authorization to retain 0.5% of net revenue from taxes.

Undesignated Fund Balance (Deficit) in the Operating Funds:

General Fund.....	\$ 3,092,034
Highway Fund.....	(210,894)
Local Aid Fund.....	<u>(2,533,583)</u>
Consolidated Net Surplus.....	<u>347,557</u>
Available to carry forward to subsequent fiscal year (per <b>Schedule A</b> ).....	<u>71,521</u>
Consolidated net surplus before transfer to Capital Projects Fund.....	276,036

Part 2: Calculation of transfers to Capital Projects Fund:

Transfer from General Fund to Capital Project Fund (per <b>Schedule B</b> ).....	<u>110,414</u>
Net Consolidated surplus available for Stabilization Fund.....	<u><u>\$ 165,622</u></u>

Part 3: Calculation of transfers to Stabilization Fund:

From the General Fund, @ 60%.....	99,373
From the Local Aid Fund, @ 40%.....	<u>66,249</u>
Total Transfers.....	<u><u>\$ 165,622</u></u>

Part 4: Status of Consolidated Net Surplus after Stabilization Fund transfers:

Undesignated Fund Balance (Deficit) in the Operating Funds:

General Fund.....	\$ 2,882,247
Highway Fund.....	(210,894)
Local Aid Fund.....	<u>(2,599,832)</u>
Consolidated Net Surplus.....	<u><u>\$ 71,521</u></u>

Part 5: Status of Stabilization Fund after transfers

Reserved for Stabilization - Accumulated Balances.....	\$ 1,222,901
FY99 Calculated Transfers to Stabilization Fund.....	<u>165,622</u>
Reserved for Stabilization.....	<u><u>\$ 1,388,523</u></u>

## Calculation Of Transfers: Tax Reduction Fund

June 30, 1999  
(Amounts in thousands)

This statement is prepared pursuant to Chapters 29 and 29B of the Massachusetts General Laws. 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. There are two computations of potential transfers to the Tax Reduction Fund.

The first computation is as follows:

Part 1: Comparison of Stabilization Fund, after current fiscal year transfers,  
to 7.5% of Budgeted Revenues and Other Financial Resources:

Undesignated Fund Balance in the Stabilization Fund.....	\$ 1,388,523
Allowable Stabilization Balance (per <b>Schedule C</b> ).....	<u>1,512,383</u>
Stabilization Fund Excess, if any, transferrable to Tax Reduction Fund.....	<u>\$ -</u>

Part 2: Status of Stabilization Fund after transfers:

Stabilization Fund Balance.....	\$ 1,388,523
Transfer to Tax Reduction Fund.....	<u>-</u>
Stabilization Fund Balance after transfer to Tax Reduction Fund.....	<u>\$ 1,388,523</u>

Part 3: Status of Tax Reduction Fund after transfers:

Tax Reduction Fund Balance.....	\$ -
Transfers from Stabilization Fund.....	<u>-</u>
Tax Reduction Fund Balance after transfers.....	<u>\$ -</u>

The second computation is as follows:

Part 1: Comparison of State Tax Revenues to Allowable Tax Revenues:

FY98 Allowable State Tax Revenues ( <b>Schedule E</b> ).....	\$ 15,271,665
Multiplied by Growth Factor ( <b>Schedule F</b> ).....	<u>1.08</u>
Computed FY99 State Tax Revenue Base.....	\$ 16,493,398
Plus: Local Aid Adjustment ( <b>Schedule G</b> ).....	<u>63,556</u>
FY99 Computed Maximum and Allowable State Tax Revenues.....	<u>\$ 16,556,954</u>
FY99 State Tax Revenues ( <b>Schedule A</b> ) .....	<u>\$ 14,304,197</u>
State Tax Revenue Excess, if any, transferrable to Tax Reduction Fund.....	<u>\$ -</u>

**Schedule A**  
**FY99 Tax Revenues By Revenue Class and**  
**Calculation of Allowable Net Surplus**

June 30, 1999  
(Amounts in thousands)

Alcoholic Beverages.....	\$	60,988
Banks: Commercial.....		118,818
Banks: Savings.....		(10,278)
Cigarette.....		284,439
Corporations.....		1,008,662
Deeds.....		108,501
Estate and Inheritance.....		173,867
Income.....		8,036,585
Insurance.....		317,206
Motor and Special Fuels.....		636,551
Public Utilities.....		132,471
Room Occupancy.....		119,467
Sales and Use.....		3,269,827
Club Alcoholic Beverages.....		532
Motor Vehicle Excise.....		168
Convention Center Surcharges.....		12,436
State Racing.....		8,269
Beano .....		5,477
Raffles and Bazaars.....		989
Boxing.....		54
Insurance: Excess and Surplus Lines.....		19,168
		14,304,197
FY 99 State Tax Revenue.....		14,304,197
0.5% of Total Tax Revenue.....		71,521
Allowable Consolidated Net Surplus .....	\$	71,521

*Discrepancy  
June 25*

This schedule is prepared on the statutory basis of accounting. It presents tax revenues as reported in the budgeted and non-budgeted 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 accord with Chapter 62F, as established by Chapter 555 of the Acts of 1986.

**Schedule B**  
**Calculation of Capital Project Fund Transfer**

June 30, 1999  
(Amounts in thousands)

**Maximum Allowable Transfer Amount:**

A: Consolidated Net Surplus available for transfer.....	\$	276,036
		X      40%
B: Maximum based on 40% of Consolidated Net Surplus.....	\$	<u>110,414</u>
C: Fund Deficits - Capital Project Funds.....	\$	<u>405,067</u>
Lower of the 40% of the Consolidated Net Surplus or sum of fund deficits in the Capital Project Funds at year end.....	\$	<u>110,414</u>
Amount Transferred by the Comptroller.....	\$	<u>110,414</u>

**Schedule C**  
**Calculation of Cap on Stabilization Fund**

June 30, 1999  
(Amounts in thousands)

Total Budgeted Revenues and Other Financial Resources pertaining to the Budgeted funds.....	\$	21,401,369
Elimination of budgetary interfund activity (per Schedule D).....		(1,236,265)
Budgeted Revenues and Other Financial Resources pertaining to the Budgeted funds.....	\$	20,165,104
Allowable Stabilization Fund - Balance, 7.5% of Budgeted Revenue.....	\$	1,512,383

Calculation of Stabilization Fund Transfers as defined by Mass General Law Ch. 29 section 5c and as recently ammended by Ch. 88 of Acts of 1997 and Ch. 175 of the Acts of 1998.

## Schedule D Detail of Eliminations of Budgetary Fund Activity

June 30, 1999  
(Amounts in thousands)

Adjustments to Revenues:

Municipal Transit Assessments.....	\$	(159,916) ✓
Transfers to Intragovernmental Services Fund.....		(96,860) ✓

Adjustments to Other Financing Sources and Uses:

MBTA Subsidy Transfer from Highway and Local Aid Funds to the General Fund (Authorities Deficiency).....		(135,343) ✓
Fringe Assessed to Budgeted Funds.....		(23,309) ✓
Transfer from Intragovernmental Services fund to General Fund.....		(2,516) ✓
Transfer from Revenue Maximization Fund to General fund.....		(49,809) ✓
License Plates.....		(1,939) ✓
Transfer for Tax Exemption Escrow Fund.....		(171,018) ✓
Transfer to Transitional Escrow Fund.....		(92,000) ✓
Collective Bargaining Reserve.....		(86,000) ✓
Transfer from Tax Reduction Fund.....		(208,800) ✓
Transfer To Close Health Care Access Fund .....		(23,105) ✓
Transfer to close Comm. Economic Development Fund .....		(355) ✓
Transfer to close Re-employment and Job Replacement Fund .....		(2,539) ✓
Transfer to Children's & Senior's Health Fund .....		(36,952) ✓
MWRA Debt Service reimbursement .....		(4,435) ✓
Transfer to Child Care Fund .....		(91,874) ✓
Transfer to Social Services Program Fund.....		(45,937) ✓
Transfer to Caseload Mitigation Fund .....		(3,461)
Miscellaneous .....		(98)

165,822

Eliminations of Budgetary Activity	\$	<u>(1,236,265)</u>
------------------------------------	----	--------------------

**Schedule E**  
**Cumulative Calculation Of Allowable State Tax Revenues**

June 30, 1999  
(Amounts in thousands)

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When Chapter 488, Acts of 1986 was enacted, it established, among other things, Chapter 29B of the General Laws. In reference to this calculation, the statute directed the use of FY86 State Tax Revenues, as defined, as the basis for the initial calculation in FY87. In each subsequent fiscal year, the prior year's accumulated Allowable State Tax Revenues result is incremented by the current Growth Factor, also defined in the legislation.

The cumulative trend of this calculation is as follows:

Allowable State Tax Revenues:

FY89.....	\$	9,521,911
FY90.....	\$	10,547,421
FY91.....	\$	11,113,817
FY92.....	\$	11,282,746
FY93.....	\$	11,599,166
FY94.....	\$	12,014,101
FY95.....	\$	12,577,741
FY96.....	\$	13,214,862
FY97.....	\$	14,157,614
FY98.....	\$	15,271,665

**Schedule F**  
**Allowable State Revenue Growth Factor**

June 30, 1999  
(Amounts in thousands)

Total Massachusetts Wages & Salaries:

Calendar Year:

1995.....	\$ 99,453,633
1996.....	\$ 106,000,303
1997.....	\$ 114,238,904
1998.....	\$ 123,322,140

Calculation of FY99 Growth Factor:

$$\frac{(\$123,322,140 / \$99,453,633) - 1}{3} = \underline{\underline{0.0800}}$$

Source:

U.S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement  
Division, Washington, D.C.  
As revised and released September 1998.

**Schedule G**  
**Local Aid Adjustment Factor**

June 30, 1999  
(Amounts in thousands)

Calculation of Percentage Increase Factor:

Local Aid to Cities, Towns and Regional School Districts :

Fiscal Year Ended June 30:

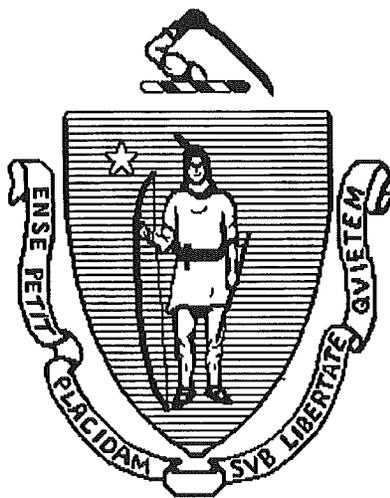
1998.....	\$	3,805,727
1999.....	\$	4,173,590
		8.71. 4,538,421,973
Percentage Change in Local Aid.....		9.67%
Less: Allowable State Revenue Growth Factor (Schedule F).....		<u>8.00%</u>
Local Aid Percentage Growth in Excess of Growth Factor.....		<u><u>1.67%</u></u>

Calculation of Local Aid Adjustment :

Previous Year's Local Aid.....	\$	3,805,727
Percentage Increase Factor.....		<u>1.67%</u>
Local Aid Adjustment.....	\$	<u><u>63,556</u></u>

Source: Massachusetts Department of Revenue, Division of Local Services Municipal Data Bank - FY 99  
Cherry Sheet Booklet.

# *Statistical Section*



Ten-Year Schedules – Statutory Basis  
Higher Education Non-appropriated Funds – Statutory Basis

**Ten-Year Schedule Of Revenues And Other Financing Sources**  
**All Governmental Fund Types - Statutory Basis**

June 30, 1999  
(Amounts in millions)

	1999	%	1998	%	1997	%	1996	%
		Total		Total		Total		Total
Taxes.....	\$ 14,304	42.1	\$ 14,038	43.7	\$ 12,874	46.8	\$ 12,058	46.8
Federal reimbursements.....	4,230	12.5	4,409	13.7	4,084	14.9	3,957	15.4
Federal grants.....	1,236	3.6	1,220	3.8	1,185	4.3	1,188	4.6
Lotteries.....	3,572	10.5	3,430	10.7	3,377	12.3	3,195	12.4
Assessments.....	534	1.6	517	1.6	557	2.0	557	2.2
Motor vehicle licenses and registrations.....	281	0.8	295	0.9	295	1.1	263	1.0
Fees, investment earnings, etc.....	2,638	7.8	1,647	5.1	1,085	3.9	1,291	5.0
Proceeds of dedicated income tax bonds.....	-	-	-	-	-	-	-	-
Proceeds of general obligation bonds.....	1,334	3.9	1,347	4.2	899	3.3	940	3.6
Proceeds of special obligation bonds.....	-	-	100	0.3	-	-	147	0.6
Proceeds of refunding bonds.....	499	1.5	862	2.7	723	2.6	-	0.0
Other interfund transfers.....	5,317	15.7	4,240	13.2	2,416	8.8	2,150	8.4
Other financing sources.....	-	-	-	-	-	-	-	-
<b>Total revenues and other financing sources.....</b>	<b>\$ 33,945</b>	<b>100.0</b>	<b>\$ 32,105</b>	<b>100.0</b>	<b>\$ 27,495</b>	<b>100.0</b>	<b>\$ 25,746</b>	<b>100.0</b>

1995	% Total	1994	% Total	1993	% Total	1992	% Total	1991	% Total	1990	% Total
\$ 11,172	45.4	\$ 10,615	45.5	\$ 9,935	44.3	\$ 9,491	47.3	\$ 9,250	42.8	\$ 9,022	51.0
3,955	16.1	3,882	16.6	3,430	15.3	2,989	14.9	3,053	14.1	2,158	12.2
1,195	4.9	1,184	5.1	1,132	5.0	1,093	5.4	962	4.4	902	5.1
2,957	12.0	2,600	11.1	2,148	9.6	1,835	9.1	1,701	7.9	1,668	9.4
566	2.3	546	2.3	614	2.7	774	3.9	1,548	7.2	281	1.6
307	1.2	284	1.2	332	1.5	300	1.5	290	1.3	306	1.7
1,388	5.6	1,214	5.2	1,270	5.7	965	4.8	980	4.5	830	4.7
-	-	-	-	-	-	-	-	1,363	6.3	-	-
810	3.3	392	1.7	368	1.6	721	3.6	1,030	4.8	1,431	8.1
-	-	298	1.3	-	-	100	0.5	-	-	-	-
514	2.1	836	3.6	1,891	8.4	574	2.9	-	-	-	-
1,708	6.9	1,465	6.3	1,282	5.7	1,176	5.9	1,416	6.5	1,069	6.0
49	0.2	35	0.1	42	0.2	47	0.2	37	0.2	38	0.2
<u>\$ 24,621</u>	<u>100.0</u>	<u>\$ 23,351</u>	<u>100.0</u>	<u>\$ 22,444</u>	<u>100.0</u>	<u>\$ 20,065</u>	<u>100.0</u>	<u>\$ 21,630</u>	<u>100.0</u>	<u>\$ 17,705</u>	<u>100.0</u>

**Ten-Year Schedule Of Tax Revenues By Source**  
**All Governmental Fund Types - Statutory Basis**

June 30, 1999  
(Amounts in millions)

	1999	%	1998	%	1997	%	1996	%
		Total		Total		Total		Total
Income.....	\$ 8,037	56.2	\$ 8,032	57.2	\$ 7,182	55.8	\$ 6,707	55.6
Sales and use.....	3,270	22.9	2,963	21.1	2,876	22.3	2,610	21.6
Corporations.....	1,009	7.1	1,067	7.6	964	7.5	876	7.3
Motor fuels.....	637	4.5	621	4.4	603	4.7	599	5.0
Cigarette.....	284	2.0	301	2.1	282	2.2	233	1.9
Insurance.....	317	2.2	303	2.2	289	2.2	285	2.4
Estate and inheritance.....	174	1.2	191	1.4	203	1.6	188	1.6
Banks.....	109	0.8	156	1.1	140	1.1	219	1.8
Alcoholic beverages.....	61	0.4	61	0.4	60	0.5	60	0.5
Other.....	406	2.8	343	2.4	275	2.1	281	2.3
<b>Total taxes.....</b>	<b>\$ 14,304</b>	<b>100.0</b>	<b>\$ 14,038</b>	<b>100.0</b>	<b>\$ 12,874</b>	<b>100.0</b>	<b>\$ 12,058</b>	<b>100.0</b>

1995	% Total	1994	% Total	1993	% Total	1992	% Total	1991	% Total	1990	% Total
\$ 5,974	53.5	\$ 5,690	53.6	\$ 5,375	54.1	\$ 5,337	56.2	\$ 5,292	57.3	\$ 4,962	55.0
2,481	22.2	2,302	21.7	2,124	21.4	1,979	20.9	1,909	20.6	1,957	21.7
911	8.2	782	7.4	737	7.4	644	6.8	612	6.6	698	7.7
578	5.2	563	5.3	557	5.6	541	5.7	464	5.0	302	3.3
234	2.1	237	2.2	190	1.9	140	1.5	144	1.6	151	1.7
284	2.5	282	2.7	281	2.8	285	3.0	268	2.9	273	3.0
209	1.9	277	2.6	267	2.7	260	2.7	250	2.7	276	3.1
206	1.8	200	1.9	153	1.5	60	0.6	48	0.5	111	1.2
61	0.5	61	0.6	62	0.6	63	0.7	66	0.7	71	0.8
234	2.1	221	2.0	189	2.0	182	1.9	197	2.1	221	2.5
<u>\$ 11,172</u>	<u>100.0</u>	<u>\$ 10,615</u>	<u>100.0</u>	<u>\$ 9,935</u>	<u>100.0</u>	<u>\$ 9,491</u>	<u>100.0</u>	<u>\$ 9,250</u>	<u>100.0</u>	<u>\$ 9,022</u>	<u>100.0</u>

**Ten-Year Schedule Of Expenditures And Other Financing Uses By Secretariat**  
**All Governmental Fund Types - Statutory Basis**

June 30, 1999  
(Amounts in millions)

	1999	% Total	1998	% Total	1997	% Total	1996	% Total
Legislature.....	\$ 51	0.2	\$ 51	0.2	\$ 52	0.2	\$ 49	0.2
Judiciary.....	532	1.6	476	1.5	438	1.6	405	1.6
Inspector General.....	3	-	2	-	2	-	2	-
Governor and Lieutenant Governor.....	5	-	5	-	5	-	5	-
Secretary of the Commonwealth.....	48	0.1	29	0.1	18	0.1	17	0.1
Treasurer and Receiver-General.....	3,982	12.0	3,780	12.1	3,694	13.6	3,518	14.0
Auditor of the Commonwealth.....	14	0.1	15	0.1	13	0.1	12	-
Attorney General.....	35	0.1	35	0.1	28	0.1	26	0.1
Ethics Commission.....	1	-	1	-	1	-	1	-
District Attorney.....	74	0.2	69	0.2	61	0.2	56	0.2
Office of Campaign and Political Finance.....	1	-	1	-	1	-	1	-
Sheriff's Departments.....	132	0.4	41	0.1	-	-	-	-
Disabled Persons Protection Commission.....	2	-	2	-	1	-	1	-
Board of Library Commissioners.....	51	0.2	45	0.1	42	0.2	35	0.2
Comptroller.....	9	-	10	-	8	-	9	-
Administration and finance.....	1,522	4.6	1,487	4.8	1,328	4.9	1,173	4.7
Environmental affairs.....	375	1.1	367	1.2	309	1.1	327	1.3
Communities and development.....	448	1.4	437	1.4	419	1.5	418	1.7
Health and human services.....	8,785	26.5	8,478	27.2	7,730	28.4	7,743	30.9
Transportation and construction.....	3,010	9.1	2,835	9.1	2,507	9.2	2,274	9.1
Education.....	3,706	11.2	3,314	10.6	2,963	10.9	2,656	10.6
Educational affairs.....	-	-	-	-	-	-	14	0.1
Higher education.....	964	2.9	893	2.9	818	3.0	764	3.0
Public safety.....	1,020	3.1	966	3.1	979	3.6	956	3.8
Economic development.....	60	0.2	38	0.1	42	0.2	113	0.5
Elder affairs.....	197	0.6	188	0.6	167	0.6	162	0.6
Consumer affairs.....	52	0.2	40	0.1	37	0.1	35	0.2
Labor.....	193	0.6	214	0.7	193	0.7	118	0.5
Pension.....	990	3.0	1,070	3.4	1,069	3.9	1,005	4.0
Debt service.....	1,212	3.7	1,215	3.9	1,278	4.7	1,192	4.8
Payments to refunded bond escrow agent.....	499	1.5	862	2.8	723	2.7	-	-
Pension funding transfers.....	-	-	-	-	-	-	-	-
Fund deficit support.....	-	-	-	-	-	-	-	-
Other interfund transfers.....	5,149	15.5	4,199	13.5	2,284	8.4	1,970	7.9
Other financing uses.....	-	-	-	-	-	-	-	-
<b>Total expenditures and other financing uses.....</b>	<b>\$ 33,124</b>	<b>100.0</b>	<b>\$ 31,163</b>	<b>100.0</b>	<b>\$ 27,210</b>	<b>100.0</b>	<b>\$ 25,057</b>	<b>100.0</b>

1995	% Total	1994	% Total	1993	% Total	1992	% Total	1991	% Total	1990	% Total
\$ 48	0.2	\$ 43	0.2	\$ 41	0.2	\$ 43	0.2	\$ 39	0.2	\$ 44	0.2
356	1.5	342	1.5	309	1.4	308	1.6	297	1.5	311	1.7
2	-	1	-	1	-	1	-	1	-	1	-
5	-	4	-	4	-	4	-	4	-	4	-
17	0.1	12	0.1	14	0.1	12	0.1	13	0.1	12	0.1
3,245	13.2	2,940	12.6	2,485	11.0	2,167	11.1	2,311	11.4	2,289	12.6
12	-	11	-	10	-	10	0.1	10	-	11	0.1
24	0.1	24	0.1	22	0.1	18	0.1	17	0.1	17	0.1
1	-	1	-	1	-	1	-	1	-	1	-
56	0.2	47	0.2	44	0.2	39	0.2	42	0.2	47	0.3
1	-	1	-	1	-	1	-	1	-	1	-
-	-	-	-	-	-	-	-	-	-	-	-
1	-	1	-	-	-	-	-	-	-	-	-
30	0.1	26	0.1	35	0.2	24	0.1	29	0.1	20	0.1
11	-	11	-	8	-	6	-	5	-	5	-
1,165	4.8	1,118	4.8	1,056	4.7	1,348	6.9	1,398	6.9	1,373	7.6
296	1.2	285	1.2	283	1.2	230	1.2	371	1.8	441	2.4
399	1.6	396	1.7	398	1.8	426	2.2	486	2.4	562	3.1
7,892	32.2	7,611	32.6	7,274	32.2	6,824	34.9	7,789	38.3	6,344	34.9
2,205	9.0	2,134	9.1	1,816	8.0	1,320	6.8	983	4.8	854	4.7
2,403	9.8	2,167	9.3	2,032	9.0	1,791	9.2	1,832	9.1	2,064	11.4
7	-	3	-	10	-	3	-	-	-	-	-
727	3.0	692	3.0	565	2.5	546	2.8	638	3.1	728	4.0
851	3.5	782	3.3	716	3.2	650	3.3	145	0.7	150	0.8
206	0.8	213	0.9	214	0.9	195	1.0	171	0.8	163	0.9
162	0.7	156	0.7	149	0.7	141	0.7	146	0.7	152	0.8
34	0.1	33	0.1	30	0.1	27	0.1	33	0.2	35	0.2
25	0.1	24	0.1	24	0.1	20	0.1	20	0.1	23	0.1
969	4.0	909	3.9	868	3.8	752	3.8	704	3.5	670	3.7
1,234	5.0	1,151	4.9	1,143	5.0	901	4.6	1,407	6.9	775	4.3
514	2.1	836	3.6	1,891	8.3	574	2.9	-	-	-	-
-	-	-	-	-	-	-	-	-	-	2	-
-	-	-	-	-	-	-	-	235	1.2	1	-
1,626	6.7	1,395	6.0	1,208	5.3	1,175	6.0	1,189	5.9	1,076	5.9
-	-	-	-	-	-	-	-	-	-	-	-
<b>\$ 24,524</b>	<b>100.0</b>	<b>\$ 23,369</b>	<b>100.0</b>	<b>\$ 22,652</b>	<b>100.0</b>	<b>\$ 19,557</b>	<b>100.0</b>	<b>\$ 20,317</b>	<b>100.0</b>	<b>\$ 18,176</b>	<b>100.0</b>

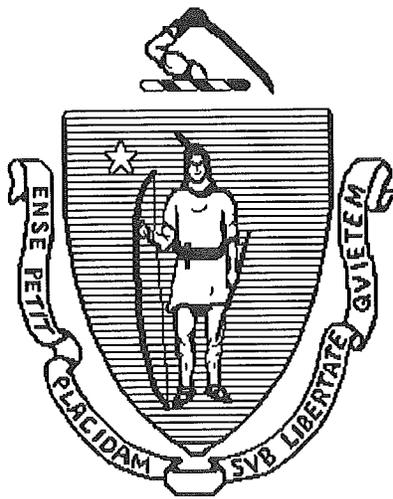
**Ten-Year Schedule Of Budgeted Funds Expenditures and Other Uses By  
Major Program Category**  
Fiscal Year Ended June 30, 1999  
(Amounts in millions)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Direct local aid.....	\$ 4,310	\$ 3,949	\$ 3,558	\$ 3,246	\$ 2,976	\$ 2,727	\$ 2,547	\$ 2,359	\$ 2,608	\$ 2,937
Medicaid.....	3,856	3,666	3,456	3,416	3,398	3,313	3,151	2,818	2,765	2,121
Public assistance.....	988	1,023	1,090	1,089	1,095	1,100	1,075	1,065	1,092	1,001
Higher education.....	930	862	806	744	703	673	545	534	609	702
MBTA and regional transit authorities....	538	530	520	518	516	522	499	450	406	354
Pension.....	990	1,070	1,069	1,005	969	909	868	752	704	672
Group health insurance.....	566	550	522	519	510	496	491	466	446	433
Debt service.....	1,174	1,213	1,276	1,184	1,231	1,149	1,140	898	942	771
<b>Major programs.....</b>	<b>13,352</b>	<b>12,863</b>	<b>12,297</b>	<b>11,721</b>	<b>11,398</b>	<b>10,889</b>	<b>10,316</b>	<b>9,342</b>	<b>9,572</b>	<b>8,991</b>
Other program expenditures.....	6,411	5,900	5,502	5,357	5,043	4,822	4,627	4,262	4,093	4,346
Interfund transfers and other uses.....	1,884	1,844	1,201	847	352	241	250	310	399	138
<b>Budgeted expenditures and other uses....</b>	<b>\$ 21,647</b>	<b>\$ 20,607</b>	<b>\$ 19,000</b>	<b>\$ 17,925</b>	<b>\$ 16,793</b>	<b>\$ 15,952</b>	<b>\$ 15,193</b>	<b>\$ 13,914</b>	<b>\$ 14,064</b>	<b>\$ 13,475</b>

## Ten-Year Schedule Of Long-Term Bonds And Notes Outstanding

Fiscal Year Ended June 30, 1999  
(Amounts in millions)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
General obligation bonds.....	\$ 10,301	\$ 9,873	\$ 9,620	\$ 9,148	\$ 8,615	\$ 8,184	\$ 8,082	\$ 7,916	\$ 7,164	\$ 6,605
Grant anticipation notes.....	922	600	-	-	-	-	-	-	-	-
Dedicated income tax bonds.....	-	-	130	383	619	840	1,045	1,244	1,416	-
Special obligation bonds.....	586	606	521	535	395	404	104	104	-	-
Commonwealth long-term bonds...	\$ 11,809	\$ 11,079	\$ 10,271	\$ 10,066	\$ 9,629	\$ 9,428	\$ 9,231	\$ 9,264	\$ 8,580	\$ 6,605



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# **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 to the overall financial operations of the respective Institutions, and are in addition to amounts made available from appropriations.

*University of Massachusetts System* includes the campuses at Amherst, Worcester, Boston, Lowell, Dartmouth and certain Institutes and programs operated by the Office of the University President.

*State College System* includes the nine state colleges which provide four-year post-secondary education programs.

Bridgewater State College  
Framingham State College  
Fitchburg State College  
Massachusetts College of Art  
Massachusetts Maritime Academy  
Massachusetts College of Liberal Arts  
Salem State College  
Worcester State College  
Westfield State College

*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, 1999  
(Amounts in thousands)

	University	State	Community	TOTALS	
	of Massachusetts	Colleges	Colleges	1999	1998
<b>Revenues and other financing sources</b>					
Federal grants and reimbursements.....	\$ 142,128	\$ 19,070	\$ 38,951	\$ 200,149	\$ 220,672
Departmental revenues.....	612,601	138,049	116,050	866,700	980,267
Miscellaneous revenues.....	259,888	78,428	45,527	383,843	327,839
Total revenues and other financing sources.....	<u>1,014,617</u>	<u>235,547</u>	<u>200,528</u>	<u>1,450,692</u>	<u>1,528,778</u>
<b>Expenditures and other financing uses</b> (by MMARS subsidiary):					
AA Regular employee compensation.....	332,281	28,367	33,173	393,821	414,555
BB Regular employee related expenses.....	11,831	2,981	2,854	17,666	13,245
CC Special employees and contracted services.....	83,398	27,883	47,032	158,313	156,537
DD Pension and insurance.....	49,303	6,707	6,396	62,406	101,197
EE Administrative expenditures.....	61,864	33,842	16,201	111,907	113,340
FF Facility operational supplies.....	75,873	7,702	16,000	99,575	131,641
GG Energy costs and space rental.....	22,304	7,468	2,605	32,377	35,239
HH Consultant services.....	65,388	8,435	7,631	81,454	69,668
JJ Operational services.....	22,282	21,530	9,125	52,937	68,628
KK Equipment purchase.....	32,008	8,692	7,189	47,889	49,009
LL Equipment leases, maintenance and repair.....	23,422	6,111	5,985	35,518	37,336
MM Purchased client services and programs.....	14,085	1,627	1,541	17,253	11,318
NN Construction and improvements.....	26,702	9,639	2,718	39,059	31,626
PP Aid to local governments.....	-	-	260	260	249
RR Benefit programs.....	67,957	20,699	42,853	131,509	143,107
SS Debt payment.....	-	3,507	396	3,903	2,900
TT Loans and special payments.....	24,946	25,094	1,790	51,830	52,350
Total expenditures and other uses.....	<u>913,644</u>	<u>220,284</u>	<u>203,749</u>	<u>1,337,677</u>	<u>1,431,945</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	100,973	15,263	(3,221)	113,015	96,833
Fund balance at beginning of year.....	400,017	53,883	55,327	509,227	412,394
Fund balance at end of year.....	<u>\$ 500,990</u>	<u>\$ 69,146</u>	<u>\$ 52,106</u>	<u>\$ 622,242</u>	<u>\$ 509,227</u>

**University Of Massachusetts**  
**Higher Education Non-Appropriated Activity - Statutory Basis**

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	1999	1998
<b>Revenues and other financing sources</b>		
Federal grants and reimbursements.....	\$ 142,128	\$ 164,313
Departmental revenues.....	612,601	726,405
Miscellaneous revenues.....	259,888	213,558
<b>Total revenues and other financing sources.....</b>	<b>1,014,617</b>	<b>1,104,276</b>
<b>Expenditures and other financing uses</b> (by MMARS subsidiary):		
AA Regular employee compensation.....	332,281	363,423
BB Regular employee related expenses.....	11,831	6,977
CC Special employees and contracted services.....	83,398	82,972
DD Pension and insurance.....	49,303	87,321
EE Administrative expenditures.....	61,864	59,984
FF Facility operational supplies.....	75,873	108,945
GG Energy costs and space rental.....	22,304	23,716
HH Consultant services.....	65,388	56,421
JJ Operational services.....	22,282	36,102
KK Equipment purchase.....	32,008	31,397
LL Equipment leases, maintenance and repair.....	23,422	23,982
MM Purchased client services and programs.....	14,085	8,990
NN Construction and improvements.....	26,702	25,626
RR Benefit programs.....	67,957	88,825
TT Loans and special payments.....	24,946	21,584
<b>Total expenditures and other financing uses.....</b>	<b>913,644</b>	<b>1,026,265</b>
Excess of revenues and other financing sources over expenditures and other financing uses.....	100,973	78,011
Fund balance at beginning of year.....	400,017	322,006
<b>Fund balance at end of year.....</b>	<b>\$ 500,990</b>	<b>\$ 400,017</b>

**State College System**  
Combining Higher Education Non-Appropriated Activity - Statutory Basis

Fiscal Year Ended June 30, 1999  
(Amounts in thousands)

	Bridgewater State College	Framingham State College	Fitchburg State College	Massachusetts College of Art
<b>Revenues and other financing sources</b>				
Federal grants and reimbursements.....	\$ 3,549	\$ 1,283	\$ 3,193	\$ 868
Departmental revenues.....	26,941	13,795	13,468	8,672
Miscellaneous revenues.....	28,933	20,560	5,853	530
Total revenues and other financing sources.....	<u>59,423</u>	<u>35,638</u>	<u>22,514</u>	<u>10,070</u>
<b>Expenditures and other financing uses</b> (by MMARS subsidiary):				
AA Regular employee compensation.....	10,170	2,088	4,305	478
BB Regular employee related expenses.....	472	154	363	278
CC Special employees and contracted services.....	6,224	1,724	3,231	1,598
DD Pension and insurance.....	2,586	865	487	210
EE Administrative expenditures.....	9,672	9,217	2,699	985
FF Facility operational supplies.....	1,405	549	778	689
GG Energy costs and space rental.....	555	1,421	692	1,308
HH Consultant services.....	1,411	1,242	1,212	500
JJ Operational services.....	3,783	3,635	846	1,137
KK Equipment purchase.....	1,483	582	657	763
LL Equipment leases, maintenance and repair.....	1,028	375	604	491
MM Purchased client services and programs.....	583	285	208	-
NN Construction and improvements.....	2,775	91	775	13
RR Benefit programs.....	4,967	1,338	2,001	1,017
SS Debt payment.....	242	36	-	155
TT Loans and special payments.....	3,339	1,790	2,410	-
Total expenditures and other financing uses.....	<u>50,695</u>	<u>25,392</u>	<u>21,268</u>	<u>9,622</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	8,728	10,246	1,246	448
Fund balance at beginning of year.....	1,983	11,554	15,528	2,571
Fund balance at end of year.....	<u>\$ 10,711</u>	<u>\$ 21,800</u>	<u>\$ 16,774</u>	<u>\$ 3,019</u>

Massachusetts Maritime Academy	Massachusetts College of Liberal Arts	Salem State College	Worcester State College	Westfield State College	TOTALS	
					1999	1998
\$ 482	\$ 1,374	\$ 4,307	\$ 1,964	\$ 2,050	\$ 19,070	\$ 19,109
7,028	6,174	23,986	10,818	27,167	138,049	137,440
7,098	3,882	7,067	1,854	2,651	78,428	74,461
<u>14,608</u>	<u>11,430</u>	<u>35,360</u>	<u>14,636</u>	<u>31,868</u>	<u>235,547</u>	<u>231,010</u>
1,770	1,663	3,935	524	3,434	28,367	26,006
254	224	440	558	238	2,981	3,425
1,146	1,339	6,657	2,978	2,986	27,883	27,116
432	309	1,404	122	292	6,707	8,239
3,514	892	4,182	1,260	1,421	33,842	34,063
541	303	1,789	918	730	7,702	7,740
669	204	1,589	228	802	7,468	8,193
325	612	2,079	532	522	8,435	7,675
2,519	2,047	5,641	630	1,292	21,530	22,458
846	186	2,467	615	1,093	8,692	9,915
129	447	1,973	530	534	6,111	6,089
-	-	473	-	78	1,627	1,102
69	47	1,597	2,534	1,738	9,639	4,788
960	2,054	5,105	2,878	379	20,699	20,720
-	-	-	956	2,118	3,507	3,143
766	833	1,433	265	14,258	25,094	29,542
<u>13,940</u>	<u>11,160</u>	<u>40,764</u>	<u>15,528</u>	<u>31,915</u>	<u>220,284</u>	<u>220,214</u>
668	270	(5,404)	(892)	(47)	15,263	10,796
1,522	891	8,008	7,420	4,406	53,883	43,087
<u>\$ 2,190</u>	<u>\$ 1,161</u>	<u>\$ 2,604</u>	<u>\$ 6,528</u>	<u>\$ 4,359</u>	<u>\$ 69,146</u>	<u>\$ 53,883</u>

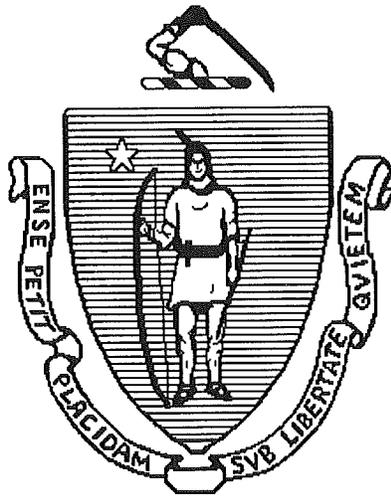
**Community College System**  
Combining Higher Education Non-Appropriated Activity - Statutory Basis

Fiscal Year Ended June 30, 1999

(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
<b>Revenues and other financing sources</b>							
Federal grants and reimbursements.....	\$ 1,329	\$ 4,405	\$ 5,517	\$ 1,809	\$ 1,679	\$ 3,183	\$ 2,698
Departmental revenues.....	4,671	6,914	7,919	4,300	4,647	10,866	8,066
Miscellaneous revenues.....	1,187	8,009	5,307	4,085	1,093	1,411	4,481
<b>Total revenues and other financing sources.....</b>	<b>7,187</b>	<b>19,328</b>	<b>18,743</b>	<b>10,194</b>	<b>7,419</b>	<b>15,460</b>	<b>15,245</b>
<b>Expenditures and other financing uses</b> (by MMARS subsidiary):							
AA Regular employee compensation.....	1,180	5,458	3,572	1,850	974	1,234	468
BB Regular employee related expenses.....	139	153	231	135	133	183	215
CC Special employees and contracted services.....	1,350	3,502	3,970	3,117	1,432	2,338	3,126
DD Pension and insurance.....	512	151	968	465	286	288	247
EE Administrative expenditures.....	996	933	889	752	428	994	3,210
FF Facility operational supplies.....	1,187	1,155	496	259	768	1,549	734
GG Energy costs and space rental.....	40	331	49	69	43	65	165
HH Consultant services.....	377	595	975	197	190	131	332
JJ Operational services.....	396	591	860	70	274	1,448	1,776
KK Equipment purchase.....	506	451	961	564	440	109	1,035
LL Equipment leases, maintenance and repair.....	128	126	220	105	246	144	476
MM Purchased client services and programs.....	120	64	273	-	8	50	-
NN Construction and improvements.....	59	989	108	133	10	82	541
PP Aid to local governments.....	86	-	-	-	-	-	-
RR Benefit programs.....	1,130	4,383	4,129	1,556	2,347	4,210	2,393
SS Debt payment.....	-	-	-	-	-	-	-
TT Loans and special payments.....	158	-	586	4	130	-	752
<b>Total expenditures and other financing uses.....</b>	<b>8,364</b>	<b>18,882</b>	<b>18,287</b>	<b>9,276</b>	<b>7,709</b>	<b>12,825</b>	<b>15,470</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing use	(1,177)	446	456	918	(290)	2,635	(225)
Fund balance (deficit) at beginning of year.....	2,310	3,418	5,688	1,674	2,139	7,442	5,033
<b>Fund balance (deficit) at end of year.....</b>	<b>\$ 1,133</b>	<b>\$ 3,864</b>	<b>\$ 6,144</b>	<b>\$ 2,592</b>	<b>\$ 1,849</b>	<b>\$ 10,077</b>	<b>\$ 4,808</b>

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	
								1999	1998
\$ 1,301	\$ 2,784	\$ 2,738	\$ 526	\$ 5,200	\$ 2,007	\$ 65	\$ 3,710	\$ 38,951	\$ 37,250
8,734	9,571	7,542	13,158	10,473	6,022	924	12,243	116,050	116,422
499	4,003	1,624	1,239	5,298	2,524	2,257	2,510	45,527	39,820
10,534	16,358	11,904	14,923	20,971	10,553	3,246	18,463	200,528	193,492
659	3,880	1,310	1,376	8,430	286	442	2,054	33,173	25,126
184	471	270	243	135	139	51	172	2,854	2,843
2,210	6,516	3,138	4,200	3,105	3,528	1,540	3,960	47,032	46,449
812	999	400	263	232	115	122	536	6,396	5,637
879	859	1,003	1,118	1,168	1,087	240	1,645	16,201	19,293
931	772	500	1,375	1,731	1,731	105	2,707	16,000	14,956
83	384	446	244	374	10	79	223	2,605	3,330
280	726	508	412	755	172	499	1,482	7,631	5,572
427	537	274	712	1,059	35	254	412	9,125	10,068
287	196	471	445	560	132	112	920	7,189	7,697
556	319	658	249	687	965	196	910	5,985	7,265
2	-	32	-	41	-	-	951	1,541	1,226
-	-	353	-	180	20	-	243	2,718	1,212
-	-	174	-	-	-	-	-	260	249
1,797	2,194	2,392	5,280	4,037	2,007	-	4,998	42,853	33,562
-	-	-	-	396	-	-	-	396	(243)
-	-	155	-	-	-	-	5	1,790	1,224
9,107	17,853	12,084	15,917	22,890	10,227	3,640	21,218	203,749	185,466
1,427	(1,495)	(180)	(994)	(1,919)	326	(394)	(2,755)	(3,221)	8,026
2,712	2,678	843	2,567	7,810	158	883	9,972	55,327	47,301
\$ 4,139	\$ 1,183	\$ 663	\$ 1,573	\$ 5,891	\$ 484	\$ 489	\$ 7,217	\$ 52,106	\$ 55,327



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