

June 1, 2016

The Honorable Karen E. Spilka, Chair Senate Ways and Means Committee State House, Room 212 Boston, MA 02133

The Honorable Brian S. Dempsey, Chair House Ways and Means Committee State House, Room 243 Boston, MA 02133

Dear Senator Spilka and Representative Dempsey:

Pursuant to Massachusetts General Laws Chapter 10, Section 10, the Office of the State Treasurer and Receiver General and the Executive Office for Administration and Finance hereby submit the current cash flow forecast for fiscal years 2016 and 2017.

Certain cash items, such as the balance of the Stabilization Fund as well as a number of other funds, are required to be categorized as segregated and do not contribute to the Commonwealth's "pool" of non-segregated cash balances. These segregated items are statutorily restricted for a specific purpose.

Please note that the fiscal year 2016 and 2017 cash flow forecasts project monthly cash closing balances. Given the variable nature of state cash expenditures and revenues, the daily cash balances often differ greatly from the projected monthly closing balances.

# Highlights of Fiscal Year 2016

The fiscal year 2016 budget was approximately \$38.2 billion, or 3.4%, greater than fiscal year 2015 estimated spending levels at the time of its approval. (This calculation assumed that a \$565.5 million transfer from the General Fund to the Medical Assistance Trust Fund, which was delayed into fiscal year 2016 to await necessary federal approval, counted as fiscal year 2015 actual spending.)

The fiscal year 2016 budget relied on approximately \$629.0 million in fiscal initiatives, including retaining projected \$300.0 million above-threshold capital gains tax revenues in the General Fund (rather than transferring to the Stabilization Fund), projected \$100.0 million from a non-filer tax 'For cash purposes, this use of 'fiscal year' includes 'accounts payable' activity for fiscal year 2015, and excludes 'accounts payable' activity for fiscal year 2016.

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amnesty program, \$67.0 million transfer from the Commonwealth Care Trust Fund, \$46.0 million from FAS 109 delay and projected savings resulting from cash management in the MassHealth program. The fiscal year 2016 budget also assumed savings for fiscal year 2016 debt service attributable to the \$113.2 million debt defeasance included in the final fiscal year 2015 supplemental appropriation bill. Through April, actual tax collections were \$261 million below projections.

The fiscal year 2016 capital plan currently projects \$3.963 billion of spending on capital projects, including \$2.125 billion of bond cap spending, approximately \$374.6 million of spending authorized under the accelerated bridge program (ABP), approximately \$353.0 million in special obligation spending for rail enhancement projects (REP), approximately \$657.1 million in federal reimbursements and grants, approximately \$64.0 million of spending on projects funded by anticipated savings or revenues, approximately \$144.1 million from non-commonwealth sources such as contributions from campuses, and approximately \$245.0 million in pay-as-you-go capital funded by operating funds, including tolls.

For cash flow needs for fiscal year 2016, the State Treasurer issued \$1.2 billion in revenue anticipation notes (RANs) on September 29, 2015. The first two tranches, out of three total, were repaid on April 27, and May 25, 2016. The final \$400.0 million tranche will be repaid June 22, 2016. The State Treasurer issued \$200.0 million in bond anticipation notes (BANs) on November 24, 2015, and plans to repay the notes in June 2016. The BANs were issued to provide the Commonwealth with additional flexibility.

## Highlights of Fiscal Year 2017

On January 27, 2016, the Governor filed his fiscal year 2017 budget recommendation, providing for a total of \$39.559 billion in state spending, which is 3.5% greater than the spending authorized by the fiscal year 2016 budget. The fiscal year 2017 budget recommendation is supported by a consensus tax revenue estimate of \$26.86 billion, which represents 4.3% growth over the revised fiscal year 2016 consensus tax revenue estimate. The usage of House 2 does not constitute the Treasury's endorsement of the proposal.

The Governor's fiscal year 2017 budget proposal does not increase fees or taxes to support spending, does not withdraw money from the Stabilization Fund, and anticipates a deposit of at least \$206.0 million in so-called "excess" capital gains tax receipts into the Stabilization Fund, while it proposes to retain \$150.0 million of such excess capital gains tax receipts in the General Fund.

The Governor also proposes to dedicate to the Stabilization Fund approximately \$76.5 million in potential revenue from gaming licensing fees that could be received in fiscal year 2017 if the Massachusetts Gaming Commission grants a third license to a resort-style casino, as authorized by existing state law.

For cash flow needs for fiscal year 2017, the State Treasurer plans to issue \$1.2 billion in revenue anticipation notes (RANs) in October 2016. As in previous years, the RANs will be repaid in April, May and June 2017.

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The fiscal year 2017 capital plan currently projects \$4.146 billion of spending on capital projects, including \$2.19 billion of bond cap spending, approximately \$472.4 million of special obligation bond spending authorized under the accelerated bridge program (ABP) and for rail enhancement projects (REP), approximately \$877.5 million in federal reimbursements and grants, approximately \$77.7 million of spending on projects funded by anticipated savings or revenues, approximately \$330.0 million from non-commonwealth sources such as contributions from campuses, and approximately \$198.4 million in pay-as-you-go capital funded by operating funds, including tolls.

# **Ongoing Cash Management Practices**

Treasury, Administration and Finance and Comptroller staffs continue to meet regularly to monitor the status of the Commonwealth's cash position. In addition, this group actively seeks to improve the reader's experience by enhancing the Commonwealth's cash flow forecast with additional features.

Please feel free to contact our respective staff members if you have any questions or require additional information.

Sincerely,

Deborah B. Goldberg

Treasurer and Receiver General

Kristen Lebore

Secretary of Administration and Finance

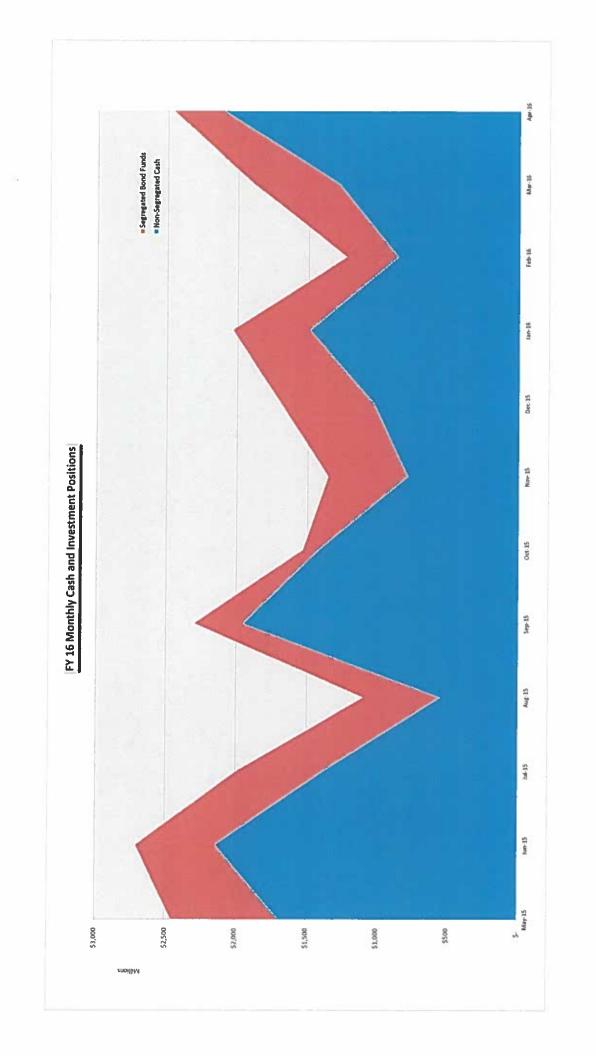
Enclosures

Party and the pa	Jul-15	Aug-15	Sep-15	1993	Nev-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-15	Jun-16	Total EY 2016
OPENING NON-SEGREGATED OPERATING CASH BALANCE:	\$2 140 B	K1 360 2	Actual	Achual	Actual	Actual	-	Actual	Actual	Actual		Est	
OPERATING ACTIVITIES				0.100 16	0.126.16	2/0/2	9.07m.14	51.487.5	\$862.1	\$1.280.1	82,100.0	\$1,700.0	\$2,140.6
Budgetary Funds:													
Tax Revenue	\$17185	\$1 793 A	T 000 C3	61 820 2	64 700 0	43 4E4 D	87 640 4	0.000.00					No. of Concession, Name of Street, or other Persons, Name of Street, or ot
Federal Rembursements	S1 188 D	\$1 A70 B	65038	0 2523	2000	6000	701076	8.160.16	1.710,26	25,274.5	* COUR. U	32,853.0	\$21,273.5
Other Budgetary Revenue	63203	6.364	C add	2777	61,500.3	2070.1	2002.3	*1,063.1	2/20:0	8///8	\$1,286.5	2815.2	\$11,237.5
Transfer from/Itol Stabilization Fund	600		0.000	1.0	9774	22122	27007	\$226.1	8.000	\$584.5	1208.1	\$718.1	\$4,536.7
Total Budostary Revenuel/Inflows	43 333 8	42 427 E	62 470 4	90.00	(8163.5)	200	0.00	20.0	0.03	0.05	003	20.0	(\$123.6)
Local Aid	4778.4	64610	6530 7	4480 2	0.5.200.U	100.04	20,170.7	1001	87. (30.B	74.037.2	97000	\$4,386.3	\$42,924.1
	1	200	4000.1	2407.2		24/4.0	2408.0	2 1 2	24.38.6	**************************************	24011	80223.9	\$5,581.7
Control Section (Control of Control of Contr	7	200	578.7	\$166.2	\$116.6	\$27.9	\$28.2	<b>2418.9</b>	\$340.1	\$332.B	284.0	877.0	\$1,783.5
Desir Service for Centeral Congation (including CAL)	27/86	1300.7	\$230.1	\$136.3	\$335.7	\$185.7	\$130.0	\$153.9	\$58.6	\$80.0	\$123.3	\$20.6	\$2,146.0
Debt Service for Special Upligations	\$16.7	20.0	80.0	\$0.0	0.03	\$37.1	\$37.8	\$0.0	20.0	\$0.0	\$0.0	\$98.6	\$190.1
Debt Service for GANS	0.0\$	\$0.0	20.0	\$0.0	\$0.0	\$15.2	\$0.0	80.0	\$0.0	80.0	20.0	215.0	\$30.2
Other Budgetary Expanditures	\$3,320.2	\$2,311.7	\$2,227.3	\$2,803.9	\$2,350.6	\$2,243.1	\$2.578.4	\$2,305.2	\$2,419.7	\$2,586.9	22 687 4	\$2 216.1	\$30 048 B
Total Budgetary Expenditures/Outflows	\$3,950.0	\$3,366.9	\$3,005.9	\$3,569.7	\$3,280.5	\$2,983.7	-	£3 289 8	83.257.0	\$3 401.4	23 20¢ g	64473	630 780 2
Net Budgetary Funds	(\$718.2	A 9008	54133	IRRIB RI	IR CT31	C PURS		The popular	+		0.000	7	200.100.E
Non Budgetary Funds (Non Budgetary Higher Ed and Trust Euges)		I		(none)	915.0		#C900	(3.000.0)	_	\$1,235.8	\$212.8	1.807.F8	\$3,163.8
Contact Decision		0 1010									The second		September 1
	9.31.6	\$181.9	\$123.B	5131.1	\$197.8	\$134.6	\$197.6	\$210.8	\$130.6	\$129.1	\$163.0	\$153.0	\$1,872.9
Tellandi Necelula (Frim and Altrigity Necelula)	\$251.6	\$258.3	\$256.1	\$265.7	\$283.5	\$285.7	\$257.8	\$358.D	\$124.7	\$259.9	\$230.7	\$220.6	\$3,042.5
Transfers in 6 out for Non Pooled   Trust Figurary Fund Investments	\$485.5	(\$34.5)	(579.7)	(\$85.8)	(\$184.8)	(\$59.1)	\$9.6	(\$319.6)	\$108.1	\$59.1	(\$41.4)	\$370.0	\$217.3
Non Bungetary Lax Receipts	\$80.2	248.2	\$114.0	\$49.9	\$44.8	7.7	\$144.4	8.59.8	\$94.3	\$114.4	\$47.5	247.5	\$830.7
Other Non Budgetary Revenue	\$326.6	\$400.3	\$362.7	\$679.4	\$594.6	\$380.4	0.0453	83833	2.158.7	\$311 B	6064.9	C PART 2	64 6779 8
Total Non Budgetary Revenue/Inflows	\$1.243.6	\$855.1	82778	\$1 830 4	\$918 D	8748 T	20702	0 0000	6010 1	60740	0 7 7 0 0	44000	-10.01.0
Lottery Payments	1 878	857 B	685.0	647.6	640.2	0 000	0 200		2000	0000		01, PUZ.3	310,030,0
MBTA Sales Tax	£75.1	485.0	7 003	200	2000	200	0.70	200.0	\$120.5	2		T I	\$784.3
MBTA Assessments	9	0.000	000	970.0	900.0	8.00.E	9/g.u	1.784	\$81.4	8/2/A	2		1386.3
MSBA Davageorte	200	915.0	9 10	200	177	#13.G	\$13.6	\$13.6	\$13.6	\$13.6	\$13.3	\$13.3	\$162.3
	1.0/¢	\$72.6	\$65.B	\$63.5	\$67.5	\$63.6	\$64.6	\$78.7	\$58.1	\$28.5	\$75.0	\$75.9	\$814.8
Fension Fayments	1382.3	\$402.0	\$412.0	\$416.3	\$411.2	\$540.0	\$405.8	\$404.4	\$413.7	\$414.7	\$403.0	\$403.0	\$5,018.3
Non Pooled   Intst   Fiduciary Fund Expenditures	1363.7	\$375.6	\$171.6	\$219.6	\$835.9	\$269.3	\$267.2	\$296.7	\$251.9	\$259.0	\$330.0	\$370.0	\$4,112.5
Other Non Budgetary Expenditures	\$173.0	\$138.5	\$223.1	\$100.2	\$108.8	\$247.9	\$121.4	\$108.1	\$219.6	\$87.5	294.5	\$181.0	\$1,809.4
Total Non Budgetary Expenditures/Outflows	\$1,166.8	\$1,145.8	\$1,040.5	\$923.8	\$1.684.1	\$1274.0	\$1048.3	\$1049.4	\$1.158.7	0 P963	2 C/ V	\$1.185.0	R12 R87 G
Net Non Budgetary Funds	878.8	(\$290.7)	(\$263 6)	\$106.5	(\$768.1)	(\$527.8)	(\$98.9)	R377 SI	1 CAE2)	10 O651	CENTRAL AN	15,600 71	161 051 70
Undesignated RevenueAnflows and Expenditures/Outflows:					İ	İ	Ī		İ		1	1	100,001
General Fund Investment Eammon	61.3	647	0 949		0 7 0					1			
Net Underlanated Revenue and Fanancianos (Outfours			0 0		0.14		900	0	32.4	X	0.18	21.0	1753
NET OPERATING ACTIVITIES	76838 21	(C510 At	6 16 F. C.	01.0 01.0	D. 05091	200.0	20.0	0.10	_	1	21.0	210	12/1
FEDERAL GRANTS	1	10000	2	(encor)	1 2000	2,0,2	7/842	(3005.7)	2138.0	11001	\$120.4	\$1,187.4	\$149.2
									2	2000	-	Margar	
	\$155.5	\$177.8	\$200.3	\$143.0	\$103.9	\$155.3	\$204.8	\$250.2	\$249.4	\$182.1	\$190.0	\$215.0	\$2,237.3
total Federal Grants Expenditures/Outflows	\$183.1	\$203.8	\$139.3	\$106.7	\$196.8	\$211.6	\$189.2	\$203.5	\$218.3	\$186.8	\$210.3	\$188.6	\$2,317.8
NET PEDEMAL GRANTS	(\$37.7)	(\$25.9)	\$61.0	(\$23.7)	(\$92.9)	(\$58.3)	\$15.6	\$46.7	\$31.2	\$5.3	(\$20.3)	\$16.4	(\$80.5)
CAPITAL FUNDS:	1000				B. L.						ı		
Capital RevenueAnflows:													
Capital Inflow from Federal Reimbursements	1.675	\$58.4	\$74.7	5.00.5	CBD 6	147 A	8732	697.4	643.4	622	6 629		0.000
Capital Inflow from Financing Activities	DOS OF THE PARTY OF							1		944.0	-	918.0	200
Capital Inflow to General Fund from Septembared Bond Funds	62363	446.2	6-2017 4	8-9-3 E	0 0000	0.462.0	1	0.000					
Total Capital Revenue Inflows	C 78C3	64937	2000	0 0000	0.777	A 500 A	1 /116	2000		87/528	\$1518	24242	\$3,080.8
Total Capital Expanditures/Outflows	4.768 B	CAUB 3	62077	62444	2000	41700	01/10	\$210.1		\$2/0.B	8,5024	L DOGS	23,738.4
NET CAPITAL FUNDS	(\$84.5)	15 78625)	1528.4	82.03	408 7	4.2.20 n	(RKE 7	160 /	9243.3	11024	\$28B.f	450.9	53.570.1
FINANCING ACTIVITIES:		Ī	Ī		Ī		2000		95.0	2.00	10/4-00	2000	20016
Cash Flow Financing Activities Inflows:	Į.												
Commencial Paner	000	000		000				i		The state of the s	prosect .	1000	NI-STATE OF
	0.00	0.00	0.04		0.0024	0.03	0.04	0.03	80.0	0.04	0.08	0.04	\$200.0
Merchine Attended in the Color of the Color	0.03	20.0	\$1,200.0	0.03	20.0	20.0	\$0.0	\$0.0	0.08	\$0.0	80.0	\$0.0	\$1,200.0
TOTAL CASH FIGW FINANCING ACTIVITIES INDOWS	\$0.0	0.08	\$1,200.0	\$0.0	\$200.0	\$0.0	\$0.0	\$0.0	80.0	\$0.0	80.0	\$0.0	\$1,400.0
Cash Flow Financing Activities Outflows:	Control of		The same of			5					The state of the	Same of the last	
Commercial Paper – (Principal + Interest)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	20.0	20.0	\$0.0	20.0	20.1	\$200.0	\$200.1
KANS - (Principal + Interest)	\$0.0	0.08	\$0.0	0.0\$	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$404.8	\$405.2	\$405.8	\$1,215.7
Total Cash Flow Financing Activities Outflows	\$0.0	\$0.0	\$0.0	0.0\$	80.0	\$0.0	\$0.0	\$0.0	\$0.0	\$40H.B	\$406.3	\$605.8	\$1,415.8
NET FINANCING ACTIVITIES	80.0	\$0.0	\$1,200.0	\$0.0	\$200.0	80.0	(0 0\$)	0.08	\$0.0	(\$404.6)	(\$405.33)	(\$605.8)	(\$15.8)
ENDING NON-SEGREGATED OPERATING CASH BALANCE	\$1,380.2	\$551.4	\$1.951.6	\$1,421.0	8787.8	\$1,029.8	\$1,487.5	_	\$1,280.1	\$2,100.0	\$1,700.0	\$2.381.6	\$7.381.8
Capital Budget Bonding Activity:		25.50		-	20			-		-			
Opening Balance Segregated Bond Funds	\$568.8	\$615.5	\$550.2	\$352.4	\$114.9	\$551.7	\$666.5	\$549.4	8308.8	\$614.0	2.066.1	\$514.5	
Bonds	\$282.0	\$0.0	\$9.2	\$0.0	\$559.5	\$568.7	80.0	20.0	8692 9	800	0.000.3	85500	£ 2 842 3
BANs	\$0.0	\$0.0	20.0	\$0.0	\$200.0	\$0.0	000	80.0	80.0	800	008	800	
Segregated Bond Funds Available	\$650.8	\$615.5	\$559.4	\$352.4	\$874.4	\$1,120.3	\$666.5	\$549.4	\$1.061.7	\$614.0	2008.1	\$1.064.5	
Bond / BANs Proceeds Allocated	\$235.2	\$65.3	\$207.1	\$237.5	\$322.8	2453.9	\$117.1	\$180.8	2777	82479	C151 A	C 454.5	£3.000 B
Ending Balance Segregated Bond Funds	\$615.5	\$550.2	\$352.4	\$114.9	\$551.7	2 9998	2549 4	23088	8414.0	E-1484 1	2614.5	2 0740	an) pont
								0.000	2	econo.	2012	entere e	

	1	Section 1		1									
(3-cellor or believes)	Jul. 16	Aug-16	Sep-16	Oct-16	Nav-16	Dec 16	Jan-17	Feb.17	Mar-17	Apr.17	May-17	Jun-17	Total FY 2017
OPENING NON-SEGREGATED OPERATING CASH BALANCE:	\$2,361.8	\$2,184.2	\$1,043.4	\$973.2	\$2,002.0	\$1,064.4	\$1,553.1	\$1,729.0	\$1,215.8	\$1,312.8	\$1.978.3	\$1.701.8	\$2.361.8
OPERATING ACTIVITIES:	100	Sales and the sales	14.	_					-	_			
Budgetary Funds:													
Tax Revenue	\$1,852.3	\$1,876.6	\$2,778.7	\$1787.5	\$1,834.2	\$2,494.8	\$2,708.8	\$2,009.7	\$2,702.8	\$3,401.1	\$2,146.5	\$2,865.5	\$28,655.5
rederal Keinburtements	\$1,045.0	\$1,085.1	\$673.5	\$769.5	\$1,051.7	5783.1	\$789.4	8.0882	\$942.1	\$880.1	\$1,065.1	2025	\$10.728.2
Other Budgetary Revenue	8439.0	\$209.B	\$232.3	1.9963	\$200.8	1306.1	\$340.8	\$282.4	\$258.9	\$623.8	\$383.6	8,0008	244164
Transfer from to Stabilization Fund	\$0.0	\$0.0	\$0.0	0.08	\$0.0	\$0.0	\$0.0	\$0.0	(\$50.0)	\$0.0	200	(\$158 D)	S208 0
Jotal Budgetary Revenue/Inflows	\$3,336.3	E\$3,231.5	\$3,684.5	\$2,923.1	\$3,248.7	\$3,598.0	\$3,847.0	\$3,153.0	\$3,853.B	\$4,925.0	\$3.504.4	\$4,203.0	\$43,594.1
Local Aid	\$482.2	\$462.0	\$468.7	\$491.1	\$486.2	8438.9	\$466.6	\$463.1	\$469.2	\$469.1	\$443.2	\$520.0	\$5,680.3
Tax Refunds	\$62.0	\$53.0	\$92.0	\$167.0	\$58.0	\$27.0	\$86.0	\$422.0	8341.0	\$288.0	284.0	0 695	\$1 747 D
Debt Service for General Obligation (including CA/T)	\$139.7	\$488.7	\$131.0	\$193.3	\$211.9	\$172.4	\$281.3	\$152.0	\$106.2	\$123.1	\$125.6	293.5	\$2 220 7
Debt Service for Special Obligations	\$16.2	0.04	\$0.0	80.0	\$0.0	0.958	138.4	0.08	0.08	098	008	8141 8	F250 4
Debt Service for GANS	\$0.0	80.0	20.0	005	200	217.1	000	003	5	8	\$	0 910	6.340
Other Budgetary Expenditures	\$27782	£3.758 B	20 759 7	A 705 CR	E2 601 7	2 623 63	en 600 e	C 2000	7 000		200	9100	200
Total Budgetary Expenditures/Durflows	62 478.5				00 1 40 E			-	34.00U	27/72	25.54	\$2,054.9	\$31,348.6
Net Budgeton France	43,410.4	24,404.3	1	83,248.8	23,447.8	23.244.B	\$3.454.B	23,475.3	=	\$3,601.0	13,186.9	\$2,696.2	\$41,283.0
inter change and in the contract of the contra	(\$139.8	(51,031,0)	\$235.0	(\$325.7)	(\$201.1)	\$351.1	\$302.1	(\$322.4)	\$314.7	\$1,324.0	\$407.4	\$1,300.8	\$2,311.1
Non Budgetary Funds (Non Budgetary, Higher Ed and Trust Funds):					9				The State of the S	No. of Concession, Name of Street, or other Persons, Name of Street, or ot			1
Lottery Revenue	\$142.5	\$142.5	\$178.1	\$142.5	\$142.5	\$178.1	\$142.5	\$142.5	\$178.1	\$142.5	21425	\$178.1	\$1.852.1
Pension Receipts (PRIM and Annuity Receipts)	\$251.8	\$251.8	\$251.8	\$251.8	8 25C2	\$2518	8.251 B	82518	82561 B	8 1968	8 1963	6.564.0	0 200
Transfers in & out for Non Pooled   Trust   Fiduciary Fund Investments	\$245.0	\$220.0	82750	\$220.0	8225 E	6.445.0	0000	9000	0.000	9	200	0.00	20,027.0
Non Budgetary Tax Receipts	909	802	9		9		2000	2000	2000	0.00	22/0.0	1.CP3.	\$2,835.U
Other Non Burdante December	0 0	0.00		2	9.00	200	9	20.04	20.02	9	900	9.63	\$115.2
Total Mee Budgate Description	1000 n	ACMO.U	0.0024	\$565.U	1300.0	\$256.0	\$283.0	\$270.0	\$260.0	\$260.0	\$290.0	\$287.0	\$3,625.0
CASI NOI DESCRIPTION AND AND AND AND AND AND AND AND AND AN	\$833.B	88227.9	2303 2	\$1,185.9	\$838.9	\$1.040.5	\$316.9	\$806.9	\$919.5	\$888.9	8363.9	\$971.5	\$11,554.3
Louisiy Payments	\$50.4	263.0	\$20.4	\$63.0	\$50.4	\$20.4	\$63.0	\$50.4	\$50.4	\$50.4	\$63.0	\$50.4	\$655.5
MG1A Sales Lax	\$85.6	\$85.8	\$65.6	\$265.6	\$85.8	\$85.6	\$85.6	\$85.6	\$85.6	\$85.0	\$85.6	\$65.0	\$1,027.0
MBTA Assessments	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$13.6	\$162.8
MSBA Payments	\$75.0	875.0	875.0	\$70.0	\$70.0	\$72.0	870.0	870.D	875.0	8700	o acts	£78.1	5,967.1
Pension Payments	24050	\$415 D	5445.0	2415.0	6445.0	6660.0	0 36.0	4496.0	0.000	200			1000
Non Pooled   Trust   Fiduciary Fund Expenditues	0.38K.D	2400	0.000			2		200	1	24.50.0	A CENT	0.00	0.622,63
Other Mod Burdanium Emeradian	2000	2000	90000	2000	2430	D'ES	2340.0	2345.0	2340.0	\$345.0	2380.0	2365.0	\$4,375.0
	\$ 101.5	2130./	\$215.1	\$27.4	2116.0	\$245.3	\$120.8	\$140.1	\$122.4	\$136.0	\$130.3	\$170.8	\$1,811.1
TOTAL NOTI BURGETALY EXPENDITURES/DUTIONS	\$1.175.B	\$1,127.9	\$1,249.7	\$1.064.6	\$1,085.5	\$1,481.8	\$1,128.0	\$1,139.7	\$1,122.0	\$1,135.5	\$1,167.5	\$1,195.5	\$14,123.6
NEI Non Guegetary Funds	(\$241.9)	(\$205.0)	(\$280.2)	\$104.3	(\$156.6)	[34413]	(\$211.10	(\$240.6)	(\$202.5)	(\$248.6)	(\$223.5)	\$224.00	(\$2,569.3)
Undesignated Revenue/Inflows and Expenditures/Outflows:							5			No.			
General Fund Investment Earnings	\$1.2	\$1.2	\$12	\$1.2	\$12	\$1.2	\$1.2	\$12	\$1.2	\$12	212	\$1.2	2144
Net Undesignated Revenue/Inflows and Expenditures/Outflows	\$1.2	\$12	\$12	\$12	\$12	81.2	\$12	613	\$1.2	64.2	64.5	3	
NET OPERATING ACTIVITIES	(\$380.7)	(\$1.234周	(\$44.0)	(\$220.2)	(\$358.5)	7589 m	2 187 2	W Casar	+	\$1 078 A	£185.4	0.004.0	(8049 a)
FEDERAL GRANTS:			I	İ	İ	Ī	Ī	İ		İ	İ	I	0.00
Total Redecal Crasts Devenied above	0 2000						To the last						
Total English County Section 19 19 19 19 19 19 19 19 19 19 19 19 19	1000 E	2220	\$ 180.0	2170.0	\$185.0	\$180.0	\$180.0	\$190.0	\$200.0	\$180.0	\$180.0	\$210.0	\$2,350.0
LOWER FORMER CARRIED EXPENDING TO THE PERSON OF THE PERSON	3.202.5	\$204.1	\$176.8	\$103.9	\$198.3	\$223.8	\$195.2	\$191.8	\$214.8	\$198.3	\$203.8	\$210.2	\$2,414.4
MET FEDERAL GRANTS	\$51.5	\$15.9	\$3.2	(\$23.9)	(\$3.3)	(\$33.8)	(\$15.2)	(\$1.8)	(\$14.0)	(\$18.3)	(\$23.8)	(\$0.2)	(\$64.4)
CAPITAL FUNDS:												000000	
Capital Revenue/Inflows:									×				
Capital Inflow from Federal Reimbursements	\$50.1	\$55.6	\$66.7	\$52.0	\$49.0	246.0	249.0	238.7	241.7	841.8	8628	878.0	7 BCA2
Capital Inflow from Financing Activities.							The second			pi			
Capital Inflow to General Fund from Segregated Bond Funds	\$413.3	\$335.0	\$275.9	2308.4	\$244.7	80303	8234.0	\$228 K	£187 K	£100.4	t auco	8 0904	69 499 8
Total Capital Revenue/Inflows	\$.469.4	\$390.6	\$342.6	\$361.4	7.0903	8,280.9	0.0903	SORE 2	6 0000	6344.9	E2687	5930 7	6-3 7E3 E
Total Capital Expenditures/Outflows	\$317.8	\$312.6	\$372.0	\$288.5	\$271.5	\$269.4	\$271.2	20145	0 1523	7 1468	\$ 70C\$	E-COR E	C3 408 2
NET CAPITAL FUNDS	\$151.6	\$78.0	(\$29.4)	\$72.9	\$22.2	\$11.5	\$8.8	\$50.7	(\$1.8)	150	(\$32.8h	13.96 81	17573
FINANCING ACTIVITIES:					10	ı	ı	İ	İ		İ		
Cash Flow Financing Activities Inflows:										9057			
Commercial Paper	0.08	008	008	008	thu t	500	600	60.0	400	000	000	000	000
Recently Anticipation Notes (RANS)	60.0	000				2 0	2 2	900	2		2	200	200
Total Cash Class Classes and Addition to the Control of the Contro	200	200	0.00	0.00	20.0	0.0%	20.0	20.0	20.0	0.08	20.0	\$0.0	\$1,200.0
Cont. Classification of the state of the sta	0.04	20.03	0.08	\$1,200.0	0.08	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,200.0
Cash Flow Filtancing Activities Cutilows:		The same of the sa			1	1000	100000			THE REAL PROPERTY.			
Commercial Paper (Poncipal + Interest)	00	0.0	20.0	\$0.0	0.0 <b>4</b>	20.0	20.0	20.0	\$0.0	\$0.0	0.08	0.04	20.0
KANS - (Principal + Interest)	20.0	20.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	8404.0	\$405.0	\$405.0	\$1,214.0
Total Cash Flow Financing Activities Outflows	80.0	80.0	20.0	20.0	0.0\$	0.04	\$0.0	0.02	\$0.0	2070	\$405.0	\$405.0	\$1,214,0
NET FINANCING ACTIVITIES	20.0	20.0	0.04	\$1,200.0	\$0.0	\$0.0	\$0.0	20.0	0.02	(\$404.0)	13405.00	18405 00	1514 00
ENDING NON-SEGREGATED OPERATING CASH BALANCE:	\$2,184.2	\$1,043.4	\$973.2	\$2,002.0	-	\$1,553,1	\$1,729.0	\$1.215.8	-	\$1,978.3	\$1.701.8	82 200 B	\$22 283 B
Capital Budget Bonding Activity:	1						İ			+		I	I
Opening Balance Segregated Bond Funds	\$640.3	8477.0	\$1217.0	25412	2431.8	4.3 007.1	Send a	86778	6447.1	eano a	4740.4	eens s	
Bonds	\$250.0	\$10750	8	S	Sakon	e es	000		2000	2 2	200		63 202 0
BANs	gg	800	S	5	000	200	2 5		0.001	2 5	0 0	0000	D.C27'C&
Segregated Bond Funds Available	2,020.3	81 557 0	\$12470	-	-	£4 ma7 4	2 7 7 8 8	900	0.000	0000	200	2000	
Bond BANs Proceeds Allocated	7	C Street	0 3/10	-	-	1 200	200	20/20	2,100,14	2000	\$/Jus	51,004.4	
Ending Balance Segregated Bond Funds	277.0	612170	6041.2	2000	7		0 1074	2.000 2.000	C. John	\$188.4	2.208.1		\$3,123.B
			7114	4	91.00/-1	900	8073.6	77.52	2000 B	\$/10.4	4.004.4	8741.0	

February 2016 in Millions				3	
	February 2016 Forecast	February 2016 Actual	Variance	Z L	March 26 Forecast
OPENING NON-SEGREGATED OPERATING CASH BALANCE:	1,487,547	1,487.479	(0.067)		899.
OPERATING ACTIVITIES:				_	
Budgetary Funds:					
l ax Revenue	1,706.000	1,691,890	(14.110)		2,640.
Federal Keimbursements	738.800	1 083 095	344.295		899.
Transfer from/(10) Stabilization Fund	292.100	226.072	(66.028)		331
Total Budgetary Revenue/Inflows	2 736 000	3 004 056	204 400	_	
l ocal Aid	452 200	3,001.056	404,150	1	3,87
Tax Refunds	463.300	411 853	(51.447)		463
Debt Service for General Obligation (including CA/T)	151.000	463 963	(2.100)		9 6
Debt Service for Special Obligations	200.00	20000	(47.134)		O.
Debt Service for GANS					
Other Budgetary Expenditures	2.294.000	2 305 191	11.191		3 017
Total Budgetary Expenditures/Outflows	3,334,353	3,289,797	(44,556)	L	3.895
Net Budgetary Funds	(597.4531	(288,740)	308.712	1	(23
Non Budgetary Funds (Non Budgetary, Higher Ed and Trust Funds):				_	
Lottery Revenue	174.823	210.551	35.728		128
Pension Receipts (PRIM and Annuity Receipts)	230.670	357,966	127.296		230
Transfers in & out for Non Pooled / Trust / Fiduciary Fund Investments	454,500	(319.627)	(774.127)		370.
Non Budgetary Tax Receipts	10.000	59.807	49.807		2
Total Non Budgatasy Davamally Source	4 674 450	303.201	411 661	4	199
	1,074,139	976.170	(402.181)	-!	904.
MRTA Sales Tay	51.336	55.962	4.627		53
MBTA Assessments	13 300	13 571	9.90		4 6
MSBA Payments	69 446	78 727	9 282		9
Pension Payments	403.000	404.364	1.364		403
Non Pooled / Trust / Fiduciary Fund Expenditures	330.000	298.673	(31.327)		370
Other Non Budgetary Expenditures	74.000	106.083	32.083		181
Total Non Budgetary Expenditures/Outflows	1,023,181	1,049.443	26.261	_	117
Net Non Budgetary Funds	50.978	(377.464)	(428.443)		(267.
Undesignated Revenue/Inflows and Expenditures/Outflows:				_	
General Fund Investment Earnings	1 000	3.520	2.520		7
Net Undesignated Revenue/Inflows and Expenditures/Outflows	1.000	3,520	2.520	L	1
NET OPERATING ACTIVITIES	(545.474)	(662.684)	(117.210)	_	(289.
FEDERAL GRANTS:				_	
Total Federal Grants Revenue/Inflows	185.000	250.211	65.211		190.
Total Federal Grants Expenditures/Outflows	168.700	203,537	34.837		221.
NET FEDERAL GRANTS	16.300	46.674	30,374	ш	(31,
Capital Revenuelnithme:					
Capital Inflow from Federal Reimbursements	32 000	37 440	5 440		90
Capital Inflow from Financing Activities:					8
Capital Inflow to General Fund from Segregated Bond Funds	180.617	180.617	100000		400
Total Capital Revenue/Inflows	212.617	218.057	5.440	_	430.
Total Capital Expenditures/Outflows	271.000	227.447	(43.553)	_	312.
NET CAPITAL FUNDS	(58.383)	(9.390)	48.994	L	118.
FINANCING ACTIVITIES:				_	
Cash Flow Financing Activities Inflows:					
Revenue Anticipation Notes (RANS)					
Total Cash Flow Financing Activities Inflows			T	_	l
Cash Flow Financing Activities Outflows:				_	
Commercial Paper – (Principal + Interest)					
Total Cost Element   Addition   Total Cost					
NET FINANCING ACTIVITIES					
ENDING NON-SEGREGATED OPERATING CASH RAI ANCE	000 000	000 000	1040 5401	_	202
במקיקו מסויקר פער פער בער פער בער פער אורם	מת'תמת	862.080	(37.910)		696.

## Actual (17.92)  ## Actual (17	larch 2016	Flarch 2016		April 2016	Apr. 2616	
2,617,052 (23,228) (3,55,280 (3,74,80) (1,94,91) (25,900 (1,14,94) (23,900 (1,14	orecas!	Actual	Variance	cast	Actual	Variance
2,419.698 (33.228) (3.274.803 (777.892 (777.892 (73.747) (23.228) (23.447) (23.2890 (777.892 (73.747) (23.2890 (777.892 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.747) (23.2890 (73.748) (23.2890 (73.748) (23.2890 (73.2890	899,989	862.080	(37.910)	696,929	1,280.067	583.138
2,617.052         (13.228)         3,353.280         3,274.803           363.871         32,71         789.900         777.882           3,736.228         (13.462)         789.900         777.882           3,736.228         (13.462)         4,637.480         4,637.182           439.533         (23.747)         483.300         401168           3,40.53         (31.747)         286.000         302.687           3,657.394         (537.299)         21.88.00         2.58.92           3,267.94         (13.48.801         3,401.391         2.32.791           108.056         (24.72.99)         80.2647         1.20.003           108.057         (24.72.99)         1.20.724         1.35.71           108.058         (24.72.99)         1.20.724         1.35.71           108.059         (27.294)         1.300         1.35.74           108.059         (24.46.66)         1.300         1.300           11.58.69         (13.72.9)         1.300         1.35.74           11.58.69         (13.27.3)         1.42.339         1.44.705           11.58.69         (13.27.3)         1.42.339         1.44.305           11.58.69         (13.44.4         1.34.4						
756 006 (143.494) 769.900 777.882 756 006 (143.494) 769.900 777.882 756 006 (143.494) 769.900 777.882 757.480 4.637.782 (173.4623) 737.480 4.637.782 (173.47) 748.301 741.689 (173.74) 748.301 741.689 (173.74) 748.301 748.30	640.280	2,617.052	(23, 228)	3,353.280	3,274.803	(78.477)
363.871 32.071 634.300 584.487 (672.388) 63.2742 (114.622) 439.553 (13.747) 694.300 46.37.182 (114.612) 58.531 (114.01) 58.531 (114.01) 58.531 (114.01) 58.531 (114.01) 58.531 (114.01) 59.532 (114.01) 59.532 (114.01) 59.532 (114.01) 59.532 (114.01) 59.532 (114.01) 59.532 (114.01) 59.532 (116.91) 69.532	9.500	756.006	(143,494)	769.900	777.892	7,992
3,736,322 (134,652) 3,637 (23,747) 3,603 (3,947) 3,603 (3,947) 3,603 (3,947) 3,603 (3,947) 3,603 (3,947) 3,604 (3,7,299) 478,999 (3,7,299) 478,999 (3,7,299) 478,999 (3,7,299) 478,999 (3,7,299) 478,999 (3,7,299) 478,999 (13	900	363.871	32.071	634.300	584.487	(49.813)
499.553 (23.747)  98.531 (11.401)  2.419.699 (598.202)  2.419.699 (598.202)  2.419.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.249.699 (598.202)  3.261 (10.596)  10.659 (26.1944)  3.261 (10.596)  10.659 (26.1944)  3.261 (10.596)  10.659 (26.1944)  3.261 (10.596)  10.659 (26.1944)  3.261 (10.596)  10.659 (26.1944)  3.261 (10.596)  3.262 (20.1944)  3.262 (10.2723)  3.262 (10.272	.580	3,736.928	(134.652)	4,757.480	4,637,182	(120.298)
2419 638   13.947   226.000   332.799   340.053   340.	300	439.553	(23.747)	463.300	401.668	(61.632)
2.419.698	900	340.053	(3.947)	286.000	332.799	46.799
2,419.698         (598.202)         2,318.890         2,568.921         2,327.934           3,257.934         (537.298)         3,148.801         3,401.391         2,51.5791           478.895         502.647         1,508.67         1,267.991         3,401.391         2,51.5791           130.601         2,564         1,508.67         1,20.063         1,207.992         1,207.993           108.056         1,267.944         330.000         59.096         (2,50.966)         2,30.906           358.689         192.523         1,207.924         873.998         (3,51.962)         1,43.61           10.0552         67.66         88.740         478.167         311.619         (1,13.61)           10.571         0.271         13.300         13.571         1,147.34         (3,21.962)           10.571         13.671         1,361         1,147.339         (80.01)         (2,21.962)           10.42.361         1,158.689         1,136.444         1,361         1,147.339         (80.01)         (2,21.962)           10.42.361         1,136.444         1,361         1,361         1,361         1,361         1,361         1,361         1,361         1,361         1,361         1,361         1,361         1,	.032	58.631	(11,401)	80,701	80.003	(0.697)
130.601   2.584   1.59.087   1.29.08.321   2.30.802   3.448.801   3.401.391   2.30.802   3.448.801   3.401.391   2.30.802   3.20.8	8	00000				
130.601   2.584   159.087   129.063   130.601   143.61   130.601   130.601   12.564   130.087   1236.791   130.605   130.605   143.61	332	3.257.934	(617 298)	3 148 801	126.986.2	268.121
130.601   2.584   159.087   129.063   124.714   108.056   124.714   108.056   124.714   108.056   124.714   108.056   124.267   120.523   120.523   120.522   120.52	6523		502.647	1.608.679	1 235 791	(372 RRG)
130.601   2.584   159.007   129.063   120.055   120.25					100.000	(207.002)
102.056 (261.944) 330.000 59.000 (20.000) 94.267 358.689 192.523 1.207.924 673.996 (20.000) 94.267 358.689 192.523 1.207.924 673.996 (20.000) 1.3.571 69.46 59.541 13.571 69.444 13.659 10.659 330.000 258.996 (13.271 13.695 13.412 13.613 11.000 43.24 13.629 13.412 13.613 11.000 43.24 13.613 13.412 13.613 13.412 13.613 13.000 22.832 13.412 13.613 13.412 13.613 13.412 13.613	018	130.601	2.584	159.087	129.063	(30.025)
94.267 84.267 10.000 114.361 11 120.522 87.406 82.50 1.207.924 873.998 (3 1.3571 6.358) 13.501 (0.750) 13.501 13.5	000	108.056	(261 944)	330 000	29.096	(270.904)
120.328	0.000		84.267	10.000	114.361	104.361
120.522   67.406   58.740   46.813   68.1328   67.406   68.740   46.813   69.120   67.201	167	358,689	192,523	478,167	311.619	(166.548)
120.522   67.406   58.740   46.813   6   13.571   142.339   96.013   12.344   13.572   13.6	854	816.328	(88,526)	1,207.924	673.998	(333.926)
82.100 72.874 13.571 0.271 13.300 13.571 58.102 (11.3.44) 69.446 59.541 413.659 10.659 403.000 258.996 (118.1.44) 251.626 38.629 39.629	117	120.522	67.406	58.740	46.813	(11.927)
13.571	100	81,350	(0.750)	82.100	72.874	(9.226)
2.361 (1.659 0.9.44b 0.9.44b 0.9.541 (1.659 10.659 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	300	13.571	0.271	13 300	13.571	0.271
25. 056 (118.144) 330 000 258 996 (12.219.629) 1.056.565 964.011 (1.156.689) (13.273) 1.056.565 964.011 (1.156.689) (13.273) 1.056.565 964.011 (1.156.689) (13.273) 1.056.565 964.011 (1.156.102) 1.056.565 964.011 (1.1	000	201.02	10.559	403 000	19:541	(9.905)
1,156,689 (13,273)   1,060 97,511 (17,56,689 (13,273)   1,065,585 964,011 (17,56,589 (13,273)   1,2319 (90,013) (2,311 (13,2995 42,474 (13,029)   1,000 4324 (13,029)   1,361	00	251.856	(118,144)	330 000	258.996	(71.004)
1,156,689 (13,273) (1,065,565 964,011 (17,065,565 964,011 (17,065,565 964,011) (2,061) (1,061)	000	219.629	38.629	109 000	97.511	(11,489)
2.361 1.361 1.000 4.324 1.361 1.000 4.324 1.361 1.361 1.000 4.324 1.361 1.361 1.000 4.324 1.361 1.3629 1.752.018 1.150.102 [6 2.474 58.444 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 186.754 1.36.70 1.3	.962	1,158.689	(13.273)	1,065.585	964.011	(101.575)
2.361 1.361 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 4.324 1.000 2.000 1.00000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0000 1.0000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.00000 1.000000 1.000000 1.000000 1.000000 1.000000 1.000000 1.00000000	108)	(342,361)	(75.253)	142.339	(90.013)	(232,351)
249.44 59.444 185.010 4,324 249.444 59.444 185.010 192.085 218.271 13.029 178.700 186.754 31.070 22.932 447.658 47.658 280.000 247.896 (491.071 61.071 61.071 260.000 247.896 (68.748) 243.252 (68.748) 260.000 201.657 (68.748) 243.252 (68.748) 240.000 404.612 403.000 404.639	8	2 181	1 364	900	766.7	3 124
138.995   428.755   1,752.016   1,150.102   (6	8	2 164	1 164	000	4.324	2 3 3 4
249.444 59.444 185.000 192.085 218.271 13.029) 13.029 15.314 62.474 62.474 6.300 5.331 6.300 22.932 44.7.658 47.658 491.071 61.071 243.252 (68.749) 247.818 129.818 51.000 201.657 (247.818 129.818 51.000 404.612 403.000) (404.639) (404.639)	7601	138.995	428 755	1 752 018	1 150 102	1601 0161
249.444 59.444 178.700 192.085 218.271 13.412 13.412 31.000 22.932 447.658 47.658 247.896 (247.896 10.71 61.071 250.000 247.896 (247.818 129.818 51.000 404.612 403.000 404.639						
218.271         (3.020)         178.700         186.754           31.174         62.474         6.306         5.331           43.412         13.412         31.000         22.932           447.658         47.658         280.000         247.896           491.071         61.071         260.000         247.896           243.252         (68.749)         260.000         201.657           247.818         129.816         51.000         69.170           403.000         404.612         404.612           403.000         404.639           404.639         404.639	000	249.444	59.444	185.000	192.085	7.085
43.412     43.412     31.000     22.832       43.412     13.412     31.000     22.832       447.658     47.658     280.000     247.896     (       243.252     (88.744)     260.000     201.657     (       247.818     129.816     51.000     69.170     (       403.000     404.612       403.000     404.639       404.639     404.639	300	218.271	(3.029)	178.700	186.754	8.054
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# Commonwealth of Massachusetts Cash Flow Forecast Glossary

# **BUDGETARY SECTION**

#### Tax Revenue

These tax revenue figures are gross, and do not account for tax refunds (which are captured in the budgetary outflow section of the forecast) and include amounts that are statutorily dedicated transfers to the Massachusetts Bay Transportation Authority, Massachusetts School Building Authority, etc.

#### Federal Reimbursements

Federal revenues are collected through reimbursements for the federal share of entitlement programs such as Medicaid and through block grants for programs such as Transitional Assistance to Needy Families (TANF). The amount of federal reimbursements to be received is determined by state expenditures for these programs. For example, the Commonwealth receives reimbursement for approximately 50% of its spending for Medicaid programs.

#### Other Budgetary Revenue

This revenue reflects all non-tax and non-federal reimbursement revenue that is used to support the Commonwealth's operating budget. This includes departmental revenue collections (e.g., RMV fees and fines) as well as transfers of revenue from non budgetary funds to the General Fund (e.g., Tobacco Settlements are initially deposited into a non budgetary fund and then transferred to the General Fund. Unclaimed Property revenue is transferred from the Unclaimed Property Fund to the General Fund, etc.).

## Transfer from/(to) Stabilization Fund

The Stabilization Fund is established by state finance law as a reserve of surplus revenues to be used for the purposes of covering revenue shortfalls, state or local losses of federal funds or for any event that threatens the health, safety or welfare of the people or the fiscal stability of the Commonwealth or any of its political subdivisions. The fund is sometimes referred to as the state's "rainy day fund", serving as a source of financial support for the state budget in times of slow or declining revenue growth and as the primary source of protection against having to make drastic cuts in state services in periods of economic downturns. The Stabilization Fund is a "segregated" fund, and balances in the fund do not contribute to Commonwealth's "pooled" cash.

#### Local Aid

This spending category represents local aid that is appropriated in the state budget and is primarily comprised of Chapter 70 (public education) local aid and unrestricted general government aid. These disbursements used to go out quarterly, but recently enacted legislation amended state finance law so that they are made on a monthly basis.

#### Tax Refunds

A tax refund is a refund to a taxpayer of amounts paid in excess of the full amount of tax, interest and penalties due from the taxpayer for a particular tax type and period. Under G.L. Chapter 62C, Section 36, the Commissioner can offset a tax refund for one tax type in order to pay amounts due from the taxpayer for another tax type.

## **Debt Service for General Obligation (including CA/T)**

This line represents principal and interest payments on all of the Commonwealth's outstanding general obligation bonds. These payments, as general obligations of the Commonwealth, are secured by a pledge of the Commonwealth's full faith and credit. Within this line are payments on bonds and notes issued to finance the State's various capital expenditures. Debt service payments for general obligation bonds are made on a monthly basis.

#### **Debt Service for Special Obligations**

This line represents principal and interest payments on all of the Commonwealth's outstanding special obligation bonds. As special obligations of the Commonwealth, these payments are secured by specific revenue streams pursuant to the various trust agreements underlying each bond issuance. This line includes payments on bonds secured by motor vehicle fuels receipts, Commonwealth Transportation Fund ("CTF") revenues and a selection of tourism-related sales and excise taxes.

#### **Debt Service for GANS**

This line represents interest payments on Federal Grant Anticipation Notes (GANs). GANs are bonds issued by the Commonwealth that are secured by a pledge of future Federal Highway Trust Fund revenues and net CTF revenues. The Commonwealth's current outstanding GANs were issued to help finance the Central/Artery Tunnel Project as well as the Accelerated Bridge Program. GANs payments are made one year in advance of their scheduled release from the trustee and are made in December and June of each year.

## Other Budgetary Expenditures

This captures all operating budget spending with the exception of Local Aid, Debt Service and the pension appropriation. This line includes: MassHealth spending, budgetary payroll and other budgeted spending, either authorized in the GAA, supplemental budget legislation filed or enacted, or that may be anticipated.

# **NON BUDGETARY SECTION**

## **Lottery Revenue**

This revenue category represents the net operating revenues of the Massachusetts State Lottery Commission. It primarily consists of the sale of Lottery products minus prizes, commissions and bonuses that are paid by the Commission.

# Pension Receipts (PRIM and Annuity Receipts)

Funds transferred from PRIM to reimburse the General Fund for the payment of monthly pension benefits and annuity payments and separation from state service.

# Transfer in & out for Non Pooled / Trust / Fiduciary Fund Investments

Non budgetary funds are also referred to as Trust or Fiduciary funds. As defined in state finance law, "Trust fund", a fund into which are deposited monies held by the Commonwealth or state agencies in a trustee capacity and which must be expended in accordance with the terms of the trust. Funds held in trust earn interest, which accrues to the trust; so for cash flow purposes are categorized as non pooled cash. When a trust collects money it is recorded with the Treasury on MMARS (the Commonwealth's accounting system) then moved from the cash flow to a non pooled investment. When a trust spends money the investment is liquidated by the Treasury on MMARS and then moved from a non-pooled status back to the cash flow. Thus, the net amount of all non budgetary investments for a month could be a negative inflow.

#### Non Budgetary Tax Receipts

These taxes are collected by the Commonwealth but are deposited directly into non budgetary trust funds for dedicated purposes. For example, the Massachusetts Convention Center Fund annually receives dedicated hotel and sales taxes to support restricted purposes, such as the annual debt service expenses associated with the construction of the Boston Convention and Exhibition Center.

#### Other Non Budgetary Revenue

The recording of cash collections of all non budgetary funds, except Lottery, Pension and non budgetary tax receipts.

## **Lottery Payments**

Payment of prizes, commissions and bonuses that are paid by the Commission.

#### **MBTA Sales Tax**

The MBTA receives 1% of the first 5% of sales tax receipts, excluding meals (MGL Chapter 10, Section 35T). The dedicated sales tax growth is capped at 3% annually (based on the inflation index), but has not been achieved in recent years. This revenue is drawn down from the Fund on a monthly basis with a quarterly true-up.

#### MBTA Assessments

The Local Assessments (MGL Chapter 161A, Section 9) are contributed by the 175 cities and towns that are served by the MBTA. Each share is based on a weighted percentage of the total population of all the communities as published by the most recent state census. The total Local Assessment is certified before March 1 of each year and is now drawn down from the Fund on a monthly basis.

#### **MSBA Payments**

The Massachusetts School Building Authority ("MSBA") receives a dedicated sales tax revenue amount equal to 1% of receipts from sales, as defined by G.L. Chapter 64H and G.L. Chapter 64I (exclusive of taxes on sale of meals and sales in certain convention center districts). By the 15th business day of each month, the Department of Revenue ("DOR") identifies the dedicated sales tax revenue amount from the gross receipts of sales and purchases received by the Commonwealth the previous month, and the Comptroller credits that identified amount to the School Modernization and Reconstruction Trust Fund ("SMART Fund"). Within two business days of the Comptroller crediting the identified amount for the previous month to the SMART Fund, the Office of the State Treasurer disburses that amount from the SMART Fund to the MSBA's trustee.

#### **Pension Payments**

Payments to beneficiaries of the state and teachers retirement systems, payments of refunds for excess collections or separation from state service.

#### Non Pooled / Trust / Fiduciary Fund Expenditures

Any payments made from non pooled funds require cash on hand at the time of expenditure. These funds may be recently collected through Other Non Budgetary Revenue or may require liquidation of invested income.

## Other Non Budgetary Expenditures

Non budgetary expenditures that are supported by pooled cash.

## **General Fund Investment Earnings**

Interest earned from deposits at local banks and the Commonwealth's pooled investment trust, the Massachusetts Municipal Depository Trust.

# FEDERAL GRANTS SECTION

#### Total Federal Grants Revenue/Inflows

This line represents the funds that have been authorized by federal agencies for federal grant expenditures/outflows that a state agency has incurred. Agencies must comply with regulations issued by the Comptroller for application and receipt of federal grants, which are generally then appropriated in section 2D of the General Appropriation Act.

## **Total Federal Grants Expenditures/Outflows**

This line represents funds spent by state agencies from federal grant appropriation accounts. In accordance with the Cash Management Improvement Act (CMIA) all expenses are scheduled to be disbursed by the state agencies and then drawdowns from the federal funding agencies are made to time receipt with the payments clearing the bank.

# **CAPITAL SECTION**

## **Capital Inflow from Federal Reimbursements**

This line represents funds provided to the Commonwealth from federal agencies for capital expenditures that qualify for full or partial reimbursement. For example, the Federal Transit Authority typically reimburses the Commonwealth for approximately 80% of costs associated with maintaining state roads and bridges.

## Capital Inflow to General Fund from Segregated Bond Funds

This line represents the allocated bond proceeds transferred from the segregated bond fund to the General Fund for reimbursement of General Fund expenditures on capital projects.

#### **Total Capital Expenditures/Outflows**

This line represents capital spending funded through the Commonwealth's "bond cap", which is based on an annual Debt-Affordability Study and is approved through the Commonwealth's Five-Year Capital Investment Plan, as well as gross federally-reimbursable spending, capital expenditures related to the Accelerated Bridge Program, which is secured through a separate

stream of revenue that is not included in the Commonwealth's Debt-Affordability Study, and lastly, projects funded through the Clean Energy Investment Program, whereby the debt is secured by future savings related to increased energy efficiency.

## **Commercial Paper**

This line item represents the proceeds from the Commonwealth's sale of commercial paper. Commercial paper is a short-term financial obligation of the Commonwealth that has a fixed maturity of no more than 270 days.

#### **Revenue Anticipation Notes (RANS)**

This line represents the proceeds from the sale of Commonwealth of Massachusetts revenue anticipation notes (RANs). RANs are general obligations of the Commonwealth, of which the State's full faith and credit is pledged, with a maturity of less than one year. RANs are issued in order to manage the cyclical variability in the Commonwealth's cash flow operations. Generally, they are issued in the beginning of a fiscal year, in anticipation of revenue to be received towards the end of the fiscal year.

#### Commercial Paper – (Principal + Interest)

This line item represents the principal and interest debt service payments on the Commonwealth's commercial paper. Commercial paper is a short-term financial obligation of the Commonwealth that has a fixed maturity of no more than 270 days.

#### RANS – (Principal + Interest)

This line item represents the principal and interest debt service payments on RANs issued by the Commonwealth. RANs are general obligations of the Commonwealth, of which the Commonwealth's full faith and credit is pledged, and carry a maturity of less than one year. RANs are issued in order to manage the cyclical variability in the Commonwealth's cash flow operations. Generally, they are issued in the beginning of a fiscal year, in anticipation of revenue to be received towards the end of the fiscal year.

## **Opening Balance Segregated Bond Funds**

This line item represents the opening balance within the Commonwealth's segregated bond fund. The segregated bond fund is separate from the Commonwealth's operating and budgetary funds and is only affected by the receipt of bond proceeds or the allocation of bond proceeds. The fund's opening balance at the beginning of a given day will be equal to the closing balance on the prior day.

#### **Bonds**

This line item represents the proceeds from the sale of Commonwealth bonds (both special obligation and general obligation).

#### **BANs**

This line item represents proceeds from the sale of bond anticipation notes. BANs allow the Commonwealth to access short-term liquidity for capital needs in anticipation of future longer-term borrowings.

## **Segregated Bond Funds Available**

This represents the total sum of the fund's opening balance plus any bond or BAN proceeds.

## **Bond / BANs Proceeds Allocated**

This represents any segregated funds allocated to the general fund for reimbursement of General Fund expenditures on capital costs.