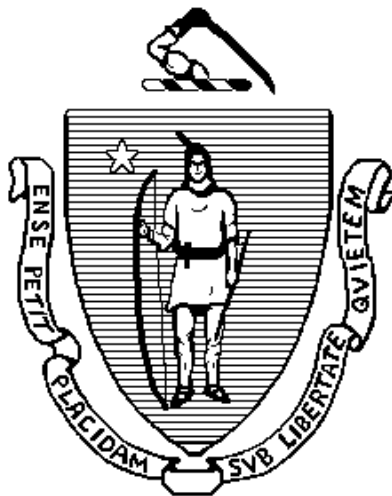


Commonwealth of Massachusetts



Statutory Basis Financial Report

For the Fiscal Year Ended June 30, 2009

Martin J. Benison, CGFM
State Comptroller

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

This Document is available at the Comptroller's website: www.mass.gov/osc

House of Seven Gables
Salem, Massachusetts

Photograph courtesy of the House of the Seven Gables

Statutory Basis Financial Report

For the Fiscal Year Ended June 30, 2009

Table of Contents

	<u>Page</u>
<i>Introductory Section</i>	
Comptroller's Letter of Transmittal.....	1
Constitutional, Legislative and Judicial Officers.....	17
Acknowledgments	18
Organization Chart of State Government	19
Advisory Board to the Comptroller.....	20
<i>Financial Section</i>	
Independent Accountants' Review Report.....	23
<i>Combined Financial Statements - Statutory Basis:</i>	
Combined Balance Sheet - Statutory Basis – Budgeted Funds	26
Combined Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual - Budgeted Funds	27
Combined Statements of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Non-Budgeted Special Revenue and Capital Projects Funds	28
Notes to Combined Financial Statements - Statutory Basis	29
<i>Combining and Individual Fund Financial Statements - Statutory Basis:</i>	
<u>Budgeted Funds:</u>	
Fund Descriptions	41
Combining Balance Sheet - Statutory Basis.....	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis.....	46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis - Budget and Actual	48
<u>Individual Budgeted Funds:</u>	
General Fund	52
Highway Fund	56
Infrastructure Fund (Subfund of Highway Fund).....	58
Commonwealth Stabilization Fund	60
<u>Administrative Control Funds:</u>	
Intragovernmental Service Fund	62
Bay State Competitiveness Investment Fund	64
<u>Environmental Fund:</u>	
Inland Fisheries and Game Fund.....	66
<u>Other:</u>	
Workforce Training Fund.....	68
Massachusetts Tourism Fund	70

Table of Contents (continued)

Non-Budgeted Special Revenue Funds:

Fund Descriptions.....	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Statutory Basis.....	78

Capital Projects Funds:

Fund Descriptions.....	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Statutory Basis	88

Supplemental Information:

Calculation of Transfers:

Stabilization Fund.....	92
Tax Reduction Fund	93
Non-Tax Revenue Initiatives.....	98
Schedule of Pension Funding Progress	99

Statistical Section

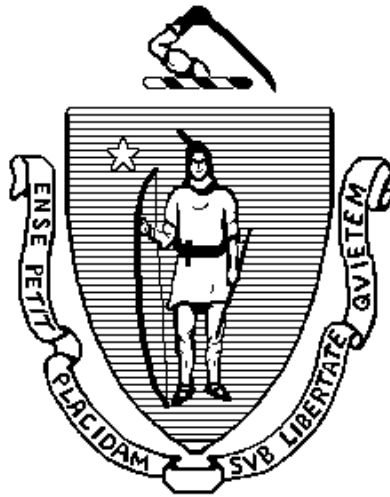
Ten-Year Schedules:

Revenues and Other Financing Sources – Statutory Basis	102
Tax Revenues by Source – Statutory Basis	104
Expenditures and Other Financing Uses by Secretariat – Statutory Basis	106
Budgeted Funds Expenditures and Other Uses by Major Program Category	108
Long-Term Bonds and Notes Outstanding	109
Central Artery / Tunnel Project Spending and Funding Sources	110

Higher Education Non-Appropriated Activity

Descriptions.....	113
Combining Higher Education System – Statutory Basis	114
University of Massachusetts – Statutory Basis.....	115
Combining State College System – Statutory Basis	116
Combining Community College System – Statutory Basis	118

Introductory Section



Comptroller's Letter of Transmittal
Constitutional, Legislative and Judicial Officers
Acknowledgements
Organization Chart of State Government
Advisory Board to the Comptroller



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*Martin J. Benison, Comptroller
One Ashburton Place
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November 3, 2009

*To the Citizens of the Commonwealth of Massachusetts,
Governor Deval L. Patrick, and Honorable Members of the
General Court*

I am pleased to present to you the Statutory Basis Financial Report (SBFR) of the Commonwealth for the fiscal year ended June 30, 2009 (FY09).

This SBFR reflecting a legislative change enacted during FY09 is in a new streamlined format. In addition, the changes call for the report to be reviewed and not audited. It is important to note the Comprehensive Annual Financial Report (CAFR) remains audited. This means the underlying activity in this report receives the same audit coverage but through a streamlined process. This affords more of a concentration on the budgeted operations of the Commonwealth for this report, without changing processes and procedures on the other funds. The important Stabilization Fund calculation and supporting schedules are still included in this report and are found in the supplemental information section. The remaining funds are now presented in tabular form, which we believe simplifies the presentation of the Commonwealth's financial operations. We hope you appreciate this more streamlined approach and encourage your feedback.

The Commonwealth completed the fiscal year for the third consecutive year with a budgetary loss (excess of expenditures and uses over revenues and sources) of approximately \$1.4 billion, decreasing budgeted fund balances to slightly over \$1 billion. Of the total budgeted fund balance as of June 30, 2009, \$841 million is retained in the Stabilization Fund, compared to a balance of over \$2.3 billion at the end of 2007. To support FY10 operations, the Commonwealth transferred an additional \$199 million from the Stabilization Fund to the General Fund. Net of the \$199 million already transferred, the balance of the Stabilization Fund is approximately \$642 million. This represents seven days of budgeted operations. In addition to the remaining balance in the Stabilization Fund, the Commonwealth will continue to receive funds from the federal American Recovery and Reinvestment Act (ARRA) in FY10 and into FY11. Going forward, the Commonwealth cannot rely on these funds to the degree it did in the previous fiscal years and new sources of revenue or additional cuts to spending will be needed to maintain fiscal balance.

During FY09, budgeted tax revenues declined by over 13.8%. Income taxes declined by 15.2%. Sales and use taxes also declined by 5.3%. As sales taxes declined, non-Commonwealth entities such as the Massachusetts Bay Transportation Authority and the Massachusetts School Building Authority required transfers from the General Fund to fund base revenues required by law. As part of the FY10 General Appropriations Act, the sales and use tax was raised to 6.25% on

August 1, 2009. Beginning in FY11, a portion of the sales tax will be used to fund the newly created (and reformed) Massachusetts Department of Transportation.

The Commonwealth passed a number of measures this year to remain in fiscal balance:

- Four budgetary provisions were passed to draw nearly \$1.3 billion from the Stabilization Fund to fund operations. Additional amounts of principal and the entirety of investment income were also transferred to the General Fund.
- \$412 million ARRA funding was used to support Local aid payments under General Laws.
- As part of ARRA, the Commonwealth received approximately \$870 million in Federal Medicaid Assistance Percentage funds, representing a temporary increase in federal matching funds.
- Various amounts of budgetary reductions affecting all functions of government this year totaled approximately \$631 million.
- Consolidation of the Department of Elementary and Secondary Education, Early Education and Care and the creation of Department of Higher Education within a new Executive Office of Education was accomplished in FY09.
- The adopted pension funding schedule was extended from 2023 to 2025.
- In two separate acts, transfers that had gone or would have gone to separate authorities were reduced or eliminated, including \$65 million from the Massachusetts Convention Center Authority, \$10 million from the Massachusetts Technology Park Corporation, \$10 million from the Massachusetts Clean Energy Center and \$10 million from the Massachusetts Life Sciences Investment Fund.
- The suspension of the statutorily required deposit of 0.5% of budgeted tax revenues into the stabilization fund, saving approximately \$93 million.

The Commonwealth experienced significant job losses but still paced ahead of the nation as a whole. The unemployment rate for the Commonwealth was a seasonally adjusted 5.2% rate in July of 2008, but rose to 8.6% in June 2009. This compares to a seasonally adjusted 5.8% and 9.5% nationally. The general appropriation act for FY10 was based on a consensus budgeted revenue estimate of approximately \$27.2 billion, of which approximately \$15.9 billion represents taxes available for budget. However, as of October 2009, the Executive Office for Administration and Finance revised this estimate down by \$600 million. To address this drop in revenues, the Governor announced further spending reductions in October 2009.

Overview of the Financial Statements

This report was restructured from previous years to bring focus on the budgeted funds. For the budgeted funds, the activity and balances are presented. For all other funds included in this report, the activity – inflows and outflows – are presented in tabular form. This change was predicated by a change in law which afforded the Comptroller flexibility in presentation.

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, and to present fairly the results of FY09 activity in the Commonwealth's funds. The report contains computations required by state finance law, including the certification of transfers to and balances in the Stabilization Fund and Tax Reduction Fund.

Basis of Accounting

The statutory basis of accounting, defined in Massachusetts law, is used to budget and control fiscal operations. The statutory basis of accounting is not in conformity with accounting principles generally accepted in the United States of America (GAAP) as defined for governments by the Government Accounting Standards Board (GASB). Fiduciary Funds are not included in this presentation. I will report the Commonwealth's financial position on a GAAP basis in December, in our Comprehensive Annual Financial Report (CAFR). This report, which will be prepared in accordance with GAAP, provides a basis for comparison with other governments. There are significant differences between what is contained in the SBFR fund balance, revenues and expenditures and what will be presented in December under GAAP. The major differences include presentation for depreciation expense, the presentation of all types of long term obligations, including debt on the face of the financial statements and the presentation of those financial statements in an all – encompassing, net assets and net expense format.

In accordance with Section 12 of Chapter 7A Massachusetts General Laws, as amended, the Office of the Comptroller transmits the SBFR on October 31st. The SBFR report for the fiscal year ended June 30, 2009 herein is reviewed, not audited, by KPMG LLP and represents the closing of the Commonwealth's books for the fiscal year. The review is conducted in conjunction with the Office of the State Auditor, which provides knowledge, expertise and resources to review the financial statements.

American Recovery and Reinvestment Act

As of June 30th, ARRA funds received by the Commonwealth in all funds were in excess of \$1.4 billion. \$1.3 billion of this was in two programs – Medicaid and the State Fiscal Stabilization Fund grants. Medicaid reimbursement percentages were raised due to ARRA generating almost \$870 million of increased revenues.

**American Recovery and
Reinvestment Act
Expenditures of Federal
Award Activity For FY2009**

Education.....	\$ 416,196
Labor and workforce development.....	6,644
Public safety and security.....	12,589
Safety net.....	976,685
Transportation.....	148
Total by funding category.....	\$ 1,412,262
Total budgeted funds.....	\$ 873,959
Total non-budgeted special revenue funds *	437,917
Total capital projects funds.....	148
Total expendable trust funds **.....	100,238
Total by fund type.....	\$ 1,412,262

* Resulted in expenditure reduction in the General Fund

** Not included in this report

The remainder was from the State Fiscal Stabilization Fund grants within ARRA. These grants are largely for educational purposes with the remainder for general government programs. Just before year end, the Commonwealth drew nearly \$412 million of these funds from the federal government and used them for local educational aid for cities and towns. That aid was slated to be cut as part of budgetary reductions. The table to the left shows inflows by program to the Commonwealth within the budgeted and non-budgeted or capital funds for ARRA for FY09.

In many respects ARRA is triggering a reexamination of governmental interaction to its citizens nationwide. ARRA requires heightened scrutiny of processes, policies and procedures achieving a new level of transparency. The Commonwealth intends in FY10 to exceed the reporting requirements of ARRA in building a citizen-focused, transparent website to disclose not only ARRA activities, but all federal activities and results. Information can be found at <http://www.mass.gov/recovery> for daily updates on how ARRA is benefiting the Commonwealth.

Other Financial Highlights

Other significant events over the last year impacted the financial condition of the Commonwealth:

During the fiscal year, the Commonwealth passed over \$15 billion in bond authorizations. These acts more than doubled the Commonwealth's authorized but unissued debt from FY08. The acts included:

- \$1.3 billion for affordable housing (act was passed in FY08 but terms were agreed to in FY09.)
- \$1.6 billion in transportation funding (leveraging \$1.9 billion in federal reimbursements) including interstate and non-interstate roads and improvements for mass transit (act was passed in FY08 but terms were agreed to in FY09.)
- \$500 million for life sciences, including \$90 million for a research center at the University of Massachusetts Medical School for continued research into RNAi, stem cell biology, cord blood and gene therapy.
- \$2.2 billion for higher education infrastructure.
- \$40 million to expand broadband internet services Commonwealth-wide.
- \$1.4 billion in additional transportation funding for local roads, rail projects and airports.
- \$1.7 billion for land preservation, parks and clean energy.
- \$3.3 billion in general government projects including information technology, police equipment and municipal construction and
- \$3.0 billion to address bridge reconstruction projects including \$906 million for Department of Conservation and Recreation bridges and parkways.

Other existing but dormant authorizations were de-authorized.

At year end, the Commonwealth passed a sweeping transportation reform act, creating a new authority, the Massachusetts Department of Transportation (MDOT.) A new budgeted fund, the Commonwealth Transportation Fund will succeed most of the operations of the Highway Fund in FY10. Most other highway and transit related funds will transfer to the MDOT operations. MDOT will also include the Massachusetts Turnpike Authority, the bridges and certain roads and parkways of the Department of Conservation and Recreation, as well as the Tobin Memorial Bridge operations of the Massachusetts Port Authority. MDOT will also have more oversight of the Massachusetts Bay Transportation Authority as well as the Regional Transit Authorities.

Tobacco settlement proceeds for the fiscal year were approximately \$315 million or approximately 9.2% higher than FY08. The entire amount was used in support of current operations.

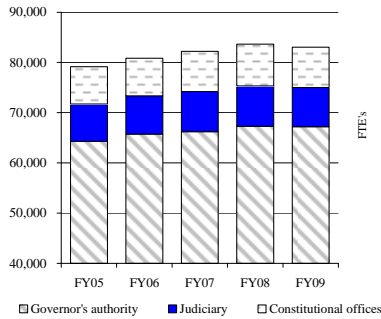
In other non-budgeted fund activity, the Commonwealth commenced operations with other states participating in a Regional Greenhouse Gas Initiative (RGGI.) RGGI is a regional strategy to control emissions, including a market-based, multi-state cap-and-trade program that will require electric power generators to reduce their emissions of carbon dioxide. In FY09, this program generated nearly \$45 million of new revenues from four auctions. All of these proceeds are dedicated to funding elements of the green communities act and to lower greenhouse gas emissions.

Because of budgetary cuts, the budgeted full time equivalent workforce declined by 1,027 positions in FY09. However non-budgeted, capital and trust funded positions increased by 446 positions. For all funding sources, full-time equivalent positions declined by 581.

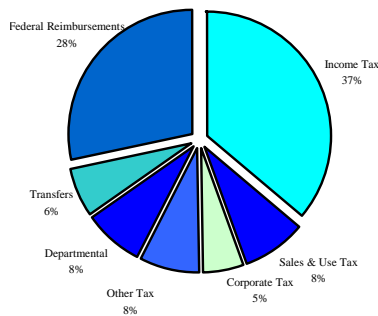
Lottery Deficit

In FY09, the Commonwealth transferred approximately \$844 million in the aggregate to municipalities in so called lottery aid, of which \$76.7 million was supported by appropriations in the General Fund. Overall, Lottery revenues declined by \$266 million or approximately 5.4%. Of the \$76.7 million subsidized by the General Fund, \$33 million was included in the General Appropriation Act. Subsequent to year end, legislation was passed transferring \$43.7 million from the General Fund into the Lottery to cure the current year deficit. In addition, the General Fund transferred over \$32 million to cover a carry-forward unfunded deficit from FY08. The FY10 General Appropriation Act contains provisions for \$936 million for unrestricted general government aid which replaces lottery aid and additional assistance. This amount is \$377 million lower than the amount funded through lottery aid and additional assistance for FY09.

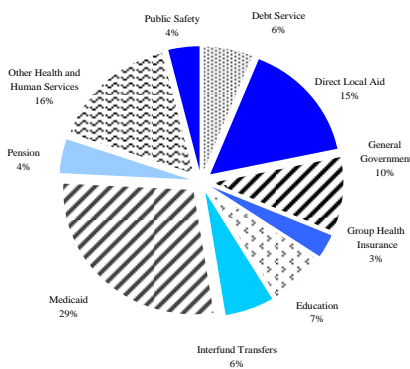
**Full Time Equivalent Workforce
Including Higher Education
June 2005 – June 2009**



**Budgeted
Revenues and Other
Sources**



**Budgeted Expenditures
and Other Uses**



The Budgeted Funds

The General Appropriations Act (GAA) authorized approximately \$26.8 billion in spending, exclusive of approximately \$131 million in FY08 spending authorized to be continued into FY09 as part of final FY08 supplemental budgets.

Supplemental budgets during the year authorized approximately \$302 million in appropriations. Subsequent to year end, an additional supplemental budget was enacted totaling approximately \$66 million. The year’s significant supplemental appropriation transfer activity included approximately:

- \$9 million for additional compensation of private counsel for their work as public defenders
- \$76 million for additional health insurance costs for members of the Group Insurance Commission
- \$6 million for federal disaster related costs for December 2008 and January 2009’s severe winter storms and flooding
- \$50 million in additional managed health care costs
- \$103 million in additional snow and ice removal costs
- \$32 million for correctional facilities.

A total of 19 budgetary appropriations were supplemented during the year.

Budgeted expenditures and other uses, including transfers to non-budgeted funds, decreased by \$202 million from FY08. However, included in this amount is an increase in programs and services of \$134 million. The majority of the increase in program and service costs is due to the increase in Medicaid costs. But, the spending for direct local aid decreased by \$317 million due to FY09 spending reductions. A portion of this reduction was ultimately paid from federal grants using the ARRA resources.

Debt service increased by \$23 million. Pension costs decreased by \$84 million due to the extension of the pension funding schedule to FY2025 from FY2023. Inter-fund transfers to non-budgeted funds decreased by \$275 million due to one time transfers that were made FY08 from the Bay State Competitiveness Investment Fund and a \$127 million decrease in deficit support for the Lottery operations.

The Budgeted Funds – Operations table on page 7 displays the FY09 summary of budgeted funds, compared to FY08. The FY09 financial statements for each of the 9 individual budgeted funds are included in the financial section of this report. In FY10 and in future years, if revenue growth slows, the challenge will be to continue to match spending to available revenues.

In conducting the budget process, the Commonwealth excludes from their forecast those “interfund” transactions within the budgeted funds that are included in this report because by their nature, they have no impact on the combined fund balance of the budgeted funds. The table Budgeted Funds – Operations isolates this “interfund” activity from the

budgeted sources and uses to align forecasts prepared during the budget process to actual amounts in this report. In FY09, transfers among the Budgeted Funds decreased as a result of funds provided from Stabilization Fund to other funds to balance the budget for the year as well as year-end transfers back into the Stabilization Fund. A detailed list of these interfund transfers is included in Note 3 of the financial statements.

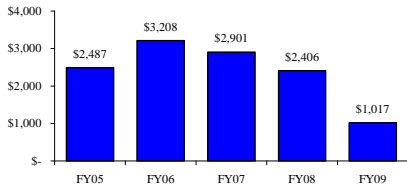
Budgeted Funds - Operations
(Amounts in thousands)

	2008	2009
Beginning fund balances:		
Reserved and designated.....	\$ 451,312	\$ 171,479
Reserved for Stabilization Fund.....	2,335,021	2,119,194
Undesignated.....	114,682	115,147
Total.....	2,901,015	2,405,820
Revenues and other sources:		
Taxes.....	19,488,540	16,790,021
Federal reimbursements.....	6,429,469	8,250,900
Departmental and other revenues.....	2,355,878	2,326,179
Interfund transfers from non-budgeted funds and other sources.....	2,039,288	1,850,280
Budgeted revenues and other sources.....	30,313,175	29,217,380
Intragovernmental Service Fund revenues.....	222,763	227,609
Interfund transfers among budgeted funds and other sources.....	2,003,543	1,736,208
Total revenues and other sources.....	32,539,481	31,181,197
Expenditures and other uses:		
Programs and services.....	25,363,667	25,497,274
Debt service.....	1,867,908	1,891,386
Pension.....	1,398,600	1,314,396
Interfund transfers to non-budgeted funds and other uses.....	2,178,195	1,903,508
Budgeted expenditures and other uses.....	30,808,370	30,606,564
Intragovernmental Service Fund expenditures.....	222,763	227,609
Interfund transfers among budgeted funds and other uses.....	2,003,543	1,736,208
Total expenditures and other uses.....	33,034,676	32,570,381
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	(495,195)	(1,389,184)
Ending fund balances:		
Reserved and designated.....	171,479	68,856
Reserved for Stabilization Fund.....	2,119,194	841,344
Undesignated.....	115,147	106,436
Total.....	\$ 2,405,820	\$ 1,016,636

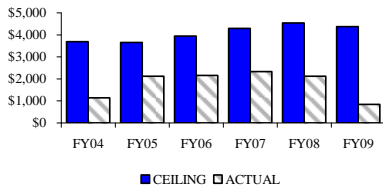
The graph of Budgeted Funds – Fund Balance on page 8 portrays the combined fund balance in the budgeted funds for the past five years.

At June 30, 2009, the ending balance is comprised mainly of the statutory fund balance of the General Fund and the Stabilization Fund.

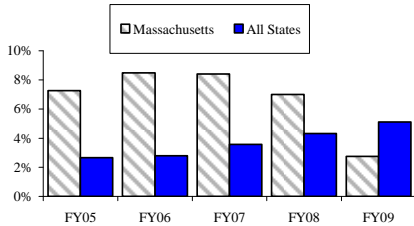
**Budgeted Funds – Fund Balance
(Amounts in Millions)**



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



**Stabilization Fund Percentage of
Budget Compared To Other
States**



Due to designations of fund balances, \$69 million of the total budgeted fund balance, exclusive of stabilization, is reserved for appropriation in FY09. The remainder is undesignated.

The Stabilization Fund

As states around the country are struggling with ongoing fiscal difficulties, the importance of the Stabilization Fund cannot be underestimated. During FY09, according to the National Association of State Budget Officers publication *The Fiscal Survey of the States: June 2009*, only five states did not have to cut their budgets during the year after their general appropriation acts had passed. The survey showed states were trying to reduce or eliminate budget gaps during FY09 by increasing fees, laying off and furloughing personnel, offering early retirement incentives, instituting across the board or targeted cuts and reorganizing. The Commonwealth took specific actions in the Stabilization Fund this year to help attain fiscal balance, including transferring all \$44 million of investment income and \$47 million in additional principal to transfer a required \$91 million of investment earnings and principal to true up to any investment income shortfall, as well as an additional approximate \$1.3 billion of transfers as directed in budgetary acts. In FY10, all of the Stabilization Fund investment earnings and \$199 million in principal will be transferred to the General Fund as directed in budgetary acts enacted as of the date of this SBFR.

As can be seen, the fund balance declined rapidly, but other states are also experiencing declines according to the survey. The survey ranked the Commonwealth third in the nation in FY08 in terms of the balance in stabilization. Five states had no stabilization fund balance at the end of FY08. Of the states with over \$10 billion in General Fund expenditures for FY08, the Commonwealth’s Stabilization Fund balance as a percentage of expenditures also ranked third in the nation behind Connecticut and Texas. Tennessee and Virginia followed. As the graphic on the left portrays, the Commonwealth for the first time did not outpace the rest of the nation in this key element of fiscal condition. As the Commonwealth already drew \$199 million of principal out of the Stabilization Fund to begin FY10, the fund balance will not be a future solution to provide fiscal stability.

The Non-Budgeted Funds

The Non-Budgeted Funds represent operations in which the government has imposed its sovereign authority but has excluded these operations from the annual budget process. During FY09, the Commonwealth maintained 61 non-budgeted funds, while another five are inactive.

The largest non-budgeted funds in terms of revenues include the Lottery, the Federal Grants Fund and the Commonwealth Care Trust Fund. Other funds that show large inflows have flows comprised of transfers of taxation and grant receipts. These include the MBTA State and Local Contribution Trust Fund, the School Modernization Trust Fund and the Grant Anticipation Notes Trust Fund. As discussed above, the largest new inflow of revenues was received by the RGGI Auction Trust fund, which generated nearly \$45 million of new revenues from four auctions of cap-and-trade CO₂ credit exchanges. All

of these proceeds are dedicated to funding elements of the Green Communities Act and to lower greenhouse gas emissions.

The table Non-Budgeted Funds – Operations below includes a summary of the FY09 non-budgeted funds. Statement of Revenues, Expenditures and Changes in Fund Balance are presented in a table within this report for each of the individual funds in the financial section of this report.

As previously discussed, the State Lottery Funds ended the year with a deficit of approximately \$44 million, after the mandatory distribution to cities and towns declined to just over \$800 million. Subsequent to year end, a supplemental budget was passed funding this deficit from the General Fund. The Commonwealth enacted legislation to solve most of the prior Lottery deficits by capping amounts transferring from the Fund in FY10. Any overage is to be transferred from the General Fund. This deficit is reflected in the Non-Budgeted Funds – Operations Table below:

Non-Budgeted Funds - Operations
(Amounts in thousands)

	2008	2009
Beginning fund balance.....	\$ 1,734,537	\$ 1,910,095
Revenues and other sources:		
Taxes.....	1,520,789	1,722,862
Assessments.....	503,998	545,744
Federal grants and reimbursements.....	2,552,579	3,509,937
Tobacco settlement revenue.....	288,490	315,153
Departmental and miscellaneous.....	5,054,710	5,252,045
Transfers and other sources.....	2,783,693	1,873,467
Total revenues and other sources.....	12,704,259	13,219,208
Expenditures and other uses:		
Programs and services.....	9,682,520	10,929,206
Debt service.....	251,650	246,267
Transfers and other uses.....	2,594,531	2,535,712
Total expenditures and other uses.....	12,528,701	13,711,185
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	175,558	(491,977)
Ending fund balance.....	\$ 1,910,095	\$ 1,418,118

The operating deficit is a result of a number of factors. These include:

- Approximately \$267 million of the deficit is the result of a crossover refunding payment from the Grant Anticipation Note Trust Fund.
- An additional \$75 million was transferred to the General Fund in the form of one time solutions to balance the budget from the Convention and Exhibition Center Fund (\$65 million) and from the Massachusetts Alternative Energy Investment Trust Fund (\$10 million.)

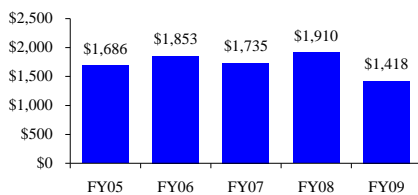
- Funds that spent principal during the year include the Workforce Competitiveness Trust fund (nearly \$14 million), the Central Artery / Tunnel Project Repair and Maintenance Trust Fund (approximately \$39 million) and the aforementioned Massachusetts Alternative Energy Investment Trust Fund (nearly \$41 million)

The Health Care Security Trust (HST) continues to report all revenues received from the Master Settlement Agreement (MSA) between the states and the tobacco industry to recover healthcare costs for tobacco related illnesses. The MSA estimates Commonwealth revenues for the first 25 years of the settlement to be approximately \$7.6 billion. However, this estimate is subject to future adjustments, including adjustments for inflation and changes in the volume of domestic cigarette sales. In FY09, the Commonwealth received over \$315 million or approximately 95.5% of the estimated amounts shown in the MSA. Prior to FY09, the Commonwealth received on average 89% of projected receipts. This year, an additional non-participating manufacturer joined the MSA and tobacco receipts into the master settlement agreement rose. Receipts also continued up in FY09 as Strategic Contribution payments under the terms of the MSA were received. Receipts continued up in FY09 as Strategic Contribution payments under the terms of the MSA were received. These payments are projected to be received through FY17. The FY09 GAA directed all MSA receipts to the General Fund. An additional approximately \$41 million of FY09 investment earnings also transferred to the General Fund pursuant to the HST's enabling statute. However, as the HST's fund balance was transferred at the end of FY08 to the State Retiree Benefits Trust Fund, no future HST investment earnings will be transferred.

Continuing in FY09, a portion of the Commonwealth's federal transportation funds were dedicated to paying off prior year expenditures of the Central Artery/Tunnel Project (CA/T) which were temporarily financed through Federal Grant Anticipation Notes (GANS).

The Universal Health Care funds, including the Commonwealth Care, Essential Community Provider, Medical Assistance, the Health Safety Net Fund, the Medical Security Trust Fund and the Catastrophic Illness in Children Relief Fund, largely related to Health Care Reform, revenues and other financing sources were nearly \$2.4 billion in FY09, rising from approximately \$2.1 billion in FY08. This is due to the increases in activity and enrollments under the Health Care Reform acts.

***Non-Budgeted Funds –
Fund Balance
(Amounts in Millions)***



The graph Non-Budgeted Funds - Fund Balance shows the combined fund balance in the Non-Budgeted funds for the past five years. Increases this year are largely due to the Health Safety Net Trust Fund, the Enhanced 911 Fund, the School Modernization Fund and Reconstruction Trust Fund and the Child Support Enhancement Fund offset by deficits in the Commonwealth Care Trust Fund, the Medical Assistance Trust Fund, the Medical Safety Trust Fund, the Health Care Security Trust Fund, the Community Preservation Trust Fund, the Workforce Competitiveness Trust Fund, the Central Artery Tunnel Project Repair and Maintenance Trust Fund, the Massachusetts Alternative Clean Energy Investment Trust Fund, the Convention and

Exhibition Center Fund and the Grant Anticipation Note Trust Fund. For example, the Government Land Bank Fund has a chronic structural fund deficit. The FY09 deficit balance of approximately \$35 million remains an unbudgeted drain on the General Fund. While steps have been taken to stop the growth in this deficit, the Fund should be abolished and the deficit transferred into the General Fund. An additional approximately \$6 million deficit exists in the Motor Vehicle Inspection Fund. In accordance with General Laws, this deficit was to be eliminated and the Fund must be in balance by June 30, 2009. Subsequent to year end, a supplemental budget extended this date to June 30, 2010. As indicated in previous years, more consolidation and elimination is needed for these funds.

The Capital Projects Funds

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

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

The Commonwealth issued over \$2.4 billion in debt this year, and received nearly \$99 million in original issue premiums, net of issuance costs. Of the debt amount, nearly \$390 million was in the form of general obligation refunding bonds, excluding two transactions noted below.

Included in the refunding bonds there are two transactions for lease obligations that the Commonwealth permanently financed with general obligation debt. The Route 3 North Transportation Improvement Association was established to rebuild United States Route 3 from Route 128 and Interstate 95 in Burlington north to the New Hampshire border. The Commonwealth was paying the association's debt obligations in the form of a lease agreement resulting in a stream of budgetary contractual assistance. In November 2008, as part of General Obligation Refunding Bonds Series 2008A, the Commonwealth refunded \$294 million of the association's debt and cash defeasing the same amount within the lease agreement. In March 2009, as part of General Obligation Refunding Bonds Series 2009A, (which refinanced series 2008A Bond Anticipation Notes,) approximately \$63 million of the proceeds were used to refund City of Chelsea, Commonwealth of

Massachusetts Lease Revenue Bonds issued in 1993. The original bonds were used to build a data center for the Commonwealth, of which the Commonwealth leased the property from the City to secure the debt. Because of this sale, the remaining City of Chelsea revenue bonds were cash defeased as part of the proceeds of the refunding. The Commonwealth is in the process of finalizing the purchase of the building.

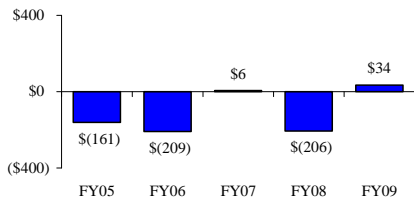
21% of the Commonwealth's general obligation debt outstanding was in the form of variable rate bonds as of June 30, 2009. Included in this variable debt was approximately \$402 million in auction rate securities (about 2% of all general obligation debt) as of June 30, 2009. Beginning in February 2008 several auctions of the Commonwealth's auction rate bonds began to fail, meaning there were not enough bids from investors to purchase securities being offered for sale by existing holders. During FY09, the markets stabilized somewhat, allowing the Commonwealth to refund a portion of this variable rate debt.

Central Artery / Tunnel Project
(Amounts in Millions)

Sources of Funds:	<u>2009</u>
Federal Funds	\$ 7,031
GANS (temporary financing of federal funds)	1,500
Massport and Turnpike Authorities	1,801
Commonwealth debt and other sources	<u>4,079</u>
Total Sources	<u>\$ 14,411</u>
Costs of Construction:	
Cumulative costs previous to FY09	\$ 14,368
Current Fiscal Year Spending	<u>43</u>
Actual Costs through End of Fiscal Year	<u>\$ 14,411</u>
Estimated remaining costs:	<u>\$ 397</u>

The CA/T project is winding down. A September 2008 agreement between the Commonwealth and the Turnpike Authority capped the Commonwealth's participation in the project to the current cost estimate of approximately \$14.8 billion. The chart on the left shows the total spending for the CA/T for 2009 and for the life of the project. During FY09, Massport paid the Commonwealth the remaining \$12 million in satisfaction of amounts owed for certain portions of the CA/T project consisting of roadways, viaducts and other structures located at Logan International Airport in East Boston. The consolidation of transportation agencies into the new MDOT will include transferring all of the Central Artery / Tunnel facilities to MDOT. This will occur during FY10. All future construction, operations and maintenance will be managed by MDOT.

Capital Projects Funds – Fund Balance (Deficit)
(Amounts in Millions)



The graph Capital Projects Funds – Fund Balance (Deficit) shows the combined fund balance in Capital Projects Funds for the past five years. The majority of the individual funds remain in deficit due to the timing differences between bonding and expenditures offset by surpluses in three funds. These three funds include a fund for central artery and statewide roads and bridge construction, a fund for the Commonwealth's convention centers and a fund for the federal highway construction program. These funds contain designated reserves or escrows where the Commonwealth is able to legally arbitrage revenues consistent with the provisions of the existing tax code.

The Capital Projects Funds – Operations table on the page 14 includes the FY09 Capital Projects Funds, summarized and compared to FY08. Financial statements for each of the individual funds are included in the financial section of this report.

The Administration continues to oversee a coordinated fiscal strategy for the management of Capital Project Funds. This strategy includes a five – year capital budget linked to debt management and capital management. The focus of this strategy is to manage capital spending within outstanding debt levels the Administration considers appropriate for the Commonwealth. An important part of the strategy is to control capital spending within an administrative “cap.”

During the fiscal year, the Commonwealth passed or agreed to terms to over \$15 billion in bond authorizations. These acts more than doubled authorized but unissued debt from FY08. The acts included:

- \$1.3 billion for affordable housing (act was passed in FY08 but terms agreed to in FY09.)
- \$1.6 billion in transportation funding including interstate and non-interstate roads and improvements for mass transit (act was passed in FY08 but terms agreed to in FY09.)
- \$500 million for life sciences, including \$90 million for a research center at the University of Massachusetts Medical School for continued research into RNAi, stem cell biology, cord blood and gene therapy.
- \$2.2 billion for higher education buildings, renovation projects and capital improvements at each of the Commonwealth's public higher education campuses.
- \$40 million to expand broadband internet services Commonwealth-wide through funding the Massachusetts Broadband Institute at the Massachusetts Technology Collaborative.
- \$1.4 billion in additional transportation funding for local roads, rail projects and airports.
- \$1.7 billion for land preservation, open space, parks, "clean energy" projects and to rebuild infrastructure.
- \$3.3 billion in general government projects for public safety, municipal and state facilities, information technology, correctional and court facilities. Information technology initiatives will modernize systems at the Department of Revenue and the Registry of Motor Vehicles.
- \$3.0 billion to address bridge reconstruction projects, including \$906 million for Department of Conservation and Recreation bridges and parkways. Included in this program is an acceleration of reconstruction of over 250 structurally deficient bridges over the next eight years. Portions of these projects will be financed by special obligation bonds and grant anticipation notes.

De-authorization of previously issued capital appropriations are also included as part of many of these bills. Even though the new authorizations are for approximately \$15 billion, the Commonwealth will determine the timing and extent of capital spending and bonding as part of its five year capital plan.

Capital Projects Funds - Operations
(Amounts in thousands)

	<u>2008</u>	<u>2009</u>
Beginning fund balance (deficit).....	\$ 5,674	\$ (205,652)
Revenues and other sources:		
Federal grants and reimbursements.....	20,583	24,265
Departmental and miscellaneous.....	67,687	60,003
Proceeds of general and special obligation bonds.....	1,280,824	2,041,843
Bonds premium.....	25,121	98,850
Proceeds of refunding bonds.....	-	389,555
Transfer for federal reimbursements.....	326,358	685,963
Transfers and other sources.....	<u>187,671</u>	<u>51,162</u>
Total revenues and other sources.....	<u>1,908,244</u>	<u>3,351,641</u>
Expenditures and other uses:		
Acquisition of assets.....	1,899,306	2,611,414
Payments to refunded bond escrow.....	-	410,308
Transfers and other uses.....	<u>220,264</u>	<u>90,056</u>
Total expenditures and other uses.....	<u>2,119,570</u>	<u>3,111,778</u>
Excess (deficiency) of revenues and other sources over expenditures and uses.....	<u>(211,326)</u>	<u>239,863</u>
Ending fund balance (deficit).....	<u>\$ (205,652)</u>	<u>\$ 34,211</u>

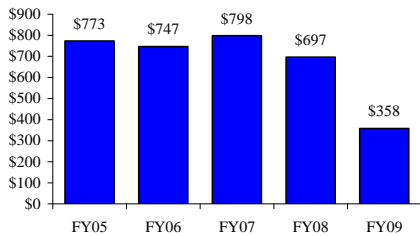
The Non-Appropriated Funds of Higher Education

The SBFR includes the financial operations of the non-appropriated funds of the 25 institutions of higher education in the statistical section of this report as reported on MMARS. Each institution of higher education is authorized and directed in its enabling statute to collect, retain and expend certain fees, rents, sales, donations, federal financial participation and other types of revenue through campus based systems. These financial resources are integral parts of the total financial activity of each campus. They also represent resources in addition to amounts made available from Commonwealth appropriations. Over the past few years, significant efforts have been made by our office and the institutions to improve the accuracy and timeliness of the higher education reporting through the issuance of audited financial statements. As budgeted resources are constrained it is time to eliminate this MMARS reporting and rely on the audited financial statements.

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

	2008	2009
Beginning fund balance.....	<u>\$ 798,090</u>	<u>\$ 696,748</u>
Revenues and other sources:		
Federal grants and reimbursements.....	386,747	411,883
Departmental and miscellaneous.....	1,563,499	1,227,258
Transfers and other sources	<u>876,236</u>	<u>1,295,017</u>
Total revenues and other sources.....	<u>2,826,482</u>	<u>2,934,158</u>
Expenditures and other uses:		
Programs and services.....	<u>2,927,824</u>	<u>3,273,010</u>
Total expenditures and uses.....	<u>2,927,824</u>	<u>3,273,010</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses.....	<u>(101,342)</u>	<u>(338,852)</u>
Ending fund balance.....	<u><u>\$ 696,748</u></u>	<u><u>\$ 357,896</u></u>

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



The Non-Appropriated Funds of Higher Education – Operations table includes the FY09 funds, summarized and compared to FY08. Financial statements for each of the individual funds are included in the statistical section of this report. The graph Non-Appropriated Funds of Higher Education – Fund Balance shows the combined fund balance for the past five years. The combined balance represents an approximate \$86 million fund balance for the University of Massachusetts, an approximate \$101 million fund balance for the State College system and approximate \$171 million fund balance 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.

As we close the books for FY09, I again would like to express my thanks to the many dedicated employees within the Office of the Comptroller. I am proud to have all the employees of the Comptroller’s Office on my team to help tackle these and other difficult issues as we prepare for the year ahead.

Respectfully submitted,

Martin J. Benison
Comptroller of the Commonwealth



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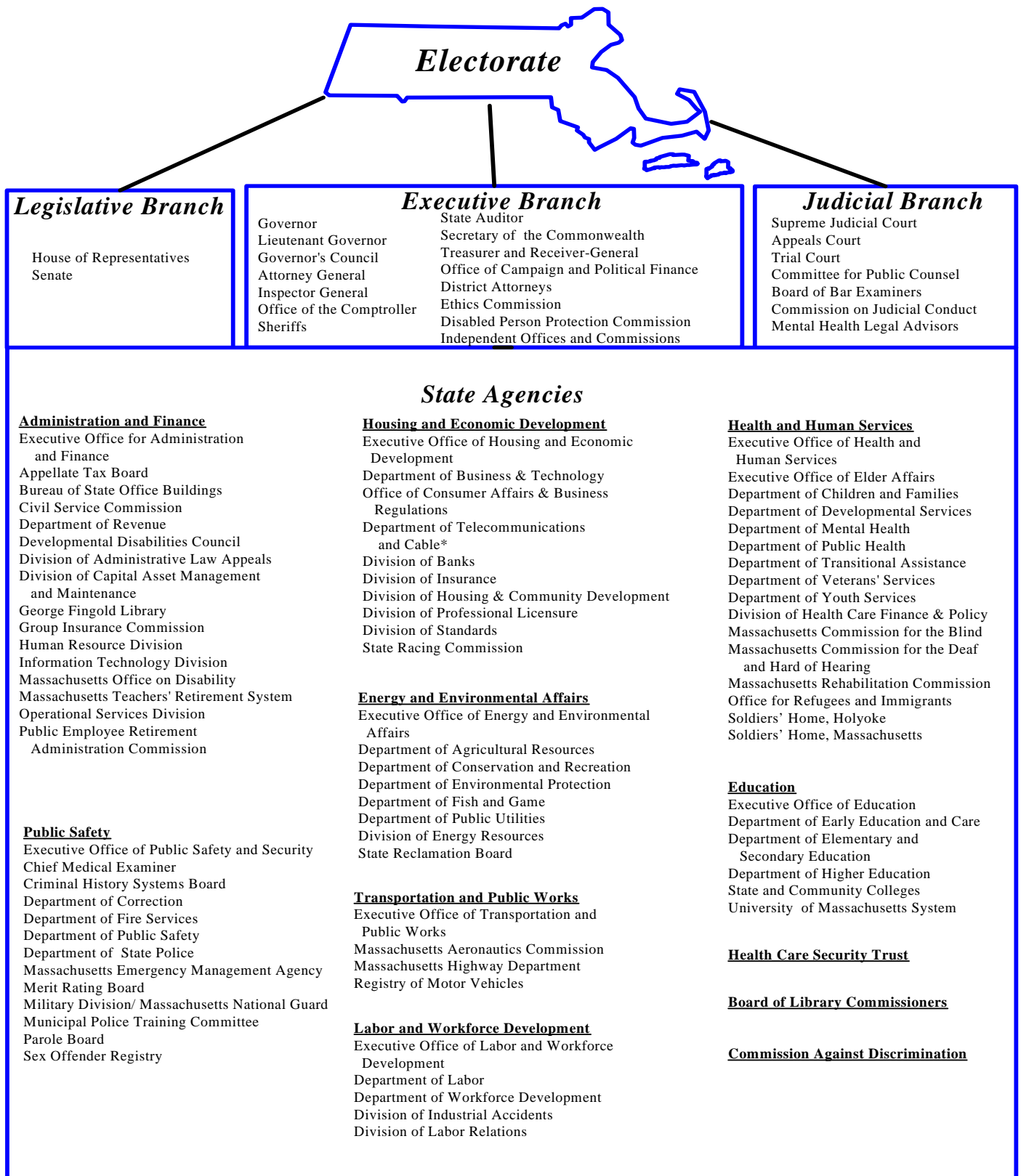
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As of June 30, 2009

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Secretary for Administration and Finance

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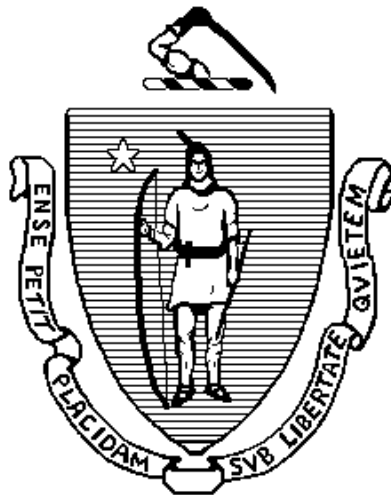
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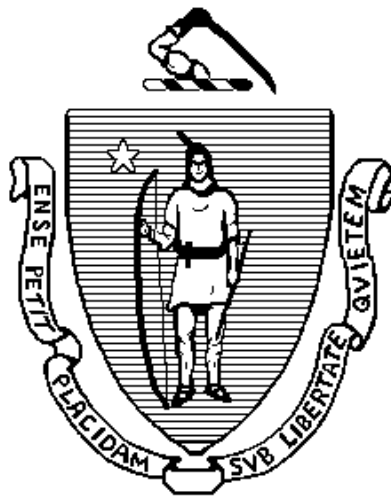
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Financial Section



Independent Accountants' Review Report
Combined Financial Statements – Statutory Basis
Combining and Individual Fund Financial Statements – Statutory Basis



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Independent Accountants' Review Report

Mr. Martin J. Benison, Comptroller
Commonwealth of Massachusetts

We have reviewed the accompanying combined financial statements – statutory basis of the Commonwealth of Massachusetts as of and for the year ended June 30, 2009, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these combined financial statements – statutory basis is the representation of the management of the Commonwealth of Massachusetts.

A review consists principally of inquiries of the Commonwealth of Massachusetts personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As described in Note 1, the combined financial statements – statutory basis were prepared in conformity with the basis of accounting that demonstrates compliance with Section 12 of Chapter 7A Massachusetts General Laws, as amended, and budgetary principles of the Commonwealth of Massachusetts, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

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

Our review of the combined financial statements – statutory basis was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the accompanying combined financial statements-statutory basis in order for them to be in conformity with the basis of accounting described in note 1. The introductory section, combining and individual fund financial statements – statutory basis, supplemental information, and statistical section listed in the foregoing table of contents are presented only for purposes of additional analysis and are not a required part of the combined financial statements – statutory basis of the Commonwealth of Massachusetts. The combining and individual fund financial statements – statutory basis and supplemental information have been subjected to the inquiry and analytical procedures applied in the review of the combined financial statements – statutory basis, and we are not aware of any material modifications that should be made to such information. The introductory and statistical sections have not been subjected to the inquiry and analytical procedures applied in the review of the combined financial statements – statutory basis, but was compiled from information that is the representation of management, without



audit or review and, accordingly, we do not express an opinion or any other form of assurance on such information.

This report is intended solely for the information and 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.

KPMG LLP

November 3, 2009

Combined Financial Statements - Statutory Basis

Budgeted Funds
Combined Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	Totals (Memorandum only)	
	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 942,373	\$ 2,290,681
Cash with fiscal agent.....	-	15,619
Investments.....	348,482	388,077
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	458,361	441,748
Other receivables.....	15,834	17,757
Due from cities and towns.....	10,305	6,674
Due from other funds.....	-	5,609
Total assets.....	\$ 1,775,355	\$ 3,166,165
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ 653,619	\$ 659,658
Accrued payroll.....	105,100	100,687
Total liabilities.....	758,719	760,345
Fund equity:		
Combined fund balance:		
Reserved for:		
Continuing appropriations.....	68,856	155,860
Commonwealth Stabilization.....	841,344	2,119,194
Debt service.....	-	15,619
Unreserved:		
Undesignated.....	106,436	115,147
Total fund equity.....	1,016,636	2,405,820
Total liabilities fund equity.....	\$ 1,775,355	\$ 3,166,165

See accompanying notes to financial statements and accountants' review report

Budgeted Funds

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES			
Revenues:			
Taxes.....	\$ 19,955,200	\$ 16,790,021	\$ (3,165,179)
Assessments.....	-	348,654	348,654
Federal grants and reimbursements.....	7,070,600	8,250,900	1,180,300
Departmental.....	2,386,100	1,944,508	(441,592)
Miscellaneous.....	91,000	260,626	169,626
Total revenues.....	<u>29,502,900</u>	<u>27,594,709</u>	<u>(1,908,191)</u>
Other financing sources:			
Fringe benefit cost recovery.....	-	262,034	262,034
Lottery reimbursements.....	95,770	105,656	9,886
Lottery distributions.....	811,875	890,489	78,614
Tobacco settlement transfer.....	288,500	315,153	26,653
Operating transfers in.....	676,316	339,462	(336,854)
Stabilization transfer.....	401,000	1,453,747	1,052,747
Other fund deficit support.....	-	219,947	219,947
Total other financing sources.....	<u>2,273,461</u>	<u>3,586,488</u>	<u>1,313,027</u>
Total revenues and other financing sources.....	<u>31,776,361</u>	<u>31,181,197</u>	<u>(595,164)</u>
EXPENDITURES AND OTHER FINANCING USES			
Expenditures:			
Legislature.....	79,003	60,199	18,804
Judiciary.....	803,698	794,938	8,760
Inspector General.....	3,071	3,002	69
Governor and Lieutenant Governor.....	9,176	8,377	799
Secretary of the Commonwealth.....	52,937	46,986	5,951
Treasurer and Receiver-General.....	136,555	128,696	7,859
Auditor of the Commonwealth.....	18,690	18,688	2
Attorney General.....	44,962	44,266	696
Ethics Commission.....	1,782	1,678	104
District Attorney.....	100,946	100,789	157
Office of Campaign & Political Finance.....	1,285	1,129	156
Sheriff's Departments.....	293,370	290,513	2,857
Disabled Persons Protection Commission.....	2,314	2,267	47
Board of Library Commissioners.....	33,659	33,652	7
Comptroller.....	12,045	11,679	366
Administration and finance.....	1,811,184	1,752,879	58,305
Energy and environmental affairs.....	226,569	216,177	10,392
Health and human services.....	4,970,340	4,908,938	61,402
Transportation and public works.....	361,295	283,313	77,982
Executive office of education.....	2,111,799	2,091,716	20,083
Public safety and homeland security.....	1,259,140	1,236,874	22,266
Housing and economic development.....	237,336	220,189	17,147
Labor and workforce development.....	77,323	65,105	12,218
Direct local aid.....	5,135,620	4,723,620	412,000
Medicaid.....	8,687,776	8,679,213	8,563
Pension.....	1,465,000	1,314,396	150,604
Debt service:			
Principal retirement.....	1,107,616	1,087,370	20,246
Interest and fiscal charges.....	829,606	804,016	25,590
Total expenditures.....	<u>29,874,097</u>	<u>28,930,665</u>	<u>943,432</u>
Other financing uses:			
Fringe benefit cost assessment.....	84,400	57,415	26,985
Lottery deficit support.....	-	76,112	(76,112)
Operating transfers out.....	78,164	118,535	(40,371)
Commonwealth care transfer.....	1,117,561	987,959	129,602
Medical assistance transfer.....	346,000	374,001	(28,001)
State retiree benefits transfer.....	372,000	352,000	20,000
Stabilization transfer.....	401,000	1,453,747	(1,052,747)
Other fund deficit support.....	-	219,947	(219,947)
Total other financing uses.....	<u>2,399,125</u>	<u>3,639,716</u>	<u>(1,240,591)</u>
Total expenditures and other financing uses.....	<u>32,273,222</u>	<u>32,570,381</u>	<u>(297,159)</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(496,861)	(1,389,184)	(892,323)
Fund balance at beginning of year.....	2,405,820	2,405,820	-
Fund balance at end of year.....	<u>\$ 1,908,959</u>	<u>\$ 1,016,636</u>	<u>\$ (892,323)</u>

See accompanying notes to financial statements and accountants' review report

Non-Budgeted Special Revenue and Capital Projects Funds
Combined Statements Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2009

(Amounts in thousands)

	Non-Budgeted Special Revenue	Capital Projects	Totals (Memorandum only)	
			2009	2008
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 1,722,862	\$ -	\$ 1,722,862	\$ 1,520,789
Assessments.....	545,744	-	545,744	503,998
Federal grants and reimbursements.....	3,509,937	24,265	3,534,202	2,573,162
Tobacco settlement revenue.....	315,153	-	315,153	288,490
Departmental.....	4,889,741	33,933	4,923,674	5,074,863
Payments from authorities.....	-	12,400	12,400	12,500
Miscellaneous.....	362,304	13,670	375,974	837,940
Total revenues.....	11,345,741	84,268	11,430,009	10,811,742
Other financing sources:				
Proceeds of general and special obligation bonds.....	-	2,041,843	2,041,843	1,280,824
Bonds premium.....	-	98,850	98,850	25,121
Proceeds of refunding bonds.....	-	389,555	389,555	-
Operating transfers in.....	243,199	25,330	268,529	213,620
Lottery deficit support.....	76,112	-	76,112	200,019
Health safety net trust transfer.....	127,696	-	127,696	109,276
Commonwealth care trust transfer.....	1,052,459	-	1,052,459	1,047,663
Medical assistance transfer.....	374,001	-	374,001	376,700
Transfer for Bay State Competitiveness Investment.....	-	-	-	53,000
Federal reimbursement transfer in.....	-	685,963	685,963	326,358
State share of federal highway construction.....	-	25,832	25,832	168,180
Total other financing sources.....	1,873,467	3,267,373	5,140,840	3,800,761
Total revenues and other financing sources.....	13,219,208	3,351,641	16,570,849	14,612,503
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Judiciary.....	2,288	16,810	19,098	19,254
Inspector General.....	175	253	428	61
Secretary of the Commonwealth.....	3,844	1,761	5,605	8,600
Treasurer and Receiver-General.....	5,535,819	378,909	5,914,728	5,513,584
Auditor of the Commonwealth.....	-	1,302	1,302	-
Attorney General.....	9,288	3,096	12,384	12,133
District Attorney.....	3,674	-	3,674	2,290
Sheriff's Departments.....	2,479	2,355	4,834	4,345
Disabled Persons Protection Commission.....	236	-	236	47
Board of Library Commissioners.....	2,873	11,220	14,093	12,971
Comptroller.....	2,415	399	2,814	1,757
Administration and finance.....	101,181	308,903	410,084	352,231
Energy and environmental affairs.....	96,348	213,493	309,841	245,664
Health and human services.....	2,822,934	56,720	2,879,654	2,386,086
Transportation and public works.....	104,644	1,301,282	1,405,926	1,111,478
Executive office of education.....	850,541	36,128	886,669	868,400
Public safety and homeland security.....	175,992	42,833	218,825	115,791
Housing and economic development.....	543,540	216,951	760,491	608,809
Labor and workforce development.....	253,770	11,919	265,689	189,096
Direct local aid.....	417,165	-	417,165	9,848
Debt service:				
Principal retirement.....	139,760	-	139,760	236,938
Interest and fiscal charges.....	106,507	7,080	113,587	134,093
Total expenditures.....	11,175,473	2,611,414	13,786,887	11,833,476
Other financing uses:				
Payments to refunded bond escrow agent.....	-	410,308	410,308	-
Fringe benefit cost assessment.....	56,834	34,218	91,052	127,433
Lottery operating reimbursements.....	105,656	-	105,656	103,126
Lottery distributions.....	890,489	-	890,489	1,014,642
Federal reimbursement transfer out.....	685,963	-	685,963	326,358
Tobacco settlement transfer.....	315,153	-	315,153	288,490
State retiree benefits transfer.....	-	-	-	328,552
Commonwealth care transfer.....	64,500	-	64,500	1,800
Health safety net trust transfer.....	127,696	-	127,696	109,276
State share of federal highway construction.....	-	25,832	25,832	168,180
Operating transfers out.....	289,421	30,006	319,427	346,938
Total other financing uses.....	2,535,712	500,364	3,036,076	2,814,795
Total expenditures and other financing uses.....	13,711,185	3,111,778	16,822,963	14,648,271
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(491,977)	239,863	(252,114)	(35,768)
Fund balance at beginning of year.....	1,910,095	(205,652)	1,704,443	1,740,211
Fund balance at end of year.....	\$ 1,418,118	\$ 34,211	\$ 1,452,329	\$ 1,704,443

See accompanying notes to financial statements and accountants' review report

1. FINANCIAL STATEMENT PRESENTATION.....30

A. Introduction 30

B. Statutory Basis 30

C. Governmental Fund Types 30

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....31

A. Statutory Basis of Accounting..... 31

B. Cash, Short-term Investments and Investments 31

C. Dedicated Revenue and Pledges..... 32

D. Interfund / Intrafund Transactions..... 33

E. Current Employee Benefits 33

F. Fringe Benefit Cost Recovery..... 33

G. Lottery Revenue and Prizes 34

H. Receivables..... 34

I. Due from Cities and Towns 34

J. Risk Management 34

K. Encumbrances 34

L. Fund Balances..... 34

M. Total Column – Memorandum Only..... 35

N. Estimates 35

O. Reclassification 35

3. BUDGETARY CONTROL35

4. INDIVIDUAL FUND DEFICITS.....37

5. MEDICAID COSTS.....38

1. FINANCIAL STATEMENT PRESENTATION

A. Introduction

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

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

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

B. Statutory Basis

The Commonwealth reports its statutory basis financial position and results of operations in funds. The operations of each fund are accounted for with a set of self-balancing accounts that comprise its assets and liabilities for Budgeted Funds and fund balances, revenues and expenditures for non-budgeted, special revenue and capital projects funds. Transactions between funds within a fund type, if any, have not been eliminated.

C. Governmental Fund Types

The Fund types are organized as follows:

Governmental Fund Types account for the general governmental activities of the Commonwealth.

Budgeted Funds – are the primary operating funds of the Commonwealth. They account for all budgeted governmental transactions. Major budgeted funds include the General, Stabilization and Highway 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, funds related to the tobacco settlement 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 bonds and other obligations, which are generally received after related expenditures have been incurred, operating transfers authorized by the Legislature and from federal reimbursements. Deficit balances in Capital Projects Funds represent amounts to be financed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Statutory Basis of Accounting*

The SBFR is prepared from the Commonwealth's books and records and other official reports 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 SBFR is not intended to present the Commonwealth's financial condition and results of operations in conformity with GAAP.

Under the statutory basis of accounting, revenues are generally recognized when cash deposits are received by the Treasury. However, generally, 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. These are largely payments from municipalities reimbursing for pension costs paid from the Commonwealth on their behalf.

Under the statutory basis of accounting, expenditures are generally recorded when the related cash disbursement occurs. At year-end, payroll is accrued and payables are recognized, to the extent of approved encumbrances, for goods or services received by June 30. 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.

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

B. *Cash, Short-term Investments and Investments*

The Commonwealth follows the practice of pooling the cash and cash equivalents of its 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 Fund (not included in this report) and, when so directed by law, to certain Special Revenue and Capital Projects Funds.

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

For a complete copy of MMDT's separately issued financial statements, please feel free to contact the Trust's investment adviser at 800-392-6095, or James McDonald, Assistant Treasurer, Cash Management Department, at 617-367-9333.

Statutes authorize investment in obligations of the U. S. Treasury, authorized bonds of all states, bankers 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.

C. *Dedicated Revenue and Pledges*

The Commonwealth has a number of pledges of revenue streams for its own bonds and various other bond issues of other authorities. These other authority's debts are not included in the SBFR, but are included in the CAFR.

Approximately \$2.6 billion in revenues from federal grants passed through the Federal Grants Fund represents the greatest source of dedicated revenues. A portion of these grants is dedicated to funding the principal portion only of federal grant anticipation notes issued in fiscal 1998, 1999, 2001 and refunding notes in fiscal 2003. Total principal remaining to be paid on these federal grant anticipation notes is approximately \$1.1 billion. Maturities are from FY10 through FY15. Principal paid during FY09 was approximately \$137.2 million.

During FY09, the Governor approved legislation authorizing the issuance of an additional \$1.1 billion of grant anticipation notes secured by future federal funds. The Commonwealth intends to begin to amortize the principal of any such notes beginning in fiscal 2016, after the original federal grant anticipation notes have been paid in full.

Commonwealth gas taxes are partially pledged to fund highway construction. As of June 30, 2009, 6.86 cents of the total 21 cent per gallon gasoline tax are pledged to fund approximately \$447 million of principal and approximately \$166 million in interest on the outstanding debt as of June 30, 2009. These bonds mature from FY10 to FY23 and were sold in various series issued previous to FY09. Annual principal and interest on the bonds are expected to require less than approximately 30% of net current year revenues. Principal and interest paid during FY09 amounted to approximately \$34.0 million and \$25.0 million, respectively.

During FY09, the Governor approved legislation that authorizes the issuance of an additional \$1.9 billion of special obligation bonds secured by a pledge of motor fuels excise tax receipts to fund a portion of the Commonwealth's accelerated structurally deficient bridge program. The legislation provides for a pledge of up to 10¢ of the 21¢ motor fuels excise tax to secure the outstanding special obligation bonds described above and the bridge program bonds.

Portions of Commonwealth sales taxes are pledged as security for bonds issued by the Massachusetts Bay Transportation Authority (MBTA) and the Massachusetts School Building Authority (MSBA) amounting up to 1% of applicable sales, respectively, for the authorities. Total dedicated sales tax revenue that was directed to the MBTA in FY09 was approximately \$767 million. Dedicated revenues to the MBTA rise by either 3%, or the greater of the rise in the consumer price index in Boston, or annual sales taxes, with a floor of 0% annually.

The MSBA also receives a pledge of sales tax that will increase to 1% of applicable sales in the Commonwealth by FY11. In FY09, approximately \$702 million or 90% of the dedicated sales tax revenue stream was directed to the MSBA. This amount rises to 95% of the dedicated sales tax revenue stream in FY10 with no floor or ceiling.

The Commonwealth has also pledged surcharges from areas contiguous to convention centers, and the Worcester DCU Arena and Convention Center to support such centers' operations. Sales taxes within the Convention Center districts support approximately \$644 million of outstanding principal and related premiums approximately \$595 million of interest on debts related to these Convention Centers. Taxes collected in FY09 were approximately \$73.9 million, while debt service on the bonds was approximately \$36.3 million.

Finally, as part of the Transportation Modernization Act of 2009, as amended, a further pledge of sales taxation was made. Beginning in FY11, 0.385% of applicable sales and uses on a total tangible property tax rate of 6.25% will be dedicated to funding the operations of the Massachusetts Department of Transportation (MDOT). The Act has a floor amount of \$275 million, with a final transfer occurring on or before September 1st of the following fiscal year. Of the floor amount, \$160 million will be dedicated to funding the operations of the MBTA while an additional \$15 million will be dedicated to funding the operations of the regional transit authorities. These amounts will be transferred through the Commonwealth Transportation Fund.

D. *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 approximately \$2,586,000 due to higher education non-appropriated fund activity, which is not included in the combined statements – statutory basis.

E. *Current Employee Benefits*

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

F. *Fringe Benefit Cost Recovery*

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

Since these fringe benefit costs and pensions are not appropriated in the budget, the required assessment creates a variance between budget and actual expenditures at year-end. The fringe benefit cost recoveries of approximately \$262,034,000 in the budgeted funds result from costs assessments of approximately \$155,948,000. The remainder of approximately \$106,086,000 is assessed to the higher education non-appropriated activity, which is not included in the SBFR.

- G. Lottery Revenue and Prizes** Ticket revenues are recognized when sold and prizes awarded by the Massachusetts State Lottery Commission are recognized as drawings are held. Games expenditures are accrued at year end only for open jackpots for Big Game and Megabucks.
- H. 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.” Other receivables include reimbursement of fringe benefit assessments from authorities and the institutions of higher education along with other departmental receivables.
- I. Due from Cities and Towns** “Due from Cities and Towns” represents reimbursements due to the Commonwealth for its expenditures on certain programs for the benefit of cities and towns.
- J. Risk Management** The Commonwealth is self-insured for state employees workers’ compensation, casualty, theft, tort claims and other losses. Such liabilities are not recognized in the governmental funds on the statutory basis until encumbered and / or processed for payment. For employees workers’ compensation, the Commonwealth assumes the full risk of claims filed under a program managed by the Human Resources Division.
- For personal injury or property damages, Chapter 258 of the Massachusetts General Laws limits the risk assumed by the Commonwealth to \$100,000 per occurrence, in most circumstances. The Group Insurance Commission administers contributory health care and other insurance programs for the Commonwealth’s employees and retirees.
- K. Encumbrances** Encumbrance accounting is utilized in the Governmental Funds as a significant aspect of budgetary control. The full amounts of purchase orders, contracts and other commitments of appropriated resources are encumbered and recorded as deductions from appropriations prior to actual expenditure, ensuring that such commitments do not exceed appropriations. Encumbrances outstanding at year-end for goods or services received on or before June 30, but paid after, are reported as expenditures and statutory basis liabilities as a component of accounts payable.
- L. Fund Balances** Fund balance had 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 FY.
- “Reserved for Commonwealth stabilization” – are amounts set aside in the Commonwealth Stabilization Fund in accordance with 5C of Chapter 29 of the Massachusetts General Laws.
- “Reserved for debt service” – are amounts held by fiscal agents or the Commonwealth to fund future debt service obligations.
- “Undesignated” – consist of cumulative surplus or deficits of the fund not otherwise designated.

**M. Total Column –
Memorandum Only**

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

The financial statements include certain prior year summarized comparative information in total but not by fund. Such information does not include sufficient detail to constitute a full comparative presentation. Accordingly, such information should be read in conjunction with the Commonwealth’s financial statements for the year ended June 30, 2008, from which the summarized information was derived.

N. Estimates

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

O. Reclassification

Certain reclassifications have been made to the 2008 balances to conform to the presentation used in 2009.

3. BUDGETARY CONTROL

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

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

In addition, Massachusetts General Laws authorize the Secretary of Administration and Finance, with the approval of the Governor, upon determination that available revenues will be insufficient to meet authorized expenditures, to withhold allotments of appropriated funds which effectively reduce the 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. Fringe benefits, pension costs, and certain other costs which are mandated by state finance law are not itemized in the appropriation process and are not separately budgeted.

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

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.

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

The following table summarizes budgetary activity for FY09 (amounts in thousands):

	<u>Revenues</u>	<u>Expenditures</u>
General Appropriation Act, Chapter 182 of the Acts of 2008:		
Direct appropriations.....	\$ 30,374,067	\$ 26,767,219
Estimated revenues, transfers, direct appropriations retained revenue appropriations, interagency chargebacks and appropriations carried forward from FY2008	<u>1,402,294</u>	<u>1,897,147</u>
Total original budget.....	31,776,361	28,664,366
Supplemental Acts of 2008:		
Chapter 302.....	-	7,421
Chapter 367.....	-	15,000
Chapter 461.....	-	500
Supplemental Acts of 2009:		
Chapter 5.....	-	108,759
Chapter 14.....	-	62,000
Chapter 16.....	-	78,812
Chapter 26.....	-	51,481
Planned Savings.....	<u>-</u>	<u>(631,374)</u>
Total as of June 30, 2009	31,776,361	28,356,965
Supplemental Acts of 2009, passed after June 30:		
Chapter 120	<u>-</u>	<u>66,296</u>
Total budgeted revenues and expenditures per Legislative action.....	31,776,361	28,423,261
Plus: Transfers of revenues and expenditures (including rounding).....	<u>-</u>	<u>3,849,961</u>
Budgeted revenues and expenditures as reported.....	<u>\$ 31,776,361</u>	<u>\$ 32,273,222</u>

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

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Actual as presented in the combined budget and actual statement - statutory basis.....	\$ 31,181,197	\$ 32,570,381
Adjustments to revenues and expenditures		
Transfer of revenues to the Intragovernmental Service Fund	(227,609)	(227,609)
Adjustments to other financing sources and uses:		
Fringe benefit cost assessments.....	(57,415)	(57,415)
Transfer of expenditures from the Intragovernmental Service Fund to the General Fund.....	(1,863)	(1,863)
RMV license plates.....	(3,106)	(3,106)
Transfers from Stabilization Fund to General Fund.....	(1,389,000)	(1,389,000)
Year end Stabilization Fund transfer.....	(64,747)	(64,747)
Other fund deficit support	(219,947)	(219,947)
Other	(130)	(130)
Actual as presented on budgetary documents.....	\$ 29,217,380	\$ 30,606,564

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

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

4. INDIVIDUAL FUND DEFICITS

The Capital Projects Fund deficit reported in the following table reflects the time lag between capital expenditures and the sale of related bonds. To arrive at the combined capital projects fund balance, individual fund deficits are offset by capital funds earmarked in reserve for the other Capital Projects Funds.

The following Budgeted, Non-Budgeted Special Revenue and Capital Projects Funds are included in the combined totals and have individual fund deficits at June 30, 2009, as follows (amounts in thousands):

Non-Budgeted Special Revenue:	
Other:	
Government Land Bank Fund.....	(35,097)
Motor Vehicle Safety Inspection Trust Fund.....	(6,337)
Total Non - Budgeted Funds.....	(41,434)
Capital Projects:	
Government Land Bank Capital Projects Fund.....	(1,308)
Highway Capital Projects Fund.....	(187,137)
Local Capital Projects Fund.....	(619)
Total Capital Projects Funds.....	(189,064)
Total	\$ (230,498)

Transfers and the cash defeasance of debt which occurred in FY09 were not included as appropriations in the general appropriation act. Therefore, no action is necessary to cure those deficits. None of the funds detailed above were in deficit due to finance-related contractual provisions and were allowed to be in deficit by General Law.

5. MEDICAID COSTS

The Commonwealth's Medicaid program, called MassHealth, provides health care to low-income children and families, certain low-income adults, disabled individuals and low-income elders. The program, administered by the Office of Medicaid within the Executive Office of Health and Human Services, receives 50% in federal reimbursement on most expenditures. Beginning in fiscal 1999, payments for some children's benefits became 65% federally reimbursable under the State Children's Health Insurance Program (SCHIP).

Approximately 34% of the Commonwealth's budget, including transfers, is devoted to Medicaid. It is the largest and has been one of the fastest growing items in the Commonwealth's budget. For the fiscal year ended June 30, 2009, the General Fund includes approximately \$8.7 billion in expenditures for Medicaid claims. The combined financial statements – statutory basis include Medicaid claims processed but unpaid at June 30, 2009 of approximately \$7.2 million as accounts payable.

Combining and Individual Fund Financial Statements - Statutory Basis



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Individual Budgeted Funds

MAJOR BUDGETED FUNDS:

The General Fund - The General Fund is the Commonwealth's primary Governmental Fund. All governmental activities not specifically directed to another fund are accounted for in the General Fund. As a result, most budgeted expenditures of the Executive secretariats, the Legislature, constitutional offices, Judiciary, institutions of higher education and independent commissions are paid 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 – to account 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. During FY10, the Highway Fund operations will be succeeded by the Commonwealth Transportation Fund and the Massachusetts Department of Transportation. As the fund has not been repealed, in FY11, the fund will become inactive.

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.

The Commonwealth Stabilization Fund – to account for amounts calculated in accordance with state finance law and maintain a reserve to enhance the Commonwealth's fiscal stability. Per the FY2005 General Appropriation Act tax revenues from certain lottery winners selling their stream of future winnings in exchange for current payments will be recorded in this fund. The residual balance of the Temporary Holding Fund is closed to the Stabilization Fund to the extent of expenditures from the Fund.

Administrative Control Funds - account for the revenues generated by certain administrative functions of government, for which the Legislature has required that separate funds be established. These funds include:

Intragovernmental Service Fund – to account 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 workers compensation chargeback.

BUDGETED ENVIRONMENTAL FUND:

Inland Fisheries and Game Fund - to account for revenues from license and permit fees for inland fishing, hunting, trapping, and sporting licenses and revenue producing stamps or the sales of land, rights and properties, gifts, interest, and federal grant reimbursements; used for developing, maintaining and operating the Division of Fisheries and Wildlife.

OTHER BUDGETED FUNDS:

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

Workforce Training Fund - to account 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.

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

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

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

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

Dam Safety Trust Fund - to account for all receipts and revenues generated through agreements executed between the department of environmental management and public or private entities for dam safety purposes, and all fines, costs, expenses, and interest imposed.

International Educational and Foreign Language Grant Program Fund – to account for appropriations, bond proceeds or other monies authorized to be used by the

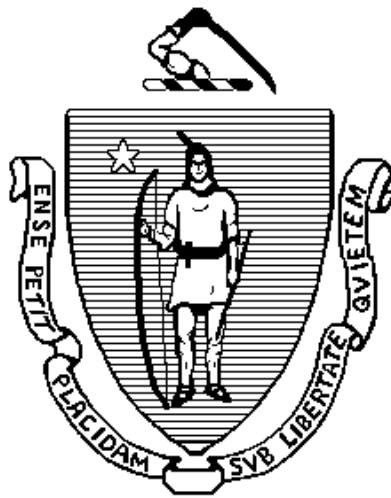
Commissioner of Education to increase the number of Massachusetts students, teachers, administrators and education policymakers to support programs and activities that advance cultural awareness through grants to local and regional high schools to support international education programs and promote the study of foreign languages.

Temporary Holding Fund – to account for cumulative tax revenues during the fiscal year in excess of permissible tax revenues as defined in Chapter 62F, Section 6A of the General Laws. The fund balance in the fund closes annually to the Stabilization Fund to the extent of expenditures from that fund. Any remaining balance transfers to the General Fund.

Bay State Competitiveness Investment Fund – to account for funds received as part of the calculation of consolidated net surplus for FY07 and available for appropriation in FY08. This fund expired on June 30, 2008.

The following fund has been enacted in legislation but is inactive and not presented:

Commonwealth Transportation Fund – to account for certain revenues of the newly created Massachusetts Department of Transportation, particularly those relating to the use and operation of motor vehicles and trailers, except fees for interstate permitting, together with all contributions and assessments paid into the treasury of the Commonwealth by cities, towns or counties for maintaining, repairing, improving and constructing ways, all refunds and rebates made on account of expenditures on ways by the department, all fuel taxation and other monies received by the Commonwealth in satisfaction of claims by the Commonwealth for damage to highway safety signs, signals, guardrails, curbing and other highway related facilities. Spending is for debt service on general and special obligation debt formerly paid for by the Highway Fund, as well as for amounts, subject to appropriation, to fund the programs and services of the Massachusetts Department of Transportation.



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Budgeted Funds
Combining Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

ASSETS	<u>General</u>	<u>Highway</u>	<u>Commonwealth Stabilization</u>
Cash and short-term investments.....	\$ 380,281	\$ 17,835	\$ 492,862
Cash with fiscal agent.....	-	-	-
Investments.....	-	-	348,482
Receivables, net of allowance for uncollectibles:			
Due from federal government.....	458,361	-	-
Other receivables.....	15,793	-	-
Due from cities and towns.....	10,305	-	-
Due from other funds.....	-	-	-
Total assets.....	<u>\$ 864,740</u>	<u>\$ 17,835</u>	<u>\$ 841,344</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable.....	\$ 623,216	\$ 9,921	\$ -
Accrued payroll.....	95,256	7,914	-
Total liabilities.....	<u>718,472</u>	<u>17,835</u>	<u>-</u>
Fund balance:			
Reserved for:			
Continuing appropriations.....	53,704	-	-
Commonwealth Stabilization.....	-	-	841,344
Debt service.....	-	-	-
Unreserved:			
Undesignated.....	92,564	-	-
Total fund equity.....	<u>146,268</u>	<u>-</u>	<u>841,344</u>
Total liabilities and fund equity.....	<u>\$ 864,740</u>	<u>\$ 17,835</u>	<u>\$ 841,344</u>

See accountants' review report

Administrative Control Intragovernmental Service	Environmental Inland Fisheries and Game	Budgeted Other		Totals (Memorandum only)	
		Workforce Training	Massachusetts Tourism	2009	2008
\$ 21,089	\$ 14,557	\$ 12,840	\$ 2,909	\$ 942,373	\$ 2,290,681
-	-	-	-	-	15,619
-	-	-	-	348,482	388,077
-	-	-	-	458,361	441,748
-	-	41	-	15,834	17,757
-	-	-	-	10,305	6,674
-	-	-	-	-	5,609
<u>\$ 21,089</u>	<u>\$ 14,557</u>	<u>\$ 12,881</u>	<u>\$ 2,909</u>	<u>\$ 1,775,355</u>	<u>\$ 3,166,165</u>
\$ 15,963	\$ 508	\$ 1,723	\$ 2,288	\$ 653,619	\$ 659,658
<u>1,683</u>	<u>177</u>	<u>40</u>	<u>30</u>	<u>105,100</u>	<u>100,687</u>
<u>17,646</u>	<u>685</u>	<u>1,763</u>	<u>2,318</u>	<u>758,719</u>	<u>760,345</u>
3,443	-	11,118	591	68,856	155,860
-	-	-	-	841,344	2,119,194
-	-	-	-	-	15,619
-	13,872	-	-	106,436	115,147
<u>3,443</u>	<u>13,872</u>	<u>11,118</u>	<u>591</u>	<u>1,016,636</u>	<u>2,405,820</u>
<u>\$ 21,089</u>	<u>\$ 14,557</u>	<u>\$ 12,881</u>	<u>\$ 2,909</u>	<u>\$ 1,775,355</u>	<u>\$ 3,166,165</u>

Budgeted Funds

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

Fiscal Year Ended June 30, 2009

(Amounts in thousands)

	General	Highway	Commonwealth Stabilization
REVENUES AND OTHER FINANCING SOURCES			
Revenues:			
Taxes.....	\$ 16,106,806	\$ 620,527	\$ 2,436
Assessments.....	335,141	13,513	-
Federal grants and reimbursements.....	8,242,161	1,024	-
Departmental.....	1,289,158	413,969	-
Miscellaneous.....	215,775	840	43,967
Total revenues.....	26,189,041	1,049,873	46,403
Other financing sources:			
Fringe benefit cost recovery.....	262,034	-	-
Lottery reimbursements.....	105,656	-	-
Lottery distributions.....	890,489	-	-
Tobacco settlement transfer.....	315,153	-	-
Operating transfers in.....	337,980	1,352	-
Stabilization transfer.....	1,389,000	-	64,747
Other fund deficit support.....	-	219,947	-
Total other financing sources.....	3,300,312	221,299	64,747
Total revenues and other financing sources.....	29,489,353	1,271,172	111,150
EXPENDITURES AND OTHER FINANCING USES			
Expenditures:			
Legislature.....	60,199	-	-
Judiciary.....	794,938	-	-
Inspector General.....	3,002	-	-
Governor and Lieutenant Governor.....	8,338	-	-
Secretary of the Commonwealth.....	46,870	-	-
Treasurer and Receiver-General.....	127,609	1,087	-
Auditor of the Commonwealth.....	18,688	-	-
Attorney General.....	43,785	481	-
Ethics Commission.....	1,678	-	-
District Attorney.....	96,410	4,379	-
Office of Campaign & Political Finance.....	1,129	-	-
Sheriff's Departments.....	290,089	424	-
Disabled Persons Protection Commission.....	2,267	-	-
Board of Library Commissioners.....	33,652	-	-
Comptroller.....	8,607	1	-
Administration and finance.....	1,613,011	5,642	-
Energy and environmental affairs.....	205,074	-	-
Health and human services.....	4,828,314	-	-
Transportation and public works.....	194,491	87,780	-
Executive office of education.....	2,091,716	-	-
Public safety and homeland security.....	986,750	236,987	-
Housing and economic development.....	193,080	64	-
Labor and workforce development.....	42,527	-	-
Direct local aid.....	4,723,620	-	-
Medicaid.....	8,679,213	-	-
Pension.....	1,314,396	-	-
Debt service:			
Principal retirement.....	601,448	485,922	-
Interest and fiscal charges.....	423,057	380,959	-
Total expenditures.....	27,433,958	1,203,726	-
Other financing uses:			
Fringe benefit cost assessment.....	-	55,214	-
Lottery deficit support.....	76,112	-	-
Operating transfers out.....	88,236	28,436	-
Commonwealth care transfer.....	987,959	-	-
Medical assistance transfer.....	374,001	-	-
State retiree benefits transfer.....	352,000	-	-
Stabilization transfer.....	64,747	-	1,389,000
Transfer for Bay State Competitiveness Investment.....	-	-	-
Other fund deficit support.....	203,080	-	-
Total other financing uses.....	2,146,135	83,650	1,389,000
Total expenditures and other financing uses.....	29,580,093	1,287,376	1,389,000
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(90,740)	(16,204)	(1,277,850)
Fund balance at beginning of year.....	237,008	16,204	2,119,194
Fund balance at end of year.....	\$ 146,268	\$ -	\$ 841,344

See accountants' review report

Administrative Control Intragovernmental Service	Environmental Inland Fisheries and Game	Budgeted Other		Totals (Memorandum only)	
		Workforce Training	Massachusetts Tourism	2009	2008
\$ -	\$ 869	\$ 21,073	\$ 38,310	\$ 16,790,021	\$ 19,488,540
-	-	-	-	348,654	302,184
-	7,715	-	-	8,250,900	6,429,469
234,056	7,325	-	-	1,944,508	1,866,898
-	37	7	-	260,626	409,559
<u>234,056</u>	<u>15,946</u>	<u>21,080</u>	<u>38,310</u>	<u>27,594,709</u>	<u>28,496,650</u>
-	-	-	-	262,034	359,297
-	-	-	-	105,656	103,126
-	-	-	-	890,489	1,014,642
-	-	-	-	315,153	288,490
-	130	-	-	339,462	368,854
-	-	-	-	1,453,747	315,000
-	-	-	-	219,947	1,593,422
-	130	-	-	3,586,488	4,042,831
<u>234,056</u>	<u>16,076</u>	<u>21,080</u>	<u>38,310</u>	<u>31,181,197</u>	<u>32,539,481</u>
-	-	-	-	60,199	58,090
-	-	-	-	794,938	812,105
-	-	-	-	3,002	3,136
39	-	-	-	8,377	8,757
116	-	-	-	46,986	43,981
-	-	-	-	128,696	125,326
-	-	-	-	18,688	18,999
-	-	-	-	44,266	43,396
-	-	-	-	1,678	1,629
-	-	-	-	100,789	101,954
-	-	-	-	1,129	1,170
-	-	-	-	290,513	291,713
-	-	-	-	2,267	2,017
-	-	-	-	33,652	32,888
3,071	-	-	-	11,679	11,910
134,226	-	-	-	1,752,879	1,658,550
323	10,780	-	-	216,177	227,374
80,599	-	-	25	4,908,938	4,872,307
1,042	-	-	-	283,313	266,344
-	-	-	-	2,091,716	2,120,133
13,137	-	-	-	1,236,874	1,265,371
-	-	-	27,045	220,189	247,850
-	-	22,578	-	65,105	84,620
-	-	-	-	4,723,620	5,040,468
-	-	-	-	8,679,213	8,246,342
-	-	-	-	1,314,396	1,398,600
-	-	-	-	1,087,370	1,047,444
-	-	-	-	804,016	820,464
<u>232,553</u>	<u>10,780</u>	<u>22,578</u>	<u>27,070</u>	<u>28,930,665</u>	<u>28,852,938</u>
-	1,524	389	288	57,415	90,716
-	-	-	-	76,112	200,019
1,863	-	-	-	118,535	142,275
-	-	-	-	987,959	1,045,863
-	-	-	-	374,001	376,700
-	-	-	-	352,000	354,743
-	-	-	-	1,453,747	315,000
-	-	-	-	-	63,000
-	-	5,879	10,988	219,947	1,593,422
<u>1,863</u>	<u>1,524</u>	<u>6,268</u>	<u>11,276</u>	<u>3,639,716</u>	<u>4,181,738</u>
<u>234,416</u>	<u>12,304</u>	<u>28,846</u>	<u>38,346</u>	<u>32,570,381</u>	<u>33,034,676</u>
(360)	3,772	(7,766)	(36)	(1,389,184)	(495,195)
3,803	10,100	18,884	627	2,405,820	2,901,015
<u>\$ 3,443</u>	<u>\$ 13,872</u>	<u>\$ 11,118</u>	<u>\$ 591</u>	<u>\$ 1,016,636</u>	<u>\$ 2,405,820</u>

Budgeted Funds

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

Fiscal Year Ended June 30, 2009

(Amounts in thousands)

	General			Highway		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES						
Revenues:						
Taxes.....	\$ 19,313,400	\$ 16,106,806	\$ (3,206,594)	\$ 577,700	\$ 620,527	\$ 42,827
Assessments.....	-	335,141	335,141	-	13,513	13,513
Federal grants and reimbursements.....	7,063,200	8,242,161	1,178,961	3,600	1,024	(2,576)
Departmental.....	2,113,500	1,289,158	(824,342)	265,700	413,969	148,269
Miscellaneous.....	-	215,775	215,775	-	840	840
Total revenues.....	28,490,100	26,189,041	(2,301,059)	847,000	1,049,873	202,873
Other financing sources:						
Fringe benefit cost recovery.....	-	262,034	262,034	-	-	-
Lottery reimbursements.....	95,770	105,656	9,886	-	-	-
Lottery distributions.....	811,875	890,489	78,614	-	-	-
Tobacco settlement transfer.....	288,500	315,153	26,653	-	-	-
Operating transfers in.....	676,216	337,980	(338,236)	-	1,352	1,352
Stabilization transfer.....	401,000	1,389,000	988,000	-	-	-
Other fund deficit support.....	-	-	-	-	219,947	219,947
Total other financing sources.....	2,273,361	3,300,312	1,026,951	-	221,299	221,299
Total revenues and other financing sources.....	30,763,461	29,489,353	(1,274,108)	847,000	1,271,172	424,172
EXPENDITURES AND OTHER FINANCING USES						
Expenditures:						
Legislature.....	79,003	60,199	18,804	-	-	-
Judiciary.....	803,698	794,938	8,760	-	-	-
Inspector General.....	3,071	3,002	69	-	-	-
Governor and Lieutenant Governor.....	9,051	8,338	713	-	-	-
Secretary of the Commonwealth.....	52,821	46,870	5,951	-	-	-
Treasurer and Receiver-General.....	135,467	127,609	7,858	1,088	1,087	1
Auditor of the Commonwealth.....	18,690	18,688	2	-	-	-
Attorney General.....	44,479	43,785	694	483	481	2
Ethics Commission.....	1,782	1,678	104	-	-	-
District Attorney.....	96,567	96,410	157	4,379	4,379	-
Office of Campaign and Political Finance.....	1,285	1,129	156	-	-	-
Sheriff's Departments.....	292,881	290,089	2,792	489	424	65
Disabled Persons Protection Commission.....	2,314	2,267	47	-	-	-
Board of Library Commissioners.....	33,659	33,652	7	-	-	-
Comptroller.....	8,700	8,607	93	-	1	(1)
Administration and finance.....	1,617,906	1,613,011	4,895	5,698	5,642	56
Energy and environmental affairs.....	214,785	205,074	9,711	-	-	-
Health and human services.....	4,875,300	4,828,314	46,986	-	-	-
Transportation and public works.....	268,028	194,491	73,537	91,267	87,780	3,487
Executive office of education.....	2,111,799	2,091,716	20,083	-	-	-
Public safety and homeland security.....	1,002,194	986,750	15,444	243,163	236,987	6,176
Housing and economic development.....	209,628	193,080	16,548	71	64	7
Labor and workforce development.....	43,627	42,527	1,100	-	-	-
Direct local aid.....	5,135,620	4,723,620	412,000	-	-	-
Medicaid.....	8,687,776	8,679,213	8,563	-	-	-
Pension.....	1,465,000	1,314,396	150,604	-	-	-
Debt service:						
Principal retirement.....	607,106	601,448	5,658	500,510	485,922	14,588
Interest and fiscal charges.....	430,939	423,057	7,882	398,667	380,959	17,708
Total expenditures.....	28,253,176	27,433,958	819,218	1,245,815	1,203,726	42,089
Other financing uses:						
Fringe benefit cost assessment.....	-	-	-	83,500	55,214	28,286
Operating transfers out.....	72,664	88,236	(15,572)	5,500	28,436	(22,936)
Commonwealth care transfer.....	1,117,561	987,959	129,602	-	-	-
Medical assistance transfer.....	346,000	374,001	(28,001)	-	-	-
State retiree benefits transfer.....	372,000	352,000	20,000	-	-	-
Stabilization transfer.....	-	64,747	(64,747)	-	-	-
Lottery deficit support.....	-	76,112	(76,112)	-	-	-
Other fund deficit support.....	-	203,080	(203,080)	-	-	-
Total other financing uses.....	1,908,225	2,146,135	(237,910)	89,000	83,650	5,350
Total expenditures and other financing uses.....	30,161,401	29,580,093	581,308	1,334,815	1,287,376	47,439
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	602,060	(90,740)	(692,800)	(487,815)	(16,204)	471,611
Fund balance at beginning of year.....	237,008	237,008	-	16,204	16,204	-
Fund balance at end of year.....	\$ 839,068	\$ 146,268	\$ (692,800)	\$ (471,611)	\$ -	\$ 471,611

See accountants' review report

Commonwealth Stabilizator			Administrative Control			Environmental		
			Intragovernmental Service			Inland Fisheries and Game		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ 2,436	\$ 2,436	\$ -	\$ -	\$ -	\$ -	\$ 869	\$ 869
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,800	7,715	3,915
-	-	-	-	234,056	234,056	6,900	7,325	425
91,000	43,967	(47,033)	-	-	-	-	37	37
91,000	46,403	(44,597)	-	234,056	234,056	10,700	15,946	5,246
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	100	130	30
-	64,747	64,747	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	64,747	64,747	-	-	-	100	130	30
91,000	111,150	20,150	-	234,056	234,056	10,800	16,076	5,276
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	125	39	86	-	-	-
-	-	-	116	116	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	3,345	3,071	274	-	-	-
-	-	-	187,580	134,226	53,354	-	-	-
-	-	-	510	323	187	11,274	10,780	494
-	-	-	95,015	80,599	14,416	-	-	-
-	-	-	2,000	1,042	958	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	13,783	13,137	646	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	302,474	232,553	69,921	11,274	10,780	494
-	-	-	-	-	-	-	-	-
-	-	-	-	1,863	(1,863)	-	1,524	(1,524)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
401,000	1,389,000	(988,000)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
401,000	1,389,000	(988,000)	-	1,863	(1,863)	-	1,524	(1,524)
401,000	1,389,000	(988,000)	302,474	234,416	68,058	11,274	12,304	(1,030)
(310,000)	(1,277,850)	(967,850)	(302,474)	(360)	302,114	(474)	3,772	4,246
2,119,194	2,119,194	-	3,803	3,803	-	10,100	10,100	-
\$ 1,809,194	\$ 841,344	\$ (967,850)	\$ (298,671)	\$ 3,443	\$ 302,114	\$ 9,626	\$ 13,872	\$ 4,246

continued

Budgeted Funds

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

Fiscal Year Ended June 30, 2009

(Amounts in thousands)

	Budgeted Other					
	Workforce Training			Massachusetts Tourism		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES AND OTHER FINANCING SOURCES						
Revenues:						
Taxes.....	\$ 21,000	\$ 21,073	\$ 73	\$ 43,100	\$ 38,310	\$ (4,790)
Assessments.....	-	-	-	-	-	-
Federal grants and reimbursements.....	-	-	-	-	-	-
Departmental.....	-	-	-	-	-	-
Miscellaneous.....	-	7	7	-	-	-
Total revenues.....	<u>21,000</u>	<u>21,080</u>	<u>80</u>	<u>43,100</u>	<u>38,310</u>	<u>(4,790)</u>
Other financing sources:						
Fringe benefit cost recovery.....	-	-	-	-	-	-
Lottery reimbursements.....	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-
Tobacco settlement transfer.....	-	-	-	-	-	-
Operating transfers in.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Other fund deficit support.....	-	-	-	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources.....	<u>21,000</u>	<u>21,080</u>	<u>80</u>	<u>43,100</u>	<u>38,310</u>	<u>(4,790)</u>
EXPENDITURES AND OTHER FINANCING USES						
Expenditures:						
Legislature.....	-	-	-	-	-	-
Judiciary.....	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-
Governor and Lieutenant Governor.....	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	-
Treasurer and Receiver-General.....	-	-	-	-	-	-
Auditor of the Commonwealth.....	-	-	-	-	-	-
Attorney General.....	-	-	-	-	-	-
Ethics Commission.....	-	-	-	-	-	-
District Attorney.....	-	-	-	-	-	-
Office of Campaign and Political Finance.....	-	-	-	-	-	-
Sheriff's Departments.....	-	-	-	-	-	-
Disabled Persons Protection Commission.....	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-
Administration and finance.....	-	-	-	-	-	-
Energy and environmental affairs.....	-	-	-	-	-	-
Health and human services.....	-	-	-	25	25	-
Transportation and public works.....	-	-	-	-	-	-
Executive office of education.....	-	-	-	-	-	-
Public safety and homeland security.....	-	-	-	-	-	-
Housing and economic development.....	-	-	-	27,637	27,045	592
Labor and workforce development.....	33,696	22,578	11,118	-	-	-
Direct local aid.....	-	-	-	-	-	-
Medicaid.....	-	-	-	-	-	-
Pension.....	-	-	-	-	-	-
Debt service:						
Principal retirement.....	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-	-
Total expenditures.....	<u>33,696</u>	<u>22,578</u>	<u>11,118</u>	<u>27,662</u>	<u>27,070</u>	<u>592</u>
Other financing uses:						
Fringe benefit cost assessment.....	600	389	211	300	288	12
Operating transfers out.....	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-
Medical assistance transfer.....	-	-	-	-	-	-
State retiree benefits.....	-	-	-	-	-	-
Stabilization transfer.....	-	-	-	-	-	-
Lottery deficit support.....	-	-	-	-	-	-
Other fund deficit support.....	-	5,879	(5,879)	-	10,988	(10,988)
Total other financing uses.....	<u>600</u>	<u>6,268</u>	<u>(5,668)</u>	<u>300</u>	<u>11,276</u>	<u>(10,976)</u>
Total expenditures and other financing uses.....	<u>34,296</u>	<u>28,846</u>	<u>5,450</u>	<u>27,962</u>	<u>38,346</u>	<u>(10,384)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses.....	(13,296)	(7,766)	5,530	15,138	(36)	(15,174)
Fund balances (deficit) at beginning of year.....	18,884	18,884	-	627	627	-
Fund balances (deficit) at end of year.....	<u>\$ 5,588</u>	<u>\$ 11,118</u>	<u>\$ 5,530</u>	<u>\$ 15,765</u>	<u>\$ 591</u>	<u>\$ (15,174)</u>

See accountants' review report

Totals (Memorandum only)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 19,955,200	\$ 16,790,021	\$ (3,165,179)
-	348,654	348,654
7,070,600	8,250,900	1,180,300
2,386,100	1,944,508	(441,592)
91,000	260,626	169,626
<u>29,502,900</u>	<u>27,594,709</u>	<u>(1,908,191)</u>
-	262,034	262,034
95,770	105,656	9,886
811,875	890,489	78,614
288,500	315,153	26,653
676,316	339,462	(336,854)
401,000	1,453,747	1,052,747
-	219,947	219,947
<u>2,273,461</u>	<u>3,586,488</u>	<u>1,313,027</u>
<u>31,776,361</u>	<u>31,181,197</u>	<u>(595,164)</u>
79,003	60,199	18,804
803,698	794,938	8,760
3,071	3,002	69
9,176	8,377	799
52,937	46,986	5,951
136,555	128,696	7,859
18,690	18,688	2
44,962	44,266	696
1,782	1,678	104
100,946	100,789	157
1,285	1,129	156
293,370	290,513	2,857
2,314	2,267	47
33,659	33,652	7
12,045	11,679	366
1,811,184	1,752,879	58,305
226,569	216,177	10,392
4,970,340	4,908,938	61,402
361,295	283,313	77,982
2,111,799	2,091,716	20,083
1,259,140	1,236,874	22,266
237,336	220,189	17,147
77,323	65,105	12,218
5,135,620	4,723,620	412,000
8,687,776	8,679,213	8,563
1,465,000	1,314,396	150,604
1,107,616	1,087,370	20,246
829,606	804,016	25,590
<u>29,874,097</u>	<u>28,930,665</u>	<u>943,432</u>
84,400	57,415	26,985
78,164	118,535	(40,371)
1,117,561	987,959	129,602
346,000	374,001	(28,001)
372,000	352,000	20,000
401,000	1,453,747	(1,052,747)
-	76,112	(76,112)
-	219,947	(219,947)
<u>2,399,125</u>	<u>3,639,716</u>	<u>(1,240,591)</u>
<u>32,273,222</u>	<u>32,570,381</u>	<u>(297,159)</u>
(496,861)	(1,389,184)	(892,323)
2,405,820	2,405,820	-
<u>\$ 1,908,959</u>	<u>\$ 1,016,636</u>	<u>\$ (892,323)</u>

General Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 380,281	\$ 480,969
Receivables, net of allowance for uncollectibles:		
Due from federal government.....	458,361	441,748
Other receivables.....	15,793	17,757
Due from cities and towns.....	10,305	6,674
Due from other funds.....	-	5,609
Total assets.....	\$ 864,740	\$ 952,757
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 623,216	\$ 624,232
Accrued payroll.....	95,256	91,517
Total liabilities.....	718,472	715,749
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	53,704	131,961
Unreserved fund balance:		
Undesignated.....	92,564	105,047
Total fund balance.....	146,268	237,008
Total liabilities and fund balance.....	\$ 864,740	\$ 952,757

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 19,313,400	\$ 16,106,806	\$ (3,206,594)	\$ 18,848,150
Assessments.....	-	335,141	335,141	288,556
Federal grants and reimbursements.....	7,063,200	8,242,161	1,178,961	6,426,929
Departmental.....	2,113,500	1,289,158	(824,342)	1,223,937
Miscellaneous.....	-	215,775	215,775	311,434
Total revenues.....	<u>28,490,100</u>	<u>26,189,041</u>	<u>(2,301,059)</u>	<u>27,099,006</u>
Other financing sources:				
Fringe benefit cost recovery.....	-	262,034	262,034	359,297
Lottery reimbursements.....	95,770	105,656	9,886	103,126
Lottery distributions.....	811,875	890,489	78,614	1,014,642
Operating transfers in.....	676,216	337,980	(338,236)	365,122
Stabilization transfers.....	401,000	1,389,000	988,000	315,000
Tobacco settlement transfer.....	288,500	315,153	26,653	288,490
Total other financing sources.....	<u>2,273,361</u>	<u>3,300,312</u>	<u>1,026,951</u>	<u>2,445,677</u>
Total revenues and other financing sources.....	<u>30,763,461</u>	<u>29,489,353</u>	<u>(1,274,108)</u>	<u>29,544,683</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Legislature.....	79,003	60,199	18,804	58,090
Judiciary.....	803,698	794,938	8,760	812,105
Inspector General.....	3,071	3,002	69	3,136
Governor and Lieutenant Governor.....	9,051	8,338	713	8,737
Secretary of the Commonwealth.....	52,821	46,870	5,951	43,865
Treasurer and Receiver-General.....	135,467	127,609	7,858	124,382
Auditor of the Commonwealth.....	18,690	18,688	2	18,999
Attorney General.....	44,479	43,785	694	42,916
Ethics Commission.....	1,782	1,678	104	1,629
District Attorney.....	96,567	96,410	157	98,003
Office of Campaign and Political Finance.....	1,285	1,129	156	1,170
Sheriff's Departments.....	292,881	290,089	2,792	291,241
Disabled Persons Protection Commission.....	2,314	2,267	47	2,017
Board of Library Commissioners.....	33,659	33,652	7	32,888
Comptroller.....	8,700	8,607	93	8,940

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
Expenditures (continued):				
Administration and finance.....	1,617,906	1,613,011	4,895	1,482,131
Energy and environmental affairs.....	214,785	205,074	9,711	216,256
Health and human services.....	4,875,300	4,828,314	46,986	4,796,463
Transportation and public works.....	268,028	194,491	73,537	176,298
Executive office of education.....	2,111,799	2,091,716	20,083	2,120,133
Public safety and homeland security.....	1,002,194	986,750	15,444	1,006,953
Housing and economic development.....	209,628	193,080	16,548	209,313
Labor and workforce development.....	43,627	42,527	1,100	59,515
Direct local aid.....	5,135,620	4,723,620	412,000	5,040,468
Medicaid.....	8,687,776	8,679,213	8,563	8,246,342
Pension.....	1,465,000	1,314,396	150,604	1,398,600
Debt service:				
Principal retirement.....	607,106	601,448	5,658	635,027
Interest and fiscal charges.....	430,939	423,057	7,882	431,228
Total expenditures.....	<u>28,253,176</u>	<u>27,433,958</u>	<u>819,218</u>	<u>27,366,845</u>
Other financing uses:				
Operating transfers out.....	72,664	88,236	(15,572)	118,496
Commonwealth care transfer.....	1,117,561	987,959	129,602	1,045,863
Medical assistance transfer.....	346,000	374,001	(28,001)	376,700
State retiree benefits transfer.....	372,000	352,000	20,000	354,743
Lottery deficit support.....	-	76,112	(76,112)	200,019
Other fund deficit support.....	-	203,080	(203,080)	1,585,673
Stabilization transfer.....	-	64,747	(64,747)	-
Total other financing uses.....	<u>1,908,225</u>	<u>2,146,135</u>	<u>(237,910)</u>	<u>3,681,494</u>
Total expenditures and other financing uses.....	<u>30,161,401</u>	<u>29,580,093</u>	<u>581,308</u>	<u>31,048,339</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....				
	602,060	(90,740)	(692,800)	(1,503,656)
Fund balance (deficit) at beginning of year.....	<u>237,008</u>	<u>237,008</u>	<u>-</u>	<u>1,740,664</u>
Fund balance (deficit) at end of year.....	<u>\$ 839,068</u>	<u>\$ 146,268</u>	<u>\$ (692,800)</u>	<u>\$ 237,008</u>

See accountants' review report



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Highway Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 17,835	\$ 18,230
Cash with fiscal agent.....	-	15,619
Total assets.....	\$ 17,835	\$ 33,849
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 9,921	\$ 9,909
Accrued payroll.....	7,914	7,736
Total liabilities.....	17,835	17,645
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	-	585
Reserved for debt service.....	-	15,619
Total fund balance.....	-	16,204
Total liabilities and fund balance.....	\$ 17,835	\$ 33,849

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 577,700	\$ 620,527	\$ 42,827	\$ 574,045
Assessments.....	-	13,513	13,513	13,628
Federal grants and reimbursements.....	3,600	1,024	(2,576)	750
Departmental.....	265,700	413,969	148,269	406,056
Miscellaneous.....	-	840	840	1,135
Total revenues.....	<u>847,000</u>	<u>1,049,873</u>	<u>202,873</u>	<u>995,614</u>
Other financing sources:				
Operating transfers in.....	-	1,352	1,352	3,615
Other fund deficit support.....	-	219,947	219,947	1,571,583
Total other financing sources.....	<u>-</u>	<u>221,299</u>	<u>221,299</u>	<u>1,575,198</u>
Total revenues and other financing sources.....	<u>847,000</u>	<u>1,271,172</u>	<u>424,172</u>	<u>2,570,812</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Treasurer and Receiver-General.....	1,088	1,087	1	919
Attorney General.....	483	481	2	480
District Attorney.....	4,379	4,379	0	3,951
Sheriff's Departments.....	489	424	65	472
Comptroller.....	-	1	(1)	7
Administration and finance.....	5,698	5,642	56	5,836
Transportation and public works.....	91,267	87,780	3,487	88,804
Public safety and homeland security.....	243,163	236,987	6,176	245,690
Housing and economic development.....	71	64	7	59
Debt service:				
Principal retirement.....	500,510	485,922	14,588	412,417
Interest and fiscal charges.....	398,667	380,959	17,708	389,236
Total expenditures.....	<u>1,245,815</u>	<u>1,203,726</u>	<u>42,089</u>	<u>1,147,871</u>
Other financing uses:				
Fringe benefit cost assessment.....	83,500	55,214	28,286	87,416
Operating transfers out.....	5,500	28,436	(22,936)	22,768
Total other financing uses.....	<u>89,000</u>	<u>83,650</u>	<u>5,350</u>	<u>110,184</u>
Total expenditures and other financing uses.....	<u>1,334,815</u>	<u>1,287,376</u>	<u>47,439</u>	<u>1,258,055</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses..	(487,815)	(16,204)	471,611	1,312,757
Fund balance (deficit) at beginning of year.....	16,204	16,204	-	(1,296,553)
Fund balance (deficit) at end of year.....	<u>\$ (471,611)</u>	<u>\$ -</u>	<u>\$ 471,611</u>	<u>\$ 16,204</u>

See accountants' review report

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

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 147,384	\$ -
Cash with fiscal agent.....	-	15,619
Total assets.....	\$ 147,384	\$ 15,619
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved fund balance:		
Reserved for debt service.....	-	15,619
Unreserved fund balance:		
Undesignated.....	147,384	-
Total fund balance.....	147,384	15,619
Total liabilities and fund balance.....	\$ 147,384	\$ 15,619

See accountants' review report

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, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 128,184	\$ 189,246	\$ 61,062	\$ 194,785
Miscellaneous.....	-	91	91	531
Total revenues.....	<u>128,184</u>	<u>189,337</u>	<u>61,153</u>	<u>195,316</u>
Other financing sources:				
Operating transfers in.....	-	1,352	1,352	3,611
Total other financing sources.....	<u>-</u>	<u>1,352</u>	<u>1,352</u>	<u>3,611</u>
Total revenues and other financing sources.....	<u>128,184</u>	<u>190,689</u>	<u>62,505</u>	<u>198,927</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Debt service:				
Principal retirement.....	33,960	33,960	-	32,545
Interest and fiscal charges.....	24,964	24,964	-	23,990
Total expenditures.....	<u>58,924</u>	<u>58,924</u>	<u>-</u>	<u>56,535</u>
Other financing uses:				
Other fund deficit support.....	-	-	-	1,989,654
Total other financing uses.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,989,654</u>
Total expenditures and other financing uses.....	<u>58,924</u>	<u>58,924</u>	<u>-</u>	<u>2,046,189</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing use	69,260	131,765	62,505	(1,847,262)
Fund balance (deficit) at beginning of year.....	<u>15,619</u>	<u>15,619</u>	<u>-</u>	<u>1,862,881</u>
Fund balance (deficit) at end of year.....	<u>\$ 84,879</u>	<u>\$ 147,384</u>	<u>\$ 62,505</u>	<u>\$ 15,619</u>

See accountants' review report

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.

Commonwealth Stabilization Fund
Balance Sheet- Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 492,862	\$ 1,731,117
Investments.....	348,482	388,077
Total assets.....	\$ 841,344	\$ 2,119,194
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved fund balance:		
Reserved for Commonwealth Stabilization.....	841,344	2,119,194
Total fund balance.....	841,344	2,119,194
Total liabilities and fund balance.....	\$ 841,344	\$ 2,119,194

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ -	\$ 2,436	\$ 2,436	\$ 2,243
Miscellaneous.....	91,000	43,967	(47,033)	96,930
Total revenues.....	<u>91,000</u>	<u>46,403</u>	<u>(44,597)</u>	<u>99,173</u>
Other financing sources:				
Stabilization transfer.....	-	64,747	64,747	-
Total other financing sources.....	-	64,747	64,747	-
Total revenues and other financing sources.....	<u>91,000</u>	<u>111,150</u>	<u>20,150</u>	<u>99,173</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and finance.....	-	-	-	-
Total expenditures.....	-	-	-	-
Other financing uses:				
Stabilization transfer.....	401,000	1,389,000	(988,000)	315,000
Total other financing uses.....	401,000	1,389,000	(988,000)	315,000
Total expenditures and other financing uses.....	<u>401,000</u>	<u>1,389,000</u>	<u>(988,000)</u>	<u>315,000</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing use	(310,000)	(1,277,850)	(967,850)	(215,827)
Fund balance (deficit) at beginning of year.....	<u>2,119,194</u>	<u>2,119,194</u>	-	<u>2,335,021</u>
Fund balance (deficit) at end of year.....	<u>\$ 1,809,194</u>	<u>\$ 841,344</u>	<u>\$ (967,850)</u>	<u>\$ 2,119,194</u>

See accountants' review report

Intragovernmental Service Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 21,089	\$ 20,212
Total assets.....	\$ 21,089	\$ 20,212
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 15,963	\$ 15,194
Accrued payroll.....	1,683	1,215
Total liabilities.....	17,646	16,409
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	3,443	3,803
Total fund balance	3,443	3,803
Total liabilities and fund balance.....	\$ 21,089	\$ 20,212

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Departmental.....	\$ -	\$ 234,056	\$ 234,056	\$ 229,373
Total revenues.....	-	234,056	234,056	229,373
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	-	234,056	234,056	229,373
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Governor and Lieutenant Governor.....	125	39	86	20
Secretary of the Commonwealth.....	116	116	-	116
Treasurer and Receiver-General.....	-	-	-	25
Comptroller.....	3,345	3,071	274	2,963
Administration and finance.....	187,580	134,226	53,354	133,583
Energy and environmental affairs.....	510	323	187	341
Health and human services.....	95,015	80,599	14,416	75,844
Transportation and public works.....	2,000	1,042	958	1,242
Public safety and homeland security.....	13,783	13,137	646	12,728
Total expenditures.....	302,474	232,553	69,921	226,862
Other financing uses:				
Operating transfers out.....	-	1,863	(1,863)	1,011
Total other financing uses.....	-	1,863	(1,863)	1,011
Total expenditures and other financing uses.....	302,474	234,416	68,058	227,873
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses..	(302,474)	(360)	302,114	1,500
Fund balance (deficit) at beginning of year.....	3,803	3,803	-	2,303
Fund balance (deficit) at end of year.....	\$ (298,671)	\$ 3,443	\$ 302,114	\$ 3,803

See accountants' review report

Bay State Competitiveness Investment Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ -	\$ -
Total assets.....	\$ -	\$ -
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ -	\$ -
Total liabilities.....	-	-
Fund balance:		
Reserved fund balance:		
Reserved for Bay State Competitiveness Investment.....	-	-
Total fund balance	-	-
Total liabilities and fund balance.....	\$ -	\$ -

See accountants' review report

Bay State Competitiveness Investment Fund
Statement of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Miscellaneous.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	-	-	-	-
Other financing sources:				
Transfer for Bay State Competitiveness Investment.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	-	-	-	-
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Administration and finance.....	-	-	-	37,000
Total expenditures.....	-	-	-	37,000
Other financing uses:				
Transfer for Bay State Competitiveness Investment.....	-	-	-	63,000
Total other financing uses.....	-	-	-	63,000
Total expenditures and other financing uses.....	-	-	-	100,000
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses...	-	-	-	(100,000)
Fund balance (deficit) at beginning of year.....	-	-	-	100,000
Fund balance (deficit) at end of year.....	\$ -	\$ -	\$ -	\$ -

See accountants' review report

Inland Fisheries And Game Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 14,557	\$ 10,576
Total assets.....	\$ 14,557	\$ 10,576
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 508	\$ 327
Accrued payroll.....	177	149
Total liabilities.....	685	476
Fund balance:		
Unreserved fund balance:		
Undesignated.....	13,872	10,100
Total fund balance.....	13,872	10,100
Total liabilities and fund balance.....	\$ 14,557	\$ 10,576

See accountants' review report

Inland Fisheries And Game Fund
Statement Of Revenues, Expenditures And Changes In Fund Balance - Statutory Basis

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ -	\$ 869	\$ 869	\$ 894
Federal grants and reimbursements.....	3,800	7,715	3,915	1,790
Departmental.....	6,900	7,325	425	6,876
Miscellaneous.....	-	37	37	60
Total revenues.....	<u>10,700</u>	<u>15,946</u>	<u>5,246</u>	<u>9,620</u>
Other financing sources:				
Operating transfers in.....	<u>100</u>	<u>130</u>	<u>30</u>	<u>117</u>
Total other financing sources.....	<u>100</u>	<u>130</u>	<u>30</u>	<u>117</u>
Total revenues and other financing sources.....	<u>10,800</u>	<u>16,076</u>	<u>5,276</u>	<u>9,737</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Energy and environmental affairs.....	<u>11,274</u>	<u>10,780</u>	<u>494</u>	<u>10,742</u>
Total expenditures.....	<u>11,274</u>	<u>10,780</u>	<u>494</u>	<u>10,742</u>
Other financing uses				
Fringe benefit cost assessment.....	<u>-</u>	<u>1,524</u>	<u>(1,524)</u>	<u>2,305</u>
Total other financing uses.....	<u>-</u>	<u>1,524</u>	<u>(1,524)</u>	<u>2,305</u>
Total expenditures and other financing uses.....	<u>11,274</u>	<u>12,304</u>	<u>(1,030)</u>	<u>13,047</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses....	(474)	3,772	4,246	(3,310)
Fund balance (deficit) at beginning of year.....	<u>10,100</u>	<u>10,100</u>	<u>-</u>	<u>13,410</u>
Fund balance (deficit) at end of year.....	<u>\$ 9,626</u>	<u>\$ 13,872</u>	<u>\$ 4,246</u>	<u>\$ 10,100</u>

See accountants' review report

Workforce Training Fund
Balance Sheet - Statutory Basis

June 30, 2009
(Amounts in thousands)

	2009	2008
ASSETS		
Cash and short-term investments.....	\$ 12,840	\$ 21,523
Receivables, net of allowance for uncollectibles:		
Other receivables.....	41	-
Total assets.....	\$ 12,881	\$ 21,523
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 1,723	\$ 2,600
Accrued payroll.....	40	39
Total liabilities.....	1,763	2,639
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	11,118	18,884
Total fund balance.....	11,118	18,884
Total liabilities and fund balance.....	\$ 12,881	\$ 21,523

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 21,000	\$ 21,073	\$ 73	\$ 21,509
Miscellaneous.....	-	7	7	-
Total revenues.....	<u>21,000</u>	<u>21,080</u>	<u>80</u>	<u>21,509</u>
Other financing sources:				
Other fund deficit support.....	-	-	-	21,839
Total other financing sources.....	-	-	-	21,839
Total revenues and other financing sources.....	<u>21,000</u>	<u>21,080</u>	<u>80</u>	<u>43,348</u>
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Housing and economic development.....	-	-	-	250
Labor and workforce development.....	33,696	22,578	11,118	25,105
Total expenditures.....	<u>33,696</u>	<u>22,578</u>	<u>11,118</u>	<u>25,355</u>
Other financing uses:				
Fringe benefit cost assessment.....	600	389	211	607
Other fund deficit support.....	-	5,879	5,879	-
Total other financing uses.....	<u>600</u>	<u>6,268</u>	<u>6,090</u>	<u>607</u>
Total expenditures and other financing uses.....	<u>34,296</u>	<u>28,846</u>	<u>17,208</u>	<u>25,962</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(13,296)	(7,766)	5,530	17,386
Fund balance (deficit) at beginning of year.....	18,884	18,884	-	1,498
Fund balance (deficit) at end of year.....	<u>\$ 5,588</u>	<u>\$ 11,118</u>	<u>\$ 5,530</u>	<u>\$ 18,884</u>

See accountants' review report

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

June 30, 2009
(Amounts in thousands)

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and short-term investments.....	\$ 2,909	\$ 8,054
Total assets.....	<u>\$ 2,909</u>	<u>\$ 8,054</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable.....	\$ 2,288	\$ 7,369
Accrued payroll.....	<u>30</u>	<u>31</u>
Total liabilities.....	<u>2,318</u>	<u>7,400</u>
Fund balance:		
Reserved fund balance:		
Reserved for continuing appropriations.....	<u>591</u>	<u>627</u>
Total fund balance.....	<u>591</u>	<u>627</u>
Total liabilities and fund balance.....	<u>\$ 2,909</u>	<u>\$ 8,027</u>

See accountants' review report

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	2009 Budget	2009 Actual	Variance Favorable (Unfavorable)	2008 Actual
REVENUES AND OTHER FINANCING SOURCES				
Revenues:				
Taxes.....	\$ 43,100	\$ 38,310	\$ (4,790)	\$ 41,699
Total revenues.....	43,100	38,310	(4,790)	41,699
Other financing sources:				
Operating transfers in.....	-	-	-	-
Total other financing sources.....	-	-	-	-
Total revenues and other financing sources.....	43,100	38,310	(4,790)	41,699
EXPENDITURES AND OTHER FINANCING USES				
Expenditures:				
Health and human services.....	25	25	-	-
Energy and environmental affairs.....	-	-	-	35
Housing and economic development.....	27,637	27,045	592	38,228
Total expenditures.....	27,662	27,070	592	38,263
Other financing uses:				
Fringe benefit cost assessment.....	300	288	12	388
Other fund deficit support.....	-	10,988	(10,988)	5,068
Total other financing uses.....	300	11,276	(10,976)	5,456
Total expenditures and other financing uses.....	27,962	38,346	(10,384)	43,719
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing us	15,138	(36)	(15,174)	(2,020)
Fund balance (deficit) at beginning of year.....	627	627	-	2,647
Fund balance (deficit) at end of year.....	\$ 15,765	\$ 591	\$ (15,174)	\$ 627

See accountants' review report



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Non-Budgeted Funds

SPECIAL REVENUE FUNDS:

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

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

LOTTERY FUNDS:

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

State Lottery Fund – to account 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 General Fund.

Arts Lottery Fund - to account 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 General Fund.

UNIVERSAL HEALTH CARE FUNDS:

The six Universal Healthcare Funds 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.

Commonwealth Care Trust Fund – to collect fair share employer assessments, free rider surcharges, transfers from the Health Safety Net Trust Fund, any funds that may be appropriated or transferred for deposit into the trust fund for the purposes of the demonstration program approved the Secretary of the United States Department of Health and Human Services under section 1115 of the Social Security Act, as extended or renewed from time to time and individual health care coverage penalties for the purpose of

providing health care coverage in accordance with the act providing access to affordable, quality, accountable health care of 2006.

Essential Community Provider Trust Fund – to account for transfers and interests; used for payments to acute care hospitals and community health centers, as defined in Chapter 58, Acts of 2006, Section 8.

Medical Assistance Trust Fund – to account for any funds directed to the Commonwealth from public entities and federal revenues related to medical assistance; to be used for medical assistance payments to entities authorized by the general court.

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

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

Catastrophic Illness in Children Relief Fund – to account for receipts from a portion of an employer’s unemployment health insurance contribution and certain Federal financial participation. The assistance is for medical expenses of childhood catastrophic illnesses not covered by any other State and Federal program and subject to certain family income limits.

OTHER FUNDS:

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

Department of Telecommunication and Energy Trust Fund – to account for expenditures by the Department of Telecommunications and Energy for activities of the department related to the regulation of electric companies.

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

Health Care Security Trust Fund – to account for revenues received from tobacco companies under the tobacco settlement and interest income for health related

services and programs intended to control or reduce the use of tobacco in the Commonwealth. Though not repealed, the balance in the Health Care Security Trust Fund was transferred to the State Retiree Benefits Trust Fund on June 30, 2008.

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

MBTA State and Local Contribution Fund – to account for the transfer of revenue and MBTA service area assessments from the Commonwealth to the MBTA as set forth in Massachusetts General Laws, Chapter 10, Section 35T.

MBTA Infrastructure Renovation Fund – to account for supplemental appropriations beyond the MBTA State and Local Contribution Fund for certain MBTA infrastructure improvements. Funds are to be used for, but not limited to, compliance with the American with Disabilities Act, elevator and escalator improvements, waterproofing, fare gates, signage, lighting and structural improvements only. No rolling stock is to be acquired through the fund.

Community Preservation Trust Fund – to account for revenues received from surcharges on real estate property taxes, public and private sources as gifts, grants and donations, from damages, penalties costs from litigation settlements and surcharge on municipal liens imposed by the cities and towns who accept funds from the trust, to further community open – space preservation programs.

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

State Racing Fund – to record activity described in Section 9, Chapter 139, Acts of 2001 for improvements to the horse and greyhound racing industry in the Commonwealth. Revenues are from taxes, assessments and expenditures are for related programs.

Division of Professional Licensure Trust Fund – to support programs and administrative costs of the Division of Professional Licensure. Revenues are from professional registration fees and expenditures are for regulatory purpose. The fund is not allowed to incur deficit. Any year

end balance in excess of 20% of prior year's expenditures revert to the General Fund.

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

Department of Fire Services Hazardous Materials Emergency Mitigation Response Recovery Trust Fund – to account for monies received from fees, fines and investment income up to a maximum of \$250,000 per year. All revenues in excess of \$250,000 are transferred to the General Fund and may be made available for appropriation. Expenditures are for emergency hazardous materials response and mitigation costs up to a maximum of \$250,000 per year.

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

County Registers Technological Fund – to account for monies received from deeds excise taxes for Barnstable, Bristol, Dukes, Norfolk, Plymouth and Nantucket Counties. Expenditures are for technical improvements at those counties.

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

Enhanced 911 Fund – to account for expenditures by the state 911 department to automatically identify a telephone number used to place or route a 911 call.

Counsel for Indigent Salary Enhancement Trust Fund – to account for fees collected for private applications for criminal complaints for misdemeanors in Commonwealth courts and investment revenues. Expenditures are for rate enhancements for advocates for the indigent.

Smart Growth Housing Trust Fund – This fund is controlled by the Department of Housing and Community Development for the purpose of making payments to communities under Smart Growth and Housing Production program. Revenues are from sale of surplus property for the total amount of sales between \$25 million to \$50 million, or appropriations from the General Fund and monetary sanctions imposed by the department.

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

Division of Energy Resources Credit Trust Fund – to account for the receipt, retention, redemption sale or transfer of energy conservation credits, renewable energy certificates or credits, emission credits and similar allowances. The Division of Energy Resources may expend these funds, without further appropriation for the implementation of programs for energy reliability, renewable energy, public procurement of energy and energy efficiency and climatic change. Any unexpended balance in the fund at the close of a fiscal year is retained in the fund. The fund is not allowed to carry a deficit at the end of the fiscal year.

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

Roche Community Rink Fund – to account for revenues generated from fees, fines, leases, gifts, grants, interest or any other revenue sources at the Roche Community Rink, formerly the Bryant Rink, in the West Roxbury section of the city of Boston. Expenditures are for operational costs, capital improvements, equipment and maintenance of said rink, including the costs of personnel, but no expenditures shall be made from the fund that shall cause the fund to be in deficit at the close of a fiscal year.

Workforce Competitiveness Trust Fund – to account for funds to support the development and implementation of employer and work responsive programs to enhance worker skills, income, productivity and retention and to increase the quality and competitiveness of Massachusetts firms. The fund is administered by the Executive Office of Labor and Workforce Development.

Fire Prevention and Public Safety Fund – to account for all penalties recovered under the cigarette fire safety regulation act to be used for fire safety and prevention programs

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

Massachusetts Board of Higher Education Scholar-Internship Match Fund – to provide a match for industry

scholarships given to Massachusetts students going on to study for a post-secondary degree at Massachusetts public higher education institutions. The amount to be matched through the Scholar-Internship Match Fund shall not exceed \$5,000 per student, contingent upon receiving a corresponding industry scholarship or internship of up to the same amount.

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

District Local Technical Assistance Fund – to account for grants to regional planning agencies for technical assistance to municipalities and to develop a state-wide zoning, land use planning, conservation, public safety planning, information technology and statistical trend modeling under the supervision of the Department of Housing and Community Development. The annual expenditures cannot exceed \$2.8 million in any fiscal year.

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

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

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

Massachusetts Mathematics, Science, Technology and Engineering Grant Fund – to account for the support provided to Massachusetts students who want to participate in programs that support careers in fields related to mathematics, science, technology, and engineering. The grants also support curriculum development in those fields.

Commonwealth Covenant Fund – to support programs that provide accessible tuition loan repayments to students who attend public universities or colleges in Massachusetts and stay to pursue careers in the STEM (Science, Technology, Engineering and Math) fields.

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

Regional Greenhouse Gas Initiative (RGGI) Auction Trust Fund – to account for expenditures by the department of environmental protection in consultation with the department of energy resources to adopt rules and regulations establishing a carbon dioxide cap and limit and reduce the total carbon dioxide emissions released by electric generating stations that generate electric power.

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

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

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

Children’s Trust Fund – to account 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 – to account for Federal grants used for activities associated with the collection of child support.

Massachusetts Military Family Relief Fund – to account for revenues received by the Commonwealth under the provisions of section 6K of Chapter 62, from public and private sources as gifts, grants, and donations to further the purposes of the fund, which is to help members of the Massachusetts National Guard and Massachusetts residents who are members of the Armed Forces of the United States and who were called to active duty after September 11, 2001.

Department of Industrial Accidents Special Fund – to account for assessments to employers and cities and towns for workers’ compensation insurance premiums and penalties assessed against employers who fail to insure for

the workers’ compensation; used to reimburse the General Fund for the operating account of the Department of Industrial Accidents and for administrative overhead.

County Correction Fund – to account for approximately 7.5% of the deeds excise tax distributed to counties for the operation of county correctional facilities.

Massachusetts AIDS Fund – to account for gifts, grants, and donations; used for research, treatment, and education related to acquired immune deficiency syndrome.

Trust Fund for the Head Injury Treatment Services Fund - to account for revenues from a surcharge on fines resulting from ‘driving under the influence’ convictions; funds the Massachusetts Rehabilitation Commission’s statewide head injury program to develop and maintain non-residential rehabilitation services for head injured persons,

Board of Registration in Medicine Fund – to account for certain revenues and expenditures of the Board.

Water Pollution Abatement Projects Administration Fund – to account 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.

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

Child Care Quality Fund – to account for expenditures by the commissioner of the Office for Children for providing grants for not-for-profit childcare organizations for the purpose of improving childcare services.

Convention and Exhibition Center Fund – to account 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 along with centers in Worcester and Springfield.

Firearms Fingerprint Identity Verification Trust Fund – to account for fees paid in firearms registrations for the purposes of financing fingerprint identification verifications with the fingerprint records maintained by the Federal Bureau of Investigations or any other federal agency for the verification of firearms license application identities.

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

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

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

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

Spinal Cord Injury Trust Fund – to account for surcharges for license reinstatement after 3 speeding convictions. Funds are expended for the purpose of medical cure research services for spinal cord injured persons.

Energy Technology Development Fund – to account for revenues 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.

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

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

Fiscal Year Ended June 30, 2009
 (Amounts in thousands)

	Lotteries			Universal Health Care Funds			
	Federal Grants	State Lottery	Arts Lottery	Commonwealth Care Trust	Essential Community Provider Trust	Medical Assistance Trust	Health Safety Net Trust
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ -	\$ 917	\$ -	\$ 145,849	\$ -	\$ -	\$ -
Assessments.....	-	-	-	-	-	-	365,053
Federal grants and reimbursements.....	2,646,255	-	-	-	-	-	-
Tobacco settlement revenue.....	-	-	-	-	-	-	-
Departmental.....	-	4,514,785	127,380	12,500	-	-	-
Miscellaneous.....	69	6,633	341	37,041	-	247,029	1,942
Total revenues.....	2,646,324	4,522,335	127,721	195,390	-	247,029	366,995
Other financing sources:							
Operating transfers in.....	561	-	74,555	-	32,592	-	-
Lottery deficit support.....	-	76,112	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	127,696
Commonwealth care transfer.....	-	-	-	1,052,459	-	-	-
Medical assistance transfer.....	-	-	-	-	-	374,001	-
Transfer for Bay State Competitiveness Investment.....	-	-	-	-	-	-	-
Total other financing sources.....	561	76,112	74,555	1,052,459	32,592	374,001	127,696
Total revenues and other financing sources.....	2,646,885	4,598,447	202,276	1,247,849	32,592	621,030	494,691
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary.....	588	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-	175
Secretary of the Commonwealth.....	741	-	-	-	-	-	-
Treasurer and Receiver-General.....	1,253	3,580,066	111,005	-	-	-	-
Attorney General.....	8,929	-	-	-	-	-	-
District Attorney.....	3,492	-	-	-	-	-	-
Sheriff's Departments.....	2,119	-	-	-	-	-	-
Disabled Persons Protection Commission.....	236	-	-	-	-	-	-
Board of Library Commissioners.....	2,873	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-	-
Administration and finance.....	2,034	-	-	-	-	-	-
Energy and environmental affairs.....	63,854	-	-	-	-	-	-
Health and human services.....	400,018	-	-	1,291,798	32,389	659,789	409,627
Transportation and public works.....	11,850	-	-	-	-	-	-
Executive office of education.....	847,413	-	-	-	-	-	-
Public safety and homeland security.....	108,426	-	-	-	-	-	-
Housing and economic development.....	528,947	-	-	-	-	-	-
Labor and workforce development.....	161,645	-	-	-	-	-	-
Direct local aid.....	412,000	-	-	-	-	-	-
Debt service:							
Principal retirement.....	-	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-	-	-
Total expenditures.....	2,556,418	3,580,066	111,005	1,291,798	32,389	659,789	409,802
Other financing uses:							
Fringe benefit cost assessment.....	39,963	6,578	-	2	-	-	18
Lottery operating reimbursements.....	-	92,999	12,657	-	-	-	-
Lottery distributions.....	-	811,875	78,614	-	-	-	-
Federal reimbursement transfer out.....	-	-	-	-	-	-	-
Tobacco settlement transfer.....	-	-	-	-	-	-	-
State retiree benefits transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	64,500
Health safety net trust transfer.....	-	-	-	127,696	-	-	-
Operating transfers out.....	48,706	74,555	-	1	-	-	112
Total other financing uses.....	88,669	986,007	91,271	127,699	-	-	64,630
Total expenditures and other financing uses.....	2,645,087	4,566,073	202,276	1,419,497	32,389	659,789	474,432
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	1,798	32,374	-	(171,648)	203	(38,759)	20,259
Fund balance at beginning of year.....	37,184	(32,374)	-	184,118	315	38,759	94,714
Fund balance at end of year.....	\$ 38,982	\$ -	\$ -	\$ 12,470	\$ 518	\$ -	\$ 114,973

See accountants' review report

Universal Health Care Funds		Non-budgeted Other Funds						
Medical Security Trust	Catastrophic Illness in Children Relief	Department of Telecommunication and Energy Trust	Liability Management and Reduction	Health Care Security Trust	Commonwealth of Massachusetts Civil Monetary Penalty (CMP)	MBTA State and Local Contribution	MBTA Infrastructure Renovation	Community Preservation Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 767,057	\$ -	\$ 25,181
-	-	4,144	-	-	-	146,486	-	-
-	-	-	-	-	-	-	-	-
47,431	-	-	2,001	315,153	-	-	-	-
1,367	106	-	30	-	179	-	-	-
48,798	106	4,144	2,031	315,153	179	913,543	211	857
-	1,964	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	1,964	-	-	-	-	-	-	-
48,798	2,070	4,144	2,031	315,153	179	913,543	211	26,038
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	913,543	1,718	-
-	-	-	44	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	2,415	-	-	-	-	-
-	-	2,914	-	-	-	-	-	54,761
-	2,430	-	-	-	119	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
78,508	-	256	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
78,508	2,430	3,170	2,459	-	119	913,543	1,718	54,761
547	35	481	17	-	-	-	-	35
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	315,153	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
17,100	22	231	-	40,543	-	-	-	13
17,647	57	712	17	355,696	-	-	-	48
96,155	2,487	3,882	2,476	355,696	119	913,543	1,718	54,809
(47,357)	(417)	262	(445)	(40,543)	60	-	(1,507)	(28,771)
90,509	6,736	268	3,162	40,543	838	-	10,777	59,976
\$ 43,152	\$ 6,319	\$ 530	\$ 2,717	\$ -	\$ 898	\$ -	\$ 9,270	\$ 31,205

continued

Non-Budgeted Special Revenue Funds

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	Non-budgeted Other Funds						
	Health Insurance Portability and Accountability Act	State Racing	Division of Professional Licensure Trust	Victims of Drunk Driving Trust	Department of Fire Services Hazardous Materials Emergency Mitigation Response Recovery Trust	Registers Technological	County Registers Technological
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ -	\$ 2,773	\$ -	\$ -	\$ -	\$ -	\$ -
Assessments.....	-	742	-	-	-	-	-
Federal grants and reimbursements.....	12,234	-	-	-	-	-	-
Tobacco settlement revenue.....	-	-	-	-	-	-	-
Departmental.....	-	621	4,972	547	233	4,597	2,237
Miscellaneous.....	-	1,145	14	21	-	-	11
Total revenues.....	12,234	5,281	4,986	568	233	4,597	2,248
Other financing sources:							
Operating transfers in.....	-	-	-	-	-	-	-
Lottery deficit support.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Medical assistance transfer.....	-	-	-	-	-	-	-
Transfer for Bay State Competitiveness Investment.....	-	-	-	-	-	-	-
Total other financing sources.....	-	-	-	-	-	-	-
Total revenues and other financing sources.....	12,234	5,281	4,986	568	233	4,597	2,248
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary.....	-	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	3,103	-
Treasurer and Receiver-General.....	-	-	-	-	-	-	-
Attorney General.....	-	-	-	315	-	-	-
District Attorney.....	-	-	-	-	-	-	-
Sheriff's Departments.....	-	-	-	-	-	-	-
Disabled Persons Protection Commission.....	-	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-	-
Administration and finance.....	-	-	-	-	-	-	1,623
Energy and environmental affairs.....	-	60	-	-	-	-	-
Health and human services.....	12,004	130	-	-	-	-	-
Transportation and public works.....	-	-	-	-	-	-	-
Executive office of education.....	-	-	-	-	-	-	-
Public safety and homeland security.....	-	-	-	-	325	-	-
Housing and economic development.....	-	2,147	4,965	-	-	-	-
Labor and workforce development.....	-	-	-	-	-	-	-
Direct local aid.....	-	-	-	-	-	-	-
Debt service:							
Principal retirement.....	-	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-	-	-
Total expenditures.....	12,004	2,337	4,965	315	325	3,103	1,623
Other financing uses:							
Fringe benefit cost assessment.....	236	43	670	-	-	54	-
Lottery operating reimbursements.....	-	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-	-
Federal reimbursement transfer out.....	-	-	-	-	-	-	-
Tobacco settlement transfer.....	-	-	-	-	-	-	-
State retiree benefits transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Operating transfers out.....	345	3,190	315	1	8	195	-
Total other financing uses.....	581	3,233	985	1	8	249	-
Total expenditures and other financing uses.....	12,585	5,570	5,950	316	333	3,352	1,623
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(351)	(289)	(964)	252	(100)	1,245	625
Fund balance at beginning of year.....	8,012	441	1,836	1,754	181	266	6,416
Fund balance at end of year.....	\$ 7,661	\$ 152	\$ 872	\$ 2,006	\$ 81	\$ 1,511	\$ 7,041

See accountants' review report

Non-budgeted Other Funds

State Election Campaign	Enhanced 911	Counsel for Indigent Salary Enhancement Trust	Smart Growth Housing Trust	Special Projects Permitting and Oversight	Division of Energy Resources Credit Trust	School Modernization and Reconstruction Trust	Roche Community Rink	Workforce Competitiveness Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 702,300	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	56,293	140	7,773	309	113	-	36	-
329	682	-	-	-	-	-	-	35
329	56,975	140	7,773	309	113	702,300	36	35
-	78,036	-	-	-	2,681	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	78,036	-	-	-	2,681	-	-	-
329	135,011	140	7,773	309	2,794	702,300	36	35
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	630,591	-	-
-	-	-	-	-	-	-	-	-
-	360	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	95	-	-	169	-	-	-	-
-	30	-	-	-	-	-	-	-
-	26	-	-	-	-	-	-	-
-	66,351	-	-	-	-	-	-	-
-	-	-	3,225	-	-	-	-	-
-	-	-	-	-	-	-	-	13,572
-	-	-	-	-	-	-	-	-
-	66,862	-	3,225	169	-	630,591	-	13,572
-	539	-	-	19	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	954	-	-	18	-	-	-	-
-	1,493	-	-	37	-	-	-	-
-	68,355	-	3,225	206	-	630,591	-	13,572
329	66,656	140	4,548	103	2,794	71,709	36	(13,537)
959	-	295	18,041	119	-	47,560	142	13,572
\$ 1,288	\$ 66,656	\$ 435	\$ 22,589	\$ 222	\$ 2,794	\$ 119,269	\$ 178	\$ 35

continued

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

Fiscal Year Ended June 30, 2009
 (Amounts in thousands)

	Non-budgeted Other Funds						
	Fire Prevention and Public Safety	Cigarette Fire Safety Firefighter Protection Act Enforcement	Massachusetts Board of Higher Education Scholar-Internship Match	Central Artery/Tunnel Project Repair and Maintenance Trust	District Local Technical Assistance	Educational Rewards Grant Program	Government Land Bank
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assessments.....	-	-	-	-	-	-	-
Federal grants and reimbursements.....	-	-	-	-	-	-	-
Tobacco settlement revenue.....	-	-	-	-	-	-	-
Departmental.....	13	312	-	-	-	-	40
Miscellaneous.....	-	-	5	30,577	1	-	-
Total revenues.....	13	312	5	30,577	1	-	40
Other financing sources:							
Operating transfers in.....	-	-	-	-	2,000	-	5,146
Lottery deficit support.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Medical assistance transfer.....	-	-	-	-	-	-	-
Transfer for Bay State Competitiveness Investment.....	-	-	-	-	-	-	-
Total other financing sources.....	-	-	-	-	2,000	-	5,146
Total revenues and other financing sources.....	13	312	5	30,577	2,001	-	5,186
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary.....	-	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	-	-
Treasurer and Receiver-General.....	-	-	-	-	-	-	-
Attorney General.....	-	-	-	-	-	-	-
District Attorney.....	-	-	-	-	-	-	-
Sheriff's Departments.....	-	-	-	-	-	-	-
Disabled Persons Protection Commission.....	-	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-	-
Administration and finance.....	-	-	-	-	1,969	-	-
Energy and environmental affairs.....	-	-	-	-	-	-	-
Health and human services.....	-	-	-	-	-	-	-
Transportation and public works.....	-	-	-	69,804	-	-	-
Executive office of education.....	-	-	336	-	-	602	-
Public safety and homeland security.....	-	168	-	-	-	-	-
Housing and economic development.....	-	-	-	-	-	-	-
Labor and workforce development.....	-	-	-	-	-	-	-
Direct local aid.....	-	-	-	-	-	-	-
Debt service:							
Principal retirement.....	-	-	-	-	-	-	2,530
Interest and fiscal charges.....	-	-	-	-	-	-	2,656
Total expenditures.....	-	168	336	69,804	1,969	602	5,186
Other financing uses:							
Fringe benefit cost assessment.....	-	35	-	-	-	-	-
Lottery operating reimbursements.....	-	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-	-
Federal reimbursement transfer out.....	-	-	-	-	-	-	-
Tobacco settlement transfer.....	-	-	-	-	-	-	-
State retiree benefits transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Operating transfers out.....	-	46	11	-	-	-	-
Total other financing uses.....	-	81	11	-	-	-	-
Total expenditures and other financing uses.....	-	249	347	69,804	1,969	602	5,186
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	13	63	(342)	(39,227)	32	(602)	-
Fund balance at beginning of year.....	-	2,013	2,424	396,802	44	1,241	(35,097)
Fund balance at end of year.....	\$ 13	\$ 2,076	\$ 2,082	\$ 357,575	\$ 76	\$ 639	\$ (35,097)

See accountants' review report

Non-budgeted Other Funds

Natural Heritage and Endangered Species	Massachusetts Mathematics, Science, Technology and Engineering Grant	Commonwealth Covenant	Massachusetts Alternative and Clean Energy Investment Trust	Regional Greenhouse Gas Initiative (RGGI) Auction Trust	Mosquito and Greenhead Fly Control	Oil Overcharge	Environmental Trust	Children's Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
65	-	-	-	-	9,290	-	-	-
462	-	-	-	44,579	716	-	2,009	-
787	-	-	-	-	-	23	89	20
<u>1,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,579</u>	<u>10,006</u>	<u>23</u>	<u>2,098</u>	<u>20</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>1,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,579</u>	<u>10,006</u>	<u>23</u>	<u>2,098</u>	<u>20</u>
-	-	-	-	-	-	-	-	9
-	-	-	-	-	-	-	-	-
-	-	160	30,900	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,485	-	-	82	11,438	8,590	73	872	-
-	-	-	-	-	-	-	6	-
-	1,947	-	-	-	-	-	-	12
-	-	-	-	4,000	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>1,485</u>	<u>1,947</u>	<u>160</u>	<u>30,982</u>	<u>15,438</u>	<u>8,590</u>	<u>73</u>	<u>878</u>	<u>21</u>
95	31	37	-	-	825	-	35	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
479	60	16	10,000	-	-	10	37	-
<u>574</u>	<u>91</u>	<u>53</u>	<u>10,000</u>	<u>-</u>	<u>825</u>	<u>10</u>	<u>72</u>	<u>-</u>
<u>2,059</u>	<u>2,038</u>	<u>213</u>	<u>40,982</u>	<u>15,438</u>	<u>9,415</u>	<u>83</u>	<u>950</u>	<u>21</u>
(745)	(2,038)	(213)	(40,982)	29,141	591	(60)	1,148	(1)
<u>1,510</u>	<u>5,139</u>	<u>3,613</u>	<u>43,000</u>	<u>-</u>	<u>1,033</u>	<u>784</u>	<u>4,160</u>	<u>309</u>
<u>\$ 765</u>	<u>\$ 3,101</u>	<u>\$ 3,400</u>	<u>\$ 2,018</u>	<u>\$ 29,141</u>	<u>\$ 1,624</u>	<u>\$ 724</u>	<u>\$ 5,308</u>	<u>\$ 308</u>

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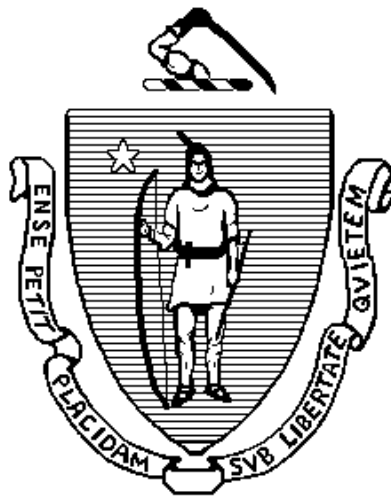
Non-Budgeted Special Revenue Funds
 Combining Statements Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2009
 (Amounts in thousands)

	Non-budgeted Other Funds						
	Child Support Enforcement	Massachusetts Military Family Relief	Department of Industrial Accidents Special	County Correction	Massachusetts AIDS	Trust Fund for the Head Injury Treatment Services	Board of Registration in Medicine
REVENUES AND OTHER FINANCING SOURCES							
Revenues:							
Taxes.....	\$ -	\$ -	\$ -	\$ 4,867	\$ -	\$ -	\$ -
Assessments.....	-	-	20,029	-	-	-	-
Federal grants and reimbursements.....	22,427	-	-	-	-	-	-
Tobacco settlement revenue.....	-	-	-	-	-	-	-
Departmental.....	4,227	-	5,844	-	-	6,517	5,370
Miscellaneous.....	-	294	108	-	129	179	-
Total revenues.....	26,654	294	25,981	4,867	129	6,696	5,370
Other financing sources:							
Operating transfers in.....	-	-	-	-	-	-	-
Lottery deficit support.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Medical assistance transfer.....	-	-	-	-	-	-	-
Transfer for Bay State Competitiveness Investment.....	-	-	-	-	-	-	-
Total other financing sources.....	-	-	-	-	-	-	-
Total revenues and other financing sources.....	26,654	294	25,981	4,867	129	6,696	5,370
EXPENDITURES AND OTHER FINANCING USES							
Expenditures:							
Judiciary.....	1,691	-	-	-	-	-	-
Inspector General.....	-	-	-	-	-	-	-
Secretary of the Commonwealth.....	-	-	-	-	-	-	-
Treasurer and Receiver-General.....	9	-	-	-	-	-	-
Attorney General.....	-	-	-	-	-	-	-
District Attorney.....	182	-	-	-	-	-	-
Sheriff's Departments.....	-	-	-	-	-	-	-
Disabled Persons Protection Commission.....	-	-	-	-	-	-	-
Board of Library Commissioners.....	-	-	-	-	-	-	-
Comptroller.....	-	-	-	-	-	-	-
Administration and finance.....	11,146	-	-	-	-	-	-
Energy and environmental affairs.....	-	-	-	-	-	-	-
Health and human services.....	207	-	-	-	165	9,690	4,538
Transportation and public works.....	-	-	-	-	-	-	-
Executive office of education.....	-	-	-	-	-	-	-
Public safety and homeland security.....	-	150	-	-	-	-	-
Housing and economic development.....	-	-	-	-	-	-	-
Labor and workforce development.....	45	-	-	-	-	-	-
Direct local aid.....	-	-	-	5,165	-	-	-
Debt service:							
Principal retirement.....	-	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-	-	-
Total expenditures.....	13,280	150	-	5,165	165	9,690	4,538
Other financing uses:							
Fringe benefit cost assessment.....	570	-	3,490	-	-	137	544
Lottery operating reimbursements.....	-	-	-	-	-	-	-
Lottery distributions.....	-	-	-	-	-	-	-
Federal reimbursement transfer out.....	-	-	-	-	-	-	-
Tobacco settlement transfer.....	-	-	-	-	-	-	-
State retiree benefits transfer.....	-	-	-	-	-	-	-
Commonwealth care transfer.....	-	-	-	-	-	-	-
Health safety net trust transfer.....	-	-	-	-	-	-	-
Operating transfers out.....	479	-	20,082	-	-	61	338
Total other financing uses.....	1,049	-	23,572	-	-	198	882
Total expenditures and other financing uses.....	14,329	150	23,572	5,165	165	9,888	5,420
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	12,325	144	2,409	(298)	(36)	(3,192)	(50)
Fund balance at beginning of year.....	14,768	581	2,470	816	276	6,755	1,062
Fund balance at end of year.....	\$ 27,093	\$ 725	\$ 4,879	\$ 518	\$ 240	\$ 3,563	\$ 1,012

See accountants' review report

Non-budgeted Other Funds							
Water Pollution Abatement Projects Administration	Motor Vehicle Safety Inspection Trust	Child Care Quality	Convention and Exhibition Center	Firearms Fingerprint Identity Verification Trust	Grant Anticipation Note Trust	Totals (Memorandum only)	
						2009	2008
\$ -	\$ -	\$ -	\$ 73,918	\$ -	\$ -	\$ 1,722,862	\$ 1,520,789
-	-	-	-	-	-	545,744	503,998
-	-	-	-	-	828,956	3,509,937	2,552,579
-	-	-	-	-	-	315,153	288,490
-	35,707	309	768	721	-	4,889,741	5,054,710
8,711	239	-	6,455	-	16,824	362,304	802,906
8,711	35,946	309	81,141	721	845,780	11,345,741	10,723,472
-	-	-	-	-	45,664	243,199	194,129
-	-	-	-	-	-	76,112	200,019
-	-	-	-	-	-	127,696	109,276
-	-	-	-	-	-	1,052,459	1,047,663
-	-	-	-	-	-	374,001	376,700
-	-	-	-	-	-	-	53,000
-	-	-	-	-	45,664	1,873,467	1,980,787
8,711	35,946	309	81,141	721	891,444	13,219,208	12,704,259
-	-	-	-	-	-	2,288	2,019
-	-	-	-	-	-	175	61
-	-	-	-	-	-	3,844	6,740
-	-	-	-	-	266,574	5,535,819	5,485,941
-	-	-	-	-	-	9,288	8,778
-	-	-	-	-	-	3,674	2,290
-	-	-	-	-	-	2,479	2,507
-	-	-	-	-	-	236	47
-	-	-	-	-	-	2,873	3,257
-	-	-	-	-	-	2,415	1,757
2,088	-	-	27,560	-	-	101,181	182,991
4,963	1,753	-	-	-	-	96,348	53,017
-	-	-	-	-	-	2,822,934	2,340,056
-	22,984	-	-	-	-	104,644	47,358
-	-	205	-	-	-	850,541	826,478
33	-	-	-	539	-	175,992	92,899
-	-	-	-	-	-	543,540	438,226
-	-	-	-	-	-	253,770	178,250
-	-	-	-	-	-	417,165	9,848
-	-	-	-	-	137,230	139,760	132,287
-	-	-	36,293	-	67,558	106,507	119,363
7,084	24,737	205	63,853	539	471,362	11,175,473	9,934,170
766	1,032	-	-	-	-	56,834	78,960
-	-	-	-	-	-	105,656	103,126
-	-	-	-	-	-	890,489	1,014,642
-	-	-	-	-	685,963	685,963	326,358
-	-	-	-	-	-	315,153	288,490
-	-	-	-	-	-	-	328,552
-	-	-	-	-	-	64,500	1,800
-	-	-	-	-	-	127,696	109,276
1,282	5,211	-	65,000	-	-	289,421	343,327
2,048	6,243	-	65,000	-	685,963	2,535,712	2,594,531
9,132	30,980	205	128,853	539	1,157,325	13,711,185	12,528,701
(421)	4,966	104	(47,712)	182	(265,881)	(491,977)	175,558
635	(11,303)	338	194,681	1,876	635,046	1,910,095	1,734,537
\$ 214	\$ (6,337)	\$ 442	\$ 146,969	\$ 2,058	\$ 369,165	\$ 1,418,118	\$ 1,910,095



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Capital Projects Funds

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

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

Capital Investment Trust Fund – to account for a transfer from the General Fund to finance appropriated items of a capital nature pursuant to sections 2E and 107 of Chapter 88 of the Acts of 1997.

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

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

Capital Expenditure Reserve Fund - to account for amounts paid by the Massachusetts Turnpike Authority as payment toward the acquisition cost of the Third Harbor Tunnel and Federal financial participation money related to expenditure amounts paid by the Massachusetts Port Authority as determined by a feasibility study; used to pay principal and interest on certain bonds, 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 Federally 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.

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

OTHER FUNDS:

These funds account for the proceeds of bonds used to finance land and transportation equipment for economic development.

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

LOCAL AID FUNDS:

Local Capital Projects Fund - to account for the proceeds of bonds sold to finance the construction of correctional facilities, water pollution abatement projects and other local projects in specific localities of the Commonwealth. The fund accounts for the proceeds of bonds to finance improvements to lockup facilities, state police lockup facilities and to finance improvements to County Correctional Facilities, and other monies received by the Department of Conservation and Recreation 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.

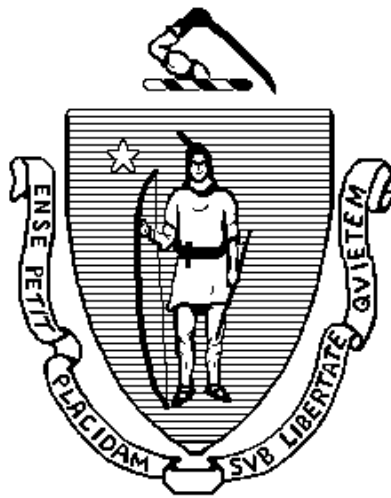
Capital Projects Funds
Combining Statements Of Revenues, Expenditures And Changes In Fund Balances - Statutory Basis

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	General Capital Projects	Capital Investment Trust	Convention and Exhibition Center Capital	Capital Improvements and Investment Trust	Capital Expenditure Reserve
REVENUES AND OTHER FINANCING SOURCES					
Revenues:					
Federal grants and reimbursements.....	\$ 23,319	\$ -	\$ -	\$ -	\$ -
Departmental.....	-	-	-	-	-
Payments from authorities.....	-	-	-	-	12,400
Miscellaneous.....	-	-	-	-	-
Total revenues.....	<u>23,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,400</u>
Other financing sources:					
Proceeds of general and special obligation bonds.....	1,004,457	93	-	2,533	-
Bonds premium.....	62,745	5	-	123	-
Proceeds of refunding bonds.....	110,373	-	-	-	-
Operating transfers in.....	-	-	-	-	-
Federal reimbursement transfer in.....	-	-	-	-	-
State share of federal highway construction.....	-	-	-	-	-
Total other financing sources.....	<u>1,177,575</u>	<u>98</u>	<u>-</u>	<u>2,656</u>	<u>-</u>
Total revenues and other financing sources.....	<u>1,200,894</u>	<u>98</u>	<u>-</u>	<u>2,656</u>	<u>12,400</u>
EXPENDITURES AND OTHER FINANCING USES					
Expenditures:					
Judiciary.....	16,735	-	-	-	-
Inspector General.....	253	-	-	-	-
Secretary of the Commonwealth.....	1,553	-	-	-	-
Treasurer and Receiver-General.....	74,659	-	-	-	-
Auditor of the Commonwealth.....	1,302	-	-	-	-
Attorney General.....	2,142	-	-	-	-
Sheriff's Departments.....	2,355	-	-	-	-
Board of Library Commissioners.....	11,220	-	-	-	-
Comptroller.....	399	-	-	-	-
Administration and finance.....	289,336	-	-	6	-
Energy and environmental affairs.....	163,734	-	-	52	-
Health and human services.....	56,720	-	-	-	-
Transportation and public works.....	57,833	-	-	-	1,984
Executive office of education.....	36,128	-	-	-	-
Public safety and homeland security.....	41,445	-	-	-	-
Housing and economic development.....	202,506	-	-	-	-
Labor and workforce development.....	11,919	-	-	-	-
Debt service:					
Principal retirement.....	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-
Total expenditures.....	<u>970,239</u>	<u>-</u>	<u>-</u>	<u>58</u>	<u>1,984</u>
Other financing uses:					
Payments to refunded bond escrow agent.....	122,629	-	-	-	-
Fringe benefit cost assessment.....	9,064	-	-	-	-
State share of federal highway construction.....	-	-	-	-	-
Operating transfers out.....	-	-	-	-	-
Total other financing uses.....	<u>131,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and other financing uses.....	<u>1,101,932</u>	<u>-</u>	<u>-</u>	<u>58</u>	<u>1,984</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses..	98,962	98	-	2,598	10,416
Fund balance at beginning of year.....	2,202	(98)	11,893	(183)	(9,245)
Fund balance at end of year.....	<u>\$ 101,164</u>	<u>\$ -</u>	<u>\$ 11,893</u>	<u>\$ 2,415</u>	<u>\$ 1,171</u>

See accountants' review report

Highway Capital Projects	Federal Highway Construction Program	Central Artery Statewide Road and Bridge Infrastructure	Government Land Bank Capital Projects	Local Capital Projects	Totals	
					(Memorandum only)	
					2009	2008
\$ -	\$ 946	\$ -	\$ -	\$ -	\$ 24,265	\$ 20,583
-	808	33,125	-	-	33,933	20,153
-	-	-	-	-	12,400	12,500
12,800	-	870	-	-	13,670	35,034
12,800	1,754	33,995	-	-	84,268	88,270
1,000,568	-	-	31,575	2,617	2,041,843	1,280,824
34,028	-	-	1,704	245	98,850	25,121
226,951	-	-	2,343	49,888	389,555	-
-	-	25,330	-	-	25,330	19,491
-	685,963	-	-	-	685,963	326,358
25,832	-	-	-	-	25,832	168,180
1,287,379	685,963	25,330	35,622	52,750	3,267,373	1,819,974
1,300,179	687,717	59,325	35,622	52,750	3,351,641	1,908,244
-	-	-	-	75	16,810	17,235
-	-	-	-	-	253	-
-	208	-	-	-	1,761	1,860
304,250	-	-	-	-	378,909	27,643
-	-	-	-	-	1,302	-
278	676	-	-	-	3,096	3,355
-	-	-	-	-	2,355	1,838
-	-	-	-	-	11,220	9,714
-	-	-	-	-	399	-
47	-	-	19,421	93	308,903	169,240
46,688	1,215	374	-	1,430	213,493	192,647
-	-	-	-	-	56,720	46,030
574,245	650,335	16,885	-	-	1,301,282	1,064,120
-	-	-	-	-	36,128	41,922
-	320	-	-	1,068	42,833	22,892
14,010	435	-	-	-	216,951	170,583
-	-	-	-	-	11,919	10,846
-	-	-	-	-	-	104,651
7,080	-	-	-	-	7,080	14,730
946,598	653,189	17,259	19,421	2,666	2,611,414	1,899,306
235,131	-	-	2,509	50,039	410,308	-
18,513	6,641	-	-	-	34,218	48,473
-	25,832	-	-	-	25,832	168,180
3,852	-	26,154	-	-	30,006	3,611
257,496	32,473	26,154	2,509	50,039	500,364	220,264
1,204,094	685,662	43,413	21,930	52,705	3,111,778	2,119,570
96,085	2,055	15,912	13,692	45	239,863	(211,326)
(283,222)	5,144	83,521	(15,000)	(664)	(205,652)	5,674
\$ (187,137)	\$ 7,199	\$ 99,433	\$ (1,308)	\$ (619)	\$ 34,211	\$ (205,652)



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Supplemental Information

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Calculation of Transfers – Stabilization and Tax Reduction Funds
Non-Tax Revenue Initiatives
Schedule of Pension Funding Progress – Last Six Fiscal Years

Calculation of Transfers: Stabilization Fund

June 30, 2009

This statement is prepared on the statutory basis of accounting pursuant to General Laws Chapter 29, Section 5c, as amended most recently by Chapter 56 of the Acts of 2009, which superceded certain parts of the Section 5c. It presents information contained in the official books and accounting records of the Commonwealth. Financial statements supporting this calculation are presented in the Financial Section of this report.

	Amounts in thousands
Undesignated Budgeted Fund Balances before calculation of transfers:	
General Fund	\$ 370,391
Highway Fund	(219,947)
Workforce Training Fund	5,879
Massachusetts Tourism Fund	10,988
International Educational and Foreign Language Grant Program Fund	-
Net surplus / (deficit).....	\$ 167,311
Less: Amount to be carried forward per Chapter 29, Section 5c(a) per Schedule A	92,564
Net consolidated net surplus as defined in Chapter 29, Section 5c, as amended to be deposited into the Stabilization Fund.....	\$ 74,747
Chapter 56 of the Acts of 2009, Section 1 Transfers:	
The comptroller shall transfer \$10,000,000 from the General Fund to the Massachusetts Life Sciences Investment Fund.....	\$ 10,000
Remaining Amount transferred from General Fund to the Stablization Fund	\$ 64,747
General Law Section 5c of Chapter 29, Fund Balance Deficit Elimination transfers :	
General Fund	\$ (203,080)
Highway Fund.....	219,947
Workforce Training Fund	(5,879)
Massachusetts Tourism Fund	(10,988)
International Educational and Foreign Language Grant Program Fund	-
Net.....	\$ -
Fund Balance after Deficit Elimination	
General Fund	\$ 92,564
Highway Fund.....	-
Workforce Training Fund	-
Massachusetts Tourism Fund	-
International Educational and Foreign Language Grant Program Fund	-
Net.....	\$ 92,564
Stabilization Balance Reconciliation:	
Balance as of July 1, 2008	\$ 2,119,194
Investment income, certain tax revenues and other recoveries.....	46,403
Less: Transfers from Stabilization Fund	
Investment Income.....	(43,967)
Principal transfers.....	(1,345,033)
Transfers from Stabilization during the FY 2009	(1,389,000)
Transfer per Chapter 56 of the Acts of 2009, per the calculation above.....	64,747
Stabilization Fund Balance	\$ 841,344

Calculation Of Transfers: Tax Reduction Fund

June 30, 2009
(Amounts in thousands)

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

The computation is as follows:

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

Undesignated fund balance in the Stabilization Fund.....	\$ 841,344
Allowable Stabilization Fund balance (per Schedule B).....	<u>4,382,607</u>
Stabilization Fund excess, if any, transferable to Tax Reduction Fund.....	<u>\$ -</u>

Part 2: Status of Stabilization Fund after transfers:

Stabilization Fund balance.....	\$ 841,344
Transfer to Tax Reduction Fund.....	<u>-</u>
Stabilization Fund balance after transfer to Tax Reduction Fund.....	<u>\$ 841,344</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>

Schedule A
FY2009 Tax Revenues By Revenue Class and
Calculation of Allowable Net Surplus

June 30, 2009
(Amounts in thousands)

Alcoholic Beverages.....	\$	71,850
Banks: Commercial and Savings.....		242,619
Cigarette.....		456,847
Corporations.....		1,548,619
Deeds.....		110,413
Estate and Inheritance.....		259,734
Commonwealth Care - cigarette excise.....		145,849
Income.....		10,583,720
Insurance.....		309,448
Motor and Special Fuels.....		654,022
Public Utilities.....		(1,685)
Room Occupancy.....		160,151
Sales and Use.....		3,880,087
Club Alcoholic Beverages.....		748
Motor Vehicle Excise.....		75
Convention Center Surcharges.....		11,795
Community Preservation.....		25,182
State Racing.....		2,773
Beano		2,293
Raffles and Bazaars.....		1,052
Boxing.....		21
DOI Excess and Surplus Lines.....		26,198
UI Surcharge.....		21,072
FY 2009 state tax revenue.....	\$	18,512,883
 0.5% of total tax revenue.....		 92,564
 Allowable consolidated net surplus	\$	 92,564

This schedule is prepared on the statutory basis of accounting. It presents tax revenues as reported in the governmental funds of the Commonwealth. It differs from the schedule of tax collections prepared by the Comptroller, Commissioner of Revenue and State Auditor for calculations in accordance with Chapter 62F, of the General Laws as amended.

Schedule B
Calculation of Cap on Stabilization Fund

June 30, 2009
(Amounts in thousands)

Total budgeted revenues and other financial resources pertaining to the budgeted funds.....	\$	31,181,197
Elimination of budgetary interfund activity exclusive of fund closure (per Schedule C).....		<u>(1,963,817)</u>
Budgeted revenues and other financial resources pertaining to the budgeted funds.....		29,217,380
Allowable Stabilization Fund balance, 15% of budgeted revenue.....	\$	<u><u>4,382,607</u></u>

Calculation of Stabilization Fund Transfers as defined by Massachusetts General Laws Chapter 29 section 5c as most recently amended by Chapter 26 of the Acts of 2003.

Schedule C
Detail of Elimination of Budgetary Inter Fund Activity

June 30, 2009
(Amounts in thousands)

Adjustments to revenues :	
Transfer to the Intragovernmental Service Fund Revenues.....	\$ (227,609)
Adjustments to other financing sources and uses:	
Fringe benefit cost assessments.....	(57,415)
Transfer from the Intragovernmental Service Fund to the General Fund.....	(1,863)
RMV license -plates.....	(3,106)
Transfer from Stabilization Fund to General Fund	(1,389,000)
Year end transfer from General Fund to the Stabilization Fund	(64,747)
Other fund deficit support	(219,947)
Other	<u>(130)</u>
Elimination of budgetary interfund activity	<u>\$ (1,963,817)</u>

Schedule D
Calculation of Transfers: Temporary Holding Fund

June 30, 2009
(Amounts in thousands)

This statement is prepared on the statutory basis of accounting pursuant to General Laws Chapter 62F, Section 6A, as amended most recently by Chapter 26 of the Acts of 2003, Sections 203 and 715. 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.

Period Ending:	<u>September 30, 2008</u>	<u>December 31, 2008</u>	<u>March 31, 2009</u>	<u>June 30, 2009</u>
Cumulative net state tax revenues, 2009	\$ 4,870,214	\$ 9,200,005	\$ 13,599,204	\$ 18,513,036
Cumulative net state tax revenues, 2008.....	\$ 4,796,700	\$ 9,194,513	\$ 14,485,334	\$ 21,009,329
Permissible growth rate defined as inflation plus 2%, but not less than 0%.....	7.89%	8.34%	7.60%	6.27%
Permissible state tax revenues defined as cumulative net state tax revenues, 2008 multiplied by 1 plus the permissible growth rate.....	<u>\$ 5,175,160</u>	<u>\$ 9,960,876</u>	<u>\$ 15,586,799</u>	<u>\$ 22,325,563</u>
Cumulative net state tax revenues 2009 in excess of permissible state tax revenues.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Non-Tax Revenue Initiatives

June 30, 2009
(Amounts in thousands)

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

I. Debt Collection:

Pursuant to Massachusetts General Laws Chapter 29, Section D, Chapter 7A Section 8, allows private debt collection agencies to engage in debt collection for the Commonwealth. The fees paid are contingency based from the proceeds collected. Collections and fees paid during FY09 were (amounts in thousands):

<u>Department Collectors</u>	<u>Collections</u>	<u>Fees</u>
Allen Daniel Associates, Inc.....	\$ 253	\$ 41
Collecto Inc.....	1,995	346
Glenn Associates, Inc.....	518	86
NCO.....	548	91
Windham Professionals.....	465	78
Total.....	<u>\$ 3,779</u>	<u>\$ 642</u>

Under the same program, the following amounts were collected and fees paid for institutions of higher education: (These figures are a subset of the above) (amounts in thousands):

<u>Department Collectors</u>	<u>Collections</u>	<u>Fees</u>
Allen Daniel Associates, Inc.....	\$ 231	38
Collecto Inc.....	1,459	251
Glenn Associates, Inc.....	477	79
NCO.....	311	51
Windham Professionals.....	465	78
Total.....	<u>\$ 2,943</u>	<u>\$ 497</u>

II. Revenue Maximization:

Pursuant to Massachusetts General Law Chapter 29 Section 29E, 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 non-tax revenues. During FY09, the following amounts were generated (amounts in thousands):

Gross revenue maximization realized.....	\$ 1,348
Contractor payments.....	<u>22</u>
Net revenue maximization realized.....	<u>\$ 1,370</u>

III. Cost Avoidance:

The Comptroller's appropriation authorizes contract arrangements engaged on a contingent fee basis for the purpose of identification and pursuit of cost saving / avoidance opportunities. During FY09, the following amounts were generated (amounts in thousands):

State expenditures avoided.....	\$ 343
Contractor payments.....	<u>16</u>
Net cost savings / avoidance.....	<u>\$ 359</u>

IV. Intercept:

Intercept is authorized by M.G.L. Chapter 7A Section 3 and 815 CMR 9:06. Intercept is an automated process that offsets Commonwealth payments to delinquent receivables that have been approved by the Office of the State Comptroller. FY09 activity (amounts in thousands):

Total Commonwealth intercepts.....	\$ 9,512
Amounts included above that were intercepted on behalf of the Institutions of Higher Education.....	\$ 4,131

**Schedule of Pension Funding Progress
Last Six Fiscal Years**

(Amounts in thousands except for percentages)

	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded Actuarial Liability (UAAL)	Funded Ratio	Annual Covered Payroll *	UAAL as a % of Covered Payroll *
State Employees' Retirement System						
Actuarial Valuation as of January 1, 2009....	\$ 16,992,214	\$ 23,723,240	\$ 6,731,026	71.6%	\$ 4,712,655	142.8%
Actuarial Valuation as of January 1, 2008....	20,400,656	22,820,502	2,419,846	89.4%	4,574,233	52.9%
Actuarial Valuation as of January 1, 2007....	18,445,225	21,670,810	3,225,585	85.1%	4,391,891	73.4%
Actuarial Valuation as of January 1, 2006....	16,638,043	20,406,926	3,768,883	81.5%	4,200,577	89.7%
Actuarial Valuation as of January 1, 2005....	16,211,000	19,575,000	3,364,000	82.8%	3,967,000	84.8%
Actuarial Valuation as of January 1, 2004....	15,931,000	18,966,000	3,065,000	84.0%	3,842,000	79.8%
Teachers' Retirement System						
Actuarial Valuation as of January 1, 2009....	\$ 18,927,731	\$ 32,543,782	\$ 13,616,051	58.2%	\$ 5,389,895	252.6%
Actuarial Valuation as of January 1, 2008....	22,883,553	30,955,504	8,071,951	73.9%	5,163,498	156.3%
Actuarial Valuation as of January 1, 2007....	20,820,392	29,320,714	8,500,322	71.0%	4,969,092	171.1%
Actuarial Valuation as of January 1, 2006....	18,683,295	27,787,716	9,104,421	67.2%	4,819,325	188.9%
Actuarial Valuation as of January 1, 2005....	17,683,000	26,167,000	8,483,000	67.6%	4,643,000	182.7%
Actuarial Valuation as of January 1, 2004....	17,075,000	24,519,000	8,444,000	69.6%	4,556,000	163.4%

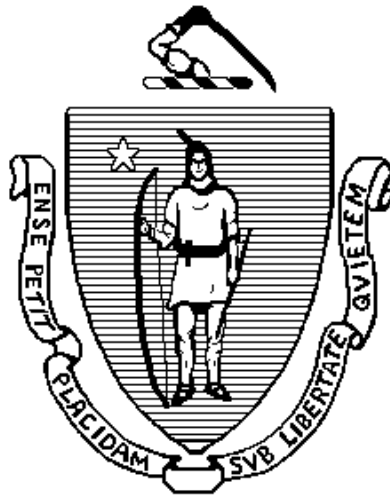
For a complete analysis of the Commonwealth's actuarial valuation report, please go to <http://www.mass.gov/perac/valuation/2009commonwealth.pdf>. Alternatively, copies of the Commonwealth's actuarial valuation reports may be obtained by contacting the Massachusetts Public Employee Retirement Administration Commission, 5 Middlesex Avenue, Suite 304, Somerville, MA 02145. Telephone number: 617-666-4446.



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Statistical Section

(Unaudited)



Ten-Year Schedules – Statutory Basis
Higher Education Non-appropriated Funds – Statutory Basis

See review report

Ten-Year Schedule Of Revenues And Other Financing Sources
All Governmental Fund Types - Statutory Basis

June 30, 2009
(Amounts in millions)

	2009	%	2008	%	2007	%	2006	%
		Total		Total		Total		Total
Taxes.....	\$ 18,513	38.8	\$ 21,009	44.6	\$ 19,849	44.4	\$ 18,593	43.9
Federal reimbursements.....	9,139	19.1	6,937	14.7	6,830	15.3	6,307	14.9
Federal grants.....	2,646	5.5	2,065	4.4	1,989	4.5	2,046	4.8
Lotteries.....	4,649	9.7	4,915	10.4	4,670	10.4	4,739	11.2
Assessments.....	894	1.9	806	1.7	794	1.8	793	1.9
Motor vehicle licenses and registrations.....	383	0.8	376	0.8	374	0.8	361	0.9
Fees, investment earnings, etc.....	2,800	5.9	3,200	6.8	2,450	5.6	2,891	6.8
Proceeds of general and special obligation bonds and related premiums.....	2,141	4.5	1,306	2.8	1,604	3.6	1,838	4.3
Proceeds of refunding bonds.....	390	0.8	-	0.0	1,531	3.4	633	1.5
Other interfund transfers.....	6,197	13.0	6,538	13.9	4,605	10.3	4,145	9.8
Total revenues and other financing sources.....	\$ 47,752	100.0	\$ 47,152	100.0	\$ 44,696	100.0	\$ 42,346	100.0

For FY2009, this schedule reflects Budgeted, Non-Budgeted and Capital Projects revenues and other financing sources only.

2005	% Total	2004	% Total	2003	% Total	2002	% Total	2001	% Total	2000	% Total
\$ 17,192	40.7	\$ 16,055	36.8	\$ 15,032	36.2	\$ 14,341	39.6	\$ 16,753	43.5	\$ 15,702	41.0
6,018	14.3	6,331	14.5	5,528	13.3	5,237	14.5	4,668	12.1	4,364	11.4
1,996	4.7	2,024	4.6	1,852	4.5	1,595	4.4	1,450	3.8	1,360	3.6
4,705	11.2	4,605	10.6	4,425	10.7	4,425	12.2	4,138	10.7	3,913	10.2
785	1.9	746	1.7	634	1.5	582	1.6	585	1.5	487	1.3
401	1.0	376	0.9	383	0.9	326	0.9	311	0.8	285	0.7
2,945	6.8	2,556	5.9	2,140	5.2	2,122	5.9	2,212	5.7	2,014	5.3
1,354	3.2	1,993	4.6	1,911	4.6	1,358	3.7	1,912	5.0	1,762	4.6
1,385	3.3	3,302	7.6	3,398	8.2	1,501	4.1	999	2.6	-	0.0
5,409	12.8	5,629	12.9	6,173	14.9	4,749	13.1	5,487	14.3	8,403	21.9
<u>\$ 42,190</u>	<u>100.0</u>	<u>\$ 43,617</u>	<u>100.0</u>	<u>\$ 41,476</u>	<u>100.0</u>	<u>\$ 36,236</u>	<u>100.0</u>	<u>\$ 38,515</u>	<u>100.0</u>	<u>\$ 38,290</u>	<u>100.0</u>

Ten-Year Schedule Of Tax Revenues By Source
All Governmental Fund Types - Statutory Basis

June 30, 2009
(Amounts in millions)

	2009	%	2008	%	2007	%	2006	%
		Total		Total		Total		Total
Income.....	\$ 10,584	57.2	\$ 12,484	59.4	\$ 11,400	57.4	\$ 10,483	56.4
Sales and use.....	3,880	21.0	4,098	19.5	4,076	20.5	4,009	21.6
Corporations.....	1,549	8.4	1,512	7.2	1,588	8.0	1,391	7.5
Motor fuels.....	654	3.5	673	3.2	676	3.4	672	3.6
Cigarette.....	457	2.5	437	2.1	438	2.2	435	2.3
Insurance.....	309	1.7	369	1.8	369	1.9	397	2.1
Estate and inheritance.....	260	1.4	254	1.2	250	1.3	196	1.1
Banks.....	243	1.3	548	2.6	341	1.7	350	1.9
Alcoholic beverages.....	73	0.4	72	0.3	71	0.4	70	0.4
Other.....	504	2.6	562	2.7	640	3.2	590	3.1
Total taxes.....	<u>\$ 18,513</u>	<u>100.0</u>	<u>\$ 21,009</u>	<u>100.0</u>	<u>\$ 19,849</u>	<u>100.0</u>	<u>\$ 18,593</u>	<u>100.0</u>

For FY2009, this schedule reflects Budgeted, Non-Budgeted and Capital Projects revenues and other financing sources only.

2005	% Total	2004	% Total	2003	% Total	2002	% Total	2001	% Total	2000	% Total
\$ 9,690	56.4	\$ 8,830	55.0	\$ 8,026	53.4	\$ 7,913	55.2	\$ 9,903	59.1	\$ 9,042	57.6
3,891	22.6	3,743	23.3	3,708	24.7	3,696	25.8	3,756	22.4	3,565	22.7
1,063	6.2	998	6.2	875	5.8	587	4.2	945	5.7	1,131	7.2
685	4.0	684	4.3	676	4.5	667	4.7	660	3.9	653	4.2
424	2.5	425	2.6	451	3.0	275	1.9	271	1.6	280	1.8
373	2.2	374	2.3	345	2.3	348	2.4	323	1.9	306	1.9
255	1.5	195	1.2	181	1.2	200	1.4	203	1.2	167	1.1
199	1.2	239	1.5	269	1.8	137	1.0	180	1.1	93	0.6
69	0.4	69	0.4	67	0.5	66	0.5	65	0.4	64	0.4
543	3.3	498	3.2	434	2.9	452	3.2	447	2.7	401	2.6
<u>\$ 17,192</u>	<u>100.0</u>	<u>\$ 16,055</u>	<u>100.0</u>	<u>\$ 15,032</u>	<u>100.0</u>	<u>\$ 14,341</u>	<u>100.0</u>	<u>\$ 16,753</u>	<u>100.0</u>	<u>\$ 15,702</u>	<u>100.0</u>

Ten-Year Schedule Of Expenditures And Other Financing Uses By Secretariat
All Governmental Fund Types - Statutory Basis

June 30, 2009
(Amounts in millions)

	2009	%	2008	%	2007	%	2006	%
		Total		Total		Total		Total
Legislature.....	\$ 60	0.1	\$ 58	0.1	\$ 59	0.1	\$ 55	0.1
Judiciary.....	814	1.6	831	1.7	788	1.8	672	1.6
Inspector General.....	3	-	3	-	3	-	3	-
Governor and Lieutenant Governor.....	8	-	9	-	5	-	5	-
Secretary of the Commonwealth.....	53	0.1	53	0.1	55	0.1	45	0.1
Treasurer and Receiver-General.....	6,043	12.2	5,640	11.8	5,267	11.7	5,635	13.6
Auditor of the Commonwealth.....	20	-	19	-	18	-	19	-
Attorney General.....	57	0.1	56	0.1	52	0.1	49	0.1
Ethics Commission.....	2	-	2	-	2	-	1	-
District Attorney.....	104	0.2	104	0.2	96	0.2	88	0.2
Office of Campaign and Political Finance.....	1	-	1	-	2	-	1	-
Sheriff's Departments.....	295	0.6	296	0.7	275	0.6	251	0.6
Disabled Persons Protection Commission.....	3	-	2	-	2	-	2	-
Board of Library Commissioners.....	48	0.1	46	0.1	42	0.1	49	0.1
Comptroller.....	14	-	14	-	14	-	14	0.0
Administration and finance.....	6,892	14.2	7,059	14.8	7,043	15.7	6,601	16.1
Energy and environmental affairs.....	526	1.1	473	1.0	450	1.0	390	0.9
Housing and community development.....	-	-	-	-	509	1.1	659	1.6
Health and human services.....	16,468	33.3	15,504	32.5	14,456	32.2	13,539	32.6
Transportation and public works.....	1,689	3.4	1,378	2.9	1,404	3.1	1,376	3.3
Executive office of education.....	3,390	6.9	2,989	6.3	2,936	6.5	2,726	6.6
Public safety and homeland security.....	1,456	2.9	1,381	2.9	1,253	2.8	1,180	2.8
Housing and economic development.....	981	2.0	857	1.8	508	1.1	323	0.8
Labor and workforce development.....	331	0.7	274	0.6	67	0.1	-	-
Elder affairs.....	-	-	-	-	-	-	-	-
Consumer affairs.....	-	-	-	-	-	-	-	-
Labor.....	-	-	-	-	-	-	-	-
Pension.....	1,314	2.7	1,399	2.9	1,335	3.0	1,275	3.1
Debt service.....	2,145	4.3	2,239	4.7	2,352	5.2	2,028	4.9
Payments to refunded bond escrow agent.....	-	-	-	-	1,531	3.4	633	1.5
Other fund deficit support.....	220	0.4	1,593	3.3	-	-	-	-
Other interfund transfers.....	6,456	13.1	5,403	11.3	4,383	9.8	3,887	9.4
Total expenditures and other financing uses.....	\$ 49,393	100	\$ 47,683	100	\$ 44,907	100	\$ 41,506	100.0

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

For FY2009, this schedule reflects Budgeted, Non-Budgeted and Capital Projects revenues and other financing sources only.

2005	% Total	2004	% Total	2003	% Total	2002	% Total	2001	% Total	2000	% Total
\$ 54	0.1	\$ 51	0.1	\$ 55	0.1	\$ 59	0.2	\$ 58	0.2	\$ 53	0.2
634	1.5	599	1.4	589	1.4	589	1.5	604	1.6	570	1.5
4	-	2	-	2	-	2	-	3	-	3	-
5	-	5	-	5	-	6	-	6	-	6	-
50	0.1	45	0.1	49	0.1	41	0.1	50	0.1	50	0.1
5,760	13.7	4,600	11.1	4,416	10.5	4,398	11.4	4,155	11.3	3,841	10.0
18	-	16	-	17	-	16	-	16	-	15	-
45	0.1	44	0.1	45	0.1	47	0.1	43	0.1	37	0.1
2	-	1	-	1	-	2	-	2	-	1	-
82	0.2	81	0.2	79	0.2	88	0.2	85	0.2	78	0.2
1	-	1	-	1	-	2	-	2	-	1	-
226	0.5	218	0.5	216	0.5	217	0.6	203	0.6	176	0.5
2	-	2	-	2	-	2	-	2	-	2	0.0
47	0.1	48	0.1	46	0.1	58	0.2	57	0.2	61	0.2
21	-	35	0.1	21	-	11	-	11	-	9	-
6,235	14.8	6,184	15.0	6,241	14.9	6,315	16.4	5,937	16.1	5,616	14.6
346	0.8	336	0.8	357	0.9	440	1.1	426	1.2	395	1.0
597	1.4	589	1.4	568	1.4	533	1.4	527	1.4	497	1.3
13,383	31.8	12,504	30.1	11,338	27.0	11,124	28.9	10,058	27.3	9,394	24.3
1,569	3.7	1,586	3.8	1,844	4.4	2,052	5.3	2,212	6.0	3,402	8.8
2,250	5.4	2,481	6.0	2,589	6.2	2,648	6.9	2,564	7.0	2,319	6.0
1,111	2.6	1,160	2.8	1,156	2.8	1,138	3.0	1,104	3.0	1,009	2.6
299	0.7	326	0.8	31	0.1	36	0.1	53	0.1	43	0.1
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	315	0.8	304	0.8	241	0.7	217	0.6
-	-	-	-	55	0.1	58	0.2	59	0.2	55	0.1
-	-	-	-	282	0.7	237	0.6	195	0.5	211	0.5
1,217	2.9	702	1.7	813	1.9	796	2.1	1,040	2.8	986	2.6
1,719	4.1	1,605	3.9	1,467	3.5	1,382	3.6	739	2.0	1,237	3.2
1,153	2.7	2,833	6.8	3,398	8.1	1,277	3.3	1,649	4.5	-	-
-	-	-	-	-	-	-	-	-	-	2,980	7.7
5,197	12.4	5,503	13.2	5,963	14.2	4,626	12.0	4,761	12.9	5,319	13.8
<u>\$ 42,027</u>	<u>100.0</u>	<u>\$ 41,556</u>	<u>100.0</u>	<u>\$ 41,961</u>	<u>100.0</u>	<u>\$ 38,504</u>	<u>100.0</u>	<u>\$ 36,862</u>	<u>100.0</u>	<u>\$ 38,583</u>	<u>100.0</u>

**Ten-Year Schedule Of Budgeted Funds Expenditures and Other Uses By
Major Program Category**
June 30, 2009
(Amounts in millions)

	2009	2008*	2007	2006	2005	2004	2003	2002	2001	2000
Direct local aid.....	\$ 4,724	\$ 5,040	\$ 5,033	\$ 4,619	\$ 4,477	\$ 4,784	\$ 5,069	\$ 5,189	\$ 4,969	\$ 4,674
Medicaid.**.....	8,679	8,246	7,550	6,852	5,977	5,742	5,485	5,259	4,642	4,270
Other health and human services.....	4,828	4,872	-	-	-	-	-	-	-	-
Public assistance.....	-	-	1,258	1,129	1,095	1,019	1,019	1,030	991	959
Elementary and secondary education.....	496	486	-	-	-	-	-	-	-	-
Higher education.....	1,036	1,085	1,116	988	915	831	969	1,030	1,102	996
Early education and care.....	560	550	-	-	-	-	-	-	-	-
Public safety.....	1,224	1,265	-	-	-	-	-	-	-	-
Energy and environment.....	216	227	-	-	-	-	-	-	-	-
MBTA and regional transit authorities.....	-	-	52	50	49	53	42	49	69	592
Pension.....	1,314	1,399	1,335	1,275	1,217	702	813	796	1,040	986
Group health insurance.....	973	853	1,022	964	846	788	739	717	641	589
Debt service.....	1,891	1,868	2,085	1,666	1,581	1,420	1,374	1,305	676	1,193
Major programs.....	25,941	25,891	19,451	17,543	16,157	15,339	15,510	15,375	14,130	14,259
Other program expenditures.....	2,762	2,739	8,206	7,651	7,127	6,819	6,700	7,254	7,163	7,251
Interfund transfers and other uses.....	3,867	4,405	1,819	1,749	2,726	2,749	3,540	2,046	1,772	4,538
Total expenditures and other uses.....	\$ 32,570	\$ 33,035	\$ 29,476	\$ 26,943	\$ 26,010	\$ 24,907	\$ 25,750	\$ 24,675	\$ 23,065	\$ 26,048

* Current presentation aligned with Bond Official Statements - Commonwealth Expenditures - Budgeted Operating Funds

** Exclusive of Non-Budgeted Medicaid spending from FY03 through FY2007 within the Health Care Quality Improvement Fund totalling \$201 million, \$288 million, \$292 million, \$292 million and \$290 million in FY03 through FY07 respectively.

Ten-Year Schedule Of Long-Term Bonds And Notes Outstanding

Fiscal Year Ended June 30, 2009
(Amounts in millions)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General obligation bonds.....	\$ 17,052	\$ 16,085	\$ 16,033	\$ 15,393	\$ 14,492	\$ 14,143	\$ 13,651	\$ 12,618	\$ 11,961	\$ 10,897
Grant anticipation notes*.....	1,134	1,536	1,666	1,789	1,907	1,907	1,499	1,499	1,499	922
Special obligation bonds.....	1,079	1,113	1,249	1,279	1,458	1,332	813	838	539	564
Commonwealth long-term bonds.....	\$ 19,265	\$ 18,734	\$ 18,948	\$ 18,461	\$ 17,857	\$ 17,382	\$ 15,963	\$ 14,955	\$ 13,999	\$ 12,383

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

Schedule Of Central Artery / Tunnel Project Spending and Funding Sources

Fiscal Year Ended June 30, 2009
(Amounts in millions)

	Life of Project										
	Cumulative	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Federal Funds.....	\$ 7,030	\$ 162	\$ (28)	\$ (16)	\$ (2)	\$ 53	\$ 363	\$ 292	\$ 314	\$ 290	\$ 332
Grant anticipation notes.....	1,500	-	-	-	-	-	-	23	9	353	408
Commonwealth debt and other Funds (subject to administrative cap).....	1,630	(136)	31	145	3	68	59	160	143	235	229
Commonwealth debt and other Funds (not subject to administrative cap).....	2,449	14	72	26	234	388	269	502	665	279	-
Payments from the Massachusetts Turnpike Authority or the Massachusetts Port Authority or related interest.....	1,778	2	-	49	44	-	-	11	52	106	481
Settlement Revenues.....	24	-	-	24	-	-	-	-	-	-	-
Total Commonwealth Spending.....	\$ 14,411	\$ 42	\$ 75	\$ 228	\$ 279	\$ 509	\$ 691	\$ 988	\$ 1,183	\$ 1,263	\$ 1,450

* Source: Massachusetts Highway Department. Totals may not add due to rounding. In addition, the Massachusetts Turnpike Authority has contributed cumulatively \$140,000,000 for the life of the project to FY2009 and Insurance Trust Revenues have amounted to approximately \$62,181,000 offsetting spending.

** Negative amounts in any fiscal year are caused by the Massachusetts Highway Department reclassifying prior year expenditures to a different funding source.

1999	1998	1997	1996	1995	1994	1993	1992	1991
\$ 429	\$ 900	\$ 630	\$ 479	\$ 857	\$ 769	\$ 494	\$ 302	\$ 174
412	295	-	-	-	-	-	-	-
(142)	116	293	286	22	16	16	34	26
-	-	-	-	-	-	-	-	-
817	113	60	43	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ 1,516	\$ 1,424	\$ 983	\$ 808	\$ 879	\$ 785	\$ 510	\$ 336	\$200



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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. The Public Institutions of Higher Education include:

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

State College System – The State College System includes the nine state colleges, which provide four-year post-secondary education programs. These colleges include:

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

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

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	University of Massachusetts	State Colleges	Community Colleges	TOTALS	
				2009	2008
Revenues and other financing sources					
Federal grants and reimbursements.....	\$ 288,356	\$ 28,953	\$ 94,574	\$ 411,883	\$ 386,747
Departmental revenue.....	630,607	312,855	283,796	1,227,258	1,375,986
Miscellaneous revenue.....	876,295	236,735	181,987	1,295,017	1,063,749
Total revenues and other financing sources.....	<u>1,795,258</u>	<u>578,543</u>	<u>560,357</u>	<u>2,934,158</u>	<u>2,826,482</u>
Expenditures and other financing uses (by MMARS subsidiary):					
AA Regular employee compensation.....	497,317	92,234	103,659	693,210	607,023
BB Regular employee related expenses.....	21,496	4,774	2,639	28,909	28,807
CC Special employees and contracted services.....	186,409	97,661	124,299	408,369	328,175
DD Pension and insurance.....	160,963	23,017	21,668	205,648	238,913
EE Administrative expenditures.....	83,399	65,873	51,311	200,583	198,044
FF Facility operational supplies.....	159,450	12,723	26,840	199,013	175,961
GG Energy costs and space rental.....	143,535	27,449	24,334	195,318	185,347
HH Consultant services.....	191,379	11,444	7,599	210,422	215,245
JJ Operational services.....	26,372	25,689	6,865	58,926	63,761
KK Equipment purchase.....	18,527	8,743	5,591	32,861	46,774
LL Equipment leases, maintenance and repair.....	21,258	8,779	7,849	37,886	44,609
MM Purchased client services and programs.....	21,850	2,947	5,139	29,936	27,033
NN Construction and improvements.....	88,900	43,125	23,623	155,648	152,425
PP Aid to local governments.....	-	100	572	672	690
RR Benefit programs.....	205,234	52,396	104,162	361,792	314,799
SS Debt payment.....	93,384	5,508	1,438	100,330	17,758
TT Loans and special payments.....	144,169	100,346	12,321	256,836	190,351
UU Information technology (IT) expenses	63,567	19,260	13,824	96,651	92,109
Total expenditures and other uses.....	<u>2,127,209</u>	<u>602,068</u>	<u>543,733</u>	<u>3,273,010</u>	<u>2,927,824</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other uses.....	(331,951)	(23,525)	16,624	(338,852)	(101,342)
Fund balance at beginning of year.....	417,836	124,131	154,781	696,748	798,090
Fund balance at end of year.....	<u>\$ 85,885</u>	<u>\$ 100,606</u>	<u>\$ 171,405</u>	<u>\$ 357,896</u>	<u>\$ 696,748</u>

University Of Massachusetts
Higher Education Non-Appropriated Activity - Statutory Basis

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	<u>2009</u>	<u>2008</u>
Revenues and other financing sources		
Federal grants and reimbursements.....	\$ 288,356	\$ 288,541
Departmental revenue.....	630,607	837,859
Miscellaneous revenue.....	876,295	722,413
Total revenues and other financing sources.....	<u>1,795,258</u>	<u>1,848,813</u>
Expenditures and other financing uses (by MMARS subsidiary):		
AA Regular employee compensation.....	497,317	466,920
BB Regular employee related expenses.....	21,496	21,142
CC Special employees and contracted services.....	186,409	166,021
DD Pension and insurance.....	160,963	190,238
EE Administrative expenditures.....	83,399	81,286
FF Facility operational supplies.....	159,450	137,740
GG Energy costs and space rental.....	143,535	129,678
HH Consultant services.....	191,379	191,830
JJ Operational services.....	26,372	29,818
KK Equipment purchase.....	18,527	29,973
LL Equipment leases, maintenance and repair.....	21,258	22,349
MM Purchased client services and programs.....	21,850	17,625
NN Construction and improvements.....	88,900	88,245
RR Benefit programs.....	205,234	173,372
SS Debt payment.....	93,384	-
TT Loans and special payments.....	144,169	94,411
UU Information technology (IT) expenses	63,567	58,244
Total expenditures and other financing uses.....	<u>2,127,209</u>	<u>1,898,892</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses.....	(331,951)	(50,079)
Fund balance at beginning of year.....	417,836	467,915
Fund balance at end of year.....	<u>\$ 85,885</u>	<u>\$ 417,836</u>

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

Fiscal Year Ended June 30, 2009
(Amounts in thousands)

	Bridgewater State College	Framingham State College	Fitchburg State College	Massachusetts College of Art
Revenues and other financing sources				
Federal grants and reimbursements.....	\$ 5,809	\$ 2,297	\$ 4,224	\$ 1,622
Departmental revenue.....	77,846	38,945	34,372	19,152
Miscellaneous revenue.....	46,470	31,515	16,855	10,292
Total revenues and other financing sources.....	<u>130,125</u>	<u>72,757</u>	<u>55,451</u>	<u>31,066</u>
Expenditures and other financing uses (by MMARS subsidiary):				
AA Regular employee compensation.....	34,612	3,273	6,295	6,404
BB Regular employee related expenses.....	1,004	222	218	407
CC Special employees and contracted services.....	24,442	7,431	9,580	4,992
DD Pension and insurance.....	8,638	882	1,713	422
EE Administrative expenditures.....	9,306	35,259	3,079	1,766
FF Facility operational supplies.....	2,450	1,205	833	1,178
GG Energy costs and space rental.....	4,517	2,875	3,886	1,951
HH Consultant services.....	2,646	1,083	634	1,487
JJ Operational services.....	8,721	3,690	199	1,141
KK Equipment purchase.....	3,021	581	1,467	607
LL Equipment leases, maintenance and repair.....	3,350	736	575	709
MM Purchased client services and programs.....	1,089	341	327	-
NN Construction and improvements.....	2,515	3,356	3,738	3,249
PP Aid to local governments.....	-	100	-	-
RR Benefit programs.....	10,879	3,133	5,737	2,999
SS Debt payment.....	-	859	-	-
TT Loans and special payments.....	8,715	5,253	18,084	1,973
UU Information technology (IT) expenses	653	3,841	2,704	1,598
Total expenditures and other financing uses.....	<u>126,558</u>	<u>74,120</u>	<u>59,069</u>	<u>30,883</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financing uses	3,567	(1,363)	(3,618)	183
Fund balance at beginning of year.....	<u>23,755</u>	<u>27,869</u>	<u>27,958</u>	<u>9,397</u>
Fund balance at end of year.....	<u>\$ 27,322</u>	<u>\$ 26,506</u>	<u>\$ 24,340</u>	<u>\$ 9,580</u>

Massachusetts Maritime Academy	Massachusetts College of Liberal Arts	Salem State College	Worcester State College	Westfield State College	TOTALS	
					2009	2008
\$ 980	\$ 2,066	\$ 7,299	\$ 633	\$ 4,023	\$ 28,953	\$ 26,870
22,056	17,245	17,090	37,619	48,530	312,855	269,349
5,703	8,060	79,805	13,504	24,531	236,735	211,652
<u>28,739</u>	<u>27,371</u>	<u>104,194</u>	<u>51,756</u>	<u>77,084</u>	<u>578,543</u>	<u>507,871</u>
2,680	3,888	16,315	7,198	11,569	92,234	66,508
736	417	171	623	976	4,774	4,492
4,375	4,519	15,461	12,014	14,847	97,661	71,332
642	656	4,349	1,825	3,890	23,017	25,903
1,345	2,076	7,226	3,138	2,678	65,873	56,890
1,385	372	2,748	1,328	1,224	12,723	16,262
1,849	1,824	4,448	2,586	3,513	27,449	33,603
596	728	1,295	1,100	1,875	11,444	15,380
4,726	3,247	1,580	816	1,569	25,689	27,358
1,433	278	394	393	569	8,743	9,513
345	565	538	1,247	714	8,779	13,272
-	-	646	-	544	2,947	1,881
242	1,221	5,772	18,344	4,688	43,125	47,991
-	-	-	-	-	100	-
1,779	3,901	12,848	6,015	5,105	52,396	60,027
-	13	-	4,564	72	5,508	16,409
3,242	1,623	37,834	586	23,036	100,346	85,736
1,460	791	4,516	273	3,424	19,260	16,850
<u>26,835</u>	<u>26,119</u>	<u>116,141</u>	<u>62,050</u>	<u>80,293</u>	<u>602,068</u>	<u>569,407</u>
1,904	1,252	(11,947)	(10,294)	(3,209)	(23,525)	(61,536)
<u>3,212</u>	<u>11,107</u>	<u>(6,428)</u>	<u>(1,700)</u>	<u>28,961</u>	<u>124,131</u>	<u>185,667</u>
<u>\$ 5,116</u>	<u>\$ 12,359</u>	<u>\$ (18,375)</u>	<u>\$ (11,994)</u>	<u>\$ 25,752</u>	<u>\$ 100,606</u>	<u>\$ 124,131</u>

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

Fiscal Year Ended June 30, 2009

(Amounts in thousands)

	Berkshire Community College	Bunker Hill Community College	Bristol Community College	Cape Cod Community College	Greenfield Community College	Holyoke Community College	Massasoit Community College
Revenues and other financing sources							
Federal grants and reimbursements.....	\$ 2,756	\$ 9,895	\$ 9,764	\$ 2,978	\$ 2,757	\$ 7,274	\$ 8,192
Departmental revenue.....	9,457	32,396	19,023	10,475	10,813	11,383	19,778
Miscellaneous revenue.....	3,019	16,598	15,495	8,261	5,341	13,749	10,934
Total revenues and other financing sources.....	<u>15,232</u>	<u>58,889</u>	<u>44,282</u>	<u>21,714</u>	<u>18,911</u>	<u>32,406</u>	<u>38,904</u>
Expenditures and other financing uses (by MMARS subsidiary):							
AA Regular employee compensation.....	2,031	16,491	9,368	3,468	4,219	5,299	6,710
BB Regular employee related expenses.....	100	128	209	117	196	199	85
CC Special employees and contracted services.....	3,936	13,464	20,205	5,113	4,714	6,794	10,661
DD Pension and insurance.....	568	922	2,552	1,006	1,038	1,378	1,757
EE Administrative expenditures.....	979	2,175	1,730	1,091	797	1,826	2,010
FF Facility operational supplies.....	534	844	5,445	504	1,081	3,076	1,149
GG Energy costs and space rental.....	1,094	1,716	2,048	1,181	1,082	1,120	1,734
HH Consultant services.....	273	388	1,391	269	667	237	232
JJ Operational services.....	521	1,596	588	205	298	790	258
KK Equipment purchase.....	404	725	281	190	257	123	402
LL Equipment leases, maintenance and repair.....	136	483	231	311	158	177	1,038
MM Purchased client services and programs.....	114	468	1,592	-	7	61	428
NN Construction and improvements.....	605	12,878	1,567	413	217	1,651	849
PP Aid to local governments.....	41	-	330	-	-	-	-
RR Benefit programs.....	3,146	10,774	9,281	4,809	4,110	9,765	6,554
SS Debt payment.....	-	-	-	-	-	138	-
TT Loans and special payments.....	264	-	140	130	47	-	2,995
UU Information technology (IT) expenses.....	501	2,354	1,493	903	715	1,455	1,371
Total expenditures and other financing uses.....	<u>15,247</u>	<u>65,406</u>	<u>58,451</u>	<u>19,710</u>	<u>19,603</u>	<u>34,089</u>	<u>38,233</u>
Excess (deficiency) of revenues and other financing sources over / (under) expenditures and other financir	(15)	(6,517)	(14,169)	2,004	(692)	(1,683)	671
Fund balance at beginning of year.....	2,875	20,746	22,562	9,270	1,812	8,231	5,836
Fund balance at end of year.....	<u>\$ 2,860</u>	<u>\$ 14,229</u>	<u>\$ 8,393</u>	<u>\$ 11,274</u>	<u>\$ 1,120</u>	<u>\$ 6,548</u>	<u>\$ 6,507</u>

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	
								2009	2008
\$ 2,848	\$ 11,396	\$ 560	\$ 7,754	\$ 10,418	\$ 6,296	\$ 4,524	\$ 7,162	\$ 94,574	\$ 71,336
18,493	23,470	20,654	33,229	26,410	22,812	2,744	22,659	283,796	268,778
6,586	15,111	6,895	13,896	11,828	5,017	39,005	10,252	181,987	129,684
<u>27,927</u>	<u>49,977</u>	<u>28,109</u>	<u>54,879</u>	<u>48,656</u>	<u>34,125</u>	<u>46,273</u>	<u>40,073</u>	<u>560,357</u>	<u>469,798</u>
1,769	16,012	6,855	3,403	17,160	9,075	514	1,285	103,659	73,595
146	402	172	10	100	316	60	399	2,639	3,173
3,054	9,952	5,719	7,005	6,779	1,520	18,443	6,940	124,299	90,822
1,037	4,435	1,023	900	1,134	3,120	235	563	21,668	22,772
1,561	2,275	1,586	29,551	1,551	1,186	553	2,440	51,311	59,868
834	999	1,564	13	4,570	4,130	715	1,382	26,840	21,959
1,678	4,708	2,300	63	1,645	1,273	596	2,096	24,334	22,066
-	2	351	23	965	974	492	1,335	7,599	8,035
-	-	566	83	189	145	850	776	6,865	6,585
-	852	1,135	25	183	545	43	426	5,591	7,288
-	547	574	6	138	2,030	178	1,842	7,849	8,988
199	-	642	-	208	-	-	1,420	5,139	7,527
2,549	7	389	57	551	828	359	703	23,623	16,189
-	-	186	-	-	-	15	-	572	690
3,067	246	1,862	13,912	10,426	6,825	12,951	6,434	104,162	81,400
38	-	85	-	1,111	66	-	-	1,438	1,349
-	7,308	964	-	-	352	121	-	12,321	10,204
<u>2,750</u>	<u>28</u>	<u>19</u>	<u>22</u>	<u>1,518</u>	<u>120</u>	<u>525</u>	<u>50</u>	<u>13,824</u>	<u>17,015</u>
<u>18,682</u>	<u>47,773</u>	<u>25,992</u>	<u>55,073</u>	<u>48,228</u>	<u>32,505</u>	<u>36,650</u>	<u>28,091</u>	<u>543,733</u>	<u>459,525</u>
9,245	2,204	2,117	(194)	428	1,620	9,623	11,982	16,624	10,273
<u>22,238</u>	<u>(593)</u>	<u>62</u>	<u>3,975</u>	<u>6,727</u>	<u>2,373</u>	<u>6,211</u>	<u>42,456</u>	<u>154,781</u>	<u>144,508</u>
<u>\$ 31,483</u>	<u>\$ 1,611</u>	<u>\$ 2,179</u>	<u>\$ 3,781</u>	<u>\$ 7,155</u>	<u>\$ 3,993</u>	<u>\$ 15,834</u>	<u>\$ 54,438</u>	<u>\$ 171,405</u>	<u>\$ 154,781</u>



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