



Commonwealth of Massachusetts

OFFICE OF THE COMPTROLLER

ONE ASHBURTON PLACE, 9TH FLOOR
BOSTON, MASSACHUSETTS 02108
TELEPHONE (617) 727-5000
WWW.MASS.GOV/CTR

THOMAS G. SHACK III, ESQ.
COMPTROLLER

December 22, 2015

The Honorable Karen E. Spilka, Chair
Senate Committee on Ways and Means

The Honorable Brian S. Dempsey, Chair
House Committee on Ways and Means

The Honorable Kristen Lepore, Secretary
Executive Office for Administration and Finance

The Honorable Maura Healey
Attorney General

Dear Mesdames and Gentleman:

As required by Chapter 29 Sec 2TT of the Mass. General Laws, the Office of the Comptroller is submitting this report on the Liability Management & Reduction Fund to the House and Senate Committees on Ways & Means, the Secretary of Administration & Finance, and the Attorney General.

This report contains the Fund's financial statement for FY 2015 (**see attachment 1**) as published on page 106 in the audited Commonwealth Statutory Based Financial Report. Revenues consist of interest income from investments, categorized as miscellaneous revenue and departmental premiums, derived from each department's five-year average for tort payments and litigation costs from FY 2010 through FY 2014, (**see attachment 2**).

If you have any questions regarding this information, please contact Kathy Sheppard, Deputy Comptroller at 617.973.2666.

Sincerely,

Thomas G. Shack III, Esq.
Comptroller of the Commonwealth

TGS/sp
Enc.

cc: Juliana Rice, AGO Deputy Chief, Government Bureau
Adriana Campos, Budget Director, Senate Ways and Means Committee
Kathryn Kendall, Budget Director, House Ways and Means Committee

Non-Budgeted Special Revenue Funds
Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Fiscal Year Ended June 30, 2015
(Amounts in thousands)

	Non-Budgeted Other Funds							
	Dam and Seawall Repair or Removal	Department of Telecommunication and Energy Trust	Fingerprint-Based Background Check Trust	Liability Management and Reduction	Medical Marijuana Trust	Essex Regional Emergency Communication Center	Dockside Testing Trust	Civil Monetary Penalty (CMP)
REVENUES AND OTHER FINANCING SOURCES								
Revenues:								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assessments	—	2,026	—	—	—	—	—	—
Federal grants and reimbursements	—	—	—	—	—	—	—	—
Departmental	—	—	7,397	2,028	1,264	—	105	831
Miscellaneous	96	2	—	2	—	661	—	—
Total revenues	96	2,028	7,397	2,030	1,264	661	105	831
Other financing sources:								
Bond premiums (discounts) on Special obligation bonds	—	—	—	—	—	—	—	—
Operating transfers in	—	—	—	—	—	—	—	—
Commonwealth care trust transfer	—	—	—	—	—	—	—	—
Health safety net trust transfer	—	—	—	—	—	—	—	—
Medical assistance transfer	—	—	—	—	—	—	—	—
Delivery system transformation initiatives trust transfer	—	—	—	—	—	—	—	—
Total other financing sources	—	—	—	—	—	—	—	—
Total revenues and other financing sources	96	2,028	7,397	2,030	1,264	661	105	831
EXPENDITURES AND OTHER FINANCING USES								
Expenditures:								
Judiciary	—	—	—	—	—	—	—	—
Inspector General	—	—	—	—	—	—	—	—
Governor and Lieutenant Governor	—	—	—	—	—	—	—	—
Secretary of the Commonwealth	—	—	—	—	—	—	—	—
Treasurer and Receiver-General	—	—	—	—	—	—	—	—
Attorney General	—	—	—	46	—	—	—	—
District Attorney	—	—	—	—	—	—	—	—
Office of Campaign and Political Finance	—	—	—	—	—	—	—	—
Sheriff's Departments	—	—	—	—	—	578	—	—
Board of Library Commissioners	—	—	—	—	—	—	—	—
Massachusetts Gaming Commission	—	—	—	—	—	—	—	—
Comptroller	—	—	—	1,574	—	—	—	—
Administration and Finance	—	—	—	—	—	—	—	—
Energy and Environmental Affairs	2,280	3,045	—	—	—	—	—	—
Health and Human Services	—	—	—	—	1,628	—	76	333
Massachusetts Department of Transportation	—	—	—	—	—	—	—	—
Executive Office of Education	—	—	47	—	—	—	—	—
Center for Health Information and Analysis	—	—	—	—	—	—	—	—
Public Safety and Homeland Security	—	—	4,651	—	—	—	—	—
Housing and Economic Development	—	—	—	—	—	—	—	—
Labor and Workforce Development	—	—	—	—	—	—	—	—
Debt service:	—	—	—	—	—	—	—	—
Principal retirement	—	—	—	—	—	—	—	—
Interest and fiscal charges	—	—	—	—	—	—	—	—
Total expenditures	2,280	3,045	4,698	1,620	1,628	578	76	333
Other financing uses:								
Fringe benefit cost assessment	—	676	150	21	22	38	19	—
Lottery operating reimbursements	—	—	—	—	—	—	—	—
Lottery distributions	—	—	—	—	—	—	—	—
Operating transfers out	—	157	132	—	7	31	6	—
Stabilization transfer	—	—	—	—	—	—	—	—
Health safety net trust transfer	—	—	—	—	—	—	—	—
Federal Reimbursement Transfers out	—	—	—	—	—	—	—	—
Total other financing uses	—	833	282	21	29	69	25	—
Total expenditures and other financing uses	2,280	3,878	4,980	1,641	1,657	647	101	333
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,184)	(1,850)	2,417	389	(393)	14	4	498
Fund balances (deficits) at beginning of year (restated)	19,649	4,708	860	1,929	393	22	280	3,057
Fund balances (deficits) at end of year	\$ 17,465	\$ 2,858	\$ 3,277	\$ 2,318	\$ —	\$ 36	\$ 284	\$ 3,555

See accountants' review report

LMRF Premiums for FY2015

Department	FY2015 Premium
AGO	2,252.34
AGR	2,026.51
BCC	13,672.70
BHC	307.46
BRC	2,790.21
BSD	5,223.03
CDA	760.00
CHE	759.61
CME	3,162.04
CPC	5,385.05
DCP	2,758.42
DCR	129,197.00
DFS	7,511.60
DMH	38,692.97
DMR	161,720.84
DOC	157,753.97
DOR	47,784.26
DOS	976.36
DOT	414,203.32
DPH	37,491.94
DPS	650.25
DPU	721.30
DSS	12,413.01
DYS	13,445.58
EEC	448.74
EHS	20,205.63
ENE	178.16
ENV	6,209.77
EOL	139.23
EPS	89.90
EQE	19,629.31
FRC	16,457.64
FSC	1,456.47
FWE	1,841.95
GCC	165.90
HCC	5,992.00
HLY	383.16
HSD	2,131.00
ITD	685.72
LOT	12,849.20
MAS	4,149.70
MIL	1,480.00
MMA	3,657.75
MRC	4,142.00
NEC	1,000.00
OHA	5,510.03

PAR	2,771.98
POL	432,787.87
QCC	200.00
RCC	4,294.64
SDB	35000
SDC	3189.87
SDE	29,443.98
SDF	5,481.45
SDH	2,543.03
SDM	114,904.67
SDN	1,611.90
SDP	7,907.73
SDS	22,340.20
SDW	54,381.41
SOR	8,116.98
SRB	1,436.53
SSA	12,378.69
STC	4,000.00
SUF	461.67
TRC	37,911.17
UMS	68,220.70
WEL	319.00
WSC	8,296.69
Grand Total:	<u><u>2,028,463.19</u></u>