



WILLIAM McNAMARA
COMPTROLLER

Commonwealth of Massachusetts

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December 20, 2021

Honorable Michael J. Rodrigues
Senate Ways and Means Committee
State House, Room 212
Boston, MA 02133

Honorable Aaron Michlewitz
House Ways and Means Committee
State House, Room 243
Boston, MA 02133

Secretary Michael Heffernan
Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133

Attorney General Maura Healey
Office of the Attorney General
One Ashburton Place, 20th Floor
Boston, MA 02108

Dear Chair Rodrigues, Chair Michlewitz, Secretary Heffernan, and Attorney General Healey:

Pursuant to M.G.L. c. 29, § 2TT, the Office of the Comptroller hereby submits this report of the activities of the Liability Management and Reduction Fund to the House and Senate Committees on Ways and Means, the Secretary of Administration and Finance, and the Attorney General.

This report contains the Fund's financial statement for Fiscal Year 2021 (**see attachment 1**) as published in the Commonwealth Statutory Basis Financial Report (SBFR) on page 122-123.

Revenues consist of 1) departmental premiums, derived from each department's five-year average for tort payments and litigation costs from Fiscal Year 2017 through Fiscal Year 2021, and 2) interest income from investments, categorized as miscellaneous revenue. (**See attachment 2**).

If you have any questions regarding this information, please contact Assistant Comptroller Kevin McHugh at (617) 973-2335 or me at (617) 973-2315. Thank you.

Sincerely,

William McNamara
Comptroller of the Commonwealth

WM/sp

Liability Management & Reduction Fund

December 20, 2021

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Enc.

Cc: Christopher Marino, Budget Director, Senate Ways and Means Committee
David Bunker, Budget Director, House Ways and Means Committee
Catharine Hornby, Undersecretary, Executive Office for Administration and Finance
Anne Sterman, Government Bureau Deputy Chief, Office of the Attorney General
Jeffrey Shapiro, Esq., First Deputy Comptroller, Office of the Comptroller
Amy Nable, General Counsel/Assistant Comptroller, Office of the Comptroller
Kevin McHugh, Assistant Comptroller, Office of the Comptroller

Non-Budgeted Special Revenue Funds

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

Fiscal Year Ended June 30, 2021

(Amounts in thousands)

Non-Budgeted Other Funds

Liability
Management
and Reduction

REVENUES AND OTHER FINANCING SOURCES

Revenues:

Taxes.....	\$ —
Assessments	—
Federal grants and reimbursements	—
Departmental	2,115
Miscellaneous	2
Total revenues	<u>2,117</u>

Other financing sources:

Issuance of current refunding bonds	—
Bond premiums/(discounts) on current refunding bonds	—
Operating transfers in	—
Medical assistance transfer	—
Total other financing sources	<u>—</u>
Total revenues and other financing sources	<u>2,117</u>

EXPENDITURES AND OTHER FINANCING USES

Expenditures:

Judiciary	—
Inspector General	—
Governor and Lieutenant Governor	—
Secretary of the Commonwealth	—
Treasurer and Receiver-General	—
Attorney General	62
District Attorney	—
Office of Campaign and Political Finance	—
Sheriffs' Departments	—
Disabled Persons Protection Commission	—
Board of Library Commissioners	—
Massachusetts Gaming Commission	—
Comptroller	1,509
Administration and Finance	—
Energy and Environmental Affairs	—
Health and Human Services	—
Executive Office of Technology Services and Security	—
Massachusetts Department of Transportation	—
Office of the Child Advocate	—
Executive Office of Education	—
Public Safety and Security	—
Housing and Economic Development	—
Labor and Workforce Development	—
Debt service:	
Principal retirement	—
Interest and fiscal charges	—
Total expenditures	<u>1,571</u>

Other financing uses:

Principal on current refundings	—
Fringe benefit cost assessment	34
Lottery operating reimbursements	—
Lottery distributions	—
Operating transfers out	—
Stabilization transfer	—
Total other financing uses	<u>34</u>
Total expenditures and other financing uses	<u>1,605</u>

Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	512
Fund balances/(deficits) at beginning of year	2,567
Fund balances/(deficits) at end of year	<u>\$ 3,079</u>

LMRF Premiums for FY2021

Department	FY21 Premium
AGO	1,511.49
AGR	17,166.40
ANF	535.43
BCC	5,889.63
BHC	2,465.97
BRC	37.89
BSC	1,001.05
BSD	17,605.68
CCC	529.54
CHE	492.50
CJT	1,496.13
CME	9,919.43
DCP	16,002.42
DCR	98,459.97
DFS	7,707.96
DMH	23,583.49
DMR	40,346.53
DOC	148,410.74
DOE	149.06
DOR	225.84
DOT	416,110.81
DPH	6,278.68
DPU	351.70
DSS	29,960.94
DYS	26,671.52
EHS	76,976.24
ENV	15,202.42
EOL	649.04
EPS	21,748.66
EQE	4,196.92
FRC	5,758.22
FSC	2,915.55
FWE	1,369.38
GCC	4,308.78
HCC	87.38
LOT	8,642.47
MAS	8,737.47
MCA	2,216.86
MCC	809.34
MIL	1,164.53
NAC	55.91
NEC	121.83
NFK	323.24
PAR	23,711.99

PLY	15.74
POL	331,050.60
QCC	535.42
RCC	1,030.09
REG	1,531.30
RGT	221.68
SDB	112.22
SDC	5,619.02
SDD	1,093.57
SDE	18,856.10
SDF	25,350.51
SDH	32,863.44
SDM	45,651.46
SDN	16,495.67
SDP	13,165.34
SDS	32,575.70
SDW	34,967.24
SJC	153.46
SOR	7,067.56
SRB	10,406.44
SSA	5,841.27
STC	3,287.91
SUF	2,086.72
TRC	33,774.78
UMS	259,391.88
WES	56.86
WOR	126.41
WSC	<u>3,738.84</u>

Total FY21 Revenue: **1,938,974.26**