



MASSACHUSETTS  
CLEAN WATER TRUST

December 23, 2015

Mr. William Welch  
Senate Clerk  
Commonwealth of Massachusetts  
State House, Room 335  
Boston, MA 02133

Dear Mr. Welch:

I am pleased to present to you the Massachusetts Clean Water Trust's (the Trust) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. The CAFR is prepared according to generally accepted accounting principles (GAAP) as defined for governments by the Governmental Accounting Standards Board (GASB). Further information on the financial results in this report is included in the Message from the Chair (page 1) and the Management's Discussion and Analysis (in the Financial Section pages 3-6).

The Trust's CAFR for the previous fiscal year, 2014, has again been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA's Certificate is a prestigious national award recognizing conformity with the highest standards for state and local government reports.

Our financial statements reflect the overall fiscal health of the Trust. In fiscal year 2015, our net assets grew by \$112 million, to close at over \$2.2 billion. This growth of the State Revolving Fund net assets helps to maintain the Trust's AAA bond rating and provides for continuing investment incentives in Clean Water and Drinking Water projects by our customers, the cities, towns and authorities of the Commonwealth. By receiving ratings higher than the average underlying ratings of the participating local communities, the Trust consistently delivers lower borrowing costs to the Commonwealth and its communities.

In 2015, the Trust provided approximately \$327 million in commitments for low interest rate loans to cities and towns all over the Commonwealth. This commitment amount will provide an estimated 1,960 construction and engineering jobs. Even in these difficult times, communities continue to recognize the value of investing in the water and wastewater infrastructure that protects our public health and our environment and supports our economy. The need for cost savings at the local and statewide level is as important as ever, and the Trust continues to do its part.

I am very proud of the work the Trust does in helping cities and towns to fund essential water infrastructure improvements. The Trust continues to prudently execute and manage the financial aspects that will ensure significant available and affordable funding for these essential infrastructure projects well into the future. If you have any questions, please contact me at 617-367-3900.

Respectfully submitted,

Susan E. Perez  
Executive Director