

*Steven Grossman*  
*Treasurer and Receiver General*

*The Commonwealth of Massachusetts*  
*Department of the State Treasurer*  
*State House*  
*Boston, Massachusetts 02133*

June 3, 2013

The Honorable Stephen M. Brewer, Chair  
Senate Ways and Means Committee  
State House, Room 212  
Boston, MA 02133

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

Dear Senator Brewer and Representative Dempsey:

Pursuant to Massachusetts General Laws Chapter 10, Section 10, the Office of the State Treasurer and Receiver General and the Executive Office for Administration and Finance hereby submit the current cash flow forecast for fiscal years 2013 and 2014.

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

Please note that the fiscal year 2013 and 2014 cash flow forecast projects monthly cash closing balances. Given the variable nature of state cash expenditures and revenues, the daily cash balances often differ greatly from the projected monthly closing balance.

***Highlights of Fiscal Year 2013***

Fiscal year 2013 is based upon the General Appropriation Act (GAA) signed on July 8, 2012; all supplemental appropriations filed, enacted or anticipated and includes all prior appropriations continued into fiscal year 2013. Fiscal year 2013 projections are based on actual spending and revenue through April 2013, and estimates for the remainder of fiscal year 2013.

Total spending in the final fiscal year 2013 budget approved by the Governor, and after accounting for approximately \$31.7 million in veto overrides, amounts to approximately \$32.509 billion. The fiscal year 2013 budget authorized a transfer of \$350.0 million from the Stabilization Fund. The budget assumes tax revenues of \$22.011 billion, reflecting the fiscal year 2013 consensus tax estimate of \$21.950 billion, adjusted for the impact of revenue initiatives enacted as part of the budget, most notably a one-year delay

\*The use of the term "fiscal year" is generic, meaning the period from July 1, 2012 to June 30, 2013, rather than as the term is specifically defined for budget purposes. This is because for cash purposes the "fiscal year" includes "accounts payable" activity for fiscal year 2012, and excludes "accounts payable" activity for fiscal year 2013.

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of the FAS 109 deductions (additional \$45.9 million), enhanced tax enforcement initiatives (additional \$36.3 million), and subsequently enacted two-day sales tax holiday held on August 11-12, 2012 (minus \$21.55 million). The gross tax figure includes \$1.552 billion dedicated to the Commonwealth's pension obligation, \$786.8 million in sales tax revenues dedicated to the MBTA, \$702.3 million in sales tax revenues dedicated to the MSBA and \$21.4 million for the Workforce Training Fund. Approximately \$1.1 billion of the \$22.011 billion tax estimate is assumed to be generated from taxes on capital gains. Under the new statutory fiscal policy, \$100.0 million of the projected capital gains tax revenue will be required to be deposited into the Stabilization Fund and will not be available for budgetary purposes. Pursuant to state finance law, five percent of that amount will be transferred to the State Retiree Benefits Trust Fund and five percent to the Commonwealth's Pension Liability Fund.

This forecast reflects the \$515.0 million downward revision of the fiscal year tax revenue estimate that took place on December 4, 2012, as well as the accompanying budget reductions that were implemented by the Governor, and other budget balancing measures, which includes an additional \$200.0 million withdrawal from the Stabilization Fund, signed into law on February 15, 2013. The Stabilization Fund is projected to end fiscal year 2013 with a \$1.270 billion balance.

This forecast does not account for any impact related to the sequestration put in place by the Budget Control Act of 2011 that legally occurred March 1, 2013. While state agency grants will experience some reductions (these are reflected in the "Federal Grants" section of the accompanying forecast), the primary impact on the Commonwealth is a wider and slower economic impact over the next 12-18 months. The major reductions impact defense industry federal contractors, medical device manufacturing, life sciences research in our universities and academic medical centers. To evaluate this impact on jobs and human services, the Executive Office for Administration and Finance has assembled a Sequestration Task Force with representatives from the Federal Reserve, the University of Massachusetts' Donahue Institute, the defense industry, academia and the high-tech sector. The President has proposed a Federal fiscal year 2014 budget that repeals sequestration but also provides for additional revenues and selected cuts to be implemented.

The State Lottery Commission is projecting net operating revenues of \$1.0269 billion for fiscal year 2013.

The Commonwealth's five-year capital investment plan, which is reviewed annually, calls for fiscal year 2013 bond issuance of approximately \$2.060 billion, which includes \$1.968 billion in bond cap (including unspent bond cap from fiscal year 2012) and \$92.0 million for project-finance spending. Actual borrowing for new-money capital investments in fiscal year 2013 that have been made generated approximately \$1.730 billion in bond proceeds. All of the borrowing completed in the fiscal year was done through the issuance of general obligation bonds; no borrowing was necessary for the Accelerated Bridge Program based on the cash flow needs of that program. For cash flow needs for fiscal year 2013, the Treasurer's office issued \$1.2 billion in revenue anticipation notes on October 3, 2012. The RANs were repaid on April 25, 2013 and May 23, 2013.

#### ***Highlights of Fiscal Year 2014***

Fiscal year 2014 projections are based on the Governor's House 1 budget recommendation. It is included on the basis of historical precedent in order to provide a starting point for the analysis of the

Commonwealth's fiscal year 2014 cash needs. The usage of House 1 does not constitute the Treasury's endorsement of the proposal.

On January 14, 2013, a fiscal year 2014 consensus tax revenue estimate of \$22.334 billion was agreed upon by the Secretary of Administration and Finance and the Chairs of the House and Senate Committees on Ways and Means. The fiscal year 2014 consensus tax revenue estimate represents revenue growth of 3.9 percent actual from the revised fiscal year 2013 estimate of \$21.496 billion. The \$22.334 billion figure includes off-budget transfers of \$1.630 billion for pension funding, \$799.6 million in dedicated sales tax receipts for the MBTA, \$703.6 million in dedicated sales tax receipts for the MSBA and \$21.6 million for the Workforce Training Fund. The total amount of off-budget transfers is \$3.155 billion. Therefore, after taking into account the \$37.0 million of capital gains tax revenue that exceeds the fiscal year 2014 threshold and that must be deposited into the Stabilization Fund, the Secretary and Committees agreed that \$19.142 billion would be the maximum amount of tax revenue available for the GAA in fiscal year 2014, and they would base their respective budget recommendations on that number.

On January 23, 2013, the Governor filed with the Legislature his budget recommendations for fiscal year 2014. The Governor's fiscal year 2014 budget recommendation proposes state operating budget spending of \$34.825 billion, or a 6.9 percent increase from the current year estimated spending levels. The Governor's budget relies on \$555.0 million in one-time resources, including a \$400.0 million withdrawal from the Stabilization Fund, down from the fiscal year 2013 assumption of \$919.0 million. After taking into account the scheduled withdrawals and statutorily required deposits over the course of fiscal year 2013 and 2014, the Stabilization Fund is projected to end fiscal year 2014 with a balance of \$1.049 billion. The Governor's fiscal year 2014 budget recommendations also includes a tax reform proposal intended by the Administration to make the Commonwealth's tax code fairer and simpler, while raising \$1.179 billion in revenue for fiscal year 2014, \$1.900 billion when fully annualized, to support investments in education, transportation and innovation. The Governor also proposes to borrow \$400.0 million in fiscal year 2014, to be repaid in fiscal year 2015 and fiscal year 2016, to permit spending on the Governor's new initiatives to begin before all of the additional tax revenues are realized.

As noted above, the Governor's tax reform proposal will raise \$1.900 billion on an annual basis. However, in fiscal year 2014, it is expected to raise \$779.0 million as a result of the fact that the proposed tax law changes would take effect in the middle of the fiscal year. The Governor's funding plan assumes that \$400.0 million in new tax revenue in fiscal year 2015 and fiscal year 2016 is borrowed to support education, transportation and innovation investments in fiscal year 2014, when the full-year revenue impact of the proposed tax law changes will not be realized. This cash flow forecast assumes that issuance would take place in September 2013.

The House and Senate have both passed their respective versions of the fiscal year 2014 budget, and differences between the two versions will be reconciled by a legislative conference committee. Both versions include a lower level of spending compared to the Governor's budget recommendations, as tax initiatives contemplated by the Legislature raise less revenue than proposed by the Governor. Neither of the budget plans passed by the House or Senate included the \$400.0 million in revenue anticipation notes proposed in the Governor's funding plan.

The State Lottery Commission is projecting net operating revenues of \$1.0363 billion for fiscal year 2014.

The Honorable Stephen M. Brewer, Chair  
The Honorable Brian S. Dempsey, Chair  
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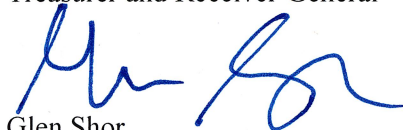
The Commonwealth's five-year capital investment plan, which is reviewed annually, calls for fiscal year 2014 bond issuance of approximately \$3.042 billion, which includes \$2.0 billion in bond cap for fiscal year 2014, \$330.0 million in unused bond cap from fiscal year 2013, \$560.5 million of borrowing for the Accelerated Bridge Program and \$151.9 million for project-finance spending. For cash flow needs for fiscal year 2014, Treasury expects to issue revenue anticipation notes in approximate amounts as were issued in fiscal year 2013 to augment the Commonwealth's liquidity, but due to the statutory changes to the disbursement of local aid, will be prepared to issue those notes in either the first or second quarter of the fiscal year depending on cash flow needs. As in previous years, all cash flow borrowing will be repaid in the final quarter of fiscal year 2014.

Treasury, Administration and Finance and Comptroller staffs continue to meet regularly to monitor the status of the Commonwealth's cash position. This group is also engaged in the task of updating the cash flow forecasts to align with the new statutory requirements included in Chapter 165 of the Acts of 2012, "An Act to improve the administration of state government and finance". For example, the fiscal year 2014 cash flow forecast reflects the change, pursuant to Chapter 165, to a monthly local aid payment schedule from a quarterly payment schedule. Please feel free to contact our respective staffs if you require additional information.

Sincerely,



Steven Grossman  
Treasurer and Receiver General



Glen Shor  
Secretary of Administration and Finance

Enclosures

(millions)	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total FY 2013
	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Est	Est	
<b>OPENING NON-SEGREGATED OPERATING CASH BALANCE:</b>	\$2,096.7	\$1,944.4	\$1,505.4	\$675.8	\$2,175.5	\$1,625.7	\$1,018.4	\$1,597.6	\$1,334.9	\$368.3	\$2,001.3	\$1,881.6	\$2,096.7
<b>OPERATING ACTIVITIES:</b>													
<b>Budgetary Funds:</b>													
Tax Revenue	\$1,499.1	\$1,362.6	\$2,409.6	\$1,616.8	\$1,497.8	\$2,193.7	\$2,379.0	\$1,491.3	\$2,224.3	\$3,280.9	\$1,528.0	\$2,480.0	\$23,953.0
Federal Reimbursements	\$579.3	\$824.7	\$655.6	\$642.8	\$570.6	\$863.4	\$726.6	\$605.5	\$655.7	\$660.2	\$662.5	\$630.1	\$8,077.0
Other Budgetary Revenue	\$320.8	\$261.9	\$228.7	\$338.8	\$221.7	\$242.3	\$323.0	\$257.3	\$236.7	\$336.2	\$270.7	\$328.2	\$3,326.4
Transfer from/(to) Stabilization Fund	\$0.0	\$0.0	\$4.0	\$0.0	(\$114.3)	\$0.0	(\$94.6)	\$0.0	\$0.0	\$17.1	\$551.4	\$0.0	\$363.7
<b>Total Budgetary Revenue/Inflows</b>	<b>\$2,399.1</b>	<b>\$2,449.3</b>	<b>\$3,298.0</b>	<b>\$2,598.4</b>	<b>\$2,175.8</b>	<b>\$3,299.4</b>	<b>\$3,334.1</b>	<b>\$2,344.1</b>	<b>\$3,116.7</b>	<b>\$4,294.4</b>	<b>\$3,012.6</b>	<b>\$3,398.3</b>	<b>\$35,720.2</b>
Local Aid	\$0.0	\$0.3	\$1,298.4	\$0.8	\$0.0	\$1,216.1	\$0.0	\$0.0	\$1,176.8	\$3.4	\$28.0	\$1,238.5	\$4,962.2
Tax Refunds	\$42.1	\$40.9	\$73.3	\$90.3	\$158.2	\$35.4	\$73.4	\$402.9	\$349.2	\$365.8	\$106.0	\$43.0	\$1,780.5
Debt Service for General Obligation (incl CA/T)	\$149.7	\$487.0	\$188.9	\$96.7	\$445.3	\$84.1	\$104.6	\$136.6	\$73.9	\$52.3	\$102.9	\$74.9	\$1,996.8
Debt Service for Special Obligations	\$17.2	\$0.0	\$0.0	\$0.0	\$0.0	\$28.9	\$17.2	\$0.0	\$0.0	\$0.0	\$0.0	\$76.5	\$139.8
Debt Service for GANS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$12.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$6.0	\$18.2
Other Budgetary Expenditures	\$2,152.7	\$2,581.2	\$1,671.1	\$2,091.2	\$2,034.3	\$1,895.8	\$2,265.8	\$1,867.6	\$2,089.1	\$2,019.3	\$2,220.6	\$1,926.2	\$24,814.9
<b>Total Budgetary Expenditures/Outflows</b>	<b>\$2,361.8</b>	<b>\$3,109.3</b>	<b>\$3,231.7</b>	<b>\$2,279.0</b>	<b>\$2,637.8</b>	<b>\$3,272.4</b>	<b>\$2,461.0</b>	<b>\$2,407.1</b>	<b>\$3,689.0</b>	<b>\$2,440.8</b>	<b>\$2,457.5</b>	<b>\$3,365.1</b>	<b>\$33,712.4</b>
<b>Net Budgetary Funds</b>	<b>\$37.4</b>	<b>(\$660.1)</b>	<b>\$66.3</b>	<b>\$319.4</b>	<b>(\$462.0)</b>	<b>\$27.1</b>	<b>\$873.1</b>	<b>(\$63.0)</b>	<b>(\$572.3)</b>	<b>\$1,853.6</b>	<b>\$555.2</b>	<b>\$33.2</b>	<b>\$2,007.8</b>
<b>Non Budgetary Funds (Non Budgetary, Higher Ed and Trust Funds):</b>													
Lottery Revenue	\$36.0	\$296.5	\$89.0	\$155.0	\$169.7	\$179.5	\$124.9	\$174.5	\$138.9	\$128.6	\$140.0	\$140.0	\$1,772.6
Pension Receipts (PRIM and Annuity Receipts)	\$243.6	\$251.9	\$169.5	\$224.9	\$229.6	\$205.5	\$226.9	\$228.0	\$216.3	\$229.0	\$205.0	\$205.5	\$2,635.8
Transfer in for Non Pooled Fund Payments	\$147.1	\$198.7	(\$93.1)	(\$139.5)	\$85.7	(\$316.9)	(\$218.3)	\$56.8	\$256.3	(\$211.5)	\$418.0	\$397.0	\$580.5
Non Budgetary Tax Receipts	\$28.1	\$152.7	(\$76.8)	\$31.1	\$30.0	\$25.1	\$32.2	\$27.5	\$73.2	(\$1.2)	\$108.5	\$67.8	\$498.5
Other Non Budgetary Revenue	\$399.7	\$668.6	\$241.5	\$584.9	\$358.0	\$579.7	\$508.2	\$295.6	\$371.5	\$605.6	\$120.0	\$185.0	\$4,918.2
<b>Total Non Budgetary Revenue/Inflows</b>	<b>\$854.6</b>	<b>\$1,568.5</b>	<b>\$330.4</b>	<b>\$873.0</b>	<b>\$672.8</b>	<b>\$673.9</b>	<b>\$782.5</b>	<b>\$1,056.2</b>	<b>\$750.4</b>	<b>\$991.5</b>	<b>\$995.3</b>	<b>\$1,040.5</b>	<b>\$10,405.5</b>
Lottery Payments	\$18.1	\$95.4	\$55.0	\$66.8	\$62.8	\$68.5	\$79.5	\$67.2	\$86.8	\$76.9	\$56.0	\$61.0	\$794.0
MBTA Sales Tax	\$58.3	\$84.3	\$56.2	\$53.3	\$84.4	\$54.0	\$85.0	\$67.6	\$51.3	\$49.3	\$67.0	\$66.5	\$777.2
MBTA Assessments	\$0.2	\$0.0	\$39.0	\$0.0	\$0.0	\$39.0	\$0.0	\$0.0	\$39.0	\$0.0	\$0.0	\$37.0	\$154.1
MSBA Payments	\$58.3	\$60.5	\$56.2	\$53.3	\$57.7	\$54.0	\$55.1	\$67.6	\$51.3	\$49.3	\$58.8	\$58.6	\$680.6
Pension Payments	\$334.6	\$340.3	\$342.3	\$347.7	\$339.0	\$457.3	\$341.5	\$341.8	\$344.1	\$345.7	\$290.0	\$306.0	\$4,130.4
Non Pooled Fund Payments	\$315.5	\$382.9	\$448.3	\$460.6	\$248.2	\$434.1	\$242.1	\$239.6	\$457.8	\$236.3	\$268.0	\$247.0	\$3,980.6
Other Non Budgetary Expenditures	\$96.6	\$102.6	\$243.8	\$105.2	\$86.5	\$369.1	\$111.7	\$82.4	\$240.6	\$103.5	\$94.0	\$160.0	\$1,785.9
<b>Total Non Budgetary Expenditures/Outflows</b>	<b>\$871.6</b>	<b>\$1,066.0</b>	<b>\$1,240.8</b>	<b>\$1,086.8</b>	<b>\$878.6</b>	<b>\$1,476.0</b>	<b>\$914.9</b>	<b>\$866.2</b>	<b>\$1,271.0</b>	<b>\$861.0</b>	<b>\$833.8</b>	<b>\$936.1</b>	<b>\$12,302.8</b>
<b>Net Non Budgetary Funds</b>	<b>(\$17.0)</b>	<b>\$502.4</b>	<b>(\$910.4)</b>	<b>(\$213.8)</b>	<b>(\$80.8)</b>	<b>(\$802.1)</b>	<b>(\$131.0)</b>	<b>(\$214.8)</b>	<b>(\$520.6)</b>	<b>(\$110.5)</b>	<b>\$157.7</b>	<b>\$59.2</b>	<b>(\$1,897.3)</b>
<b>Undesignated Revenue/Inflows and Expenditures/Outflows:</b>													
General Fund Investment Earnings	\$1.1	\$1.6	\$3.3	\$1.6	\$1.2	\$9.0	\$1.5	\$0.9	\$5.3	\$1.3	\$1.0	\$1.0	\$28.9
Other Funds/3rd Party	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Net Undesignated Revenue/Inflows and Expenditures/Outflows</b>	<b>\$1.1</b>	<b>\$1.6</b>	<b>\$3.3</b>	<b>\$1.6</b>	<b>\$1.2</b>	<b>\$9.0</b>	<b>\$1.5</b>	<b>\$0.9</b>	<b>\$5.3</b>	<b>\$1.3</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$28.9</b>
<b>NET OPERATING ACTIVITIES</b>	<b>\$21.5</b>	<b>(\$156.0)</b>	<b>(\$840.9)</b>	<b>\$90.7</b>	<b>(\$466.3)</b>	<b>(\$767.1)</b>	<b>\$633.7</b>	<b>(\$145.8)</b>	<b>(\$781.9)</b>	<b>\$1,744.3</b>	<b>\$713.9</b>	<b>\$93.4</b>	<b>\$139.4</b>
<b>FEDERAL GRANTS:</b>													
<b>Total Federal Grants Revenue/Inflows</b>	<b>\$168.4</b>	<b>\$111.0</b>	<b>\$341.2</b>	<b>\$111.4</b>	<b>\$154.7</b>	<b>\$241.7</b>	<b>\$176.2</b>	<b>\$186.6</b>	<b>\$166.8</b>	<b>\$252.5</b>	<b>\$244.0</b>	<b>\$263.5</b>	<b>\$2,417.9</b>
<b>Total Federal Grants Expenditures/Outflows</b>	<b>\$242.6</b>	<b>\$247.8</b>	<b>\$164.2</b>	<b>\$146.1</b>	<b>\$183.0</b>	<b>\$239.6</b>	<b>\$193.1</b>	<b>\$222.1</b>	<b>\$227.9</b>	<b>\$213.6</b>	<b>\$187.8</b>	<b>\$207.5</b>	<b>\$2,475.4</b>
<b>NET FEDERAL GRANTS</b>	<b>(\$74.2)</b>	<b>(\$136.8)</b>	<b>\$177.0</b>	<b>(\$34.7)</b>	<b>(\$28.3)</b>	<b>\$2.1</b>	<b>(\$16.9)</b>	<b>(\$35.5)</b>	<b>(\$61.1)</b>	<b>\$38.9</b>	<b>\$56.2</b>	<b>\$56.0</b>	<b>(\$57.5)</b>
<b>CAPITAL FUNDS:</b>													
<b>Capital Revenue/Inflows:</b>													
Capital Inflow from Federal Reimbursements	\$41.8	\$46.3	\$33.1	\$48.6	\$121.7	\$119.5	\$47.8	\$50.1	\$27.3	\$47.4	\$30.9	\$94.1	\$708.5
Capital Inflow from Financing Activities:													
Capital Inflow to General Fund from Segregated Bond Fund	\$111.0	\$75.0	\$18.0	\$405.2	\$38.1	\$233.4	\$147.3	\$14.0	\$27.3	\$593.3	\$25.0	\$425.8	\$2,113.3
<b>Total Capital Revenue/Inflows</b>	<b>\$152.8</b>	<b>\$121.3</b>	<b>\$51.1</b>	<b>\$453.8</b>	<b>\$159.7</b>	<b>\$352.9</b>	<b>\$195.1</b>	<b>\$64.1</b>	<b>\$54.5</b>	<b>\$640.7</b>	<b>\$55.9</b>	<b>\$519.8</b>	<b>\$2,821.8</b>
<b>Total Capital Expenditures/Outflows</b>	<b>\$252.4</b>	<b>\$267.5</b>	<b>\$216.8</b>	<b>\$223.7</b>	<b>\$214.9</b>	<b>\$195.2</b>	<b>\$232.7</b>	<b>\$145.4</b>	<b>\$178.3</b>	<b>\$184.1</b>	<b>\$338.1</b>	<b>\$421.4</b>	<b>\$2,870.4</b>
<b>NET CAPITAL FUNDS</b>	<b>(\$99.6)</b>	<b>(\$146.2)</b>	<b>(\$165.7)</b>	<b>230.09</b>	<b>(\$55.2)</b>	<b>157.74</b>	<b>(\$37.6)</b>	<b>(\$81.3)</b>	<b>(\$123.8)</b>	<b>456.54</b>	<b>(\$282.2)</b>	<b>98.43</b>	<b>(\$48.6)</b>
<b>FINANCING ACTIVITIES:</b>													
<b>Cash Flow Financing Activities Inflows:</b>													
Commercial Paper	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Revenue Anticipation Notes (RANS)	\$0.0	\$0.0	\$0.0	\$1,213.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,213.7
<b>Total Cash Flow Financing Activities Inflows</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,213.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,213.7</b>
<b>Cash Flow Financing Activities Outflows:</b>													
Commercial Paper – (Principal + Interest)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
RANS – (Principal + Interest)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$606.7	\$607.7	\$0.0	\$0.0	\$1,214.4
<b>Total Cash Flow Financing Activities Outflows</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$606.7</b>	<b>\$607.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,214.4</b>
<b>NET FINANCING ACTIVITIES</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,213.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$606.7)</b>	<b>(\$607.7)</b>	<b>\$0.0</b>	<b>(\$0.7)</b>
<b>ENDING NON-SEGREGATED OPERATING CASH BALANCE:</b>	<b>\$1,944.4</b>	<b>\$1,505.4</b>	<b>\$675.8</b>	<b>\$2,175.5</b>	<b>\$1,625.7</b>	<b>\$1,018.4</b>	<b>\$1,597.6</b>	<b>\$1,334.9</b>	<b>\$368.3</b>	<b>\$2,001.3</b>	<b>\$1,881.6</b>	<b>\$2,129.4</b>	<b>\$2,129.4</b>
<b>Capital Budget Bonding Activity:</b>													
<b>Opening Balance Segregated Bond Funds</b>	<b>\$411.7</b>	<b>\$300.7</b>	<b>\$225.7</b>	<b>\$211.7</b>	<b>\$209.0</b>	<b>\$171.0</b>	<b>\$261.5</b>	<b>\$344.0</b>	<b>\$330.0</b>	<b>\$302.8</b>	<b>\$277.8</b>	<b>\$252.8</b>	<b>\$2,038.6</b>
Bonds	\$0.0	\$0.0	\$4.0	\$402.5	\$0.0	\$324.0	\$229.8	\$0.0	\$0.0	\$568.3	\$0.0	\$510.0	\$2,038.6
BANs	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Segregated Bond Funds Available	\$411.7	\$300.7	\$229.7	\$614.2	\$209.0	\$495.0	\$491.3	\$344.0	\$330.0	\$871.1	\$277.8	\$762.8	\$2,113.3
Bond / BANs Proceeds Allocated	\$111.0	\$75.0	\$18.0	\$405.2	\$38.1	\$233.4	\$147.3	\$14.0	\$27.3	\$593.3	\$25.0	\$425.8	\$2,113.3
<b>Ending Balance Segregated Bond Funds</b>	<b>\$300.7</b>	<b>\$225.7</b>	<b>\$211.7</b>	<b>\$209.0</b>	<b>\$171.0</b>	<b>\$261.5</b>	<b>\$344.0</b>	<b>\$330.0</b>	<b>\$302.8</b>	<b>\$277.8</b>	<b>\$252.8</b>	<b>\$337.0</b>	<b>\$2,129.4</b>

(millions)	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total FY 2014
	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	
<b>OPENING NON-SEGREGATED OPERATING CASH BALANCE:</b>	\$2,129.4	\$2,219.3	\$1,580.3	\$3,279.9	\$2,388.5	\$1,505.8	\$1,508.1	\$2,050.9	\$1,233.8	\$1,372.8	\$2,260.8	\$1,258.3	\$2,129.4
<b>OPERATING ACTIVITIES:</b>													
<b>Budgetary Funds:</b>													
Tax Revenue	\$1,578.0	\$1,459.0	\$2,378.0	\$1,677.0	\$1,481.0	\$2,117.0	\$2,454.0	\$1,545.0	\$2,430.0	\$3,376.0	\$1,718.0	\$2,732.0	\$24,945.0
Federal Reimbursements	\$718.5	\$830.5	\$556.3	\$622.7	\$771.4	\$800.4	\$706.2	\$648.9	\$672.5	\$729.9	\$702.6	\$759.8	\$8,519.7
Other Budgetary Revenue	\$250.5	\$224.3	\$233.9	\$348.1	\$308.1	\$363.8	\$369.1	\$326.7	\$334.1	\$588.6	\$324.8	\$408.7	\$4,080.3
Transfer from/(to) Stabilization Fund	\$0.0	\$0.0	(\$33.3)	(\$125.0)	(\$20.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$400.0	\$221.7
<b>Total Budgetary Revenue/Inflows</b>	<b>\$2,547.0</b>	<b>\$2,513.8</b>	<b>\$3,134.9</b>	<b>\$2,522.8</b>	<b>\$2,540.5</b>	<b>\$3,281.2</b>	<b>\$3,529.3</b>	<b>\$2,520.6</b>	<b>\$3,436.6</b>	<b>\$4,694.5</b>	<b>\$2,745.4</b>	<b>\$4,300.5</b>	<b>\$37,766.7</b>
Local Aid	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$447.4	\$5,369.3
Tax Refunds	\$42.0	\$35.6	\$70.8	\$183.7	\$56.8	\$13.0	\$143.5	\$426.5	\$311.2	\$331.4	\$106.1	\$42.5	\$1,763.1
Debt Service for General Obligation (incl CA/T)	\$85.4	\$484.7	\$148.7	\$92.0	\$472.8	\$112.2	\$193.2	\$170.0	\$117.5	\$78.6	\$95.7	\$77.4	\$2,128.1
Debt Service for Special Obligations	\$17.2	\$0.0	\$0.0	\$0.0	\$0.0	\$26.8	\$17.2	\$0.0	\$0.0	\$0.0	\$0.0	\$72.5	\$133.7
Debt Service for GANS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$5.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$2.5	\$8.3
Other Budgetary Expenditures	\$1,914.8	\$2,372.7	\$2,119.7	\$2,436.7	\$2,229.5	\$2,438.5	\$2,322.3	\$2,258.4	\$2,293.4	\$2,287.7	\$2,437.0	\$2,109.8	\$27,220.5
<b>Total Budgetary Expenditures/Outflows</b>	<b>\$2,506.9</b>	<b>\$3,340.4</b>	<b>\$2,786.6</b>	<b>\$3,159.8</b>	<b>\$3,206.5</b>	<b>\$3,043.8</b>	<b>\$3,123.6</b>	<b>\$3,302.4</b>	<b>\$3,169.5</b>	<b>\$3,145.2</b>	<b>\$3,086.2</b>	<b>\$2,752.1</b>	<b>\$36,623.0</b>
<b>Net Budgetary Funds</b>	<b>\$40.1</b>	<b>(\$826.7)</b>	<b>\$348.3</b>	<b>(\$637.0)</b>	<b>(\$666.0)</b>	<b>\$237.4</b>	<b>\$405.6</b>	<b>(\$781.8)</b>	<b>\$267.1</b>	<b>\$1,549.3</b>	<b>(\$340.8)</b>	<b>\$1,548.3</b>	<b>\$1,143.7</b>
<b>Non Budgetary Funds (Non Budgetary, Higher Ed and Trust Funds):</b>													
Lottery Revenue	\$110.0	\$150.0	\$190.0	\$90.0	\$110.0	\$160.0	\$320.0	\$90.0	\$110.0	\$140.0	\$160.0	\$110.0	\$1,740.0
Pension Receipts (PRIM and Annuity Receipts)	\$207.1	\$227.1	\$197.1	\$207.1	\$207.1	\$197.1	\$227.1	\$207.1	\$197.1	\$207.1	\$207.1	\$197.1	\$2,485.0
Transfer in for Non Pooled Fund Payments	\$194.0	\$309.0	\$278.0	\$259.0	\$259.0	\$259.0	\$259.0	\$309.0	\$278.0	\$259.0	\$259.0	\$310.0	\$3,232.0
Non Budgetary Tax Receipts	\$101.1	\$43.7	\$57.9	\$70.3	\$52.1	\$42.1	\$42.5	\$19.9	\$62.7	\$44.9	\$38.3	\$46.6	\$622.1
Other Non Budgetary Revenue	\$150.0	\$200.0	\$160.0	\$105.0	\$105.0	\$95.0	\$215.0	\$248.7	\$355.0	\$205.0	\$190.0	\$255.0	\$2,283.7
<b>Total Non Budgetary Revenue/Inflows</b>	<b>\$762.2</b>	<b>\$929.8</b>	<b>\$883.0</b>	<b>\$731.4</b>	<b>\$753.2</b>	<b>\$753.2</b>	<b>\$1,063.6</b>	<b>\$874.7</b>	<b>\$1,002.8</b>	<b>\$856.0</b>	<b>\$854.4</b>	<b>\$918.7</b>	<b>\$10,362.8</b>
Lottery Payments	\$56.0	\$59.5	\$63.0	\$59.0	\$56.0	\$61.0	\$56.0	\$59.5	\$63.0	\$59.0	\$56.0	\$61.0	\$709.0
MBTA Sales Tax	\$66.0	\$66.0	\$66.0	\$66.0	\$68.0	\$68.0	\$68.0	\$66.0	\$66.0	\$66.0	\$66.0	\$68.0	\$800.0
MBTA Assessments	\$0.0	\$0.0	\$37.0	\$0.0	\$0.0	\$38.0	\$0.0	\$0.0	\$38.0	\$0.0	\$0.0	\$38.0	\$151.0
MSBA Payments	\$58.6	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$59.0	\$707.6
Pension Payments	\$290.0	\$345.0	\$345.0	\$345.0	\$345.0	\$360.0	\$345.0	\$345.0	\$345.0	\$345.0	\$345.0	\$360.0	\$4,115.0
Non Pooled Fund Payments	\$274.0	\$389.0	\$358.0	\$339.0	\$339.0	\$339.0	\$339.0	\$389.0	\$358.0	\$339.0	\$339.0	\$390.0	\$4,192.0
Other Non Budgetary Expenditures	\$94.5	\$79.2	\$226.0	\$111.0	\$94.0	\$161.0	\$94.5	\$79.2	\$226.0	\$111.0	\$94.5	\$161.0	\$1,531.9
<b>Total Non Budgetary Expenditures/Outflows</b>	<b>\$839.1</b>	<b>\$997.7</b>	<b>\$1,154.0</b>	<b>\$979.0</b>	<b>\$961.0</b>	<b>\$1,086.0</b>	<b>\$961.5</b>	<b>\$997.7</b>	<b>\$1,155.0</b>	<b>\$979.0</b>	<b>\$959.5</b>	<b>\$1,137.0</b>	<b>\$12,206.5</b>
<b>Net Non Budgetary Funds</b>	<b>(\$76.9)</b>	<b>(\$67.9)</b>	<b>(\$271.0)</b>	<b>(\$247.6)</b>	<b>(\$227.8)</b>	<b>(\$332.8)</b>	<b>\$102.1</b>	<b>(\$123.0)</b>	<b>(\$152.2)</b>	<b>(\$123.0)</b>	<b>(\$105.1)</b>	<b>(\$218.3)</b>	<b>(\$1,843.7)</b>
<b>Undesignated Revenue/Inflows and Expenditures/Outflows:</b>													
General Fund Investment Earnings	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$12.0
Other Funds/3rd Party	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Net Undesignated Revenue/Inflows and Expenditures/Outflows</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$12.0</b>
<b>NET OPERATING ACTIVITIES</b>	<b>(\$35.9)</b>	<b>(\$893.6)</b>	<b>\$78.2</b>	<b>(\$883.6)</b>	<b>(\$892.9)</b>	<b>(\$94.4)</b>	<b>\$508.7</b>	<b>(\$903.8)</b>	<b>\$115.8</b>	<b>\$1,427.3</b>	<b>(\$445.0)</b>	<b>\$1,331.0</b>	<b>(\$688.0)</b>
<b>FEDERAL GRANTS:</b>													
<b>Total Federal Grants Revenue/Inflows</b>	<b>\$185.0</b>	<b>\$180.0</b>	<b>\$210.0</b>	<b>\$185.0</b>	<b>\$180.0</b>	<b>\$210.0</b>	<b>\$185.0</b>	<b>\$185.0</b>	<b>\$202.0</b>	<b>\$185.0</b>	<b>\$190.0</b>	<b>\$210.5</b>	<b>\$2,307.5</b>
<b>Total Federal Grants Expenditures/Outflows</b>	<b>\$188.3</b>	<b>\$176.8</b>	<b>\$208.0</b>	<b>\$186.3</b>	<b>\$185.3</b>	<b>\$198.0</b>	<b>\$186.3</b>	<b>\$179.8</b>	<b>\$208.0</b>	<b>\$186.3</b>	<b>\$185.3</b>	<b>\$198.0</b>	<b>\$2,286.4</b>
<b>NET FEDERAL GRANTS</b>	<b>(\$3.3)</b>	<b>\$3.2</b>	<b>\$2.0</b>	<b>(\$1.3)</b>	<b>(\$5.3)</b>	<b>\$12.0</b>	<b>(\$1.3)</b>	<b>\$5.2</b>	<b>(\$6.0)</b>	<b>(\$1.3)</b>	<b>\$4.7</b>	<b>\$12.5</b>	<b>\$21.1</b>
<b>CAPITAL FUNDS:</b>													
<b>Capital Revenue/Inflows:</b>													
Capital Inflow from Federal Reimbursements	\$41.8	\$46.3	\$33.1	\$48.6	\$63.4	\$135.6	\$21.3	\$51.4	\$31.5	\$11.2	\$30.9	\$94.1	\$609.2
Capital Inflow from Financing Activities:													
Capital Inflow to General Fund from Segregated Bond Fund	\$200.0	\$337.0	\$200.0	\$220.5	\$206.8	\$206.8	\$300.2	\$300.2	\$300.2	\$300.2	\$300.2	\$300.2	\$3,172.6
<b>Total Capital Revenue/Inflows</b>	<b>\$241.8</b>	<b>\$383.3</b>	<b>\$233.1</b>	<b>\$269.1</b>	<b>\$270.2</b>	<b>\$342.4</b>	<b>\$321.5</b>	<b>\$351.6</b>	<b>\$331.7</b>	<b>\$311.4</b>	<b>\$331.1</b>	<b>\$394.3</b>	<b>\$3,781.8</b>
<b>Total Capital Expenditures/Outflows</b>	<b>\$112.7</b>	<b>\$132.0</b>	<b>\$213.8</b>	<b>\$275.5</b>	<b>\$254.8</b>	<b>\$257.8</b>	<b>\$286.1</b>	<b>\$270.2</b>	<b>\$302.6</b>	<b>\$344.5</b>	<b>\$388.4</b>	<b>\$483.3</b>	<b>\$3,321.3</b>
<b>NET CAPITAL FUNDS</b>	<b>129.13</b>	<b>251.33</b>	<b>19.33</b>	<b>(6.39)</b>	<b>15.46</b>	<b>84.66</b>	<b>35.48</b>	<b>81.48</b>	<b>29.18</b>	<b>(33.02)</b>	<b>(57.22)</b>	<b>(88.92)</b>	<b>\$460.5</b>
<b>FINANCING ACTIVITIES:</b>													
<b>Cash Flow Financing Activities Inflows:</b>													
Commercial Paper	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Revenue Anticipation Notes (RANS)	\$0.0	\$0.0	\$1,600.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1,600.0
<b>Total Cash Flow Financing Activities Inflows</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,600.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,600.0</b>
<b>Cash Flow Financing Activities Outflows:</b>													
Commercial Paper - (Principal + Interest)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
RANS - (Principal + Interest)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$505.0	\$505.0	\$505.0	\$0.0	\$1,010.0
<b>Total Cash Flow Financing Activities Outflows</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$505.0</b>	<b>\$505.0</b>	<b>\$505.0</b>	<b>\$0.0</b>	<b>\$1,010.0</b>
<b>NET FINANCING ACTIVITIES</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1,600.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$505.0)</b>	<b>(\$505.0)</b>	<b>\$0.0</b>	<b>\$590.0</b>
<b>ENDING NON-SEGREGATED OPERATING CASH BALANCE:</b>	<b>\$2,219.3</b>	<b>\$1,580.3</b>	<b>\$3,279.9</b>	<b>\$2,388.5</b>	<b>\$1,505.8</b>	<b>\$1,508.1</b>	<b>\$2,050.9</b>	<b>\$1,233.8</b>	<b>\$1,372.8</b>	<b>\$2,260.8</b>	<b>\$1,258.3</b>	<b>\$2,512.9</b>	<b>\$2,512.9</b>
<b>Capital Budget Bonding Activity:</b>													
<b>Opening Balance Segregated Bond Funds</b>	<b>\$337.0</b>	<b>\$537.0</b>	<b>\$200.0</b>	<b>\$220.5</b>	<b>\$0.0</b>	<b>\$413.7</b>	<b>\$206.8</b>	<b>\$467.1</b>	<b>\$787.3</b>	<b>\$487.1</b>	<b>\$186.8</b>	<b>\$507.1</b>	
Bonds	\$400.0	\$0.0	\$220.5	\$0.0	\$620.5	\$0.0	\$560.5	\$620.5	\$0.0	\$0.0	\$620.5	\$0.0	\$3,042.4
BANs	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Segregated Bond Funds Available	\$737.0	\$537.0	\$420.5	\$220.5	\$620.5	\$413.7	\$767.3	\$1,087.6	\$787.3	\$487.1	\$807.3	\$507.1	
Bond / BANs Proceeds Allocated	\$200.0	\$337.0	\$200.0	\$220.5	\$206.8	\$206.8	\$300.2	\$300.2	\$300.2	\$300.2	\$300.2	\$300.2	\$3,172.6
<b>Ending Balance Segregated Bond Funds</b>	<b>\$537.0</b>	<b>\$200.0</b>	<b>\$220.5</b>	<b>\$0.0</b>	<b>\$413.7</b>	<b>\$206.8</b>	<b>\$467.1</b>	<b>\$787.3</b>	<b>\$487.1</b>	<b>\$186.8</b>	<b>\$507.1</b>	<b>\$206.8</b>	

May 31, 2013

**CASH AND INVESTMENTS  
AS OF JANUARY 31, 2012**

Cash	\$ 40.781
Investments	<u>2,134.992</u>
Total	\$2,175.773
Less float (actual)	<u>(180.328)</u>
	<b><u>\$1,995.445</u></b>
Segregated bond funds	\$ 532.800
Non-segregated cash	<u>1,995.445</u>
Total	<b><u>\$2,528.245</u></b>

**CASH AND INVESTMENTS  
AS OF APRIL 30, 2012**

Cash	\$ 40.962
Investments	<u>2,007.513</u>
Total	\$2,048.475
Less float (actual)	<u>(224.683)</u>
	<b><u>\$1,823.792</u></b>
Segregated bond funds	\$ 588.800
Non-segregated cash	<u>1,823.792</u>
Total	<b><u>\$2,412.592</u></b>

**CASH AND INVESTMENTS  
AS OF JULY 31, 2012**

Cash	\$ 42.185
Investments	<u>2,102.177</u>
Total	\$2,144.362
Less float (actual)	<u>(199.417)</u>
	<b><u>\$1,944.945</u></b>
Segregated bond funds	\$ 300.700
Non-segregated cash	<u>1,944.945</u>
Total	<b><u>\$2,245.645</u></b>

May 31, 2013

**CASH AND INVESTMENTS  
AS OF OCTOBER 31, 2012**

Cash	\$ 45.744
Investments	<u>2,279.023</u>
Total	\$2,324.767
Less float (actual)	<u>(149.287)</u>
	<b><u>\$2,175.480</u></b>
Segregated bond funds	\$ 209.000
Non-segregated cash	<u>2,175.480</u>
Total	<b><u>\$2,384.480</u></b>

**CASH AND INVESTMENTS  
AS OF JANUARY 31, 2013**

Cash	\$ 6.790
Investments	<u>1,987.801</u>
Total	\$1,994.591
Less float (actual)	<u>(397.022)</u>
	<b><u>\$1,597.569</u></b>
Segregated bond funds	\$ 344.000
Non-segregated cash	<u>1,597.569</u>
Total	<b><u>\$1,941.569</u></b>

**CASH AND INVESTMENTS  
AS OF APRIL 30, 2013**

Cash	\$ 42.791
Investments	<u>2,142.104</u>
Total	\$2,184.895
Less float (actual)	<u>(183.642)</u>
	<b><u>\$2,001.253</u></b>
Segregated bond funds	\$ 277.800
Non-segregated cash	<u>2,001.253</u>
Total	<b><u>\$2,279.053</u></b>