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March 7, 2025

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

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

Secretary Matthew J. Gorzkowicz
Executive Office for Administration and Finance
State House, Room 373
Boston, MA 02133

Attorney General Andrea Campbell
Office of the Attorney General
One Ashburton Place, 20th Floor
Boston, MA 02108

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 (LMRF) to the House and Senate Committees on Ways and Means, the Secretary of Administration and Finance, and the Attorney General.

Attachment 1 shows the Fund's financial statement for Fiscal Year 2024, as published in the Commonwealth Statutory Basis Financial Report (SBFR) on page 154.

Attachment 2 shows the detail by department of the premiums charged. These are derived from each department's five-year average of tort payments and litigation costs from Fiscal Year 2019 through Fiscal Year 2023.


In summary:

- As Attachment 1 shows, total LMRF revenues for Fiscal Year 2024 were \$1.82 million, and expenditures were \$1.847 million. Because revenues were less than expenditures by \$0.136 million, the fund balance decreased from \$3.486 million at the beginning of the fiscal year to \$3.459 million at the end.
- The total of premiums by department shown in Attachment 2 is \$1.74 million. This constitutes the majority of the \$1.82 million revenue figure discussed above, with the balance coming from interest and administrative fees.
- Note that this letter quotes figures in millions. The exhibit from the SBFR shows amounts in thousands; the department detail exhibit is expressed in dollars and cents.

FY2024 Year End Report - Liability Management and Reduction Fund
March 7, 2024

If you have any questions regarding this information, please contact Assistant Comptroller Tryntje Bumgardner at (617) 356-6258 or me at (617) 973-2515. Thank you.

Sincerely,

DocuSigned by:

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William McNamara
Comptroller of the Commonwealth

WMcN/jc

Enc.

Cc: Brian Donahue, Budget Director, House Committee on Ways and Means
Christopher Czepiel, Budget Director, Senate Committee on Ways and Means
Danielle Cerny, Chief of Staff, Executive Office for Administration and Finance
Christopher Marino, Assistant Secretary of Budget, Executive Office for Administration and Finance
Martha Kwasnik, General Counsel, Executive Office for Administration and Finance
Brian Melanson, Director of Operations, Executive Office for Administration and Finance
Paula McManus, Chief Operating Officer, Office of the Attorney General
Anne Sterman, Government Bureau Deputy Chief, Office of the Attorney General
Thomas Smith-Vaughan, Chief Operating Officer, Office of the Comptroller
Amy Nable, General Counsel/Assistant Comptroller, Office of the Comptroller
Tryntje Bumgardner, 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, 2024
 (Amounts in thousands)

	Non-Budgeted Other Funds
	Liability Management and Reduction
REVENUES AND OTHER FINANCING SOURCES	
Revenues:	
Taxes	\$ —
Assessments	—
Federal grants and reimbursements	—
Departmental	1,741
Miscellaneous	79
Total revenues	<u>1,820</u>
Other financing sources:	
Issuance of current refunding bonds	—
Operating transfers in	—
Medical assistance transfer	—
Total other financing sources	<u>—</u>
Total revenues and other financing sources	<u>1,820</u>
EXPENDITURES AND OTHER FINANCING USES	
Expenditures:	
Judiciary	—
Office of Inspector General	—
Governor and Lieutenant Governor	—
Secretary of the Commonwealth	—
Treasurer and Receiver-General	—
Attorney General	58
District Attorneys	—
Office of Campaign & Political Finance	—
Sheriffs	—
Disabled Persons Protection Commission	—
Board of Library Commissioners	—
Massachusetts Gaming Commission	—
Office of the Comptroller	1,743
Administration and Finance	—
Energy and Environmental Affairs	—
Health and Human Services	—
Technology Services and Security	—
Veterans' Services	—
Housing and Livable Communities	—
Massachusetts Department of Transportation	—
Education	—
Center for Health Information and Analysis	—
Public Safety and Security	—
Economic Development	—
Labor and Workforce Development	—
Debt service:	
Principal retirement	—
Interest and fiscal charges	—
Total expenditures	<u>1,801</u>
Other financing uses:	
Principal on current refundings	—
Fringe benefit cost assessment	46
Lottery operating reimbursements	—
Lottery distributions	—
Operating transfers out	—
Stabilization transfer	—
Total other financing uses	<u>46</u>
Total expenditures and other financing uses	<u>1,847</u>
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	(27)
Fund balances/(deficits) at beginning of year	<u>3,486</u>
Fund balances/(deficits) at end of year	<u>3,459</u>

DEPT	Department Name	Premium Payment
AGO	Attorney General's Office	\$5,845.53
AGR	Department of Agricultural Resources	\$2,621.82
BHC	Bunker Hill Community College	\$2,149.21
BRC	Bristol Community College	\$38.70
BSC	Bridgewater State University	\$16,065.26
BSD	Bristol Sheriff's Department	\$20,863.76
CCC	Cape Cod Community College	\$13,357.11
CHE	Veterans' Home in Chelsea	\$644.74
CJT	Municipal Police Training Committee	\$1,528.41
CME	Chief Medical Examiner	\$5,086.09
DCP	Division of Capital Asset Management	\$13,943.38
DCR	Department of Conservation and Recreation	\$84,658.49
DFS	Department of Fire Services	\$11,201.60
DMH	Department of Mental Health	\$2,339.93
DMR	Department of Developmental Services	\$105,329.57
DOC	Department of Correction	\$124,573.21
DOS	Division of Standards	\$1,205.65
DOT	Massachusetts Department of Transportation	\$366,027.44
DPH	Department of Public Health	\$24,480.52
DSS	Department of Children and Families	\$46,293.59
DYS	Department of Youth Services	\$27,385.64
EHS	Executive Office of Health and Human Services	\$29,628.97
ENV	Executive Office of Energy and Environmental Affairs	\$15,277.49
EPS	Executive Office of Public Safety & Homeland Security	\$21,924.91
EQE	Department of Environmental Protection	\$3,848.26
FRC	Framingham State University	\$7,306.24
FSC	Fitchburg State University	\$16,694.81
FWE	Department of Fish and Game	\$1,779.60
HLY	Veterans' Home in Holyoke	\$26.04
LOT	Lottery Commission	\$9,043.56
MAS	Massasoit Community College	\$8,837.67
MCA	Massachusetts College of Art & Design	\$1,170.75
MCC	Middlesex Community College	\$135.05
MIL	Military Division	\$309.25
MWC	Mount Wachusett Community College	\$97.20
NAC	Massachusetts College of Liberal Arts	\$2,000.00
NAC	Massachusetts College of Liberal Arts	\$224.65
NEC	Northern Essex Community College	\$124.46
NFK	Norfolk District Attorney	\$31.94
NSC	North Shore Community College	\$75.15
OCD	Department of Housing and Community Development	\$179.65
PAR	Parole Board	\$10,773.68
PLY	Plymouth District Attorney	\$16.08

POL	Department of State Police	\$348,679.80
RCC	Roxbury Community College	\$2,793.00
REG	Division of Occupational Licensure	\$1,093.95
RGT	Department of Higher Education	\$226.46
SDB	Berkshire Sheriff's Department	\$288.47
SDC	Barnstable Sheriff's Department	\$2,104.39
SDD	Dukes Sheriff's Department	\$1,117.16
SDE	Essex Sheriff's Department	\$18,097.79
SDF	Franklin Sheriff's Department	\$12,528.28
SDH	Hampden Sheriff's Department	\$29,459.82
SDM	Middlesex Sheriff's Department	\$41,937.31
SDN	Norfolk Sheriff's Department	\$10,580.02
SDP	Plymouth Sheriff's Department	\$15,965.49
SDS	Suffolk Sheriff's Department	\$34,318.50
SDW	Worcester Sheriff's Department	\$3,106.80
SRB	State Reclamation Board	\$9,845.52
SSA	Salem State University	\$25,845.46
STC	Springfield Technical Community College	\$3,281.84
SUF	Suffolk District Attorney	\$1,984.87
TRC	Trial Court	\$43,540.63
UMS	University of Massachusetts System	\$125,532.52
WSC	Westfield State University	\$3,172.45
Grand Total		\$1,740,645.59