

The Commonwealth of Massachusetts
Annual Financial Information
Special Obligation Dedicated
Tax Revenue Bonds

March 23, 2018

The following annual financial information is provided by The Commonwealth of Massachusetts (the “Commonwealth”) pursuant to certain continuing disclosure undertakings entered into by the Commonwealth in connection with the Commonwealth’s issuance of special obligation dedicated tax revenue bonds. Set forth below is certain financial information and operating data relating to the Commonwealth for the fiscal year ended June 30, 2017, updating the financial information presented in the Commonwealth’s statement of annual financial information for special obligation dedicated tax revenue bonds dated March 21, 2017 with respect to the fiscal year ended June 30, 2016. Specific reference is made to the Official Statement dated June 3, 2004 relating to the Commonwealth’s Special Obligation Dedicated Tax Revenue Bonds, Series 2004 (the “2004 Official Statement”) and the Official Statement dated June 29, 2005, relating to the Commonwealth’s Special Obligation Dedicated Tax Revenue Refunding Bonds, Series 2005 (the “2005 Official Statement” and together with the 2004 Official Statement, the “Official Statements”), copies of which has been filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) system. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statements.

This statement is of limited scope. It contains only an updating of certain financial information and operating data described below. The information set forth herein does not contain all material information concerning the Commonwealth’s special obligation dedicated tax revenue bonds necessary to make an informed investment decision. This statement does not constitute an offer to sell or the solicitation of an offer to buy Commonwealth special obligation dedicated tax revenue bonds. This statement is submitted pursuant to various continuing disclosure undertakings relating to bonds that are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission and is intended to provide only the information necessary to conform to the requirements of said Rule 15c2-12.

Questions regarding information contained in this statement may be directed to Sue Perez, Deputy Treasurer, Office of the Treasurer and Receiver-General, 3 Center Plaza, Suite 430, Boston, Massachusetts 02108, telephone (617) 367-9333, or to Jennifer Sullivan, Assistant Secretary, Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040.

Historical Collection of Pledged Receipts. Pursuant to the Official Statements.

Historical Collections of Pledged Receipts – Fiscal Years 1999 through 2017

<u>Fiscal Year</u>	<u>Room Occupancy Taxes</u>	<u>Vehicular Rental Surcharges</u>	<u>Sales Taxes and Sightseeing Surcharges</u>	<u>Total</u>
1999	\$ 22,492,409	\$ 11,529,850	\$ 1,828,377	\$ 35,850,636
2000	30,205,370	11,570,477	2,820,273	44,596,120
2001	33,780,677	11,607,998	3,436,452	48,825,127
2002	27,219,077	9,250,292	3,749,667	40,219,036
2003	27,177,474	8,652,549	3,710,343	39,540,367
2004	30,374,219	8,504,097	4,628,671	43,506,987
2005	35,642,440	9,203,788	5,715,061	50,561,289
2006	39,000,827	9,773,530	6,278,356	55,052,713
2007	46,427,614	10,369,002	9,550,367	66,346,983
2008	54,528,782	10,859,321	13,595,256	78,983,359
2009	50,693,330	9,961,727	13,255,065	73,910,122
2010	49,840,637	9,596,060	15,995,950	75,432,647
2011	55,830,733	10,551,865	18,522,534	84,905,132
2012	60,889,483	11,475,712	21,869,156	94,234,351
2013	64,124,410	11,728,107	22,666,831	98,519,348
2014	69,994,608	12,558,632	25,017,786	107,571,026
2015	78,118,067	13,141,711	31,999,975	123,259,753
2016	82,852,032	13,807,270	37,952,959	134,612,262
2017	87,237,066	14,199,971	32,532,074	133,789,111

Source: Department of Revenue.

CONVENTION AND EXHIBITION CENTER FUND

Balance Sheet – Statutory Basis (June 30, 2017) *

See Exhibit A attached hereto

Statement of Revenues, Expenditures and Changes in Fund Balance – Statutory Basis (June 30, 2017) *

See Exhibit B attached hereto.

* Not required by the Official Statements but voluntary disclosure.

EXHIBIT A

Convention and Exhibition Center Fund
Balance Sheet-Statutory Basis
as of June 30, 2017
(amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assets					
Cash and short-term investments	\$52,835	\$2,759	\$51,774	\$41,578	\$21,468
Cash with fiscal agent	<u>99,248</u>	100,821	88,256	76,542	90,502
Total assets	<u>\$152,083</u>	<u>\$103,580</u>	<u>\$140,030</u>	<u>\$118,120</u>	<u>\$111,970</u>
 Liabilities and Fund Balance					
Liabilities:					
Accounts payable	<u>24,884</u>	14,753	21,474	14,917	32,239
Total liabilities	<u>\$24,884</u>	<u>\$14,753</u>	<u>\$21,474</u>	<u>\$14,917</u>	<u>\$32,239</u>
Fund Balance:					
Reserved fund balance:					
Reserved for debt service	99,248	134,821	88,256	76,542	90,502
Unreserved fund balance (deficit):	-	(45,994)	-	-	(10,771)
Designated for specific purpose	<u>27,951</u>	-	30,300	26,661	-
Total fund balance (deficit)	<u>\$127,199</u>	<u>\$88,827</u>	<u>\$118,556</u>	<u>\$103,203</u>	<u>\$79,731</u>
Total liabilities and fund balance	<u>\$152,083</u>	<u>\$103,580</u>	<u>\$140,030</u>	<u>\$118,120</u>	<u>\$111,970</u>

SOURCE: Office of the Comptroller

EXHIBIT B

Convention and Exhibition Center Fund
Statement of Revenues, Expenditures And Changes In Fund Balance-Statutory Basis
As of June 30, 2017
(amounts in thousands)

Revenues and Other Financing Sources	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues:					
Taxes	\$133,789	\$134,612	\$123,260	\$107,751	\$98,519
Departmental	-	-	-	-	-
Miscellaneous	<u>418</u>	<u>194</u>	<u>1,677</u>	<u>2,308</u>	<u>2,112</u>
Total revenues	<u>134,207</u>	<u>134,806</u>	<u>124,937</u>	<u>109,879</u>	<u>100,631</u>
Other Financing Sources:					
Operating transfers in	-	-	-	-	-
Total other financing sources	=	-	-	-	-
Total revenues and other financing sources	<u>\$134,207</u>	<u>\$134,806</u>	<u>\$124,937</u>	<u>\$109,879</u>	<u>\$100,631</u>
Expenditures and Other Financing Uses					
Expenditures:					
Treasurer and receiver-General	-	-	-	-	-
Administration and finance	41,295	50,024	53,474	49,685	101,183
Debt Service:					
Principal	22,210	21,075	19,995		
Interest and fiscal charges	<u>32,330</u>	<u>33,436</u>	<u>36,115 (1)</u>	<u>36,722</u>	<u>36,469</u>
Total expenditures	<u>95,835</u>	<u>104,535</u>	<u>109,584</u>	<u>86,407</u>	<u>137,652</u>
Other financing uses:					
Operating transfers out	=	<u>60,000</u>	=	=	=
Total other financing uses	=	<u>60,000</u>	=	=	=
Total expenditures and other financing uses	<u>\$95,835</u>	<u>\$164,535</u>	<u>\$109,584</u>	<u>\$86,407</u>	<u>\$137,652</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	38,372	(29,729)	15,353	23,472	(37,021)
Fund balance (deficit) at beginning of year	<u>88,827</u>	<u>118,556</u>	<u>103,203</u>	<u>79,731</u>	<u>116,752</u>
Fund balance (deficit) at end of year	<u>\$127,199</u>	<u>\$88,827</u>	<u>\$118,556</u>	<u>\$103,203</u>	<u>\$79,731</u>

SOURCE: Office of the Comptroller

(1) Includes \$1,629 in swap payments which is classified as Treasurer and Receiver-General expenditures in the fiscal 2015 Statutory Basis Financial Report (SBFR). In the fiscal 2015 Comprehensive Annual Financial Report (CAFR) and the fiscal 2016 SBFR, this amount is presented in the debt service interest line item.