

Financial Highlights for June 2014

Fiscal Year Closes at Month's end; Assessments to Towns

RSU 19 will close the current fiscal year on June 30th. The Business Office will acknowledge transactions associated with the “old year” for up to sixty days into the “new year” which begins on July 1st. This is the period during the year when it’s important to determine for which year both revenues and expenses are to be recognized. For example, teacher salaries paid in July and August are “old year” obligations and those expenses would be counted in fiscal year 2014. Some revenues coming in July may be “old year.”

In May the district-wide budget meeting successfully adopted an operating budget for the “new year,” beginning July first. That amount must be considered by voters in the eight towns on June 10th as part of the state-wide primary election day and be approved. Regardless of that outcome, the RSU 19 Business Office will send a notice of assessment to each town satisfying Title 20-A, section 15691-A. *Maine Municipal Assessment Paid to a Regional School Unit*. If it’s necessary to adjust the amount shown in the initial posting because of a subsequent approved budget amount, a revised notice will be sent.

Because of Board action during fiscal year 2014, a separate “Special Assessment” dealing with repayment of funds from the former SAD 48 towns to Dixmont and Etna will be part of the part of the mailing. Funds collected by the Business Office will be periodically paid to Dixmont and Etna during both fiscal years 2015 and 2016. This assessment is not part of the district’s operating budget for 2015.

Revenue Review through May 2014 [91.67% Complete]

With eleven of twelve months of the fiscal year complete, the RSU has collected over 92 percent the anticipated revenue for the General Fund Operating Budget. Looking at fiscal year 2014 here’s a quick update of major revenue sources through the end of May. State Subsidy budget and revenue amounts include the State’s payment for capital projects in November and May. Eleven months would constitute just over **91 percent** of expected revenues. Payments of municipal allocations are current through May.

- 2014 Revenue Budget Amounts [percent of all budgeted revenue]

Subsidy [62.72%]	Municipal [35.62%]	Other [1.66%]	Total [100.00%]
\$14,206,174.18	\$ 8,069,328.82	\$ 375,000.00	\$ 22,650,503.00

- Actual Revenue Received from All Sources through May (11 months)

- Actual Revenue Received as a Percentage of the Budget Amount

Subsidy	Municipal	Other	Total
\$13,030,557.47	\$ 7,475,337.87	\$ 395,890.64	\$ 20,901,785.98
91.72 percent	92.64 percent	105.57 percent	92.28 percent

The May month-end checking account balances (payables and payroll) at Skowhegan Savings Bank were \$1,970,664.54. Three employee payroll transfers were made in May. The March and April month end cash balances were \$2,290,642.44 and \$2,360,334.54, respectively. Federal funds are now flowing at a steadier rate which has improved cash balances. The “Other Revenue” target has been met for the fiscal year.

RSU 19's Financial Highlights for June 2014

FY 2014 Expenditures by Article Number through March

RSU 19 is following Generally Accepted Accounting Principles (GAAP) as it continues in fiscal year 2014. Here is a tally of expenditures through the first eleven months of 2014 recognizing 24 payroll cycles [92.3%] and with all payables current [92%]. The RSU has not visited Skowhegan Savings in fiscal year 2014 to access available short-term borrowing capability; there are no plans for that to happen.

Article Number and Description	Budgeted Amount	Expended to-date	Expended
Regular Instruction	\$9,131,221.88	\$7,330,715.42	80.3%
1 Alternative Education	\$99,200.04	\$101,973.96	102.8%
Total ▶	\$9,230,421.92	\$7,432,689.38	80.5%
Special Education	\$3,210,321.63	\$2,629,045.04	81.9%
2 LAU	\$28,000.00	\$22,589.14	80.7%
Total ▶	\$3,238,321.63	\$1,825,076.20	81.9%
3 Career & Tech Education	\$226,570.62	\$204,165.84	90.1%
4 Other Instruction	\$286,694.49	\$416,387.73	145.2%
Student and Staff Support	\$1,360,104.08	\$1,020,911.99	75.1%
5 Technology	\$505,465.93	\$398,016.79	78.7%
Total ▶	\$1,865,570.01	\$1,418,928.78	76.1%
System Administration	\$361,470.75	\$397,042.02	109.8%
6 Business Office	\$240,030.33	\$214,494.34	89.4%
Copiers and Printing	\$108,570.00	\$93,408.57	86.0%
Total ▶	\$710,071.08	\$704,944.93	99.3%
7 School Administration	\$1,299,033.72	\$1,126,221.33	86.7%
8 Transportation	\$2,015,199.22	\$1,752,583.79	87.0%
9 Facilities Maintenance	\$2,385,518.82	\$2,134,851.73	89.5%
10 Debt Service	\$1,385,601.49	\$1,451,786.08	104.8%
11 Contingency	\$7,500	\$0.00	0.0%
Grand Total	\$22,650,503.00	\$19,294,193.77	85.2%

Discussion: Overall expenditures to date are about seven percent less than the straight-line prorated percentage and that result bodes well as we close the fiscal year. Two article numbers, 1 and 2, are places where it's necessary to "shelter" funds to pay employees during the months of July and August. Because of modified accrual accounting practices, those payments must originate from funds in this fiscal year. Both those account groups are running at ten or more percentage points less than the straight-line prorated percentage, an indication that the funds will be there to make payments. The position of these articles has not diminished with reporting over the year.

Expenses for article number 4 have exceeded budget because stipends paid were not fully recognized in the budget. In article number 10, debt service amounts for state funded project interest was not adequately reflected in the operating budget.

With one month remaining, RSU 19 will successfully close fiscal year 2014.

NOTE: Financial Highlights was not published for the month of May.