

**REGIONAL SCHOOL UNIT NO. 18**

**Annual Financial Report**

**For the Year Ended June 30, 2020**

**REGIONAL SCHOOL UNIT NO. 18**  
**Annual Financial Report**  
**For the Year Ended June 30, 2020**

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Certified Public Accountants and Business Consultants

## Independent Auditor's Report

To the Board of Directors  
Regional School Unit No. 18

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Regional School Unit No. 18, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School Unit's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Regional School Unit No. 18 as of June 30, 2020, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the required supplementary information related to the net pension liability, and the required supplementary information related to the OPEB liabilities, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Regional School Unit No. 18's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2021, on our consideration of Regional School Unit No. 18's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Regional School Unit No. 18's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Remya Kristen Ouellette". The signature is written in a cursive style with a large initial 'R'.

January 8, 2021  
South Portland, Maine

**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

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Regional District No. 18 (District) offers readers of these financial statements an overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider this information in addition to materials furnished in the basic financial statements and accompanying notes to these financial statements.

**Fiscal Year Financial Summary**

- For the fiscal year ending June 30, 2020, the District's net position was \$15,407,530 representing an overall increase of \$1,392,323 over the June 30, 2019 net position. The District's net position over time can be a useful indicator of a government's financial position presenting the financial condition of the governmental activities of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities.
- The District's total long-term debt, including financed purchase agreements, pensions, other postemployment benefit (OPEB) liabilities, and accrued compensation balances decreased by \$1,443,165 during the year to \$27,337,369. The principle changes this year were increases in other postemployment benefits (OPEB) (\$440,626) and financed purchases (\$794,597) and decreases in payments made on notes payable (\$1,594,545) and financed purchased (\$1,117,566).
- The District's General Fund budget for fiscal year ending June 30, 2020 was \$38,655,456. Actual revenues were \$38,273,403 which were over the revenue budget by \$367,947. The actual expenditures for this budget were \$37,689,818 and were \$825,638 under the planned expenditure budget. Overall unspent expenditures, revenues, and transfers amounted to \$436,393. The District's fund balance increased by \$436,393 to \$2,216,125.
- The General Fund's fund balance as reported on the District's financial statements increased by \$436,393 to \$2,216,125. Of this total fund balance, \$1,368,920 is unassigned and not dedicated to a specific future use. As of June 30, 2020, the school lunch program deficit stood at (\$346,165). This deficit stood at (\$324,315) on June 30, 2019, and (\$458,268) on June 30, 2018 and (\$551,488) on June 30, 2017. It is a continuing priority of the District to eliminate this negative fund balance in the next few years. Overall, the District's unassigned fund balance stands at 3.55% of budget.
- The District continues to make improvements to all District facilities addressing safety, energy efficiency, obsolescence and necessary facility improvements using bonds, notes and financed purchases. As of June 30, 2020, the District's net investment in capital assets was \$19,190,678. This includes \$3,830,498 in unspent bond proceeds and \$222,209 in unspent financed purchases.

**Fiscal Year Overview and Analysis of Financial Statements**

This Discussion and Analysis provides an introduction for the District's financial statements. The District's financial statements are presented in three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to these financial statements.

- 1) Government-wide financial statements** – These financial statements give the reader a broad overview of the District's finances similar in format for what one would receive for a private-sector business.

**Governmental activities** – The District provides the following services and includes activities such as regular and special education instruction, student support services, operation and maintenance of plant, transportation, school and District administration, adult education, and principal/interest on long-term liabilities. Local assessments and state and federal grants fund most of these activities. The government-wide statements can be found on pages 11 and 12 of this financial report.

**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

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The **statement of net position** presents information on the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The **statement of activities** shows how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

- 2) Fund financial statements** – A *fund* is a grouping of related activities/accounts used to effectively manage, monitor, and report on the resources that have been allocated for these activities or objectives. The District employs fund accounting practices to ensure and demonstrate accountability and compliance with Local, State, and Federal financial and legal requirements. All District funds are divided into two categories: governmental funds and fiduciary funds.

**Governmental funds** – These funds account for and report on governmental activities (regular and special education instruction, student support services, operation and maintenance of plant, transportation, school and District administration, adult education, and principal/interest on long-term liabilities) in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows and outflows of available resources*, as well as *balances of these resources* at the close of the fiscal year. This information can be useful in evaluating a government's near-term financing obligations.

Leveraging the narrower focus of governmental funds (to government-wide financial statements) allows readers to better understand the longer-term impact of the District's near-term financing decisions. Reviewing the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances facilitates a comparison and reconciliation between *governmental funds* and *governmental activities*.

Annually, the District adopts a budget for its general fund in order to provide the services and functions it is responsible for. Included in this analysis is a budgetary comparison (actual versus budget) demonstrating compliance with this budget.

The governmental fund financial statements can be found on pages 13-16 of this financial report.

**Fiduciary funds** – These funds account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the District cannot use these funds to finance its operations. The District uses an agency fund to account for resources held for student groups. The fiduciary fund financial statements can be found on page 17 of this report.

- 3) Notes to the financial statements** – This discussion and analysis provides notes and additional information that providing for a fuller understanding of the information provided in these government-wide and fund financial statements. The notes to these financial statements can be found on pages 18-40 of this report.



**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The District's **Net Position** over time can be a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for governmental activities by \$15,407,530 as of June 30, 2020. This represents an increase of \$1,392,323 over the net position as of June 30, 2019.

A portion of the District's net position is reflected in its investment in capital assets (e.g., land, buildings, vehicles, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The District leverages and cares for these assets in order to provide services and functions it is responsible for; consequently, these assets are not available for future spending. As noted earlier the District is currently making significant improvements to all District facilities addressing safety, energy efficiency, obsolescence and necessary facility improvements. The construction in progress balance for these projects as of June 30, 2020 stands at \$1,640,939 versus the June 30, 2019 balance of \$6,295,924, a decrease of \$4,654,985. These assets have transitioned to capital assets as the projects have now been completed.

The District's overall financial position is the cumulative result of financial transactions including the net results of activities, the acquisition of and payment of debt, the acquisition of and disposal of capital assets, and the depreciation of capital assets.

	<b>Statement of Net Position</b>		
	<b>2020</b>	<b>2019</b>	<b>Change</b>
Current and other assets	\$ 10,302,530	\$ 13,431,896	\$ (3,129,366)
Capital assets (not being depreciated)	1,772,739	6,295,924	(4,523,185)
Net capital assets (being depreciated)	32,995,955	25,855,215	7,140,740
Total assets	45,071,224	45,583,035	(511,811)
Deferred outflows of resources related to OPEB	436,006	263,256	172,750
Deferred outflows of resources related to pensions	739,153	686,226	52,927
Total deferred outflows of resources	1,175,159	949,482	225,677
Current liabilities	3,412,949	3,384,963	27,986
Noncurrent liabilities (due within one year)	2,412,169	2,426,593	(14,424)
Noncurrent liabilities (in more than one year)	24,925,200	26,353,941	(1,428,741)
Total liabilities	30,750,318	32,165,497	(1,415,179)
Deferred inflows of resources related to OPEB	-	261,622	(261,622)
Deferred inflows of resources related to pensions	88,535	90,191	(1,656)
Total deferred inflows of resources	88,535	351,813	(263,278)
Net investment in capital assets	19,190,678	18,295,663	895,015
Restricted	1,046,732	1,085,517	(38,785)
Unrestricted	(4,829,880)	(5,365,973)	536,093
<b>Total net position</b>	<b>\$ 15,407,530</b>	<b>\$ 14,015,207</b>	<b>\$ 1,392,323</b>

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**Management's Discussion and Analysis**  
**As of June 30, 2020**

Below is a summary of revenues and expenses and changes in overall fund balances for the fiscal year ended June 30, 2020. Revenues increased by \$1,511,564 driven primary by operating grants and local assessments. Interest revenues were lower due to reduced interest rate earnings. Expenses increased by \$1,201,602 driven principally by higher costs for regular and special education instruction, administration, and transportation as a result of COVID-19 and the early closure of schools.

<b>Statement of Activities</b>			
	<b>2020</b>	<b>2019</b>	<b>Change</b>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 402,392	\$ 566,948	\$ (164,556)
Operating grants and contributions	6,256,707	5,320,812	935,895
Capital grants and contributions	56,506	10,000	46,506
General revenues:			
Local assessments	23,749,113	22,535,301	1,213,812
Intergovernmental	13,718,060	14,090,856	(372,796)
Interest income	172,398	203,994	(31,596)
Other Revenues	22,946	71,952	(49,006)
Contributions to permanent fund principal	8,740	75,435	(66,695)
<b>Total revenues</b>	<b>44,386,862</b>	<b>42,875,298</b>	<b>1,511,564</b>
<b>Expenses:</b>			
Instruction	26,213,728	24,442,597	1,771,131
Instructional support	3,925,898	4,456,661	(530,763)
Transportation	2,336,936	1,350,755	986,181
Facilities maintenance	3,643,315	5,182,350	(1,539,035)
System administration	964,548	945,097	19,451
School administration	2,036,359	1,956,569	79,790
Other program expenditures	1,966,902	1,856,767	110,135
Adult education	69,166	58,518	10,648
School lunch program	1,238,195	1,269,075	(30,880)
Miscellaneous capital	209,035	266,490	(57,455)
Interest on debt	390,457	98,116	292,341
<b>Total expenses</b>	<b>42,994,539</b>	<b>41,882,995</b>	<b>1,111,544</b>
<b>Change in net position</b>	<b>1,392,323</b>	<b>992,303</b>	<b>400,020</b>
<b>Net position, beginning of year</b>	<b>14,015,207</b>	<b>13,022,904</b>	<b>992,303</b>
<b>Net position, end of year</b>	<b>\$ 15,407,530</b>	<b>\$ 14,015,207</b>	<b>\$ 1,392,323</b>

The narrative that follows discusses the operations of governmental activities.

- For the year ended June 30, 2020, the District's net position for governmental activities increased by \$1,392,323 to \$15,407,530.
- Charges for services are revenues earned by the District in return for services provided. These revenues consisted of tuition, rental income, adult education fees, and school lunch revenues. Charges for services totaled \$402,392 decreasing by \$164,556 over June 30, 2019.
- During the year, the District received program-specific operating grants and contributions totaling \$6,256,707, an increase of \$935,895 over June 30, 2019. These grants and contributions represent resources that are restricted for use and help to offset the District's costs for operating these various programs. The majority these grants, and contributions come from state and federal sources.

**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

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- General revenues consist of all revenues that are not considered to be program revenues. General revenues for the year ended June 30, 2020 totaled \$37,671,257. Of this amount, \$23,749,113 was from local assessments paid by the Towns of Belgrade, China, Oakland, Rome, and Sidney, \$13,718,060 was received from State education subsidy and \$204,084 was revenue received from interest income, other revenues, and contributions to the permanent fund principal.

**Financial Analysis of the District's Funds**

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The District's governmental funds accounting provides information for near-term inflows, outflows, and balances of spendable resources. At the completion of the fiscal year, governmental funds reported a combined fund surplus of \$6,854,633, which is \$3,408,919 less than June 30, 2019. The majority of the change is due to continued progress of the District's facilities bond projects and current construction in progress projects across the District.

The District's combined fund balance for governmental funds is as follows:

- The General Fund overall fund balance increased by \$436,393 to \$2,216,125 over the previous year.
- The Nonmajor Governmental Funds fund balance decreased by \$114,612 to \$1,000,762.
- Bonded capital projects fund balance was \$3,983,911 and decreased by \$3,708,850 as construction efforts across the District continue.
- The school lunch program fund balance was a negative \$346,165, and this is a \$21,850 increase over June 30, 2020's negative fund balance of \$324,315.

Total governmental fund expenditures for the year were \$48,311,663 and are broken down as follows:

<b>Category</b>	<b>2020</b>
Regular instruction	\$ 16,615,050
Special education	5,308,907
Adult Education	69,166
Other instruction	536,102
Student and staff support	3,959,846
System administration	961,712
School administration	2,036,359
Transportation	2,321,588
Facilities and maintenance	3,974,223
Maine PERS - on-behalf payments	2,842,026
Other program expenditures	1,966,902
School lunch	1,223,849
Capital outlay	4,481,573
Debt service	2,014,360
<b>Total government</b>	<b>\$ 48,311,663</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

**Capital Asset Administration** – Below is a summary of capital assets with more information on these capital assets available in the notes to the basic financial statements.

**Capital Assets** – A summary of the District capital asset activity as of June 30, 2020 and 2019 is shown below. The major changes over June 30, 2019 include a decrease of \$4,654,985 for projects underway (not yet being depreciated) as part of the District facilities bond. Total assets being depreciated increased by \$8,682,769 and accumulated depreciation increased by \$1,542,029 to \$25,669,180. Overall net capital assets were \$32,995,955 representing an increase of \$7,140,740 for the District as construction projects across the district are completed.

Governmental activities - Capital Assets	2020	2019	Change
Land	131,800	-	131,800
Construction in progress	1,640,939	6,295,924	(4,654,985)
<b>Total capital assets, not being depreciated</b>	<b>1,772,739</b>	<b>6,295,924</b>	<b>(4,523,185)</b>
<b>Capital assets being depreciated:</b>			
Land improvements	4,683,164	341,568	4,341,596
Buildings and improvements	48,327,396	44,052,281	4,275,115
Equipment	1,388,573	1,375,674	12,899
Vehicles	3,953,063	3,899,904	53,159
Infrastructure	312,939	312,939	-
<b>Total capital assets being depreciated</b>	<b>58,665,135</b>	<b>49,982,366</b>	<b>8,682,769</b>
Less accumulated depreciation	(25,669,180)	(24,127,151)	(1,542,029)
<b>Total capital assets being depreciated, net</b>	<b>32,995,955</b>	<b>25,855,215</b>	<b>7,140,740</b>
<b>Governmental activities capital assets, net</b>	<b>34,768,694</b>	<b>32,151,139</b>	<b>2,617,555</b>

**Long-Term Liability Administration** – The District's long-term liability activity for the year ended June 30, 2020 is shown below. The June 30, 2020 long-term liability balance was \$27,337,369, a reduction of \$1,443,165 from the June 30, 2019 balance of \$28,780,534. The amount due within the next fiscal year is \$2,412,169 for payments towards existing notes payable and financed purchases. The remainder of the long-term liability change of \$474,349 was for additions to accrued compensation balances, net pension liabilities, and other post-employment benefits (OPEB).

	Beginning balance	Additions	Deletions	Ending balance	Due within one year
Notes payable	\$ 16,729,780	-	1,594,545	15,135,235	1,594,545
Net pension liability	596,332	30,887	-	627,219	-
Total OPEB liability	6,574,506	440,626	-	7,015,132	-
Accrued compensated absences	61,459	2,836	-	64,295	-
Financed Purchases	4,818,457	794,597	1,117,566	4,495,488	817,624
<b>Total</b>	<b>\$ 28,780,534</b>	<b>1,268,946</b>	<b>2,712,111</b>	<b>27,337,369</b>	<b>2,412,169</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Management's Discussion and Analysis**  
**As of June 30, 2020**

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**LOOKING AHEAD AT THE NEXT FINANCIAL YEAR**

Here are some highlights for our next financial year. We will continue efforts to reduce the school lunch program negative fund balance. We will continue project construction efforts on the District facilities bond. We will be working to comply with GASB Statement No. 84, *Fiduciary Activities* that principally impacts District school activity accounts. We will be complying with GASB Statement No. 87, *Leases* which impacts how leases are treated and reported. The District will be upgrading its financial and human resource system in July 2021 and a significant amount of work will be done to prepare for and be ready for a successful conversion in this next financial year. The challenges of running a public-school system during to the COVID-19 pandemic continues to have a major impact on operating our schools in this past fiscal year and this continues in the current fiscal year. We anticipate as proper procedures are followed and with vaccines soon becoming available that things will begin to return to normal in the later part of the current fiscal year ending on June 30, 2021.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, customers and investors, and creditors with a general overview of the District's financial situation as of June 30, 2020. If you have any questions about this report or need additional financial information, please contact the Regional School Unit No. 18 Superintendent Office at 41 Heath Street, Oakland, Maine 04963 or call (207) 465-7384.

## **BASIC FINANCIAL STATEMENTS**

**REGIONAL SCHOOL UNIT NO. 18**  
**Statement of Net Position**  
**June 30, 2020**

	<b>Governmental activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 8,142,789
Investments	922,075
Accounts receivable	143,738
Due from other governments	822,301
Amounts held in escrow	222,209
Inventory	49,418
Capital assets not being depreciated	1,772,739
Capital assets being depreciated, net	32,995,955
<b>Total assets</b>	<b>45,071,224</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	739,153
Deferred outflows of resources related to OPEB	436,006
<b>Total deferred outflows of resources</b>	<b>1,175,159</b>
<b>LIABILITIES</b>	
Accounts payable	405,063
Accrued wages and benefits	2,692,746
Accrued interest	187,261
Due to agency funds	127,879
Noncurrent liabilities:	
Due within one year	2,412,169
Due in more than one year	24,925,200
<b>Total liabilities</b>	<b>30,750,318</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	88,535
<b>Total deferred inflows of resources</b>	<b>88,535</b>
<b>NET POSITION</b>	
Net investment in capital assets	19,190,678
Restricted for:	
Nonexpendable trust fund principal	404,785
Expendable trust fund earnings	564,317
School grants	77,630
Unrestricted	(4,829,880)
<b>Total net position</b>	<b>\$ 15,407,530</b>

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Statement of Activities**  
**For year ended June 30, 2020**

Function/programs	Expenses	Program revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government Governmental activities
Governmental activities:					
Instruction	\$ 26,213,728	40,344	3,487,088	-	(22,686,296)
Instructional support	3,925,898	33,997	-	-	(3,835,395)
Transportation	2,336,936	13,479	-	-	(2,323,457)
Facilities maintenance	3,643,315	10,143	-	56,506	(3,633,172)
System administration	964,548	-	-	-	(964,548)
School administration	2,036,359	-	-	-	(2,036,359)
Other program expenditures	1,966,902	-	1,935,329	-	(31,573)
Adult education	69,166	10,227	17,771	-	(41,168)
School lunch program	1,238,195	294,202	767,797	-	(176,196)
Miscellaneous capital	209,035	-	-	-	(209,035)
Interest on debt	390,457	-	48,722	-	(341,735)
Total governmental activities	42,994,539	402,392	6,256,707	56,506	(36,278,934)
<b>Total primary government</b>	<b>\$ 42,994,539</b>	<b>402,392</b>	<b>6,256,707</b>	<b>56,506</b>	<b>(36,278,934)</b>

## General revenues:

Local assessments	23,749,113
State allocation	13,718,060
Investment earnings	172,398
Miscellaneous	22,946
Contributions to permanent fund principal	8,740
Total general revenues	37,671,257

Change in net position 1,392,323

Net position--beginning 14,015,207

**Net position--ending \$ 15,407,530**

*See accompanying notes to financial statements.*



**REGIONAL SCHOOL UNIT NO. 18**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2020**

	General Fund	School Lunch Program	Bonded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,027,552	-	4,094,286	20,951	8,142,789
Investments	-	-	-	922,075	922,075
Accounts receivable	143,738	-	-	-	143,738
Due from other governments	268,166	71,268	-	482,867	822,301
Interfund loans receivable	686,201	-	53,261	38,438	777,900
Inventory	-	49,418	-	-	49,418
<b>Total assets</b>	<b>\$ 5,125,657</b>	<b>120,686</b>	<b>4,147,547</b>	<b>1,464,331</b>	<b>10,858,221</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	223,316	3,490	163,636	14,621	405,063
Accrued wages and benefits	2,686,216	6,345	-	185	2,692,746
Interfund loans payable	-	457,016	-	448,763	905,779
<b>Total liabilities</b>	<b>2,909,532</b>	<b>466,851</b>	<b>163,636</b>	<b>463,569</b>	<b>4,003,588</b>
Fund balances (deficit):					
Nonspendable	-	-	-	404,785	404,785
Restricted	-	-	-	641,947	641,947
Committed	65,000	-	3,983,911	12,635	4,061,546
Assigned	782,205	-	-	-	782,205
Unassigned	1,368,920	(346,165)	-	(58,605)	964,150
<b>Total fund balances (deficit)</b>	<b>2,216,125</b>	<b>(346,165)</b>	<b>3,983,911</b>	<b>1,000,762</b>	<b>6,854,633</b>
<b>Total liabilities and fund balances</b>	<b>\$ 5,125,657</b>	<b>120,686</b>	<b>4,147,547</b>	<b>1,464,331</b>	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					34,768,694
Cash held in escrow related to financed purchases					222,209
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:					
Bonds and notes from direct borrowings					(15,135,235)
Financed purchases					(4,495,488)
Net pension liability, including related deferred inflows and outflows					23,399
Total OPEB liability, including related deferred inflows and outflows					(6,579,126)
Accrued interest					(187,261)
Accrued compensated absences					(64,295)
<b>Net position of governmental activities</b>					<b>\$ 15,407,530</b>

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For year ended June 30, 2020**

	General Fund	School Lunch Program	Bonded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Local assessments	\$ 23,726,404	-	-	22,709	23,749,113
Intergovernmental	17,205,148	761,337	-	1,920,912	19,887,397
Charges for services	63,966	294,202	-	10,227	368,395
Donations	-	-	-	8,740	8,740
Investment income	48,243	-	153,413	(29,258)	172,398
Other revenues	105,665	6,460	-	32,188	144,313
Total revenues	41,149,426	1,061,999	153,413	1,965,518	44,330,356
Expenditures:					
Current:					
Regular instruction	16,615,050	-	-	-	16,615,050
Special education instruction	5,308,907	-	-	-	5,308,907
Adult education	-	-	-	69,166	69,166
Other instruction	536,102	-	-	-	536,102
Student and staff support	3,959,846	-	-	-	3,959,846
System administration	961,712	-	-	-	961,712
School administration	2,036,359	-	-	-	2,036,359
Transportation	2,321,588	-	-	-	2,321,588
Facilities maintenance	3,974,223	-	-	-	3,974,223
Maine PERS on-behalf payments	2,842,026	-	-	-	2,842,026
Other program expenditures	-	-	-	1,966,902	1,966,902
School lunch program	-	1,223,849	-	-	1,223,849
Capital outlay	572,388	-	3,852,497	56,688	4,481,573
Debt service	2,004,594	-	9,766	-	2,014,360
Total expenditures	41,132,795	1,223,849	3,862,263	2,092,756	48,311,663
Excess (deficiency) of revenues over (under) expenditures	16,631	(161,850)	(3,708,850)	(127,238)	(3,981,307)
Other financing sources (uses):					
Proceeds from financed purchases	572,388	-	-	-	572,388
Transfers from other funds	-	140,000	-	12,626	152,626
Transfers to other funds	(152,626)	-	-	-	(152,626)
Total other financing sources (uses)	419,762	140,000	-	12,626	572,388
Net change in fund balances	436,393	(21,850)	(3,708,850)	(114,612)	(3,408,919)
Fund balances (deficit), beginning of year	1,779,732	(324,315)	7,692,761	1,115,374	10,263,552
<b>Fund balances (deficit), end of year</b>	<b>\$ 2,216,125</b>	<b>(346,165)</b>	<b>3,983,911</b>	<b>1,000,762</b>	<b>6,854,633</b>

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For year ended June 30, 2020**

Net change in fund balances--total governmental funds (from Statement 4)	\$	(3,408,919)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the change in:</p>		
Capital outlays	4,347,832	
Depreciation	(1,786,783)	
Capital contributions	56,506	2,617,555
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.</p>		
Accrued interest	29,358	
Accrued compensated absences	(2,836)	
Net pension liability	(30,887)	
Total OPEB liability	(440,626)	
Deferred inflows/outflows related to pensions	54,583	
Deferred inflows/outflows related to OPEB	434,372	43,964
<p>New bonds, notes from direct borrowings and financed purchases are reflected as other sources in the fund financial statements but are liabilities in the statement of net position.</p>		
Financed purchases proceeds, net of amounts held in escrow	(572,388)	(572,388)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.</p>		
Principal payments on bonds and notes from direct borrowings	1,594,545	
Principal payments on finances purchases	1,117,566	2,712,111
<b>Change in net position of governmental activities (see Statement 2)</b>	<b>\$</b>	<b>1,392,323</b>

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**General Fund**  
**For year ended June 30, 2020**

	General Fund			Variance with final budget positive (negative)
	Budgeted amounts		Actual	
	Original	Final		
<b>Revenues:</b>				
Local assessments	\$ 23,726,403	23,726,403	23,726,404	1
Intergovernmental	14,019,728	14,019,728	14,363,122	343,394
Charges for services	55,000	55,000	63,966	8,966
Interest earned	40,000	40,000	48,243	8,243
Other revenues	64,325	64,325	71,668	7,343
Total revenues	37,905,456	37,905,456	38,273,403	367,947
<b>Expenditures:</b>				
Current:				
Regular instruction	17,421,858	17,421,858	16,615,050	806,808
Special education instruction	5,304,353	5,304,353	5,308,907	(4,554)
Career and technical education	5,000	5,000	-	5,000
Other instruction	730,673	730,673	536,102	194,571
Student and staff support	3,920,779	3,920,779	3,931,283	(10,504)
System administration	842,342	842,342	961,712	(119,370)
School administration	1,957,436	1,957,436	2,036,359	(78,923)
Transportation	2,423,691	2,423,691	2,321,588	102,103
Facilities and maintenance	5,059,724	5,059,724	5,121,888	(62,164)
Debt service	849,600	849,600	856,929	(7,329)
Total expenditures	38,515,456	38,515,456	37,689,818	825,638
Excess (deficiency) of revenues over (under) expenditures	(610,000)	(610,000)	583,585	1,193,585
<b>Other financing sources (uses):</b>				
Use of fund balance	750,000	750,000	-	(750,000)
Transfer to other funds	(140,000)	(140,000)	(152,626)	(12,626)
Total other financing sources (uses)	610,000	610,000	(152,626)	(762,626)
<b>Reconcile to GAAP basis reporting:</b>				
Change in assigned fund balance	-	-	5,434	5,434
Net change in fund balance	-	-	436,393	436,393
Fund balance, beginning of year			1,779,732	
<b>Fund balance, end of year</b>			<b>\$ 2,216,125</b>	

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2020**

		<b>Agency funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$	321,090
Interfund loans receivable		132,316
<b>Total assets</b>		<b>453,406</b>
<b>LIABILITIES</b>		
Accounts payable		9,208
Interfund loans payable		4,437
Amounts held for others		439,761
<b>Total liabilities</b>	<b>\$</b>	<b>453,406</b>

*See accompanying notes to financial statements.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements**

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**THE REPORTING ENTITY**

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Regional School Unit No. 18 was organized in 2009 under the laws of the State of Maine. The School Unit is administered by a ten-member Board of School Directors and encompasses the towns of Belgrade, Oakland, Sidney, China, and Rome.

This report includes all funds of the School Unit. An analysis of certain criteria was made to determine if other governmental units should be included in this report. In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The criterion used defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens.

It is the School Unit's judgment, based on all pertinent facts derived from the analysis of these criteria that there are no entities that would be considered potential component units within the School Unit that should be included as part of these financial statements.

The School Unit provides a full range of educational services that includes instruction, transportation, operation and maintenance of plant and equipment, student and staff support services, school lunch program, and general administrative services.

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of Regional School Unit No. 18 conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

**A. Basis of Presentation**

The School Unit's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**1. Government-wide Financial Statements:**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School Unit. For the most part, the effect of inter-fund activity has been removed from these statements.

The statement of net position presents the financial condition of the governmental activities of the School Unit at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School Unit's governmental activities.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The School Unit has elected not to allocate indirect costs among the programs and functions.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School Unit. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School Unit.

**2. Fund Financial Statements:**

During the year, the School Unit segregates transactions related to certain School Unit functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School Unit at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The fiduciary fund is reported by type.

**B. Fund Accounting**

The School Unit uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds, governmental and fiduciary.

**1. Governmental Funds:**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School Unit's only major governmental funds:

**General Fund** - The General Fund is the general operating fund of the School Unit. All revenues not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges, and the capital improvement costs not paid through other funds.

**School Lunch Program** - The School Lunch Program accounts for revenues received and disbursements made to support the lunch program.

**Bonded Capital Projects** - The Bonded Capital Projects fund accounts for the bond proceeds and related disbursements for various capital projects and improvements.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**2. Fiduciary Funds:**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School Unit's own programs.

**Agency Fund Types** - The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The School Unit's agency fund accounts for those student activity programs that have student participation in the activity and have students involved in the management of the program as well as amounts held for organizations outside the School Unit.

**C. Measurement Focus**

**1. Government-wide Financial Statements:**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows and inflows of resources, and liabilities associated with the operation of the School Unit are included on the Statement of Net Position.

**2. Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.



**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**1. Revenues – Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School Unit, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the School Unit receives value without directly giving equal value in return, include subsidies, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School Unit must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School Unit on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: interest, grants, and student fees.

**2. Expenses/Expenditures:**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds.

**Cash and Investments** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value.

**Interfund Transactions** - During the course of normal operations, the School Unit has several transactions between funds including expenditures and transfers of resources to provide services. These transactions are reported as transfers. Transactions between funds which represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans receivable or payable.

**Inventories** - Food services inventories are valued at cost (first-in, first-out basis), and are offset with a reserve for inventories. Inventories include the value of the U. S. Department of Agriculture commodities donated to the Food Services Program.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Compensated Absences** - Under terms of union contracts and personnel administration policies, employees are granted vacation and sick time in varying amounts and are, in some cases, entitled to payment for unused vacation and sick time upon termination or retirement. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other postemployment benefits (OPEB)** - For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental activities have deferred outflows and inflows that relate to the net pension liability and OPEB liability, which include the School Unit's contributions subsequent to the measurement date, which is recognized as a reduction of the respective liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between School Unit contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on plan investments, which is deferred and amortized over a five-year period.

**Use of Estimates** - Preparation of the School Unit's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Capital Assets** - Capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year.

Donated capital assets are recorded at their estimated acquisition cost as of the date received. The School Unit maintains a capitalization threshold of five thousand dollars.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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All reported capital assets, except for land and construction in progress, are depreciated. The historical cost of buildings was estimated based on construction cost and the historical cost of land has been deemed to be insignificant and has not been reported separately. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated lives</u>
Buildings and improvements	40 years
Furniture and equipment	5-20 years
Vehicles	5-10 years
Infrastructure	50 years
Land improvements	15-20 years

**Accrued Liabilities and Long-term Obligations** - All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities, once incurred, are paid in a timely manner and in full from current financial resources, and reported as obligations of the governmental funds. However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. The financed purchases and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**Fund Equity** - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the School Unit is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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The voters of the School Unit have the responsibility for committing fund balance amounts by vote and likewise would be required to modify or rescind those commitments by a similar vote. For assigned fund balance amounts, the Superintendent has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The School Board approves the assigned amounts either before or after year end.

Should there be multiple sources of funding available for a particular purpose, it is the School Unit's practice to expend currently budgeted resources first, and then use other sources in the order of restricted, committed, then assigned amounts, as needed.

**Net Position** - Net position represents the difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, loans, and financed purchases payable and adding back any unspent proceeds.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the School Unit or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School Unit's net investment in capital assets was calculated as follows at June 30, 2020:

Capital assets	\$ 60,437,874
Accumulated depreciation	(25,669,180)
Bonds and notes from direct borrowings	(15,135,235)
Financed purchases	(4,495,488)
Unspent financed purchases proceeds	222,209
Unspent bond proceeds	3,830,498
<b>Net investment in capital assets</b>	<b><u>\$ 19,190,678</u></b>

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STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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**Budgetary Information** - A budget is formally adopted for the General Fund each year through the passage of articles through a School Unit warrant, and is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for Maine Public Employees Retirement on-behalf payments, and amounts accounted for in the General Fund's committed and assigned fund balances, which are not budgeted. The level of control (level at which expenditures may not exceed budget) is the School Unit budget referendum article level. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year.

During the year, the School Unit will sometimes make transfers between budget lines so that some of the budget lines would not be overspent. In accordance with Maine Statute Title 20-A, the budget line transfers do not exceed 5% of the total appropriations for the cost centers from which the transfers were made and the total budget was not changed. Any adjustments to the budget are included in the final budget column on Statement 6.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

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**Overspent Appropriations**

The following appropriations were overspent for the year ended June 30, 2020:

Special education instruction	\$ 4,554
Student and staff support	10,504
System administration	119,370
School administration	78,923
Facilities and maintenance	62,164
Debt service	7,329

**Deficit Fund Balances**

At June 30, 2020, the following funds had deficit fund balances:

Special Revenue Funds:	
School Lunch Program	\$ (346,165)
Local grants	(1,917)
Capital Projects Funds:	
Capital Projects	(56,688)

These fund deficits will be covered by future revenue sources or transfers from the General Fund.

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ASSESSMENTS

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In accordance with the provisions of Title 20A of the Maine Statutes, the directors of the Regional School Unit No. 18 assess each member community a proportionate share of the additional revenues required to meet current year budgeted expenses. Each member's proportionate share is based upon its percentage of the total state valuation of the School Unit. Assessments are due in twelve equal monthly installments.

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DEPOSITS AND INVESTMENTS

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**A. Deposits**

*Custodial Credit Risk-Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the School Unit's deposits may not be returned to it. The School Unit does not have a deposit policy for custodial credit risk. As of June 30, 2020, the School Unit reported deposits of \$8,463,879 with a bank balance of \$8,730,258. All of the School Unit's bank balances were covered by FDIC insurance, or by additional insurance purchased on behalf of the School Unit by the respective banking institutions.

Deposits have been reported as follows:

Reported in governmental funds	\$ 8,142,789
Reported in fiduciary funds	321,090
<b>Total deposits</b>	<b>\$ 8,463,879</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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DEPOSITS AND INVESTMENTS, CONTINUED

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**B. Investments**

At June 30, 2020, the School Unit had the following investments and maturities:

	<u>Fair Value</u>	<u>Less than 1 year</u>
Equities/stock	\$ 66,018	N/A
Exchange traded funds	437,857	N/A
Money market accounts (1)	82,442	N/A
Mutual funds (1)	335,758	N/A
<b>Total investments</b>	<b>\$ 922,075</b>	

(1) Money market accounts and mutual funds are not considered securities and are exempt from credit risk disclosure noted above.

All investments have been reported in the governmental funds.

The School Unit categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the School Unit's investments as of June 30, 2020 are valued using quoted market prices (Level 1 inputs).

*Interest Rate Risk:* The School Unit does not currently have a policy, which limits the maturities of investments to certain time periods. However, it is the School Unit's general practice to deposit governmental funds in short term deposits (less than one year). Excess governmental funds on hand daily are swept by the banking institution into overnight repurchase agreements.

*Credit Risk:* Maine statutes authorize the School Unit to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds.

*Custodial Credit Risk-School Unit's investments:* For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the School Unit will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the School Unit's \$922,075 in investments, 100% was collateralized by underlying securities held by the related bank, which were not in the School Unit's name.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

	Balance 06/30/19	Increases	Decreases	Balance 06/30/20
<b>Governmental activities</b>				
Capital assets, not being depreciated:				
Land	\$ -	131,800	-	131,800
Construction in progress	6,295,924	3,961,727	8,616,712	1,640,939
<b>Total capital assets, not being depreciated:</b>	<b>6,295,924</b>	<b>4,093,527</b>	<b>8,616,712</b>	<b>1,772,739</b>
Capital assets being depreciated:				
Land improvements	341,568	4,341,596	-	4,683,164
Buildings and improvements	44,052,281	4,275,115	-	48,327,396
Equipment	1,375,674	12,899	-	1,388,573
Vehicles	3,899,904	297,913	244,754	3,953,063
Infrastructure	312,939	-	-	312,939
<b>Total capital assets, being depreciated</b>	<b>49,982,366</b>	<b>8,927,523</b>	<b>244,754</b>	<b>58,665,135</b>
Less accumulated depreciation:				
Land improvements	165,912	240,186	-	406,098
Buildings and improvements	19,889,343	1,289,384	-	21,178,727
Equipment	1,201,868	29,743	-	1,231,611
Vehicles	2,835,604	221,211	244,754	2,812,061
Infrastructure	34,424	6,259	-	40,683
<b>Total accumulated depreciation</b>	<b>24,127,151</b>	<b>1,786,783</b>	<b>244,754</b>	<b>25,669,180</b>
<b>Total capital assets being depreciated, net</b>	<b>25,855,215</b>	<b>7,140,740</b>	<b>-</b>	<b>32,995,955</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 32,151,139</b>	<b>11,234,267</b>	<b>8,616,712</b>	<b>34,768,694</b>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
Regular instruction	\$ 1,521,862
Facilities and maintenance	10,931
Transportation	239,644
School lunch program	14,346
<b>Total depreciation expense</b>	<b>\$ 1,786,783</b>

**INTERFUND LOANS AND TRANSFERS**

Individual interfund receivables, payables, and transfer balances at June 30, 2020 were as follows:

Fund	Interfund receivables	Interfund payables	Interfund transfers
General Fund	\$ 686,201	-	(152,626)
School Lunch Program	-	457,016	140,000
Bonded Capital Projects	53,261	-	-

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**INTERFUND LOANS AND TRANSFERS, CONTINUED**

<u>Fund</u>	<u>Interfund receivables</u>	<u>Interfund payables</u>	<u>Interfund transfers</u>
Nonmajor Governmental Funds			
State and Federal Special Revenues	\$ -	392,075	12,626
Adult Education Funds	11,840	-	-
Capital projects	-	56,688	-
Permanent Funds	26,598	-	-
Total nonmajor governmental funds	38,438	448,763	12,626
 Agency Funds	 132,316	 4,437	 -
<b>Total</b>	<b>\$ 910,216</b>	<b>910,216</b>	<b>-</b>

**LONG-TERM LIABILITIES**

The following is a summary of long-term liability transactions of the School Unit for the year ended June 30, 2020.

	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Notes payable*	\$ 16,729,780	-	1,594,545	15,135,235	1,594,545
Net pension liability	596,332	30,887	-	627,219	-
Total OPEB liability	6,574,506	440,626	-	7,015,132	-
Accrued compensated absences	61,459	2,836	-	64,295	-
Financed purchases*	4,818,457	794,597	1,117,566	4,495,488	817,624
<b>Total</b>	<b>\$ 28,780,534</b>	<b>1,268,946</b>	<b>2,712,111</b>	<b>27,337,369</b>	<b>2,412,169</b>

\* Notes payable and financed purchases are considered direct borrowings.

**LONG-TERM DEBT**

The annual requirements to amortize all notes payable outstanding as of June 30, 2020 are as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,594,545	387,111	1,981,656
2022	1,594,545	371,362	1,965,907
2023	898,403	355,036	1,253,439
2024	898,402	337,911	1,236,313
2025	898,402	319,987	1,218,389
2026-2030	3,690,938	1,306,681	4,997,619
2031-2035	3,475,000	737,131	4,212,131
2036-2038	2,085,000	125,364	2,210,364
<b>Total</b>	<b>\$ 15,135,235</b>	<b>3,940,583</b>	<b>19,075,818</b>



**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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LONG-TERM DEBT, CONTINUED

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**Notes Payable**

Notes payable at June 30, 2020 is comprised of the following individual issues:

	<u>Date of issue</u>	<u>Amount issued</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Balance June 30, 2020</u>
School Heating Upgrades – Qualified School Construction Bond with Maine Municipal Bond Bank due in annual principal installments	2012	\$ 2,672,172(a)	0%	2027	1,145,218
School Heating Upgrades – School Bond with Maine Municipal Bond Bank due in annual principal and semi-annual interest installments	2012	188,000	6.5%	2026	87,733
School Renovation – General obligation bond with Maine Municipal Bond Bank due in annual principal and semi-annual interest installments	2018	13,900,000	1.92-4.0%	2038	12,510,000
School Renovation – Revolving Loan with Maine Municipal Bond Bank due in annual principal installments	2017	192,625(b)	0%	2022	57,822
School Renovation – Revolving Loan with Maine Municipal Bond Bank due in annual principal installments	2018	115,155(c)	0%	2022	46,062
School Building – Municipal Bond with Maine Municipal Bond Bank due in annual principal installments and semi-annual interest installments	2002	12,883,987	4.59%	2022	1,288,400
<b>Totals</b>					<b><u>\$ 15,135,235</u></b>

- (a) The original amount of the bond was for \$3,000,000, of which \$327,828 was forgiven by the State.
- (b) The original amount of the loan was for \$272,865, of which \$118,696 was forgiven by the State.
- (c) The original amount of the bond was for \$205,928, of which \$90,773 was forgiven by the State.

The statutes of the State of Maine provide, in part, that the aggregate principal amount of debt issued by a School Administrative School Unit for capital outlay purposes shall not exceed, at any one time outstanding, the limit of indebtedness of the sum of 10% of the total of the last preceding state valuation of the member municipalities, plus an amount set by the State Board of Education at the time of initial approval of the school construction project not to exceed 4% of the state valuation of the participating municipalities. At June 30, 2020, the School Unit's direct debt was within the minimum statutory limit of 10% of the five participating municipalities.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**LONG-TERM DEBT, CONTINUED**

The School Unit has entered into an agreement with a bank to fund the retirement of the 2012 Qualified School Construction Bond with annual payments to a trust account. The payments deposited into the trust account are invested and it is anticipated that earnings on the deposits will fund a significant portion of the debt retirement obligation. As such, the payments made into the trust are less than what would be required under a traditional payment schedule. When the bond matures, there is the possibility that the deposits made and the investment earnings will not be sufficient to retire the entire principal and interest obligation. In that scenario, the School Unit would be obligated to make a payment to retire any remaining principal or interest due. As of June 30, 2020, the fair market value of the trust account equaled \$1,670,066.

**FINANCED PURCHASES (LEASES)**

The School Unit has entered into financed purchase agreements as lessee for financing the acquisition of vehicles, copiers, technology equipment, and school renovations. The agreements contain a fiscal funding clause that permits the School Unit to terminate the agreement on an annual basis if funds are not appropriated. These agreements have been recorded at the present value of the future minimum payments as of the date of inception.

The following is a schedule of future minimum financed purchase payments under the financed purchases at June 30, 2020.

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 817,624	154,694	972,318
2022	787,119	126,982	914,101
2023	450,079	102,626	552,705
2024	292,109	88,801	380,910
2025	233,512	77,839	311,351
2026-2030	870,111	246,626	1,116,737
2031-2035	711,805	123,694	835,499
2036-2037	333,129	16,062	349,191
<b>Total</b>	<b>\$ 4,495,488</b>	<b>937,324</b>	<b>5,432,812</b>

Assets purchased through these agreements have been capitalized under building improvements, vehicles, equipment, and construction in progress at a total cost of \$7,065,390 and accumulated depreciation of \$2,809,853 as of June 30, 2020.

**STATE REIMBURSEMENT FOR DEBT SERVICE EXPENDITURES**

The State of Maine currently reimburses the School Unit for a portion of financing costs of school building and school bus purchases. Continuation of such reimbursements is dependent upon continued appropriations by the State Legislature.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**FUND BALANCES**

As of June 30, 2020, fund balance components consisted of the following:

	General Fund	School Lunch Program	Bonded Capital Projects	Other Governmental Funds
<b>Nonspendable</b>				
Permanent fund principal	\$ -	-	-	404,785
Total nonspendable	-	-	-	404,785
<b>Restricted:</b>				
Grant balances	-	-	-	77,630
Permanent fund earnings	-	-	-	564,317
Total restricted	-	-	-	641,947
<b>Committed:</b>				
Fuel reserve	65,000	-	-	-
Bonded capital projects	-	-	3,983,911	-
Special revenue funds:				
Adult education	-	-	-	11,840
Medicaid reimbursements	-	-	-	795
Total committed	65,000	-	3,983,911	12,635
<b>Assigned:</b>				
Technology	31,851	-	-	-
Transportation	354	-	-	-
Capital reserve	250,000	-	-	-
Subsequent year budget	500,000	-	-	-
Total assigned	782,205	-	-	-
<b>Unassigned:</b>				
General fund	1,368,920	-	-	-
School lunch program	-	(346,165)	-	-
Capital projects	-	-	-	(56,688)
Special revenue funds:				
Grant balances	-	-	-	(1,917)
Total unassigned	\$1,368,920	(346,165)	-	(58,605)

**BUDGETARY BASIS VS. GAAP BASIS--GENERAL FUND**

The School Unit's General Fund budget is prepared on a basis consistent with U.S. generally accepted accounting principles (GAAP) except that the School Unit does not budget for Maine Public Employees Retirement on-behalf payments made by the State and amounts that are recorded as assigned and committed fund balances in the General Fund.

The Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Statement 6) is prepared on the budgetary basis.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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**BUDGETARY BASIS VS. GAAP BASIS--GENERAL FUND, CONTINUED**

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The School Unit has recorded a revenue and expenditure for Maine Public Employees retirement and group term life contributions made as required by state law, by the State of Maine on behalf of the School Unit. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting vs. reporting under generally accepted accounting principles of \$2,842,026.

These amounts have been included as intergovernmental revenue and expenditure in the governmental activities on Statement 2 (Statement of Activities) and in Statement 4 (GAAP basis). There is no effect on the fund balance or net position at the end of the year.

The School Unit has revenues and expenditures related to transportation contracts, e-rate refunds, and laptop insurance proceeds which are shown as changes in assigned fund balance on Exhibit A-2 and Statement 6 (budgetary basis), but are shown as revenues of \$33,997 and expenditures of \$28,563 on Statement 4 (GAAP basis).

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**NET PENSION LIABILITY**

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***General Information about the Pension Plan***

**Plan Description** - Teaching-certified employees of the School Unit are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at [www.maineopers.org](http://www.maineopers.org).

**Benefits Provided** - The SET Plan provides defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit.

In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For SET members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by statute.

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. Maine statute requires the State to contribute a portion of the School Unit's contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees are required to contribute 7.65% of their annual pay. The School Unit's contractually required contribution rate for the year ended June 30, 2020, was 18.49% of annual payroll of which 4.16% of payroll was required from the School Unit and 14.33% was required from the State. Contributions to the pension plan from the School Unit were \$671,047 for the year ended June 30, 2020.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**NET PENSION LIABILITY, CONTINUED**

***Pension Liability, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

At June 30, 2020, the School Unit reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the School Unit. The amount recognized by the School Unit as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School Unit were as follows:

School Unit's proportionate share of the net pension liability	\$ 627,219
State's proportionate share of the net pension liability associated with the School Unit	17,600,206
<b>Total</b>	<b>\$ 18,227,425</b>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Unit's proportion of the net pension liability was based on a projection of the School Unit's long-term share of contributions to the pension plan relative to the projected contributions of all participating School Units and the State, actuarially determined. At June 30, 2019, the School Unit's proportion was 0.0428 %

For the year ended June 30, 2020, the School Unit recognized pension expense of \$2,958,913 and revenue of \$2,311,562 for support provided by the State.

At June 30, 2020, the School Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 48,789	-
Changes in assumption	18,160	-
Net difference between projected and actual earnings on pension plan investments	-	88,535
Changes in proportion and differences between School Unit contributions and proportionate share of contributions	1,157	-
School Unit contributions subsequent to the measurement date	671,047	-
<b>Total</b>	<b>\$ 739,153</b>	<b>88,535</b>

An amount of \$671,047 is reported as deferred outflows of resources related to pensions resulting from School Unit contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**NET PENSION LIABILITY, CONTINUED**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2021	\$ 36,567
2022	(37,370)
2023	(19,896)
2024	270

**Actuarial Assumptions** - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.75% to 14.5% per year
Investment return	6.75% per annum, compounded annually
Cost of living benefit increases	2.20% per annum

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	30.0%	6.0%
US government	7.5%	2.3%
Private equity	15.0%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	4.2%
Diversifiers	10.0%	5.9%

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**NET PENSION LIABILITY, CONTINUED**

**Discount Rate** - The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the School Unit’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School Unit’s proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the School Unit’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
School Unit’s proportionate share of the net pension liability	\$ 1,133,996	627,219	204,912

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan’s fiduciary net position is available in the separately issued MPERS financial report.

**Payables to the Pension Plan** - None as of June 30, 2020.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE**

**General Information about the OPEB Plan**

**Plan Description** - The School Unit sponsors a post-retirement benefit plan providing group term life insurance to retiring teachers. The plan is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements. MPERS issues a publicly available financial report that is available at [www.mpers.org](http://www.mpers.org).

**Benefits Provided** - MPERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plan prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

**Contributions** - Premium rates are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims. The State of Maine is required to remit the total dollar amount of each year’s annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the School Unit were \$43,950 for the year ended June 30, 2020. Employers and employees are not required to contribute to the OPEB plan.

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE, CONTINUED**

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2020, the School Unit reported no liability related to the plan. The State of Maine’s proportionate share of the net OPEB liability associated with the School Unit was \$477,486 as of June 30, 2020. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School Unit’s proportion of the net OPEB liability was based on a projection of the School Unit’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the School Unit’s proportion was 0.00%.

For the year ended June 30, 2020, the School Unit recognized OPEB expense of \$43,950 and also revenues of \$43,950 for support provided by the State. At June 30, 2020, the School Unit reported no deferred outflows of resources nor deferred inflows of resources related to the OPEB plan.

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	2.75% - 14.50%
Investment rate of return	6.75%

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study conducted for the period June 30, 2012 to June 30, 2015.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method which best estimates ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.0%	6.0%
Real estate	5.0%	5.2%
Traditional credit	15.0%	3.0%
US government securities	10.0%	2.3%
Total	100.0%	



**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE, CONTINUED

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**Discount Rate** - The rate used to measure the total OPEB liability for the plan was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**OPEB Plan Fiduciary Net Position** - Detailed information about the OPEB plan’s fiduciary net position is available in a separately issued MPERS financial report.

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OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE

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***General Information about the OPEB Plan***

**Plan Description** - The School Unit sponsors a post-retirement benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided** - MEABT provides healthcare insurance benefits for retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 45% of the blended single premium for the retiree only. Under State laws, the blended premium is determined by blending rates for active members and retired members. The retiree pays 55% of the blended premium rate for coverage selected. Spouses must contribute 100% of the blended premium amounts. Thus, the total premium is paid for by both the State and the retiree and or spouse.

*Employees Covered by Benefit Terms* – At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	151
Inactive employee entitled to but not yet receiving benefits	-
Active employees	462
Total	<u>613</u>

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE, CONTINUED

***OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The School Unit's total OPEB liability of \$7,015,132 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018.

*Changes in the Total OPEB Liability*

Balance at June 30, 2019		\$ 6,574,506
Changes for the year:		
Service cost		60,550
Interest		251,731
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes in assumptions or other inputs		391,601
Benefit payments		<u>(263,256)</u>
Net changes		440,626
Balance at June 30, 2020		<u>\$ 7,015,132</u>

Change in assumptions reflects a change in the discount rate from 3.87% to 3.50%.

For the year ended June 30, 2020, The School Unit recognized OPEB expense of \$324,620. At June 30, 2020, The School Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$	
Changes of assumption or other inputs	117,640	-
Unit contributions subsequent to measurement date	318,366	-
Total	<u>\$ 436,006</u>	<u>-</u>

\$318,366 is reported as deferred outflows of resources related to OPEB resulting from School Unit contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	\$ 12,339
2022	12,339
2023	12,339
2024	12,339
2025	12,341
Thereafter	55,943

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE, CONTINUED

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2018 actuarial valuation for the total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	Not reported
Salary increases	2.75% - 14.50% per year
Discount rate	3.50% per annum
Healthcare cost trend rates - Pre-Medicare	5.55% for 2018 grading over 15 years to 3.73%
Healthcare cost trend rates - Medicare	3.72% for 2018 grading over 15 years to 2.81%
Retirees' share of the benefit related costs	55% of the blended premium rate with a State subsidy for the remaining 45% of the blended premium rate

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

**Discount Rate** - The rate used to measure the total OPEB liability was 3.50% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate** - The following presents the School Unit's total OPEB liability calculated using the discount rate of 3.50%, as well as what the Unit's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.50%) or 1 percentage-point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ 8,260,412	7,015,132	6,028,084

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the School Unit's total OPEB liability calculated using the healthcare cost trend rates, as well as what the Unit's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 5,916,774	7,015,132	8,410,694

**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Basic Financial Statements, Continued**

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**RISK MANAGEMENT**

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The School Unit is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the School Unit either carries commercial insurance, is self insured or participates in a public entity risk pool. The School Unit participates in one public entity risk pool, which is sponsored by the Maine School Management Association (MSMA) for Workers' Compensation coverage.

Based on the coverage provided by this pool, as well as commercial insurance purchased, the School Unit is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2020.

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**SUBSEQUENT EVENTS**

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In September 2020, the School Unit issued a revolving loan through the Municipal Bond Bank. The loan has an original principal amount of \$1,078,018, with \$479,179 forgiven on issuance.

**REGIONAL SCHOOL UNIT NO. 18**  
**Required Supplementary Information**

**Schedule of School Unit's Proportionate Share of the Net Pension Liability**  
**Maine Public Employees Retirement System State Employee and Teacher Plan**

Last 10 Fiscal Years\*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>SET Plan</b>						
School Unit's proportion of the net pension liability	0.0428%	0.0442%	0.0412%	0.0497%	0.0383%	0.0432%
School Unit's proportionate share of the net pension liability	\$ 627,219	596,332	598,663	878,719	516,906	466,400
State's proportionate share of the net pension liability associated with the School Unit	<u>17,600,206</u>	<u>16,625,243</u>	<u>17,780,731</u>	<u>22,535,924</u>	<u>17,503,534</u>	<u>13,495,050</u>
<b>Total</b>	<b><u>\$ 18,227,425</u></b>	<b><u>17,221,575</u></b>	<b><u>18,379,394</u></b>	<b><u>23,414,643</u></b>	<b><u>18,020,440</u></b>	<b><u>13,961,450</u></b>
School Unit's covered payroll	\$ 15,881,672	15,679,475	15,300,134	15,559,901	15,264,221	14,484,894
School Unit's proportionate share of the net pension liability as a percentage of its covered payroll	3.95%	3.80%	3.91%	5.65%	3.39%	3.22%
Plan fiduciary net position as a percentage of the total pension liability	82.73%	82.90%	80.78%	76.21%	81.18%	83.91%

*\*Only six years of information available.*

*The amounts presented for each fiscal year were determined as of the prior fiscal year.*

**REGIONAL SCHOOL UNIT NO. 18**  
**Required Supplementary Information, Continued**

**Schedule of School Unit Contributions**  
**Maine Public Employees Retirement System State Employee and Teacher Plan**

Last 10 Fiscal Years\*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>SET Plan</b>						
Contractually required contribution	\$ 671,047	630,502	622,475	514,085	522,813	404,502
Contributions in relation to the contractually required contribution	<u>(671,047)</u>	<u>(630,502)</u>	<u>(622,475)</u>	<u>(514,085)</u>	<u>(522,813)</u>	<u>(404,502)</u>
<b>Contribution deficiency (excess)</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School Unit's covered payroll	16,130,928	15,881,672	15,679,475	15,300,134	15,559,901	15,264,221
Contributions as a percentage of covered payroll	4.16%	3.97%	3.97%	3.36%	3.36%	2.65%

\* Only six years of information available.

**REGIONAL SCHOOL UNIT NO. 18**  
**Required Supplementary Information, Continued**

**Schedule of School Unit's Proportionate Share of the Net OPEB Liability**  
**Last 10 Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
School Unit's proportion of the net OPEB liability	0.00%	0.00%	0.00%
School Unit's proportionate share of the net OPEB liability	-	-	-
State's proportionate share of the net OPEB liability associated with the School Unit	<u>\$ 477,486</u>	<u>486,680</u>	<u>458,635</u>
<b>Total</b>	<b><u><u>\$ 477,486</u></u></b>	<b><u><u>486,680</u></u></b>	<b><u><u>458,635</u></u></b>
Plan fiduciary net position as a percentage of the total OPEB liability	49.22%	48.04%	47.29%

\* Only three years of information available.

Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.

**REGIONAL SCHOOL UNIT NO. 18**  
**Required Supplementary Information**

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**Schedule of Changes in the School Unit's Total Health Plan OPEB Liability and Related Ratios**

Last 10 Fiscal Years\*

	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>		
Service cost	\$ 60,550	64,786
Interest	251,731	242,213
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions or other inputs	391,601	(305,226)
Benefit payments	(263,256)	(254,157)
Net change in total OPEB Liability	<u>440,626</u>	<u>(252,384)</u>
Total OPEB liability - beginning	<u>6,574,506</u>	<u>6,826,890</u>
<b>Total OPEB liability - ending</b>	<b><u>\$ 7,015,132</u></b>	<b><u>6,574,506</u></b>
Covered-employee payroll	\$ 21,273,957	20,704,581
Total OPEB liability as a percent of covered-employee payroll	32.98%	31.75%

*\*Only two years of information available.*



**REGIONAL SCHOOL UNIT NO. 18**  
**Notes to Required Supplementary Information**

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**Net Pension Liability**

Changes of Benefit Terms - None

Changes of Assumptions - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Discount rate - SET	6.750%	6.875%	7.125%	7.125%	7.250%
Inflation rate	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases - SET	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%	3.50-13.50%
Cost of living increases - SET	2.20%	2.20%	2.55%	2.55%	2.55%

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Health Annuitant Mortality Table.

\* This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.

**Net OPEB Liability**

Changes of Benefit Terms - None

Changes of Assumptions - The following are changes in actuarial assumptions used in the most recent valuations regarding the MPERS life insurance plans:

	<u>2018</u>	<u>2017</u>
Discount rate - SET	6.750%	6.875%

**Total OPEB Liability**

Changes of Benefit Terms - None

Changes of Assumptions - The following are changes in actuarial assumptions used in the most recent valuations regarding the MEABT health insurance plans:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
	3.50%	3.87%	3.58%

\* This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.

## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

These statements provide a more detailed view of the "basic financial statements" presented in the preceding subsection.

Combining statements are presented when there are more than one fund of a given fund type.

## **GENERAL FUND**

The General Fund is the general operating fund of the School Unit. All revenues that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

**REGIONAL SCHOOL UNIT NO. 18**  
**General Fund**  
**Comparative Balance Sheets**  
**June 30, 2020**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,027,552	4,673,446
Accounts receivable	143,738	-
Due from other governments	268,166	135,934
Prepaid expenditures	-	14,156
Interfund loans receivable	686,201	-
<b>Total assets</b>	<b>\$ 5,125,657</b>	<b>4,823,536</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	223,316	51,150
Accrued wages and benefits	2,686,216	2,722,990
Interfund loans payable	-	269,664
Total liabilities	2,909,532	3,043,804
Fund balances:		
Nonspendable	-	14,156
Committed	65,000	65,000
Assigned	782,205	776,771
Unassigned	1,368,920	923,805
Total fund balances	2,216,125	1,779,732
<b>Total liabilities and fund balances</b>	<b>\$ 5,125,657</b>	<b>4,823,536</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budgetary Basis**  
**For the Year ended June 30, 2020**

	2020		Variance positive (negative)	2019 Actual
	Budget	Actual		
Revenues:				
Local assessments:				
Belgrade	\$ 6,365,058	6,365,058	-	6,207,940
China	5,038,575	5,038,575	-	4,791,817
Oakland	5,828,970	5,828,970	-	5,543,775
Rome	2,123,761	2,123,761	-	1,889,681
Sidney	4,370,039	4,370,040	1	4,080,383
Total local assessments	23,726,403	23,726,404	1	22,513,596
Intergovernmental:				
State subsidy	13,619,728	13,718,060	98,332	14,090,856
State agency clients	400,000	645,062	245,062	432,540
Total intergovernmental	14,019,728	14,363,122	343,394	14,523,396
Charges for services:				
Tuitions - other	32,000	36,344	4,344	34,128
Rentals	18,000	10,143	(7,857)	18,784
Educational services	-	4,000	4,000	51,367
Transportation	5,000	13,479	8,479	24,765
Total charges for services	55,000	63,966	8,966	129,044
Interest earned	40,000	48,243	8,243	56,051
Other revenues:				
Sale of assets	500	13,685	13,185	7,425
Refunds	-	-	-	3,788
QSCB interest refund	56,325	48,722	(7,603)	50,954
Miscellaneous revenue	7,500	9,261	1,761	60,739
Total other revenues	64,325	71,668	7,343	122,906
Total revenues	37,905,456	38,273,403	367,947	37,344,993
Expenditures:				
Current:				
Regular instruction	17,421,858	16,615,050	806,808	15,859,051
Special education instruction	5,304,353	5,308,907	(4,554)	5,076,129
Career and technical education	5,000	-	5,000	-
Other instruction	730,673	536,102	194,571	727,261
Student and staff support	3,920,779	3,931,283	(10,504)	4,182,093
System administration	842,342	961,712	(119,370)	931,100
School administration	1,957,436	2,036,359	(78,923)	1,956,569
Transportation	2,423,691	2,321,588	102,103	2,381,879
Facilities and maintenance	5,059,724	5,121,888	(62,164)	4,940,601
Debt service	849,600	856,929	(7,329)	858,393
Total expenditures	38,515,456	37,689,818	825,638	36,913,076

**REGIONAL SCHOOL UNIT NO. 18**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-**  
**Budget and Actual-Budgetary Basis, Continued**

	2020		Variance positive (negative)	2019 Actual
	Budget	Actual		
Excess (deficiency) of revenues over (under) expenditures	\$ (610,000)	583,585	1,193,585	431,917
Other financing sources (uses):				
Use of fund balance	750,000	-	(750,000)	-
Transfers to other funds	(140,000)	(152,626)	(12,626)	(325,000)
Total other financing sources (uses)	610,000	(152,626)	(762,626)	(325,000)
Reconcile to GAAP basis reporting:				
Change in assigned fund balance	-	5,434	5,434	365
Net change in fund balance	-	436,393	436,393	107,282
Fund balance, beginning of year		1,779,732		1,672,450
<b>Fund balance, end of year</b>	<b>\$</b>	<b>2,216,125</b>		<b>1,779,732</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

**State and Federal Special Revenues** – This fund is used to account for all federal, state, and local grants received and spent by the School Unit.

**Adult Education Fund** – This fund accounts for the state subsidy and local allocation used to fund the adult education program, as well as revenues derived from fees and tuition and expenditures related to running the program.

**Permanent Funds** – This fund is used to account for the scholarship funds, including restricted principal and earnings.

**REGIONAL SCHOOL UNIT NO. 18**  
**Combining Balance Sheet**  
**All Other Governmental Funds**  
**June 30, 2020**

	<b>Special Revenue Funds</b>				<b>Total Other Governmental Funds</b>
	<b>State and Federal Special Revenues</b>	<b>Adult Education Fund</b>	<b>Capital Projects</b>	<b>Permanent Funds</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	-	-	20,951	20,951
Investments	-	-	-	922,075	922,075
Due from other governments	482,867	-	-	-	482,867
Interfund loans receivable	-	11,840	-	26,598	38,438
<b>Total assets</b>	<b>\$ 482,867</b>	<b>11,840</b>	<b>-</b>	<b>969,624</b>	<b>1,464,331</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	14,099	-	-	522	14,621
Accrued wages and benefits	185	-	-	-	185
Interfund loans payable	392,075	-	56,688	-	448,763
<b>Total liabilities</b>	<b>406,359</b>	<b>-</b>	<b>56,688</b>	<b>522</b>	<b>463,569</b>
Fund balances:					
Nonspendable:					
Permanent fund principal	-	-	-	404,785	404,785
Restricted:					
School grants	77,630	-	-	-	77,630
Permanent fund earnings	-	-	-	564,317	564,317
Committed	795	11,840	-	-	12,635
Unassigned	(1,917)	-	(56,688)	-	(58,605)
<b>Total fund balances (deficit)</b>	<b>76,508</b>	<b>11,840</b>	<b>(56,688)</b>	<b>969,102</b>	<b>1,000,762</b>
<b>Total liabilities and fund balances</b>	<b>\$ 482,867</b>	<b>11,840</b>	<b>-</b>	<b>969,624</b>	<b>1,464,331</b>



**REGIONAL SCHOOL UNIT NO. 18**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**All Other Governmental Funds**  
**For year ended June 30, 2020**

	<u>Special Revenue Funds</u>					<b>Total Other Governmental Funds</b>
	<b>State and Federal Special Revenues (Schedule 1)</b>	<b>Adult Education Fund</b>	<b>Capital Projects</b>	<b>Permanent Funds (Schedule 2)</b>		
<b>Revenues:</b>						
Local assessment	\$ -	22,709	-	-		22,709
Intergovernmental	1,903,141	17,771	-	-		1,920,912
Charges for services	-	10,227	-	-		10,227
Donations	-	-	-	8,740		8,740
Investment income	-	-	-	(29,258)		(29,258)
Other revenue	32,188	-	-	-		32,188
<b>Total revenues</b>	<b>1,935,329</b>	<b>50,707</b>	<b>-</b>	<b>(20,518)</b>		<b>1,965,518</b>
<b>Expenditures:</b>						
<b>Current:</b>						
Adult education	-	69,166	-	-		69,166
Other program expenditures	1,941,291	-	-	25,611		1,966,902
Capital outlay	-	-	56,688	-		56,688
<b>Total expenditures</b>	<b>1,941,291</b>	<b>69,166</b>	<b>56,688</b>	<b>25,611</b>		<b>2,092,756</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(5,962)</b>	<b>(18,459)</b>	<b>(56,688)</b>	<b>(46,129)</b>		<b>(127,238)</b>
<b>Other financing sources (uses):</b>						
Transfers from other funds	12,626	-	-	-		12,626
<b>Total other financing sources (uses)</b>	<b>12,626</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>12,626</b>
<b>Net change in fund balances</b>	<b>6,664</b>	<b>(18,459)</b>	<b>(56,688)</b>	<b>(46,129)</b>		<b>(114,612)</b>
<b>Fund balances, beginning of year</b>	<b>69,844</b>	<b>30,299</b>	<b>-</b>	<b>1,015,231</b>		<b>1,115,374</b>
<b>Fund balances (deficit), end of year</b>	<b>\$ 76,508</b>	<b>11,840</b>	<b>(56,688)</b>	<b>969,102</b>		<b>1,000,762</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Fiduciary Funds - Agency Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2020**

	Messalonskee High School Activity Funds (Schedule 3)	Messalonskee High School Athletics Funds (Schedule 4)	Messalonskee Middle School Activity Funds (Schedule 5)	Belgrade Central School Activity Funds (Schedule 6)	James H. Bean School Activity Funds (Schedule 7)	Atwood Tapley School Activity Funds (Schedule 8)	Williams Elementary Activity Funds (Schedule 9)	Total all Other (below)	Totals
<b>ASSETS</b>									
Cash and cash equivalents	\$ 138,769	30,953	25,550	33,810	14,316	19,107	20,844	37,741	321,090
Interfund loans receivable	53,095	32,818	12,684	-	-	-	-	33,719	132,316
<b>Total assets</b>	<b>191,864</b>	<b>63,771</b>	<b>38,234</b>	<b>33,810</b>	<b>14,316</b>	<b>19,107</b>	<b>20,844</b>	<b>71,460</b>	<b>453,406</b>
<b>LIABILITIES</b>									
Accounts payable	599	567	653	77	147	-	150	7,015	9,208
Interfund loans payable	-	-	-	-	-	-	-	4,437	4,437
Amounts held for others	191,265	63,204	37,581	33,733	14,169	19,107	20,694	60,008	439,761
<b>Total liabilities</b>	<b>\$ 191,864</b>	<b>63,771</b>	<b>38,234</b>	<b>33,810</b>	<b>14,316</b>	<b>19,107</b>	<b>20,844</b>	<b>71,460</b>	<b>453,406</b>

	China Primary Activity Funds (Schedule 10)	China Middle School Activity Funds (Schedule 11)	Central Maine Inclusive Schools	Kennebec Valley Superintendents Association	Kennebec Consortium	Medical Reimbursements	Other Agency	MCCL Cohort	RISC	Total all Other
<b>ASSETS</b>										
Cash and cash equivalents	\$ 21,102	16,639	-	-	-	-	-	-	-	37,741
Interfund loans receivable	-	-	16,781	1,516	2,634	-	-	12,788	-	33,719
<b>Total assets</b>	<b>21,102</b>	<b>16,639</b>	<b>16,781</b>	<b>1,516</b>	<b>2,634</b>	<b>-</b>	<b>-</b>	<b>12,788</b>	<b>-</b>	<b>71,460</b>
<b>LIABILITIES</b>										
Accounts payable	320	1,976	-	-	-	4,719	-	-	-	7,015
Interfund loans payable	-	-	-	-	-	608	2,938	-	891	4,437
Amounts held for others	20,782	14,663	16,781	1,516	2,634	(5,327)	(2,938)	12,788	(891)	60,008
<b>Total liabilities</b>	<b>\$ 21,102</b>	<b>16,639</b>	<b>16,781</b>	<b>1,516</b>	<b>2,634</b>	<b>-</b>	<b>-</b>	<b>12,788</b>	<b>-</b>	<b>71,460</b>

## **SCHEDULES**

**REGIONAL SCHOOL UNIT NO. 18**  
**Special Revenue Funds-State and Federal**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For year ended June 30, 2020**

		Fund balances (deficits) beginning of year	Revenues		Program expenditures	Transfers in (out)	Fund balances (deficits) end of year
			Federal funds	State and Other revenues			
Federal funds:							
2470	Local Entitlement	-	707,353	-	715,396	9,500	1,457
2510	Local Entitlement - Preschool Program	-	11,847	-	11,847	-	-
2606	Coronavirus relief fund	-	199,696	-	199,696	-	-
2609	Coronavirus relief fund #2	-	103,063	-	103,063	-	-
2990	Title IA	647	661,076	-	664,849	3,126	-
2990	Title IIA - Supporting Effective Instruction	-	127,174	-	127,174	-	-
2990	Title V	-	92,932	-	92,932	-	-
Total federal funds		647	1,903,141	-	1,914,957	12,626	1,457
Other programs:							
2040	Melmac	(174)	-	174	-	-	-
2050	Robotics donation	64	-	-	-	-	64
2081	Local grants	5,218	-	4,500	11,635	-	(1,917)
2100	Customized Learning	25,999	-	-	2,500	-	23,499
2170	Oak Grove grant	1,247	-	-	-	-	1,247
2232	Proficiency based grant	31,963	-	15,020	-	-	46,983
2233	Educator effectiveness grant	1,554	-	-	768	-	786
2238	Momentum grant	(1,481)	-	12,494	11,013	-	-
2250	Dental	730	-	-	-	-	730
2460	Medicaid reimbursements	1,213	-	-	418	-	795
2830	Wellness program	428	-	-	-	-	428
2840	Messalonskee trails	1,283	-	-	-	-	1,283
9030	Anti-bullying program	1,153	-	-	-	-	1,153
Total other programs		69,197	-	32,188	26,334	-	75,051
<b>Total</b>		<b>\$ 69,844</b>	<b>1,903,141</b>	<b>32,188</b>	<b>1,941,291</b>	<b>12,626</b>	<b>76,508</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Permanent Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For year ended June 30, 2020**

	Beginning of year		Revenues					Fund	End of year	
	Fund balances		Change in			Program	balances	Fund balances		
	Nonspendable	Restricted	Interest	market value	Donations	expenditures	Transfers	end	Nonspendable	Restricted
	principal	Earnings						of year	principal	Earnings
<b>Permanent Funds:</b>										
Benjamin	\$ 13,000	26,249	312	(1,762)	-	-	-	37,799	13,000	24,799
Bucholz, Henry and Elizabeth	42,105	-	368	(1,892)	-	-	-	40,581	40,581	-
Gowell Fund	700	1,508	18	(99)	-	-	-	2,127	700	1,427
Hollingsworth	220,655	202,482	3,531	(11,577)	-	4,500	-	410,591	220,655	189,936
Jucius, Donna - Memorial	10,000	865	86	(488)	-	-	-	10,463	10,000	463
Kappler, Charles - Stock	50,000	8,913	-	(4,850)	-	-	-	54,063	50,000	4,063
Luce, Donald F.	10,000	1,187	88	(480)	-	500	-	10,295	10,000	295
Messalonskee Fish and Game	8,793	-	70	(384)	-	250	-	8,229	8,229	-
Messalonskee High School Ice Hockey	27,251	13,745	216	(878)	-	3,954	-	36,380	27,251	9,129
Newcombe	2,736	256	22	(134)	-	-	-	2,880	2,736	144
Sidney Lion Club	8,500	6,434	123	(693)	-	-	-	14,364	8,500	5,864
Spooner, Eunice	10,000	4,009	118	(607)	-	500	-	13,020	10,000	3,020
Therriault, Susan - Memorial Scholarship	2,708	223	23	(120)	-	250	-	2,584	2,708	(124)
Williams, EP	425	870	10	(58)	-	-	-	1,247	425	822
Zinckgraf, Lori - Scholarship	5,000	(4,971)	-	-	-	-	(29)	-	-	-
<b>Other Funds:*</b>										
Adult Education Scholarship	-	2,367	19	(106)	-	-	-	2,280	-	2,280
Albanese, J. Duke	-	7,124	56	(320)	-	-	-	6,860	-	6,860
Buchsbaum, Margo	-	103	2	-	500	500	-	105	-	105
Charette Scholarship	-	4	-	-	-	-	-	4	-	4
Easler Scholarship	-	805	6	(27)	-	200	-	584	-	584
Folsom, Phebe R. - Memorial School	-	1,037	8	(47)	-	-	-	998	-	998
Forsley	-	-	-	-	1,000	-	-	1,000	-	1,000
Fowle, Robert Trust	-	148,381	1,175	(6,661)	-	-	-	142,895	-	142,895
Gallagher	-	10,279	82	(461)	-	-	-	9,900	-	9,900
General Trusts	-	6	-	-	-	-	-	6	-	6
George Kohl Scholarship	-	947	14	(43)	-	500	-	418	-	418
Jancovic, Brian - Memorial School	-	8,785	66	(394)	-	500	-	7,957	-	7,957
Hallowell Memorial Scholarship	-	1,173	10	(42)	500	500	-	1,141	-	1,141
Jurdak, M. - Memorial Scholarship	-	-	1	-	-	-	-	1	-	1
Kappler, Charles - Trust	-	31,874	2,222	(1,247)	-	9,575	-	23,274	-	23,274
KMD DR	-	(400)	-	-	400	-	-	-	-	-
Leigh Scholarship	-	14,416	109	(647)	-	1,000	-	12,878	-	12,878
Maine Community Foundation	-	2,420	-	-	2,490	-	-	4,910	-	4,910
Marston, B.	-	6,239	43	(258)	-	500	-	5,524	-	5,524
Melmac	-	2,000	-	-	2,000	-	-	4,000	-	4,000
Messalonskee Players	-	4,856	40	(218)	-	1,000	-	3,678	-	3,678
MHS Outstanding Leadership	-	125	1	(6)	-	-	-	120	-	120
Morin, Joe - Scholarship	-	1,837	14	(74)	-	200	29	1,606	-	1,606
Needham Memorial Fund	-	240	1	(11)	-	-	-	230	-	230
Pelletier, Pam - School FD	-	2	1	-	-	-	-	3	-	3
Sappi-pass through	-	500	-	-	1,000	500	-	1,000	-	1,000
St. Pierre, Ron - Memorial School	-	599	4	(27)	850	300	-	1,126	-	1,126
Tillson, Anson	-	70,869	563	(3,164)	-	382	-	67,886	-	67,886
China educational enrichment fund	-	25,000	218	(1,123)	-	-	-	24,095	-	24,095
<b>Total</b>	<b>\$ 411,873</b>	<b>603,358</b>	<b>9,640</b>	<b>(38,898)</b>	<b>8,740</b>	<b>25,611</b>	<b>-</b>	<b>969,102</b>	<b>404,785</b>	<b>564,317</b>

\* The School Unit has chosen to record all scholarship funds as permanent funds, regardless of whether or not they have a permanent, nonspendable principal balance.

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Messalonskee High School Activities**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Agriculture Club	\$ 3,132	815	595	3,352
A.P. testing	4,592	13,802	12,948	5,446
Art	52	412	-	464
Atlantic Salmon Aquarium Grant	5	-	1	4
Auto registration	3,064	1,184	2,182	2,066
Band MHS	3,875	4,420	5,405	2,890
Band MMS	1,193	866	124	1,935
Band rental	2,430	245	809	1,866
Chess club	10	-	-	10
Chorus	493	18,663	18,711	445
Chorus travel	788	5,308	3,483	2,613
Civil rights	117	-	-	117
Class of 2006	167	-	-	167
Class of 2010	115	-	-	115
Class of 2011	4,016	-	-	4,016
Class of 2013	1,368	-	-	1,368
Class of 2014	2,111	-	-	2,111
Class of 2015	7,066	-	-	7,066
Class of 2018	1,099	-	-	1,099
Class of 2019	6,965	-	2,335	4,630
Class of 2020	23,503	15,197	15,996	22,704
Class of 2021	5,829	6,060	2,135	9,754
Class of 2022	4,175	1,062	450	4,787
Class of 2023	-	1,599	340	1,259
Community service	220	-	-	220
Drama	3,886	4,566	957	7,495
Drama boosters	1,428	450	217	1,661
Drug free grant	1,513	-	153	1,360
Ear buds	210	-	-	210
Empty bowls	450	3,533	3,690	293
Fast break café	1,781	5,736	7,002	515
Food bank	5,117	5,265	3,535	6,847
Interest	425	521	426	520
JMG	1,951	405	-	2,356
Key club	1,595	351	336	1,610

*continued*

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Messalonskee High School Activities**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances, Continued**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Gay straight alliance	\$ 213	544	-	757
Girl up	39	-	-	39
Gold ribbon group	1,090	491	586	995
Healthy Northern Kennebec grant	166	-	18	148
HNK seminar courses	1,600	-	-	1,600
Homeless	242	500	100	642
Laptop insurance	535	9,358	9,893	-
Let's go grant	547	444	481	510
Library	1,250	58	23	1,285
Library fair grant	6	-	6	-
ME AG classroom grant	-	1,000	-	1,000
Miscellaneous	3,254	3,751	5,019	1,986
National honor society	605	1,000	1,301	304
Oak grove grants	63	2,157	2,099	121
Outing Club	3	500	-	503
Peoples interest	975	1,163	-	2,138
Photography club	17	-	-	17
PSAT	2,507	-	-	2,507
Quebec exchange	269	-	-	269
Robotics team	36,384	29,587	13,221	52,750
Rochwind-Wagner foundation grant	3,000	-	2,600	400
Service learning project	25	-	-	25
Social studies	60	-	-	60
Space exploration grant	100	-	-	100
Student council	500	2,230	845	1,885
Student activity fund	825	-	-	825
Student assistance fund	2,000	1,144	65	3,079
Tech ed	169	168	11	326
Tri M	30	100	116	14
Vending	272	222	185	309
Year end studies	621	-	200	421
Yearbook	10,721	12,547	9,790	13,478
<b>Total</b>	<b>\$ 162,829</b>	<b>157,424</b>	<b>128,389</b>	<b>191,864</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Messalonskee High School Athletics**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Baseball players	\$ -	1,427	1,427	-
Baseball summer	4	-	3	1
Basketball - boys	1,240	-	1,240	-
Basketball players - boys	295	3,730	3,323	702
Basketball - boys summer	3,403	2,830	6,233	-
Boys lacrosse	33	-	33	-
Boys lacrosse players	1,570	422	1,967	25
Boys lacrosse summer	1,035	2,415	3,439	11
Boys soccer	-	420	420	-
Boys soccer players	1,499	3,820	3,556	1,763
Boys soccer summer	653	870	1,520	3
Boys tennis players	5	8	-	13
Coulombe memorial	95	-	-	95
Cross country	6	-	6	-
Cross country players	1	68	-	69
Eagle cup	1,236	-	-	1,236
Fall cheerleaders	2,953	-	-	2,953
Field management	-	9,665	-	9,665
Football	2,235	64	2,299	-
Football players	2,486	1,574	3,289	771
Girls basketball	1,213	-	1,213	-
Girls basketball players	3	5,752	4,730	1,025
Girls basketball summer	4,074	1,030	3,329	1,775
Girls lacrosse	4	-	4	-
Girls lacrosse players	1,000	153	326	827
Girls soccer players	89	3,200	2,461	828
Girls tennis	25	-	25	-
Girls tennis players	126	25	-	151
Golf players	279	1,125	920	484
Hanna memorial	3,855	-	-	3,855
Ice hockey	613	-	613	-
Ice hockey players	355	3,923	2,687	1,591
Indoor track	10	1,971	1,981	-
Interest	757	232	71	918
Lofstrom memorial	90	-	-	90
MASB concessions	15,165	35,905	29,323	21,747
Messalonskee all sports boosters	5,295	3,479	7,642	1,132
Middle school baseball	15	-	-	15
Middle school softball	-	18	-	18
Middle school swim	483	650	1,133	-
Miscellaneous	84	254	289	49
Sarasky memorial	55	-	-	55
Serson memorial	104	-	-	104
Soccer summer	98	751	800	49
Softball players	1,193	451	24	1,620
Softball summer	9	-	-	9
Summer league stix	127	3,072	2,193	1,006
Swim players	1,432	4,757	5,392	797
Ticket sales	8,270	29,742	34,518	3,494
Track and field	39	-	39	-
Track complex	2,878	-	219	2,659
Track players	356	670	1,021	5
Volleyball club	1,329	5,199	5,373	1,155
Winter cheerleaders	1,006	-	-	1,006
<b>Total</b>	<b>\$ 69,180</b>	<b>129,672</b>	<b>135,081</b>	<b>63,771</b>



**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Messalonskee Middle School Activities**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
8th grade account	\$ 78	-	-	78
Action for healthy kids	171	-	171	-
Band	1,174	225	520	879
Band camp	1,326	-	-	1,326
Bicycle coalition grant	3	-	-	3
Book fair	18	2,385	2,353	50
Boxtops	1	-	-	1
Boys lacrosse	76	-	76	-
Cheering	-	200	-	200
Chorus	15	-	-	15
Christmas magic	397	-	-	397
Civil rights	1,809	-	-	1,809
Class of 2023	250	-	250	-
Class of 2024	862	-	-	862
Class of 2025	602	-	-	602
Class of 2026	-	701	-	701
Damon - ticket to ride	72	-	72	-
Dress down day	512	322	472	362
Drink machines	380	201	-	581
Drug free general	1,172	171	1,165	178
Fishing club	17	15	32	-
Foreign language	37	250	180	107
Gay straight alliance	176	-	-	176
Gen youth guidance grant	1,256	1,103	1,054	1,305
General	3,528	7,002	7,285	3,245
Girls basketball	-	3,257	3,405	(148)
Girls lacrosse	493	-	-	493
Green team	40	-	-	40
Gr Leigh Scholarship	600	-	-	600
Guidance	199	-	170	29
Healthy northern Kennebec grant	193	-	173	20
Inland grant	573	-	-	573
Interest	231	471	384	318
Laptop	81	8,590	8,671	-
Library	743	90	114	719
Lifeskills program	-	344	66	278
Magazines	700	4,843	3,366	2,177
Maine AG in the classroom	690	-	-	690
Maine autism leadership team	194	-	-	194
Natural resources council Maine	8	-	-	8
OT enterprise group	20	279	173	126
Outing club	89	-	-	89
Soccer grant	41	-	-	41
Student leadership	1,031	129	135	1,025
Student needs	1,084	1,110	622	1,572
Summer school	363	-	-	363
Team Atlantic	1,411	975	465	1,921
Team Baxter	-	1,250	180	1,070
Team Boothbay	1,070	160	321	909
Team Dirigo	917	1,425	552	1,790
Team Evergreen	2,462	3,669	2,463	3,668
Team Highlands	1,288	210	606	892
Team Katahdin	1,697	-	-	1,697
Team Kennebec	1,067	1,897	969	1,995
Team Pemaquid	1,445	-	-	1,445
Ticket to ride grant	500	-	-	500
Veterans assembly fund	-	100	-	100
Yearbook	1,139	1,570	2,546	163
<b>Total</b>	<b>\$ 34,301</b>	<b>42,944</b>	<b>39,011</b>	<b>38,234</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Belgrade Central School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Birthday book club	\$ 560	550	303	807
Children's theater grant	6,924	3,557	5,574	4,907
Computer fund	551	-	551	-
Cross country skiing	20	-	20	-
Damon Alexander fund	120	251	34	337
Ecology club fund	1,339	-	1,339	-
Enrichment fund	9,489	7,540	4,912	12,117
Family assistance fund	1,421	25	-	1,446
Field trip fund	-	530	-	530
Gabriel Stocco Fund	3,275	225	324	3,176
General fund	212	3,728	1,499	2,441
Grant action for healthy kids	59	-	59	-
Guptil fund	1,136	1,500	1,137	1,499
Historical fund	24	-	24	-
Interest	174	121	175	120
Jeans fund	3,175	-	1,485	1,690
Let's go grant	1,000	438	1,438	-
Library	521	235	309	447
Music fund	18	18	-	36
Principal fund	3,124	2,110	2,691	2,543
Running club	181	1,414	1,223	372
Sunshine fund	586	1,224	468	1,342
Target field trip grant	13	-	13	-
Ticket to ride grant	517	-	517	-
<b>Total</b>	<b>\$ 34,439</b>	<b>23,466</b>	<b>24,095</b>	<b>33,810</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**James H. Bean School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Birthday book club	\$ 1,969	778	1,228	1,519
Box tops for education	2,738	1,125	1,456	2,407
Friends of the library	194	350	400	144
Fundraiser	6,049	8,746	8,929	5,866
Grant for art	246	-	-	246
Guidance	1,289	-	60	1,229
Interest earned	60	54	61	53
Jeans fund	228	363	100	491
Lost books account	624	73	-	697
Music	183	-	45	138
Physical education	559	-	494	65
School account	18	1,786	1,583	221
Social committee	206	-	122	84
Community support	-	1,635	479	1,156
<b>Total</b>	<b>\$ 14,363</b>	<b>14,910</b>	<b>14,957</b>	<b>14,316</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Atwood Tapley School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Atwood technology	\$ 35	-	35	-
Book fair	-	2,901	2,895	6
Box tops	702	410	343	769
Dollar general grant	98	-	-	98
Donations	4,094	3,233	684	6,643
Donated bottles	2	2	4	-
Family foundation	50	-	50	-
Hannaford helps	580	-	-	580
Holiday fund	483	175	-	658
Instruction	88	-	88	-
Interest checking	110	62	2	170
Interest savings	19	-	19	-
Jeans	568	5	200	373
Kingdon family fund	764	200	179	785
Library	292	185	111	366
Maine agriculture in classroom	615	1,700	700	1,615
Nutrition	1,702	-	1,702	-
Square 1 art	6,732	852	2,117	5,467
School account	1,696	5,184	5,721	1,159
T-shirt sales	-	3,472	3,054	418
<b>Total</b>	<b>\$ 18,630</b>	<b>18,381</b>	<b>17,904</b>	<b>19,107</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**Williams Elementary School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Alternative education	\$ 720	-	-	720
Box tops for education	3,307	15	169	3,153
Civil rights	25	-	25	-
General fund	4,283	8,351	6,293	6,341
Grade 3	415	-	415	-
Grade 4	808	-	808	-
Grade 5	1,976	-	1,976	-
Hannaford helps	738	-	579	159
Ink cartridges	728	-	728	-
Inland hospital grant	1,251	416	415	1,252
Interest checking	185	77	185	77
Interest savings	112	-	112	-
Library/lost book fund	739	225	154	810
Maine Ag in the classroom	1,030	300	103	1,227
Nurse	23	-	23	-
Odyssey of the mind	819	590	569	840
Pencils	1,238	-	-	1,238
Picture	3,263	115	-	3,378
Postage	135	-	135	-
Samuel Leigh Memorial fund	-	500	209	291
Target Grant	400	-	-	400
Ticket to ride grant	958	-	-	958
<b>Total</b>	<b>\$ 23,153</b>	<b>10,589</b>	<b>12,898</b>	<b>20,844</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**China Primary School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

		Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Action for healthy kids	\$	327	-	327	-
Book fair		1,839	3,420	3,408	1,851
CVS grant		152	-	152	-
ME agriculture in the classroom grant		405	-	405	-
Jeans fund		158	190	230	118
Let's go grant		49	585	569	65
Library		250	-	-	250
Oakland United Baptist		16	-	16	-
Playground		575	-	575	-
Pre-K classroom		284	-	-	284
Principal		16,408	22,712	21,916	17,204
School pop.com		82	-	82	-
School forest		-	241	-	241
School garden		-	149	-	149
Target Field trip		171	700	-	871
Ticket to ride grant		100	-	100	-
UW community transformation		92	-	92	-
Watch dogs project		69	-	-	69
<b>Total</b>	<b>\$</b>	<b>20,977</b>	<b>27,997</b>	<b>27,872</b>	<b>21,102</b>

**REGIONAL SCHOOL UNIT NO. 18**  
**Agency Fund**  
**China Middle School**  
**Statement of Cash Receipts, Disbursements, and Changes in Balances**  
**For year ended June 30, 2020**

	Balance July 1, 2019	Receipts	Disbursements	Balance June 30, 2020
Athletics boosters	\$ 4,926	4,457	4,269	5,114
Book fair	528	-	-	528
Box tops	1,189	54	1,038	205
Community education	1,580	1,000	2,580	-
Current 8th grade	960	4,995	3,144	2,811
Let's go grant	4	416	415	5
MLTI	-	3,440	3,440	-
Non-music project	4	-	-	4
Oak Grove Foundation Grant	2,222	-	223	1,999
Principal	2,430	3,841	4,785	1,486
JMG account	254	-	-	254
Samuel Leigh Memorial fund	-	600	558	42
Student	262	2,180	1,610	832
Student council	1,524	1,314	1,200	1,638
Target field trips	432	700	60	1,072
Yearbook	1,395	670	1,416	649
<b>Total</b>	<b>\$ 17,710</b>	<b>23,667</b>	<b>24,738</b>	<b>16,639</b>