

Dirigo Health Agency

Balance Sheet*

as of
June, 2008

Assets:

Current:

** Cash	\$ (16,537,639)
Accounts Receivable (Net)	\$ 1,309,342
Due From Other Funds	\$ (228,981)
Prepaid Expenses	\$ -
Working Capital Advance	\$ 98,423

Total Assets: \$ (15,358,855)

Liabilities:

Current:

Due to Other Funds (Treasury for Discounts)	\$ 293,248
Payable Compensated Absc.	\$ 82,789
Deferred Revenue	\$ -
Accounts Payable	\$ 79,585

Total Liabilities: \$ 455,622

Fund Equity:

Balance Beginning of Year	\$ 12,264,293
Reserve for Encumbrances	\$ (327,403)
Unidentified Equity	\$ -
Gain(Loss) from Operations	\$ (27,751,367)
Balance End of Period	\$ (15,814,477)

Total Liabilities and Fund Equity: \$ (15,358,855)

\$ - **unidentified**

Notes:

*Unaudited Statement - Without accompanying discussion this document is incomplete
Source Documentation - Fortis Trial Balance Report A6141

** Savings Offset Payment reported for the State Fiscal Year 2008 does not reflect the Full Year 2 Savings Offset Payments.
It is projected that there is an additional \$18,720,650 of SOP Year 2 Revenue that will be collected over the first three quarters of State Fiscal Year 2009.

*** Structural Deficit - The Agency applied \$11,300,000 of its remaining prior year funding (original allocation of \$53M) to budgeted subsidy FY08 expenditures. In FY09 the Agency does not have sufficient funding from prior years for subsidy, so the Agency has budgeted subsidy expenses based only on anticipated revenue from the SOP.

Comments:

- (1) Assets: are in general economic resources owned by the Agency. In our case this is usually comprised of Cash, amounts owed to us, and items we have pre-paid for.
- (2) Liabilities: debts of the Agency which have been recognized. We show the amount of discounts not yet taken but authorized, and amounts owed for billed materials or services.
- (3) Fund Equity: the "net value" of the Agency. The amount of economic resources available to fund future operations. This amount always equals Assets minus Liabilities, and is shown with the Fiscal Year's beginning balance and the net of all other financial activity.
- (4) Cash: this is the amount of actual cash we have on hand as of the date of the report. It includes amount remaining of our initial funding. The total of all Liabilities should be subtracted from the cash balance as these amounts are approved expenditures and are pending payment.
- (5) Accounts Receivable: These are amounts owed to the Agency for various reasons. We typically have amounts due to us because we have billed for Returned Check Fees, Unearned Discounts and amounts still due for coverage for previous months.