

**MESD BUSINESS SERVICES**  
**Financial Update Summary**  
**Board Finance Committee – 5/7/2026**

**March 31, 2026 FINANCIAL REPORT**

**Legal Compliance:** As of the end of March, all expenditures are within budget appropriation and in compliance with legal requirements.

**Cash Balance, All Funds:** The MESD's combined cash balance for all funds was \$31.1 million at the end of March. This is 3% below our cash balance last year at this point.

**Resolution Services Fund 1:** Fund 1 is \$2.5 million or 11% below last year. Beginning fund balance and transit payment timing are the most significant factors.

**Contracted Services Fund 2:** Fund 2 continues to show a negative cash balance due to timing issues with revenue collection for reimbursable expenses.

**Operating Fund 6:** Fund 6 is nearly level with last year.

**Revenues:** Recorded revenues in Funds 1, 2, and 6 through the end of March total \$80.9 million, which is 0.9% below last year. State, Federal and Local Sources have received less revenue as compared with FY 2025.

**Expenditures:** Agency expenditures through March total \$66.1 million, a decrease of \$619 thousand or 0.9% below last year.

At the department level, the largest differences are in Instructional Services and Special Education. FY 2025 was the final year of the ESSER grants.

**Transits and Other Transfers:** Through March, transits have totaled \$3 million (as compared to \$1.6 million through March 2025).

**Interfund Transfers:** Through March, \$5.2 million in SSF and property tax funds (10% of total receipts, as per statute) has been transferred to the Operating Fund to offset FY 2026 operating costs.

**Upcoming Events:**

**2025-26 Budget.** A final amendment to the 2025-26 budget is planned prior to the end of the fiscal year. The amendment will include a rebalancing of expenditures between Resolution and Contract funds for the LSP services provided to districts.

**2026-27 Budget.** The TSCC will hold a public hearing on May 19<sup>th</sup> at 6:00pm to discuss and certify the approved budget. The draft adopted budget will be presented to the MESD Board at its June meeting.