

## MESD BUSINESS SERVICES

### Financial Update Summary

Board Finance Committee - 5/8/2025

#### March 31, 2025 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 \$31.9 million at the end of March. This is nearly even with our cash balance last year at this point.

**Resolution Services Fund 1:** Fund 1 is \$4.6 million or 16% lower than last year. Significant factors are beginning fund balance, the timing on transit payments (more info below) and Special Education services increases.

**Contracted Services Fund 2:** Fund 2 continues to show a negative cash balance due to timing issues with revenue collection for reimbursable expenses. There are \$12.5 million in outstanding receivables at March 31.

**Operating Fund 6:** Fund 6 is \$280 thousand or 3% below last year. Significant factors include increased personnel costs and the one-time catchup transfer to Fund 4 reserves.

**Revenues:** Recorded revenues in Funds 1, 2, and 6 through the end of March total \$81.6 million, which is 10.7% above this time last year. State sources is the most significant factor. This is in large part due to timing on receipt of Hospital Program funding and the shift of Rivercrest Academy from component district funding to state funding.

**Expenditures:** Agency expenditures through March total \$66.7 million, an increase of \$5.6 million or 9.1% above last year.

Special Education Services is up 17.7%, with the largest increase at Wheatley. Instructional Services, on the whole, is up 10.8% above last year with the largest increases in the ESD Student Success Act Technical Assistance and at Rivercrest Academy.

**Transits and Other Transfers:** Through March, transits have totaled \$1.6 million (as compared to \$578 thousand through March 2024). MESD has completed the \$2 million in Emergency Aid loan payments to Corbett School District.

**Interfund Transfers:** To date, \$5.0 million in SSF and property tax funds (10% of total receipts, as per statute) has been transferred to the Operating Fund to offset FY 2025 operating costs.

#### Upcoming Events:

**2024-25 Budget.** A final amendment to the 2024-25 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.

**2025-26 Budget.** The TSCC will hold a public hearing on May 20<sup>th</sup> at 6:00pm to discuss and certify the approved budget. The adopted budget is scheduled to be presented to the MESD Board at its June meeting.