

MESD BUSINESS SERVICES

Financial Update Summary

Board Finance Committee - 10/17/2022

August 31, 2022 FINANCIAL REPORT

Legal Compliance: As of the end of August, 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 \$12.3 million at the end of August. This is 23% lower than our cash balance last year at this point.

Resolution Services Fund 1: Fund 1 is \$2.2 million or 25% lower than last year. There are nearly \$2 million in outstanding receivables as of August 31st.

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

Operating Fund 6: Fund 6 is \$636 thousand or 13% lower than last year. Beginning fund balance is the most significant factor.

Revenues: Recorded revenues in Funds 1, 2, and 6 through the end of August total \$3.1 million, which is 4% lower than this time last year. The largest factor is the State School Fund revenue. We are expecting more of our State School Fund support to come through Property Taxes than in FY 2022.

Expenditures: Agency expenditures through the end of August total \$7.2 million, an increase of \$844 thousand or 13.3% more than last year.

As compared with last year the most significant increases are in Student Success Act (SSA) technical assistance, Networking (the fiber project), and FLS Extended School Year.

The Financial Report on page 10 shows FY 2022 Fund 6 YTD expenditures as 1.60% of the total year end actuals. Excluding the large PERS UAL payment and bond issuance costs, the FY 2022 Fund 6 YTD expenditures were 11.13% of total year end actuals.

Transits: Through August there have been no requests from districts for transit payments. MESD normally begins payments in late November or early December after we receive property tax distributions.

Transfers Out: To date, \$193 thousand in SSF and property tax funds (10% of total receipts, as per statute) has been transferred to the Operating Fund to offset FY 2022 operating costs.

Upcoming Events:

The first FY 2023 budget amendment will true-up beginning fund balances and is scheduled for November.

Representatives from TKW will present their report on the 2022 fiscal year to the Board Finance Committee in an upcoming meeting, likely in November.