

## **MESD BUSINESS SERVICES**

### **Financial Update Summary**

#### **Board Finance Committee – 12/11/2025**

##### **October 31, 2025 FINANCIAL REPORT**

**Legal Compliance:** As of the end of October, 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 \$10 million at the end of October. This is 32% above our cash balance last year at this point. It is important to note that the \$4.9 million one-time funds from the Tax Anticipation Note issued in June 2025 contribute to this increase.

**Resolution Services Fund 1:** Fund 1 shows a negative cash balance. The largest factor is a significant transit payment paid in July and waiting for November property tax collections. The district received \$11 million of property tax revenue in November.

**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 \$280 thousand or 4% below last year.

**Revenues:** Recorded revenues in Funds 1, 2, and 6 through the end of October total \$9.6 million, which is \$824 thousand or 7.9% below this time last year. The last of the ESSER funds (\$966 thousand) was received early last year, contributing to the reduction we see in 2025. Another factor is delayed state contract and grant agreements that prevent us from submitting reimbursement claims.

**Expenditures:** Agency expenditures through October total \$25.3 million, a decrease of \$602 thousand or 2.3% below last year.

At the department level, one of the largest increases is in Facilities. This includes one-time costs for the Knott location move and start-up over the summer.

**Transits and Other Transfers:** Through October 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.

**Interfund Transfers:** To date, \$1.2 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:**

The first FY 2026 budget amendment will true up beginning fund balances and is scheduled for January.

Representatives from TKW will present their report on the 2025 fiscal year to the Board Finance Committee in an upcoming meeting. This is tentatively scheduled for January. ODE has issued an automatic deadline extension to school districts for February 2, 2025 due to the delayed publication of the 2025 Compliance Supplement for Federal Expenditures.