

MESD Business Services

Financial Update Summary

Board Finance Committee – 4/13/2026, via email

February 28, 2026 Financial Report

Legal Compliance: As of the end of February, 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 \$30.1 million at the end of February. This is 10% below our cash balance last year at this point.

Resolution Services Fund 1: Fund 1 is \$2.8 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 \$245 thousand or 3% above last year. A significant portion of this difference can be attributed to the reductions made in the administration department.

Revenues: Recorded revenues in Funds 1, 2, and 6 through the end of February total \$74.3 million, which is 3.7% above last year. State Sources and State School Fund are the most significant factors.

Expenditures: Agency expenditures through February total \$57.9 million, a decrease of \$813 thousand or 1.4% 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 February, transits have totaled \$3 million (as compared to \$1.6 million through February 2025).

Interfund Transfers: Through February, \$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 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 proposed budget was initially presented to the Budget Committee on April 7th. The next Budget Committee meetings are April 14th and April 22nd, if needed. The TSCC will hold a public hearing on May 19th at 6:00pm to discuss and certify the approved budget. The budget is scheduled to be presented to the MESD board for adoption at its June meeting.