

## MESD BUSINESS SERVICES

### Financial Update Summary

#### Board Finance Committee – 2/12/2026

#### December 31, 2025 FINANCIAL REPORT

**Legal Compliance:** As of the end of December, 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 \$31.2 million at the end of December. This is 10% below our cash balance last year at this point.

**Resolution Services Fund 1:** Fund 1 is \$3.5 million or 11% below last year. Beginning fund balance is the most significant factor.

**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 \$135 thousand or 2% below last year.

**Revenues:** Recorded revenues in Funds 1, 2, and 6 through the end of December total \$62.2 million, which is nearly level with this time last year.

**Expenditures:** Agency expenditures through December total \$42.7 million, a decrease of \$660 thousand or 1.5% below last year.

**Transits and Other Transfers:** Through December, transits have totaled \$3 million.

**Interfund Transfers:** Through December, \$4.7 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.** MESD is working on preliminary costs for next year's services and will present them to component district Business Managers on February 18<sup>th</sup>. This work is a significant step to completing the Proposed Budget that will be presented to the Budget Committee on April 7<sup>th</sup>.

**2025-27 Biennial Budget.** We are continuing to closely monitor information from the Legislative Revenue Office and Oregon Department of Education regarding possible reductions to the 2025-27 biennial budget appropriation.