

MESD BUSINESS SERVICES

Financial Update Summary

Board Finance Committee – 6/12/2025

April 30, 2025 FINANCIAL REPORT

Legal Compliance: As of the end of April, 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 \$30.2 million at the end of April. This is 10% above our cash balance last year at this point.

Resolution Services Fund 1: Fund 1 is \$2.1 million or 9% lower than last year. Significant factors are beginning fund balance and the 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 \$9.4 million in outstanding receivables at April 30.

Operating Fund 6: Fund 6 is \$259 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 April total \$84.6 million, which is 8.9% 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 April total \$75.4 million, an increase of \$6.3 million or 9.3% above last year.

Special Education Services is up 17.1%, with the largest increase at Wheatley. Instructional Services, on the whole, is up 8.4% above last year with the largest increases in the ESD Student Success Act Technical Assistance and at Rivercrest Academy.

Transits and Other Transfers: Through April, transits have totaled \$1.6 million (as compared to \$3.6 million through April 2024). MESD has completed the \$2 million in Emergency Aid loan payments to Corbett School District.

Interfund Transfers: To date, \$5.1 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 adopted budget is scheduled to be presented to the MESD Board at its June meeting.