MESD BUSINESS SERVICES

Financial Update Summary

Board Finance Committee – 10/09/2025

August 31, 2025 PRELIMINARY 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 $14.7 million at the end of August. This is 10% above our cash balance last year at this point.

Resolution Services Fund 1: Fund 1 is $2.8 million or 36% below last year. The largest factor is beginning fund balance.

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 $612 thousand or 10% below last year. The largest factor is beginning fund balance.

Revenues: Recorded revenues in Funds 1, 2, and 6 through the end of August total $3.3 million, which is $219 thousand or 7.1% above this time last year. State School Fund is the most significant factor.

Expenditures: Agency expenditures through August total $9.2 million, an increase of $225 thousand or 2.5% above 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 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.

Interfund Transfers: To date, $5.3 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:

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

Representatives from TKW will present their report on the 2025 fiscal year to the Board Finance Committee in an upcoming meeting.