

MESD BUSINESS SERVICES

Financial Update Summary

Board Finance Committee – 8/11/2025, via email

May 31, 2025 FINANCIAL REPORT

Legal Compliance: As of the end of May, 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 \$30.7 million at the end of May. This is 28% above our cash balance last year at this point.

Resolution Services Fund 1: Fund 1 is \$1.1 million or 6% above last year. The largest factor is the timing on transit payments (more detail is below).

Contracted Services Fund 2: Fund 2 continues to show a negative cash balance due to timing issues with revenue collection for reimbursable expenses. However, the balance is significantly improved compared to last year at this time. There are \$5.5 million in outstanding receivables at May 31.

Operating Fund 6: Fund 6 is \$155 thousand or 2% below last year. Significant factors include increased personnel costs and the one time catch-up transfer to Fund 4 reserves.

Revenues: Recorded revenues in Funds 1, 2, and 6 through the end of May total \$88.4 million, which is 9.7% 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 May total \$83.7 million, an increase of \$7.2 million or 9.4% above last year.

Special Education Services is up 19.2%, with the largest increase at Wheatley. Instructional Services, on the whole, is up 7.8% above last year with the largest increases in the ESD Student Success Act Technical Assistance and Outdoor School.

Transits and Other Transfers: Through May, transits have totaled \$1.6 million (as compared to \$7.1 million through May 2024). MESD has completed the \$2 million in Emergency Aid loan payments to Corbett School District.

Interfund Transfers: To date, \$5.2 million in SSF and property tax funds (10% of total receipts, as per statute) has been transferred to the Operating Fund to offset FY 2025 operating costs.