MESD Business Services

Financial Update Summary

Board Finance Committee – 7/7/2026, via email

May 31, 2026 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 $27.3 million at the end of May. This is 11% below our cash balance last year at this point.

> **Resolution Services Fund 1:** Fund 1 is $2 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 $166 thousand or 2% above last year.

Revenues: Recorded revenues in Funds 1, 2, and 6 through the end of May total $93.9 million, which is 6.2% above last year. State School Fund, Property Taxes, and State Sources are the most significant factors.

Expenditures: Agency expenditures through May total $82.4 million, a decrease of $1.2 million or 1.5% below last year. At the department level, the largest difference is in Instructional Services. Outdoor School Reductions are one of the primary factors. Additionally, FY 2025 was the final year of the ESSER grants.

Transits and Other Transfers: Through May, transits have totaled $3.8 million (as compared to $1.6 million through May 2025).

Interfund Transfers: Through May, $5.5 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.