



MEMORANDUM

TO: Dr. Henry St. Pierre, Superintendent ▾
FROM: Mr. Brian Whittle, Chief Financial Officer ▾
SUBJECT: Monthly Financial Summary – Year Ending June 30, 2026
DATE: Jul 16, 2026

Preliminary Summary of Month End Results

The summary below shows the funds that are reported to DESE. These figures do not include the health insurance fund balance or other insurance reserves, which are shown separately in the financial statement.

	<u>General</u>	<u>Special/ Teacher</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Bond</u>	<u>Total</u>
Beginning Balance	73,802,132	893,104	15,719,075	4,042,800	67,532,243	161,989,354
Revenues	96,026,615	177,647,846	27,176,954	3,394,387	2,192,748	306,438,550
Expenses	97,201,495	173,362,980	28,588,772	6,303,488	28,233,789	333,690,524
Transfers	(3,000,000)	-	-	3,000,000	-	-
End Balance	69,627,252	5,177,970	14,307,257	4,133,699	41,491,202	134,737,380
Operating fund balance		74,805,222				
Operating fund balance percentage		28.19%				

End of Year Highlights

Expenditures finished at 99.1% of budget and revenues finished at 99.91% of budget for a surplus of \$3.1 million. From that surplus, there is a request to transfer \$3 million to the capital projects fund.

The operating, capital and medical fund balances all increased from the start of the year. While the increase was modest in the operating funds, the capital and medical fund increases put us in a position to respond quickly to financial surprises without using operating funds.

The increase in capital funds came despite paying off computer leases early and finishing any outstanding curriculum payments. Those two payments will free up approximately \$1 million per year in operating cash flows in each of the next two years.

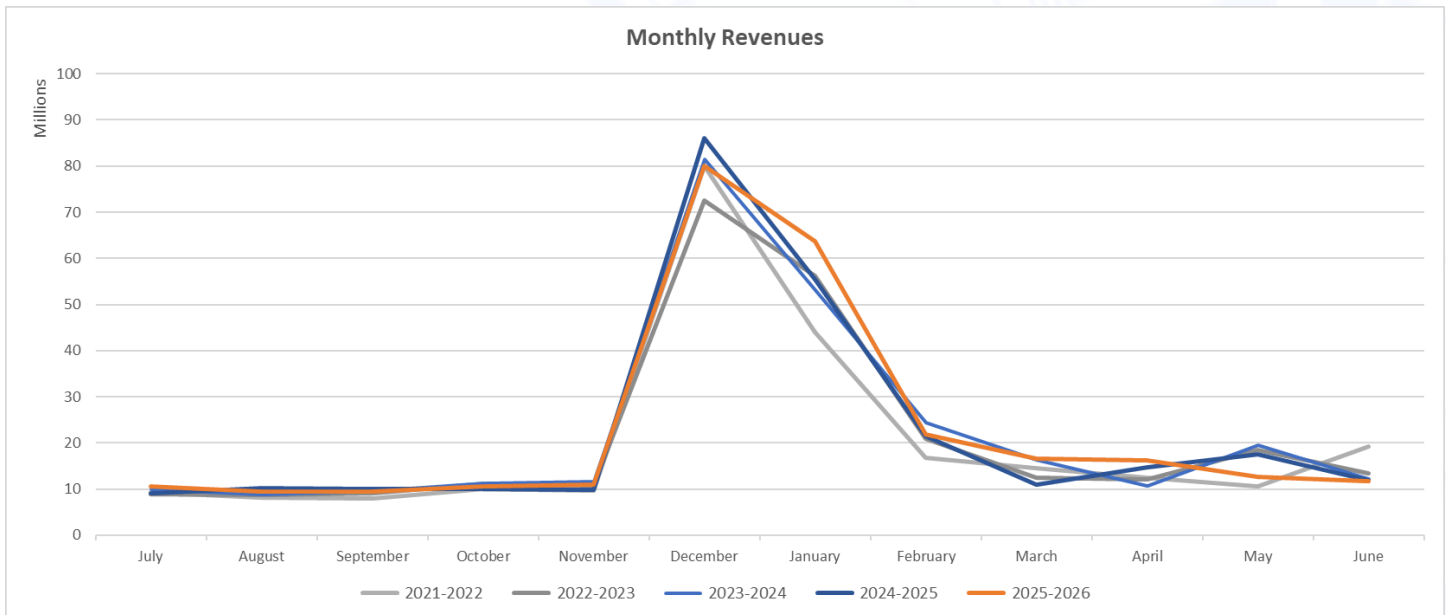
We have also purchased seven buses over the last two years saving tens of thousands in interest and leasing fees. Those changes also freed up cash flows for future years.

Our budget for next year is built to purchase the computer refreshes and new curriculum outright instead of over multiple years.

Cash and Investments – As of month-end:

- Reported fund balances totaled \$134,737,380
- Total cash and investments were \$136,538,290
- The difference is related to the positive year end balance in the medical fund of \$1,800,910. At year end, there is no balance in the property insurance fund as that must be closed every year end.

Revenues – Revenues exceeded budgeted projections in every major category except state and federal reimbursement, where the shortfalls relate to the timing of payments. The largest was almost \$1 million in ECSE reimbursements, which DESE has indicated we will receive in July. While that payment will come in during FY 2027, we do not expect it to lift FY 2027 results, because we are projecting DESE will withhold a similar amount again at the end of next year. In other words, we expect the timing gap on payments to be the ‘new normal.’



Expenses

- As noted above, we are projecting a \$1 million underspend for operating expenditures. Most of the savings are for savings in the supplies account.
- Two segments, contracted transportation and private tuition, significantly exceeded the original budget. The vast majority of those expenditures are for special education and ECSE. Unfortunately, state and federal reimbursement did not keep pace with those increases, which means the District must cover the rising special education costs out of operating funds. For next year, we can expect reimbursement of less than \$1 for every \$3 spent on special education. Less than ten years ago, that reimbursement was around 40%. If special education reimbursements had kept pace with rising costs, we would have roughly \$4 to \$5 million more in IDEA reimbursements in FY 2027.

