

A circular logo with a white center and a grey outer ring. The year '2017' is written in the top half and '2018' in the bottom half, separated by a horizontal dotted line.

2017
2018

Preliminary Budget

Wayne RESA

Comments from Wayne RESA Superintendent, Randy A. Liepa, Ph.D.

April 28, 2017

Dear Superintendents and Board of Education Members:

This budget package reflects the projected financial profile of the Wayne County Regional Educational Service Agency's operations for fiscal year 2017-2018. This information was presented to the Wayne County Schools Superintendents Association on April 21, 2017. It was also presented to the Wayne RESA Board of Education on April 19, 2017 for review and discussion. The official "district hearing" will be held at the May 17, 2017, Wayne RESA Board of Education meeting, with the budget also being presented for formal approval at the June 14, 2017, meeting of the Board.

As one of the 56 intermediate school districts in the State of Michigan, Wayne RESA works closely with each of our 33 local school districts to ensure that our programs and services positively impact teaching and learning. We are connecting with, and directing our services, resources and leadership to Wayne County districts and schools with the goal of making these services relevant, cost effective and focused on improving student achievement. Additionally, it is imperative that we continue to assist in targeting and maximizing critical resources and providing cost saving opportunities through economies of scale and collaboration.

The attached budget document provides a high level of information for your review. Additional detail is available on our website at www.resa.net under "About Us", then "Reports". Many of the questions we are asked can be found in the FAQ document also posted to the report page of our website. While the Wayne RESA General Fund continues to have a positive fund balance, there continues to be an operating deficit of approximately \$500,000. The Wayne RESA Board of Education has taken the position that we will manage the use of our fund balance to assure stability in our services from year to year, while optimizing important services to support our districts.

Your questions or points of interest regarding this proposed budget are invited and should be directed to either me at **(734) 334-1442** or at liepar@resa.net ; or to Steve Ezikian, Deputy Superintendent at **(734) 334-1450** or at ezikias@resa.net ; or to Tamara Dust, Manager of Finance, at **(734) 334-1450** or at dustt@resa.net. Of course, you are always encouraged to contact me directly if you have any additional questions or comments about any aspect of Wayne RESA.

Sincerely,

A handwritten signature in black ink that reads 'Randy A. Liepa'.

Randy A. Liepa, Ph.D.
Superintendent

F O R E W O R D

Who We Are and What We Do

Wayne RESA is a regional educational service agency that provides a wide variety of services to children, families and communities. We coordinate many of our programs with Wayne County's 33 public school districts and over 100 public school academies. We also provide services to local and intermediate school districts in other parts of the state.

The services Wayne RESA provides range from curriculum consulting, leadership and content coaching, and staff development, to helping districts maximize technology in the classroom and in their business and administrative operations. Wayne RESA's services save taxpayers millions of dollars annually and enable districts to concentrate more time, money and energy on the direct education of students.

With a projected operating budget of over \$432 million, Wayne RESA's budget includes more than \$374 million that is distributed to local districts and agencies to cover the costs related to special education, Medicaid, the enhancement millage, and other special projects.

The Preliminary Budget reflects the expected revenues and planned expenditures for the 2017-2018 fiscal year. While projections are as precise as available information will permit, it is anticipated that adjustments will be necessary during the coming year.

The Preliminary Budget provides a comprehensive financial profile of all of the funds of Wayne RESA, as well as supplementary information to promote a more complete understanding of WRESA's financial structure. Each of the individual funds are accompanied by a narrative summary, and in the case of the General Operating Fund and the Cooperative Fund, are followed by links to detailed budgets for each cost center.



GENERAL FUND

The **General Fund Operating Budget** is established to record and report all financial transactions of the Agency except those required by law to be entered in other funds.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$10,755,075	\$10,524,825
Revenues		
Local Sources	4,342,750	4,343,000
State Sources	10,825,7000	10,779,200
Incoming Transfers – Other Governmental Agencies	470,000	430,000
Incoming Transfers – Other Funds	600,000	600,000
Total Revenues	\$16,238,450	\$16,152,200
Expenditures		
Salaries	\$5,480,400	\$5,608,000
Employee Benefits	3,023,300	3,186,800
Purchased Services	1,877,300	1,685,300
Supplies and Materials	417,500	417,000
Capital Outlay	506,000	335,000
Other Expenses	147,500	151,000
Outgoing Transfers – Other Governmental	218,100	68,100
Other Funds	4,798,600	5,206,500
Total Expenditures	16,468,700	16,657,700
Ending Fund Balance	\$10,524,825	\$10,019,325

Click [HERE](#) for General Fund Program details.

ENHANCEMENT MILLAGE FUND

The Wayne County schools **enhancement millage** was approved by voters in November of 2016 to levy two mills on all properties within the school districts in Wayne County. This millage is fully distributed as collected to the 33 school districts of Wayne County and can be used for all allowable school expenditures. It will be up for renewal in six years.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$0	\$0
Revenues		
Local Sources	82,100,100	79,000,000
State Sources	0	0
Incoming Transfers – Other Governmental Agencies	0	0
Incoming Transfers – Other Funds	0	0
Total Revenues	\$82,100,100	\$79,000,000
Expenditures		
Salaries	\$0	\$0
Employee Benefits	0	0
Purchased Services	0	0
Supplies and Materials	0	0
Capital Outlay	0	0
Other Expenses	0	0
Outgoing Transfers – Other Governmental	0	0
Other Funds	0	0
Total Expenditures	82,100,100	79,000,000
Ending Fund Balance	\$0	\$0

ACT 18 FUND

Act 18 monies are collected and distributed by WRESA primarily to reimburse center program operating districts for allowable added costs. In 2002 an additional 1.5 mill was approved by voters increasing the total authorized millage to 3.5 mill. Act 18 monies are completely segregated from all other WRESA accounts and are distributed according to a county-wide plan recommended by constituent districts and approved by the WRESA Board of Education.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$189,371,801	\$186,277,401
Revenues		
Local Sources	126,196,900	126,250,000
State Sources	29,035,800	29,035,000
Incoming Transfers – Other Governmental Agencies	240,000	240,000
Incoming Transfers – Other Funds	3,000,000	3,000,000
Total Revenues	\$158,472,700	\$158,525,000
Expenditures		
Salaries	0	0
Employee Benefits	0	0
Purchased Services	345,000	355,500
Supplies and Materials	112,000	110,000
Capital Outlay	400,000	500,000
Other Expenses	0	0
Outgoing Transfers – Other Governmental	158,485,100	156,329,500
Other Funds	2,225,000	2,211,400
Total Expenditures	161,567,100	159,506,400
Ending Fund Balance	\$186,277,401	\$185,296,001

COOPERATIVE EDUCATION FUND

The **Cooperative Education Fund** is established to record and report the revenues and expenditures derived from providing services to local districts, agencies and public school academies. Revenues are comprised of user fees and subsidies from the General Operating Fund. Included in this fund are the activities included in Administrative and Instructional Technology Services, MISTAR Data and Assessment, Print Services, Production Services and Consolidated Services.

	Approved Budget 2016-17	Proposed Budget 2017-18
Beginning Fund Balance	\$1,310,945	\$1,310,945
Revenues		
Local Sources	95,000	95,000
Incoming Transfers – Other Governmental Agencies	8,014,700	8,014,700
Incoming Transfers – Other Funds	4,871,900	5,043,000
Total Revenues	\$12,981,600	\$13,152,700
Expenditures		
Salaries	\$4,749,500	\$4,683,300
Employee Benefits	2,677,300	2,756,000
Purchased Services	4,205,300	4,566,400
Supplies and Materials	495,000	495,500
Capital Outlay	88,200	86,200
Other Expenses	61,800	61,300
Outgoing Transfers – Other Governmental	700,000	700,000
Other Funds	4,000	4,000
Total Expenditures	12,981,600	13,352,700
Ending Fund Balance	\$1,310,945	\$1,110,945

Click [HERE](#) for Cooperative Fund details.

F U N D E D P R O J E C T S F U N D

The **Funded Projects Fund Operating Budget** is established to record and report all financial transactions of a combination of grants and initiatives that support General Education and Special Education activities.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$ -0-	\$ -0-
Revenues		
Local Sources	483,585	577,000
State Sources	91,069,985	70,240,000
Federal Sources	95,996,601	86,469,000
Incoming Transfers – Other Governmental Agencies	6,754,593	4,772,000
Incoming Transfers – Other Funds	31,000	0
Total Revenues	\$194,335,764	\$162,058,000
Expenditures		
Salaries	\$7,971,680	\$6,647,600
Employee Benefits	4,057,938	3,383,900
Purchased Services	22,508,606	18,770,100
Supplies and Materials	2,583,928	2,154,800
Capital Outlay	6,415	1,500
Other Expenses	264,212	156,900
Outgoing Transfers – Other Governmental	155,374,775	129,755,500
Other Funds	1,568,210	1,187,700
Total Expenditures	194,335,764	162,058,000
Ending Fund Balance	\$ -0-	\$ -0-

SPECIAL EDUCATION FUND

The **Special Education Services Fund** provides consultant and staff development support for constituent districts to foster free and appropriate special education services for the eligible handicapped population of Wayne County. The fund also includes the distribution of state and other funds to the Michigan School for the Deaf/Blind and certain other residential programs.

	2015-16 Approved Budget	2016-17 Proposed Budget
Beginning Fund Balance	\$ -0-	\$ -0-
Revenues		
Local Sources	0	0
State Sources	813,800	1,019,000
Federal Sources	0	0
Incoming Transfers – Other Governmental Agencies	0	0
Incoming Transfers – Other Funds	2,225,000	2,211,400
Total Revenues	\$3,038,800	\$3,230,400
Expenditures		
Salaries	\$1,058,100	\$985,400
Employee Benefits	642,400	575,000
Purchased Services	133,500	332,000
Supplies and Materials	15,000	5,000
Capital Outlay	0	0
Other Expenses	2,900	2,400
Outgoing Transfers – Other Governmental	1,086,900	1,240,600
Other Funds	100,000	90,000
Total Expenditures	3,038,800	3,230,400
Ending Fund Balance	\$ -0-	\$ -0-

M E D I C A I D F U N D

Medicaid Fund represents flow-through funding to the local districts of Wayne RESA for Fee for Service and Administrative Outreach programs. These programs have been made available through an agreement entered into by WRESA on behalf of the constituent districts to provide partial reimbursement for services to Medicaid-eligible special education students.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$-0-	\$-0-
Revenues		
Local Sources	11,908,100	12,550,000
Federal Sources	500,000	400,000
Total Revenues	\$12,408,100	\$12,950,000
Expenditures		
Salaries	\$249,600	\$217,900
Employee Benefits	143,800	140,400
Purchased Services	157,050	152,100
Supplies and Materials	500	3500
Capital Outlay	0	0
Other Expenses	100	800
Outgoing Transfers – Other Governmental	7,625,750	9,235,300
Other Funds	4,231,300	3,200,000
Total Expenditures	12,408,100	12,950,000
Ending Fund Balance	\$ -0-	\$ -0-

CAPITAL PROJECTS FUND

The **Capital Projects Fund** has been established by the Board of Education as a segregated group of accounts that are to be used for non-routine capital items. The Capital Projects Fund is funded through transfers from the General Operating Fund.

	2016-17 Approved Budget	2017-18 Proposed Budget
Beginning Fund Balance	\$488,922	\$139,922
Revenues		
Local Sources	1,000	1,000
Incoming Transfers – Other Funds	0	250,000
Total Revenues	\$1,000	\$251,000
Expenditures		
Purchased Services	0	0
Capital Outlay	\$350,000	\$350,000
Other Expenses	0	0
Total Expenditures	350,000	350,000
Ending Fund Balance	\$139,922	\$40,922