

Preliminary Budget

Wayne RESA

2015-2016

COMMENTS FROM WAYNE RESA
INTERIM SUPERINTENDENT, STEVEN EZIKIAN

April 30, 2015

Dear Superintendents and Board of Education Members:

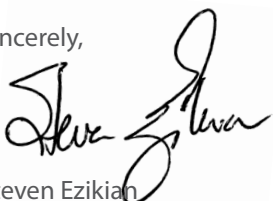
This budget package reflects the projected financial profile of the Wayne County Regional Educational Service Agency's operations for fiscal year 2015-2016. This information was presented to the Wayne County Schools Superintendents Association on April 17, 2015. It was also presented to the Wayne RESA Board of Education on April 15 for review and discussion. The official "district hearing" will be held at the May 20, 2015, Wayne RESA Board of Education meeting, with the budget also being presented for formal approval at the June 17, 2015, 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. Under separate cover, we are providing you with a copy of our 2014-2015 Annual Report /Shared Services Report which should give you a good idea of some of the many programs and initiatives in which we have been engaged over the past year. Included in this document is a section that provides information regarding "shared services" which contains a sampling of the many partnerships and collaborations that have been implemented throughout the county to help us all to strategically use our scarce resources in the most effective manner possible.

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". While the Wayne RESA General Fund continues to have a positive fund balance, there continues to be an operating deficit of approximately \$1 million. We will be working internally and with local school districts this coming year to mitigate that operating deficit.

Your questions or points of interest regarding this proposed budget are invited and should be directed to either me at **(734) 334-1441** or at ezikias@resa.net; or to Tamara Dust, Manager of Finance, at **(734) 334-1450** or at dusttt@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,



Steven Ezikian
Interim Superintendent

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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 almost \$346 million, Wayne RESA's budget includes more than \$271 million that is distributed to local districts and agencies to cover the costs related to special education, Medicaid and other special projects.

The Preliminary Budget reflects the expected revenues and planned expenditures for the 2015-2016 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.



4 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.

	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$11,743,117	\$10,305,617
Revenues		
Local Sources	4,112,100	4,124,100
State Sources	10,093,500	10,178,000
Incoming Transfers – Other Governmental Agencies	899,700	469,700
Incoming Transfers – Other Funds	460,000	570,000
Total Revenues	\$15,565,300	\$15,341,800
Expenditures		
Salaries	\$6,044,100	\$5,521,400
Employee Benefits	3,345,700	3,187,200
Purchased Services	1,614,800	1,462,900
Supplies and Materials	589,900	603,100
Capital Outlay	742,000	345,000
Other Expenses	91,700	93,000
Outgoing Transfers – Other Governmental	136,500	47,500
Other Funds	4,438,100	5,099,300
Total Expenditures	17,002,800	16,359,400
Ending Fund Balance	\$10,305,617	\$9,288,017

Click [HERE](#) for additional information.

Act 18 monies are collected and distributed by RESA 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 RESA accounts and are distributed according to a county-wide plan recommended by constituent districts and approved by the RESA Board of Education.

	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$143,757,406	\$155,774,006
Revenues		
Local Sources	116,922,000	116,922,000
State Sources	28,274,300	26,174,300
Incoming Transfers – Other Governmental Agencies	47,000	47,000
Incoming Transfers – Other Funds	4,600,000	4,200,000
Total Revenues	\$149,843,300	\$147,343,300
Expenditures		
Outgoing Transfers – Other Governmental	136,283,000	143,097,200
Other Funds	1,543,700	1,801,100
Total Expenditures	137,826,700	144,898,300
Ending Fund Balance	\$155,774,006	\$158,219,006

6 COOPERATIVE 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, the CLASS A System, Print Services, Production Services and Consolidated Services.

	Approved Budget 2014-15	Proposed Budget 2015-16
Beginning Fund Balance	\$482,907	\$7
Revenues		
Local Sources	105,000	97,000
Incoming Transfers – Other Governmental Agencies	7,995,000	8,095,000
Incoming Transfers – Other Funds	4,490,300	5,050,500
Total Revenues	\$12,590,300	\$13,242,500
Expenditures		
Salaries	\$4,910,300	\$4,857,200
Employee Benefits	2,675,500	2,799,900
Purchased Services	4,528,900	4,536,000
Supplies and Materials	308,500	309,300
Capital Outlay	36,000	25,000
Other Expenses	11,000	12,100
Outgoing Transfers – Other Governmental	600,000	700,000
Other Funds	3,000	3,000
Total Expenditures	13,073,200	13,242,500
Ending Fund Balance	\$7	\$7

Click [HERE](#) for additional information.

FUNDING PROJECTS FUND

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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.

	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$ -0-	\$ -0-
Revenues		
Local Sources	621,700	553,600
State Sources	78,934,400	75,414,000
Federal Sources	88,136,400	86,913,500
Incoming Transfers – Other Governmental Agencies	3,703,300	4,193,000
Incoming Transfers – Other Funds	191,300	0
Total Revenues	\$171,587,100	\$167,074,100
Expenditures		
Salaries	\$3,953,000	\$4,097,000
Employee Benefits	1,950,800	2,206,000
Purchased Services	32,237,100	31,557,000
Supplies and Materials	3,236,400	3,164,200
Capital Outlay	139,400	106,500
Other Expenses	164,200	227,000
Outgoing Transfers – Other Governmental	128,564,700	124,394,400
Other Funds	1,341,500	1,322,000
Total Expenditures	171,587,100	167,074,100
Ending Fund Balance	\$ -0-	\$ -0-

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.

	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$ -0-	\$ -0-
Revenues		
Local Sources	0	0
State Sources	729,100	709,000
Federal Sources	0	0
Incoming Transfers – Other Governmental Agencies	0	0
Incoming Transfers – Other Funds	1,918,270	1,979,600
Total Revenues	\$2,647,370	\$2,688,600
Expenditures		
Salaries	\$1,157,500	\$1,151,700
Employee Benefits	582,700	663,900
Purchased Services	294,000	296,000
Supplies and Materials	5,000	5,000
Capital Outlay	0	0
Other Expenses	1,800	2,000
Outgoing Transfers – Other Governmental	531,370	495,000
Other Funds	75,000	75,000
Total Expenditures	2,647,370	2,688,600
Ending Fund Balance	\$ -0-	\$ -0-

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

9

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.

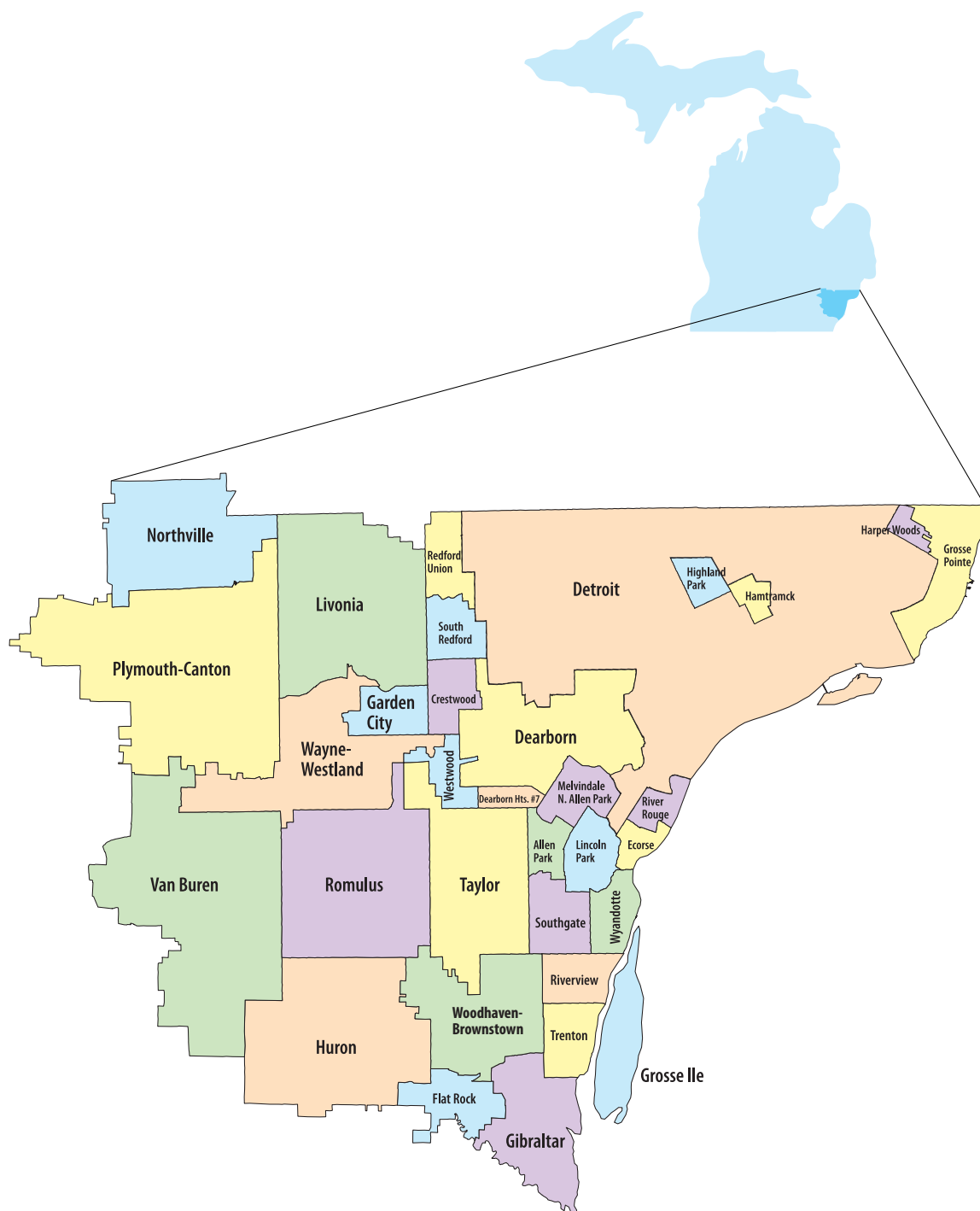
	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$-0-	\$-0-
Revenues		
Local Sources	5,100	12,043,100
Federal Sources	12,829,000	685,000
Total Revenues	\$12,834,100	\$12,728,100
Expenditures		
Salaries	\$175,300	\$214,000
Employee Benefits	84,800	113,300
Purchased Services	161,900	157,050
Supplies and Materials	500	500
Capital Outlay	-0-	-0-
Other Expenses	100	100
Outgoing Transfers – Other Governmental	7,732,200	8,011,850
Other Funds	4,679,300	4,231,300
Total Expenditures	12,834,100	12,728,100
Ending Fund Balance	\$ -0-	\$ -0-

10 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.

	2014-15 Approved Budget	2015-16 Proposed Budget
Beginning Fund Balance	\$270,540	\$180,540
Revenues		
Local Sources	1,000	1,000
Incoming Transfers – Other Funds	0	0
Total Revenues	\$1,000	\$1,000
Expenditures		
Capital Outlay	\$321,412	\$180,000
Total Expenditures	321,412	180,000
Ending Fund Balance	(\$49,872)	\$1,540

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Wayne RESA:

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Board of Education:

James S. Beri • Kenneth E. Berlinn • Mary E. Blackmon • Lynda S. Jackson • James Petrie

Steven Ezikian, Interim Superintendent