

# **Livonia Public Schools**

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## ***Business Services Office***

Date: May 14, 2012

To: Randy Liepa, PhD., Superintendent

From: Lisa Abbey, Director of Business Services

Re: Wayne County RESA Budget

As you know, we are required to review RESA's annual budget. The Board of Education received the budget with the May 3, 2012 update.

I have reviewed the budget and discussed it with the Deputy Superintendent at Wayne County RESA, Steve Ezikian. Generally the 2013 budget is consistent with prior year budgets. Along with local school districts, ISD's across the state have experienced reduced funding from state and local revenue sources (property taxes) over the past several years. There have been budget reductions over the past few years including not replacing some positions through attrition, flat salary rates and increasing employees share of health care costs. Further, the current budget reflects a decrease in utility costs as they are beginning to reflect the benefits of updating the heating and cooling systems at RESA a few years ago.

The budget reflects an operating deficit of approximately \$1.5 million for next year. RESA's budget plan is to slowly utilize reserves (fund equity) in order to continue the same level of services to local districts. For example, RESA currently provides the software and support for CLASS A at no charge to districts.

We would like to discuss the RESA budget at our next Finance Committee meeting on May 21, 2012. If there are any specific questions on the budget I have not yet answered please let me know.

LA/kp