



2021

2022



PRELIMINARY BUDGET **Wayne RESA**

From Wayne RESA Superintendent, Randy A. Liepa, Ph.D.

April 26, 2021

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 2021-2022. This information was presented to the Wayne RESA Board of Education on April 21, 2021 for review and discussion. The official "district hearing" will be held at the May 19, 2021, Wayne RESA Board of Education meeting, with the budget also being presented for formal approval at the June 9, 2021, 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. The Wayne RESA General Fund continues to have a positive fund balance and 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 Steve Ezikian, Deputy Superintendent at (734) 334-1450 or at ezikias@resa.net ; or Tamara Dust, Director of Finance, at (734) 334-1579 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,



Randy A. Liepa, Ph.D.
Superintendent

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 \$535 million, Wayne RESA's budget includes more than \$446 million

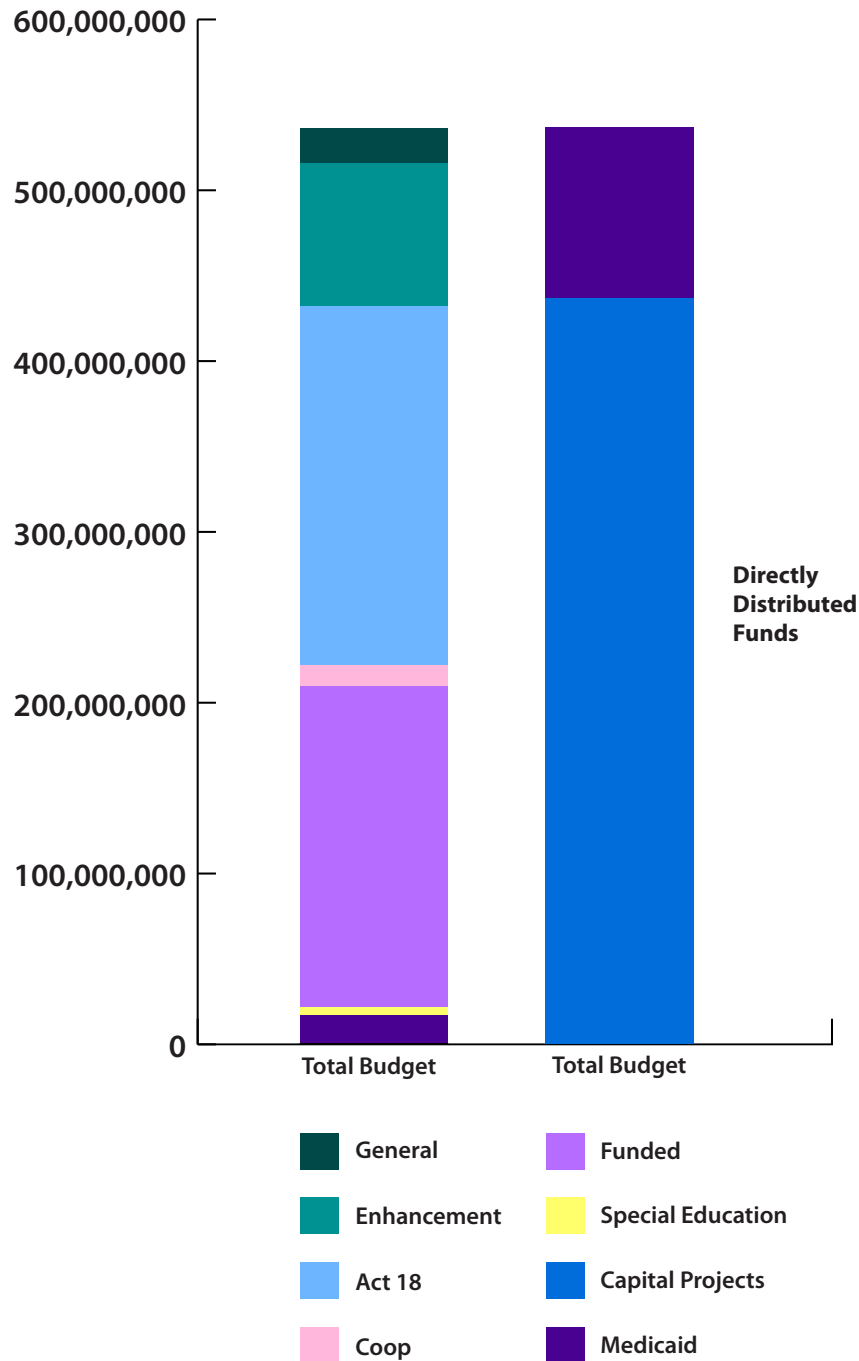
that is distributed to local districts and agencies to cover the costs related to special education, Medicaid, the enhancement millage, and other special projects.

The Preliminary Budget reflects the expected revenues and planned expenditures for the 2021-2022 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.

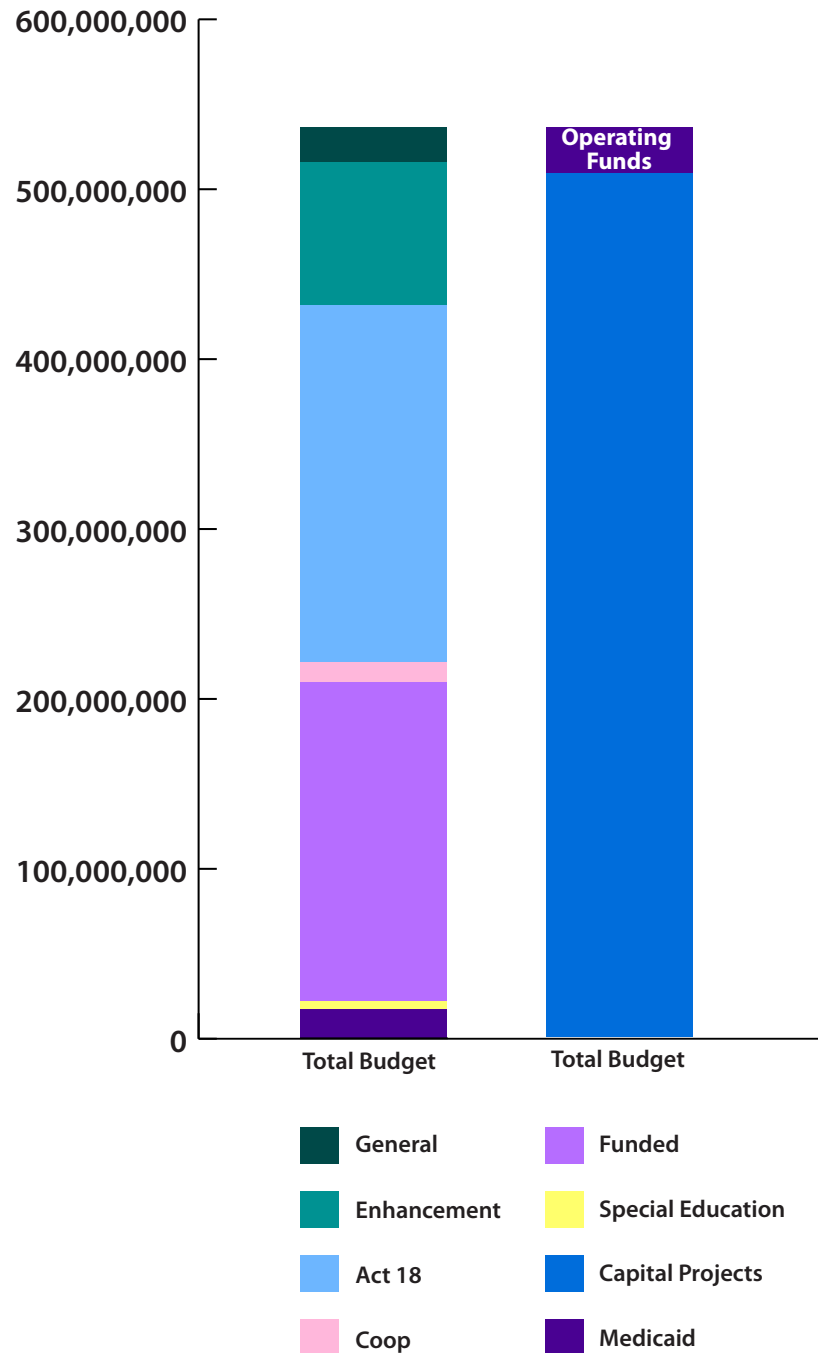
> WRESA 2021-22 Budget

Wayne RESA's total budget across all funds is over \$535 million. Of this, \$446 million is directly distributed to schools.



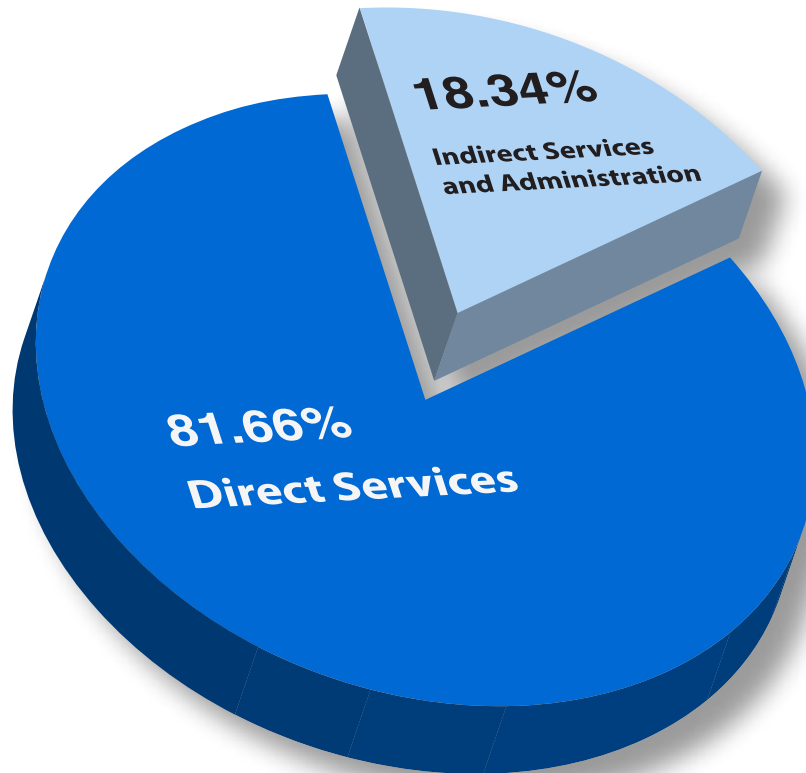
WRESA 2021-22 Budget

Wayne RESA's Operating Funds, the General and Cooperative Funds, represent 5% of all the Agency's expenditures.



> Budget by Service Area

Wayne RESA's Operating Expenditures are further divided into both indirect services and direct services to districts. Indirect services and administration costs account for approximately 18% of costs, while direct services to districts make up the remaining 82%.





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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$15,670,348 | \$14,487,218 |
| Revenues | | |
| Local Sources | 4,796,500 | 4,719,700 |
| State Sources | 12,125,600 | 12,290,200 |
| Incoming Transfers – Other Governmental Agencies | 568,900 | 508,000 |
| Incoming Transfers – Other Funds | 1,099,300 | 1,150,000 |
| Total Revenues | \$18,590,300 | \$18,667,900 |
| Expenditures | | |
| Salaries | \$6,966,100 | \$7,147,000 |
| Employee Benefits | 4,124,500 | 4,450,400 |
| Purchased Services | 1,976,300 | 1,605,500 |
| Supplies and Materials | 432,900 | 410,400 |
| Capital Outlay | 299,700 | 308,200 |
| Other Expenses | 116,150 | 112,700 |
| Outgoing Transfers – Other Governmental | 165,500 | 165,500 |
| Other Funds | 5,692,280 | 5,119,500 |
| Total Expenditures | 19,773,430 | 19,319,200 |
| Ending Fund Balance | \$14,487,218 | \$13,835,918 |

See the [General Fund Program details](#).

Enhancement Millage Fund

The Wayne County schools **enhancement millage** was re-approved by voters in November of 2020 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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$0 | \$0 |
| Revenues | | |
| Local Sources | 86,308,000 | 84,000,000 |
| State Sources | 0 | 0 |
| Incoming Transfers – Other Governmental Agencies | 0 | 0 |
| Incoming Transfers – Other Funds | 0 | 0 |
| Total Revenues | \$86,308,000 | \$84,000,000 |
| 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 | 86,308,000 | 84,000,000 |
| Other Funds | 0 | 0 |
| Total Expenditures | \$86,308,000 | \$84,000,000 |
| 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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$264,903,355 | \$256,566,055 |
| Revenues | | |
| Local Sources | 141,554,000 | 141,454,000 |
| State Sources | 27,762,800 | 29,975,000 |
| Incoming Transfers – Other Governmental Agencies | 440,000 | 450,000 |
| Incoming Transfers – Other Funds | 5,000,000 | 5,000,000 |
| Total Revenues | \$174,756,800 | \$176,879,000 |
| Expenditures | | |
| Salaries | 0 | 0 |
| Employee Benefits | 0 | 0 |
| Purchased Services | 463,000 | 472,000 |
| Supplies and Materials | 127,000 | 128,000 |
| Capital Outlay | 1,200,000 | 1,000,000 |
| Other Expenses | 0 | 0 |
| Outgoing Transfers – Other Governmental | 178,564,100 | 207,067,900 |
| Other Funds | 2,740,000 | 3,010,900 |
| Total Expenditures | \$183,094,100 | \$211,678,800 |
| Ending Fund Balance | \$256,566,055 | \$221,766,255 |

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, District Field Services, and Consolidated Services.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$1,310,945 | \$1,310,945 |
| Revenues | | |
| Local Sources | 65,000 | 64,500 |
| Incoming Transfers – Other Governmental Agencies | 6,381,520 | 6,720,800 |
| Incoming Transfers – Other Funds | 5,179,280 | 5,163,900 |
| Total Revenues | \$11,625,800 | \$11,949,200 |
| Expenditures | | |
| Salaries | \$5,063,100 | \$5,168,600 |
| Employee Benefits | 3,220,600 | 3,333,400 |
| Purchased Services | 2,678,500 | 2,823,800 |
| Supplies and Materials | 506,000 | 554,500 |
| Capital Outlay | 63,000 | 51,000 |
| Other Expenses | 91,100 | 14,600 |
| Outgoing Transfers – Other Governmental | 0 | 0 |
| Other Funds | 3,500 | 3,300 |
| Total Expenditures | \$11,625,800 | \$11,949,200 |
| Ending Fund Balance | \$1,310,945 | \$1,310,945 |

See the [Cooperative Fund details](#).

Funded Projects Fund

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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$ (40,591) | \$ -0- |
| Revenues | | |
| Local Sources | 2,873,384 | 2,391,500 |
| State Sources | 100,365,737 | 78,757,600 |
| Federal Sources | 123,132,163 | 104,660,600 |
| Incoming Transfers – Other Governmental Agencies | 5,524,985 | 1,986,300 |
| Incoming Transfers – Other Funds | 0 | 0 |
| Total Revenues | \$231,896,269 | \$187,796,000 |
| Expenditures | | |
| Salaries | \$11,096,547 | 8,893,100 |
| Employee Benefits | 6,902,029 | 5,586,400 |
| Purchased Services | 32,005,366 | 25,455,900 |
| Supplies and Materials | 3,118,836 | 2,754,500 |
| Capital Outlay | 10,200 | 8,200 |
| Other Expenses | 501,629 | 401,100 |
| Outgoing Transfers – Other Governmental | 174,304,316 | 143,194,900 |
| Other Funds | 3,916,755 | 1,501,900 |
| Total Expenditures | \$231,855,678 | \$187,796,000 |
| 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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|---|-------------------------|-------------------------|
| Beginning Fund Balance | \$ -0- | \$ -0- |
| Revenues | | |
| Local Sources | 0 | 0 |
| State Sources | 1,233,300 | 1,269,000 |
| Federal Sources | 0 | 0 |
| Incoming Transfers – Other Governmental Agencies | 0 | 0 |
| Incoming Transfers – Other Funds | 3,090,000 | 3,360,900 |
| Total Revenues | \$4,323,300 | \$4,629,900 |
| Expenditures | | |
| Salaries | \$1,784,400 | \$1,860,700 |
| Employee Benefits | 1,168,800 | 1,314,200 |
| Purchased Services | 78,300 | 78,400 |
| Supplies and Materials | 40,500 | 40,500 |
| Capital Outlay | 210,000 | 210,000 |
| Other Expenses | 5,800 | 5,800 |
| Outgoing Transfers – Other Governmental | 850,700 | 898,000 |
| Other Funds | 184,800 | 222,300 |
| Total Expenditures | \$4,323,300 | \$4,629,900 |
| Ending Fund Balance | \$-0- | \$-0- |

Medicaid Fund

The **Medicaid Fund** represents flow-through funding to the local districts of Wayne RESA for direct Medicaid-eligible services and Caring for Students 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 and eligible health and mental health services provided to general education students.

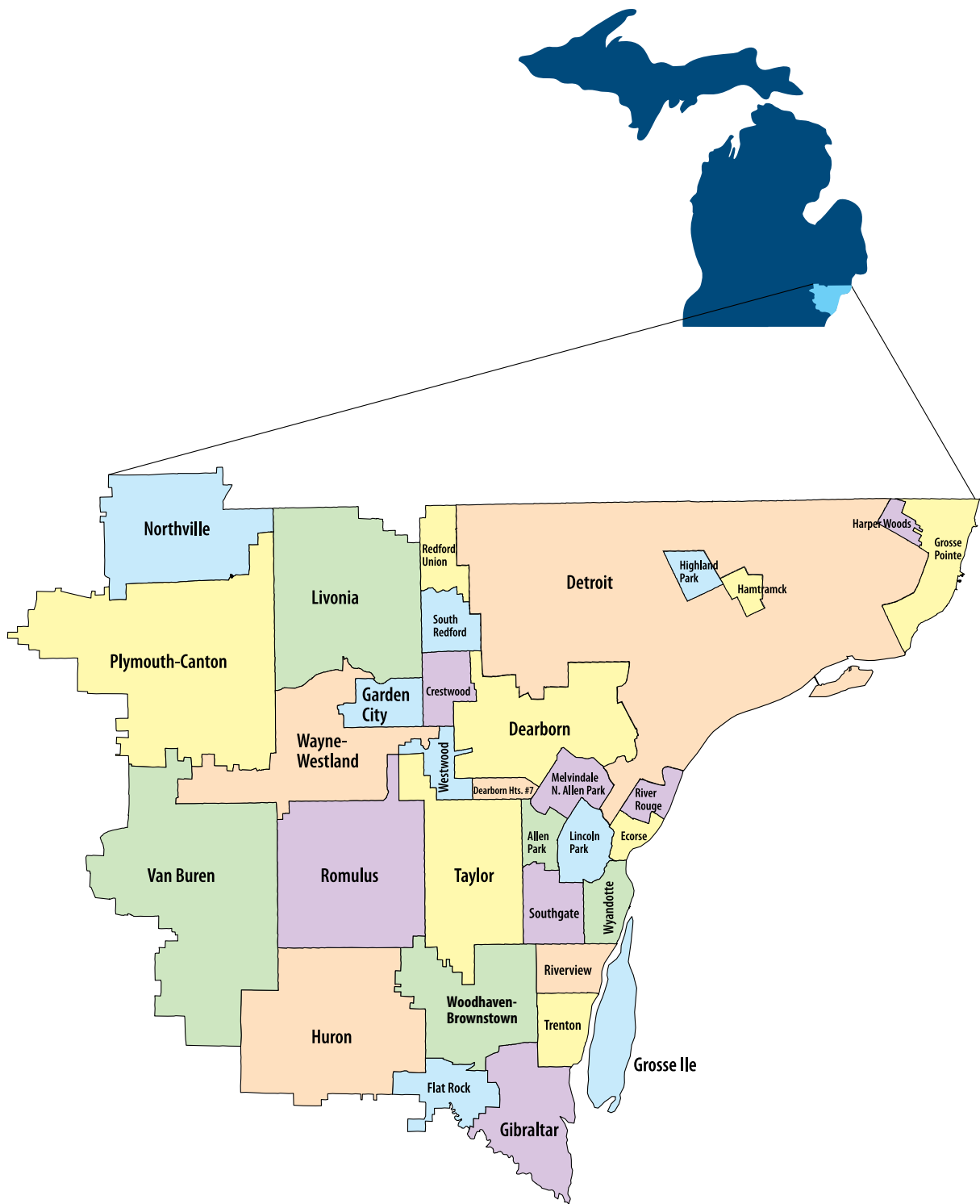
| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|--|-------------------------|-------------------------|
| Beginning Fund Balance | \$-0- | \$-0- |
| Revenues | | |
| Local Sources | 17,952,700 | 16,847,000 |
| Total Revenues | \$17,952,700 | \$16,847,000 |
| Expenditures | | |
| Salaries | \$249,000 | 253,400 |
| Employee Benefits | 158,900 | 160,400 |
| Purchased Services | 16,600 | 15,600 |
| Supplies and Materials | 2,500 | 2,500 |
| Capital Outlay | 0 | 0 |
| Other Expenses | 800 | 900 |
| Outgoing Transfers – Other Governmental | 12,469,400 | 11,358,700 |
| Other Funds | 5,055,500 | 5,055,500 |
| Total Expenditures | \$17,952,700 | \$16,847,000 |
| 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.

| | 2020-21 Approved Budget | 2021-22 Proposed Budget |
|-------------------------------------|-------------------------|-------------------------|
| Beginning Fund Balance | \$1,132,848 | \$983,848 |
| Revenues | | |
| Local Sources | 1,000 | 1,000 |
| Incoming Transfers – Other Funds | 500,000 | 0 |
| Total Revenues | \$501,000 | \$1,000 |
| Expenditures | | |
| Purchased Services | 0 | 0 |
| Capital Outlay | \$650,000 | \$345,000 |
| Other Expenses | 0 | 0 |
| Total Expenditures | \$650,000 | \$345,000 |
| Ending Fund Balance | \$983,848 | \$639,848 |





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Wayne RESA:

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Randy A. Liepa, Ph.D., Superintendent