

# PRELIMINARY BUDGET

# Wayne RESA

## 2023-2024

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## From Wayne RESA Superintendent, Daveda J. Colbert, Ph.D.

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April 28, 2023

### 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 2023-24. This information was presented to the Wayne RESA Board of Education on April 19, 2023, for review and discussion. A hearing for constituent districts will be held at the May 17, 2023, Wayne RESA Board of Education meeting. The budget is also being presented for formal approval at the June 14, 2023, 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, maximizing, and distributing critical resources and to provide cost saving opportunities through collaboration, support, and economies of scale. Wayne RESA's support and expertise provided to local districts leads to clean audits, quicker resolution of issues, uninterrupted local services during periods of employee transition, and process improvements that help districts' operations run smoother, freeing up valuable time to keep the focus on improving instruction for our students.

The attached budget document provides a high level of information for your review. Additional detail is available on our website at [www.resa.net](http://www.resa.net) under "About Us", then "Reports". Answers to 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 vital services to support our districts.

Your questions or points of interest regarding this proposed budget are invited and should be directed to Drew McMechan, Assistant Superintendent of Financial Services at (734) 334-1564 or at [mcmecha@resa.net](mailto:mcmecha@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,



Daveda J. Colbert, 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 99 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 budget of over \$646.9 million, Wayne RESA's budget includes **more than \$541.6 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 and grant-funded initiatives.

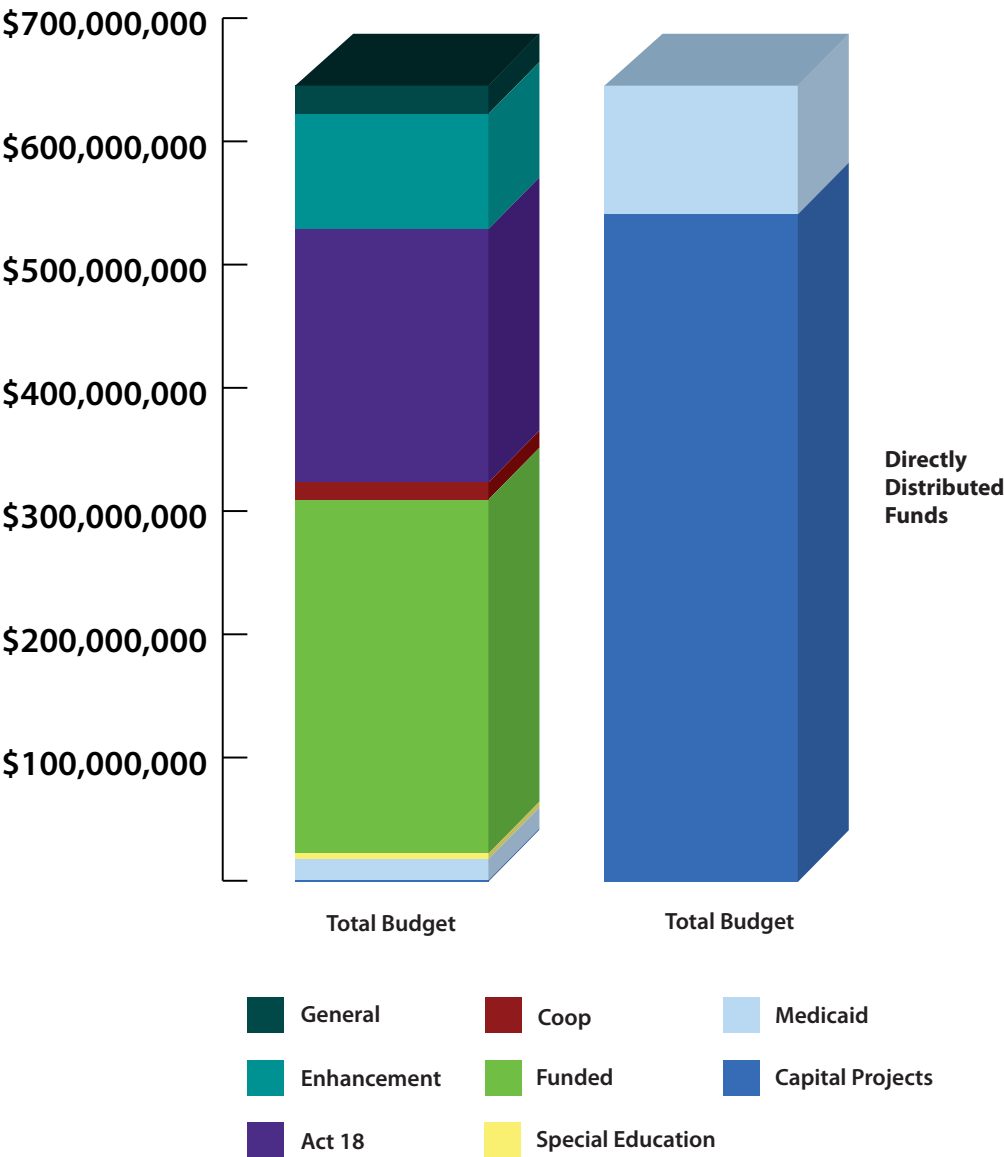
The Preliminary Budget reflects the expected revenues and planned expenditures for the 2023-2024 fiscal year. While projections are as precise as available information will permit, it is anticipated that adjustments will be necessary during the coming year.

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 includes a brief description of their purpose, and in the case of the General Operating Fund and the Cooperative Fund, are followed by links to detailed budgets for each cost center.

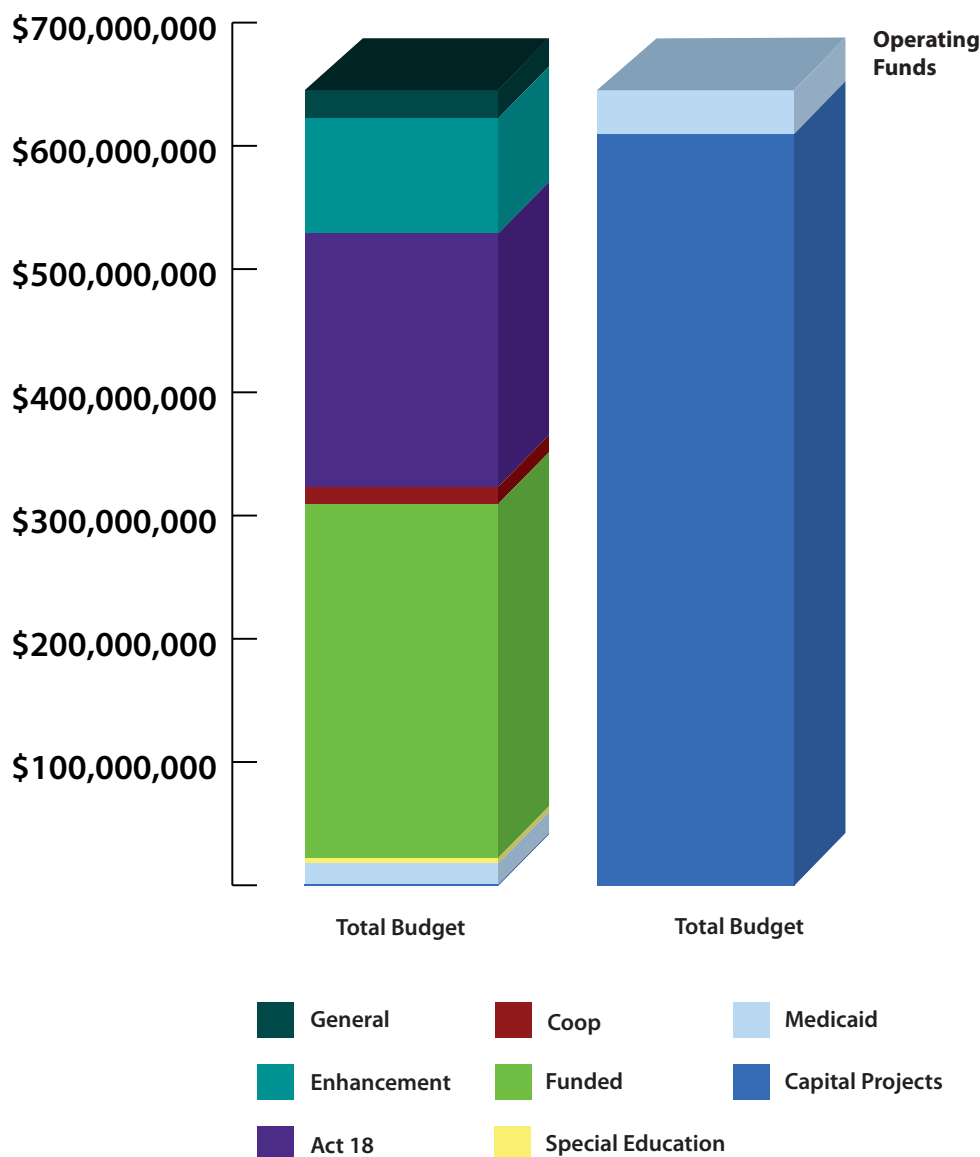
# Wayne RESA 2023-24 Budget

Wayne RESA's total budget across all funds is over \$649.9 million. Of this, \$541.6 million is directly distributed to schools.



# Wayne RESA 2023-24 Budget

Wayne RESA's Operating Funds, the General and Cooperative Funds, represent 5.5% 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 29.08% of costs, while direct services to districts make up the remaining 70.92%.

## Wayne RESA 2023-24 Operating Funds Budget by Service Area





# 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.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$19,370,709	\$18,233,209
<b>Revenues</b>		
Local Sources	\$5,011,400.00	\$5,131,200
State Sources	13,996,000	14,484,700
Incoming Transfers – Other Governmental Agencies	444,200	444,200
Incoming Transfers – Other Funds	1,050,000	1,050,000
<b>Total Revenues</b>	\$20,501,600	\$21,110,100
<b>Expenditures</b>		
Salaries	\$6,501,800	\$6,834,200
Employee Benefits	4,311,300	4,408,030
Purchased Services	2,146,000	2,146,000
Supplies and Materials	498,000	498,000
Capital Outlay	1,153,000	1,244,200
Other Expenses	124,100	124,100
Outgoing Transfers – Other Governmental	252,000	252,000
Other Funds	6,652,900	7,636,900
<b>Total Expenditures</b>	21,639,100	23,143,500
<b>Ending Fund Balance</b>	<b>\$18,233,209</b>	<b>\$16,199,809</b>

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 eligible Public School Academies. It can be used for all allowable school expenditures.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$0	\$0
<b>Revenues</b>		
Local Sources	86,900,000	93,524,750
State Sources	0	0
Incoming Transfers – Other Governmental Agencies	0	0
Incoming Transfers – Other Funds	0	0
<b>Total Revenues</b>	\$86,900,000	\$93,524,750
<b>Expenditures</b>		
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	86,900,000	93,524,750
Other Funds	0	0
<b>Total Expenditures</b>	\$86,900,000	\$93,524,750
<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>

# 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.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$283,333,550	\$271,279,150
<b>Revenues</b>		
Local Sources	149,340,000	153,644,800
State Sources	39,210,000	39,932,400
Incoming Transfers – Other Governmental Agencies	500,000	500,000
Incoming Transfers – Other Funds	5,600,000	5,600,000
<b>Total Revenues</b>	\$194,650,000	\$199,677,200
<b>Expenditures</b>		
Salaries	\$0	\$0
Employee Benefits	0	0
Purchased Services	540,500	720,500
Supplies and Materials	149,000	196,000
Capital Outlay	3,326,200	5,175,000
Other Expenses	0	0
Outgoing Transfers – Other Governmental	200,015,300	196,938,726
Other Funds	2,673,400	2,556,800
<b>Total Expenditures</b>	\$206,704,400	\$205,587,026
<b>Ending Fund Balance</b>	<b>\$271,279,150</b>	<b>\$265,369,324</b>



# 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, Illuminate Assessment Project, Print Services, Production Services, District Field Services, and Consolidated Services.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$1,310,959	\$3,257,459
<b>Revenues</b>		
Local Sources	2,860,000	113,500
Incoming Transfers – Other Governmental Agencies	7,524,700	7,602,900
Incoming Transfers – Other Funds	5,767,000	5,779,200
<b>Total Revenues</b>	\$16,151,700	\$13,495,600
<b>Expenditures</b>		
Salaries	\$5,993,400	\$5,823,300
Employee Benefits	3,974,100	3,766,600
Purchased Services	3,245,300	3,313,300
Supplies and Materials	597,500	597,500
Capital Outlay	182,000	182,000
Other Expenses	209,600	209,600
Outgoing Transfers – Other Governmental	0	0
Other Funds	3,300	3,300
<b>Total Expenditures</b>	\$14,205,200	\$13,895,600
<b>Ending Fund Balance</b>	<b>\$3,257,459</b>	<b>\$2,857,459</b>

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.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$ -0-	\$ -0-
<b>Revenues</b>		
Local Sources	487,000	4,207,730
State Sources	90,584,300	136,821,090
Federal Sources	97,100,100	144,148,861
Incoming Transfers – Other Governmental Agencies	1,993,100	2,065,327
Incoming Transfers – Other Funds	0	0
<b>Total Revenues</b>	\$190,164,500	\$287,243,008
<b>Expenditures</b>		
Salaries	\$5,575,200	\$8,421,300
Employee Benefits	3,661,500	5,530,700
Purchased Services	22,024,400	33,267,800
Supplies and Materials	2,608,500	3,940,100
Capital Outlay	8,600	13,000
Other Expenses	336,800	508,700
Outgoing Transfers – Other Governmental	154,198,500	233,608,008
Other Funds	1,751,000	1,953,400
<b>Total Expenditures</b>	\$190,164,500	\$287,243,008
<b>Ending Fund Balance</b>	\$ -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 students with disabilities in Wayne County. The fund also includes the distribution of state and other funds to the Michigan School for the Deaf and certain other residential programs that serve Wayne County students.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$ -0-	\$ -0-
<b>Revenues</b>		
Local Sources	0	0
State Sources	1,600,000	1,600,000
Federal Sources	0	0
Incoming Transfers – Other Governmental Agencies	0	0
Incoming Transfers – Other Funds	2,973,400	2,856,800
<b>Total Revenues</b>	\$4,573,400	\$4,456,800
<b>Expenditures</b>		
Salaries	\$1,835,500	\$1,693,000
Employee Benefits	1,286,900	1,184,400
Purchased Services	632,400	650,400
Supplies and Materials	31,500	34,900
Capital Outlay	215,000	322,000
Other Expenses	5,800	5,800
Outgoing Transfers – Other Governmental	338,000	341,300
Other Funds	228,300	225,000
<b>Total Expenditures</b>	\$4,573,400	\$4,456,800
<b>Ending Fund Balance</b>	<b>\$-0-</b>	<b>\$-0-</b>



# 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.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$-0-	\$-0-
<b>Revenues</b>		
Local Sources	17,212,000	17,212,000
<b>Total Revenues</b>	\$17,212,000	\$17,212,000
<b>Expenditures</b>		
Salaries	\$292,600	\$292,600
Employee Benefits	200,500	200,500
Purchased Services	18,600	18,600
Supplies and Materials	2,500	2,500
Capital Outlay	0	0
Other Expenses	900	900
Outgoing Transfers – Other Governmental	11,141,400	11,141,400
Other Funds	5,555,500	5,555,500
<b>Total Expenditures</b>	\$17,212,000	\$17,212,000
<b>Ending Fund Balance</b>	<b>\$-0-</b>	<b>\$-0-</b>

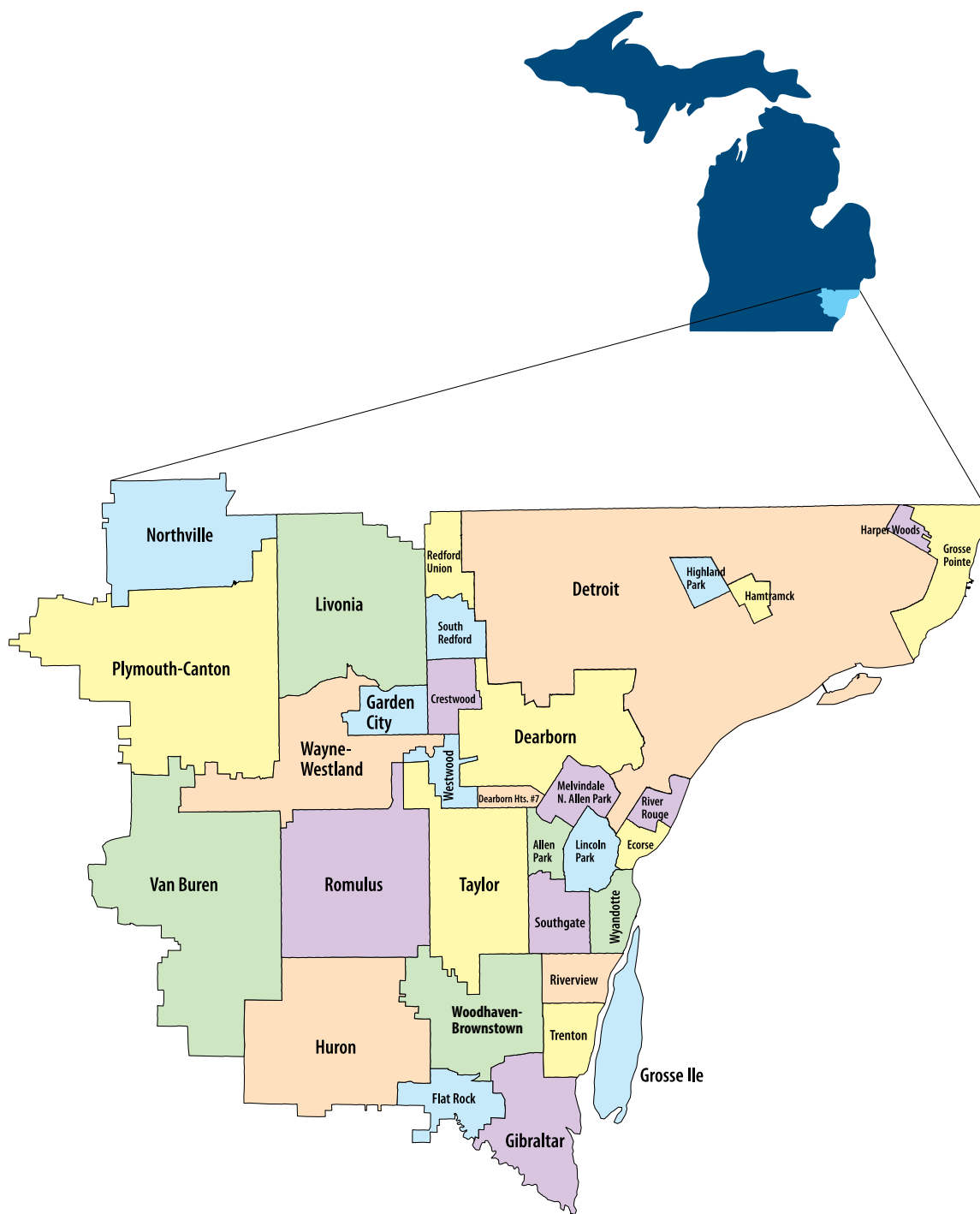


# Capital Projects Fund

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.

	2022-23 Approved Budget	2023-24 Proposed Budget
<b>Beginning Fund Balance</b>	\$864,897	\$51,397
<b>Revenues</b>		
Local Sources	1,000	1,000
Incoming Transfers – Other Funds	850,000	1,825,000
<b>Total Revenues</b>	\$851,000	\$1,826,000
<b>Expenditures</b>		
Purchased Services	0	55,000
Capital Outlay	\$1,664,500	\$1,820,000
Other Expenses	0	0
<b>Total Expenditures</b>	\$1,664,500	\$1,875,000
<b>Ending Fund Balance</b>	<b>\$51,397</b>	<b>\$2,397</b>





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#### **Wayne RESA:**

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#### **Board of Education:**

James S. Beri • Mary E. Blackmon • Danielle Funderburg • Lynda S. Jackson • James Petrie

Daveda J. Colbert, Ph.D., Superintendent

*Wayne RESA is an equal opportunity employer.*