

Wayne RESA

2022-2023 Preliminary Budget Frequently Asked Questions

QUESTION	RESPONSE
1. What are the agency's assumptions regarding revenue?	State Aid is reflected with no increase or decrease as the upcoming state budget is still in process. Although property tax values are not yet available from the counties, we are projecting a slight increase in taxable values based on current trends.
2. What salary adjustments are included in the proposed budget?	Salary steps that are part of current bargaining unit contracts, as well as the filling of several currently open positions are included in the budgets. All existing collective bargaining agreements expire on June 30, 2022.
3. What assumptions were made about retirement?	The budget holds the retirement rate at a composite rate of 41%. The board recognizes the section 147 elements of the state school aid budget that currently provide additional funding to help offset a portion of the gross retirement expense (14.5%) and have the effect of making the net rate lower than this amount.
4. What about health care?	The preliminary budget reflects the continued compliance with the Public Act 152 hard cap and has included the 3.7% increase for 2022 to raise the cap, as imposed by law.
5. In the General Fund, why are there some program areas with compensation increases, some with decreases and some with virtually no change?	The various programs within the General Fund may have as few as one person or represent 20 or more persons. The variations in individual programs when comparing the current year budget to the projected budget reflect, in most cases, either movement of staff or the granting of steps; as well as the movement of staff between grant funds, the Cooperative Fund and the General Fund.
6. The budget projections indicate that the Agency will have a \$731K operating deficit in 2022-2023. Is this expected to be a continued trend?	The agency has used fund balance for many of the last several years in a planned way in order to minimize impact on services to local schools. The projected 2022-2023 operational deficit is reflective of that planned use of fund balance. The Wayne RESA board's long-term strategy has been to maintain fund balance in order to not affect the delivery of operational services to constituent districts.



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Wayne RESA: 33500 Van Born Road • Wayne, MI 48184 • 734.334.1300 • 734.334.1620 FAX • www.resa.net
 Board of Education: James S. Beri • Mary E. Blackmon • Danielle Funderburg • Lynda S. Jackson • James Petrie
 Daveda J. Colbert, Ph.D., Superintendent

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7. What are the revenue assumptions in the Act 18 Special Education fund?	Revenue sources from property taxes are projected as flat at this time due to expected decreases in delinquent tax collections. Current tax collections are projected to increase slightly. Neither the State School Aid Budget nor the 2022 property values have been released at this time. Interest income is predicted to remain low for the upcoming year based on current market rates.
8. Why are transfers to other agencies decreasing in the Act 18 Fund?	Transfers to other agencies (school districts and charter schools) are based on approved budgets for submitted and reviewed 22-23 center program operating districts. At this time, the budget does not include any one-time distribution of funds for transportation or programs costs as has occurred in the past. This will be reassessed once projected revenue and program costs become more apparent.
9. What is the reason behind the decreased revenues in the Funded Projects Fund?	Two one-time sources of federal funding for the IDEA and GSRP grants totaling \$38.2M are not included in the 2022-2023 budget. Any amounts available from carryover of all other current year allocations will be reflected in the first budget revision of 2022-23.
10. Did RESA receive any of the ESSR monies or other one time relief monies?	Other than the one time sources for GSRP and IDEA listed in the question above, that were distributed to Local districts and agencies as part of their 21-22 allocations, RESA received no other stimulus or relief allocations.
11. What is the purpose of the Capital Projects Fund and why is there a proposed expenditure increase for the 2022-2023 budget?	This fund was established by the Board of Education to provide for the capital needs of the organization and has been funded through transfers from the General Fund. The 22-23 budget will use available fund balance from projected unfinished 2021-22 projects as well as an additional allocation from the General Fund to support costs necessary to upgrade additional areas of the Education Center roof, security systems, carpet & paint in selected areas, as well as the purchase & installation of a building management system to monitor critical building functions.



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12. How will the Enhancement Millage be distributed during the 2022-23 Budget year?	The Renewal of the Enhancement Millage in 2020 and changes to legislation will require RESA to distribute current year collections to both local districts and Public School Academies for the coming year. There is expected to be a slight increase in total current collections based on projected property value increases.