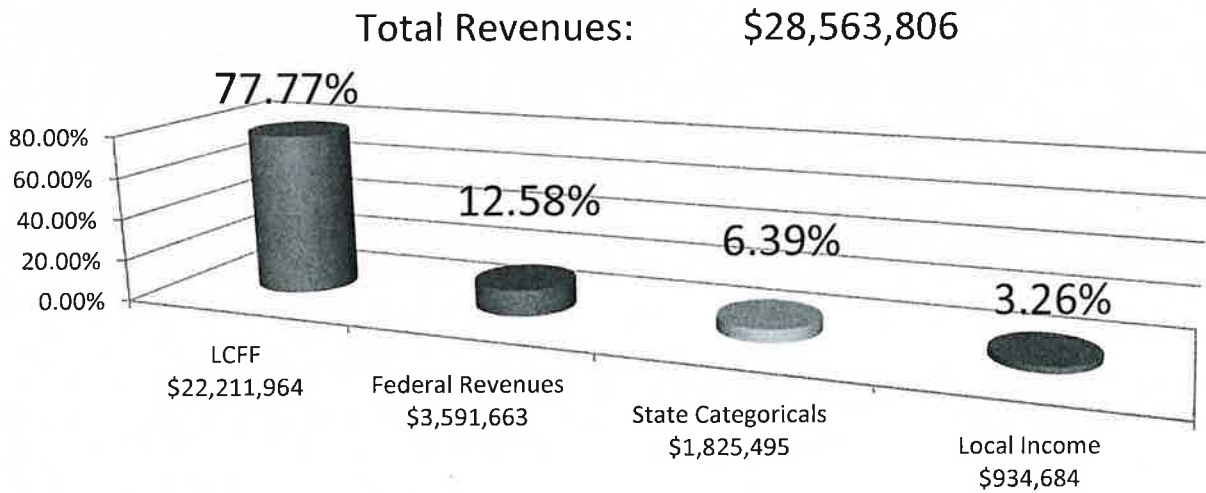


**Bishop Unified School District
2022/2023 Budget Narrative**

10.4



Revenue Limit

Property Taxes (802X – 804X)	\$13,468,396
State Supplement Unrestricted (8011)	\$ 8,402,753
State Supplement Restricted EPA (8012)	\$ 340,815

Federal Revenues

Impact Aid (Res 0000, Object 8110)	\$ 1,350,000
Forest Reserves (Res 0000, Object 8260)	\$ 37,191
Special Education (Res 3310 & Object 8181)	\$ 432,779
Special Education Mental Health Grant (8182)	\$ 28,000
Title I Part A (Res 3010, Object 8290)	\$ 303,439
Title II (Re 4035, Object 8290)	\$ 51,915
Title III – ELL & Immigrant (Res 4203 & 4201, Object 8290)	\$ 28,100
Indian Ed (Res 4510, Object 8290)	\$ 152,779
Title IV (Res 4127, Object 8290)	\$ 21,070
ESSER & GEER (Res 3212,3213,3214,3215,3219, Obj 8290)	\$ 1,186,390

State Categoricals

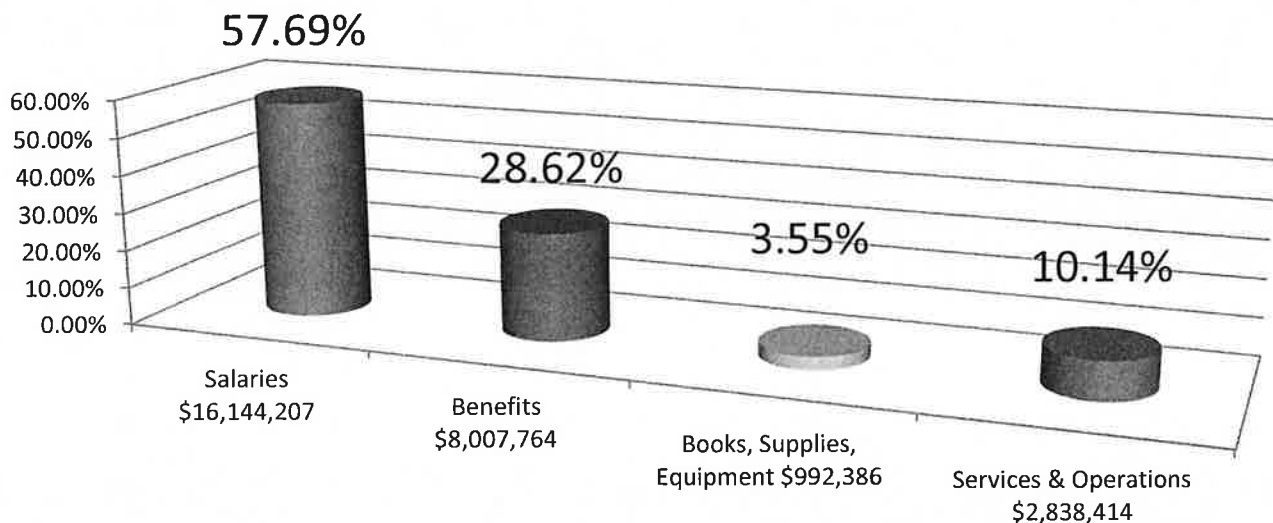
Special Education (Res 6500, Obj 8311)	\$ 851,433
Special Education Mental Health (Res 6512, Obj 8590)	\$ 148,000
Lottery (Res 1100 & 6300 Obj 8560)	\$ 465,000
Mandated Costs (Res 0000, Obj 8550)	\$ 83,006
Ag Grant (Res 7010, Obj 8590)	\$ 8,000
A to G (Res 7412 & 7413, Obj 8590)	\$ 143,996
TK Implementation (Res 6053, Obj 8590)	\$ 126,060

Local Income

Interest, Leases & Rentals	\$ 36,000
Other Local Income	\$ 898,684

Bishop Unified School District 2022/2023 Budget Narrative

Total Expenditures: \$28,672,771



Salaries

Certificated	\$10,254,799
Administration	\$ 1,234,885
Classified	\$ 4,654,523

Benefits

Health/Welfare	\$3,482,299
Certificated Retirement Contribution	\$1,994,796
Classified Retirement Contribution	\$1,328,087
Retiree Benefits	\$ 300,000
Unemployment	\$ 80,603
Worker's Comp	\$ 254,813
Social Security	\$ 567,166

Books & Supplies

Textbooks	\$ 19,500
Materials & Supplies	\$ 906,816
Equipment/Technology	\$ 66,070

Services & Operating Expenditures

Travel & Conference	\$ 8,500
Dues & Memberships	\$ 38,000
Insurance	\$ 284,985
Utilities, Fuels, Repairs	\$ 874,614
Contracts & Consulting	\$1,587,315
Communications (phones & postage)	\$ 45,000
Buildings & Improvements	\$ 90,000
Transfer to Food Services	\$ 100,000
Transfer for Future Tech & Misc. Projects	\$ 200,000
Transfer to Deferred Maintenance	\$ 250,000
Transfer to Student Transportation	\$ 50,000

Narrative for the 2022/2023 Budget

Developing this budget with two CBO's in the house has been a learning experience for both of us. Interestingly enough, the May Revise information provided to districts still leaves some questions so we developed the budget using a "modeling" version of the LCFF calculator provided by FCMAT and ICOE. The items still being finalized have to do with blended ADA, future year COLAs, ongoing funding for the after school programs, one-time discretionary funding, an increase to LCFF base funding, and more. The state has until July to finalize their budget and we expect that at least some of these questions will be answered and budget revisions will be in our future.

Respectfully submitted – Midge Milici & Stephanie Fritz

Revenues:

- **LCFF** - LCFF revenues are forecasted to be \$22,211,964 which is up from our prior estimates due to the 6.56% COLA proposed in the May Revise. In January, Subsequent year COLA's were announced at 3.61% and 3.64% and the MYP was developed with those numbers. 23/24 LCFF revenue is estimated at \$22,809,235 and 24/25 at \$22,954,207. The May Revise amended those COLAs to be 5.38% and 4.02%. The LCFF calculator we received from ICOE does not reflect the higher numbers, but if they are confirmed our MYP revenue projections will be revised with the 1st or 2nd Interim Report.
- **Federal Revenues** - 22/23 and 23/24 Federal revenues still reflect the inflated numbers resulting from stimulus funding. By 24/25 that funding will have been exhausted and funding is estimated to return to pre-stimulus/COVID levels.
- **Other State Revenues** State funding is slowly returning to pre-pandemic levels although several of the outstanding issues we mentioned earlier may send them upward again. The proposed discretionary block grant alone could result in one-time funding of over \$2,000,000 for BUSD. A huge jump in the funding for after school and summer programs is out there too. Again, stay tuned and after the state budget is adopted in July we will have more news.
- **Local Revenue** - Local revenues are mainly comprised of reimbursement from other districts for services, ICOE assistance with CTE costs, reimbursement for SELPA supported expenses and other miscellaneous invoicing.

Expenses:

- **Salaries & Benefits** -The District has settled negotiations with the teachers, administration and confidential and we are working on an agreement with Classified staff. With the 6.56 COLA we have been able to offer increases that at least help offset the skyrocketing inflation numbers. All costs of current and proposed settlements for 22/23 are included in the MYP.
- **Books, Supplies & Equipment** – These budgets remain on the higher side despite exhaustion of one-time funding. Due to inflation, we felt it prudent to keep these budgets on the higher side.
- **Services & Operating Expenses** – We have also kept these budgets on the higher side in anticipation of higher utility costs, increasing insurance rates, and overall inflation. We have also included facilities expenses for storage sheds, and the new Kinder playground.

Reserves:

- Estimated Actuals reflect our ending reserve to be 20.58% or \$6,606,378, \$812,192 of which is carry over restricted funding from the state. 21/22 and 22/23 reflect deficit spending having to do with using those restricted ending balances from prior years. Subsequent years also reflect slight deficit spending, but reserves are maintained above the board mandates 17%. Should the higher future COLA numbers be realized, these numbers will be adjusted. Despite so much of the May Revise being unsettled, we feel confident of our financial position.

Other Funds:

- **Cafeteria - 13** - The state has announced that two free meals a day will be mandated from here on out. They have also announced funding to offset the costs that are not covered by the National School Lunch Program. The good news is that the higher meal numbers we have experienced greatly increase the funding we receive. The bad news is that the higher cost of food, supplies and transportation eat up additional funding. We anticipate a district contribution of \$100,000.
- **Deferred Maintenance - 14, Developer Fees 25, Special Projects – 40** - We continue to transfer money to our facilities funds. The one-time funding received that past couple of years has allowed us to increase these funds which is a welcome development. Fund 14 (deferred maintenance) is estimated to end 22/23 with over \$800,000 in reserve and fund 40 (other capital projects that we have typically used to refresh older technology) with over \$500,000.
- **Capital Facilities – 21 & 35** These funds will remain stagnant until such a time the District passes a bond and projects ensue.
- **Transportation – 15** - We ordered three new student vans last year and are still waiting delivery. The vans are definitely in need and we have no plans to cancel the orders. Our last update indicated that we may have them this summer.
- **Bond Funds – 51 & 52** - We don't worry too much about these funds as they are self-supporting. The county deposits property tax revenues that cover the payments we make to pay off our bonds. Don't you wish everything was this simple?
- **Retiree Benefits – 67** - The District has been paying for retiree benefits from the general fund. Should ADA not rebound, we will consider using the balance of this fund to pay for retiree benefits until exhausted.
- **Private Purpose Trust – 73** - This fund holds private contributions that are used to provide scholarships to BUHS graduates and we thank those donors for continuing to provide resources to our students.

It has been my honor and privilege to work for the students and staff of Bishop Schools for the past 16 years. The support I have received from everyone from the Board, to Superintendents, DO staff, Admin, certificated and classified staff alike has been very much appreciated and treasured. I will miss all of you tremendously but I know I leave you in very capable hands with Stephanie.

Midge Milici – signing out.

**BISHOP UNIFIED SCHOOL DISTRICT
MULTI-YEAR PROJECTIONS**

	21/22 Estimated Actuals	22/23 Proposed Budget	Pending Adjustments	22/23 Revised Budget	1st Subsequent 23/24 Projected Budget	2nd Subsequent 24/25 Projected Budget
FUND 01 - GENERAL FUND						
REVENUES						
LCFF SOURCES 80??	20,898,069	22,211,964		22,211,964	22,809,235	22,954,207
FEDERAL REVENUES 81?? & 82??	3,570,936	3,591,663		3,591,663	3,902,486	2,405,273
OTHER STATE REVENUE 83?? - 85??	2,565,130	1,825,495		1,825,495	1,621,274	1,621,274
OTHER LOCAL REVENUE 86??	910,115	934,684		934,684	934,684	934,684
TOTAL REVENUES	27,944,250	28,563,806		28,563,806	29,267,679	27,915,438
EXPENDITURES						
CERTIFICATED SALARIES 1???	11,454,030	11,618,684		11,618,684	11,748,850	11,880,753
CLASSIFIED SALARIES 2???	4,293,012	4,666,523		4,666,523	4,729,227	4,783,724
EMPLOYEE BENEFITS 3???	7,062,216	8,026,276		8,026,276	7,944,012	7,887,655
BOOKS AND SUPPLIES 4???	915,117	992,386		992,386	1,002,386	1,007,386
SERVICES, OTHER OPERATING EXPENSES 5???	2,769,537	2,838,414		2,838,414	2,802,442	2,857,442
CAPITAL OUTLAY 6???	946,901	90,000		90,000	1,000,000	
OTHER OUTGO (7300-7400)				0	0	0
TOTAL EXPENDITURES	27,440,813	28,232,283		28,232,283	29,226,918	28,416,960
EXCESS/<DEFICIENCY> (REV-EXP)	503,436	331,524		331,524	40,762	-501,521
OTHER FINANCING SOURCES/USES						
INTERFUND TRANSFERS IN		0		0		0
INTERFUND TRANSFERS OUT	600,000	600,000		600,000	425,000	425,000
OTHER SOURCES		0		0	0	0
OTHER USES		0		0	0	0
CONTRIBUTIONS - STATUTORY				0	0	0
CONTRIBUTIONS - OTHER				0	0	0
TOTAL SOURCES/USES	-600,000	-600,000		-600,000	-425,000	-425,000
INCREASE/<DECREASE> IN FUND BALANCE	-96,564	-268,476		-268,476	-384,238	-926,521
FUND BALANCE, RESERVES						
BEGINNING BALANCE, JULY 1				6,606,378	6,337,902	5,953,663
AUDIT ADJUSTMENTS						
ADJUSTMENTS FOR RESTATEMENTS						
NET BEGINNING BALANCE	6,702,942	6,606,378		6,606,378	6,337,902	5,953,663
UNADJUSTED ENDING BALANCE, JUNE 30	6,606,378	6,337,902		6,337,902	5,953,663	5,027,142
RESERVE DESIGNATION BY OBJECT CODE						
LEGALLY RESTRICTED RESERVES 9740	812,192	400,000		400,000	200,000	100,000
REVOLVING CASH 9712	4,000	4,000		4,000	4,000	4,000
OTHER DES PER BOARD RESOLUTION 9780						
UNASSIGNED RESERVES See Below**	5,790,186	5,933,902		5,933,902	5,749,663	4,923,142
**RESERVED-ECONOMOC UNCERTAINTY 9789	4,766,938	4,901,488		4,901,488	5,040,826	4,903,133
**UNASSIGNED RESERVES 9790	1,023,248	1,032,413		1,032,413	708,837	20,009
Expenditures	28,040,813	28,832,283		28,832,283	29,651,918	28,841,960
Reserve Percentage	20.65%	20.58%		20.58%	19.39%	17.07%

					1st Subsequent 23/24 PROJECTED BUDGET	2nd Subsequent 24/25 PROJECTED BUDGET
Multi-Year Projection Assumptions						
REVENUES						
REVENUE LIMIT SOURCES						
LCFF Modification Factor per LCFF Spreadsheet					597271	144972
Total Revenue Limit Adjustments					597271	144972
FEDERAL REVENUES						
<i>Detail any Adjustments</i>						
ESSER funds used in 22/23					-1,186,390	
ESSER funds to be used in 23/24					1,497,213	
Exhaustion of ESSER Funds						-1,497,213
Total Federal Revenue Adjustments					310,823	-1,497,213
STATE REVENUE						
One-time ELO - Grant					-323,589	
Start of ongoing ELO - G funding (950 ADA X .61 UPP X \$672)					389,424	
One-time Funding Universal TK and A-G					-270,056	
Total State Revenue Adjustments					-204,221	
OTHER LOCAL REVENUE						
Local Income review post COVID						
Total Local Revenue Adjustments					0	0
EXPENDITURES						
CERTIFICATED SALARIES						
<i>Detail any Adjustments</i>						
	ADM	13516	13563			
Cost of 1%	CTA	116577	118387			
	115069					
Step & Column including Stat Ben - Teachers	Equivalent of	1.58 %	1.53 %	184,203	181,007	
Step Adjustments - Administration				7,959	12,892	
Staffing Changes						
Salary Schedule Increase				0		
ESSER III Carryover expenses						
One-time ELO Expenses						
Retiree/Replacements Savings				-61,996	-61,996	
Actual Salary Increase Percentage Calculation				0.00 %	0.00 %	
FTE Increases(Decreases) included				0.00	0.00	
Total Certificated Salary Adjustments					130,166	131,903
CLASSIFIED SALARIES						
<i>Detail any Adjustments</i>						
	Con	8678	8837			
Cost of 1%	CLs	49178	50438			
	48494					
Salary Schedule Increase				0	0	
Step Costs per Scattergram - w/stat benefits	Equivalent of	2.06 %	2.04 %	101,066	102,820	
Step Adjustments - Confidential				7,240	5,677	
Retiree Replacements				-45,602	-54,000	
Salary Schedule Increase				0		
One time ESSER II Expenses						
One-time ELO Expenses						
ESSER III Expenses						
Staffing Reductions						
Total Classified Salary Adjustments					62,704	54,497

EMPLOYEE BENEFITS							
<i>Detail any Adjustments</i>							
H&W increase						\$0	\$0
Change to Number of H&W Benefit FTE's							0.00
Mandated Benefits Certificated						-13,974	-13,974
CalStrs Increase/Decrease	Equivalent of		%		%		
Mandated Benefits Classified						-16,690	-20,304
Reduction in UI	Back to .20% in 23/24					-45,472	
One-time ESSER II Expenses							
One-time ELO Expenses							
ESSER III Expenses							
PERS Increase			%		%	-6,127	-22,080
Retiree Benefits to fund 67 for the year							
Cost of new FTE H&W increase/decrease CERT	Current Cap			\$18,000			
Cost of new FTE H&W increase/decrease CLASS				\$18,000			
H&W increases-Pending Negotiations CERT	# of plans	127				\$0	0
H&W increases-Pending Negotiations CLASS	# of plans	72.4				0	0
Total Employee Benefit Adjustments						-82,263	-56,358
BOOKS AND SUPPLIES							
<i>Detail any Adjustments</i>							
One-time ESSER II Expenses							
One-time ELO Expenses							
ESSER III Costs							
Fuel Costs: District/Transportation Vehicles						10,000	5,000
Total Books & Supplies Adjustments						10,000	5,000
SERVICES, OTHER OPERATING EXPENSES							
<i>Detail any Adjustments</i>							
Property/Liability Insurance Premiums						25,000	25,000
ICSOS for IT services						10,000	10,000
One-time ESSER II Expenses						-90,972	
One Time Ed Effectiveness							
ESSER III Carryover budget							
One-time ELO Expenses							
One-time IPI Expenses							
Utilities/Telephone						20,000	20,000
Total Services/Other Operating Adjustments						-35,972	55,000
CAPITAL OUTLAY							
<i>Detail any Adjustments</i>							
Exhaustion of Prop 39 funds							
One-time ESSER II Expenses						1,000,000	-1,000,000
One-time IPI Expenses							
Total Capital Outlay Adjustments						1,000,000	-1,000,000
INTERFUND TRANSFERS OUT							
<i>Detail any Adjustments</i>							
Reduction based on one-time monies						-175,000	
Cafeteria transfer							
Total Interfund Transfer Out Adjustments						-175,000	0