



NOVATO UNIFIED SCHOOL DISTRICT

1015 Seventh Street • Novato • CA • 94945 • nusd.org

NOTES

BUDGET ADVISORY COMMITTEE

A Superintendent's Advisory Committee

District Office – 1015 7th Street, Novato – Room 107
October 28, 2024 from 5-7pm

1. Welcome & Introductions (meeting started at 5:00 PM)

2. Budget / Enrollment Updates

- a. Projected enrollment using 8 years of data by grade level at each site. Changes are tracked using averages from an 8-year, 4-year, and 2-year time frame.
- b. Question: Are STEM and MSA built into the enrollment? Yes, even though we bring students from outside of Novato.
- c. SDC (Special Day Class) and NPS (Non-Public School) are counted in a separate section. Their programming location can change, but they are still NUSD students.
- d. Newcomers come in mid-year, so enrollment will most likely see a spike in January
- e. Grade levels are to be considered as well. We do anticipate a decrease next year due to a graduating class that's larger than the incoming. Middle school is expected to grow, and we know that the Kindergarteners and 1st graders will also be part of larger classes.
- f. In the state of California, you do not need to register your student for school until the age of 6. The TK age is being lowered to 4-years-old.
- g. Question: What are the TK class sizes? We operate at 20:1, and are allowed to operate at 24:1 for students:teachers. However, there needs to be a 10:1 student:adult ratio.
- h. Question: How do transfers work for someone coming in from outside the district? Internal students have priority. This is not always feasible, but can often be fixed with a one for one swap.
- i. Question: Do we know how we stack up in terms of population vs. facilities? HR brings forward an item to the Board each year

3. Budget Education

- a. Presentation from Superintendent Roadshow
 - i. Presented items like Budget, LCAP, etc.
 - ii. LCFF District: Property taxes only gives us so much, so state taxes supplement
 - iii. Basic Aid District: Property taxes give you more than enough. State taxes do not supplement.
 - iv. Novato, Miller Creek, and Ross Valley are the only LCFF districts in Marin.

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- v. If a District is borderline LCFF/Basic Aid, the District must prepare two budgets, and depending on the numbers (enrollment, property taxes) will move forward with the appropriate budget.
- vi. Lottery is state funding, local funding is parcel tax, facility use, etc. COVID funds are federal.
- vii. **CORRECTION to presentation: \$86,492,399 is the LCFF Sources.**
- viii. 80% of our budget was spent on salaries and benefits. This is fairly normal.
- ix. Services include utilities, agency hires, etc. Question: Why are they lumped together? There are only 7 lines for expenses so the larger picture combines them.
 - 1. Salary – Certificated
 - 2. Salary – Classified
 - 3. Benefits
 - 4. Transfers
 - 5. Services
 - 6. Supplies
 - 7. Equipment

b. First Interim Update

- i. This reporting is required by state law, and is a snapshot of the budget as of 10/31. Everything presented today is subject to change because we still have a few days left within the reporting period, and this doesn't include the payroll that ran today.
- ii. Positive, Qualified, Negative – the three budget certification types. We are projected to certify positive. First Interim last year was qualified, and at Second Interim we were positive.
- iii. Reserves – Restricted vs. Unrestricted. You must have 3% unrestricted in reserves.
- iv. Why does the budget change from adoption?
 - 1. Timeline – budgets are adopted in May of the previous year
 - 2. Position Control – staff leaves, staff hired
 - 3. Enrollment – we project, but we don't truly know until the start of the year
 - 4. Money/Program Changes – they can be added or removed
 - 5. NPS/Agency Hires/Transportation
- v. First Interim is typically more accurate than budget adoption, often referred to as the "real budget." Assumptions have to be made – state COLA increases, daily attendance rates, enrollment trends, etc.
- vi. The decrease in roughly 10 FTE was not layoffs, it was Position Control clean up
- vii. If unduplicated student count goes up, we will receive additional funding
 - 1. Currently funding is based on Districtwide percentages, but could potentially be changed to look at site level. In which case, a few of our sites would really benefit.
- viii. The numbers presented in the draft will not match what will be presented in December for the official First Interim. We ended up better than expected, but are still operating in a deficit.
- ix. Marin Community Foundation funding was cut from roughly \$700,000 to \$0.
- x. Revenues have decreased due to the loss of COVID funding, the step/column increases, health/welfare increases. If COLA had come in at 3%, it could have meant an ongoing additional roughly \$1.7 million.

- xi. Roughly 12% of the enrollment population is in Non-Public Schools, which are costly.

4. Revenue Generation Discussion

- a. Shade Structures - \$8,000 per site for shade structures. Approval will come in March.
- b. STOPit Grant – federal from the DOJ. You can get up to \$1 million over 3 years. It seems to be pretty competitive, they only give out roughly 75 awards. This would offset costs of things we already have (North Bay Security Group, Wellness Centers, etc.)
- c. Question: How are PTAs doing with the budget assumption? Teachers got \$200 each. Copier contracts have been moved to the District. District does not control the PTAs.
- d. We would like to eventually re-up the Parcel Tax and increase its dollar amount.
- e. An idea from recent years within the county was that a specialized program for Newcomers could be created to bring in revenue.

5. Budget Development Calendar

- a. First Interim: as of 10/31, presented in December
- b. Second Interim: as of 1/31, presented in March
- c. Last year a Third Interim was requested by MCOE
- d. Budget: published in May, presented for approval in June (first meeting lots of questions, last meeting of June gets approved)
- e. Final Reporting: Year-End Close a.k.a. Unaudited Actuals due in September for the previous year.
- f. Audit: Done in December

6. Questions/Comments

7. Adjournment (7:00 PM)

UPCOMING MEETINGS
Mondays from 5-7 PM in District Office Room 107
January 13
March 10