

**SANTA BARBARA SCHOOL DISTRICTS
BOARD OF EDUCATION**

Minutes of Special Board Meeting
Monday, April 17, 2006

Call to Order- Meeting convened at 3:30 p.m.

The Santa Barbara Elementary and High School Districts' Board of Education special meeting was held in the Administration Center Board Room, 720 Santa Barbara Street, Santa Barbara, California, and called to order by Board President Cordero.

Members Present:

Annette Cordero, President
Laura Malakoff, Vice President
Lynn Rodriguez, Member
Nancy Harter, Member
Robert Noël, Member

Staff Present:

Brian Sarvis, Ed.D. Superintendent
Jan Zettel, Assistant Superintendent Secondary Education
Robin Sawaske, Assistant Superintendent Elementary Education
Mary T. Stark, Assistant Superintendent Business Services

Craig Price, Legal Counsel

A.1 Call to Order

Meeting was called to order by Board President Cordero.

A.2 Public Comments

None

The board adjourned to closed session to discuss the following:

B.1 Conference with Legal Counsel-anticipated litigation

Significant exposure to litigation pursuant to subdivision (b) of Government Code § 54956.9: Threatened Brown Act lawsuit by Libertarian Party

Returned to regular session at 4:00 p.m.

C.1 Pledge of Allegiance

Was led by Dr. Sarvis

C.2 Spanish Translation/Traducción en Español

Mrs. Noemi Vasquez introduced herself and stated she was available for translation.

C.3 Headsets for Hearing Impaired

Board President Cordero announced that headsets for the hearing impaired were available.

C.4 Public Comments

- Kate Smith- high school drop outs

Board President Cordero announced that in closed session, with a vote of 5-0, the board approved a written settlement agreement with the Santa Barbara County Libertarian Party in connection with a threatened lawsuit regarding alleged Brown Act violations. She noted the Libertarian Party agreed to release any and all claims against the Santa Barbara School District and the Board of Education arising from the February 28, 2006 board meeting and

all other matters contained in Board Member Noël's March 9 memo and the March 29 letter from the Libertarian Party's attorney containing their threat of litigation. She stated that the settlement is made without any admission of liability or wrongdoing by the Santa Barbara School District and its Board of Education. Board President Cordero explained that the board agreed to tape all closed sessions for a minimum of 1 calendar year and retain the recordings for 1 year. The district will pay \$5000 in legal fees. Copies of the settlement agreement will be made available upon written request.

Conference Agenda

D.1 Update of Cafeteria Fund and Possible Action Concerning Shortfall as of the Fiscal Year 2005-06 Second Interim Report

Dr. Sarvis began the presentation by announcing that the cafeteria budget shortfall was larger than expected. Mary Stark, assistant superintendent of business services, proceeded. She provided a recap of the information provided to the board in past meetings and stated that while preparing the 2nd Interim Reports, staff has determined that "an item of revenue was incorrectly budgeted in duplicate" and was shown as an "abatement to expense", thus, she explained increasing the cafeteria shortfall. She reviewed a report "History of the General Fund Support to the Cafeteria Fund" outlining the monies owed to the district from the cafeteria fund, the projected shortfall and a revised proposed amortization schedule. Questions and comments from the board followed Ms. Stark's presentation.

Public Comment:

- Michael Zoradi- cafeteria fund repayment and Ms. Stark's report
- Kate Smith- job performance review and contracting out accounting services

Ms. Stark recommended the board accept the proposed amortization schedule. Board Member Harter requested item E. 1 be reviewed first. Board Member Noël noted he was not happy about taking action on the item because it was in the conference agenda and stated this was happening too often. Board Member Harter suggested someone go back through the January minutes and check how many times action had been taken on conference items.

Board President Cordero announced they would continue with item E.1 and then decide on voting on D.1

Action Agenda

E.1 Approval of FY 2005-06 Second Interim Budget Reports for Santa Barbara Elementary and High School Districts, Multi-Year Projections, Positive Certifications of Financial Condition and Future Budget Considerations

Ms. Stark presented the item. She presented and reviewed the 2nd Interim Report for the elementary district answering questions from the board during her presentation. Questions from the board included MAA monies, step and salary increases, district contributions to restricted programs and meeting the required 3% reserve. Dr. Sarvis explained that there was an item on calendar for a future agenda to request direction from board and discuss possible cuts, if that were the direction they wanted to take, to increase reserves. Ms. Stark continued with her presentation of the high school 2nd interim report. Ms. Stark provided a recap report for each district. Ms. Stark answered questions from the board throughout her presentation. Board Member Noël inquired about the district's contributions to restricted programs. Ms. Stark mentioned a few programs and stated she would provide a recap of district contributions to Board Member Noël. Ms. Stark ended by noting that both the elementary and high school districts were presenting a positive certification to the Santa Barbara County Education Office.

Public Comment:

- Kate Smith- special education and transportation encroachment and corrupt SELPA
- Karolyn Renard- inquired if the monies for the legal settlements came from the general fund

Board Member Noël requested Ms. Stark answer Ms. Renard's question and clarified the question: "was unrestricted general fund money used to pay legal fees?" Ms. Stark explained that she was only referring to the amount of attorney fees spent to date under what SELPA requires.

Motion: Adopt the certification for the high school district

Motion by Board Member Noël

Seconded by Board Member Harter

Board Member Noël withdrew his motion

Board Member Harter withdrew her second

D.1 Motion: Approve the update of the cafeteria fund shortfall and approve the recommended amortization schedule regarding the shortfall for fiscal year 2005-06

Motion by Board Member Harter

Seconded by Board Member Rodriguez

Vote: 4/0

Ayes: 4 (Rodriguez, Malakoff, Harter, Cordero)

Noes: 0

Abstentions: 1 (Noël)

Board Member Noël requested it be noted he abstained due to his “ambivalence in the current situation they’re in”

E.1 Motion: Approve the high school district interim report, the multi-year projection, positive certification of financial condition and future budget considerations

Motion by Board Member Noël

Seconded by Board Member Harter

Vote: 5/0

Motion: Approve the elementary district interim report, the multi-year projection, positive certification of financial condition and future budget considerations

Motion by Board Member Harter

Seconded by Board Member Rodriguez

Vote: 5/0

Dr. Sarvis brought to the board’s attention that Ms. Stark had not yet finished her presentation and needed to discuss future budget considerations.

Ms. Stark continued with her presentation and explained that part of the process in looking at future budget considerations for 06-07 and 07-08 is to put forth ideas that initiate discussion. She shared a list of sample programs that were in the 05-06 budget and do not fully pay for themselves. Board Member Rodriguez clarified that they were not here tonight to discuss cuts; the list presented are only items that do not fund themselves. Ms. Stark agreed and continued with her report. Board President Cordero pointed out, again, that the list was only informational, and we are not taking any action. Board Member Noël inquired if Ms. Stark had presented this information, or something similar, in closed session on 2-28-06. Mr. Craig Price, district legal counsel, intervened and advised against addressing this issue or what was considered in closed session, without board approval, due to Brown Act violation risk. Dr. Sarvis reminded the board that an item on a future agenda would be added to request board direction on how to proceed with “budget cuts/reductions additions”. Board Member Noël inquired as to when Ms. Stark’s list had first “taken shape” to which Ms. Stark responded that possibly the end of October and that it’s done on a consistent basis from her “working papers.” Board Member Noël then inquired if per public record request the “work paper” would be available. Mr. Price noted he could not answer Board Member Noël’s question without further investigation.

E.2 Discussion and Possible Disclosure of Confidential Information from February 28, 2006 Closed Session Agenda Item B.1 Regarding District Labor Negotiations Under Government Code § 54963 and Authorization for Public Release of Attorney-Client Privileged Legal Opinion. Possible Discussion of District Labor Negotiations in Closed Session on February 28, 2006 (Item B.1 on February 28, 2006 Agenda) and Brown Act Allegations Made by Board Member Robert Noël Regarding that Meeting

Dr. Sarvis presented the item. He announced that he was concerned about the amount of time spent on this topic, noting that it was counterproductive and further discussion would solve nothing. Dr. Sarvis reminded the board they had already agreed to tape closed sessions, that it was now in the District Attorney’s (DA’s) hands, and reminded the members there was other important district business to attend to. Board President Cordero reiterated the same. She stated that although at first she was adamant that the public hear the other board member’s recollections, she had come to realize that it would take time and money away from other more important areas. She announced she was “willing to put per personal concerns aside, and let it rest in the DA’s hands”.

Public Comment:

- Karolyn Renard- Ms. Starks report and hopes the district will choose to air everything
- Kate Smith- owe Board Member Noël an apology
- Jack Harris- termination of JROTC program and owe Board Member Noël an apology

Board Member Harter announced that she was also willing to discontinue this item and allow the DA’s office to do its work. Board Member Noël stated that public disclosure was in the public’s best interest and that although he was happy to see that it was now in the DA’s hands, he was not happy that the “districts’ general counsel is representing the district”. He announced he was retaining counsel and would ask for representation.

Motion: That, since it is the board’s intention to provide the public with all the information to which it is entitled, and since any justification for withholding any information in recent labor negotiations ceased to exist after the conclusion of those negotiations, the board authorizes full disclosure of all personal recollections, documents, notes and other information related to the contents and the agenda of the closed session meeting on 2-28-06, except for student expulsions.

Motion by Board Member Noël

Seconded by Board Vice President Malakoff

Board Vice President Malakoff requested Mr. Price’s input regarding Board Member Noël’s motion. Mr. Price recommended against it at this time, due to a possible 3rd party lawsuit and because the matter was under review by the district attorney’s office. Board President Cordero and Dr. Sarvis agreed it was important to move on.

Vote: 1/4

Ayes: 1 (Noel)

Noes: 4 (Rodriguez, Malakoff, Harter, Cordero)

Motion failed

Motion: That the board waive its privilege that was put on Mr. Price’s written legal opinion, which was requested by the superintendent in response to his memo of 3-9-06 and that legal opinion be made public.

Motion by Board Member Noël

Second- None

Motion failed

Motion: That the board direct the superintendent to immediately release the three budget documents identified in Board Member Noël’s public records request dated 4-13-06

Motion by Board Member Noël

Second- None

Motion failed

F. Adjournment

There being no further business, the meeting was adjourned at 6:35 p.m.

Attest:

Annette Cordero, President
Board of Education

Adopted by Board of Education
on June 13, 2006