

**LA CAÑADA UNIFIED SCHOOL DISTRICT
MINUTES OF THE SPECIAL MEETING OF THE GOVERNING BOARD**

August 11, 2005

The Special Meeting of the Governing Board of La Cañada Unified School District was called to order at 5:30 p.m. by President Ron Dietel on August 11, 2005 at La Canada High School in the Information Resource Center at 4463 Oak Grove in La Cañada, California. Present were Board Members, Ron Dietel, Scott Tracy, Cindy Wilcox, and Andy Beattie.

CLOSED SESSION

The Governing Board adjourned to Closed Session at 5:30 p.m. in La Canada High School in the Information Resource Center at 4463 Oak Grove in La Canada, California. Present were the four Board Members, Superintendent Jim Stratton, Deputy Superintendent Bill Loose and Assistant Superintendent Mike Leininger. Closed Session adjourned at 6:00 p.m.

MEMBERS PRESENT: Dr. Ron Dietel, President
 Mr. Scott Tracy, Vice President
 Mrs. Cindy Wilcox, Member
 Mr. Andy Beattie, Member

SPECIAL MEETING

The Special Meeting of the Governing Board was reconvened at 6:01 p.m. in the Information Resource Center at La Canada High School in La Canada. Present were the four Governing Board Members, Mr. Stratton, Dr. Loose, Dr. Leininger and Classified Personnel Technician Christine Roberts. There were approximately 20 people in the audience. Dr. Dietel asked Kathy ApRoberts to lead the Pledge of Allegiance to the Flag.

REPORT OUT OF CLOSED SESSION

Dr. Dietel reported there was no action taken in Closed Session.

APPROVAL OF AGENDA

It was moved and seconded (Beattie//Tracy) to approve the agenda. The motion to approve the agenda was adopted unanimously.

OPPORTUNITY TO ADDRESS BOARD

The following audience members addressed the Board:

Jenny Hendler
Mandy Redfern
Jane Nowotny

PROPOSED ACTION ITEMS

1. **First Reading**
 - a. ***Approval of 2004-2005 Unaudited Actuals, R24-05-06.** It was moved and seconded (Beattie//Tracy) to approve the 2004-2005 Unaudited Actuals.

Dr. Loose stated he will be presenting two scenarios for the revised budget for 2005-06. One presentation is the budget without a possible LCTA settlement; the other budget presentation is with a settlement based on the current district offer on the table.

Dr. Loose reviewed and discussed the Estimated Actuals and Unaudited Actuals for 2004-05 stating retroactive expenses and benefits were not as high as expected and once open purchase orders were closed the district had a difference between the estimated actuals and the unaudited actuals of approximately \$800,000.

Dr. Loose reviewed and discussed the two revised budgets for 2005-06. Dr. Loose discussed the current offer to LCTA and the impact on the budget if a settlement is reached.

Current and anticipated staffing for 2005-06 was discussed.

Dr. Loose discussed the statutory cola. Mr. Tracy asked to discuss the difference between LCTA's 5.5% funded increase and what the district is stating. Dr. Loose responded the district is looking at the statutory 4.23% cost of living adjustment (cola). However, the State is giving deficit reduction money. This money is from the state to help districts make up for the dollars taken away in previous years. Dr. Loose explained the reasoning for this money being paid by the state to the school districts. Dr. Loose also explained that the district is receiving a 0.909% deficit. The entire statutory COLA will not be received by the district. The actual percent increase in revenue limit used to build the budget is 3.5%. This 3.5% is based on recommendations from School Services, a contract organization with long term experience in predicting payment from the state to school districts."

Dr. Loose stated the district has added an additional \$58,000 to the extra duty/extra pay to bring these expenses back into the district budget rather than relying on the Boosters.

Dr. Loose discussed statutory expenses for STRS, Health & Welfare benefits projections and the multi/year scenarios.

Dr. Loose reported the district is "positively certified" which means the district can make it through the current year and two years after that.

Mrs. Wilcox expressed concern about the categoricals increase and the approximately \$800,000 needed for the LCTA settlement. Mrs. Wilcox asked for clarification on the offer on the table with LCTA. Dr. Loose provided clarification. Mrs. Wilcox pointed out that the increase in costs associated with the three labor contracts exceeded the total increase in unrestricted money from the state.

Mr. Beattie commented that he is glad to see that the district has "reined in" expenditures. It appears for this planning year that the district is trying to expend at a reasonable level. Mr. Beattie asked for clarification on the budget without a possible settlement with LCTA.

Dr. Loose discussed the monies that have come from outside sources such as the \$1.1 million from Educational Foundation. Mr. Loose stated these funds are built into the budget. Dr. Loose also discussed the Lease Interruption Fund.

Mr. Tracy asked about the sewer pay down. Mr. Stratton explained current enrollment and how that effects hiring. The money the district is using to pay for additional salaries has eaten away at the money. It looks like the district won't have the money to pay down on the sewer lease. Mr. Stratton stated based on information from the City it appears the district will have a huge liability for the sewers at the Foothill facility. Mr. Stratton report that today the district

received a figure of approximately \$4.6 million to hookup to the sewers. This is due to the difficulty in installing Phase 5.

Dr. Dietel asked for clarification on staffing. Dr. Loose provided clarification on how and when the district decides to hire additional staff.

Dr. Loose continued to provide clarification to the governing board regarding the budget. The motion to approve the 2004-2005 Unaudited Actuals was adopted unanimously.

- b. ***Approval of Revised Budget, R25-05-06.** It was moved and seconded (Wilcox/Beattie) to approve the Revised Budget, R25-05-06. Dr. Loose reviewed the revised budget for 2005-06. Dr. Loose showed the board how to tie the proposed budget to the revised budget.

Dr. Loose indicated the district is expecting a check from Sodexo for their portion of the deficit in the cafeteria fund.

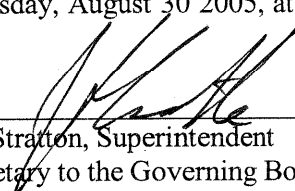
Mr. Stratton said that most of the balances in the various funds meet statutory requirements and cannot be used for other items. There are county recommendations for most of these funds, such as the lease interruption fund.

Mrs. Wilcox questioned whether 3rd grade class size reduction would be impacted by the further reductions in expenditures.

The motion to approve the Revised Budget was adopted unanimously.

ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 8:11p.m. The Next Regular Meeting of the Governing Board will be held on Tuesday, August 30 2005, at 7:00 p.m. in the La Cañada High School Information Resource Center.



 Jim Stratton, Superintendent
 Secretary to the Governing Board

MINUTES APPROVED



 Jimmy Dalbeck, Clerk

Sept. 13, 2005

 Date

