

BLACK BUTTE SCHOOL DISTRICT No. 41
BOARD OF DIRECTORS MEETING
Camp Sherman, Oregon

REGULAR AND WORK SESSIONS MINUTES
December 9, 2025 AS APPROVED

Board Members Present:

Bear Brown, Chair; Karen Lajoy, Vice Chair;
Siobhan Gray; Jennifer Green

Staff Members Present:

Delaney Sharp, Principal and Teacher; Jane Petke, Business Manager;

Consultant/Community/Public Present:

Harmony Piazza, CPA, Solutions Certified Public Accountants, PC

OPENING OF WORK SESSION BOARD MEETING

Board Chair Bear Brown called the Work Session of the Black Butte School District Board of Directors to order at 3:31 p.m.

- Bear asked Jane to explain the need for this Supplemental Budget Public Hearing. The Supplemental Budget will be voted on later as an Action Item.
- Jane said that it's a result of how much more she knows now than when she was preparing the budget last spring. It involves an accounting code for the PERS Investment Fund. This is determined by local budget law.

The work session was adjourned at 3:36 p.m.

OPENING OF REGULAR SESSION BOARD MEETING

Board Chair Bear Brown called the Regular Session of the Black Butte School District Board of Directors to order at 3:36 p.m.

ADDITIONS, DELETIONS, CORRECTIONS TO AGENDA

- Delaney suggested adding an item about the short-term rental issue, as an Information item or as an Action Item appointing Karen Lajoy to speak on behalf of BBS at the December 10, 2025 meeting of the Jefferson County Board of Commissioners.
- Jane said that we also need another Action Item: Approve ORS 297.466 Resolution Setting Forth Proposed Plan of Action Pertaining to Deficiencies Noted in Annual Audit Report.

ADOPTION OF AGENDA

Karen Lajoy: Moved to adopt the proposed agenda as amended. Siobhan Gray: Seconded. All in favor. Agenda adopted.

COMMUNICATION

The Board of Directors reserves this time for citizens, parents, or staff to speak to the Board on concerns of the agenda items. After concerns on the agenda items are heard,

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the Board may hear concerns on non-agenda items. Please note that because of privacy and due process rights, the Board will *not* hear complaints about individual school personnel, nor against any member of the school community. We also will *not* hear compliments about individual staff members. In either case, the Board asks that you first contact the District office about such matters. The Board does not take action on these communications at this meeting. The Board may put concerns and topics related to communication on future agendas for discussion and possible action. We would appreciate you keeping comments to three (3) minutes per individual or five (5) minutes if you are representing a group of patrons.

- None.

AUDIT PRESENTATION BY ZOOM

Jane and Bear introduced Harmony Piazza, CPA, of Solutions Certified Public Accountants, PC. The auditor highlighted several points in a PDF presentation emailed before the meeting. Board members and staff offered questions and comments.

- To sum up, according to Harmony, no problems were found in the audit.
- Harmony presented the purpose of the audit based on her handout. The first four pages describe what they are trying to provide. The conclusion is that BBSD is in compliance except for the “one significant deficiency related to the internal control involving inability to appropriately segregate duties.” This is the same as was reported in previous years.
- Additional findings are on page 75. There is just one Material Weakness in Accordance with Government Auditing Standards. That is, “The district’s accounting personnel do not possess the advanced training that would provide the expertise necessary to prepare the financial statements and related notes in accordance with the modified cash basis of accounting and therefore may not be able to prevent or detect a material misstatement in the preparation and disclosure of the financial statements.” This is a common issue in small districts.
- Harmony discussed actuarial valuation in the PERS retirement plan.
- She described other reports, too. No significant issues were encountered.
- She said that the building renovation and addition have taken up a lot of activity over the past two years. Hopefully this will calm down when all is finished.
- Delaney asked if Harmony sends reports to the state or if Jane does. Jane said that it’s a combination.
- There were no additional questions; Board members expressed appreciation for the report.

INFORMATION AND REPORTS

Board Chair and Vice-Chair

See attached Board Chair and Vice-Chair Report for details.

- Siobhan brought the cards. 😊 Delaney asked Board representative(s) to attend the staff meeting on Wednesday, December 17, between 2:00 and 3:00.

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Principal

See attached Principal Report for details.

- Delaney offered School Law Conference takeaways. He has attended for a few years with about a thousand others. This year, there was much conversation about federal government education laws and income taxes. The State of Oregon has its own laws, which are different. He attended a workshop about that. There is much uncertainty and not much concrete advice. Many issues are moving through the courts. Presentations also discussed possible Oregon legislative changes; not many changes resulted from the 2025 Legislative Session. School funding will be OSBA's main topic in the 2026 short session.
- Delaney said that the Holiday Bazaar and Winter Joy have taken a lot of time.
- Teachers are wrapping up fall term grading.

Business Manager/District Clerk

See attached Business Manager/District Clerk Report for more details.

- Jane said that Oregon is one of five states tied to the federal income tax. This is a topic for the Oregon Association of School Business Officials (OASBO). The Oregon Department of Education (ODE) will prepare position points for the legislature.
- The State School Fund will likely also be affected by actions at the federal level.
- Concerning the audit report, the auditors suggested that someone review the monthly statements other than Jane, Delaney, or Bear. Jenni volunteered.
- Delaney said that we don't propose big cuts in next year's budget. One suggestion is for Molly not to attend Board meetings regularly, which will save on administrative time and salary.

Communication and Engagement Specialist

See attached Communication and Engagement Specialist Report for more details.

- Delaney said that the Holiday Bazaar was very good, with lots of parent volunteers. BBS raised more money than in the past. We await the final report.

Special Projects Manager

There is nothing new to report on the Internet this month.

Facilities and Grounds Specialist

See attached Facilities and Grounds Specialist Report for more details.

- There were no questions or comments.

Transportation Specialist

See attached Transportation Specialist Report (combined with Facilities and Grounds Specialist Report) for more details.

- There were no questions or comments.

Jefferson County Education Service District

There is no written report this month.

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EDUCATION ACCOUNTABILITY ACT BACKGROUND INFORMATION

Bear noted that this is an area of some contention and confusion among school districts. The Oregon School Boards Association (OSBA) created an information sheet, which might be helpful. She asked Delaney to further explain.

- Delaney, representing Black Butte School District, is participating in the group of pilot districts testing the Oregon Department of Education's efforts to streamline district grant and compliance reporting. Delaney said that ODE recognizes that they keep adding reporting regulations and that they need to streamline this. The legislature has felt that a lot of money is going into schools but academic results are not improving. No one really opposes the idea of accountability; the details are causing the consternation. What metrics will be used to determine if a district is successful or not? BBS will likely provide the Board with more reports than in the past about how we're doing on various metrics. Delaney said that he is not all that concerned, frankly. He thinks that BBS is overall pretty successful.

SHORT-TERM RENTAL FOLLOW-UP ISSUE

Bear asked Delaney to explain the recent development with the Jefferson County Board of Commissioners.

- Delaney recapped the issue described last month. Last month, the Jefferson County Planning Commission voted not to approve the short-term rental application. That decision was recently appealed, and we found out yesterday that the County Commissioners will consider it tomorrow morning at 9 a.m. Gus Gustafson thinks that the County Commissioners should come out to Camp Sherman and have a public hearing with local residents.
- Jenni opined that the issue has to do with interpretation of existing codes.
- Delaney suggested that the Board appoint Karen Lajoy to speak on behalf of Black Butte School, which would be an Action Item.

ACTION ITEMS

**APPROVE PLAN OF ACTION FOR BLACK BUTTE SCHOOL DISTRICT NO. 41
CONCERNING 2024-2025 AUDIT**

Bear asked Jane to explain the Plan of Action and the need for it.

- Jane said that this is one of the attachments from Solutions Certified Public Accountants, PC. It includes:
 1. Significant Deficiency ~ Segregation of Duties
 2. Material Weakness ~ Financial Statement Preparation
- The document includes Action Plans for each of the two items. Once approved by the Board and signed by the Board Chair, Black Butte School will send this document to the Secretary of State.
- Jane said that we have had to do this every year. Our internal checks and balances are minimal, although several people participate in the monthly

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process of approving bills, reviewing the bank records, and doing the accounting. This will always be an issue because of our small staff.

Siobhan Gray: Moved to approve the Plan of Action for Black Butte School District No. 41 as presented. Jenni Green: Seconded. All in favor. Motion passed.

APPROVE ORS 297.466 RESOLUTION SETTING FORTH PROPOSED PLAN OF ACTION PERTAINING TO DEFICIENCIES NOTED IN ANNUAL AUDIT REPORT

Jane explained that this resolution, prepared by Solutions Certified Public Accountants, PC, addresses the need for the Board to have passed a resolution allowing the district to transfer funds from the Capital Projects Fund to the General Fund during Fiscal Year 2024-2025.

- There were no additional questions or comments.

Karen Lajoy: Moved to approve ORS 297.466 Resolution Setting Forth Proposed Plan of Action Pertaining to Deficiencies Noted in Annual Audit Report. Jenni Green: Seconded. All in favor. Motion passed.

APPROVE RESOLUTION 26-03 A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR THE FISCAL YEAR 2025-2026

Bear noted that Jane explained this earlier during the Work Session and in her Business Manager Narrative.

- There were no additional questions or comments.

Jenni Green: Moved to approve Resolution 26-03 A Resolution Adopting a Supplemental Budget for the Fiscal Year 2025-2026 as presented. Karen Lajoy: Seconded. All in favor. Motion passed.

ADOPT BUDGET CALENDAR FOR 2026-2027 BUDGET

Bear asked Jane to point out any changes of the draft presented last month.

- Jane said that there were no major changes.
- Bear noted several necessary date clarifications: April 18, 2026 is a Saturday. Should it be Monday, April 20? Also, May 18, 2026 is a Monday. Should it be Monday, May 18? Finally on Tuesday, June 9, should item 4 refer to the 2026-2027 Budget? Jane replied that the dates should be Monday, April 20; Monday, May 18; and 2026-2027 Budget.

Jenni Green: Moved to adopt the Budget Calendar for the 2026-2027 Budget as amended. Karen Lajoy: Seconded. All in favor. Motion passed.

APPROVE 2025-2027 STUDENT INVESTMENT ACCOUNT GRANT AGREEMENT

Bear noted that Delaney signed this in November, on time, but that the Board needs to approve it formally.

- Delaney said that we have already signed and submitted the agreement. A draft of the November minutes would be acceptable to submit, but we could also send approved minutes in January.

Siobhan Gray: Moved to approve the 2025-2027 Student Investment Account Grant Agreement as presented. Jenni Green: Seconded. All in favor. Motion passed.

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**APPOINT KAREN LAJOY TO SPEAK ON BEHALF OF BBSD AT DECEMBER 10, 2025
AND SUBSEQUENT JEFFERSON COUNTY PUBLIC MEETINGS CONCERNING THE
COLD SPRINGS RESORT LANE SHORT-TERM RENTAL APPLICATION**

Bear summarized that, based on discussions at the November Board meeting and today's meeting, it's clear that the Black Butte School Board supports the original decision of the Jefferson County Planning Commission to NOT approve the Cold Springs Resort Lane short-term rental application.

- Board members concurred with this description.

Jenni Green: Moved to appoint Karen Lajoy to speak on behalf of the Black Butte School District Board of Directors at Jefferson County public meetings concerning the Cold Springs Resort Lane short-term rental application. Siobhan Gray: Seconded. All in favor. Motion passed.

FOR THE GOOD OF THE ORDER

- None.

MINUTES

Bear apologized for not yet preparing the Minutes of the November 11, 2025 Regular and Work Sessions. They will be presented in January.

CALENDAR

- Black Butte School Holiday Program ~ Thursday, December 11, 2025, 6:00 p.m., Community Hall
- Next Regular Board Meeting ~ Tuesday, January 13, 2026, 3:30 p.m.

ADJOURN

There being no further business, Board Chair Bear Brown adjourned the Session at 5:04 p.m.

Minutes respectfully submitted,
Jane Petke, Recording Secretary

SIGNED APPROVED MINUTES ARE ON FILE IN THE BBS ADMIN OFFICE.

Marie Sheahan "Bear" Brown, Board Chair

Date approved