

**OREGON SCHOOL DISTRICT
BOARD OF EDUCATION
POLICY COMMITTEE MEETING
2025-26**

DATE: Wednesday, February 25, 2026
TIME: 5:30 P.M. - 7:00 P.M.
PLACE: District Office Meeting Room
123 E. Grove Street, Oregon, WI 53575

Order of Business

Call to Order
Roll Call
Proof of Notice of Meeting and Approval of Agenda
Approval of Minutes of Previous Meeting(s)

AGENDA

A. Public Comment Regarding Agenda Items

B. Old Business

1. Employee Handbook 2025-26: Possible change to premium only Health Reimbursement Arrangement (HRA) Post-Retirement Benefit from 403(b) Benefit For Eligible Employees
2. Policy 611: Financial Policies - Fund Balance Calculation and other updates

C. New Business

1. None

D. Future Business:

1. To Be Determined

E. Future Meeting: March 18, 2026 5:30 - 7:00, District Meeting Room

F. Adjournment

Notice is hereby given that a majority of the Oregon School Board may be present at the meeting of the Policy Committee scheduled to discuss subjects over which they may have decision-making responsibility. This constitutes a meeting of the Board and must be noticed as such although the Board will not take any formal action at this meeting.

Go to <https://www.oregonsd.org/district/school-board> for the most updated version agenda.

Public Comment

[Board Policy 181](#) provides an opportunity for the public to address the Committee. We value the public comment period and feedback from our stakeholders. To comply with the Open Meetings Law and to ensure consistency, public comment will have the following parameters:

- Total public comment time is limited to 15 minutes. Speakers will have up to three minutes in which to make their comments. Ms. Jonen will signal the speaker when their time is up.
- The Committee will not comment after each speaker and will reserve discussion to any items on the agenda. Speakers are welcome to stay for the meeting.
- Next steps following public comment may include: referral to the appropriate administrator for follow-up with the speaker or placement of the matter on a future Committee or Board agenda.

MINUTES OF THE POLICY COMMITTEE OF THE SCHOOL BOARD OF OREGON SCHOOL DISTRICT HELD ON JANUARY 5, 2026

The regular meeting of the Policy Committee of the School Board of the Oregon School District was called to order by Dr. Mary Lokuta at 5:30 p.m. at the District Office, 123 E. Grove Street, Oregon, WI 53575.

Committee Members Present: Dr. Mary Lokuta (virtually), Leslie Wright and Dr. Caleb Bush.

Other Board Members Present: None

Administrators present: Jina Jonen, Dr. Shannon Anderson, Dr. Candace Weidensee, and Andrew Weiland

Others Present: Angela Seger, OEA President

Proof in the form of a certificate by the Oregon Observer of communications and notice given to the public and the Oregon Observer, and a certification of posting as required by Section 19.84 Wisconsin Statutes as to the holding of this meeting was presented by Dr. Lokuta.

Ms. Wright moved to approve the agenda as posted. Ms. Wright voted yes. Dr. Bush voted yes. Dr. Lokuta voted yes. Motion approved 3-0.

Dr. Bush moved to approve the November 17, 2025 minutes. Dr. Bush voted yes. Ms. Wright voted yes. Dr. Lokuta voted yes. Motion approved 3-0.

A. Public Comment: None

B. Old Business:

1. Employee Handbook 2025-26: Possible change to premium only Health Reimbursement Arrangement (HRA) Post-Retirement Benefit from 403(b) Benefit for Eligible Employees. Discussion held. Ms. Wright moved to approve the HRA Benefits as discussed for administrators with a phase-in of the 57 minimum age for retirement requirement for age 55 in 2025-26, age 56 in 2026-27 and age 57 in 2027-28 with the District Administrator having the ability to make an exception for extenuating circumstances. Ms. Wright voted yes. Dr. Bush voted yes. Dr. Lokuta voted yes. Motion approved 3-0. (The Board will discuss the length of the benefit.)

Ms. Wright moved to approve the HRA Benefits with four investment fund choices as discussed. Ms. Wright voted yes. Dr. Bush voted yes. Dr. Lokuta voted yes. Motion approved 3-0.

The Committee directed Ms. Jonen and Mr. Weiland to hold engagement sessions with legacy employees about a possible HRA benefit for them.

C. New Business:

1. Policy 611: Financial. Discussion held. Ms. Jonen and Mr. Weiland will make the changes as discussed and bring back a revised policy at the next meeting.

D. Future Business:

1. HRA Benefit for Legacy Employees and Administrators

E. Future Meetings: February 25, 2026

F. Adjournment: Ms. Wright moved to adjourn. Ms. Wright voted yes. Dr. Bush voted yes. Dr. Lokuta voted yes. Motion approved 3-0. The meeting adjourned at 6:47 p.m.

New Proposed Post-Retirement Benefit for Legacy Employees

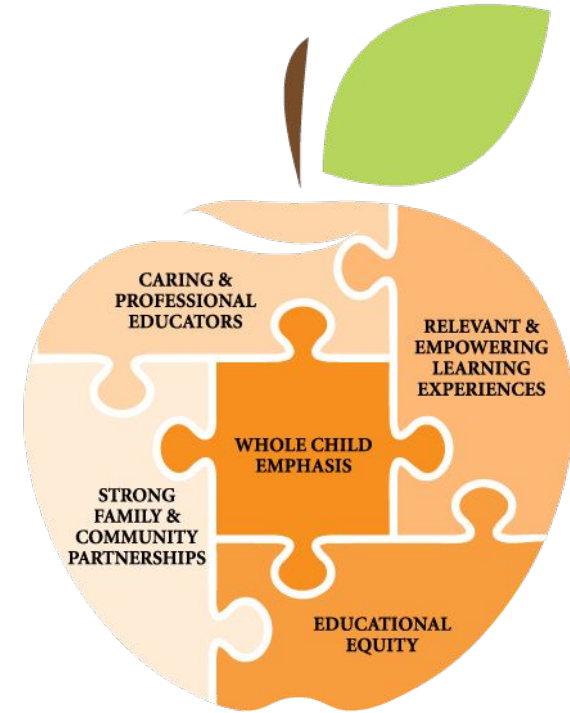
February 2026



District Mission Statement

“...helping students acquire the skills, knowledge and attitudes to achieve their individual potential...”

What We Value



OSD Goals: 2023 - 2026

1. Increased academic achievement
2. Increased learning readiness (physical & emotional)
3. Retain & recruit high-quality, collaborative and diverse staff
4. Strengthen family & community partnerships
5. Ensure the fiscal sustainability of the OSD

Operational Referendum 2022

2022 OPERATIONAL REFERENDUM INFORMATION

RETAINING & ATTRACTING
the Best Educators
for Every Classroom

LEARN MORE

OregonSD.org/SchoolFunding



Purpose of Post-Retirement Benefits

Provide a bridge to Medicare to provide for retirement prior to Medicare.



Current Benefit - Legacy Employees

Staff at least 55 years old with 10 years of experience as of July 1, 2011 receive a Board contribution to health and dental insurance premiums for up to four years or Medicare, whichever occurs first.

The Board contribution is 90% - frozen at time of retirement for the then applicable plan.

[Employee Handbook 2025-26](#) 4.01.12.03

Retirement means collect WRS annuity.



Current Benefit - Administrators

Staff at least 55 years old receive a Board contribution to health and dental insurance premiums for eight years.

The Board contribution is 90% - frozen at time of retirement.

Administrator Contract Language

Retirement means collect WRS annuity.

Challenges With Current Legacy Benefit

Legacy Benefit

- Must Be District Plan
- Limited Network Outside Dane County
- Money Does Not Grow
- Ends at Medicare

Sick Leave Payout - Benefit Is Not Changing

Sick Leave Accumulation - [Employee Handbook 2025-26](#) 4.01.12.02

An Employee who chooses to retire at age 55 and who has ten or more years of continuous service shall be paid out for unused sick leave according to their rate of pay according to the following schedule:

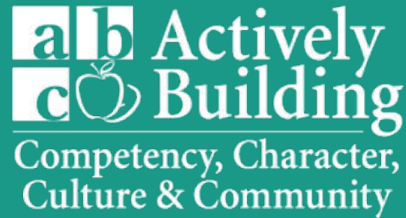
- Ten (10) to fifteen (15) years - one day for every five (5) accrued days;
- Fifteen (15) or more Years of Employment – one day for every four (4) accrued days;
- Twenty (20) or more Years of Employment – one day for every three (3) accrued days.

Separation from Employment - [Employee Handbook 2025-26](#) 4.02.03.03

Employees who separate from District employment with ten (10) or more years of service shall be paid from their accumulated sick leave at the time of separation one day for every five (5) days of accumulated sick leave.

New HRA Proposal For Consideration For Legacy Employees

(If Board approves, HRA would apply to all legacy employees.)



Premium Only Health Reimbursement Arrangement (HRA)

What is Health Reimbursement Arrangement (HRA)? It is a type of health benefit where:

- Employer puts money into the HRA over a determined time-period
- Employee controls the HRA account not the District
- Employee can invest the money with help of the HRA plan administrator
- Employee may earn interest on the invested monies
- Employee submits expenses for insurance premiums only
- Employee receives reimbursement from the HRA
- Employee pays a small administrative fee (~\$1 per month)
- Employee is not taxed on the monies
- Employee uses it to pay for insurance premiums for ANY insurance plan; includes health, dental, vision, long term care and medicare premiums

Who Would Be Eligible?

Category	Minimum Age*	Minimum FTE	Years of Service
Professional Staff /Administrators	55	0.50 +	10 years of service as of 7/1/2011
Full Year Hourly Staff	55	0.75 +	10 years of service as of 7/1/2011
School Year Support Staff	55	0.75 +	10 years of service as of 7/1/2011

- Regularly employed (not seasonal or sub)
- Actively employed and in good standing at the time of retirement.
- Must retire at the end of the school year or a date approved by the Superintendent.*
- Must elect WRS annuity, if eligible.

*Superintendent can make exceptions for extenuating circumstances.

Proposed HRA Benefit - Age 59

Status Quo: Pat is a legacy employee. Pat retires at age 59 with a family plan in June 2026.

Board Contribution to family health and dental plan is 90% of the premium or approximately \$2000 per month. Employee contribution is \$200 per month.

Board pays \$2000 per month for 48 months.

Over four years, total is \$96,000. Employee pays the difference over four years.

Board contribution to the District's health and/or dental insurance plan only. Must stay on our plan.

Employee is not taxed on the Board contribution.

HRA: Pat is a legacy employee. Pat retires at age 59 with a family plan in June 2026.

Board Contribution to family health and dental plan is 90% of the premium or approximately \$2000 per month. Employee contribution is \$200 per month for 48 months.

Board puts \$2000 per month for 48 months into an HRA annually.

$$\$2000 \times 48 = \$96,000$$

Employee can use it for the District's plan OR to reimburse employee for premiums for any health, dental, life, vision or long-term care insurance premiums, including Medicare.

The Employee is not taxed on the HRA monies.

No additional cost to the District for premiums.

Proposed HRA Benefit - Age 63

Status Quo: Isabel is a legacy employee. Isabel retires at age 63 with a family plan in June 2026. Isabel is eligible for Medicare in April 2028.

Board Contribution to family and dental plan is 90% of the premium or approximately \$2000 per month. Employee contribution is \$200 per month. Board pays \$2000 per month for 19 months (September 2026 - March 2028).

The total is **\$38,000**. Employee pays the difference over four years.

Board contribution to the District's health and/or dental insurance plan only.

Employee is not taxed on the Board contribution.

HRA: Isabel is a legacy employee. Isabel retires at age 63 with a family plan in June 2026. Isabel is eligible for Medicare in April 2028.

Board Contribution to family and dental plan is 90% of the premium or approximately \$2000 per month. Employee contribution is \$200 per month for 19 months (September 2026 - March 2028).

Board puts \$2000 per month for 19 months into an HRA annually.

$$\$2000 \times 19 = \mathbf{\$38,000}$$

Employee can use it for the District's plan OR to reimburse employee for premiums for any health, dental, life, vision or long-term care insurance premiums, including Medicare.

The Employee is not taxed on the HRA monies.

No additional cost to the District for premiums.

Proposed HRA Benefit - Age 63 with Spouse Medicare

Status Quo: Caroline is a legacy employee. Caroline retires at age 63 with a family plan in June 2026. Caroline's wife is eligible for Medicare in April 2027. Caroline is eligible for Medicare in March 2028.

Board Contribution to family health and dental plan is 90% of the premium or approximately \$2000 per month as of July 1, 2026.

The Board contribution to a one Medicare / one not Medicare is \$1600 per month as of July 1, 2026.

Board pays \$2000 per month for 7 months (September 2026 - March 2027). The Board pays \$1600 per month for 11 months (April 2027 - February 2028)

The total is $\$14,000 + 17,600 = \$31,600$. Employee pays the difference over four years.

HRA: Caroline is a legacy employee. Caroline retires at age 63 with a family plan in June 2026. Caroline's wife is eligible for Medicare in April 2027. Caroline is eligible for Medicare in March 2028.

Board Contribution to family health and dental plan is 90% of the premium or approximately \$2000 per month as of July 1, 2026. The Board contribution to a one Medicare / one not Medicare is \$1600 per month as of July 1, 2026.

Board puts \$2000 per month for 7 months into an HRA and \$1600 for 13 months for a total of $\$14,000 + 17,600 = \$31,600$.

Employee can use it for the District's plan OR to reimburse employee for premiums for any health, dental, life, vision or long-term care insurance premiums, including Medicare.

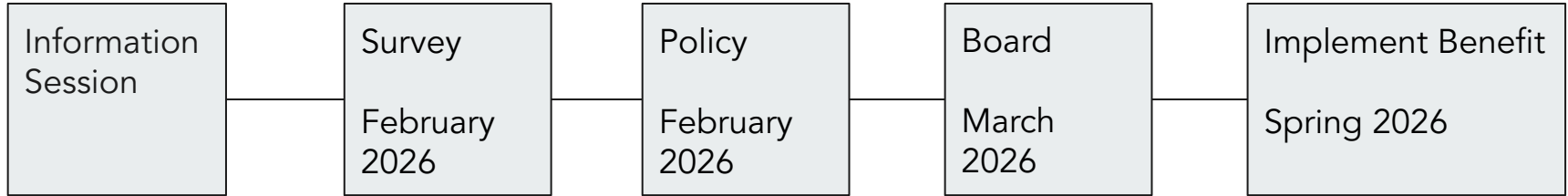
The Employee is not taxed on the HRA monies.

No additional cost to the District for premiums.

Motions

1. The Board approve moving to a Health Reimbursement Arrangement to be paid out over four years as presented for legacy employees and [eight or four] years for administrators in the equivalent amount of the legacy benefit or the non-legacy benefit of \$40,000, whichever is greater.

Next Steps



Questions?

Thank you to our community!



611: Financial

611.01 – The Oregon School District financial accounts are maintained in specific Funds prescribed by the Wisconsin Department of Public Instruction. District funds shall be maintained in accordance with this Policy and in accordance with General Accounting Standards Bureau (GASB).

611.02 – Fund Balances – A fund balance is the measurement of available District financial resources reflected in the difference between total assets and total liabilities in each fund. GASB Statement 54 requires different fund balance classifications based on the constraints on how the fund balance can be spent. District fund balances will be classified as follows:

Non-spendable Fund Balances: These funds cannot be spent because they are in a non-spendable form or are legally or contractually required to be maintained intact. Examples of these funds include, but are not limited to, inventories, prepaid items, long-term receivables and the permanent principal of an endowment fund.

Restricted Fund Balances: These funds are limited by constraints placed on the use of resources by external parties. Examples of these funds include, but are not limited to, amounts restricted by state statute, unspent bond proceeds, grants earned but not spent, debt covenants, taxes dedicated to a specific purpose and revenues restricted by enabling legislation.

Committed Fund Balances: These funds are used for specific purposes pursuant to constraints imposed by Board action pursuant to two motions. The first motion must identify the dollar amount to be allocated from the unassigned fund balance. The second motion must identify the purpose of the expenditure. Both motions shall be approved by a two-thirds vote of the entire Board. This commitment cannot be reversed except through the same process, ~~which must be accomplished prior to the end of the District's fiscal year.~~ ¶

Assigned Fund Balances: These funds are designated for a specific purpose, but are not restricted or committed. These funds include amounts remaining from the fiscal year's building or department budgets or from miscellaneous projects which are reserved for expenditure in subsequent years. These funds may be assigned by the Business Manager, who shall allocate these funds prior to the annual audit in consultation with the District Superintendent, Board President and Board Treasurer.

Unassigned Fund Balances: These funds are not classified in one of the above categories. These amounts are generally available for expenditure and are not restricted in any manner. The General Fund is the only fund that is able to have a positive, unassigned fund balance. ~~All other funds shall report deficit fund balances as unassigned.~~ ¶

611.03 – General Fund – The General Fund is used to account for all financial transactions relating to the District's current operations, operating fund and is used to account for all District financial resources except those required to be classified in other funds. For fund balance calculation purposes, the general fund includes transactions accounted for in the General Fund. **The Special Education fund does not allow a fund balance at the end of a fiscal year.**

611.04 – General Fund-Fund Balance – The Board recognizes the need for carrying an operating reserve in the Unassigned General Fund to:

1. Provide adequate working capital sufficient to meet the District's cash flow requirements;
2. Function as a safeguard to fund unanticipated expenses; and,
3. Demonstrate fiscal responsibility and maintain District bond rating.
4. The District's Unassigned General Fund balance will be maintained to provide the District with sufficient working capital and a margin of safety to address emergencies without borrowing.

Before the end of December of each year, the Business Manager shall calculate the percentage of Unassigned General Fund balance from the audit report as compared to the subsequent year's general (Fund 10) fund and special education funds (Fund 27) expenditure budgets operating expenditures excluding the special education transfer. and transfers. from the prior years audit report. Should the Unassigned General Fund Balance be less than 15+0% of general and special education fund expenditures and transfers, the Board shall adopt a four-year plan to obtain the minimum 15+0% Unassigned General Fund balance. as outlined above. ff

All unexpended funds at year end which are not included within another Fund Balance classification will be allocated to the Unassigned General Fund.

The use of fund balance for recurring costs is discouraged.

Two separate motions shall be required for the approval of a budgeted use an allocation from the of Unassigned General Fund Balance and then only in the event of an emergency or a combined "deficit budget" between the General (Fund 10) and Special Education Fund (Fund 27). A "deficit budget" occurs when the budgeted expenditures exceed budgeted revenues for the fiscal year and are not covered by another fund

~~balance classification. The first motion must identify the amount of dollars to be budgeted from the Unassigned General Fund balance. to the operating budget. A second motion must identify the purpose of the expenditure. Both motions shall be approved by a two-thirds vote of the entire Board. The Board may only approve a deficit Original Budget by a two-thirds vote of the full Board.~~

The Superintendent will notify the Board as soon as practicable if it is estimated that the general fund unassigned balance approved in the Original Budget will be below budgeted levels at the end of a fiscal year.

For purposes of fund balance classification, expenditures are to be spent from the most restrictive fund balance first.

Move the following section to Administrative Guidelines. The Department of Public Instructions (DPI) has frequently changed the fund descriptions in the past. This change would allow the administration to keep these aligned with DPI guidance without constantly bringing them back to policy. The descriptions are restating the Department’s wording for the Board of Education and the community’s information.

611.05 – Special Revenue Fund Trust (Fund 21) – The Special Revenue Trust Fund is used to account for ~~proceeds of specific, non-trust revenues of which the expenditures are limited to a specified purposes related to funds that can be used for District operations.~~ The most common source of these funds is from gifts and donations. ~~Student activity funds determined to not meet the fiduciary requirements under GASB 84 may also be recorded here from private parties.~~ The Special Revenue Trust fund balance will be classified as a ~~Non Spendable or Restricted Fund Balance.~~

611.06 – Non-Referendum Debt Service Fund (Fund 38) – The Non-Referendum Debt Service Fund is used to account for transactions for the repayment for debt issues that were incurred without referendum approval. Repayment of principal and interest through this Fund falls within the District’s revenue cap established pursuant to State

law. ~~The District uses this account to finance the District's Wisconsin Retirement System unfunded liability.~~ The Non-Referendum Debt Service fund balance Fund will be classified as a Restricted Fund.

611.07 – Referendum Debt Service Fund (Fund 39) – The Referendum Debt Service Fund is used to account for transactions for the repayment of debt issues that were either authorized by Board Resolution prior to August 12, 1993 or approved by referendum. Repayment of principal and interest through this Fund falls outside of the District's revenue cap established pursuant to State law. ~~Activity in this account is related to building construction, renovations or additions.~~ The Referendum Debt Service Fund balance will be classified as a Restricted Fund.

611.08 – Food Service Fund (Fund 50) – The Food Service Fund is used to account for all revenues and expenditures related to food services activities. ~~There may be no deficit in the district's Food Service Fund. Any Food Service Fund deficit resulting from student food services must be eliminated by an operating transfer from the General Fund, including the school lunch and breakfast program, milk, and catering. To the extent possible, the food service program shall be funded solely from the Food Service Fund and not from the General Fund, however, any food service deficit shall be eliminated through a transfer from the General Fund.~~

The Food Service Fund will be classified as a Non-Spendable Fund with respect to inventory and prepaid items and as a Restricted Fund for other food service programs. In certain circumstances this Fund could also have funds classified in a Committed or Assigned Fund.

611.09 – Capital Projects Fund (Fund 40's) – The Capital Project Fund is used to account for the acquisition, ~~or construction~~ or improvement of capital facilities. The Capital Project Fund will be classified as a Restricted Fund.

611.10 – Custodial Fund-Student Activity Funds (Fund 60's) – The Student Activity Funds is used to account for custodial activity which is primarily related to pupil organizations, parent organizations, parent organizations, and certain scholarships pursuant to GASB 84. ~~The district must not have administrative involvement with the custodial assets. consist of monies raised by or for student activities and all student and parent monies handled by school personnel shall be considered Student Activity Funds. The purpose of these Funds is limited to the support or promotion of the students' extracurricular and co-curricular activities. No fund balance or deficit can exist in these Funds.~~ The Custodial fund balance will be classified as Non-spendable or Restricted Funds.

611.11 – Private Purpose Trust Fund (Fund 72) – The Private Purpose Trust Fund is used to account for district-controlled trusts (other than pension, OPEB, and Investment) or an equivalent arrangement in which the district itself is not a beneficiary. Benefits must be provided in accordance with the trust, and the funds must be legally protected from the creditors of the district. ~~gifts and donations specified for the benefit of private individuals and organizations not under the Board’s control. Scholarships are recorded in this Fund. Cash and investments in this Fund are expended pursuant to donor specifications.~~ The Private Purpose Trust Fund will be classified as a Non-spendable Fund, Permanent Fund or Restricted Fund.

611.12 – Employee Benefit Trust Fund (Fund 73 & 74) – The Employee Benefit Trust Fund is used to account for resources held in trust for formally established defined benefit pension plans, defined contribution plans, or employee benefit plans. Such plans must be legally established in accordance with state statutes, ~~and~~ federal laws and Internal Revenue Service requirements. This Fund applies to all post-employment benefit plans where the District is providing such benefits by contribution to a legally established irrevocable trust. The Employee Benefit Trust Fund will be classified as a Restricted Fund.

611.13 – Community Service Fund (Fund 80, 82 & 85) – The Community Service Fund is used to account for the Oregon Swimming Pool, the Performing Arts Center, and the Community Education programs. Separate accounting designations shall be assigned to each activity within this Fund. Activity in this Fund accounts for the portion attributed to the community. The District may adopt a separate tax levy for this fund.

The Community Service ~~Fund balance s~~ will be classified as Restricted Funds. ~~and assigned according to the intended purpose of the funds and will be classified as either Pool Operations, Performing Arts Operations or Community education.~~¶

611.14 – Cooperative Program Fund (Fund 99) – The Cooperative Program Fund is used for all other types of cooperative instructional programs made available to other districts. No fund balance or deficit can exist in this fund.

Legal References: Wisconsin Statutes Sections 34.05 (3) / 66.042 / 120.12 (1) / 120.16

Adopted: October 25, 1999

Revised: December 11, 2000

January 14, 2002

July 23, 2007

July 11, 2011

October 24, 2011
August 23, 2021