ISD 279 - Osseo Area Schools
FY 2028 Budget Planning
Estimated Major Cost Drivers

		*FY 2027 Adopted Budget	FY 2028 Changes	Percent Change Projected for FY 2028	
Salaries	**	$ 222,827,580			
Benefits		$ 83,266,287			
Purchased Services		$ 51,408,234			
Supplies, Other		$ 9,352,672			
		$ 366,854,773	$ 379,694,690		
Planning Assumption		$ 366,854,773	$ 12,839,917	3.50%	
Known Increases (Decreases)		***FY 2027 Adopted Budget**	**FY 2028 Amount of Known Change**	**Known Change Projected for FY 2028**	
Salary roll-up for all unsettled contracts		$ 39,145,659	$ 3,739,432	9.55%	
Settled contracts for FY 2027 (Directors, Confidential Managers, Licensed Coordinators, Management I-M, Salaried Professionals, School Executives, Student Management Specialist and Teachers)		175,874,509	(48,981)	-0.03%	
FY 2027 anticipated budget adjustments - enrollment alignment	**	(906,335)			
Other Salaries		8,713,747			
Subtotal for Salaries		$ 222,827,580			
Health Insurance		$ 32,497,776	974,933	3.00%	**A**
High deductible HSA contribution		7,008,757	210,263	3.00%	**A**
FICA increase for salary estimate change		15,922,677	282,319	1.77%	
Defined Benefit Pension		19,379,364	352,777	1.82%	
Workers compensation		1,007,518	100,752	10.00%	
Summer unemployment		1,500,000		TBD	
Other Benefits		5,950,195			
Subtotal for Benefits		$ 83,266,287			
Transportation		$ 31,026,862	1,387,209	4.47%	**B**
Utilities (Electricity)		4,169,000	183,436	4.40%	**C**
Heating Fuel		1,400,000	1,038,800	74.20%	**C**
General liability and property insurance		1,085,000	162,750	15.00%	
Other Purchased Services		13,727,372			
Subtotal for Purchased Services		$ 51,408,234			
Other Supplies, Other		9,352,672			
Subtotal for Supplies, Other		$ 9,352,672			
Subtotal of known increases (decreases)			8,383,690	2.29%	
Remaining capacity			$ 4,456,227	1.21%	

A - Health insurance renewal occurs January 1, 2027 for PEIP groups (teachers, ESPs, AESPs, and nurses). Contract increases for PEIP increases for calendar year 2028 are unknown (2nd 6 months of FY 2028). No information is available from PEIP regarding claim loss ratios. UMR renewal occurs July 1, 2027 for all remaining groups. Assumptions will include a migration factor from High plan to Value and HSA plans for FY 2028.

B - Transportation estimated contract increase for FY 2028 4.5%, FY 2029 4.5%, and FY 2030 to FY 2035 3%.

C - Consumer Price Index (CPI) September 2026.

* Other known increases (decreases) from prior year's included: actuarial study results, tuition, and unemployment.