



Agenda
Osseo Area Schools
School Board

Regular Business Meeting
Educational Service Center - Forum Room
11200 93rd Ave N
Maple Grove, MN 55369
Tuesday, November 11, 2025
6:00 PM

Our mission is to inspire and prepare each and every scholar with the confidence, courage and competence to achieve their dreams; contribute to community; and engage in a lifetime of learning.

This regular meeting of the School Board of Osseo Area Schools is being conducted in the Board Room of the Educational Service Center, and is open to the public. The meeting can be monitored electronically by streaming online at district279.org/about-us/school-board (Watch Livestream). An archived recording will also be available on the district website.

Agenda Items

1. 6:00 p.m. Welcome and purpose
Thomas Brooks, Board Vice Chair
2. 6:05 p.m. Check in
Dr. Kim Hiel, Superintendent
3. 6:10-6:45 p.m. Staff Retention 2
Yvonne Shorts Lind, Executive Director of Human Resources and Nilceia Anderson, Workforce Development and Recruitment/Retention Coordinator
4. 6:45-7:30 p.m. Comprehensive Achievement and Civic Readiness (CACR) Results 15
Dr. Bryan Bass, Assistant Superintendent of Equity and Achievement; Dr. Jill Kind, Director of Learning and Achievement; Dr. Michael Walker, Director of Educational Equity
5. 7:30-8:15 p.m. Long-range Financial Planning (LRFP) Budget Parameters 50
John Morstad, Executive Director of Finance and Operations and Kelly Benusa, Director of Business Services
6. 8:15-8:30 p.m. Discussion on Open Enrollment 80
Dr. Kim Hiel, Superintendent; John Morstad, Executive Director of Finance and Operations; Amy Moore, General Counsel
7. 8:30 p.m. Adjournment
Thomas Brooks, Board Vice Chair

To accommodate individuals with disabilities, this material will be made available in alternative formats upon request. Individuals with disabilities are invited to request reasonable accommodations to participate in or attend a district activity, call your local school or the school district at least seventy-two (72) hours in advance (two-week notice preferred). Members of the public can view and download School Board meeting notices and regular meeting agendas and materials from the district website www.district279.org, under "About Us > School Board."



Osseo Area
Schools

Exit Interview Insights & Retention Strategy

“Exit interviews are not about who left, they’re about how we can grow.” - Unknown

Yvonne Shorts Lind Executive Director of Human Resources

Nilceia Anderson Workforce Development Recruitment/Retention
Coordinator

November 11, 2025

Presentation Outcomes

Board members will learn about the following:

- The purpose of exit interviews
- How retention data is collected, analyzed and used
- How we use data to inform our retention strategies

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VISION

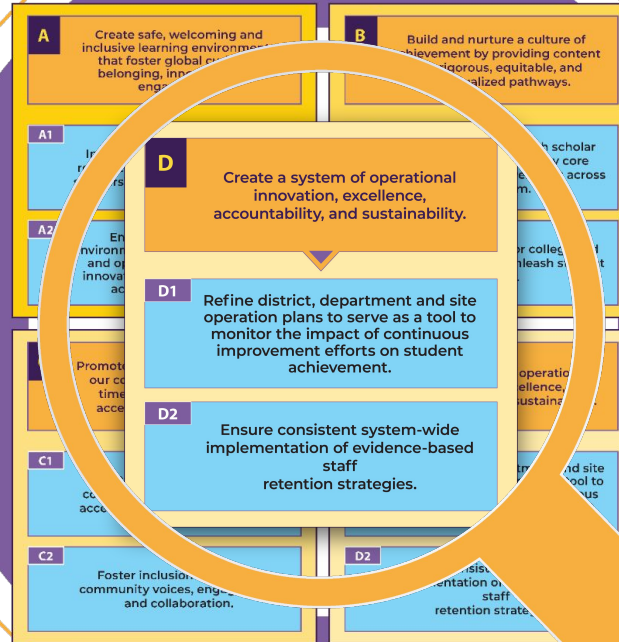
Unleash and enhance the brilliance of our scholars to thrive and change the world.

CORE VALUES

HONOR AND
INTEGRITY
BELONGING
INCLUSION
INNOVATION AND
EXCELLENCE
TRANSPARENCY
INTRINSIC VALUE

STRATEGIC PRIORITIES 2025-26

Continuous Improvement Magnifier



How do our **continuous improvement** cycles and processes help address and eliminate disparities and inequities in achievement?

3 Cs to align work

CONSISTENCY

- Our responsibilities
- Our behavior
- Understanding our biases
- Understanding expectations

CONNECTION

- Our relationships
- Our roles
- Our impact on others
- Build trust

COHERENCE

- The why
- Our decisions
- Our data
- Weight on the system

Purpose of Exit Interviews



Why They Leave → Understand reasons behind departures



What It Tell Us → Identify retention & culture trends



How We Respond → Understand reasons behind departures



How We Grow → Strength experiences through feedback

Our Current Data Collection Process



Resignation Form

- Completed by employee (via Droplet)



Exit Survey

- Link automatically generated (voluntary & confidential) via Qualtrics



Exit Interview

- Option offered; conducted by HR/Recruitment & Retention Team

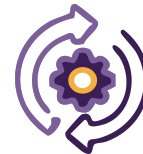
Exit Survey Review Cycle



Notice Period
Conduct initial survey and/or interview



Periodic Audits
Monitor completion rates and data quality

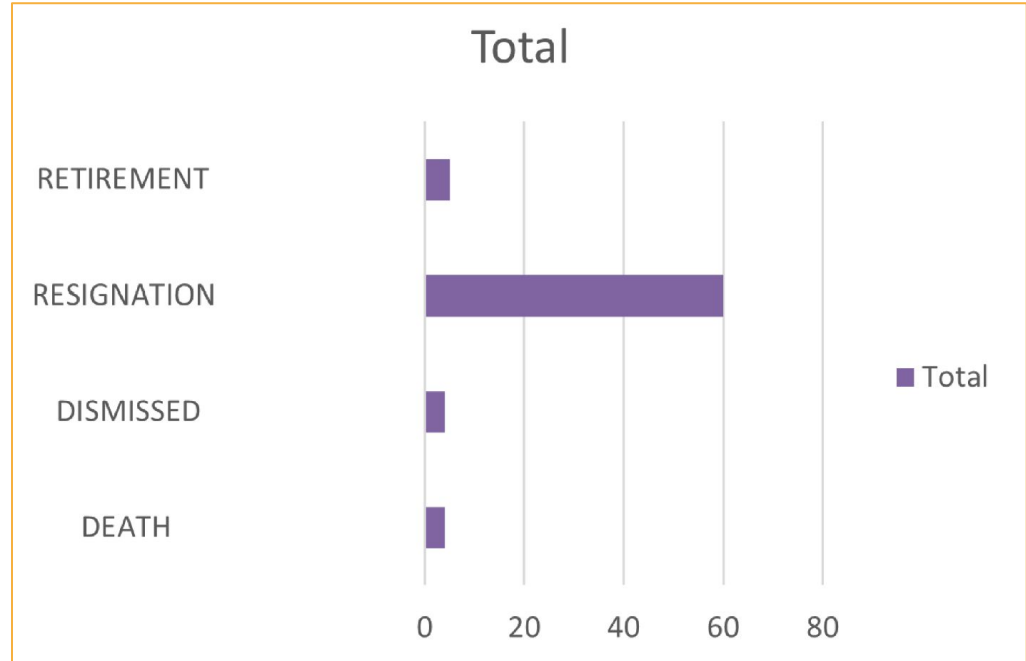


Continuous improvement
Adjust process and timing as needed

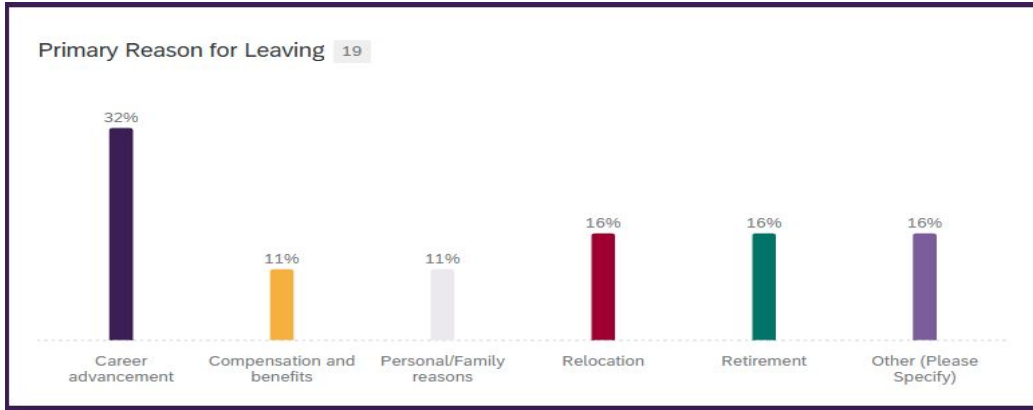
Resignation/Retirement Form

Participation Snapshot

- Droplet resignation forms completed:
July 1, 2025 - present: **73**
- Eligible for the exit survey: **65**
- Completed Qualtrics exit survey: **19**
- Requested exit interview with HR: **2**



Early Findings: Why People Leave



Career advancement = clear pathways for advancement and professional development

Compensation = strengthen retention through recognition or rewards.

Relocation = no control

Personal/Family = Flexible & supportive work culture

Retirement = Success

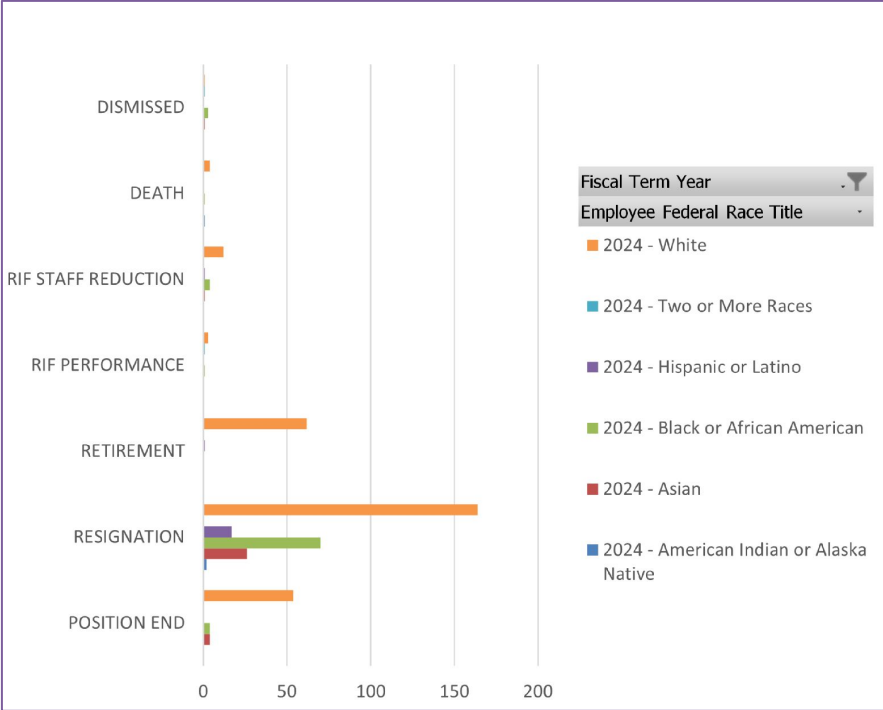
Early attrition:

21% less than a year in the district

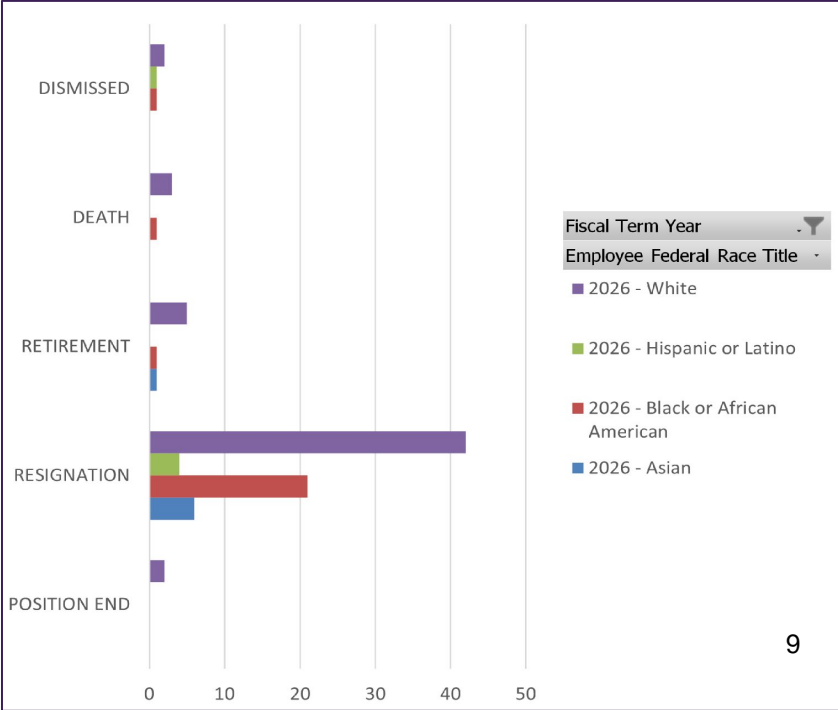
53% 1-3 years in the district

Demographics

2024-2025



2025-Present



What We're Learning

Emerging Themes



Career mobility







Continuous
improvement



Positive
culture

Where We Are & What's Next

Initiative	Status	Focus
 Create Clear Pathways	Planned	Internal career mobility & development
 Digital Survey + Exit Conversation	Completed	Consistent feedback loop
 Develop & Coach Leaders	Planned	Leadership development
 Mentorship & Holding Space	In Progress	Building connection & reflection early

Next Steps (Learning Work)

- Use exit data to shape targeted retention initiatives
- Align data with district strategic priorities
- Study best practices and processes: stay interviews to complement exit data
- Share workforce insights with cabinet semi-annually
- Increase enrollment for Grow Your Own (GYO)

Data → Insight → Action → Review

Pause and Process

Board Reflection & Discussion

1. What stands out to you about the patterns and stories emerging from our exit data?
2. How do these insights deepen our understanding of staff experience and retention across the district?

Closing

“Every exit is an opportunity to improve how we support and grow our people.” - Unknown

Thank you!



Osseo Area
Schools

Achieving Academic Excellence

Comprehensive Assessment & Civic Readiness and
Achievement & Integration

Dr. Bryan Bass, Dr. Jill Kind, Dr. Michael Walker



Presentation Outcomes

Board members will:

- examine various data points related to Osseo Area Schools' Comprehensive Assessment and Civic Readiness and Achievement and Integration Strategic Plan from the 2024-2025 school year; &
- learn about current strategic improvement actions to positively impact this data.

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INTRINSIC VALUE

STRATEGIC

Continuing

A Create safe, well-inclusive learning environments that foster global belonging, inclusion, and engagement.

A1 Implement the core values of respect and value of all scholars' race, culture, and background.

A2 Ensure secure and safe learning environments that provide opportunity for innovative learning across all districts.

C Promote inclusive communication in our communities through timely, relevant, and accessible communication.

C1 Standardize communication to ensure it is accessible, accurate, and timely.

C2 Foster inclusion of community voices and collaboration.

**How do we
and what
disparities**

B

Build and nurture a culture of achievement by providing content rich, rigorous, equitable, and individualized pathways.

B1

Ensure and confirm each scholar has access to high quality core instruction and interventions across the system.

B2

Improve pathways for college and career readiness to unleash student agency.

Comprehensive Assessment and Civic Readiness



Achievement and Integration

Goal 1

Osseo Area Schools will provide support for specialized programming to seek racial integration gap reduction of 1% each year at schools that were identified as Racially Isolated Schools.



Goal 2

The achievement gap between students of color and the Minnesota State goal of 85% as measured by proficiency on the Minnesota Comprehensive Assessments (MCA) in reading will decrease each year by 2% for each identified group.



Goal 3

The percent of staff of color working in Osseo Area Schools will increase by 1% each year from 14.94% in Spring 2022, between FY 2024 and 2026.



Goal 4

Increase the graduation rate of American Indian students by 4% per year between FY 2024 and 2026.



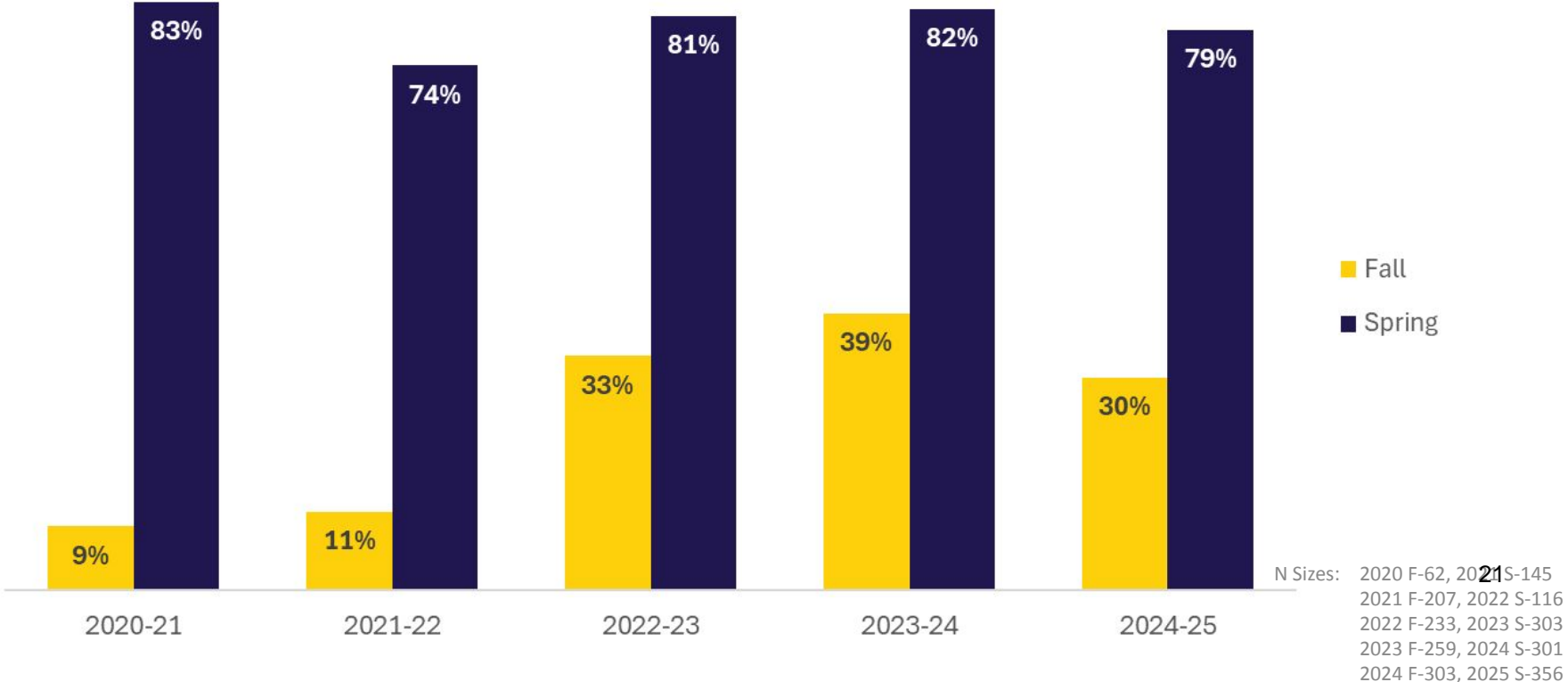


Goal 1

All children are ready for school.

Teaching Strategies Gold - VPK

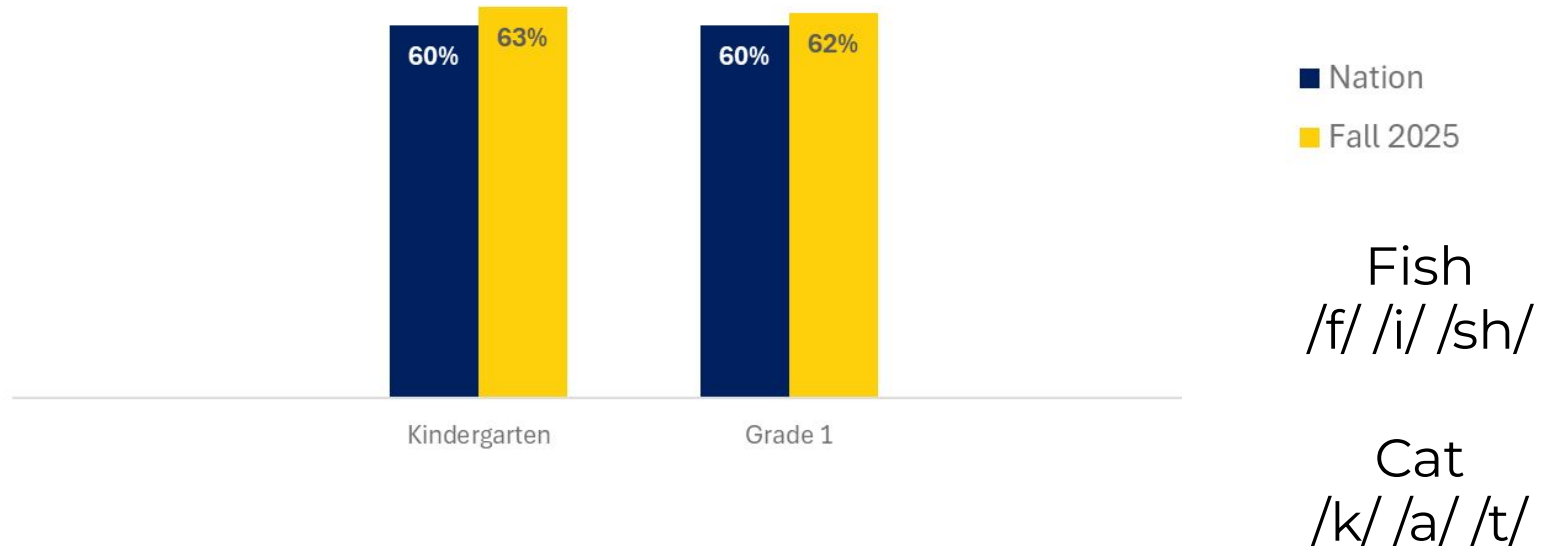
Average percent meeting or exceeding standards (across six domains)



Kindergarten and First Grade Readiness

% Low Risk as measured by Fall Fastbridge earlyReading Assessment

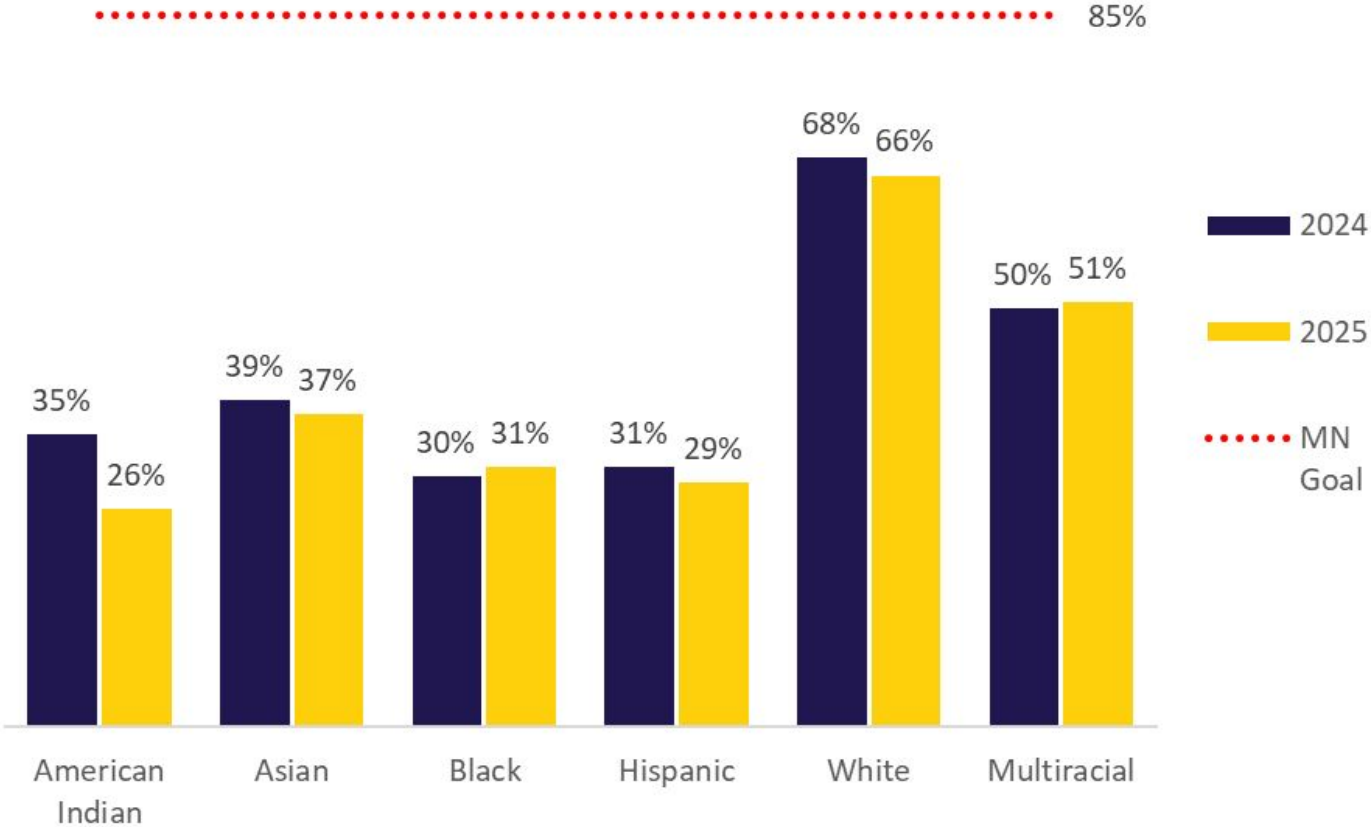
Word Segmenting Subtest





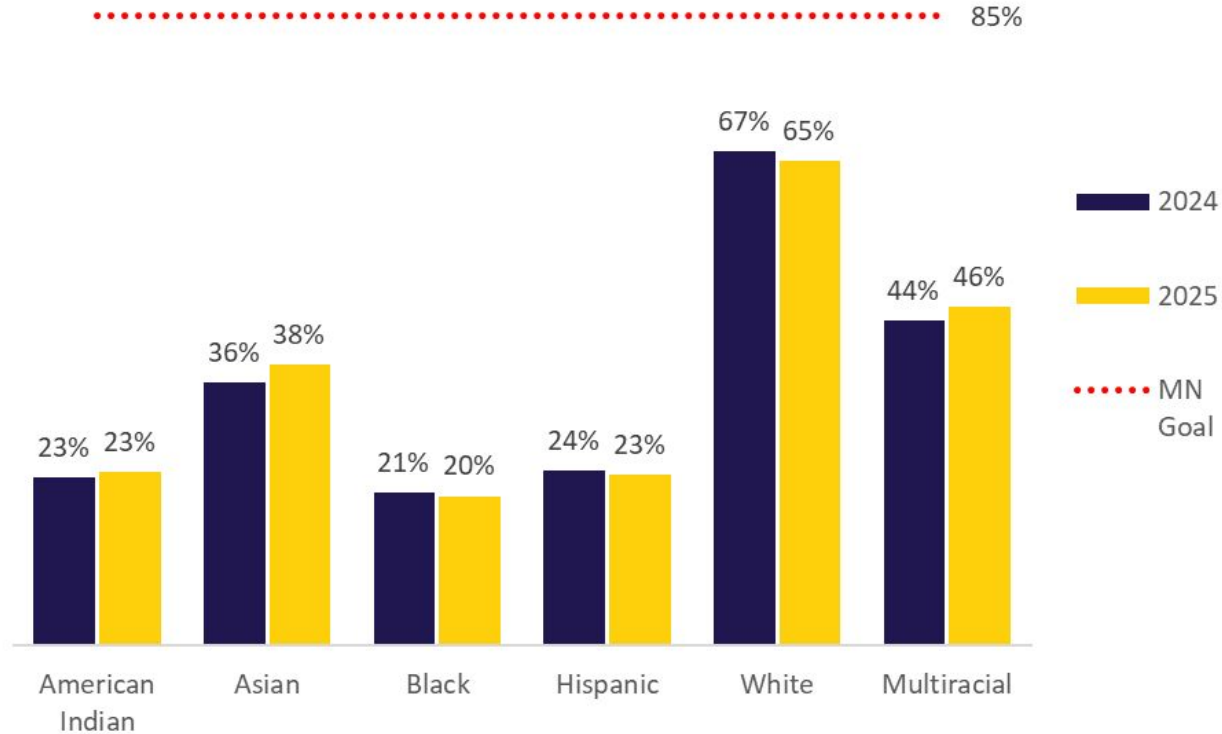
Goal 2
All racial and economic gaps between students are closed.

Goal 2: Reduce the Reading Proficiency Gap

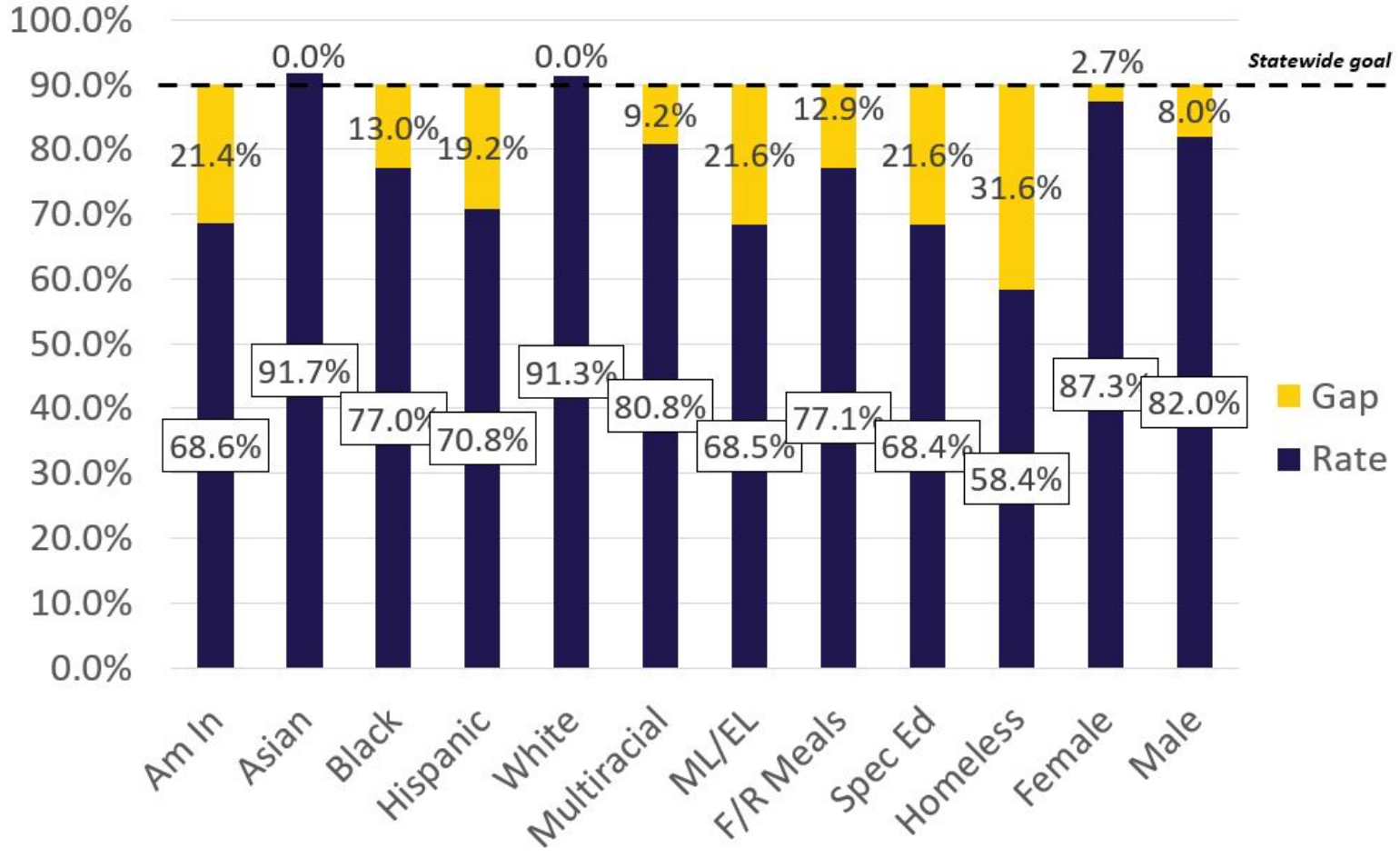


Reduce the Math Proficiency Gap

MCA Math Proficiency - District to MN Goal



4-Yr Graduation Rate Gaps - Class of 2024

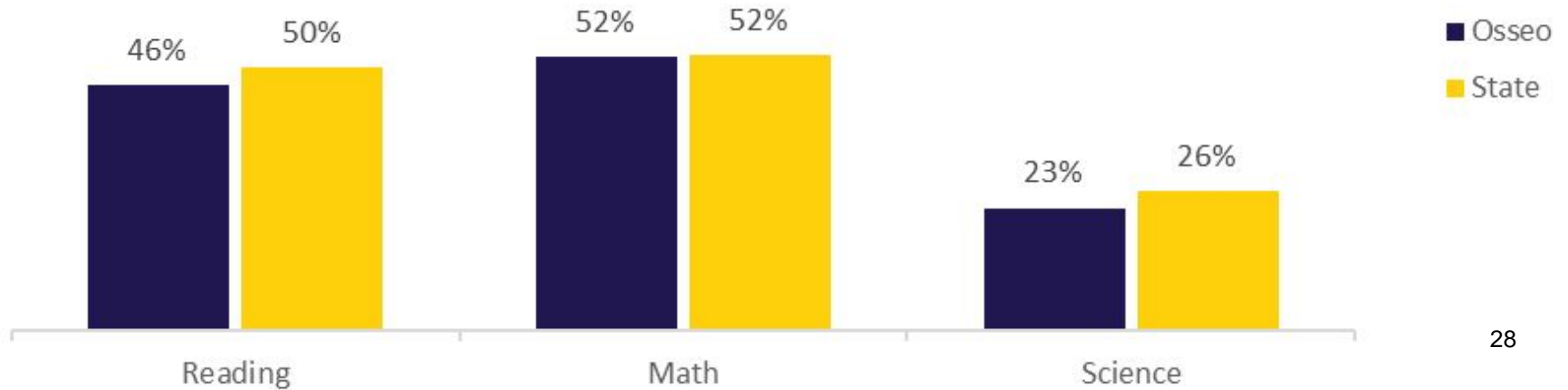




Goal 3
All students are
ready for college
and career.

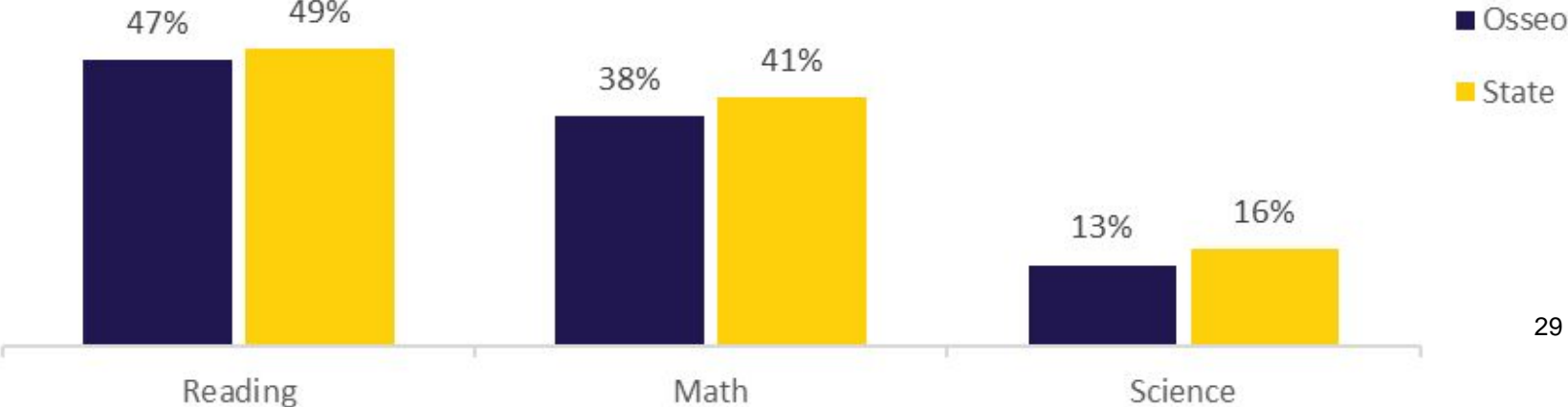
MCA Proficiency - Elementary

2024-25 MCA Proficiency - Elementary



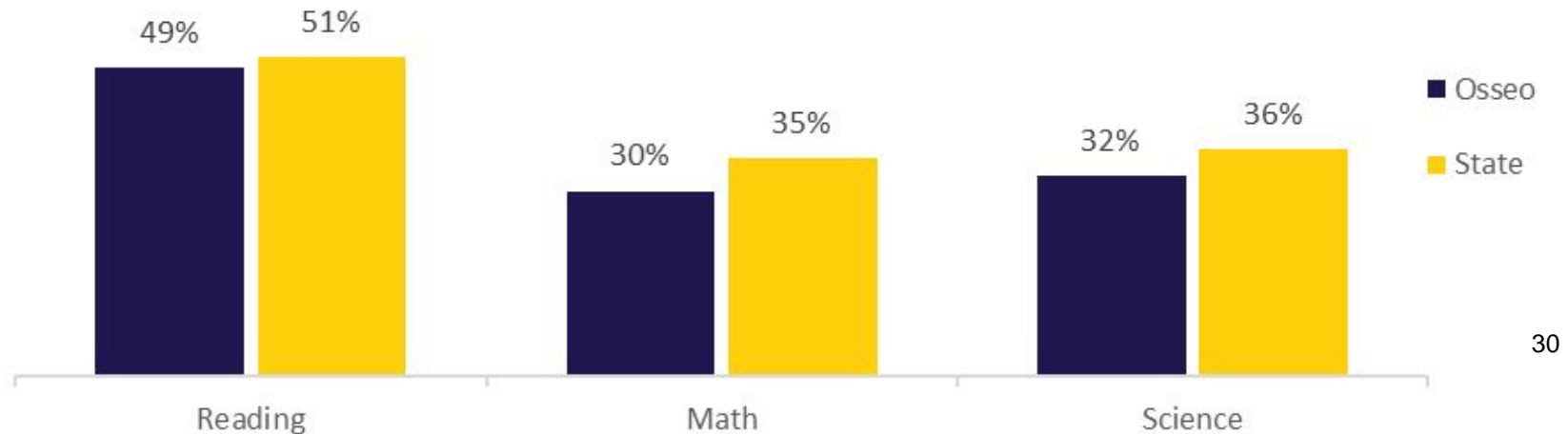
MCA Proficiency - Middle School

2024-25 MCA Proficiency - Middle School

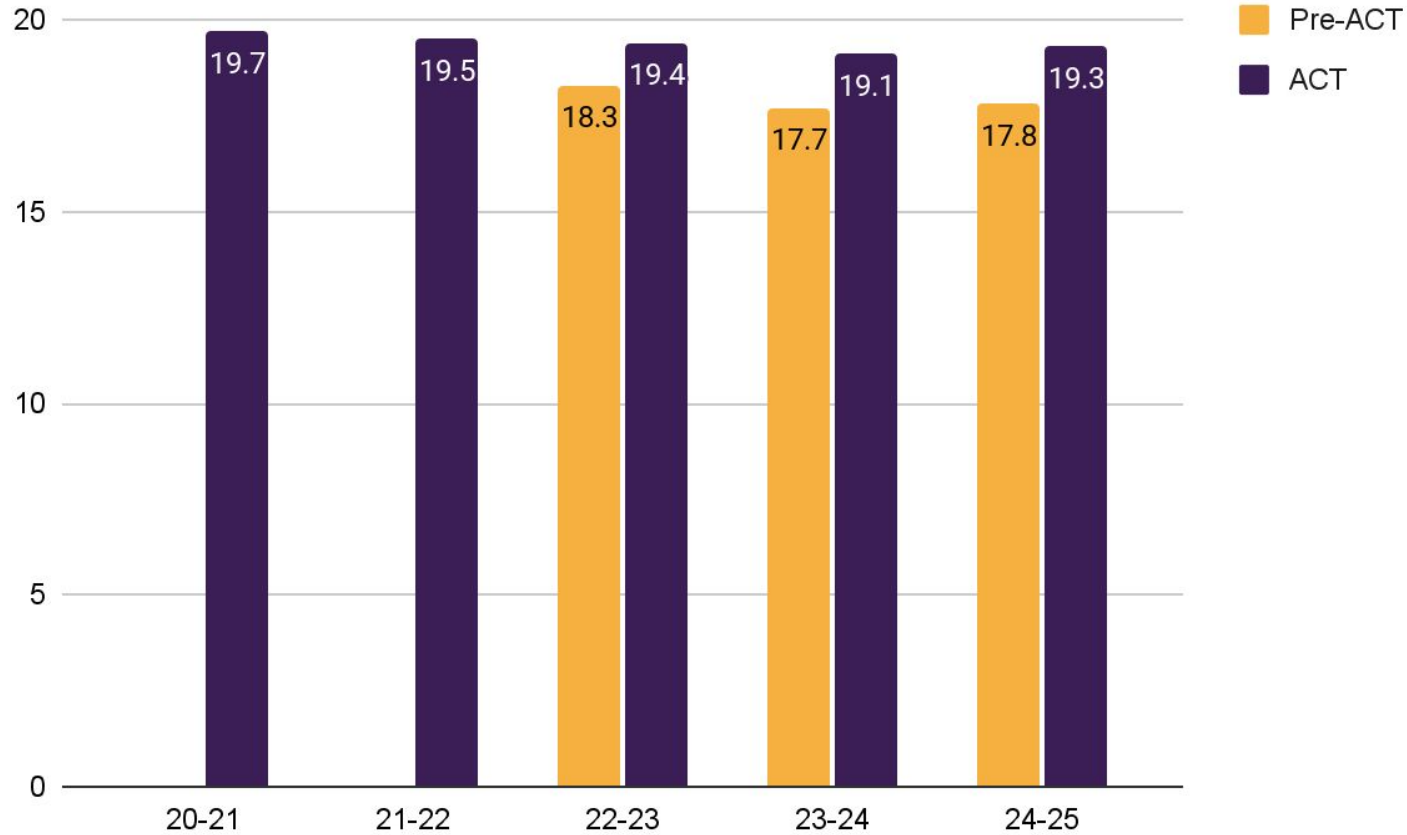


MCA Proficiency - High School

2024-25 MCA Proficiency - High School



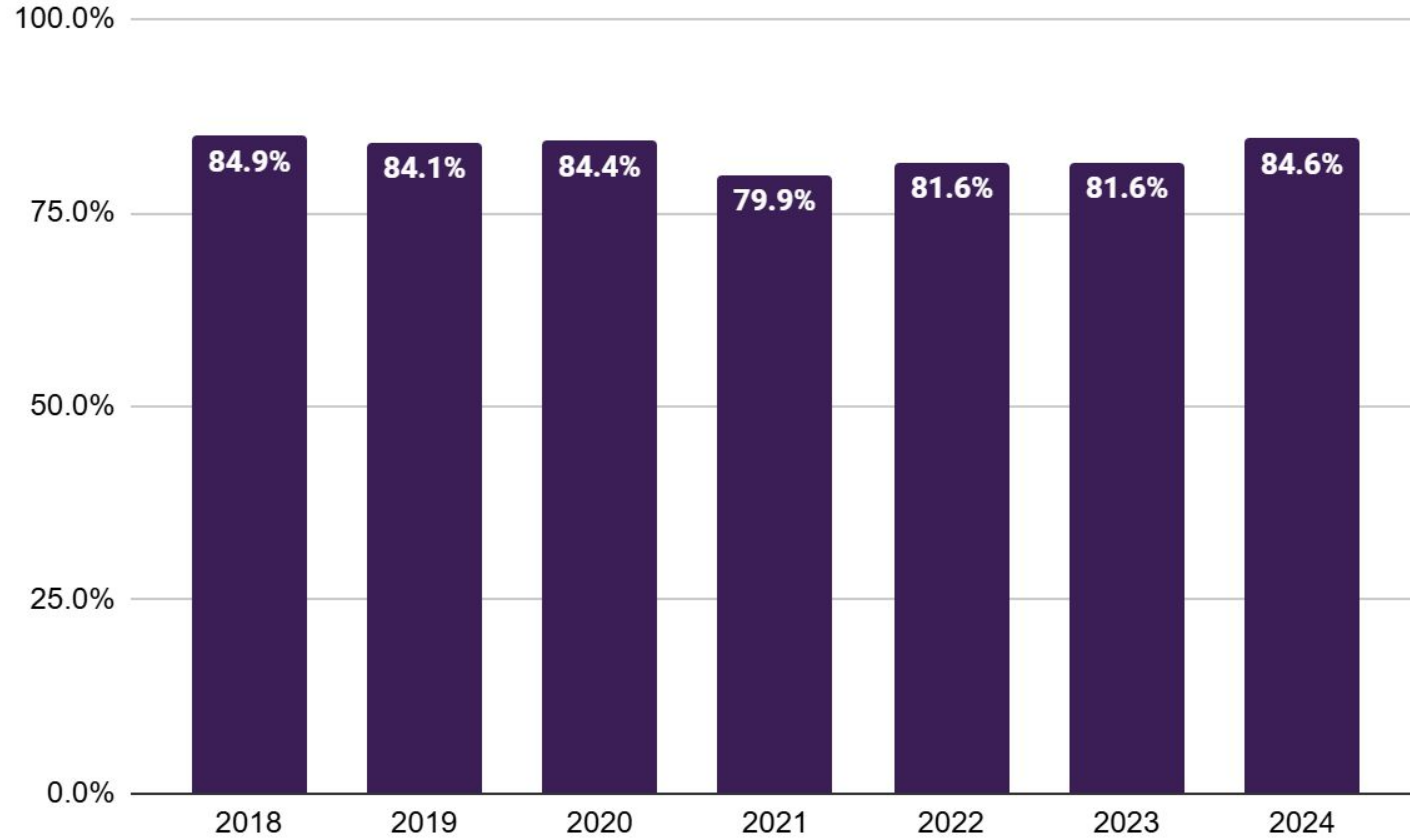
Pre-ACT and ACT Composite



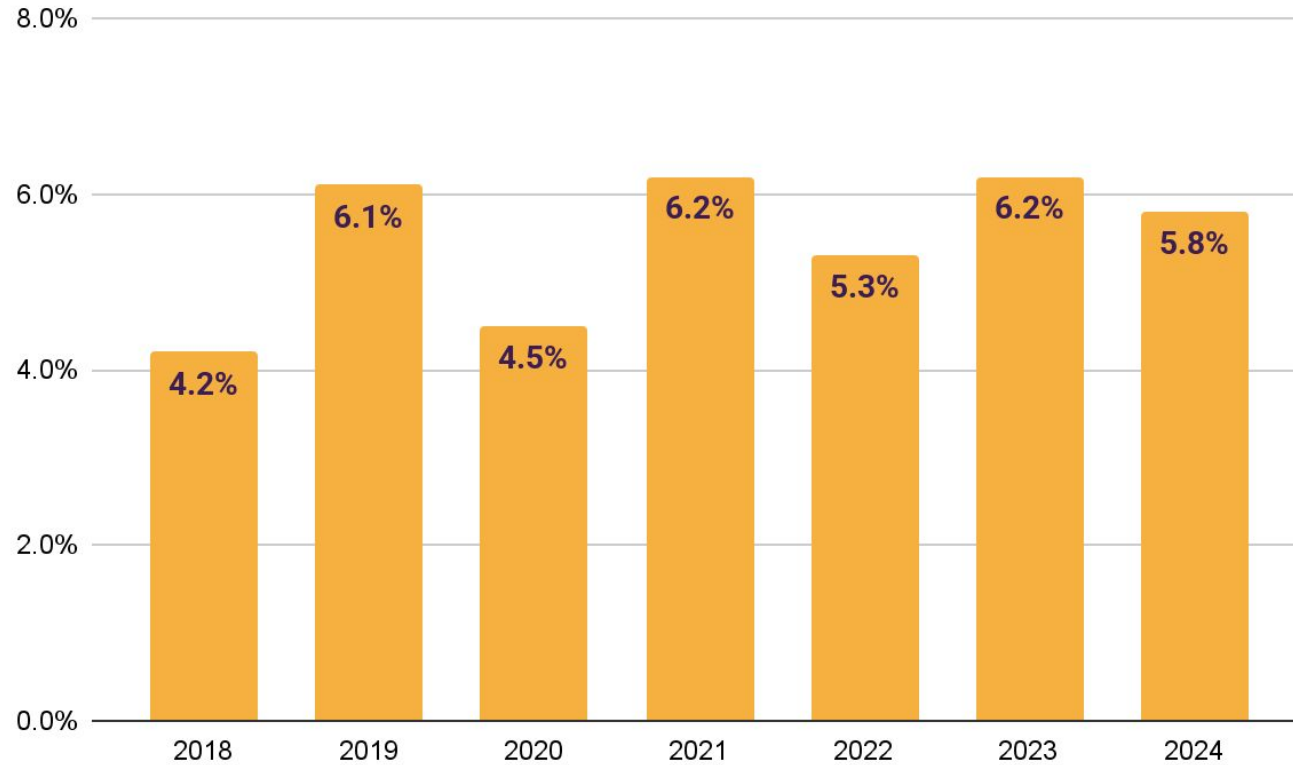


Goal 4
All students
graduate from
high school.

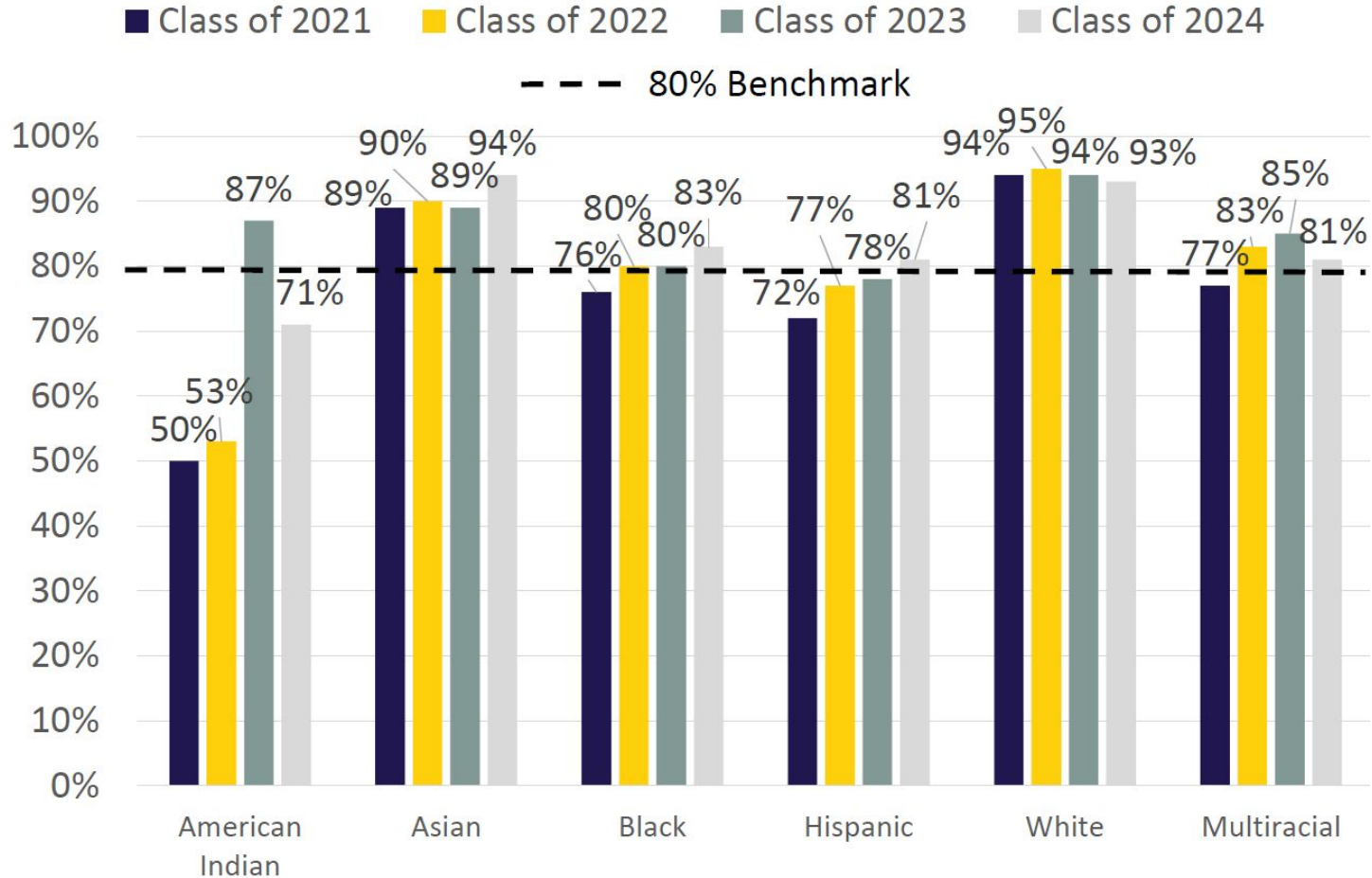
4 Year Graduation Rates



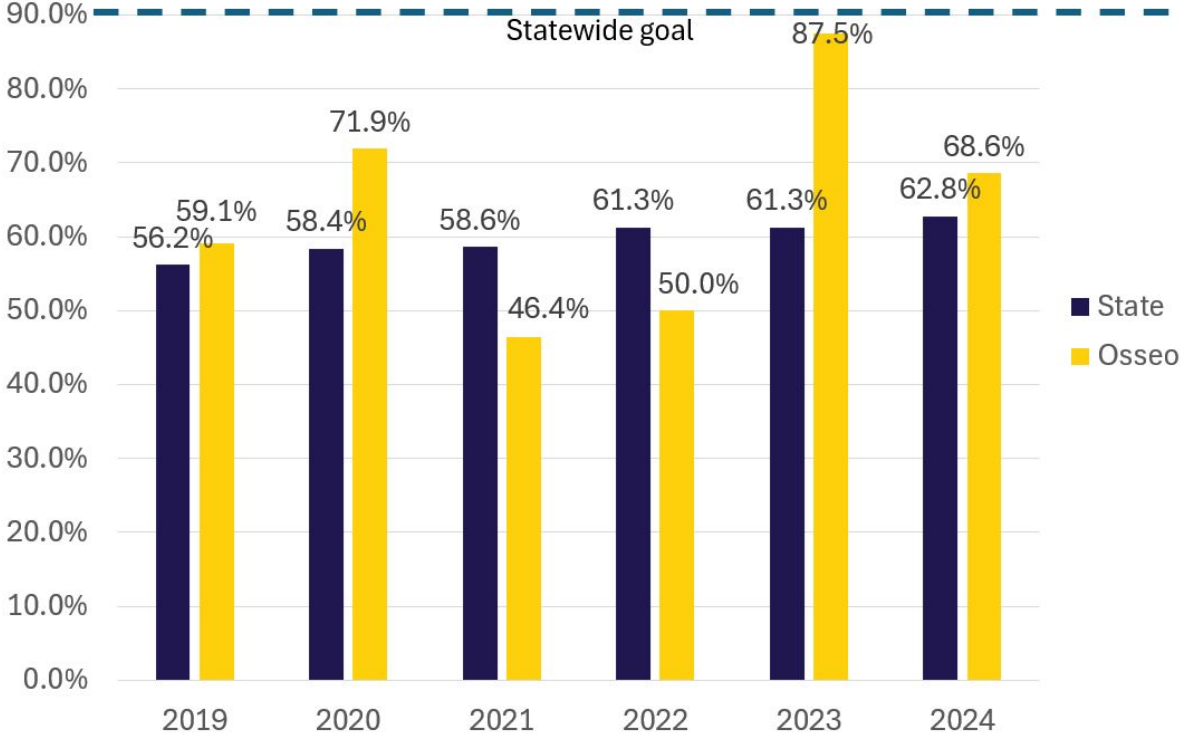
Drop Out Rate Trends



Graduation and Continuation Rates



Goal 4: Increase American Indian Graduation Rates



Next Steps

- Improve our use of Early Warning System Data
 - Attendance
 - Academics
 - Behavior
- Partner with College and Career Readiness Coordinators on the implementation and use of Xello and its analytics
- Continue to focus professional learning on high quality core instruction and Standards Based Instruction & Grading
 - Learning Walks
 - RtI Stored
- Site use of the Equity Transformation Cycle to address their identified Equity Challenge



Goal 5
**All students are
prepared to be
lifelong learners.**

Lifelong Learning





Pause and Process

- What areas could we strengthen?
- What areas which are strong could be amplified?



Achievement and Integration Goals

A&I Plan Strategies



Magnet School Programming



International Baccalaureate Programming



Comprehensive District Wide Reading Instruction (Coaching), Support and Continuous Improvement



NUA Programming and Site Implementation at Elementary Sites



Partnering with Regional Centers of Excellence to strengthen programming



Recruitment and Retention of Staff of Color Plan



AVID Implementation at select sites



Family Engagement and Empowerment



Targeted support for American Indian Studies



Leveraging community partnerships to strengthen programming



Comprehensive District Wide Equity Training and Support



Staff Development on supporting American Indian students



District will participate in NWSISD sponsored student service opportunities

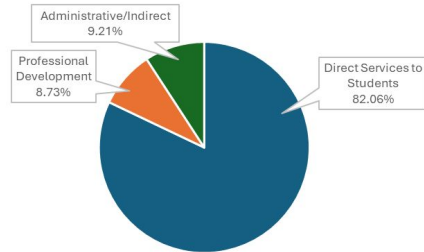
A&I Grant - 3-Year Budget Overview

Expense Category	FY 2024	FY 2025	FY 2026
Direct Services	4,213,082	4,305,874	4,405,134
Professional Development	448,078	431,047	297,338
Administrative Costs	473,050	434,549	450,193
Budget Total	5,134,210	5,171,470	5,152,665

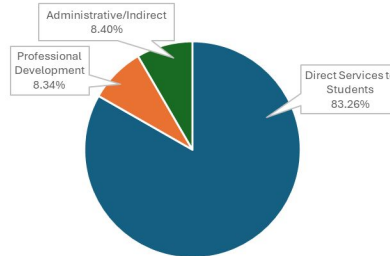
3-Year Financial Summary (FY2024–FY2026):

- **Direct Services:** Reflects continued expansion to investment in student academic support, enrichment, and equity initiatives.
- **Professional Development:** Represents targeted, high-impact training aligned with district priorities.
- **Administrative Costs:** Remain stable ensuring program compliance and oversight.

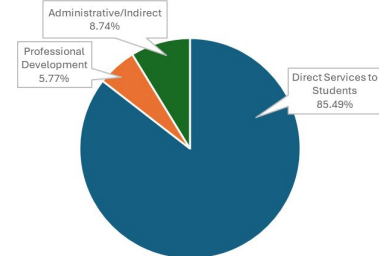
FY 2024



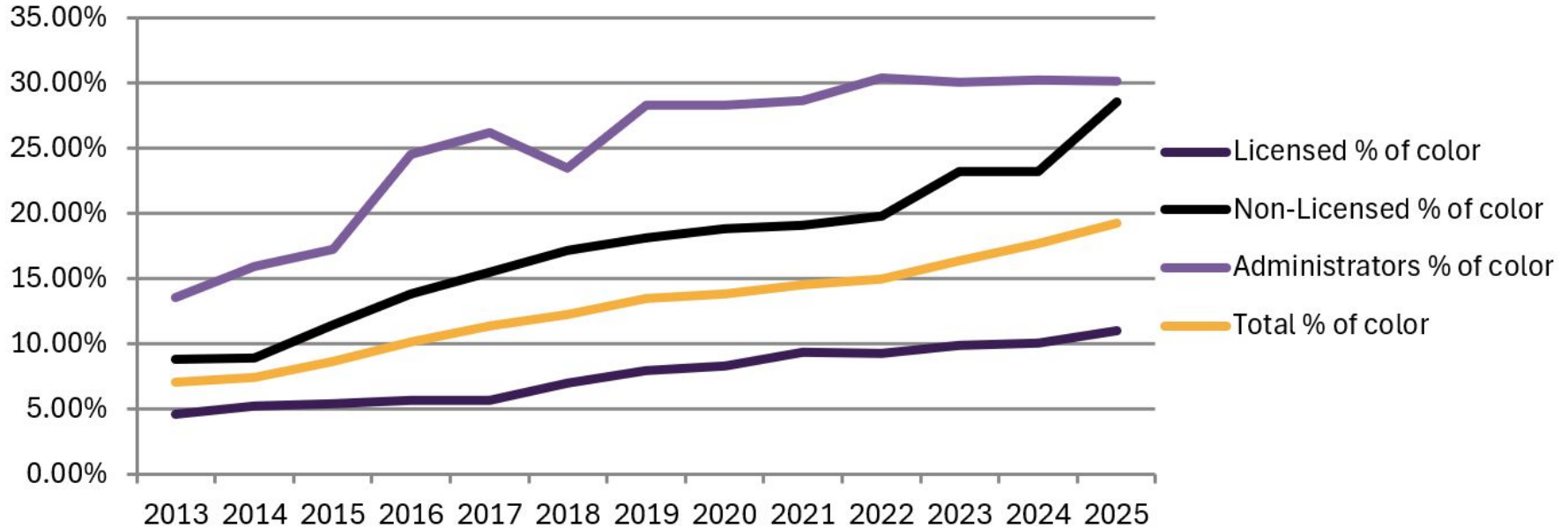
FY 2025



FY 2026



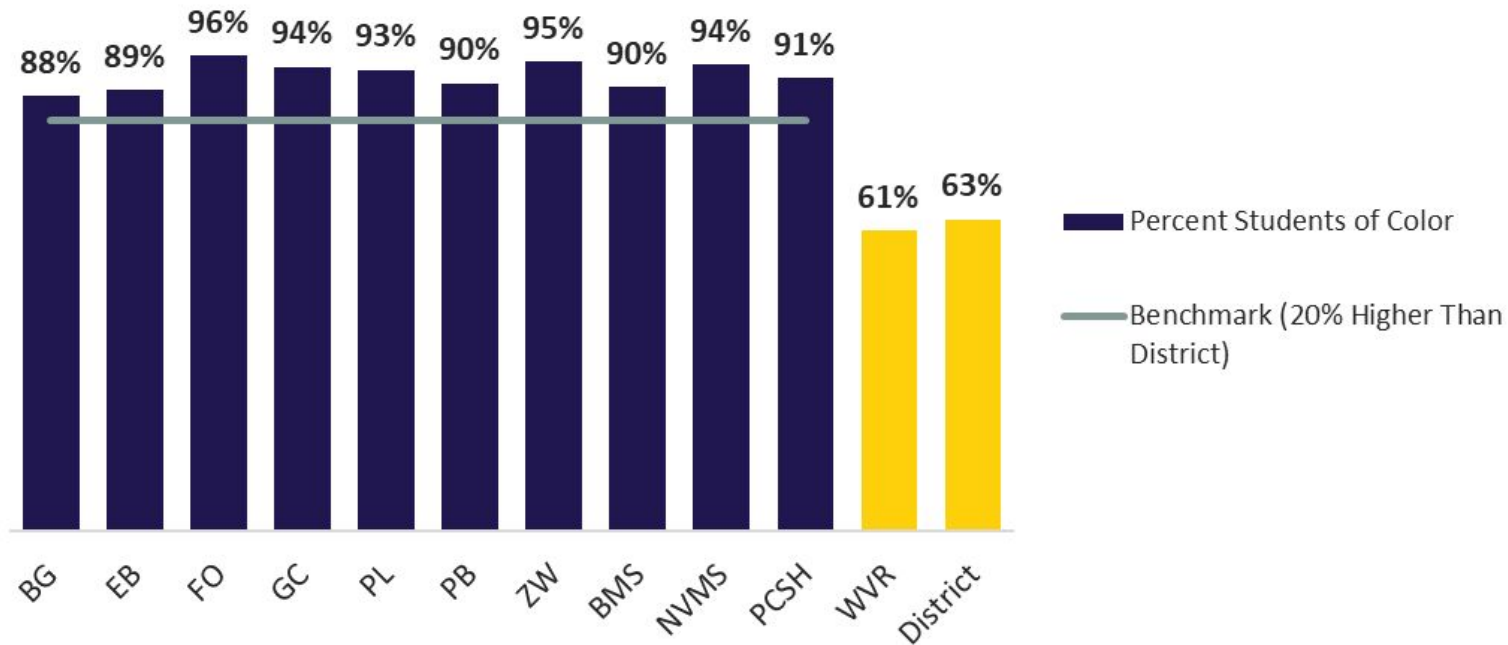
Goal 3: Increase Percent-Staff of Color



School year:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Licensed % of color	4.62%	5.22%	5.39%	5.61%	5.68%	6.99%	7.96%	8.30%	9.31%	9.24%	9.88%	10.04%	10.95%
Non-Licensed % of color	8.81%	8.91%	11.44%	13.80%	15.45%	17.11%	18.11%	18.82%	19.11%	19.74%	23.23%	23.23%	28.53%
Administrators % of color	13.53%	15.91%	17.27%	24.49%	26.14%	23.49%	28.30%	28.32%	28.65%	30.39%	30.00%	30.22%	30.11%
Total % of color	7.03%	7.37%	8.62%	10.16%	11.39%	12.25%	13.43%	13.79%	14.52%	14.94%	16.34%	17.64%	19.21%

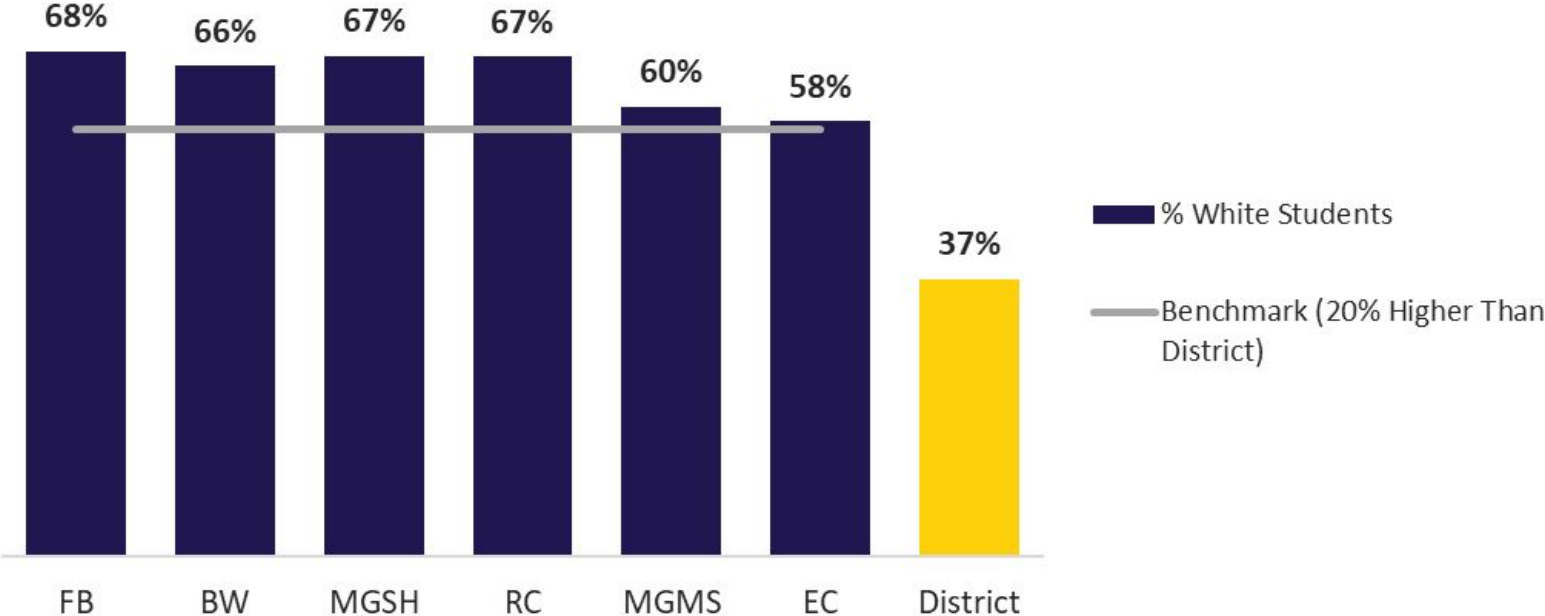
Goal 1: Reduce Racial Integration Gap

Percent of Students of Color



Goal 1: Reduce Racial Integration

Percent White Students



Next Steps

Achievement & Integration Plan (3 year Cycle) is up for renewal

Nov. - Dec.	December	Jan. - Feb.	February	March 15, 2026
Engage Stakeholders and Form a team	Review progress and gather input from stakeholders	Develop and refine goals	Bring to the Board for Approval	Finalize and submit plan



Pause and Process

- What areas could we strengthen?
- What areas which are strong could be amplified?



**Osseo Area
Schools**

Thank You

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3 Cs to align work

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- Our responsibilities
- Our behavior
- Understanding our biases
- Understanding expectations

CONNECTION

- Our relationships
- Our roles
- Our impact on others
- Build trust

COHERENCE

- The why
- Our decisions
- Our data
- Weight on the system

ISD 279 - Osseo Area Schools Long-Range Financial Model (LRFM) and Annual Budget Framework

The district mission is placed in the center to reflect that it is at the core of the model.

The ovals reflect the operationalizations of the strategic priorities in the annual budget cycle facilitated by our system's budget managers.

The outer boxes reflect long-range financial planning directed by the school board. In the model, the long-range financial forecast is used as a tool to identify annual operating budget targets that result in a financially sustainable plan. These budget targets are considered when strategic priorities are operationalized in department work plan and the annual budget recommendation.

Long-Range Financial Planning Guiding Principles

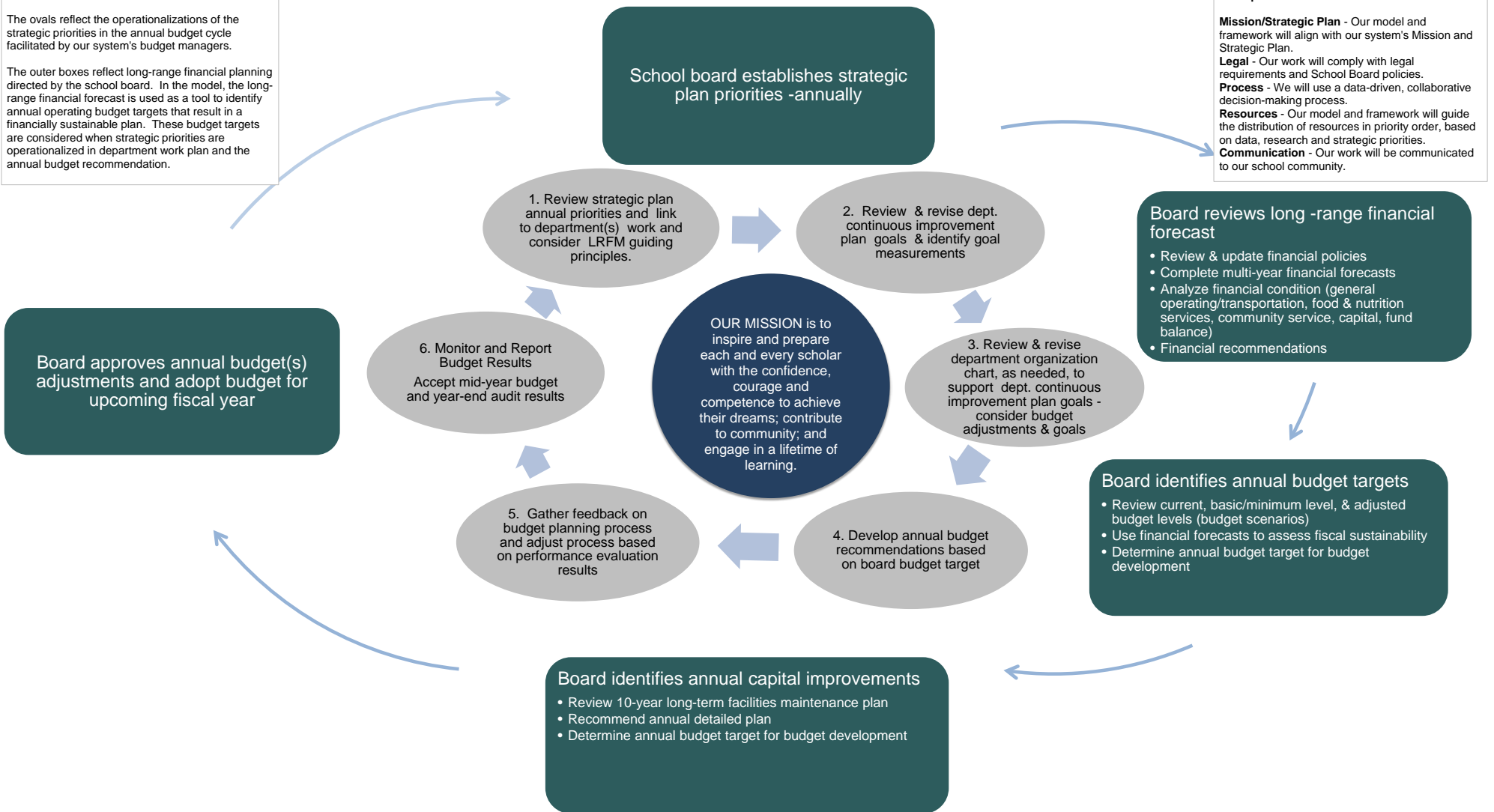
Mission/Strategic Plan - Our model and framework will align with our system's Mission and Strategic Plan.

Legal - Our work will comply with legal requirements and School Board policies.

Process - We will use a data-driven, collaborative decision-making process.

Resources - Our model and framework will guide the distribution of resources in priority order, based on data, research and strategic priorities.

Communication - Our work will be communicated to our school community.



**General, Food Nutrition Services, and Community Service Funds
PROGRAM EFFICIENCY, ABANDONMENT, AND REDIRECTION (PEAR) NARRATIVE**

PEAR Title: _____

PEAR #: _____ Fiscal Year: FY 2027

Division: _____ Budget Manager: _____

Department: _____ Expenditure Type: _____

1. What budgeted resources are being requested?

a. Dollar amount and budget code(s):

Expenditure Adjustments:

PEAR Adjustment	FD	ORG	PRG	FIN	SRC	CRS

Revenue Offset:

Revenue Offset	Revenue Source

b. net dollar amount (\$): _____ \$0

c. FTE and Bargaining Group(s) impacted, if applicable:

FTE Impact	FTE	Bargaining Group	Position Title

2. PEAR Summary (description of proposal)

3. How did you identify and respond to the influence of race and culture in the development of the request?

4. What data will be used to measure results and how does the request support equitable student achievement?

5. Proposal Impact and Rationale

a. What is the expected impact of this proposal on current services, productivity and/or the strategic priorities?

b. Are other divisions or departments affected by your proposal?

c. If other division or departments are affected, list division/departments contacted

6. Are any legal requirements, mandates, or School Board policies affected by this adjustment? Yes or No

If yes, list requirements

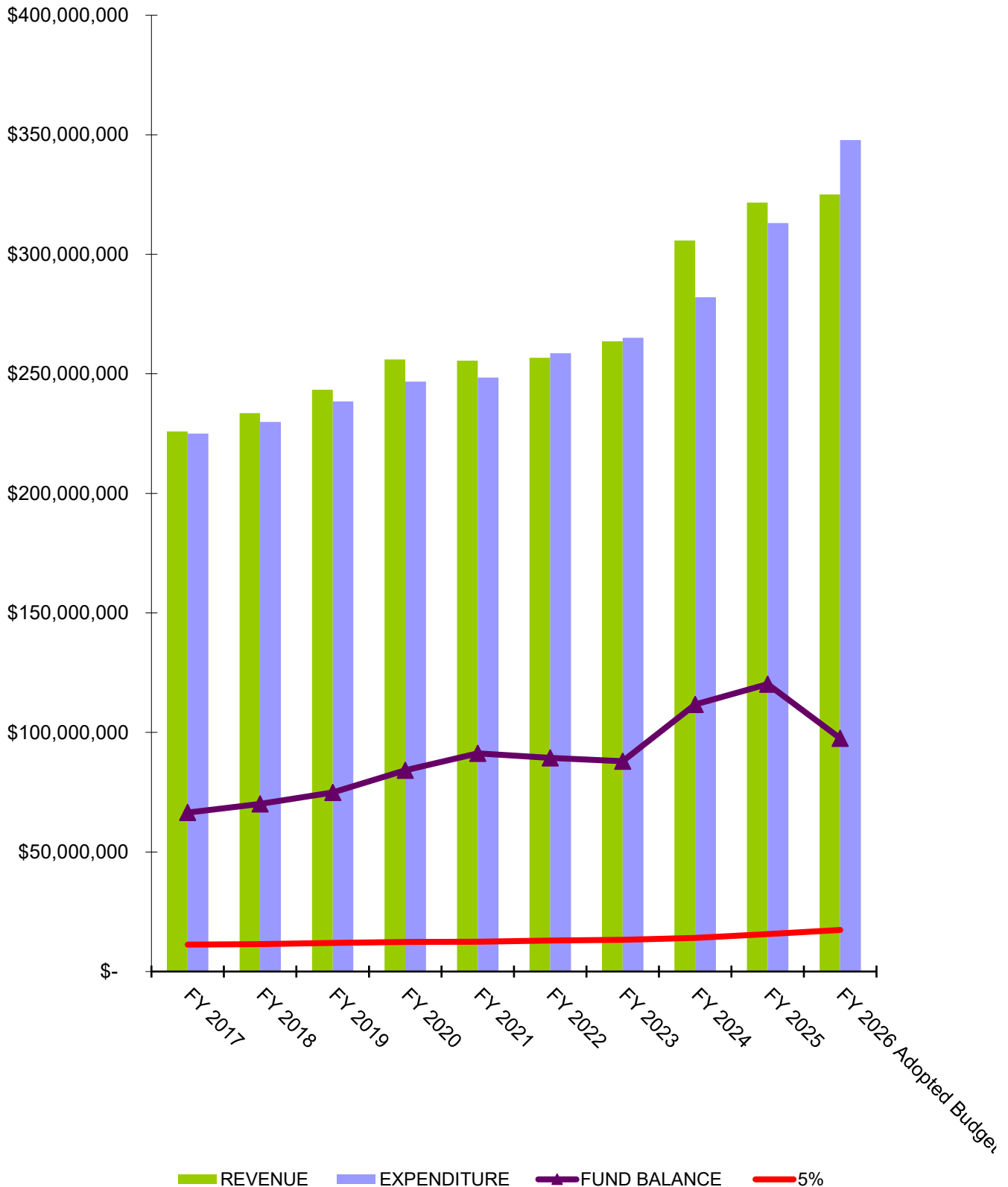
Fiscal Years 2022 to 2027 Board Approved Budget Adjustments Impacting Programs and Services

Revenue Adjustment Decisions Increase (Decrease)	Actual FY2022	Actual FY2023	Actual FY2024	Actual FY2025	Budget FY2026	Projected FY2027	
							Increase in voter approved amount, inflation on operating referendum, and adjusted for change in Adjusted Pupils
Revenue Subtotal	(\$252,140)	\$962,757	\$18,306,267	\$1,172,052	\$1,122,459	\$ 2,459,224	
	(\$252,140)	\$962,757	\$18,306,267	\$1,172,052	\$1,122,459	\$2,459,224	
Expenditure Adjustment Decisions Increase (Decrease)	Actual FY2022	Actual FY2023	Actual FY2024	Actual FY2025	Budget FY2026	Projected FY2027	
	(\$2,415,511)						Reduced due to enrollment decline in FY 2021
	\$2,831,933	\$65,722	\$86,930	\$89,538	\$92,224	\$94,990	Strategic investments
		\$1,149,817	\$34,495	\$35,529	\$36,595	\$37,693	Strategic investments
	(\$9,134,365)		(\$575,748)	\$9,710,113			Sustain programs and services with federal funds for FY 2023 and FY 2024; add back expenditures for FY 2025
			(\$206,588)				Safe Schools Alignment reduce 1.8125 FTE secondary student management specialist positions from safe school levy allocation
			\$102,120	(\$102,120)			CAREI contract - one year only
			\$1,500,000				Curriculum capacity - allow carryover of \$1 million maximum
				\$1,000,000	(\$1,000,000)		Strategic investments - one year only
				(\$200,115)	(\$921,284)		Eliminate one assistant principal at 279Online FY 2025; 279Online program reconfiguration FY 2026
				\$461,793	\$13,854	\$14,269	Enrollment Alignment add 13.5 FTE teacher contingency; 8.317 FTE not deployed due to Fall 2024 enrollment less than projection
				\$157,000	\$4,710	\$4,851	Family Medical Leave Act - add human resource staff to support legislative changes for FMLA, earned safe and sick time, and unemployment
					(\$350,000)	\$350,000	Repurpose site staffing and operation support; delay staffing for one-year
					\$30,000	\$900	Family Medical Leave Act - add human resource staff to support legislative changes for FMLA, earned safe and sick time, and unemployment
					\$326,641	\$1,232,944	Initial operating capacity for Aspen Ridge Elementary; remaining amount of \$1.2 million planned for FY 2027
					(\$4,461,975)	(\$1,038,025)	Compensatory maximum hold harmless \$5.5 million to be reduced to \$1,038,025 for one year only, eliminated for FY 2027
					\$632,876	\$632,876	FMLA expansion of payroll tax starting January 1, 2026; remaining amount of \$632,876 planned for FY 2027
					\$583,095	\$17,493	Enrollment Alignment add 22.1 FTE teacher contingency; 16.1 FTE not deployed due to Fall 2025 enrollment less than projection
						\$2,093,771	Transportation contract impact on expenditures and boundary changes, includes Aspen Ridge Elementary
Expenditure Subtotal	\$416,422	(\$7,918,826)	\$941,208	\$11,151,738	(\$5,013,264)	\$3,441,763	
Net Gain (Loss)	(\$668,562)	\$8,881,583	\$17,365,059	(\$9,979,686)	\$6,135,723	(\$982,539)	

ISD 279 - Osseo Area Schools

FY 2027 Budget Planning

Historical Budget Trend



General Budget

Division of Community Engagement (CEn) Departments

FY 2026 Budget	\$3,166,321	1%	of total General budget \$347,715,168
FY 2026 Adjustment	\$0		of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$0		of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$0		of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$0		of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0		of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Office of Superintendent

The superintendent is the chief executive officer of the organization and reports to the school board. The superintendent's office functions as a key communicator for the organization and makes high-level decisions about policy and strategy. The office manages school board, superintendent, general counsel, school elections and district initiative budgets.

FY 2026 Budget

FY 2026 Budget	\$1,084,215
% of General Budget	0.31%
Per Pupil Cost	\$46.56
Full Time Equivalent (FTE)	4.00

Change From Prior Year

- No significant changes made from the previous year's budget

Community Relations and Enrollment Center

Community Relations and Enrollment Center provides administrative and leadership support to the Osseo Area Schools system through Community Relations, Publications, and Enrollment Center.

FY 2026 Budget

FY 2026 Budget	\$2,082,106
% of General Budget	0.60%
Per Pupil Cost	\$89.41
Full Time Equivalent (FTE)	22.50

Change From Prior Year

- **DELAY UNTIL FY 2027** - Add 1 FTE licensed coordinator, add 1 FTE administrative educational support professional and supplies from repurpose of Crest View Elementary core staffing

General Budget

Division of Leadership, Teaching and Learning (DLTL) Departments

FY 2026 Budget	\$213,859,875	62%	of total General budget \$347,715,168
FY 2026 Adjustment	(\$350,000)		of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$0		of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$299,946		of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$0		of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$2,147,741		of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

DLTL Operations and Sites

DLTL Operations is responsible for developing, implementing, managing, and evaluating operational and management support systems for elementary and secondary sites and system level efforts.

Learning and Achievement (L&A)

The Department of Learning & Achievement (L&A) provides comprehensive professional learning experiences in the areas of curriculum, instructional practice, and assessment; leads program improvement processes to align curriculum, instruction, and assessment to state standards; and ensures high quality culturally responsive instructional design that leads to increased student learning and equitable student achievement. In addition, L&A provides excellence in education through data-supported decision making and enhances student learning by serving the needs of administration, staff, parents, and students for quality, timely achievement and survey data in forms useful for decision making and improvement planning, support of data interpretation and use, and management and support of mandated and local assessment.

FY 2026 Budget	
FY 2026 Budget	\$126,880,045
% of General Budget	36.49%
Per Pupil Cost	\$5,448.21
Full Time Equivalent (FTE)	1,135.60

FY 2026 Budget	
FY 2026 Budget	\$20,566,310
% of General Budget	5.92%
Per Pupil Cost	\$883.11
Full Time Equivalent (FTE)	81.24

- | Change From Prior Year |
|---|
| <ul style="list-style-type: none"> - Add 22.1 FTE teacher contingency - Enrollment Alignment - Add 1 FTE elementary principal, add 1 FTE resource manager for 9 months, add 1 FTE elementary school administrative assistant for 6 months - Operating Capacity for New Elementary - Add boys and girls Lacrosse at the high schools; offset by revenue from participations fees and gate receipts - Redirect 1 FTE elementary principal and 1.533 FTE teachers from Crest View Elementary core staffing to Community Engagement to repurpose site staffing and operation support - Eliminate strategic investments from FY 2025 - one-year only \$1 million 7.66 FTE social worker and 2.7 FTE psychologists - Add \$5.5 million for compensatory maximum hold harmless estimate for one-year only - Add back one-time savings from February 25, 2025 Board approved mid-year adjustment |

- | Change From Prior Year |
|---|
| <ul style="list-style-type: none"> - Add \$539,336 for curriculum adoption budget capacity carryover |

General Budget

Division of Leadership, Teaching and Learning (DLTL) Departments

FY 2026 Budget	\$213,859,875	62%	of total General budget \$347,715,168
FY 2026 Adjustment	(\$350,000)		of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$0		of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$299,946		of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$0		of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
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FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Educational Equity

The Department of Educational Equity creates transformational change in the system to ensure equitable student achievement by building system-wide capacity to de-institutionalize racial inequity, in order to improve cultural relevancy and to effectively implement the common practices of schools and systems that achieve and sustain equitable student achievement. The English Learning program is administered through the department to assist English Learner students with the attainment of English language proficiency in order to meet the same challenging state academic standards all students are expected to meet.

FY 2026 Budget	
FY 2026 Budget	\$9,741,714
% of General Budget	2.80%
Per Pupil Cost	\$418.31
Full Time Equivalent (FTE)	134.70

Change From Prior Year

- No significant changes made from the previous year's budget

General Budget

Division of Leadership, Teaching and Learning (DLTL) Departments

FY 2026 Budget	\$213,859,875	62% of total General budget \$347,715,168
FY 2026 Adjustment	(\$350,000)	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$0	of General total State Leaves of Absence/Time off Requirements \$30,000
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FY 2026 Adjustment	\$0	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$2,147,741	of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Student Services

Student Services provides services and support to all students to ensure access to and the provision of a free and appropriate public education. Student Services includes special education, counseling and guidance, health services, and other student support services.

Special Education

FY 2026 Budget

FY 2026 Budget	\$48,608,248
% of General Budget	13.98%
Per Pupil Cost	\$2,087.23
Full Time Equivalent (FTE)	681.33

Change From Prior Year

- Tuition decrease for Intermediate District 287
- Add back one-time savings from February 25, 2025 Board approved mid-year adjustment

Other Student Support

FY 2026 Budget

FY 2026 Budget	\$8,063,558
% of General Budget	2.32%
Per Pupil Cost	\$346.25
Full Time Equivalent (FTE)	97.90

Change From Prior Year

- Add 7.21 FTE social workers; offset by increase in student personnel support aid
- Add back one-time savings from February 25, 2025 Board approved mid-year adjustment

General Budget

Division of Human Administrative Resources Team (HART) Departments

FY 2026 Budget	\$128,412,021	37% of total General budget \$347,715,168
FY 2026 Adjustment	\$0	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$30,000	of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$26,695	of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$433,298	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0	of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Human Resources

Human Resources plans for, develops and secures human capital for the organization, delivers employment services, ensures compliance and internal and external employment credibility.

Employee Benefits

Employee benefits are centrally budgeted. At year-end, employee benefits budget and actual amounts are allocated to the appropriate area, since the District does not use benefit accounting.

FY 2026 Budget	
FY 2026 Budget	\$2,222,829
% of General Budget	0.64%
Per Pupil Cost	\$95.45
Full Time Equivalent (FTE)	24.50

FY 2026 Budget	
FY 2026 Budget	\$71,019,936
% of General Budget	20.43%
Per Pupil Cost	\$3,049.58
Full Time Equivalent (FTE)	-

- Change From Prior Year**
- State leaves of absences/time off requirements add .87 FTE lead leave and absence management specialist, eliminate 1 FTE 12-month clerical educational support specialist
 - Increase for Evergreen Study implementation

- Change From Prior Year**
- TRA rate increase July 1, 2025 from 8.75% to 9.5%
 - Medical insurance and HSA employer portion increases for UMR and PEIP, 3.47% employee plan migration, and add back 36 open positions from FY 2025
 - Family medical leave act expansion of payroll taxes
 - Long-term disability rate decrease 63.44%

General Budget

Division of Human Administrative Resources Team (HART) Departments

FY 2026 Budget	\$128,412,021	37% of total General budget \$347,715,168
FY 2026 Adjustment	\$0	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$30,000	of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$26,695	of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$433,298	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0	of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Administration

Administration works closely with schools and district administration in planning facilities, operating, nutrition services, and providing financial services, student services, and student transportation. The budget focuses on providing professional development for HART administration consulting and legal services for district wide priorities and general liability insurance.

Business Services and Warehouse

Business Services plans, develops, secures, and effectively manages fiscal resources in compliance with internal and external accountability requirements, which encompass accounting, accounts payable, payroll, purchasing, and warehouse, to support the education of all students.

FY 2026 Budget	
FY 2026 Budget	\$2,737,708
% of General Budget	0.79%
Per Pupil Cost	\$117.56
Full Time Equivalent (FTE)	3.00

FY 2026 Budget	
FY 2026 Budget	\$3,188,909
% of General Budget	0.92%
Per Pupil Cost	\$136.93
Full Time Equivalent (FTE)	27.37

Change From Prior Year	
- Increase budget capacity for judgments	

Change From Prior Year	
- Federal indirect rate change from 1.5% to 4.1%	

General Budget

Division of Human Administrative Resources Team (HART) Departments

FY 2026 Budget	\$128,412,021	37% of total General budget \$347,715,168
FY 2026 Adjustment	\$0	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$30,000	of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$26,695	of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$433,298	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0	of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Custodial and Maintenance

Custodial and Maintenance provides district-wide administration of custodial services, site level operations of 34 facilities including utilities, and prepares the building for staff, students and community members. The maintenance team members are the stewards of the physical plant and grounds for all district facilities. It is our responsibility to design and conduct proactive preventive maintenance systems and strategies, respond to breakdowns in mechanical systems and design and operate energy efficient mechanical systems.

Transportation

Transportation develops and oversees transportation services with sound fiscal resources to provide transportation to all eligible students in a safe and efficient manner with students arriving to school prepared and ready to learn.

FY 2026 Budget	
FY 2026 Budget	\$16,471,722
% of General Budget	4.74%
Per Pupil Cost	\$707.29
Full Time Equivalent (FTE)	165.61

FY 2026 Budget	
FY 2026 Budget	\$31,533,745
% of General Budget	9.07%
Per Pupil Cost	\$1,354.05
Full Time Equivalent (FTE)	37.06

- | Change From Prior Year | |
|--|--|
| - Add FTE building engineer for 2 months and 1 FTE grounds person for 2 months - Operating Capacity for New Elementary | |
| - Utilities anticipated increase for electric | |
| - Add back one-time savings from February 25, 2025 Board approved mid-year adjustment | |

- | Change From Prior Year | |
|--|--|
| - Increase transportation contract 32.13% | |
| - Add one shuttle for Osseo Education Center students; offset by special education revenue | |

General Budget

Division of Human Administrative Resources Team (HART) Departments

FY 2026 Budget	\$128,412,021	37% of total General budget \$347,715,168
FY 2026 Adjustment	\$0	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$30,000	of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$26,695	of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$433,298	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0	of General total Enrollment Alignment \$2,147,741

FY 2026 Budget adjustments explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Security and Emergency Management

Security and Emergency Management is responsible for providing a safe and healthy learning and work environment for our staff, students, and community members. The primary responsibilities of the Security and Emergency Management Department are to develop, communicate, implement, and manage school district safety and security procedures including crisis training and preparation.

FY 2026 Budget	
FY 2026 Budget	\$1,237,172
% of General Budget	0.36%
Per Pupil Cost	\$53.12
Full Time Equivalent (FTE)	2.90

Change From Prior Year
- No significant changes made from the previous year's budget

General Budget

Division of Instructional and Information Technology Team (I2T2) Departments

FY 2026 Budget	\$2,276,951	1% of total General budget \$347,715,168
FY 2026 Adjustment	\$0	of General total LRFP net \$0 adjustment; delay Crest View repurpose of staff
FY 2026 Adjustment	\$0	of General total State Leaves of Absence/Time off Requirements \$30,000
FY 2026 Adjustment	\$0	of General total Operating Capacity for New Elementary \$326,641
FY 2026 Adjustment	\$0	of General total Family Medical Leave Act Expansion of Payroll Taxes \$433,298
FY 2026 Adjustment	\$0	of General total Enrollment Alignment \$2,147,741

Adjustment detail is listed in each department's budget summary under change from prior year section.

Instructional and Information Technology

I2T2 ensures equitable and reliable technology access, facilitate ongoing support and training, and to explore and develop new technology opportunities for students, families, and employees.

FY 2026 Budget

FY 2026 Budget	\$2,276,951
% of General Budget	0.66%
Per Pupil Cost	\$97.77
Full Time Equivalent (FTE)	25.00

Change From Prior Year

- Add 1 FTE cyber security analyst and reduce 1 FTE application analyst

Food and Nutrition Services Budget

FY 2026 Budget	\$18,984,712	100% of total Food and Nutrition Services budget \$18,984,712
FY 2026 Adjustment	\$0	100% of total Food and Nutrition Services adjustment \$0

FY 2026 Budget adjustment explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Food and Nutrition Services

Food and Nutrition Services administers the day-to-day preparation and service of safe nutritious school meals to students and staff. A primary objective of this department is to enhance the school environment by keeping the school district's mission at the center of our work. Included in this fund is the cost of salaries, benefits, supplies and equipment necessary to provide breakfast, lunch and a variety of other meal options such as ala carte and dinner.

FY 2026 Budget	
FY 2026 Budget	\$18,984,712
% of Food and Nutrition Services Budget	100.00%
Per Pupil Cost	815.20
Full Time Equivalent (FTE)	108.01
Change From Prior Year	
- No significant changes made from the previous year's budget	

Community Services Budget

FY 2026 Budget	\$19,077,323	100% of total Community Services budget \$19,077,323
FY 2026 Adjustment	\$0	100% of total Community Services adjustment \$0

FY 2026 Budget adjustment explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Community Services

Community Services provides opportunities for all 145,000 learners in our district by providing quality programs and services for all ages, from the very youngest through to our adult and senior programs. Program areas include: Early Childhood, School Age Care, Adult Basic Education, Youth and Adult Enrichment, Facilities and Volunteers.

FY 2026 Budget

FY 2026 Budget	\$19,077,323
% of Community Services Budget	100.00%
Per Pupil Cost	819.18
Full Time Equivalent (FTE)	180.82

Change From Prior Year

- No significant changes made from the previous year's budget

Capital Budget

FY 2026 Budget	\$23,138,448	100% of total Capital budget \$23,138,448
FY 2026 Adjustment	(222,107.00)	100% of total Capital adjustment (\$222,107)

FY 2026 Budget adjustment explained in Fiscal Year 2026 Budget Memo to Board Members and Superintendent Dr. Hiel dated June 24, 2025 - adjustment detail is listed in each department's budget summary under change from prior year section.

Operating Budget

Included in the operating budget are expenditures for technology, major repair, remodeling and leasing of facilities, improvements to sites, and equipment.

FY 2026 Budget	
FY 2026 Budget	\$8,737,951
% of Capital and Land Budget	37.76%
Per Pupil Cost	375.21
Full Time Equivalent (FTE)	-

- Change From Prior Year**
- Replace grounds/maintenance equipment (year 1 of 3 lease)

Technology Levy

Included in the technology levy budget are expenditures for technology, major repair, improvements to sites, and equipment.

FY 2026 Budget	
FY 2026 Budget	\$14,400,497
% of Capital and Land Budget	62.24%
Per Pupil Cost	618.35
Full Time Equivalent (FTE)	56.00

- Change From Prior Year**
- Add 1 FTE technology support specialist III
 - Transfer .875 FTE hourly technical position from special education federal grant

ISD 279 - Osseo Area Schools
 FY 2027 and FY 2028 Budget Planning Comparison Benchmark Districts: Budget Assumptions and Trends

	<u>Student Demographics</u>					<u>Through November 2025 Elections</u>		<u>Revenue Assumptions</u>		<u>Expenditures Trends</u>		<u>Anticipated Reductions</u>		<u>Unassigned Fund Balance</u>		Notes
	Students (Adjusted ADM) FY 2025	Percent Students FY 2024	Percent Special Education FY 2024	Percent English Learners FY 2024	Percent Economic Status FY 2024	Operating Referendum	Capital Levy	FY 2027	FY 2028	FY 2027	FY 2028	FY 2027	FY 2028	FY 2026	Unassigned Fund Balance Policy	
	Anoka	37,396	42.9%	19.5%	9.4%	40.5%	\$ 1,188	\$ 6,450,841								
St. Paul	32,198	77.4%	18.4%	27.7%	70.2%	\$ 2,282		3%	3%	4.0%	4.0%	\$ -	\$ -	\$43 million or 5.35%	minimum of 5%	operating referendum passage of an additional \$1,073 per pupil plus inflation
Minneapolis	29,079	61.7%	18.9%	19.0%	55.5%	\$ 2,448	\$ 36,344,810									
Rosemount, Apple Valley, Egan	28,603	43.9%	17.4%	8.9%	31.1%	\$ 1,989	\$ 15,461,384									capital technology levy approved for \$15.5 million
Osseo	20,798	61.7%	15.4%	11.6%	49.9%	\$ 2,295	\$ 14,362,122	3%	3%	3%	3%	\$ -	\$ 1,000,000	\$99.7 million or 29.2%	minimum of 5%	
South Washington	19,094	40.8%	19.4%	6.4%	24.8%	\$ 2,104	\$ 5,617,191									
Rochester	16,894	47.2%	19.4%	9.3%	41.2%	\$ 2,158	\$ -	2.5%	2.5%	4% salaries, 8% health insurance, 3% other	4% salaries, 8% health insurance, 3% other	\$ 13,481,377	\$ 13,023,267	\$47.9 million or 15.6%	minimum of 8%	
Elk River	14,250	20.7%	18.1%	4.0%	23.8%	\$ 1,545	\$ -	2%	2%	4%	4%	\$ 4,500,000	\$6,000,000 - \$8,000,000	\$21.1 million or 10%	minimum of 5%	
Wayzata	12,908	42.3%	12.7%	4.8%	16.2%	\$ 2,299	\$ 1,240,086	4% increase levy, 2.5% state aid, -5% federal aid	4% increase levy, 2.5% state aid, -5% federal aid	4-4.57% salaries & benefits, 5% purchased services, 3% supplies & materials, 2% other	4-4.57% salaries & benefits, 5% purchased services, 3% supplies & materials, 2% other	\$ -	\$ -	\$27 million or 12.1%	minimum of 5 to 7%	

"For governments that compare "unreserved fund balance" to expenditures: A minimum balance of no less than 8 to 17 percent (i.e., one to two months) of regular general fund operating expenditures." Source: Government Finance Officers Association "An Elected Official's Guide to Fund Balance and Net Assets Using the GASB 34 Model"

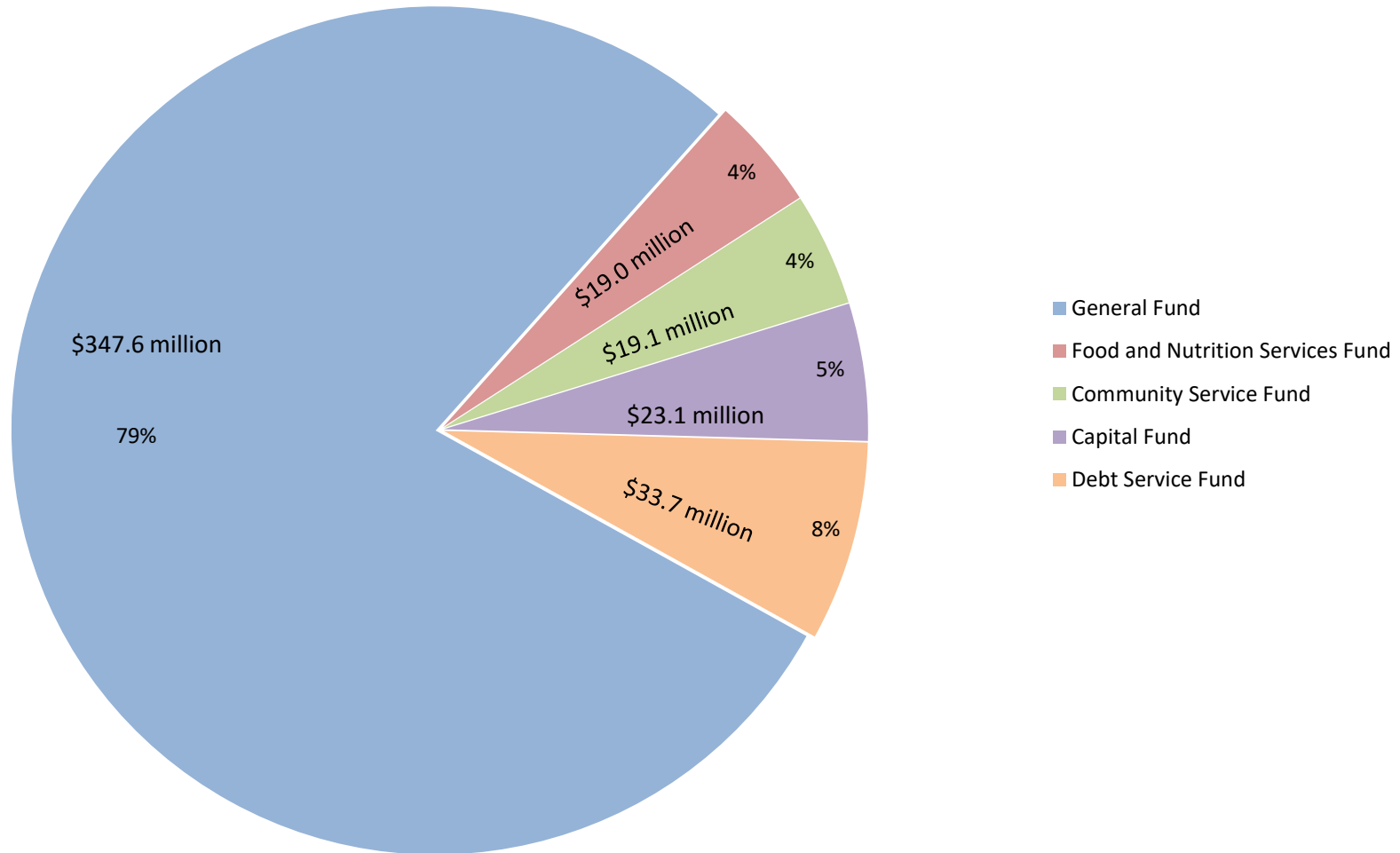
ISD 279 - Osseo Area Schools
 FY 2027 Budget Planning
 Estimated Major Cost Drivers

	*FY 2026 Adopted Budget	FY 2027 Changes	Percent Change Projected for FY 2027
Salaries	* \$ 208,205,807		
Benefits	\$ 76,537,371		
Purchased Services	\$ 46,171,713		
Supplies, Other	\$ 10,652,256		
	<u>\$ 341,567,147</u>	<u>\$ 351,814,161</u>	
Planning Assumption	<u>\$ 341,567,147</u>	<u>\$ 10,247,014</u>	3.00%
	*FY 2026 Adopted Budget	FY 2027 Amount of Known Change	Known Change Projected for FY 2027
Known Increases (Decreases)			
Salary roll-up for all unsettled contracts	\$ 183,445,994	\$ 3,822,343	2.08%
Settled contracts for FY 2026 (OAP, CSS, ESP and Nurses)	22,908,665	295,512	1.29%
FY 2026 anticipated budget adjustments - compensatory	* (4,461,975)		
FY 2026 anticipated budget adjustments - enrollment alignment	* (1,564,646)		
FY 2026 compensatory hold harmless - one-year only	1,038,025	(1,038,025)	
Other Salaries	6,839,744		
Subtotal for Salaries	<u>\$ 208,205,807</u>		
Health Insurance	\$ 28,697,839	860,935	3.00% A
High deductible HSA contribution	7,060,131	211,804	3.00% A
FICA increase for salary estimate change	14,988,498	235,607	1.57%
Defined Benefit Pension	17,914,673	371,028	2.07%
Workers compensation	995,256		TBD
Summer unemployment	1,500,000		TBD
Other Benefits	5,380,974		
Subtotal for Benefits	<u>\$ 76,537,371</u>		
Transportation	\$ 28,578,083	2,976,002	10.41% B
Utilities (Electricity)	3,147,442	160,520	5.10% C
Heating Fuel	1,300,000	53,300	4.10% C
General liability and property insurance	982,380	147,357	15.00%
Other Purchased Services	12,163,808		
Subtotal for Purchased Services	<u>\$ 46,171,713</u>		
Other Supplies, Other	10,652,256		
Subtotal for Supplies, Other	<u>\$ 10,652,256</u>		
Subtotal of known increases (decreases)		<u>8,096,383</u>	<u>2.37%</u>
Remaining capacity		<u>\$ 2,150,632</u>	<u>0.63%</u>
<p>A - Health insurance renewal occurs January 1, 2026 for PEIP groups (teachers, ESPs, AESPs, and nurses). Contract increases for PEIP increases for calendar year 2027 are unknown (2nd 6 months of FY 2027). No information is available from PEIP regarding claim loss ratios. UMR renewal occurs July 1, 2026 for all remaining groups. Assumptions will include a migration factor from High plan to Value and HSA plans for FY 2027.</p> <p>B - Transportation estimated contract increase for FY 2027 7.5%, FY 2028 4.5%, FY 2029 4.5%, and FY 2030 to FY 2035 3%. Transportation includes estimates for boundary changes for FY 2027.</p> <p>C - Consumer Price Index (CPI) September 2025</p> <p>* Other known increases (decreases) from prior year's included: actuarial study results, tuition, general liability insurance, unemployment, and workers compensation.</p>			

FY 2027 Budget Planning Timeline for Operating Funds and Capital Fund Budgets									
Operating Funds include: General, Food Nutrition Service, and Community Service									
Date		Outcome	Business Services	School Board Action	School Board Work Session	Budget Managers	Division Contacts	LRFP/FISCAL	
April – July 2025	Business Services	Pre-Planning aligned to strategic priority results and LRFP 1. Review/revise Program Efficiency Abandonment and Redirection (PEAR) narrative 2. Identify additional PEAR narratives as needed	X						
September 23, 2025	School Board Regular Meeting	Approve preliminary FY 2027 levy at maximum		X					
October 10, 2025	Budget Managers	1. Provide preliminary direction to budget managers to complete PEAR narratives as required; including capital fund allocation based budget 2. Provide HR related direction on staffing-related PEARS				X			
October 16, 2025	Budget Managers	LRFP Budget Manager group forum question and answer session				X			
October 30, 2025	Division Contacts	Complete google slides with preliminary budget proposals for operating funds for November 14th Budget Manager meeting 1:00 p.m.					X		
November 3 to 7, 2025	Division Contacts	Division contacts (or designee) schedule meeting with Executive Director of Finance and Operations and Director of Business Services to review capital allocation and balancing plan prior to 1:00 p.m., November 7th	X				X		
November 11, 2025	School Board Work Session	1. Agree to FY 2027 budget planning process 2. Provide direction on budget planning 3. Prepare for December approval of FY 2027 levy limitation and certification			X				
November 14, 2025	Budget Managers	1. Provide information and feedback regarding preliminary list of FY 2027 operating funds PEAR narratives 2. Provide updated School Board direction (if necessary) following the November 11th work session				X			
November 18, 2025	School Board Regular Meeting	Accept FY 2025 audit results		X					
November 21, 2025	Division Contacts *	Provide first draft of operating PEAR narratives and capital fund worksheets electronically to Director of Business Services 1:00 p.m.					X		
December 3, 2025	Budget Managers	1. Understand overall scope of DRAFT PEAR narratives 2. Learn about changes to PEAR requests from November 14th based on initial feedback 3. Learn about final capital requests				X			
December 16, 2025	School Board Regular Meeting	Approve FY 2027 levy limitation certification		X					
December 17, 2025	Division Contacts *	1. Final operating PEAR narratives for FY 2027, and Data Measurement Analysis for FY 2025 due electronically to Director of Business Services 1:00 p.m. 2. Final capital fund request worksheets for FY 2027 due electronically to Director of Business Services 1:00 p.m.					X		
January 23, 2026	LRFP & FISCAL Advisory Team	Review PEAR proposals (excluding capital fund)						X	
February 10, 2026	School Board Work Session	FY 2027 operating fund budget development & proposal; budget managers with PEARS should attend FY 2027 capital budget development and proposal; budget managers with capital requests should attend			X	X			
February 24, 2026	School Board Regular Meeting	Approve FY 2026 mid-year budget adjustments Approve FY 2027 capital expenditure budget Approve FY 2027 operating fund adjustments (PEAR Summary)		X					
Jan - June, 2026	Administrative Services	Review budget based on legislative changes; adjustment as necessary	X						
April, 2026	Budget Managers	Debrief via survey FY 2027 budget planning process				X			
June 9, 2026	School Board Work Session	FY 2027 operating, capital & non-operating fund budgets; prepare to take action at June 23rd regular meeting			X				
June 23, 2026	School Board Regular Meeting	Approve FY 2026 operating, capital & non-operating fund budgets		X					
July, 2026	Business Services	Prepare for FY 2026 audit	X						

* Division Contacts	
HART	John Morstad/Yvonne Shorts Lind
Leadership Teaching & Learning	Bryan Bass/Stephen Flisk
I2T2	Anthony Padmos
Community Engagement	Brian Siverson-Hall

FY 2026 Adopted Expenditure Budgets for All Budgeted Funds - \$442.5 Million



Osseo Area Schools ISD # 279

Five-Year Financial Projection - General Fund

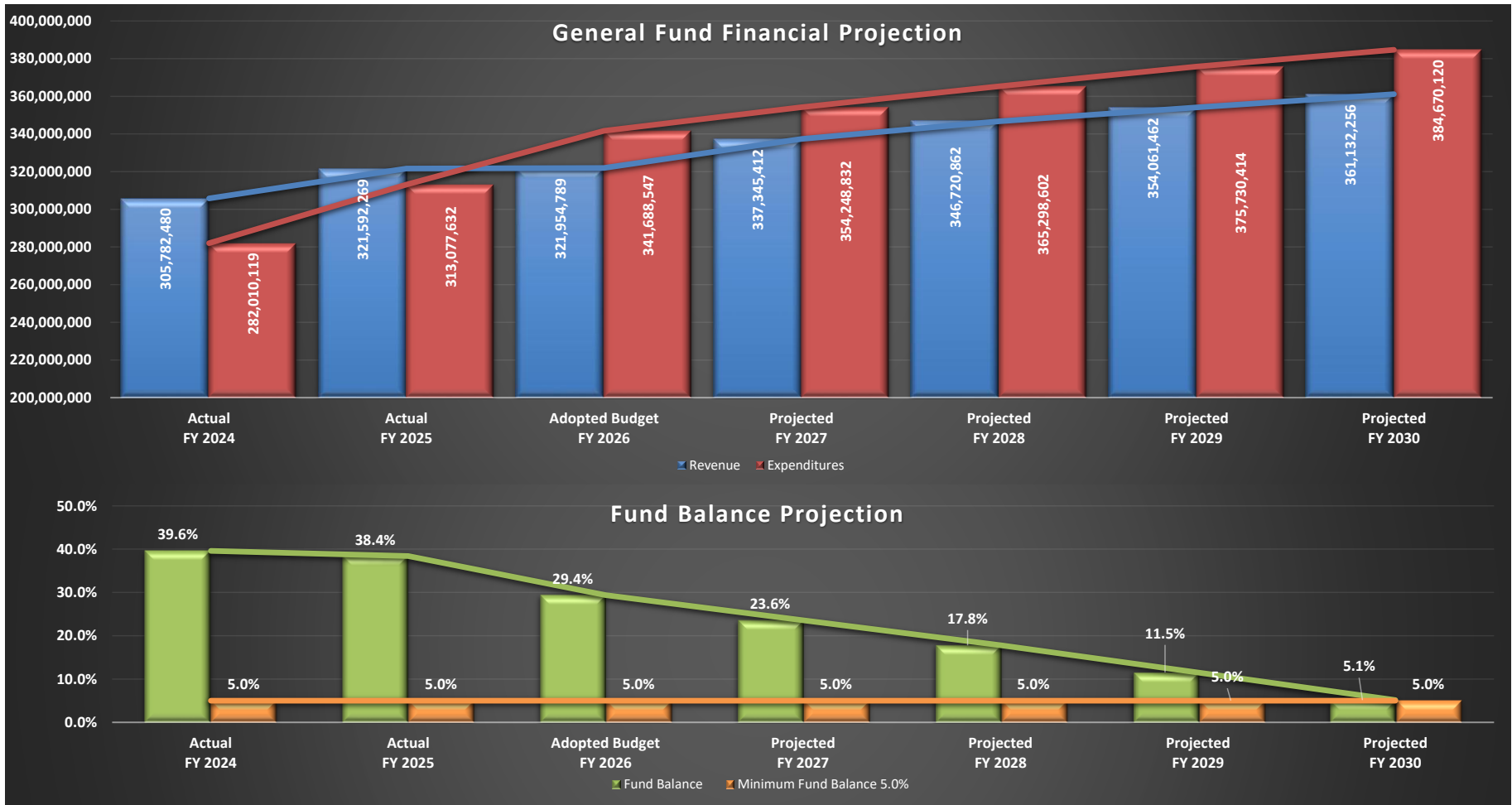
Categories	Actual FY 2024	Actual FY 2025	% Chg	Adopted Budget FY 2026	% Chg	Projected FY 2027	% Chg	Projected FY 2028	% Chg	Projected FY 2029	% Chg	Projected FY 2030	% Chg
Revenue	305,782,480	321,592,269	5.2%	321,954,789	0.1%	337,345,412	4.8%	346,720,862	2.8%	354,061,462	2.1%	361,132,256	2.0%
Expenditures	282,010,119	313,077,632	11.0%	341,688,547	9.1%	354,248,832	3.7%	365,298,602	3.1%	375,730,414	2.9%	384,670,120	2.4%
Difference over/(under)	23,772,361	8,514,637		(19,733,757)		(16,903,420)		(18,577,740)		(21,668,951)		(23,537,863)	
Assigned/Unassigned Fund Balance	111,691,137	120,205,774		100,472,017		83,568,597		64,990,856		43,321,905		19,784,042	
Fund Balance %	39.6%	38.4%		29.4%		23.6%		17.8%		11.5%		5.1%	
Operational Adjustments								(1,000,000)	(2,000,000)	(3,000,000)			

Assumptions

General Formula increase estimates 3% FY 2027, 3% FY 2028, 2% FY 2029, 2.1% FY 2030, future years 2% minimum and 3% cap tied to inflation

Expenditure increase of 3.0% annually

(6,000,000) total operational adjustments



**ISD 279 - Osseo Area Schools
General Fund
FY 2027 Budget Planning Scenario Financial Forecast with Legislative Updates**

	Actual 2024	Actual 2025	Adopted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Baseline							
Revenues	\$305,782,480	\$321,592,269	\$325,040,307	\$322,677,908	\$336,277,266	\$344,330,356	\$350,300,342
Expenditures	282,010,119	313,077,632	347,715,168	353,647,646	366,440,493	373,971,752	380,837,892
Known one-time adjustments to revenue				106,006			
Known adjustments to revenue			(3,085,518)	10,658,384	4,913,210	3,402,864	3,673,538
Known one-time adjustments to expenditures							
Known adjustments to expenditures			(6,026,621)	401,140	884,871	987,564	667,794
Baseline operating balance							
Fund Balance (beginning of year)	87,918,776	111,691,137	120,205,774	100,472,017	79,759,523	53,624,634	26,398,538
Fund Balance (end of year)	111,691,137	120,205,774	100,472,017	79,759,523	53,624,634	26,398,538	(1,133,267)
Change in fund balance	\$23,772,361	\$8,514,637	(\$19,733,757)	(\$20,712,494)	(\$26,134,889)	(\$27,226,096)	(\$27,531,805)
Operational reductions to maintain fund balance at 5%					(6,000,000)	(7,000,000)	(11,000,000)
Adjusted fund balance	\$111,691,137	\$120,205,774	\$100,472,017	\$79,759,523	\$59,624,634	\$39,398,538	\$22,866,733
Fund Balance as a % of Budgeted/Projected Expenditure	39.6%	38.4%	29.4%	22.5%	16.5%	10.7%	6.2%
Tactics							
Revenues with tactics	\$305,782,480	\$321,592,269	\$325,040,307	\$322,677,908	\$340,286,386	\$349,860,742	\$356,628,585
Expenditures with tactics	282,010,119	313,077,632	347,715,168	353,647,646	366,647,541	378,084,053	388,880,978
Tactics related to revenue							
Basic formula allowance tied to inflation, minimum 2% increase & capped at 3% (Known)				4,875,605	4,840,169	3,402,864	3,673,538
Special education cross-subsidy funded at 50% for FY 2027 (Known)				1,619,432			
Transportation contract impact on revenue				3,903,114	1,521,266	797,857	830,133
English Learner (EL) increase \$1,775 per pupil, \$630 concentration & 25% EL cross subsidy (Known)				3,553,830			
Prior year levy adjustments (equity, transition, local optional, reemployment, judgment) - one-time (Known)				106,006			
Current year levy changes (referendum, equity, transition, local optional) (Known)				1,287,516			
Student support personnel aid \$48.73(FY2025) to \$30.05(FY2026 & FY2027) to \$34.32(FY2028) per APU (Known)			(435,027)		99,963		
School library aid \$16.11 (FY2025) to \$10.27 (FY2026 & FY2027) to \$9.12 (FY2028) per APU (Known)			(136,004)		(26,922)		
Special ed. aid reduction for transportation reimbursed 95% for FY 2026 and 90% for FY 2027 (Known)			(459,141)	(677,999)			
Estimated students below projection (Known)			(2,055,346)				
Operating referendum timeline (10 year)	1	2 (GE)	3	4 (GE)	5	6 (GE)	7
Tactics related to expenditures							
Enrollment alignment adjustment (Known)			(1,564,646)	(776,655)	884,871	987,564	667,794
Other - reduce trend to 3.00%				(1,708,443)	(1,771,244)	(1,826,493)	(1,878,652)
Remaining operating capacity for Aspen Ridge Elementary estimate \$1.2 million (Known)				1,232,944			
Transportation contract impact on expenditures and boundary changes				2,093,771	464,393	485,290	
Crest View new site start up costs approved for FY 2026 - delay until FY 2027 (Known)				350,000			
BBF additional custodial staff due to increased square footage at high schools (Known)				385,749			
Student support personnel aid expenditure reduction due to revenue change				(435,027)	99,963		
School library aid expenditures reduction due to revenue change				(136,004)	(26,922)		
Compensatory maximum hold harmless estimate - one-year only (Known)			(4,461,975)	(1,038,025)			
FMLA expansion (Known)				632,876			
Operational additions/(reductions)					(1,000,000)	(2,000,000)	(3,000,000)
Baseline operating balance (post tactic)							
Fund Balance (beginning of year)	87,918,776	111,691,137	120,205,774	100,472,017	83,568,597	64,990,856	43,321,905
Fund Balance (end of year)	111,691,137	120,205,774	100,472,017	83,568,597	64,990,856	43,321,905	19,784,042
Change in fund balance	\$23,772,361	\$8,514,637	(\$19,733,757)	(\$16,903,420)	(\$18,577,740)	(\$21,668,951)	(\$23,537,863)
Fund Balance Target							
Fund Balance as a % of Budgeted/Projected Expenditure	39.6%	38.4%	29.4%	23.6%	17.8%	11.5%	5.1%
5% of Budgeted/Projected Expenditures Minimum	\$14,100,506	\$15,653,882	\$17,084,427	\$17,712,442	\$18,264,930	\$18,786,521	\$19,233,506
				Projected Revenue Assumption (FY 2027 - FY2030)		Projected Expenditure Assumption (FY 2027 - FY2030)	
				0.0%		3.5%	

Note: Projected revenue also includes fiscal year projected enrollment change and projected increase for voter-approved operating referendum inflation.
GE - General Election year

Osseo Area Schools ISD # 279

Five-Year Financial Projection - Food and Nutrition Services

Categories	Actual FY 2024	Actual FY 2025	% Chg	Adopted Budget FY 2026	% Chg	Projected FY 2027	% Chg	Projected FY 2028	% Chg	Projected FY 2029	% Chg	Projected FY 2030	% Chg
Revenue	17,966,147	18,090,902	0.7%	18,830,102	4.1%	19,260,260	2.3%	19,702,247	2.3%	20,156,389	2.3%	20,623,019	2.3%
Expenditures	17,016,217	17,407,303	2.3%	18,984,712	9.1%	19,539,078	2.9%	20,112,651	2.9%	20,703,430	2.9%	21,311,933	2.9%
Difference over/(under)	949,930	683,599		(154,610)		(278,819)		(410,404)		(547,042)		(688,914)	
Restricted Fund Balance	5,763,889	6,447,488		6,292,878		6,014,059		5,603,655		5,056,614		4,367,700	
Fund Balance %	33.9%	37.0%		33.1%		30.8%		27.9%		24.4%		20.5%	

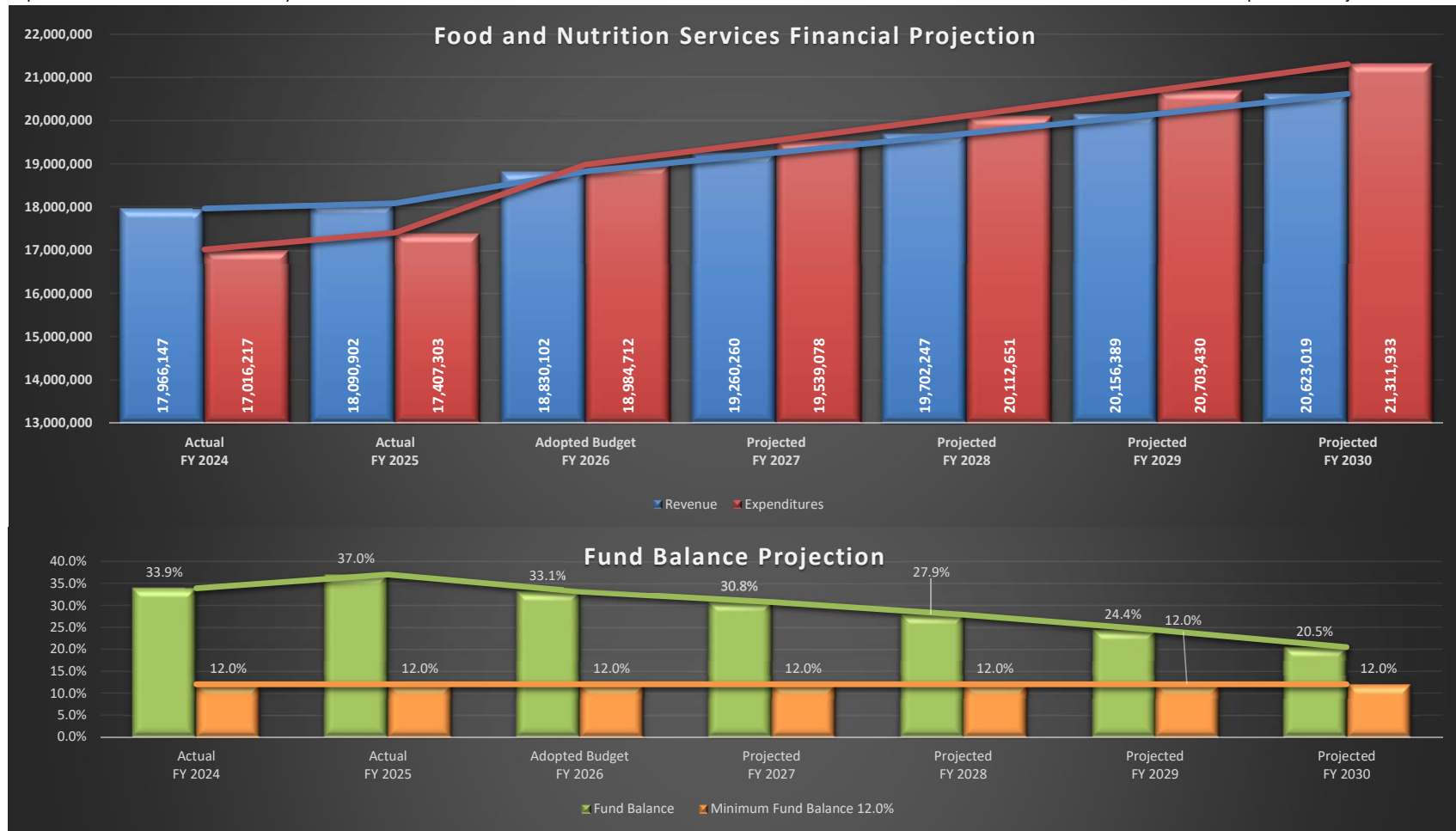
Operational Adjustments

Assumptions

Revenue increase of 2.75% annually

Expenditure increase of 3.0% annually

0 total operational adjustments



**ISD 279 - Osseo Area Schools
Food & Nutrition Services Fund
FY 2027 Budget Planning Scenario Financial Forecast**

	Actual 2024	Actual 2025	Adopted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Baseline							
Revenues	\$17,966,147	\$18,090,902	\$18,411,457	\$18,411,457	\$18,411,457	\$18,411,457	\$18,411,457
Expenditures	16,256,837	16,979,735	18,562,212	19,211,889	19,366,806	19,527,144	19,589,594
Expenditures Capital	759,380	427,568	422,500	420,000	420,000	420,000	420,000
Known adjustments to revenue							
Known adjustments to expenditures							
Baseline operating balance							
Fund Balance (beginning of year)	4,813,959	5,763,889	6,447,488	5,874,233	5,153,801	4,278,452	3,342,765
Fund Balance (end of year)	5,763,889	6,447,488	5,874,233	4,653,801	3,778,452	2,742,765	1,744,628
Change in fund balance	949,930	683,599	(573,255)	(1,220,432)	(1,375,349)	(1,535,687)	(1,598,137)
Operational reductions to maintain fund balance at 12%				(500,000)	(500,000)	(600,000)	(600,000)
Adjusted fund balance	\$5,763,889	\$6,447,488	\$5,874,233	\$5,153,801	\$4,278,452	\$3,342,765	\$2,344,628
Fund Balance as a % of Budgeted/Projected Expenditure	33.9%	37.0%	30.9%	26.9%	22.2%	17.3%	12.1%

Tactics							
Revenues with tactics	\$17,966,147	\$18,090,902	\$18,411,457	\$18,830,102	\$19,260,260	\$19,702,247	\$20,156,389
Expenditures with tactics	16,256,837	16,979,735	18,562,212	19,211,889	19,788,246	20,381,893	20,993,350
Expenditures Capital	759,380	427,568	422,500	420,000	420,000	420,000	420,000
Tactics related to revenue							
Federal and State reimbursement rate change 2.75%			418,645	430,158	441,987	454,142	466,631
Tactics related to expenditures							
Operational reductions							
Other - reduce trend to 3.00%				(92,811)	(95,595)	(98,463)	(101,417)
Baseline operating balance (post tactic)							
Fund Balance (beginning of year)	4,813,959	5,763,889	6,447,488	6,292,878	6,014,059	5,603,655	5,056,614
Fund Balance (end of year)	5,763,889	6,447,488	6,292,878	6,014,059	5,603,655	5,056,614	4,367,700
Change in fund balance	\$949,930	\$683,599	(\$154,610)	(\$278,819)	(\$410,404)	(\$547,042)	(\$688,914)

Fund Balance Target		Actual 2024	Actual 2025	Adopted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Fund Balance as a % of Budgeted/Projected Expenditure		33.9%	37.0%	33.1%	30.8%	27.9%	24.4%	20.5%
12% of Budgeted/Projected Expenditures Minimum		\$2,041,946	\$2,088,876	\$2,278,165	\$2,344,689	\$2,413,518	\$2,484,412	\$2,557,432
						Projected Revenue Assumption (FY 2027 - FY2030)		0.00%
						Projected Expenditure Assumption (FY 2027 - FY2030)		3.50%

Osseo Area Schools ISD # 279

Five-Year Financial Projection - Community Service Fund

Categories	Actual FY 2024	Actual FY 2025	% Chg	Adopted Budget FY 2026	% Chg	Projected FY 2027	% Chg	Projected FY 2028	% Chg	Projected FY 2029	% Chg	Projected FY 2030	% Chg
Revenue	15,521,411	16,540,528	6.6%	17,829,407	7.8%	18,590,190	4.3%	19,997,756	7.6%	20,677,680	3.4%	21,380,721	3.4%
Expenditures	15,804,395	18,357,420	16.2%	19,077,323	3.9%	19,649,643	3.0%	20,411,632	3.9%	20,723,981	1.5%	21,345,700	3.0%
Difference over/(under)	(282,984)	(1,816,892)		(1,247,916)		(1,059,453)		(413,876)		(46,301)		35,021	
Restricted Fund Balance	6,063,833	4,246,941		2,999,025		1,939,572		1,525,696		1,479,396		1,514,416	
Fund Balance %	38.4%	23.1%		15.7%		9.9%		7.5%		7.1%		7.1%	

Operational adjustments

- (600,000)

(300,000)

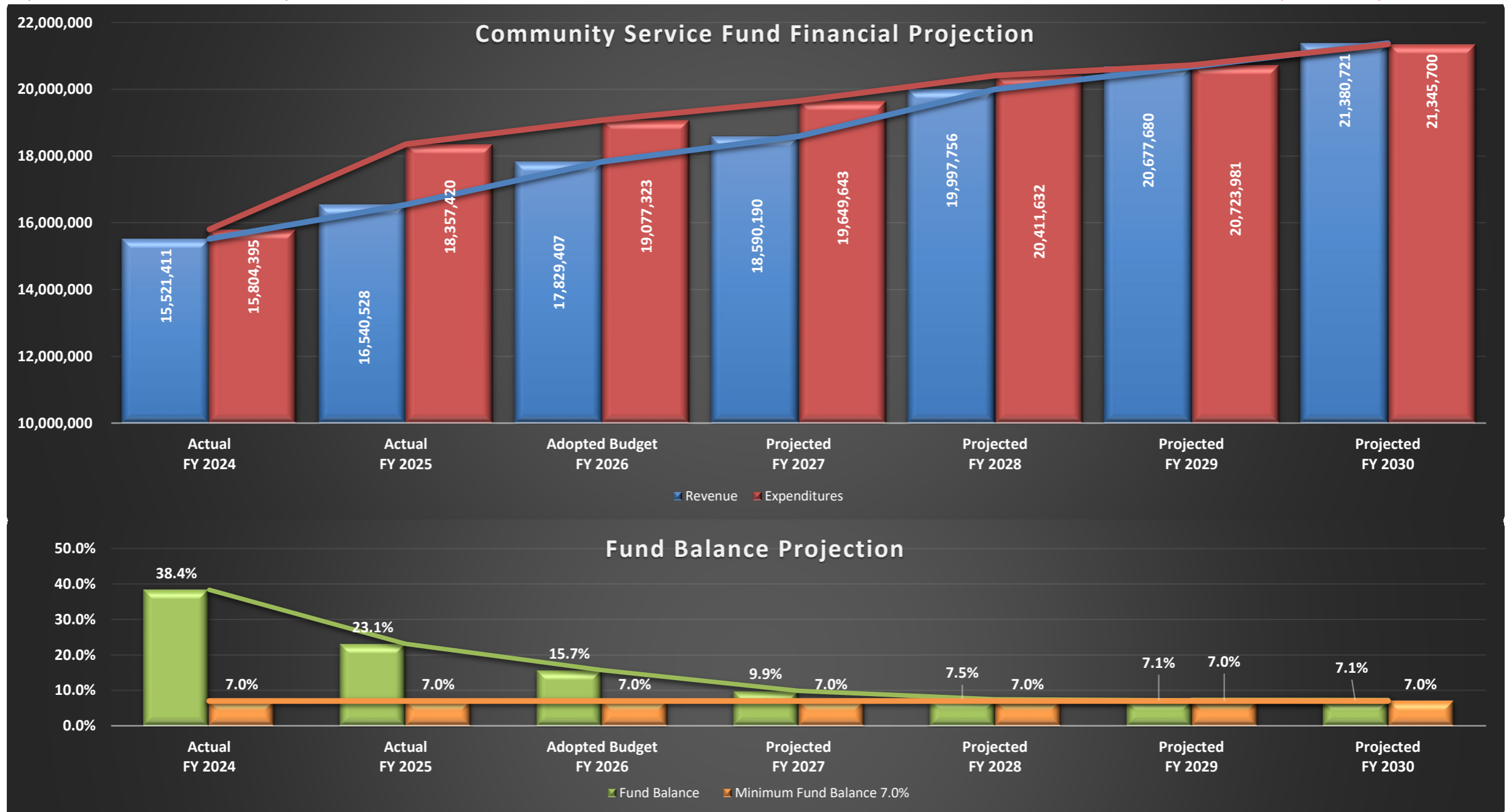
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Assumptions

Revenue increase of 3.4% annually

Expenditure increase of 3.4% annually

(900,000) total operational adjustments



**ISD 279 - Osseo Area Schools
Community Service Fund
FY 2027 Financial Forecast**

	Actual 2024	Actual 2025	Adopted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Baseline							
Revenues	\$15,521,411	\$16,540,528	\$17,829,407	\$18,435,607	\$19,997,756	\$20,677,680	\$21,380,721
Expenditures	15,804,395	18,357,420	19,077,323	19,725,952	21,172,134	21,168,187	21,370,905
Known adjustments to revenue				904,583			
Known adjustments to expenditures				750,000			
Baseline operating balance							
Fund Balance (beginning of year)	6,346,817	6,063,833	4,246,941	2,999,025	1,863,263	1,388,885	1,398,378
Fund Balance (end of year)	6,063,833	4,246,941	2,999,025	1,863,263	688,885	898,378	1,408,194
Change in fund balance	(282,984)	(1,816,892)	(1,247,916)	(1,135,762)	(1,174,378)	(490,507)	9,816
Operational reductions to maintain fund balance at 7%					(700,000)	(500,000)	(100,000)
Adjusted fund balance	\$6,063,833	\$4,246,941	\$2,999,025	\$1,863,263	\$1,388,885	\$1,398,378	\$1,508,194
Fund Balance as a % of Budgeted/Projected Expenditure	38.4%	23.1%	15.7%	9.1%	6.8%	6.8%	7.1%

Tactics							
Revenues with tactics	\$15,521,411	\$16,540,528	\$17,829,407	\$18,435,607	\$19,997,756	\$20,677,680	\$21,380,721
Expenditures with tactics	15,804,395	18,357,420	19,077,323	19,725,952	21,093,231	21,105,627	21,428,596
Tactics related to revenue							
Total Levy Increase (decrease) from prior year estimates				154,583			
Add Four Star Express and kidstop programming for Aspen Ridge Elementary				750,000			
Tactics related to expenditures							
Add Four Star Express and kidstop programming for Aspen Ridge Elementary				750,000			
Operational adjustments					(600,000)	(300,000)	
Other - reduce trend to 3.00%				(76,309)	(81,599)	(81,647)	(82,896)
Baseline operating balance (post tactic)							
Fund Balance (beginning of year)	6,346,817	6,063,833	4,246,941	2,999,025	1,939,572	1,525,696	1,479,396
Fund Balance (end of year)	6,063,833	4,246,941	2,999,025	1,939,572	1,525,696	1,479,396	1,514,416
Change in fund balance	(\$282,984)	(\$1,816,892)	(\$1,247,916)	(\$1,059,453)	(\$413,876)	(\$46,301)	\$35,021

Fund Balance Target							
Fund Balance as a % of Budgeted/Projected Expenditure	38.4%	23.1%	15.7%	9.5%	7.5%	7.1%	7.1%
7% of Budgeted/Projected Expenditures Minimum	\$1,106,308	\$1,285,019	\$1,335,413	\$1,427,975	\$1,428,814	\$1,450,679	\$1,494,199
				Projected Revenue Assumption (FY 2027 - FY 2030)			3.40%
						Projected Expenditure Assumption (FY 2027 - FY 2030)	

Community Service Fund Balance Summary							
Restricted for community education programs	4,373,241	3,312,861	2,714,307				
Restricted for early childhood family education programs	1,235,246	692,179	284,605				
Restricted for school readiness	450,725	238,611	(3,177)				
Restricted for adult basic education	4,621	3,290	3,290				
Total Community Service Fund Balance	\$ 6,063,833	\$ 4,246,941	\$ 2,999,025				

Osseo Area Schools ISD # 279

Five-Year Financial Projection - Capital Fund

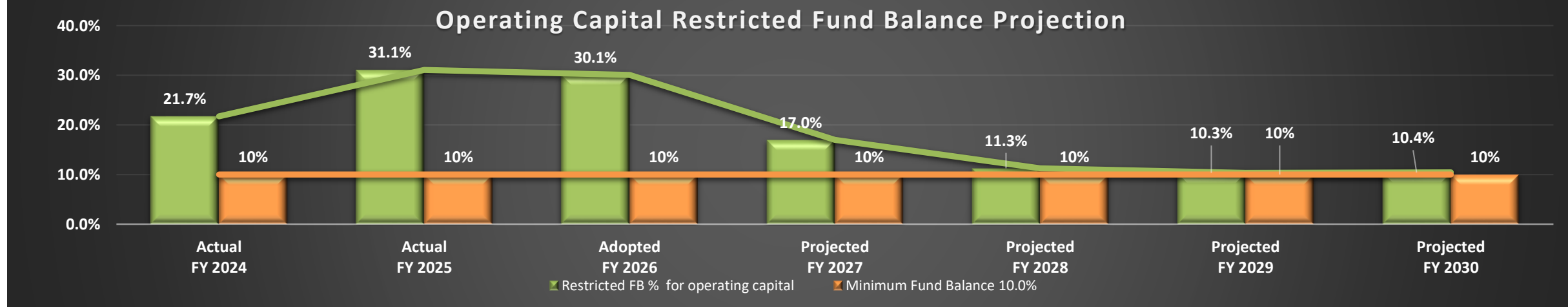
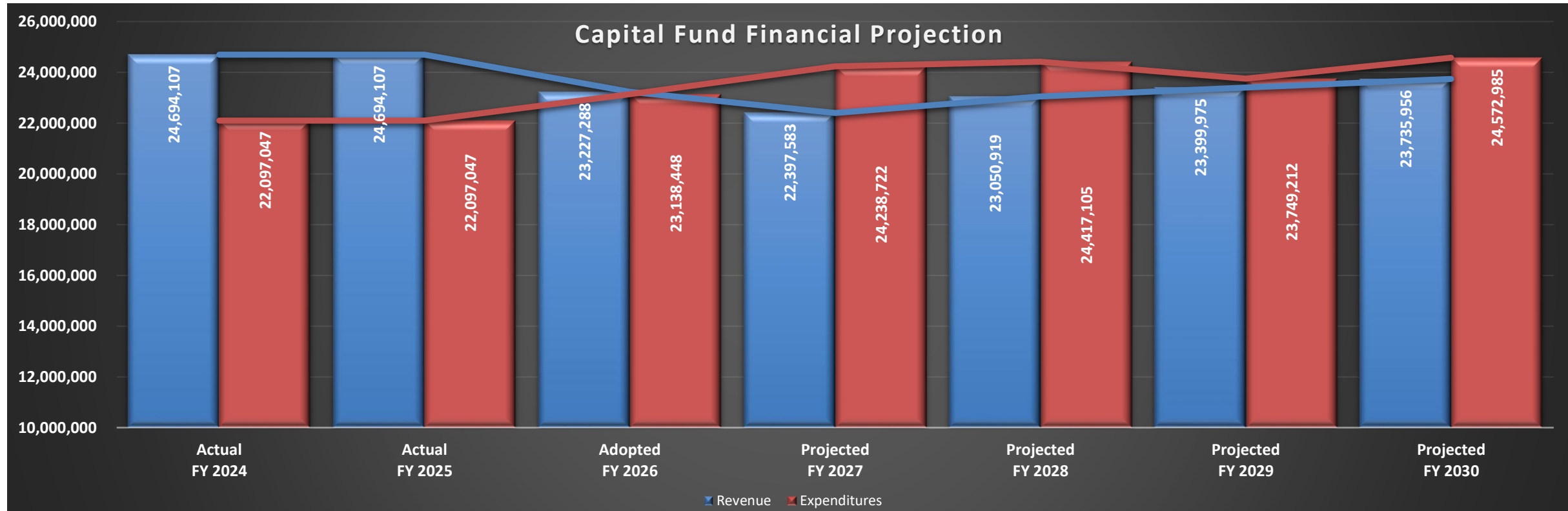
Categories	Actual FY 2024	Actual FY 2025	% Chg	Adopted FY 2026	% Chg	Projected FY 2027	% Chg	Projected FY 2028	% Chg	Projected FY 2029	% Chg	Projected FY 2030	% Chg		
Revenue	18,047,689	24,694,107	36.8%	23,227,288	-5.9%	22,397,583	-3.6%	23,050,919	2.9%	23,399,975	1.5%	23,735,956	1.4%		
Expenditures	20,097,469	22,097,047	9.9%	23,138,448	4.7%	24,238,722	4.8%	24,417,105	0.7%	23,749,212	-2.7%	24,572,985	3.5%		
Difference over/(under)	(2,049,780)	2,597,060		88,840		(1,841,138)		(1,366,186)		(349,236)		(837,029)			
Restricted Fund Balance	4,835,354	7,432,414		7,521,254		5,680,116		4,313,930		3,964,694		3,127,665			
Fund Balance %	24.1%	33.6%		32.5%		23.4%		17.7%		16.7%		12.7%			
Restricted FB % for operating capital	21.7%	31.1%		30.1%		17.0%		11.3%		10.3%		10.4%			
Operational Adjustments												-	-	(800,000)	1,600,000

Assumptions

Revenue increase of 0.0% annually

800,000 total operational adjustments

Expenditure increase of 0.0% annually



ISD 279 - Osseo Area Schools
Capital Fund - Operating Capital and Capital Technology/Safety Levy
FY 2027 Budget Planning Scenario Financial Forecast

	Actual 2024	Actual 2025	Adopted 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Baseline							
Revenues	\$18,047,689	\$24,694,107	\$23,271,775	\$23,248,612	\$23,209,427	\$23,265,496	\$23,302,630
Expenditures	20,097,469	22,097,047	23,138,448	23,138,448	23,438,722	24,017,105	24,804,128
Levy (Known)				(90,428)			
Levy one-time (Known)				86,414			
Known adjustments to expenditures				100,274	178,383	187,023	172,017
Baseline operating balance							
Fund Balance (beginning of year)	6,885,134	4,835,354	7,432,414	7,565,741	7,371,617	6,563,940	5,025,308
Fund Balance (end of year)	4,835,354	7,432,414	7,565,741	7,571,617	6,963,940	5,625,308	3,351,794
Change in fund balance	(\$2,049,780)	\$2,597,060	\$133,327	\$5,876	(\$407,678)	(\$938,632)	(\$1,673,514)
Operational increases (reductions) to maintain fund balance at 10%				200,000	400,000	600,000	700,000
Adjusted fund balance	\$4,835,354	\$7,432,414	\$7,565,741	\$7,371,617	\$6,563,940	\$5,025,308	\$2,651,794
Fund Balance as a % of Budgeted/Projected Expenditure	24.1%	33.6%	32.7%	31.5%	27.3%	20.3%	10.3%
Tactics							
Revenues with tactics	\$18,047,689	\$24,694,107	\$23,271,775	\$22,802,861	\$22,763,676	\$23,106,988	\$23,437,109
Expenditures with tactics	20,097,469	22,097,047	23,138,448	23,138,448	24,238,722	24,417,105	23,749,212
E-Rate elimination for FY 2026 impact on FY 2027				(401,264)			
Tactics related to revenue							
Change in operating capital levy (Known)				(52,053)			
Change in lease levy and prior year operating capital adjust- one-time (Known)				86,414			
Change in capital technology/safety levy (Known)				(38,375)			
Estimated students below projection			(44,487)				
Increase capital technology/safety levy authority estimate					287,242	292,987	298,847
Capital technology/safety levy timeline (10 years)	1	2 (GE)	3	4 (GE)	5	6 (GE)	7
Tactics related to expenditures							
Salary and benefit increase 3.00% (Known)				123,437	127,140	130,954	134,883
Enrollment alignment adjustment (Known)				(23,163)	51,243	56,069	37,134
Special assessment for Aspen Ridge Elementary				1,000,000		(54,916)	(948,243)
Operational increases (reductions)						(800,000)	1,600,000
Baseline operating balance (post tactic)							
Fund Balance (beginning of year)	6,885,134	4,835,354	7,432,414	7,521,254	5,680,116	4,313,930	3,964,694
Fund Balance (end of year)	4,835,354	7,432,414	7,521,254	5,680,116	4,313,930	3,964,694	3,127,665
Change in fund balance	(\$2,049,780)	\$2,597,060	\$88,840	(\$1,841,138)	(\$1,366,186)	(\$349,236)	(\$837,029)
Fund Balance Target							
Fund Balance as a % of Budgeted/Projected Expenditure	24.1%	33.6%	32.5%	23.4%	17.7%	16.7%	12.7%
10% of Budgeted/Projected Expenditures Minimum	\$2,009,747	\$2,209,705	\$2,313,845	\$2,423,872	\$2,441,710	\$2,374,921	\$2,457,299
					Projected Revenue Assumption (FY 2027 - FY2030)		0.00%
					Projected Expenditure Assumption (FY 2027 - FY2030)		0.00%
Note: The Capital Fund does not include the Capital Land Proceeds Fund							
Note: Projected revenue also includes fiscal year projected enrollment change.							
GE - General Election year							
* Capital technology/safety levy approved November 2022 for 10 years expires in FY 2033							
Capital Fund Balance Summary							
Restricted for operating capital	\$ 4,363,818	\$ 6,866,336	\$ 6,955,176	\$ 4,114,038	\$ 2,747,852	\$ 2,453,532	\$ 2,561,587
Obligated for special assessment for Aspen Ridge Elementary - estimated total not to exceed \$3,534,599		\$ 589,515		\$ 1,000,000	\$ 1,000,000	\$ 945,084	
Restricted for technology/safety & security	\$ 471,536	\$ 566,078	\$ 566,078	\$ 566,078	\$ 566,078	\$ 566,078	\$ 566,078
Total Capital Fund Balance	4,835,354	\$ 7,432,414	\$ 7,521,254	\$ 5,680,116	\$ 4,313,930	\$ 3,964,694	\$ 3,127,665
Operating Capital Fund Balance as a % of Budgeted/Projected Expenditure	21.7%	31.1%	30.1%	17.0%	11.3%	10.3%	10.4%



Open Enrollment & In-District Transfer

John Morstad

November 11, 2025

Definitions

- **Open Enrollment**

- Students who live outside of the OAS district boundary who apply and are accepted to attend our schools
- OE lasts through the end of a students high school career

- **In-District Transfer**

- A current OAS student who lives within our district boundary, but attends a site that is different from the boundary school for their neighborhood

- **Magnet Transfer**

- Both resident and non-resident students attending magnet programs through NWSISD

Current State of Enrollment

- **Open Enrollment**

- Currently available for all schools except:
 - MGSB
 - MGMS
 - FB

- **In-District Transfer**

- In a moratorium per board policy for all In-District transfers through the 2026-27 school year

Open Enrollment

Requirements

- **MN State Statute 124D.03 - Enrollment Options Program**
 - Subd. 2. Limited enrollment of nonresident pupils. (a) A board may, by resolution, limit the enrollment of nonresident pupils in its schools or programs according to this section to a number not less than the lesser of:
 - (1) one percent of the total enrollment at each grade level in the district; or
 - (2) the number of district residents at that grade level enrolled in a nonresident district according to this section.
 - (b) A district that limits enrollment of nonresident pupils under paragraph (a) shall report to the commissioner by July 15 on the number of nonresident pupils denied admission due to the limitations on the enrollment of nonresident pupils.

Recommendation

- **The School Board take action to close open enrollment for the following locations for the 2026-27 school year:**
 - Maple Grove Senior High
 - Maple Grove Middle School
 - Fernbrook Elementary
 - Aspen Ridge Elementary
- **Going forward, review open enrollment options annually in October.**

In-District Transfer

In-District Transfer

Current In-District Transfers:

- Elementary (includes magnets) - 1,778
- Middle Schools - 362
- High Schools - 1,032

Boundary change process provided the option to remain at their current schools.

Next Steps

Board work session in the spring/summer to discuss enrollment options for 2027-28 and beyond, including:

- **Open Enrollment**
 - Set parameters for future open enrollment
- **In-District Transfer**
 - Set parameters for in-district transfers
- Parameters for both options are **equitable**
- **Transparency** in communicating options

Thank You