2026-2027 Budget Hearing

September 14, 2026
Board and Public Information

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Contents

Executive Summary

This document is to assist the Osceola Board of Education and stakeholders in assessing the financial condition and needs of the Osceola Public School District.

The District utilizes the following funds and an explanation of each is included:

GENERAL FUND - is the account used for the annual operations of the school district. This fund receives revenue from property tax (levy), various county taxes, state reimbursements, net-option funding, and federal program support. The expenditure limit for this account is called budget authority and set through the

TEEOSA formula established by the Nebraska Legislature and managed by the Nebraska Department of Education. The General Fund has a levy limit of $1.05.

SPECIAL BUILDING FUND - is the account used for new construction or building improvements. This account generates revenue from property tax (levy) and/or bond funds. Expenditures should not include unplanned repairs; it is designed for specific improvement projects. The Building Fund has a levy limit of $0.14

DEPRECIATION FUND – is the account established in order to facilitate the eventual purchase of costly capital outlay by reserving such monies by transferring unused funds from the General Fund. The purpose of this fund is to spread replacement costs (by accumulation of funds over time) in order to avoid a disproportionate tax effort in a single year to meet such an expense. Typical expenditures include buses, vans, technology, track/field surfacing, HVAC equipment, and IT equipment.

BOND FUND – is the account that is used to accumulate property tax funds that are levied in order to pay back general obligations bonds that are taken out by the school district to make improvements to a building(s) or certain infrastructure needs. There is no limit on the amount that can be levied, as long as it does not substantially exceed the annual bond obligation payments.

SCHOOL NUTRITION FUND – This was formerly called the Lunch Fund. The fund is designed to take receipts and make payments for the operation of the school nutrition program. Any deficit that would occur becomes the responsibility of the General Fund.

ACTIVITIES FUND – is required to account for the fiscal operations of student organizations, inter-school athletics, and other self-supporting or partially self-supporting school activities. This account does not count toward the annual expenditure limits established in the Budget Authority.

EMPLOYEE BENEFIT FUND – An employee benefit fund may be established in order to specifically reserve General Fund money for the benefit of school district employees. This is typically used to manage a 125 plan, unemployment compensation, early retirement, or HSA contributions.

CONTINGENCY FUND – A contingency fund is authorized by statute and may be used to fund uninsured losses and legal fees incurred by the district for the defense against public losses. This fund may not exceed 5% of the total budgeted general fund expenditures.

QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND (QCPUF) – This fund may be established for the removal of environmental hazards and the reduction or elimination of accessibility barriers to schools. The tax levy for and duration of this fund is restricted to $0.03 over five years.

COOPERATIVE FUND – The Cooperative Fund may be used by the school district acting as the fiscal agent for any cooperative activity between two or more political subdivisions. All school districts, including the school district acting as fiscal agent, shall show the payment for services to the cooperative in their General Fund.

STUDENT FEES FUND – as authorized by statute, is a separate fund not supported by tax revenue. Includes all moneys collected form students pursuant to the Public Elementary and Secondary Student Fee Authorization Act. Included are the fees for Extracurricular Activities, Postsecondary Education, and Summer/Night School.

Tax Valuation of the District

When taxing, the District uses the certified valuations of all property established by the Assessors Office(s) in both Polk County. Osceola Public Schools does not have influence or input on the decisions regarding property valuation. The tax asking for each fund is determined by the valuation multiplied by the levy, with $0.01 of levy accounting for $10 per $100,000 of property valuation.

Consolidated District Valuation History

Year	Valuation	Valuations
2026-2027	$730,237,950	2.19%
2025-2026	$714,585,782	16.74%
2024-2025	$612,107,740	10.33%
2023-2024	$554,794,305	4.90%
2022-2023	$528,899,076	3.56%
2021-2022	$510,737,383	0.96%
2020-2021	$505,896,633	0.65%
2019-2020	$502,653,384	-4.89%
2018-2019	$528,506,027	0.00%
2017-2018	$528,505,403	-2.69%
2016-2017	$543,104,767	5.36%
2015-2016	$515,454,977	-0.01%
2014-2015	$515,481,167	

Real Growth Value
Real Growth Value includes (i) improvements to real property as a result of new construction and additions to existing buildings, (ii) any other improvements to real property which increase the value of such property, (iii) annexation of real property by the political subdivision, and (iv) a change in the use of real property; and (v) the annual increase in the excess value for any tax increment finance project located in the political subdivision, if applicable. Improvements to property to increase the value above what the valuation would increase without those improvements.

Real Growth Percentage: is equal to the school district's Real Growth Value divided by the school district's total real property valuation from the prior year.

Year	Real Growth	Real Growth
2026-2027	**$3,599,090**	**0.5037%**
2025-2026	**$3,885,100**	**0.6347%**
2024-2025	**$2,788,280**	**0.5026%**
2023-2024	**$4,448,925**	**0.8412%**
2022-2023	**$4,227,208**	**0.8277%**
2021-2022	**$4,294,813**	**0.8490%**

Historical Property Tax Asking

Year	General Fund	GF Asking Change	Gen Levy
2014-2015	$3,300,424		0.640261
2015-2016	$3,333,578	1.0%	0.646725
2016-2017	$3,452,458	3.6%	0.635689
2017-2018	$3,479,798	0.8%	0.658422
2018-2019	$3,538,420	1.7%	0.669514
2019-2020	$3,418,065	-3.4%	0.680004
2020-2021	$3,510,662	2.7%	0.693948
2021-2022	$3,642,739	3.8%	0.713231
2022-2023	$3,862,584	6.0%	0.730306
2023-2024	$4,152,905	7.5%	0.748549
2024-2025	$4,154,263	0.0%	0.678682
2025-2026	$4,547,472	9.4%	0.636379
2026-2027	$4,659,895	2.5%	0.638134

Factors that impact Tax Asking include State Aid, State/Federal Program Grants, and SPED Reimbursements. The tax asking is the difference between that total expenditures and the total anticipated expenditures from the General Fund. The District attempts to carry enough Cash

Reserve to operate for three months to offset the delayed timeline for receipts from Property Tax and the State of Nebraska.

General Fund

The General Fund cash balance on August 30, 2026 was approximately $1,954,502, compared to the approximately $1,652,539 at the end of the 2025 fiscal period. The goal is to maintain this at approximately $2.0 million because of the State changing their timeline for sending out revenues to each school district. We used to get most of our revenue in September and May, but that has been rescheduled to receive a majority of our revenue in May. This means we need to have a higher cash-on-hand amount to cover expenses throughout the school year. Last year, we set a goal to be at $1.7 million. We were able to achieve that goal. Next year, we would like to be above $2.0 million and maintain that amount in subsequent years.

Below is a comparison of annual budgeted expenditures by year and actual expenditures and transfers by year. The percentage change will show the budget expenditure (planned and actual) increase or decrease by year.

Year	General Fund Budget	% Change	General Fund Expenditures	% Change
2014-2015	$4,118,793		$3,894,139	
2015-2016	$4,316,062	4.79%	$4,034,454	3.60%
2016-2017	$4,426,928	2.57%	$4,136,872	2.54%
2017-2018	$4,631,218	4.61%	$4,193,217	1.36%
2018-2019	$4,590,985	-0.87%	$4,109,802	-1.99%
2019-2020	$4,508,839	-1.79%	$4,222,438	2.74%
2020-2021	$4,642,954	2.97%	$4,524,314	7.15%
2021-2022	$4,894,206	5.41%	$4,770,294	5.44%
2022-2023	$5,343,744	9.19%	$4,641,981	-2.69%
2023-2024	$5,380,574	0.69%	$5,182,899	11.65%
2024-2025	$5,461,282	1.50%	$4,940,399	-4.68%
2025-2026	$5,693,036	4.24%	$5,066,695	2.56%
2026-2027	$5,892,292	3.49%		

Special Building Fund

The District will levy $0.021 for the Special Building Fund for the 2026-2027 fiscal period. Due to the purpose of this fund, to support building projects, purchases, and upkeep of facilities, we have a balance of $631,676. The fund is being used for the reasons listed below.

- Begin replacing HVAC Units on the High School - we will do this incrementally at approximately $120,000 each. We have a total of 8 units.

In prior years, tax asking for the Special Building Fund was used for land acquisition, land development, excavation/demolition, and large construction/repair projects. Below is a historical chart of tax asking by year for the Special Building Fund.

Year	Special Buildings	S.B. Levy
2014-2015	$150,000	0.029099
2015-2016	$151,515	0.029394
2016-2017	$171,717	0.031618
2017-2018	$202,020	0.038225
2018-2019	$202,020	0.038225
2019-2020	$25,253	0.005024
2020-2021	$0	0.000000
2021-2022	$33,838	0.006625
2022-2023	$141,414	0.026737
2023-2024	$75,758	0.013655
2024-2025	$100,000	0.016337
2025-2026	$151,515	0.021203
2026-2027	$156,566	0.021440

Depreciation Fund

The balance at the end of the 2025-2026 fiscal year was $261,922. Annually the increase in the account comes from the sale of surplus equipment that is depreciated out, interest, and General Fund transfers.

Expenditures are anticipated for the 2026-2027 fiscal period. The goal of the account balance is to address the replacement of the following items:

- No items are currently on the list to be replaced this year, but we need to have enough funds to replace aging equipment and vehicles.

This report was compiled on August 18, 2026 to show the current status of all of our vehicles that are housed in our Bus Barn. The purpose of this report is to show you the mileage and years of our vehicles and to tentatively make recommendations for a Replacement Plan.

					8/18/2026
Vehicle	**Classification**	**Year**	**Passenger**	**VIN**	**Mileage**
05 Dodge Grand Caravan SXT	Small	2013	6	2C4RDGCGXDR551562	174,381
06 Chevy Express LT 3500	Small	2015	11	1GAZGYFGXF1208758	93,386
Chevy Malibu LT	Small	2018	4	1G1ZD5ST3JF255135	103,214
Chevy Suburban LS	Small	2025	8	1GNS6BED9SR234397	17,647
Chevy Suburban LS	Small	2026	9	1GNS6BED8TR137080	4,315
Blue Bird Chevy Express G3500	Micro bus	2005	14	1GBHG31V751252845	31,112
23A Blue Bird Chevy Express 4500	Micro bus	2023	35	1HA6GVB7XPN001419	26,884
23B Blue Bird Chevy Express 4500	Micro bus	2023	35	1HA6GVB73PN001424	34,823
13 Blue Bird	Bus	2013	65	1BAKFCPA3DF295759	123,818
17 International	Bus	2017	65	4DRBUC8L7HB404230	19,598
21 International	Bus	2021	65	4DRBUC8N4MB311886	41,740
23 Blue Bird	Bus	2023	53	1BAKBCJAXPF394779	31,483
27 International	Bus	2027	65	4DRGVMMN1VB697389	2,466

- Bus 13 is becoming more costly to keep in the fleet than its value. We will need to remove it as a daily bus and move it to a backup role.
- We purchased 2 suburbans to get the large vans off the road.
- We purchased a new activities bus to get 13 off of main routes by moving 17 onto routes.

Bond Fund

The district passed a $7.7 Million bond in 2019. The first payment occurred in June of 2020 and will occur twice a year until the bond is paid off, which is scheduled in 2039, with a total repayment of $10,210,070 if paid on schedule.

The current balance in the fund is $705,412 compared to $666,989 at the end of the 2025 fiscal year. The goal with this fund is to raise slightly more tax revenue each year to cut those payments down by 2 years and save interest for tax payers.

Year	Tax Asking	Levy
2019-2020	$572,727	0.113941
2020-2021	$750,313	0.148313
2021-2022	$737,333	0.144366

2022-2023	$536,149	0.101371
2023-2024	$560,626	0.101051
2024-2025	$560,626	0.091589
2025-2026	$560,626	0.078455
2026-2026	$560,626	0.076773

*The years 2020-2021 and 2021-2022 were higher because we had to borrow from our Special Buildings to make the first payment of the bond since we had not taxed for any funds as of the first payment.

Debt outstanding:

Fiscal Year	Principal	Interest	Total
2026-2027	$355,000.00	$158,387.50	$513,387.50
2027-2028	$365,000.00	$147,737.50	$512,737.50
2028-2029	$370,000.00	$139,890.00	$509,890.00
2029-2030 and thereafter	$4,370,000.00	$750,390.00	$5,120,390.00
Total All Years	**$5,460,000.00**	**$1,196,405.00**	**$6,656,405.00**

School Nutrition Fund

The program is sitting in okay shape. We have spent down our surplus. The balance at the end of the 2025-2026 fiscal school year was $40,778.

Activities Fund

Annually the District transfers funds from the General Fund to balance out expenses from school activities that do not generate revenue. At the end of the 2025-2026 school year the General Fund transferred $76,250 to activities. Additional funds will be used to offset accounts that come up red each year. At the beginning of the year, our activities account had $46,486 (cash). The end of fiscal period balance, including the transfer (August 26, 2026) for the Activity Fund was as follows:

Cash Balance $46,486
Transfer $ 76,250
Total $122,736

Employee Benefit Fund

The District uses this fund to manage the 125-plan for certificated employees. Funds are withheld from monthly paychecks and deposited here. The expenditures equal claims made by participating employees and can be used for 403b, 125 plan, early retirement incentives, etc. The cash balance for the end of the 2024-2025 fiscal year is $39,725.

Contingency Fund, Qualified Capital Purpose Undertaking Fund (QCPUF), Cooperative Fund, Student Fee Fund, and Inter-Fund Loans

None of these funds are currently being used by the district.

Total Levy of the District Historical

Year	Total Tax Request	Levy	Growth
2014-2015	$3,582,425	0.694967	
2015-2016	$3,618,427	0.701987	1.0%
2016-2017	$3,755,489	0.691485	-1.5%
2017-2018	$3,818,183	0.722449	4.5%
2018-2019	$3,891,956	0.736407	1.9%
2019-2020	$4,083,521	0.812393	10.3%*
2020-2021	$4,294,814	0.848951	4.5%
2021-2022	$4,413,911	0.864223	1.8%
2022-2023	$4,540,148	0.858415	-0.7%
2023-2024	$4,789,290	0.863255	0.6%
2024-2025	$4,814,890	0.786608	-8.9%
2025-2026	$5,259,614	0.736037	-6.4%
2026-2027	$5,377,087	0.736347	0.0%

*This is a combination of a dramatic decrease in valuations plus the addition of a bond levy.
**The average growth in tax asking since 2014 has been 3.4%. This includes the bond.
***The average growth in tax asking for General Fund and Special Buildings Funds (non-voting Funds) has been 2.7% since 2014.

This upcoming year - Year-to-year expenditures

	24-25		25-26			25-26
Position	**Cost**	**% Budget**	**Cost**	**% Budget**	**% Cost Change**	**Anticipated Costs**
Certified	$2,974,184	61.70%	$2,774,808.37	54.42%	7.82%	$2,991,682.00
Classified	$818,704	16.98%	$916,124.69	17.97%	11.32%	$1,019,865.00
Supplies	$185,595	3.85%	$181,942.74	3.57%	4.05%	$189,306.42
Insurance	$124,969	2.59%	$118,999.05	2.33%	10.27%	$131,217.50
ESU - ESU Bills	$168,215	3.49%	$240,456.36	4.72%	16.61%	$280,395.00
Facilities	$355,194	7.37%	$547,818.84	10.74%	4.23%	$570,965.00
Extra Duty - Extra Duty Assign	$114,843	2.38%	$109,720.00	2.15%	6.26%	$116,586.00
All Other Expenses	$78,941	1.64%	$208,940.95	4.10%	-50.68%	$103,046.08
	$4,820,645	100.00%	$5,098,811.00	100.00%		$5,403,063

*Personnel accounts for approximately 80% of the overall expenditures

Reasons for our overall levy asking

1. $103,000 increase in certified staff costs
   a. Annual raise in salary (4.0%)
2. $49,000 increase in classified staff costs
   a. Increased hourly rate and addition of another paraeducator due to Special Education needs
3. $20,000 in transportation costs
4. Energy costs nearly doubled from the previous year
5. Economic instability is threatening the funding we are receiving from the State and Federal governments. The Future's Fund, which provides state aid and Special Education Funding are being talked about as ways for the State to reduce spending. If we lose those funds, we will have a very difficult time making ends meet.

- This year, we are asking 2.2% increase in tax asking while keeping the levy at 0.0% increase
- We have reduced our levy more than 0.12 over the past 3 years.
- We are still $461,412 under our allowable tax asking.
- Over the past 13 years, we have averaged 3.47% tax asking increase per year including the bond.

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

Osceola Public Schools (720019) in Polk County, Nebraska

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Sections 13-501 to 13-513, that the governing body will meet on the 7 day of September, 2026 at 6:00 o'clock, PM, at Osceola High School Media Center for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following proposed budget and to consider amendments relative thereto. The budget detail is available at the office of the Clerk/Secretary during regular business hours. For more information on statewide receipts and expenditures, and to compare cost per pupil and performance to other school districts, go to: https://nep.education.ne.gov

FUNDS	Actual Disbursements & Transfers 2024-2025 (1)	Actual/Estimated Disbursements & Transfers 2025-2026 (2)	Budgeted Disbursements & Transfers 2026-2027 (3)	Necessary Cash Reserve (4)	Total Available Resources Before Property Taxes (5)	Total Personal and Real Property Tax Requirement (7)
General	$ 5,098,812.00	$ 5,369,207.00	$ 5,892,292.00	$ 1,868,922.00	$ 3,147,918.00	$ 4,659,895.00
Depreciation	$ 122,350.00	$ 155,745.00	$ 511,922.00		$ 511,922.00	
Employee Benefit	$ -	$ -	$ 39,725.00	$ -	$ 39,725.00	
Contingency	$ -	$ -	$ -		$ -	
Activities	$ 219,600.00	$ 191,463.00	$ 297,736.00	$ -	$ 297,736.00	
School Nutrition	$ 234,084.00	$ 240,540.00	$ 278,678.00	$ -	$ 278,678.00	
Bond	$ 514,228.00	$ 514,178.00	$ 524,666.00	$ 735,766.00	$ 705,412.00	$ 560,626.00
Special Building	$ 125,375.00	$ 199,064.00	$ 786,676.00		$ 631,676.00	$ 156,566.00
Qualified Capital Purpose Undertaking	$ 9,420.00	$ 11,052.00	$ -	$ -	$ -	$ -
Cooperative	$ -	$ -	$ -	$ -	$ -	
Student Fee	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	
TOTALS	$ 6,323,869.00	$ 6,681,249.00	$ 8,331,695.00	$ 2,604,688.00	$ 5,613,067.00	$ 5,377,087.00

	Bond Purposes	Non-Bond Purposes	Total
Breakdown of Property Tax	$ 560,626.00	$ 4,816,461.00	$ 5,377,087.00

Notice of Special Hearing To Set Final Tax Request

Osceola Public Schools (720019) in Polk County, Nebraska

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Section 77-1632, that the governing body will meet on the 7 day of, September 2026 at 6:15 o'clock PM, at Osceola High School Media Center for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the final tax request.

	2025-2026	2026-2027	Change
Property Valuations	714,585,782	730,237,950	2%

	2025-2026 Budget Information				***2026-2027 Budget Information***				
Fund	2025-2026 Operating Budget	2025-2026 Property Tax Request	2025 Tax Rate	Property Tax Rate (2025-2026 Request **Divided By** 2026 Valuation)	2026-2027 Operating Budget	2026-2027 Proposed Property Tax Request	Proposed 2026 Tax Rate	Change in Tax Rate	Change in Operating Budget
General Fund	5,693,036.00	4,547,472.00	0.636379	0.622738	5,892,292.00	4,659,895.00	0.638134	0%	3%
Bond Fund(s) K - 12	520,000.00	560,626.00	0.078455	0.076773	524,666.00	560,626.00	0.076773	-2%	1%
Bond Fund(s) K - 8			0.000000	0.000000			0.000000	#DIV/0!	0
Bond Fund(s) 9 - 12			0.000000	0.000000			0.000000	#DIV/0!	0
Bond Fund __________			0.000000	0.000000			0.000000	#DIV/0!	0
Special Building Fund	814,900.00	151,515.00	0.021203	0.020749	786,676.00	156,566.00	0.021440	1%	-3%
Qualified Capital Purpose Undertaking Fund K - 12			0.000000	0.000000	-	-	0.000000	#DIV/0!	0
Qualified Capital Purpose Undertaking Fund K - 8			0.000000	0.000000			0.000000	#DIV/0!	0
Qualified Capital Purpose Undertaking Fund 9 - 12			0.000000	0.000000			0.000000	#DIV/0!	0
Total	7,027,936.00	5,259,613.00	0.736037	0.720260	7,203,634.00	5,377,087.00	0.736347	0%	2%