

OSSEO AREA SCHOOLS
ISD  279



FY 2024

CITIZEN'S GUIDE

TO SCHOOL DISTRICT FINANCES

2023-2024 School Year

This document describes revenues and expenditures in the General Fund, which comprises 73.2% of all funds managed by the school district. In addition to the General Fund of \$337.5 million, the district manages approximately \$123.5 million among seven other fund categories: Food Service, Community Service, Capital Projects, Debt Service, Capital, Internal Services, and Custodial.

\$337.5 million general fund

\$123.5 million other funds

\$461 million all funds combined

20,600 Scholars

This Citizen's Guide provides a summary of Osseo Area Schools finances for fiscal year (FY) 2024 (2023-2024 school year). Its purpose is to help members of the public understand where the school district's revenues come from and how funds are used to educate the **20,600 scholars** in our PreK-12 schools.

The Financial Involvement School-Community Accountability Liaisons (FISCAL) advisory team provides community-based input and feedback on school financial issues, reviews financial data, and advises the school district on economic issues.

This publication is not an audited opinion of the school district's finances. Rather, it is a brief overview of revenues, use of funds, and overall financial position. Malloy, Montague, Karnowski, Radosevich, & Co. (MMKR), a certified public accounting firm that specializes in school district accounting, provides an annual independent audit.

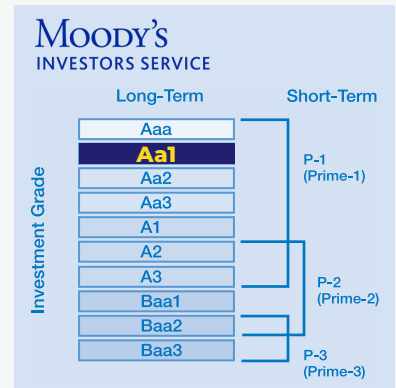
Data sources for this report include the independent annual audit by MMKR, financial and management reports, information from the Minnesota Department of Education, and Minnesota legislative documents on education finance.

For more information, visit the ISD 279 website at www.district279.org



Recognition for Excellence in Financial Management

Moody's Investors Service has assigned an underlying rating of **Aa1** to the district's general obligation bonds. **Aa1** is the second highest bond rating Moody's has assigned to a Minnesota school district; only three school districts in Minnesota have a higher underlying bond rating from Moody's.



For the **35th consecutive year**, the Osseo School District was awarded the Association of School Business Officials International's Certificate of Excellence in Financial Reporting.

Success in Cost Containment for Fiscal Year 2024

Cost containment efforts across the system resulted in **\$1.4 million** in savings in the area of purchased services and supplies.

Leveraging Taxpayer Dollars Through Careful Stewardship

77.4%

The school district maintains an intense focus on classroom instruction. 77.4% of the general fund operating budget goes directly to classroom instruction for students.

\$18M

By refinancing debt at a lower rate, the school district has saved local taxpayers nearly \$18 million in interest costs since 2005.

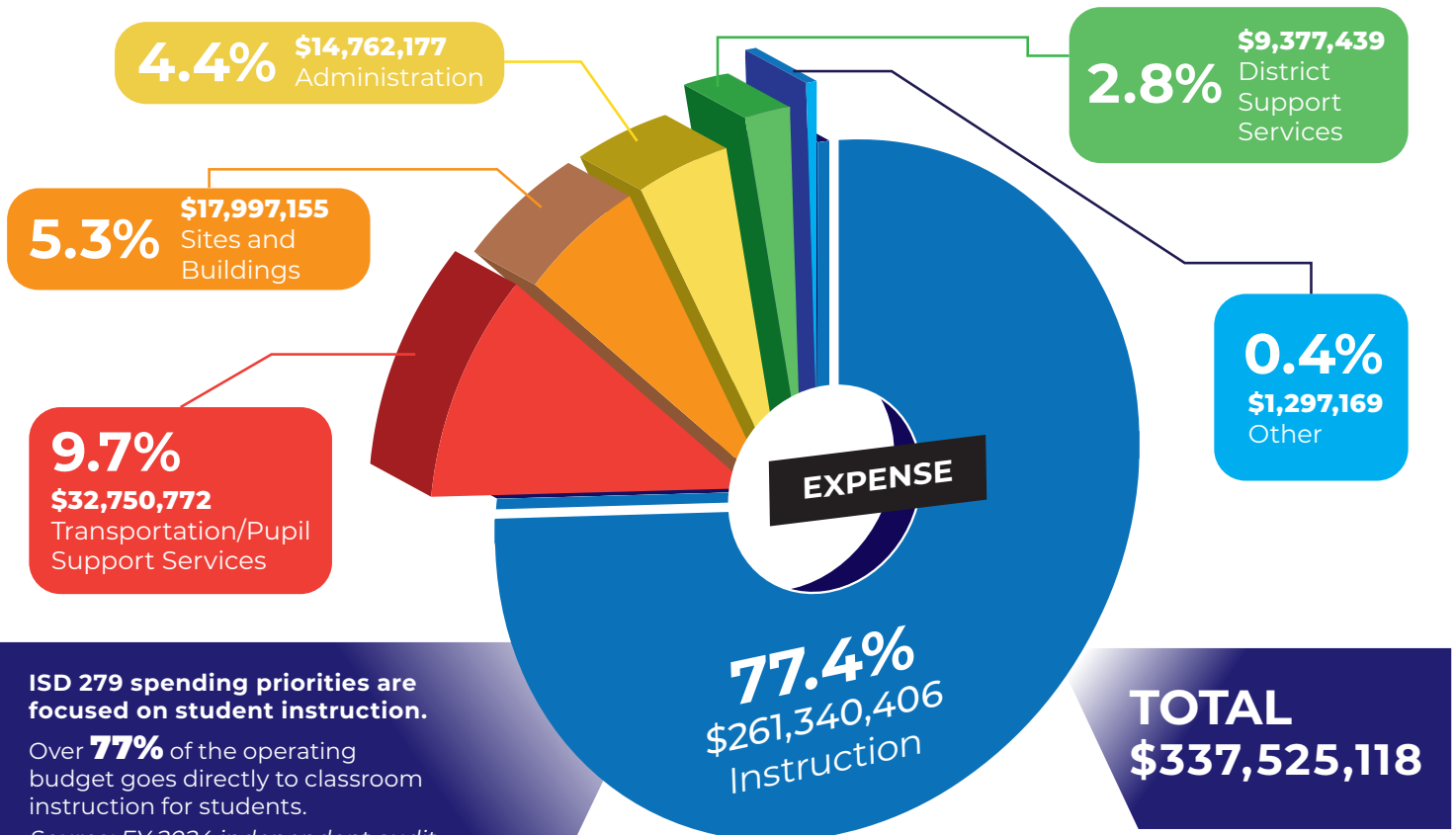
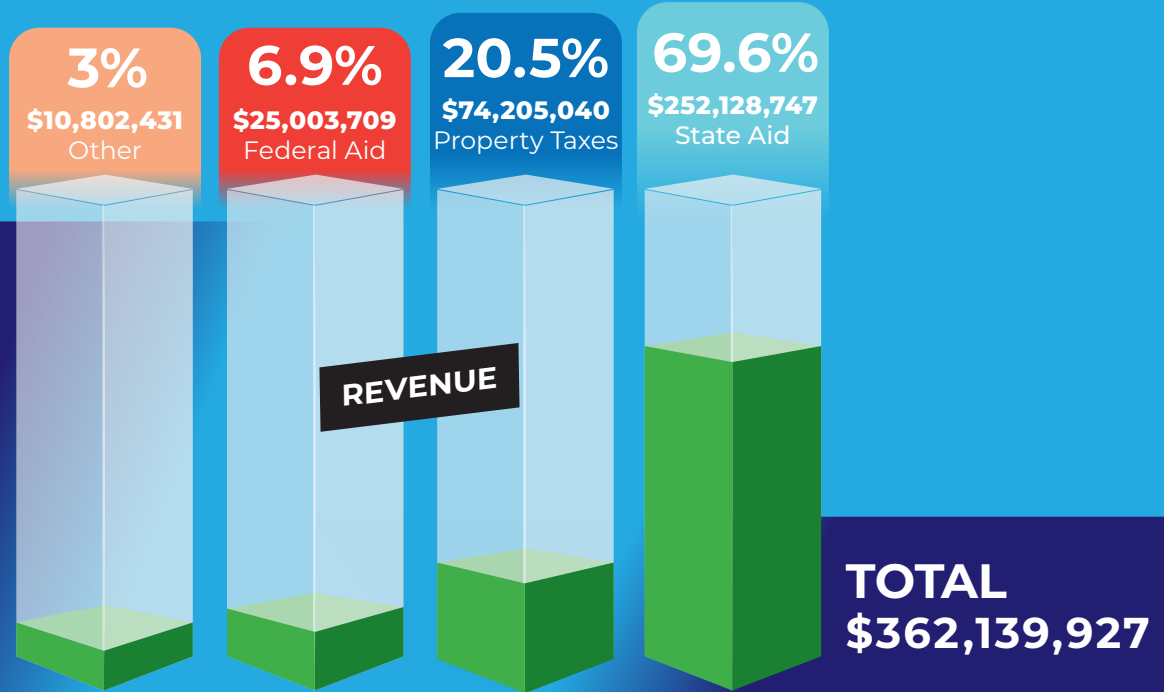
\$82.9M

Received \$82.9 million in grant funds in FY 2024. Grant funds leveraged local dollars and allowed schools to provide value-added programs and services that meet student needs. FY 24 saw an increase of 13.3% in grant funds over the prior year.

GENERAL FUND

For the year ended June 30, 2024

ISD 279 receives money from several sources: state aid, property taxes, federal aid and categorical revenues. The amount from any one source may vary from year to year. Because of this fluctuation, the district annually estimates its revenue, then allocates money to school sites through a formal budget process.



ISD 279 spending priorities are focused on student instruction.

Over **77%** of the operating budget goes directly to classroom instruction for students.

Source: FY 2024 independent audit by Malloy, Montague, Karnowski, Radosevich and Co.

GENERAL FUND OPERATIONS AND FINANCIAL POSITION

This balance sheet demonstrates the school district's financial position, which is an indicator of the overall financial health of district finances.

	% Change from Year	2023 Actual	% Change from Year	2024 Actual	% Change from Prior Year	2025 Projected	% Change from Prior Year	2026 Projected
Beginning Fund Balance		\$93,779,363		\$92,417,109		\$117,031,918		\$114,876,814
Revenue	-1.0%	318,395,472	13.7%	362,139,927	-13.8%	312,101,378	1.4%	316,482,039
Expenditures	2.8%	319,757,726	5.6%	337,525,118	-6.9%	314,256,482	3.50%	324,179,826
Ending Fund Balance		\$92,417,109		\$117,031,918		\$114,876,814		\$107,179,027
Unassigned Fund Balance		89,241,546		111,235,114		109,080,010		101,382,223
Nonspendable/ Restricted Assigned Fund Balance		3,175,563		5,796,804		5,796,804		5,796,804
Total Fund Balance		\$92,417,109		\$117,031,918		\$114,876,814		\$107,179,027
How many weeks of expenditures can the unassigned fund balance cover?		14.5		17.1		18.0		16.3
Unassigned fund balance as a percentage of Expenditures		27.9%		33.0%		34.7%		31.3%

Unassigned fund balance is generally considered the amount of money left after paying bills. However, due to accounting requirements, the fund balance does not reflect the amount of money actually in the bank; a significant portion of state aid must be recorded in the year before it is received. Therefore, the fund balance is usually larger than the actual amount of cash on hand.

The unassigned fund balance provides cash flow for operations and keeps the district out of debt. To put the fund balance in perspective: The district's **monthly operating costs average \$28.1 million, 85%** of which is used to cover employee payroll and benefits. On June 30, 2024, the unassigned fund balance would have covered 17.1 weeks of operations.

School Board policy regarding fund balance states "the Board will endeavor to maintain an unappropriated fund balance that will not fall below 5% of the District's general fund operating expenditure budget, excluding operating capital programs."

www.district279.org/ for current curricular, financial, and other School District information.
www.education.state.mn.us/ for current statewide educational information.

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For more information about education finance in Minnesota in FY 2024, visit:

[Minnesota School Finance: A Guide for Legislators](#)

[Financing Education in Minnesota, 2023-24](#)