



Osseo Area
Schools

Citizen's Guide

To School District Finances



2024-2025 School Year

This document describes revenues and expenditures in the General Fund, which comprises 65.7% of all funds managed by the school district. In addition to the General Fund of \$358.2 million, the district manages approximately \$187.1 million among seven other fund categories: Food Service, Community Service, Capital Projects, Debt Service, Capital, Internal Services, and Custodial.

\$358.2 million general fund

\$187.1 million other funds

\$545.3 million all funds combined

20,800 Scholars

This Citizen's Guide provides a summary of Osseo Area Schools finances for fiscal year (FY) 2025 (2024-2025 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 20,800 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. LB Carson, LLP, a certified public accounting firm that specializes in school district accounting, provides an annual independent audit.

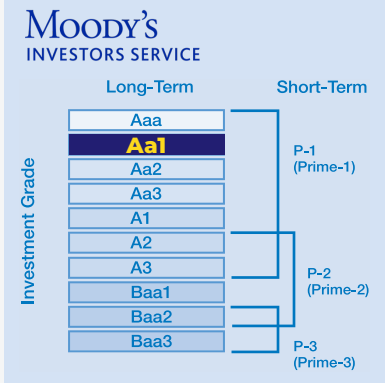
Data sources for this report include the independent annual audit by LB Carson, LLP financial and management reports, information from the Minnesota Department of Education, and Minnesota legislative documents on education finance.

For more information, visit the ISD 279 website at www.osseoschools.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 36th 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 2025
Cost containment efforts across the system resulted in **\$544,000** in savings in the area of purchased services and supplies.

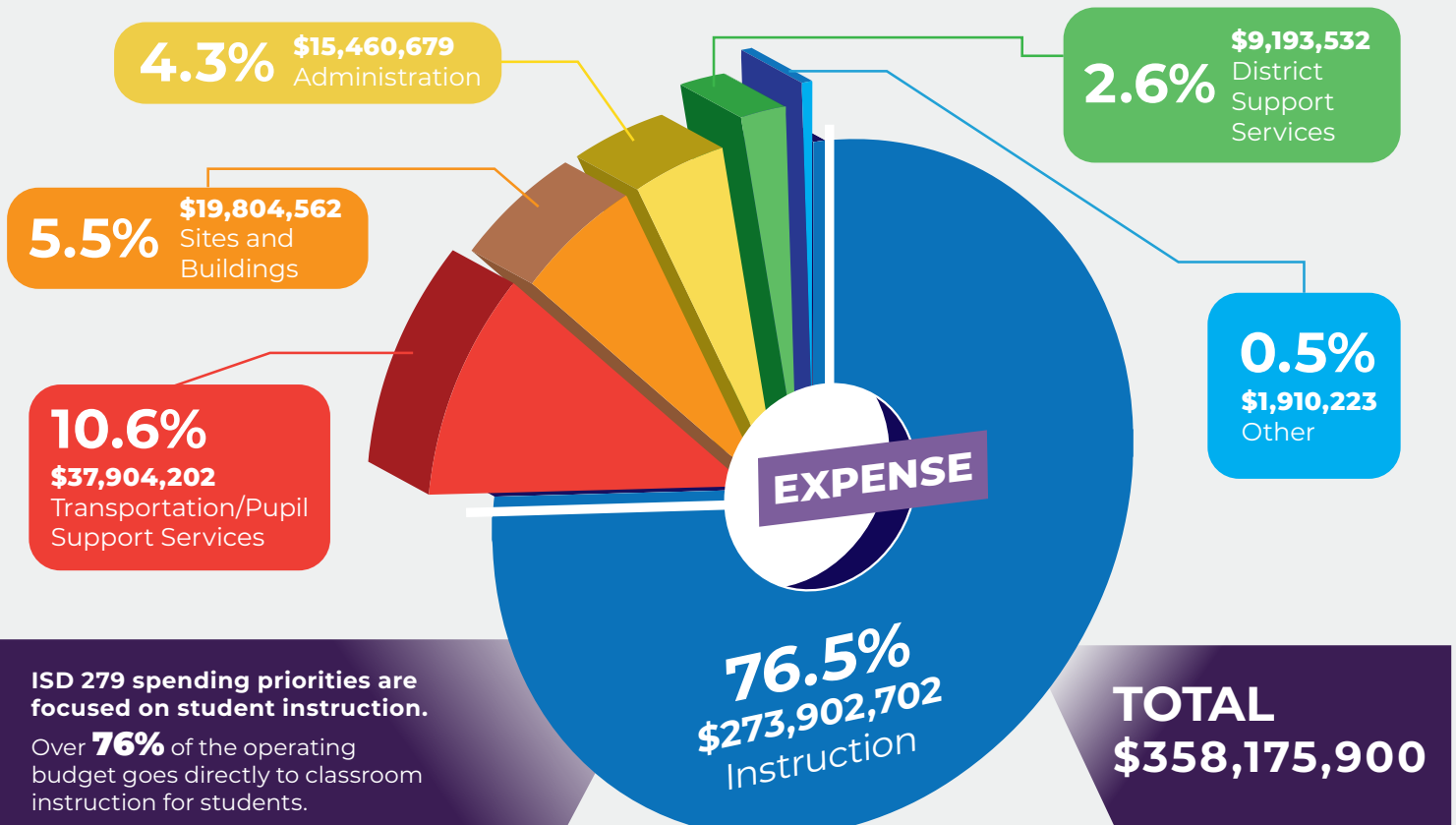
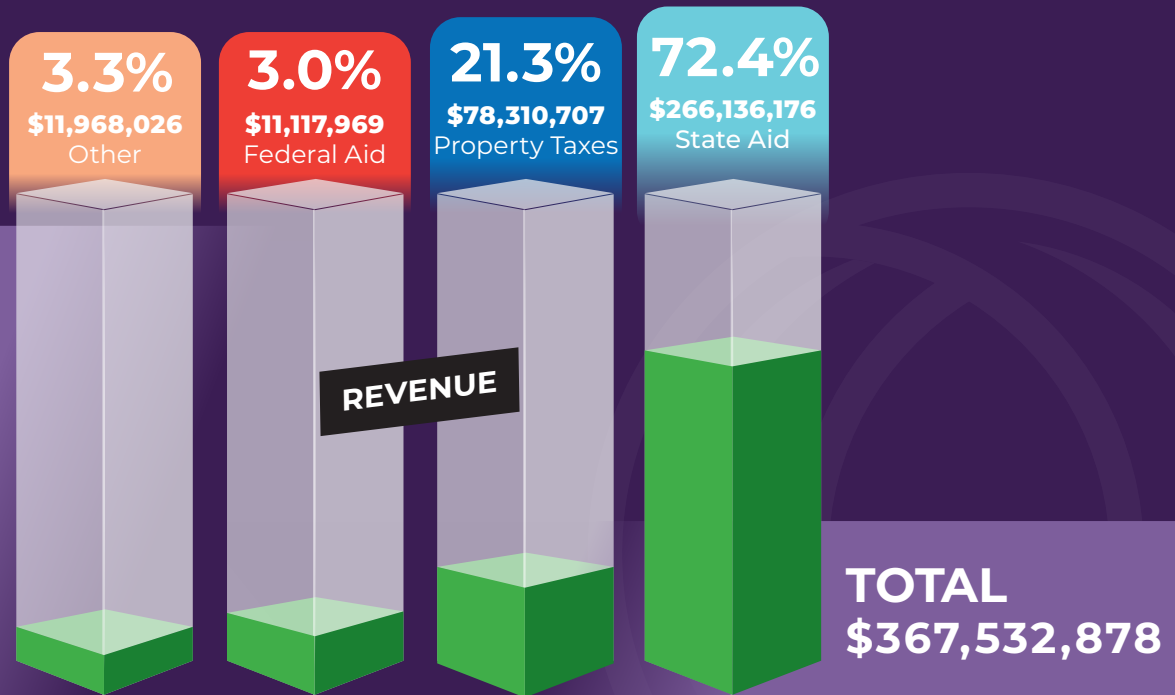
Leveraging Taxpayer Dollars Through Careful Stewardship

- 76.5%** The school district maintains an intense focus on classroom instruction. 76.5% 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.
- \$75M** Received \$75 million in grant funds in FY 2025. Grant funds leveraged local dollars and allowed schools to provide value-added programs and services that meet student needs. FY 25 saw a decrease of 9.5% in grant funds over the prior year.

GENERAL FUND

For the year ended June 30, 2025

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 **76%** of the operating budget goes directly to classroom instruction for students.

Source: FY 2025 independent audit by LB Carlson, LLP

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	2024 Actual	% Change from Year	2025 Actual	% Change from Prior Year	2026 Projected	% Change from Prior Year	2027 Projected
Beginning Fund Balance		\$92,417,109		\$117,031,918		\$126,612,600		\$109,820,978
Revenue	13.7%	362,139,927	1.6%	367,756,582	-11.0%	327,243,265	5.3%	344,537,729
Expenditures	5.6%	337,525,118	6.1%	358,175,900	-3.9%	344,034,887	3.5%	358,412,626
Ending Fund Balance		\$117,031,918		\$126,612,600		\$109,820,978		\$95,946,081
Unassigned Fund Balance		111,235,114		96,350,089		79,558,467		65,683,570
Nonspendable/ Restricted Assigned Fund Balance		5,796,804		30,262,511		30,262,511		30,262,511
Total Fund Balance		\$117,031,918		\$126,612,600		\$109,820,978		\$95,946,081
How many weeks of expenditures can the unassigned fund balance cover?		17.1		14.0		12.0		9.5
Unassigned fund balance as a percentage of Expenditures		33.0%		26.9%		23.1%		18.3%

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 \$29.8 million, 85%** of which is used to cover employee payroll and benefits. On June 30, 2025, the unassigned fund balance would have covered 14 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.osseoschools.org/ for current curricular, financial, and other School District information.
www.education.state.mn.us/ for current statewide educational information.

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Prepared by:
ISD 279 - Osseo Area Schools
Business Services Department
11200 93rd Avenue North
Maple Grove, MN 55369
763.391.7015
www.osseoschools.org

For more information about education finance in Minnesota in FY 2025, visit:
[Minnesota School Finance: A Guide for Legislators](#)
[Financing Education in Minnesota, 2024-25](#)