



Roseville Area Schools

1251 County Road B2 West • Roseville, MN 55113

PHONE 651-635-1600 • www.isd623.org

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2025

Excellence, Innovation & Equity in All We Do

INDEPENDENT SCHOOL DISTRICT NO. 623

Roseville Area Schools

Roseville, Minnesota

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
ROSEVILLE, MINNESOTA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

YEAR ENDED JUNE 30, 2025

**PREPARED BY THE
BUSINESS SERVICES DEPARTMENT**

**SHARI THOMPSON
DIRECTOR OF BUSINESS SERVICES**

**DENISE MICKLE
CONTROLLER**

**KATHY ENGLUND
DISTRICT ACCOUNTANT**

**NIKKI JOHNSON
ACCOUNTS PAYABLE**

**LAURA GARNJOBST
ACCOUNTS RECEIVABLE**

**MAUREEN WILLETT
PAYROLL**

**MEL BENZ
PAYROLL**

**JACOB MACK
BUSINESS SERVICES ASSISTANT**

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INDEPENDENT SCHOOL DISTRICT NO. 623
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INTRODUCTORY SECTION



Roseville Area Schools

1251 County Road B2 West • Roseville, MN 55113
PHONE 651-635-1600 • FAX 651-635-1659 • www.isd623.org

December 22, 2025

FISCAL YEAR 2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT

To: Independent School District No. 623 – Roseville Area Schools School Board Members and Citizens

The Annual Comprehensive Financial Report (ACFR) of Independent School District No. 623 – Roseville Area Schools (the District) for the fiscal year ended June 30, 2025, is submitted herewith. Minnesota state law requires that public school districts publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2025. The District is required to undergo an annual Single Audit in conformity with the provisions of the U.S. Office of Management and Budget's Uniform Guidance. The District is also required to undergo an annual Minnesota State legal compliance audit under Minnesota Statutes § 6.65. Independent auditor reports and a Schedule of Expenditures of Federal Awards are included in a separately issued document.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the management's discussion and analysis (MD&A), basic financial statements, required supplementary information, and combining and individual fund statements and schedules presented as supplemental information, as well as the independent auditor's report on the financial statements. The statistical section includes a number of tables of unaudited data depicting the financial history of the District for the past 10 years, demographics, and other miscellaneous information.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE DISTRICT

The District was incorporated in 1949 and serves portions of seven suburban communities on the north edge of the Minneapolis/St. Paul metropolitan area. The District enrolled 7,144 students in fiscal year (FY) 2025 from a population of 58,239 citizens residing in a 21.65 square mile area. The District encompasses the cities of Arden Hills, Falcon Heights, Little Canada, Lauderdale, Maplewood, Roseville, and Shoreview.

The District is governed by an elected six-member School Board. The seated School Board consists of six members who are elected at large in odd-numbered years. Members serve alternating four-year terms.

The School Board hires the superintendent and delegates the authority and responsibility to administer school district operations. The superintendent serves as an ex-officio member of the School Board.

Roseville Area Schools offer four option schools. The first is Parkview Center School offering a kindergarten through eighth grade model. The second is our Spanish Dual Language Immersion Program at Little Canada Elementary. The goal of Dual Language Immersion programs is to create bi-lingual, bi-literate, multi-cultural students who are better prepared for success in the ever-expanding global community. The third is our year-round school, Harambee Elementary, with a focus on Environmental Science and Community Cultures. Last is the SPARK Program at Central Park Elementary which focuses on Science, Technology, Engineering, Arts and Math.

The District's students reflect the global community, coming from homes where 91 dialects or languages other than English are spoken. Diverse demographics contribute to rich, real-life learning environments that prepare students for the 21st century workplace.

Gifted education programs serve the academic, social, and emotional needs of gifted/talented learners.

Co-curricular offerings build character, stretch minds, and challenge the body. Students have been recognized as state champions in various sports; Minnesota State High School League Academic Excellence award winners; state qualifiers in multiple sports; and All-Conference musicians.

Preschool is offered at early childhood centers at Harambee, Parkview, and Anpétu Téča Education Center. Free all-day kindergarten is available at all elementary sites. High quality before- and after-school care (Friendship Connection) is available to all elementary and middle school students.

The financial reporting entity includes all the funds of the primary government (the District). Component units are legally separate entities for which the District (primary government) is financially accountable. There are no organizations considered to be component units of the District.

The District is required to adopt an initial budget for the fiscal year no later than June 30th preceding the beginning of the fiscal year on July 1st. This annual budget serves as the foundation for the District's financial planning and control.

LOCAL ECONOMY

During FY 2025, the District operated 12 buildings: 1 high school, 1 middle school, 1 kindergarten through eighth grade, 7 elementary schools, 1 education center including the alternative high school, and a central administration building. The instructional program is organized using several grade configurations: Pre-K–6, K–8, 7–8, and 9–12. The District had a budgeted enrollment of 7,229, average daily membership for FY 2025 and an actual enrollment of 7,144. Student enrollment has declined slightly over the last four years, much of the decrease is a direct result of COVID-19. The pandemic primarily impacted the elementary enrollment with a higher number of families choosing an option to home school, enroll in an online program, or enrollment at a charter school or private school. The 7th through 12th grade enrollment numbers continue to experience more stabilized enrollment numbers. Enrollment is projected to be stagnant over the next three years.

The majority of the District's school buildings were built between 1951 and 1996. Although some of the school buildings are over 50 years old, the District participates in the Long-Term Facilities Maintenance Program through the state of Minnesota and has a 10-year spending plan with a \$14 million annual budget to address deferred maintenance and health and safety facility needs. In FY 2018 the District was successful in passing a \$144 million dollar bond for improvement and expansion of buildings in the District. The District completed the final phase of construction in December 2021. To date, the District has been able to stay on schedule and on budget for all construction projects and deferred maintenance projects.

The District intentionally focuses on efforts of staff and other resources to identify financial resources that are available to maximize revenue. Except for locally imposed fees for things like student activities, the District is dependent on the state of Minnesota for its revenue authority and state aid. Some revenue authority, such as operating referenda and building bonds, also require voter approval. Thanks to the support of the local taxpayers, the District successfully passed an increase of \$915 per pupil unit in November 2021, effective with the 22-23 fiscal year.

For the past several years, the funding provided for public education in the state of Minnesota has not been sufficient to meet instructional program needs, due to increased inflationary costs and required mandates. The 2023 Legislature authorized a 4 percent increase in the basic funding formula for fiscal year 2023-2024 and a 2 percent increase in 2024-2025.

Numerous factors affect public school finance and are monitored on an on-going basis, such as:

- State aid versus local taxpayer funding for programs and services.
- Economic factors, such as the ongoing pandemic and related unemployment and overall revenue collections by the state.
- Mandated programs that are not fully funded, such as special education.
- Compliance and implementation of governmental pronouncements.
- Impact to local taxpayers for funding requests.
- Increased competition for students from other public schools, as well as charter schools.
- Housing development and growth.
- Enrollment trends.
- Health insurance cost increases.
- Pension obligations, both local and state.
- Management of federal and other special funded state programs.

INTERNAL CONTROL STRUCTURE AND BUDGETARY CONTROL

The District complies with the Uniform Financial Accounting and Reporting Standards (UFARS) for Minnesota Schools. UFARS, established in 1976, dictates a modified accrual basis of accounting. An audited annual financial report must be provided to the Minnesota Department of Education by December 31, subsequent to year-end on June 30.

The District has established a system of internal controls that provide reasonable assurance that assets are safeguarded from misuse or losses. Reasonable assurance means the cost of controls is weighed against the benefits received. The District utilizes an integrated payroll/finance system for all financial recordkeeping.

Encumbrances, or open purchase orders, are used as a budgetary control tool and are charged against line item budgets when issued. Each site and department administrator has access to the finance system to extract reports and review detailed budget activity specific to their area of responsibility. The district administration receives and reviews monthly financial reports. These reports are also presented to the Board of Education and are publicly available as part of the Board's meeting materials.

The District's budgeting process begins with a review and estimation of projected student enrollment. Enrollment is the main driver of the allocation of the unrestricted revenue resources. A majority of the budgeting decisions are made centrally including staffing, capital expenditures, and infrastructure improvements. Budget managers receive an allocation for site or department-specific needs.

Legal budgetary control is at the fund level; however, directors, principals, supervisors, and other budget managers are responsible for monitoring their budget centers within each of the funds. All appropriations lapse at year-end.

RELEVANT FINANCIAL POLICIES

The District has adopted a comprehensive set of financial policies. The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and with Minnesota Uniform Financial Accounting and Reporting Standards. The internal control framework is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits require estimates and judgments by management.

School Board Policy 744 addresses fund balance. The policy is in place to ensure the financial stability of the District, to provide a sound basis to justify continuation of the strong financial rating, and to provide a reserve enabling the District to deal with unforeseen budget expenditures. The School Board strives to maintain an unassigned fund balance that will not fall below 6 percent of the District's General Fund operating expenditure budget, excluding capital programs.

Minnesota Statutes § 123B.83 requires districts to "limit its expenditures so that its net unreserved General Fund balance does not constitute statutory operating debt under § 123B.81." The district's unreserved General Fund balance is above the statutory guidelines for statutory operating debt.

Unassigned fund balance in the General Fund Operating Account at June 30, 2025 was \$15,597,613 or 10.57 percent of total General Fund Operating Account expenditures. This amount was above the policy guidelines of 6 percent set by the School Board for budgetary and planning purposes.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

INDEPENDENT AUDIT AND CERTIFICATE OF EXCELLENCE

State statutes require an annual audit by independent certified public accountants. The accounting firm of CliftonLarsonAllen LLP was initially selected by the School Board to conduct the annual audit for fiscal year 2001-2002.

This report has been prepared following the guidelines provided by the Association of School Business Officials International (ASBO) for their Certificate of Excellence in Financial Reporting Program. Achieving recognition by this program provides a clear indication of the District's high standards for financial reporting. The District intends to submit this report, to the ASBO Certificate Program for consideration. The District received its first ASBO Certificate of Excellence in Financial Reporting beginning with the 2018-2019 Comprehensive Annual Financial Report.

ACKNOWLEDGMENTS

We acknowledge the efforts of the entire business office and the related district staff in providing complete and accurate data for this Comprehensive Annual Financial Report.

Respectfully submitted,



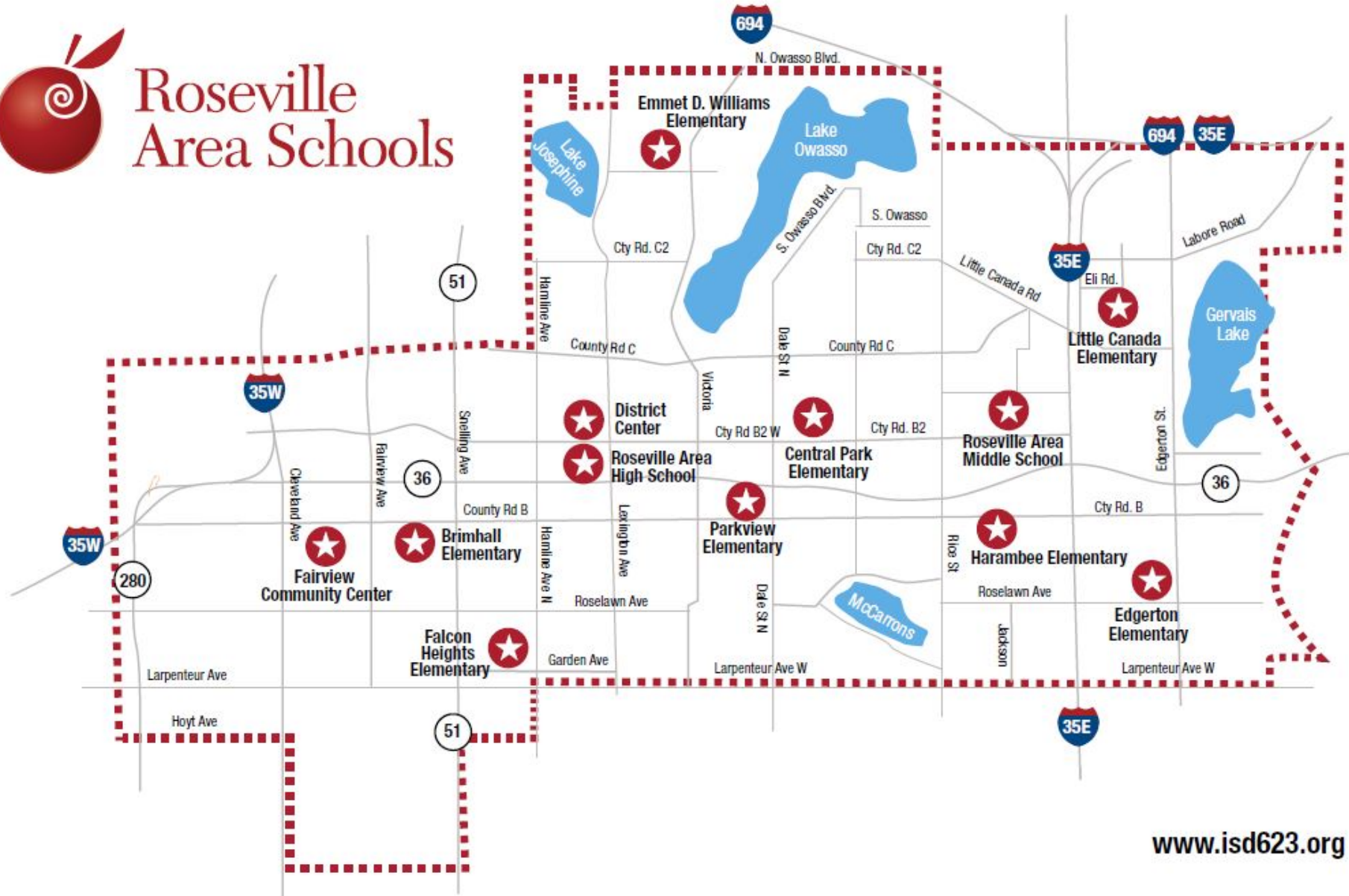
Shari Thompson
Director of Business Services



Denise Mickle
Controller



Roseville Area Schools



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**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHOOL BOARD AND ADMINISTRATION
JUNE 30, 2025**

NAME	TERM ON BOARD EXPIRES	BOARD POSITION
Todd Anderson	December 31, 2027	Chairperson
Dr. Rose Chu	December 31, 2027	Clerk
Mannix Clark	December 31, 2025	Treasurer
Dr. Frank Shaw	December 31, 2025	Director
Mike Boguszewski	December 31, 2027	Director
Kitty Gogins	December 31, 2025	Director

Cabinet:

Dr. Jenny Loeck	Superintendent
Melissa Sonnek	Associate Superintendent
Jacob Von De Linde	Executive Director of Student Achievement
Delon Smith	Associate Superintendent of Equity and Innovation
Niceta Thomas	Executive Director of Student Services
Shari Thompson	Executive Director of Business Services
Kenyatta McCarty	Executive Director of Human Resources
Cyndi Arneson	Executive Director of Community Education
Carrie Ardito	Executive Director of Communications

Business Services Office:

Denise Mickle	Controller
Kathy Englund	District Accountant

District Offices:

Independent School District No. 623
Roseville Area Schools
1251 W. County Road B-2
Roseville, MN 55113-3299
(651) 635-1600

ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
ORGANIZATIONAL CHART
2024-2025

Roseville Area Schools

DISTRICT
LEADERSHIP
TEAM



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

School Board
Roseville Area Schools
Independent School District No. 623
Roseville, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Roseville Area Schools, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Roseville Area Schools's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Roseville Area Schools, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Roseville Area Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the District restated its beginning net position for the implementation of GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Roseville Area Schools's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Roseville Area Schools's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Roseville Area Schools's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of changes in the District's net OPEB liability and related ratios, schedule of money-weighted rate of return of plan assets – OPEB, schedules of the District's proportionate share of net pension liabilities, and schedule of District pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended June 30, 2025 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roseville Area Schools's basic financial statements. The combining and individual fund financial statements, budgetary comparison schedules, and the Uniform Financial Accounting and Reporting Standards (UFARS) compliance table for the year ended June 30, 2025 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2025 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, budgetary comparison schedules, and UFARS compliance table are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2025.

We also previously audited, in accordance with GAAS, the basic financial statements of Roseville Area Schools as of and for the year ended June 30, 2024, (not presented herein), and have issued our report thereon dated February 6, 2025 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements for the year ended June 30, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information was subjected to the audit procedures applied to the audit of the 2024 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2024.

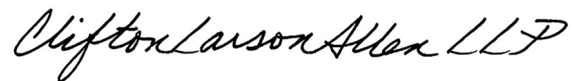
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2025, on our consideration of Roseville Area Schools's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Roseville Area Schools's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Roseville Area Schools's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 22, 2025

REQUIRED SUPPLEMENTARY INFORMATION

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

This section of Roseville Area Schools – Independent School District No. 623's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follow this section. The Management's Discussion and Analysis (MD&A) is a required element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2024-2025 fiscal year include the following:

- Net position increased by \$5,955,138 from current year activity in 2025.
- Overall General Fund revenues were \$141,831,119 as compared to \$142,226,123 of expenditures.
- The total fund balance of the General Fund increased overall by \$309,408 from the prior year. The fund balance in the unassigned fund balance category increased by \$3,859 having begun the year with a balance of \$15,593,754 and ending with a balance of \$15,597,613. While an increase of \$1,424,943 in fund balance was projected in the revised budgets adopted by the Board, the actual increase of \$309,408 was the result of lower than anticipated state and federal revenue as well as more expenditures than were budgeted for, especially with regards to capital outlay and pupil support services.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others to whom the resources belong.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

District-Wide Statements (Continued)

The two district-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements the District's activities are shown in one category:

- *Governmental Activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services, and community education. Property taxes and state aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., food service).

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements to explain the relationship (or differences) between them.
- *Proprietary Funds* – The District uses an internal service fund to report activities that provide supplies and services for the District's other programs and activities. The District currently has an internal service fund for self-insurance of dental benefits.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

- *Fiduciary Funds* – The District is the trustee, or *fiduciary*, for assets that belong to others, such as the Suburban Ramsey Family Collaborative Custodial Fund. The District has also established an irrevocable trust fund for other postemployment benefits (OPEB). This trust was funded with the proceeds from General Obligation OPEB Bonds issued in 2009. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District's *combined* net position was \$(27,594,082) on June 30, 2025, an decrease of \$18,718,035, or 210.88% A-1). Total assets decreased by approximately \$3.23 million or 0.99%. Capital assets increased by approximately \$6.09 million or 2.74%. Total liabilities decreased by \$3.22 million or 1.06% with the net pension liability decreasing \$19.01 million and other long-term liabilities increasing \$15.36 million as the result of the implementation of GASB 101 for compensated absences in the current year.

**Table A-1
The District's Net Position**

	Governmental Activities as of June 30,		Percentage Change
	2025	2024	
Current and Other Assets	\$ 94,823,914	\$ 104,137,629	(8.94)%
Capital Assets	228,216,951	222,131,427	2.74
Total Assets	323,040,865	326,269,056	(0.99)
Deferred Outflows of Resources	19,675,323	20,832,290	(5.55)
Current Liabilities	11,239,456	10,816,949	3.91
Net Pension Liability	64,293,091	83,300,845	(22.82)
Long-Term Liabilities	224,563,445	209,203,021	7.34
Total Liabilities	300,095,992	303,320,815	(1.06)
Deferred Inflows of Resources	70,214,278	52,656,578	33.34
Net Position			
Net Investment in Capital Assets	40,621,623	31,710,398	28.10
Restricted	19,166,343	16,987,261	12.83
Unrestricted	(87,382,048)	(57,573,706)	51.77
Total Net Position	<u>\$ (27,594,082)</u>	<u>\$ (8,876,047)</u>	210.88

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Net Position (Continued)

The largest positive portion of the District's net position represents its investment in capital assets (land, buildings, equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The District is able to report positive balances in the net investment in capital assets portion of its net position. Another portion of the District's net position, restricted net position, represents resources that are subject to external restrictions on how they may be used. The restricted portion of the District's net position increased by approximately \$2.18 million during the current year. The remaining unrestricted portion is that which may be used to meet the District's ongoing obligations. This portion of net position increased by approximately \$29.81 million, to a year-end balance of (\$87,382,048). The District's overall net position has been a deficit balance since fiscal year 2015 when the District implemented Governmental Accounting Standards Board Statement No. 68, which required recording the District's long-term liabilities for pensions.

Changes in Net Position

In Table A-2, Change in Net Position, operations are reported on a governmental-wide basis with no reference to funds. This format is similar to the fund financial statements, except it is presented on an accrual basis of accounting.

Total revenues for all governmental activities were \$178,143,546 for the year ended June 30, 2025. Property taxes and state formula aid accounted for 67% of total revenue for the year (see Figure A-2). 4% from charges for services, 28% from operating grants and contributions, and the remaining 1% from investment earnings.

Total revenues for fiscal year 2025 were \$5,823,222 higher than the prior year. The main increases were in property taxes and operating grants and contributions.

Expenses increased \$21,079,726 compared to fiscal year 2024 levels, with the largest increase being in regular instruction.

Total revenues were \$178,143,546 while total expenses were \$172,188,408, increasing net position by \$5,955,138 for fiscal year 2025.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in Net Position (Continued)

**Table A-2
Change in Net Position**

	Governmental Activities for the Fiscal Year Ended June 30,		Percentage Change
	2025	2024	
REVENUES			
Program Revenues:			
Charges for Services	\$ 6,771,354	\$ 6,453,493	4.93 %
Operating Grants and Contributions	49,640,542	47,540,908	4.42
General Revenues:			
Property Taxes	49,314,463	45,882,355	7.48
Unrestricted State Aid	70,951,398	71,127,244	(0.25)
Investment Earnings	1,465,789	1,312,825	11.65
Other	-	3,499	100.00
Total Revenues	178,143,546	172,320,324	3.38
EXPENSES			
Administration	5,938,947	5,110,787	16.20
District Support Services	6,505,783	6,236,164	4.32
Regular Instruction	62,802,501	55,292,497	13.58
Vocational Education Instruction	2,273,186	1,799,099	26.35
Special Education Instruction	29,474,396	25,194,849	16.99
Instructional Support Services	11,029,895	9,730,571	13.35
Pupil Support Services	20,014,315	17,037,806	17.47
Sites and Buildings	12,224,152	10,394,611	17.60
Fiscal and Other Fixed Cost Programs	909,715	683,563	33.08
Food Service	6,610,946	5,891,738	12.21
Community Service	8,743,675	8,128,176	7.57
Interest and Fiscal Charges on Long-Term Liabilities	5,660,897	5,608,821	0.93
Total Expenses	172,188,408	151,108,682	13.95
CHANGE IN NET POSITION	5,955,138	21,211,642	
Beginning Net Position, as Originally Reported	(8,876,047)	(30,087,689)	
Restatement	(24,673,173)	-	
Beginning Net Position, as Restated	(33,549,220)	(30,087,689)	
ENDING NET POSITION	<u>\$ (27,594,082)</u>	<u>\$ (8,876,047)</u>	210.88

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

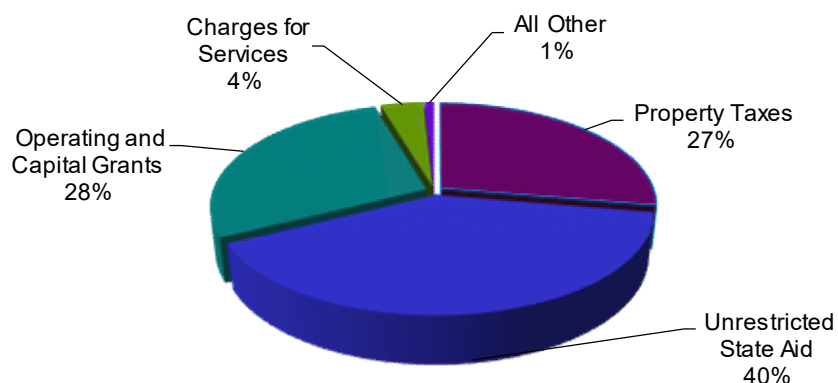
FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in Net Position (Continued)

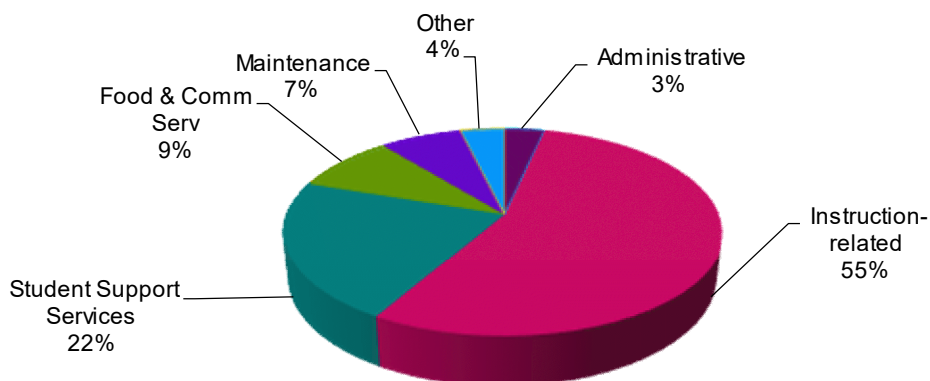
The cost of all *governmental* activities this year was \$172,188,408.

- Some of the cost was paid by the users of the District's programs (Table A-2, Charges for Services, \$6,771,354). The majority of this category, approximately \$5.20 million, comes from community education class tuition.
- The federal and state governments subsidized specific programs with grants and contributions (\$49,640,542).
- Of the amount paid for by taxpayers of the District and the state, \$49,314,463 came in the form of property taxes, and \$70,951,398 in the form of unrestricted state aid based primarily on the statewide education aid formula.
- The remaining revenue came from investment earnings and other miscellaneous revenue.

**Figure A-1
Sources of District's Revenues for Fiscal 2025**



**Figure A-2
District Expenses for Fiscal 2025**



**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in Net Position (Continued)

All governmental activities include not only funds received for the general operation of the District, which are used for classroom instruction, but also includes resources from the special revenue funds of Food Service and Community Education, and from resources for fiscal service transactions. Funding for the general operation of the District is controlled by the state and the District does not have the latitude to allocate money received in Food Service or Community Education or for fiscal services to enhance classroom instruction resources. The District cannot take funds from these restricted areas and use the funds to hire teachers to enhance instruction.

**Table A-3
Program Expenses and Net Cost of Services**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2025	2024		2025	2024	
Administration	\$ 5,938,947	\$ 5,110,787	16.20 %	\$ 1,592,231	\$ (2,820,021)	(156.46)%
District Support Services	6,505,783	6,236,164	4.32	5,764,390	5,307,311	8.61
Regular Instruction	62,802,501	55,292,497	13.58	58,144,016	51,763,098	12.33
Vocational Education Instruction	2,273,186	1,799,099	26.35	2,216,581	1,766,536	25.48
Special Education Instruction	29,474,396	25,194,849	16.99	78,178	531,779	(85.30)
Instructional Support Services	11,029,895	9,730,571	13.35	10,636,680	9,598,363	10.82
Pupil Support Services	20,014,315	17,037,806	17.47	18,490,115	14,911,366	24.00
Sites and Buildings	12,224,152	10,394,611	17.60	11,858,149	9,823,062	20.72
Fiscal and Other Fixed Cost Programs	909,715	683,563	33.08	909,715	683,563	33.08
Food Service	6,610,946	5,891,738	12.21	(46,651)	(742,298)	(93.72)
Community Service	8,743,675	8,128,176	7.57	472,211	545,176	(13.38)
Interest and Fiscal Charges on Long-Term Liabilities	5,660,897	5,608,821	0.93	5,660,897	5,608,821	0.93
Total	<u>\$ 172,188,408</u>	<u>\$ 151,108,682</u>	13.95	<u>\$ 115,776,512</u>	<u>\$ 96,976,756</u>	19.39

The cost of all governmental activities this year was \$172,188,408, an increase of \$21,079,726 from the prior year. After applying program specific revenue, the net cost of all governmental activities this year was \$115,776,512, an increase of \$18,799,756 from the prior year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a *combined* fund balance of \$36,395,098 which is \$12,208,146 more than last year's ending fund balance of \$48,603,244.

Revenues for the District's governmental funds were \$175,668,500, an increase of \$3,000,024 compared to fiscal year 2024. Expenditures in all governmental funds totaled \$188,581,058, an increase of \$12,800,398 from the prior year.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

GENERAL FUND

The General Fund reflects the primary operations of the District that provide educational services to students from Pre-K and kindergarten through grade 12. This includes K-12 educational activities, district instructional support, and student support programs, expenditures for the superintendent, district administration, normal operations and maintenance, pupil transportation, capital outlay projects, and other legal school district expenditures not specifically designated to be accounted for in any other fund.

Approximately 90% of General Fund operational revenue is controlled by a complex set of state funding formulas resulting in the local school board having no meaningful authority to determine the level of resources available to the District. This includes special education state aid that is based upon a cost reimbursement model providing approximately 70% of personnel expenditures. The revenue may later be prorated to a lesser amount dependent on the total revenue appropriated by the Legislature for this purpose. Other state formulas then determine what portion of the revenue will be provided by property taxes and what portion will come from state aid. The state further controls the timing of payments made to school districts, which affects the cash balances available to meet ongoing costs.

ENROLLMENT

Enrollment is a critical factor in determining revenue with approximately 90% of General Fund revenue being determined by enrollment. The following chart shows that previous years' enrollment growth has slowed, the total enrollment from 2024 to 2025 decreased by 54, or 0.7%.

**Table A-4
Enrollment Trend
Average Daily Membership (ADM)**

Grade	2021	2022	2023	2024	2025
ECSE	102	100	87	114	136
Kdgt.	544	577	564	517	461
1-3	1,613	1,634	1,656	1,677	1,631
4-6	1,628	1,596	1,593	1,595	1,627
7-12	3,412	3,321	3,298	3,331	3,290
Total K-12	7,299	7,228	7,198	7,234	7,144
ADM Change	(281)	(71)	(30)	6	(54)
Percent Change	-3.7%	-1.0%	-0.4%	0.1%	-0.7%

The District experienced consistent enrollment growth from 2005 to 2019, with increases in both resident enrollment and students from neighboring districts through options programs. Total enrollment peaked in the 2018-2019 school year. From 2020 to 2023, there was a slight decline in enrollment, with 2024 increasing, but 2025 slightly declined again. In the 2024-2025 school year, the District served 1,695 students from other districts, while approximately 1,393 of the District's residents attended other school districts, including public charter schools. The students served, along with resident students attending other districts under tuition agreements, generate revenue primarily through the General Education Aid formula. In the short term, the District is expected to enroll a slightly reduced number of elementary students, as some families opt for homeschooling, nonpublic, charter schools, or other options, in addition to a decline in birth rates in recent years.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

GENERAL FUND ACTIVITY

The following schedule presents a summary of General Fund Revenues.

**Table A-5
General Fund Revenues**

	Year Ended		Change	
	June 30, 2025	June 30, 2024	Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	\$ 29,761,444	\$ 27,466,693	\$ 2,294,751	8.4 %
Earnings on Investments	1,264,105	756,037	508,068	67.2
Exchange Revenue	3,671,719	3,874,085	(202,366)	(5.2)
State Sources	102,387,511	98,634,247	3,753,264	3.8
Federal Sources	4,746,340	9,056,443	(4,310,103)	(47.6)
Total General Fund Revenue	<u>\$ 141,831,119</u>	<u>\$ 139,787,505</u>	<u>\$ 2,043,614</u>	1.5

General Fund Revenue increased by \$2,043,614 or 1.5% from the previous year. Property tax revenue shows an increase of \$2,294,751. Property tax revenue is driven by student enrollment, Minnesota State Legislative approved funding, local voter approved funding, and the final levy is determined by the amount approved by the school board to levy each year.

Interest earnings increased by \$506,068. Exchange revenue decreased by \$202,366. State aid increased \$3,753,264, or 3.8%, partially due to an increase in the General Education Revenue formula and partially due to an increase in special ed aid with the increase in program activity.

Basic general education revenue is determined by multiple state formulas, largely enrollment driven, and consists of mostly state aid revenue. Other state-authorized revenues, which include the operating levy referendum, operating capital revenue, and the property tax shift involve an equalized mix of property tax and state aid revenue. The mix of property tax and state aid can change significantly from year to year without any net change in total revenue and is dependent on legislative action.

Federal revenue decreased \$4,310,103, or 47.6%.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

GENERAL FUND ACTIVITY (CONTINUED)

The following schedule presents a summary of General Fund Expenditures.

**Table A-6
General Fund Expenditures**

	Year Ended		Amount of Increase (Decrease)	Percent Increase (Decrease)
	June 30, 2025	June 30, 2024		
Salaries	\$ 77,440,874	\$ 72,576,239	\$ 4,864,635	6.7 %
Employee Benefits	28,312,381	26,301,998	2,010,383	7.6
Purchased Services	26,381,412	24,158,332	2,223,080	9.2
Supplies and Materials	4,674,570	6,118,794	(1,444,224)	(23.6)
Capital Expenditures	3,955,491	4,890,495	(935,004)	(19.1)
Debt Service Expenditures	803,454	1,052,362	(248,908)	(23.7)
Other Expenditures	657,941	415,736	242,205	58.3
Total General Fund Expenditures	<u>\$ 142,226,123</u>	<u>\$ 135,513,956</u>	<u>\$ 6,712,167</u>	5.0

Total General Fund Expenditures increased by \$6,712,167 or 5.0% over the previous year.

In fiscal year 2025, salaries increased 6.7% and employee benefits increased 7.6%. The increase in salaries and benefits is attributed to employee contract improvements.

Purchased Services expenditures increased by 9.2%. The increase is due largely to costs for contracted services, especially the cost of contracting for student transportation services. There was also an increase in demand for specialized transportation for students requiring special accommodations and students experiencing homelessness.

Supplies and Materials consist of expenditures for diesel and gasoline, natural gas and building fuel oil, maintenance repairs, instructional supplies, and textbooks. Supplies and materials expenditures decreased by 23.6% during fiscal year 2025. The decreased costs were attributable to the District spending more money on language arts curriculum instructional materials and technology devices during fiscal year 2024, creating less of a need for spending on these items in 2025.

Spending for capital expenditures decreased by \$935,004 over the prior year. The decrease in capital expenditures is attributed to less purchases in the fiscal year related to district support services technology and copier services leases.

In 2024-25, total General Fund revenues and other financing sources exceeded expenditures by \$309,408. Therefore, the total fund balance increased from \$16,741,010 at June 30, 2024, to a balance of \$17,050,418 at June 30, 2025. After deducting statutory restrictions and nonspendable balances, the general unassigned fund balance increased from \$15,593,754 at June 30, 2024 to \$15,597,613 at June 30, 2025 – an increase of \$3,859.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

GENERAL FUND ACTIVITY (CONTINUED)

The unassigned fund balance is the single best measure of overall financial health of a school district. The unassigned general fund balance totals \$15,593,754. The Minnesota Department of Education divides this balance by the expenditures related to these balances to calculate the fund balance as a percentage of expenditures. The District's unassigned fund balance at June 30, 2025, represents 11.51% of applicable annual expenditures. The School Board has set a goal to maintain a minimum target fund balance of 6.0% of the annual budget. The current fund balance of 11.51% meets the target set by the District. The District closely monitors its fund balances.

GENERAL FUND BUDGETARY HIGHLIGHTS

Following approval of the budget prior to the beginning of the fiscal year, the District revises the annual operating budget in mid-year. These budget adjustments typically fall into two categories:

- Implementing budgets for specially funded projects, which include both federal and state grants and reinstating unexpended funds being carried over.
- Legislation passed subsequent to budget adoption, changes necessitated by collective bargaining agreements, and increases in appropriations for significant unbudgeted costs.

Actual General Fund revenues were \$6,557,088, or 4.92% more than expected. Property tax collections, exchange revenue, and state sources coming in over budget were key drivers in the variance.

Actual General Fund expenditures were \$6,887,540, or 5.36% more than budgeted. District support services, regular instruction, instructional support services, sites and buildings, fiscal and other fixed costs, capital outlay, and debt service payments were over budget. This was partially offset by administration, vocational education instruction, special education instruction, and pupil support costs being under budget.

While the District's final budget for the total General Fund anticipated that revenues and other financing sources would exceed expenditures by \$4,616,001, the actual results for the year show that revenues and other financing sources exceeded expenditures by \$4,225,699, a difference of \$378,302.

OTHER MAJOR FUNDS

The Food Service Fund revenue for 2024-2025 totaled \$6,633,892 and expenditures were \$5,995,845. The June 30, 2025, fund balance is \$4,539,464, an increase of \$898,338 from fiscal year 2024. Actual revenues were \$1,304,627 higher than budgeted due to additional state and federal aid received for the food service program. Actual expenditures were \$231,249 more than budgeted as a result of additional meals served. These variances resulted in the change in fund balance being \$1,333,669 higher than expected.

The Community Service Fund revenue for 2024-2025 totaled \$9,250,096 and expenditures were \$9,055,038. The June 30, 2025 fund balance is \$2,699,840, an increase of \$195,058. Many of the accounts that make up the Community Service Fund are reported under specific reserve accounts.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

CAPITAL PROJECTS AND DEBT SERVICE FUNDS

The Capital Projects Fund is where most of the District's revenues and expenditures for Long Term Facilities Maintenance and new construction are being tracked. Because of the age of its buildings and their total square footage, the District is eligible to levy for funds to finance specific projects to maintain the structural integrity of the buildings. These projects are submitted to the state Department of Education and must be approved prior to authorizing the levy. This fund is permitted to go into deficit to the extent of approved and anticipated revenues. Ending fund balance of the Capital Projects Fund at June 30, 2025 was \$11,712,600.

The Combined Debt Service Funds are comprised of a regular debt service account and an account for Other Postemployment Benefit Bonds. Combined Debt Service Funds expenditures exceeded revenues by \$11,441.

Revenues in the Regular Debt Service Fund Account are used to pay off the principal and interest of bonds issued in past years for building construction and improvements. The total fund balance of the regular debt service account at June 30, 2025 is \$351,287. The Other Postemployment Benefits Bond Fund records the expenditures and revenues related to repayment of the bonded debt issued to create the Other Postemployment Benefits Trust. The OPEB fund balance of \$271,319 combined with revenues generated by levies on future property taxes, will be used to pay the obligation on the debt as it comes due.

INTERNAL SERVICE FUND

The District changed to a self-insured plan for dental benefits for District employees effective July 1, 2011, and an Internal Service Fund was created to record related revenues and expenses. The plan is administered by a third party. In 2024-2025, expenses exceeded revenues by \$130,259. Total net position for the plan is now \$327,289 or 31% of total claims and expenses. The efficiency in the administration of this funding model and the positive claims experience has allowed the District to maintain the same monthly dental premium amount for thirteen consecutive years.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2025, the District had invested almost \$341.76 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, administrative offices, and subscription based software (see Table A-7). (More detailed information about capital assets can be found in Note 4 to the financial statements.) Total net depreciation and amortization expense for the year was \$8,690,534.

**Table A-7
Capital Assets**

	2025	2024	Percentage Change
Land	\$ 1,862,539	\$ 1,862,539	-
Construction in Progress	9,781,355	10,697,602	(8.6)
Land Improvements	16,175,510	15,357,029	5.3
Buildings and Improvements	301,500,128	287,955,930	4.7
Equipment	12,385,997	11,078,698	11.8
Subscription Based Information Technology Arrangements	44,498	27,399	62.4
Less: Accumulated Depreciation and Amortization	(113,533,076)	(104,847,770)	8.3
Total District Capital Assets	<u>\$ 228,216,951</u>	<u>\$ 222,131,427</u>	2.7

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Liabilities

At year-end, the District had \$167,200,000 in general obligation bonds outstanding – a decrease of \$8,140,000 from last year – as detailed in Note 5 to the financial statements. The District also had \$13,885,000 in certificates of participation outstanding as well as \$ 945,323 in total liabilities related to financed purchases and leases. The District also had an estimated \$28,383,989 in compensated absences payable at June 30, 2025, an increase of \$26,918,515 from June 30, 2024 due to implementing GASB 101.

**Table A-8
Long-Term Liabilities**

	2025	2024	Percentage Change
General Obligation Bonds	\$ 167,200,000	\$ 175,340,000	(4.6)%
Net Bond Premium and Discount	11,094,711	12,954,791	(14.4)
Certificates of Participation Payable	13,885,000	14,835,000	(6.4)
Financed Purchases Payable	741,617	723,279	2.5
Leases Payable	203,706	299,710	(32.0)
Net Pension Liability	64,293,091	83,300,845	(22.8)
Vacation Payable	-	1,175,027	(100.0)
Other Compensated Absences Payable	28,383,989	290,447	9672.5
Total Long-Term Liabilities	<u>\$ 285,802,114</u>	<u>\$ 288,919,099</u>	(1.1)
Long-Term Liabilities:			
Due Within One Year	\$ 12,458,302	\$ 9,752,682	
Due in More Than One Year	273,343,812	279,166,417	
Total	<u>\$ 285,802,114</u>	<u>\$ 288,919,099</u>	

FACTORS BEARING ON THE DISTRICT'S FUTURE

With the exception of voter-approved excess operating referendum, the District is dependent on the state of Minnesota for most of its revenue authority. School districts experienced many years without revenue increases which adequately met instructional program needs and increased costs due to inflation.

Thanks to the generous support of the Roseville Area Schools community, the District renewed an operating levy that was scheduled to sunset as of June 30, 2025. In addition, voters approved an additional operating levy increasing per pupil levy authority by an additional \$915 per pupil unit. These operating levies also have an annual inflationary factor built in. The added funds, over \$7,000,000 annually, will be used to decrease class sizes, increase social/emotional supports for our students, maintain academic programs, and allow the district to grow its fund balance and maintain financial stability.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FACTORS BEARING ON THE DISTRICT'S FUTURE (CONTINUED)

The ongoing demands on limited resources continue to present challenges in funding education for Minnesota schools. The Legislature added \$275, or 4.00%, per pupil to the basic general education funding formula for fiscal year 2024. The state currently passed legislation to increase the per-pupil funding formula by 2.00% for fiscal year 2025 with increases tied to inflation at a maximum of 3.00% in following years.

Decreased birth rates as well as the lingering impacts of the COVID-19 pandemic have had some lingering impacts on enrollment. A smaller student birth pool, in addition to families choosing to enroll in other school districts, online schools, private school options, homeschool and charter schools has had an impact on the district and resulted in slowed growth and therefore less revenue for the District.

The District will continue to seek all available sources of funding, respond to changes in enrollment, maintain systems that ensure financial stability, and adopt budgets that will allow the District to have adequate fund balance reserves in the various components of the General Fund Balance in the upcoming years.

Due to increased needs in both security and technology, the District is exploring how to provide a dedicated source of funding to support the essential and expanding role of technology in education, ensuring students and staff have access to the tools and resources needed for success in today's digital world. Subsequent to the end of fiscal year 2025, the district voters approved a 10 year capital projects levy dedicated to technology and safety. This levy will generate an additional \$6 million per year beginning in fiscal year 27 for a ten year period.

The District is actively working on its 10-year facilities plan. Goals of the plan are to provide the address the backlog of deferred maintenance in buildings; improve energy efficiency, and support strategic plan initiatives. The plan is being funded with a planned \$13 million annual investment of Long-Term Facilities Maintenance funds over the next ten-year period.

During fiscal year 2025, deferred maintenance related construction was completed at ED Williams Elementary School (September 2025). Extensive roofing projects will occur in the summer of 2025, the majority of the costs will be reflected in fiscal year 2026.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Independent School District 623, District Center, 1251 West County Road B-2, Roseville, Minnesota 55113.

Bond Ratings

The District's bonds presently carry a Moody's "A3" rating.

Limitations on Debt

The state limits the amount of general obligation debt the District can issue to 15% of the assessed value of all taxable property within the District's corporate limits. Our outstanding debt is significantly below this limit – which is currently \$1,127,968,835.

BASIC FINANCIAL STATEMENTS

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF NET POSITION
JUNE 30, 2025**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 48,152,642
Cash with Fiscal Agent	2,693
Receivables:	
Property Taxes	29,536,889
Other Governments	15,831,406
Other	875,839
Prepaid Items	267,220
Inventories	157,225
Capital Assets:	
Land and Construction in Progress	11,643,894
Other Capital Assets, Net of Depreciation	216,573,057
Total Assets	<u>323,040,865</u>
DEFERRED OUTFLOWS OF RESOURCES	
Losses on Debt Refunding	28,825
Deferred Outflows - Pension Related	19,284,064
Deferred Outflows - Other Postemployment Benefits Related	362,434
Total Deferred Outflows	<u>19,675,323</u>
LIABILITIES	
Salaries Payable	660,315
Accounts and Contracts Payable	5,467,219
Accrued Interest	2,922,559
Due to Other Governmental Units	1,642,033
Claims Payable	12,249
Unearned Revenue	535,081
Long-Term Liabilities:	
Net Pension Liability	64,293,091
Net Other Postemployment Benefits Liability	3,054,422
Portion Due Within One Year	12,458,302
Portion Due in More Than One Year	209,050,721
Total Liabilities	<u>300,095,992</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes Levied for Subsequent Year	47,358,451
Gains on Debt Refunding	35,352
Deferred Inflows - Pension Related	21,662,734
Deferred Inflows - Other Postemployment Benefits Related	1,157,741
Total Deferred Inflows of Resources	<u>70,214,278</u>
NET POSITION	
Net Investment in Capital Assets	40,621,623
Restricted for:	
General Fund Operating Capital Purposes	339,479
Restricted for Student Activities	169,288
Food Service	4,151,803
Community Service	2,743,365
Capital Projects - Building Construction	11,754,487
Other Purposes	7,921
Unrestricted	<u>(87,382,048)</u>
Total Net Position	<u><u>\$ (27,594,082)</u></u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

Functions	Expenses	Charges for Services	Program Revenues		Net (Expense)
			Operating	Capital	Revenue and
			Grants and Contributions	Grants and Contributions	Change in Net Position
					Total Governmental Activities
GOVERNMENTAL ACTIVITIES					
Administration	\$ 5,938,947	\$ -	\$ 4,346,716	\$ -	\$ (1,592,231)
District Support Services	6,505,783	16,389	725,004	-	(5,764,390)
Regular Instruction	62,802,501	779,322	3,879,163	-	(58,144,016)
Vocational Education Instruction	2,273,186	-	56,605	-	(2,216,581)
Special Education Instruction	29,474,396	585,152	28,811,066	-	(78,178)
Instructional Support Services	11,029,895	20,463	372,752	-	(10,636,680)
Pupil Support Services	20,014,315	31,119	1,493,081	-	(18,490,115)
Sites and Buildings	12,224,152	4,310	361,693	-	(11,858,149)
Fiscal and Other Fixed Cost Programs	909,715	-	-	-	(909,715)
Food Service	6,610,946	129,663	6,527,934	-	46,651
Community Service	8,743,675	5,204,936	3,066,528	-	(472,211)
Interest and Fiscal Charges on Long-Term Liabilities	5,660,897	-	-	-	(5,660,897)
Total School District	<u>\$ 172,188,408</u>	<u>\$ 6,771,354</u>	<u>\$ 49,640,542</u>	<u>\$ -</u>	<u>(115,776,512)</u>
GENERAL REVENUES					
Property Taxes Levied for:					
General Purposes					30,335,970
Community Service					1,069,527
Debt Service					16,364,143
Capital Projects					1,544,823
State Aid Not Restricted to Specific Purposes					70,951,398
Earnings on Investments					1,465,789
Total General Revenues					<u>121,731,650</u>
CHANGE IN NET POSITION					5,955,138
Net Position - Beginning of Year, as Originally Reported					(8,876,047)
Restatement - See Note 14					<u>(24,673,173)</u>
Net Position - Beginning of Year, as Restated					<u>(33,549,220)</u>
NET POSITION - END OF YEAR					<u>\$ (27,594,082)</u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025**

	Major Funds					Total Governmental Funds
	General	Food Service	Community Service	Capital Projects	Debt Service	
ASSETS						
Cash and Investments	\$ 17,083,214	\$ 3,899,574	\$ 2,532,685	\$ 15,011,109	\$ 9,263,429	\$ 47,790,011
Cash with Fiscal Agent	-	-	-	2,693	-	2,693
Receivables:						
Current Property Taxes	16,810,408	-	610,642	-	10,066,274	27,487,324
Delinquent Property Taxes	1,374,495	-	47,440	-	627,630	2,049,565
Accounts and Interest Receivable	156,279	89,100	100,950	9	-	346,338
Due from Other Minnesota School Districts	21,092	40,892	776,292	-	-	838,276
Due from Minnesota Department of Education	10,832,118	78,792	130,344	-	17,066	11,058,320
Due from Federal through Minnesota Department of Education	2,808,873	232,480	159,173	-	-	3,200,526
Due from Other Governmental Units	670,888	-	60,669	-	2,727	734,284
Due from Other Funds	505,849	7,100	16,552	-	-	529,501
Inventory	-	157,225	-	-	-	157,225
Prepays	254,332	606	12,282	-	-	267,220
Total Assets	\$ 50,517,548	\$ 4,505,769	\$ 4,447,029	\$ 15,013,811	\$ 19,977,126	\$ 94,461,283
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE						
Liabilities:						
Salaries and Compensated Absences Payable	\$ 458,100	\$ 20,271	\$ 157,876	\$ -	\$ -	\$ 636,247
Payroll Deductions and Employer Contributions Payable	17,365	886	5,817	-	-	24,068
Accounts and Contracts Payable	1,881,453	73,191	188,271	3,301,211	-	5,444,126
Due to Other Governmental Units	1,641,493	-	540	-	-	1,642,033
Unearned Revenue	222,073	101,787	211,221	-	-	535,081
Total Liabilities	4,220,484	196,135	563,725	3,301,211	-	8,281,555
Deferred Inflows of Resources:						
Unavailable Revenue - Property Taxes Levied for Subsequent Year	27,641,824	-	1,127,657	-	18,588,970	47,358,451
Unavailable Revenue - Delinquent Property Taxes	1,604,822	-	55,807	-	765,550	2,426,179
Total Deferred Inflows of Resources	29,246,646	-	1,183,464	-	19,354,520	49,784,630
Fund Balance:						
Nonspendable:						
Inventory	-	157,225	-	-	-	157,225
Prepays	254,332	606	12,282	-	-	267,220
Restricted for:						
Student Activities	169,288	-	-	-	-	169,288
Operating Capital	339,479	-	-	-	-	339,479
Community Education	-	-	1,943,273	-	-	1,943,273
Early Childhood and Family Education	-	-	294,009	-	-	294,009
School Readiness	-	-	99,751	-	-	99,751
Adult Basic Education	-	-	350,525	-	-	350,525
Long-Term Facilities Maintenance	-	-	-	3,256,631	-	3,256,631
Food Service	-	4,151,803	-	-	-	4,151,803
Capital Projects	-	-	-	8,455,969	-	8,455,969
Debt Service	-	-	-	-	622,606	622,606
Other Purposes	7,921	-	-	-	-	7,921
Assigned for Extracurricular Activities	681,785	-	-	-	-	681,785
Unassigned	15,597,613	-	-	-	-	15,597,613
Total Fund Balance	17,050,418	4,309,634	2,699,840	11,712,600	622,606	36,395,098
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 50,517,548	\$ 4,505,769	\$ 4,447,029	\$ 15,013,811	\$ 19,977,126	\$ 94,461,283

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2025**

Total Fund Balance for Governmental Funds	\$	36,395,098
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land		1,862,539
Construction in Progress		9,781,355
Land Improvements, Net of Accumulated Depreciation		7,135,302
Buildings and Improvements, Net of Accumulated Depreciation		204,659,444
Equipment, Net of Accumulated Depreciation		4,554,510
Leased Equipment, Net of Accumulated Amortization		223,801

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources in the funds.		2,426,179
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(2,922,559)
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Deferred amounts on refundings are not current financial resources and, therefore, are not reported in the governmental funds.

Gains on Debt Refunding		(35,352)
Losses on Debt Refunding		28,825

The District's net pension liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:

Net Pension Liability		(64,293,091)
Deferred Outflows of Resources - Pensions		19,284,064
Deferred Inflows of Resources - Pensions		(21,662,734)

The District's net other postemployment benefits liability and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:

Net Other Postemployment Benefits Liability		(3,054,422)
Deferred Outflows of Resources - Other Postemployment Benefits		362,434
Deferred Inflows of Resources - Other Postemployment Benefits		(1,157,741)

Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Bonds Payable		(167,200,000)
Unamortized Premiums		(11,094,711)
Certificates of Participation Payable		(13,885,000)
Financed Purchases Payable		(741,617)
Leases Payable		(203,706)
Other Compensated Absences		(28,383,989)

Internal service funds are used by management to charge the costs of dental insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:

327,289

Total Net Position of Governmental Activities

\$ (27,594,082)

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025**

	Major Funds					Total Governmental Funds
	General	Food Service	Community Service	Capital Projects	Debt Service	
REVENUES						
Local Sources:						
Property Taxes	\$ 29,761,444	\$ -	\$ 1,051,350	\$ 1,544,823	\$ 16,075,305	\$ 48,432,922
Earnings and Investments	1,264,105	-	-	201,684	-	1,465,789
Exchange Revenue	3,671,719	129,663	5,888,535	-	-	9,689,917
State Sources	102,387,511	2,014,601	1,376,079	-	167,461	105,945,652
Federal Sources	4,746,340	4,453,748	934,132	-	-	10,134,220
Total Revenues	141,831,119	6,598,012	9,250,096	1,746,507	16,242,766	175,668,500
EXPENDITURES						
Current:						
Administration	5,806,341	-	-	-	-	5,806,341
District Support Services	5,735,556	-	-	-	-	5,735,556
Elementary and Secondary Regular Instruction	53,375,696	-	-	-	-	53,375,696
Vocational Education Instruction	2,252,516	-	-	-	-	2,252,516
Special Education Instruction	29,683,388	-	-	-	-	29,683,388
Instructional Support Services	10,749,421	-	-	-	-	10,749,421
Pupil Support Services	19,820,509	-	-	-	-	19,820,509
Sites and Buildings	9,134,036	-	-	105,662	-	9,239,698
Fiscal and Other Fixed Cost Programs	909,715	-	-	-	-	909,715
Food Service	-	6,059,403	-	-	-	6,059,403
Community Service	-	-	9,052,592	-	-	9,052,592
Capital Outlay	3,955,491	768,439	2,446	13,773,981	-	18,500,357
Debt Service:						
Principal	782,078	-	-	-	9,090,000	9,872,078
Interest and Fiscal Charges	21,376	-	-	833	7,501,579	7,523,788
Total Expenditures	142,226,123	6,827,842	9,055,038	13,880,476	16,591,579	188,581,058
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(395,004)	(229,830)	195,058	(12,133,969)	(348,813)	(12,912,558)
OTHER FINANCING SOURCES						
Leases	12,842	-	-	-	-	12,842
Financed Purchase Agreements	691,570	-	-	-	-	691,570
Total Other Financing Sources	704,412	-	-	-	-	704,412
NET CHANGE IN FUND BALANCE	309,408	(229,830)	195,058	(12,133,969)	(348,813)	(12,208,146)
FUND BALANCES						
Beginning of Year	16,741,010	4,539,464	2,504,782	23,846,569	971,419	48,603,244
End of Year	\$ 17,050,418	\$ 4,309,634	\$ 2,699,840	\$ 11,712,600	\$ 622,606	\$ 36,395,098

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

Net Change in Fund Balance - Total Governmental Funds \$ (12,208,146)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense. The amount by which capital outlays exceeded depreciation and amortization in the current period is:

Capital Outlays	14,776,058
Depreciation/Amortization Expense	(8,690,534)

Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the governmental funds.	881,541
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Some capital asset additions are right-to-use assets through long-term leases. In governmental funds, a long-term lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability. Repayment of lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.

Repayment of Lease Liability	108,846
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Pension expenditures in the governmental funds are measured by current year employer contributions. Pension expenses on the statement of activities are measured by the change in net pension liability and the related deferred inflows and outflows of resources.	3,229,771
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Other postemployment benefit (OPEB) expenditures in the governmental funds are measured by current year employer contributions. OPEB expenses on the statement of activities are measured by the change in the net OPEB liability and the related deferred inflows and outflows of resources.	(688,508)
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In the statement of activities, certain operating expenses - severance benefits and compensated absences - are measured by amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (amounts actually paid).	(2,245,342)
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The governmental funds report debt issuances as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Leases Issued	(12,842)
Financed Purchases Issued	(691,570)
Repayment of Bond Principal	8,140,000
Repayment of Certificates of Participation Payable	950,000
Repayment of Financed Purchases	673,232
Change in Accrued Interest	(92,148)
Amortization of Bond Premium	1,860,080
Amortization of Deferred Gains on Refunding	103,003
Amortization of Deferred Losses on Refunding	(8,044)

Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The net revenue of the internal service funds is reported with governmental activities.

Total	\$ 5,955,138
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ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF NET POSITION
INTERNAL SERVICE FUND
PROPRIETARY FUND
JUNE 30, 2025

	Governmental Activities Internal Service Funds
ASSETS	
Cash and Cash Equivalents	\$ 362,631
LIABILITIES	
Accounts Payable	23,093
Claims Payable - Medical	<u>12,249</u>
Total Liabilities	<u>35,342</u>
NET POSITION	
Unrestricted	<u>327,289</u>
Total Net Position	<u><u>\$ 327,289</u></u>

See accompanying Notes to Financial Statements.

ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUND
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025

	Governmental Activities Internal Service Funds
OPERATING REVENUES	
Charges for Services:	
Dental Insurance Premiums	\$ 918,946
OPERATING EXPENSES	
Dental Insurance Claim Payment	998,293
General Administrative Fees	50,912
Total Operating Expenses	<u>1,049,205</u>
CHANGE IN NET POSITION	(130,259)
Net Position - Beginning of Year	<u>457,548</u>
NET POSITION - END OF YEAR	<u><u>\$ 327,289</u></u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025**

	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Interfund Services Provided	\$ 918,946
Payments for Administrative Costs	(80,492)
Payments for Claims	(1,000,907)
Net Cash Used by Operating Activities	<u>(162,453)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(162,453)
Cash and Cash Equivalents - Beginning of Year	<u>525,084</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 362,631</u></u>
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH USED BY OPERATING ACTIVITIES	
Change in Net Position	\$ (130,259)
Adjustments to Reconcile Change in Net Position to Net Cash Used by Operating Activities:	
Increase (Decrease) in Accounts Payable	(29,580)
Increase (Decrease) in Claims Payable	(2,614)
Total Adjustments	<u>(32,194)</u>
Net Cash Used by Operating Activities	<u><u>\$ (162,453)</u></u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2025**

	Other Postemployment Benefit Trust	Custodial Fund
ASSETS		
Cash and Cash Equivalents	\$ -	\$ 516,686
State Board of Investment - Bond Fund	5,269,162	-
Due from Other Governments	-	338,386
Total Assets	<u>5,269,162</u>	<u>855,072</u>
LIABILITIES		
Accounts and Contracts Payable	-	125,656
Due to Other Funds	529,501	-
Due to Other Governments	-	257,720
Total Liabilities	<u>529,501</u>	<u>383,376</u>
NET POSITION		
Restricted for Local Collaborative Time Study	-	471,696
Restricted for OPEB/Other Purposes	<u>4,739,661</u>	<u>-</u>
Total Net Position	<u><u>\$ 4,739,661</u></u>	<u><u>\$ 471,696</u></u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2025**

	Other Postemployment Benefit Trust	Custodial Fund
ADDITIONS		
Investment Income	\$ 334,386	\$ -
Contributions	-	618,541
Total Additions	<u>334,386</u>	<u>618,541</u>
DEDUCTIONS		
Benefits Paid to Participants or Beneficiaries	529,501	-
Purchased Services	-	622,513
Total Deductions	<u>529,501</u>	<u>622,513</u>
CHANGE IN NET POSITION	(195,115)	(3,972)
Net Position - Beginning of Year	<u>4,934,776</u>	<u>475,668</u>
NET POSITION - END OF YEAR	<u><u>\$ 4,739,661</u></u>	<u><u>\$ 471,696</u></u>

See accompanying Notes to Financial Statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of Independent School District No. 623 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34.

B. Financial Reporting Entity

The District is an instrumentality of the state of Minnesota established to function as an educational institution. The elected School Board (Board) is responsible for legislative and fiscal control of the District. A Superintendent is appointed by the Board and is responsible for administrative control of the District.

Accounting principles generally accepted in the United States of America (GAAP) require that the District's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separated from the District. In addition, the District's financial statements are to include all component units – entities for which the District is financially accountable.

Financial accountability includes such aspects as appointing a voting majority of the organization's governing body, significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or receiving specific financial benefits from, or imposing specific financial burden on, the organization. As the District has assumed obligations to contribute to the OPEB Trust, a financial burden exists and the OPEB Trust is considered a component unit of the District. The Trust Fund is also engaged in a fiduciary activity of the District; therefore, the Trust Fund is considered a fiduciary component unit and is being reported in the District's fiduciary fund financial statements.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board does have a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. In accordance with Minnesota state statutes, the District's student activity accounts are included in these financial statements in the District's General Fund.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation

The District-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the statements of Fiduciary Net Position at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net position are available. Depreciation and amortization expense that can be specifically identified by function is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. Generally, the effect of material interfund activity has been removed from the District-wide financial statements.

Separate fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the District-wide statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services are the District's governmental activities, the financial statement of the internal service fund are consolidated into the governmental activities column when presented in the government-wide financial statements. The costs of these services are reported in the appropriate functional activity.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory "tax shift" described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

1. Revenue Recognition

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to Minnesota Statutes and accounting principles generally accepted in the United States of America. Minnesota Statutes include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made as long as the school also receives the payment within 6 months of year-end. Food service sales, community education tuition, and other miscellaneous revenue (except investment earnings) are recorded as revenues when received because they are generally not measurable until then. Investment earnings are recorded when earned because they are measurable and available. A six-month availability period is generally used for other fund revenue.

2. Recording of Expenditures

Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Description of Funds

The existence of the various District funds has been established by the state of Minnesota, Department of Education. The accounts of the district are organized on the basis of funds, each of which is considered a separate accounting entity. A description of the funds included in this report is as follows:

Major Governmental Funds

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the district, as well as the capital related activities such as maintenance of facilities equipment purchases, health and safety projects, and disabled accessibility projects.

Food Service Special Revenue Fund

The Food Service Fund is used to account for food service revenues and expenditures. Revenues for the Food Service Fund are generated from user fees, federal reimbursements, and state aids.

Community Service Special Revenue Fund

The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-6 extended day programs or other similar services. Revenues for the Community Service Fund are generated primarily from user fees, local property taxes and state aids.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term obligation bond principal, interest, and related costs.

Proprietary Funds

Internal Service Fund

The Internal Service Fund is established to account for the District's self-insured dental insurance plan for its employees.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Description of Funds (Continued)

Fiduciary Funds

Other Postemployment Benefit Trust

The Other Postemployment Benefit Trust Fund is used to account for resources set aside and held in an irrevocable trust arrangement for postemployment benefits.

Custodial Fund

The Custodial Fund is established to account for cash and other assets held by the District as the agent for others. This fund is used to account for a local collaborative time study grant.

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America. Each June, the School Board adopts an annual budget for the following fiscal year for the General, Food Service, Community Service, Capital Projects, and Debt Service Funds. The approved budget is published in summary form in the District's legal newspaper. Reported budget amounts represent the amended budget as adopted by the School Board. Legal budgetary control is at the fund level.

Procedurally, in establishing the budgetary data reflected in these financial statements, the Superintendent submits to the School Board prior to July 1, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them. The budget is legally enacted by School Board action. Revisions to budgeted amounts must be approved by the School Board.

Total fund expenditures in excess of the budget require approval of the School Board. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at line item levels.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgeting (Continued)

Budget amounts include mid-year budget amendments as follows:

	Original Budget	Amendments	Amended Budget
REVENUES			
General Fund	\$ 136,638,238	\$ 2,082,231	\$ 138,720,469
Special Revenue Fund:			
Community Service Fund	9,124,812	57,734	9,182,546
Debt Service Fund	12,400,545	2,428,590	14,829,135
EXPENDITURES			
General Fund	132,909,406	4,642,720	137,552,126
Special Revenue Funds:			
Community Service Fund	9,055,975	142,455	9,198,430
Debt Service Fund	12,880,102	2,324,650	15,204,752

Budget provisions for the Debt Service Fund are set by state law governing required debt service levels.

At the end of each fiscal year, if the General Fund has a net unassigned deficit fund balance, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts which excludes certain restricted balances specified in Minnesota Statutes, exceeding 2.5% of expenditures, a condition referred to as “statutory operating debt” exists. That debt requires retirement through the accumulation of subsequent operating surpluses in accordance with a “special operating plan” approved by the Commissioner of the Department of Education.

F. Cash and Investments

Cash balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund. For purposes of the statement of cash flows, the District’s proprietary funds consider demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker’s acceptances, and U.S. Treasury and agency obligations.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Accounts Receivable

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

H. Inventories

Inventories are recorded using the consumption method of accounting and consist of purchased paper supplies, food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Expense is allocated over the periods benefitted.

J. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items in this category, one related to pensions (see Note 7 for details), one related to other postemployment benefits (see Note 8 for details), and one related to deferred losses on debt refunding.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has five types of deferred inflows, two of which are related to revenue recognition. The first is property taxes levied for subsequent year. As an imposed nonexchange revenue transaction, property taxes received or reported as a receivable before the period for which the property taxes are levied are reported as a deferred inflow of resources in the government-wide financial statements and in the governmental fund financial statements. The second type of deferred inflow of resources is delinquent property taxes. Governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the District's year-end) under the modified accrual basis of accounting. Delinquent taxes not collected within 60 days after the District's year-end are considered unavailable and reported as a deferred inflow of resources in the governmental fund financial statements. The third type of deferred inflow is for deferred gains on debt refunding, which is being amortized over the life of the bonds. The fourth type of deferred inflow is related to pensions (see Note 7 for details) and the fifth type is related to other postemployment benefits (see Note 8 for details).

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Taxes

Property tax levies are established by the School Board in December each year and are certified to the County for collection the following calendar year. In Minnesota, counties act as collection agents for all property taxes and are responsible for spreading all levies over taxable property. Such taxes become a lien on January 1. Taxes are generally due on May 15 and October 15 and counties generally remit taxes to Districts at periodic intervals as they are collected. A portion of property taxes levied is paid through state credits which are included in revenue from state sources in the financial statements.

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as a deferred inflow of resources (property taxes levied for subsequent year). The majority of District revenue in the General Fund (and to a lesser extent in the District's Community Service Special Revenue Fund) is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between taxes and state aids by the Legislature based on education funding priorities. Changes in this allocation are periodically accompanied by a change in property tax revenue recognition referred to as the "tax shift".

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is deferred because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes has been provided as such amounts are not expected to be material. Current levies of local taxes, less the amount recognized as revenue in the current period, including portions assumed by the state which will be recognized as revenue in the next fiscal year beginning July 1, 2025, are included in Property Taxes Levied for Subsequent Year to indicate that, while they are current assets, they will not be recognized as revenue until the following year.

L. Capital Assets

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets (Continued)

Capital assets are recorded in the government-wide financial statement but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription-based information technology arrangements (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the subscription term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

M. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TRA has a special funding situation created by direct aid contributions made by the state of Minnesota, City of Minneapolis, and Minneapolis School District. This direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association into TRA in 2006. A second direct aid source is from the state of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association in 2015.

O. Accrued Employee Benefits

Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and sick leave balances.

The liability for compensated absences reported in the government-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Accrued Employee Benefits (Continued)

Severance and Health Benefits

Severance and health benefits consist of lump sum early retirement incentive payments and postemployment health care benefits. Accounting policies for severance and health benefits are described below.

1. Early Retirement Incentive and Convertible Sick Leave

The District maintains various early retirement incentive payment plans for its employee groups. Each employee group plan contains benefit formulas based on years of service and/or minimum age requirements. No employee can receive early retirement incentive payments exceeding one year's salary. For substantially all employees, early retirement incentive benefits are eliminated if employment with the District occurred subsequent to July 1, 1994. In addition, certain bargaining unit members are eligible to be compensated for unused accumulated sick leave upon termination subject to certain conditions. If retirement occurs by year-end, the related benefits are included with salaries and other compensated absences as a current liability. See Note 5 for further information.

2. Postemployment Health Care Benefits

Under the terms of certain collectively bargained employment contracts, including the teachers' and administrators' contracts, the District is required to pay the health and dental insurance premiums for retired employees until they reach specified age requirements such as Medicare eligibility. These plans are no longer available to employees hired subsequent to July 1, 1994. The long-term portion of the postemployment health care benefits liability is included as Other Postemployment Benefits of long-term debt. See Note 8 for further information.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Balance

In the fund financial statements, governmental funds report fund balances in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable – portions of fund balance related to prepaids, inventories, long-term receivables, and corpus on any permanent fund.

Restricted – funds are constrained from outside parties (statute, grantors, bond agreements, etc.).

Committed – funds are established and modified by a resolution approved by the Board of Education.

Assigned – consists of internally imposed constraints. The Board of Education passed a resolution authorizing the Superintendent or the Superintendent's designee to assign fund balances and its intended uses.

Unassigned – is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to use restricted first, then unrestricted fund balance.

When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the District's policy to use committed first, then assigned, and finally unassigned amounts.

The District formally adopted a fund balance policy for the General Fund. The policy established a year-end target unassigned fund balance of 6% of the annual budget.

Q. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters and workers compensation. The District purchases commercial insurance coverage for such risks.

There has been no significant reduction in insurance coverage from the previous year in any of the District's policies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. The District is self-insured for dental benefits. See Note 12 for details.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the government-wide, proprietary fund, and fiduciary fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position are reported as restricted in the District-wide financial statement when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, laws or regulations of other governments. Any residual net position/(deficit) is reported as unrestricted.

S. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

Excess of Expenditures Over Budget

Expenditures exceeded budgeted amounts in the following funds at June 30, 2025:

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund	\$ 137,552,126	\$ 142,226,123	\$ 4,673,997
Special Revenue Fund:			
Food Service Fund	\$ 6,316,313	\$ 6,827,842	\$ 511,529
Debt Service Fund	15,204,752	16,591,579	1,386,827

In all cases where expenditures exceeded budgeted amounts, these were for necessary expenditures the District needed to incur to continue providing the proper level of service to students of the District during the year.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 DEPOSITS AND INVESTMENTS

A. Deposits

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and the balance sheet as "Cash and Investments." In accordance with Minnesota Statutes, the District maintains deposits at financial institutions which are authorized by the School District's Board.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Authorized collateral include: U.S. government treasury bills, notes, or bonds; issues of a U.S. government agency; general obligations of a state or local government rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letter of credit issued by a Federal Home Loan Bank; and time deposits insured by a federal agency. Minnesota Statutes require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust department of a commercial bank or other financial institution not owned or controlled by the depository.

The bank balance and carrying value of the District's deposits in banks at June 30, 2025 is \$14,369,210 and \$10,803,745, respectively, and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes.

B. Investments

The District may also invest idle funds as authorized by Minnesota Statutes as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies
- Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less
- General obligations rated "A" or better; revenue obligations rated "AA" or better
- General obligations of the Minnesota Housing Finance Agency rate "A" or better
- Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

- Commercial paper issued by United States banks, corporations or their Canadian subsidiaries, of highest quality category by a least two nationally recognized rating agencies, and maturing in 270 days or less
- Guaranteed investment contracts guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in the top two rating categories
- Repurchase or reverse purchase agreement and securities lending agreements financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers

In addition, investments held in the Other Postemployment Benefits Irrevocable Trust Fund may be invested as authorized by Minnesota State Statute 356A.06, Subdivision 7.

At June 30, 2025, the District had the following investments:

	<u>Fair Value</u>
MN State Board of Investments Internal Fixed Pool	<u>\$ 5,269,163</u>
	<u>Amortized Cost</u>
MSDLAF+ Liquid Class	\$ 14,232,029
MSDLAF+ MAX Class	23,633,553
Money Market Mutual Funds	2,693
Total Investments at Amortized Cost	<u>\$ 37,868,275</u>

MSDLAF’s investments are restricted to securities described in Minnesota Statutes §118.04. MSDLAF’s Term Series portfolios are separate portfolios with a fixed investment term and a designated maturity. A Term Series portfolio consists of investments in certificates of deposit, obligations of the U.S. Government, its agencies and instrumentalities, and municipal obligations. These investments are reported at amortized cost.

The District has established an Other Postemployment Benefits Irrevocable Trust Fund, which is administered by PERA, in accordance with Minnesota Statute 471.6175. In accordance with this statute, funds must be invested with the State Board of Investments (SBI). The District’s trust funds are invested in an external investment pool comprised of fixed income securities. The average years to maturity for this investment pool is less than one year. The SBI investments are unrated. The fair value of the position in the pool is the same as the value of pool shares.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Custodial Credit Risk

For an investment, custodial risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The District places no limit on the amount that the District may invest in any one issuer. The District does not currently have any investments with issuers that individually comprise more than 5% of the District's investments.

The following table shows the distribution of the District's investments by maturity as well as ratings:

Type	Total	12 Months or Less	13 to 60 Months	More Than 60 Months	Rating
MN SBI Internal Fixed Pool	\$ 5,269,163	\$ 5,269,163	\$ -	\$ -	Not Rated
MSDLAF+ Liquid Class	14,232,029	14,232,029	-	-	AAA
MSDLAF+ MAX Class	23,633,553	23,633,553	-	-	Not Rated
Money Market Mutual Fund	2,693	2,693	-	-	AAA
Total	<u>\$ 43,137,438</u>	<u>\$ 43,137,438</u>	<u>\$ -</u>	<u>\$ -</u>	

The deposits and investments are presented in the financial statements as follows:

Cash and Investments - Statement of Net Position	\$ 48,152,642
Cash and Investments Held by Trustee - Statement of Net Position	2,693
Cash and Investments - Statement of Fiduciary Net Position	<u>5,785,848</u>
Total Cash and Investments	<u>\$ 53,941,183</u>

C. Fair Value Measurements

The District uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

C. Fair Value Measurements (Continued)

The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset.

Assets measured at fair valued on a recurring basis are as follows:

	Level 1	Level 2	Level 3	Total
MN SBI Internal Fixed Pool	\$ 5,269,163	\$ -	\$ -	\$ 5,269,163

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 1,862,539	\$ -	\$ -	\$ -	\$ 1,862,539
Construction in Progress	10,697,602	7,917,200	-	(8,833,447)	9,781,355
Total Capital Assets, Not Being Depreciated	12,560,141	7,917,200	-	(8,833,447)	11,643,894
Capital Assets, Being Depreciated:					
Land Improvements	15,357,029	818,481	-	-	16,175,510
Buildings and Improvements	287,955,930	4,710,751	-	8,833,447	301,500,128
Equipment	10,626,157	1,296,157	-	-	11,922,314
Total Capital Assets, Being Depreciated	313,939,116	6,825,389	-	8,833,447	329,597,952
Right-to-Use Assets, Being Amortized:					
Equipment	452,541	12,842	(1,700)	-	463,683
Subscription Based Information Technology Arrangements	27,399	20,627	(3,528)	-	44,498
Total Right-to-Use Assets, Being Amortized	479,940	33,469	(5,228)	-	508,181
Accumulated Depreciation for:					
Land Improvements	(8,450,158)	(590,050)	-	-	(9,040,208)
Buildings and Improvements	(89,680,630)	(7,160,054)	-	-	(96,840,684)
Equipment	(6,546,402)	(821,402)	-	-	(7,367,804)
Total Accumulated Depreciation	(104,677,190)	(8,571,506)	-	-	(113,248,696)
Accumulated Amortization for:					
Equipment	(159,267)	(112,018)	1,700	-	(269,585)
Subscription Based Information Technology Arrangements	(11,313)	(7,010)	3,528	-	(14,795)
Total Accumulated Amortization	(170,580)	(119,028)	5,228	-	(284,380)
Total Accumulated Depreciation/Amortization	(104,847,770)	(8,690,534)	5,228	-	(113,533,076)
Total Capital Assets, Being Depreciated or Amortized, Net	209,571,286	(1,740,285)	1,828	8,833,447	216,573,057
Governmental Activities Capital Assets, Net	<u>\$ 222,131,427</u>	<u>\$ 6,176,915</u>	<u>\$ 1,828</u>	<u>\$ -</u>	<u>\$ 228,216,951</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions of the District as follows:

Governmental Activities

Administration	\$ 627
District Support Services	652,632
Regular Instruction	7,742,460
Vocational Education Instruction	2,560
Special Education Instruction	258
Instructional Support Services	59,166
Sites and Buildings	145,630
Food Service	84,774
Community Service	2,427
Total Depreciation/Amortization Expense	
Governmental Activities	<u><u>\$ 8,690,534</u></u>

NOTE 5 LONG-TERM LIABILITIES

A. Components of Long-Term Debt

Issue Date	Net Interest Rate	Series Number	Original Issue	Final Maturity	Principal Outstanding	
					Due Within One Year	Total
General Obligation Bonds:						
10/5/2017	1.30-3.125%	2017A	\$ 18,420,000	2/1/2029	\$ 2,860,000	\$ 12,810,000
12/28/2017	4.00%	2017B	9,995,000	2/1/2032	-	9,995,000
2/1/2018	4.00-5.00%	2018A	130,045,000	2/1/2038	5,280,000	106,515,000
4/23/2020	2.00-4.00%	2020A	8,185,000	2/1/2040	125,000	7,385,000
11/10/2021	5.00%	2021B	2,425,000	2/1/2026	655,000	655,000
3/22/2022	3.125%-4.0%	2022A	13,250,000	2/1/2040	-	13,220,000
5/16/2024	5.00%	2024A	17,345,000	2/1/2034	1,980,000	16,620,000
Total General Obligation Bonds					10,900,000	167,200,000
Certificates of Participation:						
3/9/2021	3.00-5.00%	2021A	17,510,000	4/1/2036	1,000,000	13,885,000
Bond Premiums					-	11,094,711
Financed Purchases Payable					-	741,617
Leases Payable					74,719	203,706
Other Compensated Absences Payable					483,583	28,383,989
Total					\$ 12,458,302	\$ 221,509,023

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

B. Minimum Debt Payments

Minimum annual principal and interest payments required to retire long-term debt, not including severance, health benefits payable, or other compensated absences, are as follows:

<u>Year Ending</u> <u>June 30,</u>	General Obligation Bonds Payable		Certificates of Participation Payable		Financed Purchases Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 10,900,000	\$ 6,737,668	\$ 1,000,000	\$ 552,950	\$ -	\$ -
2027	10,690,000	6,251,118	1,050,000	502,950	395,832	-
2028	11,365,000	5,807,918	1,100,000	450,450	172,893	-
2029	11,435,000	5,333,868	1,155,000	395,450	172,892	-
2030	12,025,000	4,827,618	1,215,000	337,700	-	-
2031-2035	62,435,000	16,108,228	6,860,000	896,350	-	-
2036-2040	48,350,000	4,346,718	1,505,000	45,150	-	-
Total	<u>\$ 167,200,000</u>	<u>\$ 49,413,136</u>	<u>\$ 13,885,000</u>	<u>\$ 3,181,000</u>	<u>\$ 741,617</u>	<u>\$ -</u>

<u>Year Ending</u> <u>June 30,</u>	Leases Payable	
	Principal	Interest
2026	\$ 74,719	\$ 13,792
2027	81,053	7,211
2028	44,223	1,205
2029	3,077	164
2030	634	7
Total	<u>\$ 203,706</u>	<u>\$ 22,379</u>

C. Description of Long-Term Debt

General Obligation School Building Bonds

These bonds were issued to finance acquisition, construction, and/or improvement of capital facilities or to refinance (refund) previous bond issues. Assets of the Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated for the retirement of these bonds. The annual future debt service levies authorized are equal to 105% of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

On February 1, 2018, the District issued \$130,045,000 of General Obligation School Building Bonds, Series 2018A with interest rates ranging between 4.00% and 5.00%. The proceeds were used to finance the acquisition and betterment of school sites and facilities, as authorized in a referendum on November 7, 2017.

On April 23, 2020, the District issued \$8,185,000 of General Obligation Facilities Maintenance Bonds, Series 2020A with interest rates ranging between 2.00% and 4.00%. The proceeds were used to finance deferred maintenance projects included in the ten-year facility plan of the District.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

C. Description of Long-Term Debt (Continued)

General Obligation Taxable OPEB Bonds

These bonds were issued for funding actuarial liabilities to pay other postemployment benefits. Assets of the OPEB Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated for the retirement of these bonds. The annual future debt service levies authorized are equal to 105% of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

On October 5, 2017, the District issued \$18,420,000 of General Obligation Taxable OPEB Refunding Bonds, Series 2017A with interest rates ranging between 1.300% and 3.125%. The District issued the bonds to refund, in advance of their stated maturities, \$16,790,000 of the outstanding series 2009A General Obligation Taxable OPEB Bonds. The proceeds were used to call, in advance of their maturity, the remaining outstanding maturities of the 2009A bonds on their call date of February 1, 2019.

General Obligation Refunding Bonds

On November 10, 2021, the District issued \$2,425,000 of General Obligation School Building Refunding Bonds, Series 2021B. The proceeds were used on February 1, 2022 to call and redeem the remaining balance of the District's 2013B bonds.

General Obligation Facilities Maintenance Bonds

On December 28, 2017, the District issued \$9,995,000 of General Obligation Facilities Maintenance Bonds, Series 2017B, bearing interest at a rate of 4.00%. The proceeds of this issuance were used to finance a portion of the costs of deferred maintenance and health and safety projects included in the District's 10-year facility plan approved by the Commissioner of Education.

On April 14, 2022, the District issued 13,250,000 of General Obligation Facilities Maintenance Bonds, Series 2022A, bearing interest rates of 3.125% to 4.000%. The proceeds of this issuance were used to finance deferred maintenance projects at school district facilities included in the District's 10-year facility plan approved by the Commissioner of Education.

On April 23, 2024, the District issued \$17,345,000 of General Obligation Facilities Maintenance Bonds, Series 2024A, bearing an interest rate of 5.00%. The proceeds of this issuance were used to finance deferred maintenance projects at school district facilities included in the District's 10-year facility plan approved by the Commissioner of Education.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

C. Description of Long-Term Debt (Continued)

Certificates of Participation

On March 9, 2021, the District issued \$17,510,000 of Certificates of Participation, Series 2021A, bearing interest at a rate of 4.00%. The proceeds of the issuance were used to finance a portion of the costs of the Fairview Community Center facility replacement and related site costs.

Leases Payable

The District leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2030 and contain discount rates ranging from 3.95% to 16.04%. The right-to-use lease assets and related accumulated amortization are detailed in Note 3.

Financed Purchases Payable

The District annually enters into financed purchase agreements with apple to purchase electronics for students. The agreements are for three years at a time with regular payments being made to purchase the technology equipment over that timeframe. Apple does not charge any interest to the District for these purchases and charges the same amount as if they were going to purchase all at once versus having a payment plan.

Severance and Other Compensated Absences Benefits Payable

Severance and other compensated absences benefits payable consist of early retirement incentive payments, administrator experience benefits, and other accrued benefit liabilities.

D. Changes in Long-Term Debt

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Bonds Payable	\$ 175,340,000	\$ -	\$ 8,140,000	\$ 167,200,000	\$ 10,900,000
Certificates of Participation	14,835,000	-	950,000	13,885,000	1,000,000
Premiums	12,954,791	-	1,860,080	11,094,711	-
Financed Purchases Payable	723,279	691,570	673,232	741,617	-
Leases Payable	299,710	12,842	108,846	203,706	74,719
Compensated Absences	26,138,647	2,245,342	-	28,383,989	483,583
Total	<u>\$ 230,291,427</u>	<u>\$ 2,949,754</u>	<u>\$ 11,732,158</u>	<u>\$ 221,509,023</u>	<u>\$ 12,458,302</u>

Governmental compensated absences and retirement benefits are typically liquidated (paid) by the General Fund.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 FUND BALANCES

Certain portions of fund balance are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties. A description of deficit balance restrictions is included herein since the District has specific statutory authority to levy taxes for such deficits.

Restricted fund balances at June 30, 2025 are as follows:

- a. Restricted for Student Activities – This fund balance represents the resources available for the extracurricular activity funds raised by students.
- b. Restricted for Operating Capital – The District levies taxes based on voter approved referendums and receives state grants and aid to be used for the purchase of equipment or facilities. The cumulative excess of such revenues over equipment and facilities expenditures is reported as a restriction of fund balance in the General Fund.
- c. Restricted for Community Education Programs – The fund balance restriction represents accumulated resources available to provide general community education programming.
- d. Restricted for Early Childhood and Family Education Programs – This fund balance restricted represents accumulated resources available to provide services for early childhood and family education programming.
- e. Restricted for School Readiness – This fund balance restriction represents accumulated resources available to provide school readiness programming in accordance with funding made available for that purpose.
- f. Restricted for Adult Basic Education – This fund balance restriction represents the balance of carryover monies for all activity involving Adult Basic Education.
- g. Restricted for Long-Term Facilities Maintenance – Represents resources available to be used for long-term facilities maintenance projects in accordance with the District's 10-year plan.
- h. Restricted for Food Service – Represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation related to the Food Service Fund.
- i. Restricted for Capital Projects Service – Represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation related to capital projects.
- j. Restricted for Debt Service – Represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation for the payment of debt service obligations.
- k. Restricted for Other Purposes – This fund balance represents amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFIT PENSION PLANS

Substantially all employees of the District are required by state law to belong to the pension plans administered by Teachers' Retirement Association (TRA) or Public Employees' Retirement Association (PERA), all of which are administered on a statewide basis. Disclosures relating to these plans follow:

A. Plan Description

The District participates in the following cost-sharing, multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association (PERA) and Teachers Retirement Fund (TRA). PERA's and TRA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353, 353D, 353E, 353G, and 356. PERA's and TRA's defined benefit pension plans are tax-qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

2. Teachers Retirement Fund (TRA)

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those employed by St. Paul schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Defined Contribution Plan (DCR) administered by Minnesota State. A teacher employed by Minnesota State and electing DCR plan is not a member of TRA except for purposes of social security coverage.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

B. Benefits Provided

PERA and TRA provide retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

1. General Employees Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2024 annual increase was 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

2. TRA Benefits

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statute and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any consecutive 60 months of formula service, age, and years of formula service credit at termination of service. TRA members belong to either the Basic or Coordinated Plan.

Two methods are used to compute benefits for TRA's Coordinated and Basic Plan members. Members first employed before July 1, 1989, receive the greater of the Tier I or Tier II benefits as described.

Tier I Benefits

Tier I	Step Rate Formula	Percentage
Basic	First Ten Years of Service	2.2% per Year
	All Years After	2.7% per Year
Coordinated	First Ten Years if Service Years Are up to July 1, 2006	1.2% per Year
	First Ten Years if Service Years Are July 1, 2006 or After	1.4% per Year
	All Other Years of Service if Service Years Are up to July 1, 2006	1.7% per Year
	All Other Years of Service if Service Years Are July 1, 2006 or After	1.9% per Year

With these provisions:

- (a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- (b) 3.0% per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

Or

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.9% per year for coordinated members and 2.7% per year for Basic members applies. An early retirement reduction is applied to members retiring prior to age 65. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) reduction rate applied.

Tier II Benefits

Members first employed after June 30, 1989, receive only the Tier II benefit calculation with a normal retirement age for full Social Security retirement benefits, but not to exceed age 66. After July 1, 2024, the age will change to not to exceed 65.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

B. Benefits Provided (Continued)

2. TRA Benefits (Continued)

An early retirement reduction is applied to members retiring before age 66, but will be age 65 after July 1, 2024. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) early retirement reduction rate applied.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participations. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the plan provisions in effect at the time they last terminated their public service.

C. Contributions

1. General Employees Fund Contributions

Minnesota Statutes Chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 and the District was required to contribute 7.50% for General Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2025, were \$1,631,786. The District's contributions were equal to the required contributions as set by state statute.

2. TRA Contributions

Per *Minnesota Statutes*, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ended June 30, 2023, June 30, 2024, and June 30, 2025 were:

	2025		2024		2023	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	12.75%	11.00%	12.55%	11.00%	12.34%
Coordinated	7.50%	8.75%	7.50%	8.55%	7.50%	8.34%

The District's contributions to TRA for the plan's fiscal year ended June 30, 2025 were \$5,393,329. The District's contributions were equal to the required contributions for each year as set by state statute.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

D. Pension Costs

1. General Employees Fund Pension Costs

At June 30, 2025, the District reported a liability of \$8,578,405 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the District totaled \$221,820 for a total net pension liability of \$8,800,225 associated with the District.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.2320 percent at the end of the measurement period and 0.2239 percent for the beginning of the period.

For the year ended June 30, 2025, the District recognized pension expense of \$637,684 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized \$2,748 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the annual \$16 million contribution.

At June 30, 2025, the District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 806,595	\$ -
Changes in Actuarial Assumptions	41,883	3,246,785
Net Difference Between Projected and Actual		
Earnings on Plan Investments	-	2,491,094
Changes in Proportion and Differences Between		
District Contributions and Proportionate		
Share of Contributions	383,659	451,383
District Contributions Subsequent to the		
Measurement Date	1,631,786	-
Total	<u>\$ 2,863,923</u>	<u>\$ 6,189,262</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

1. General Employees Fund Pension Costs (Continued)

\$1,631,786 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to General Employees Plan pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Pension Expense Amount</u>
2025	\$ (2,821,800)
2026	(554,687)
2027	(923,156)
2028	(657,482)

2. TRA Pension Costs

At June 30, 2025, the District reported a liability of \$55,714,686 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the state of Minnesota, City of Minneapolis, and Minneapolis School District. The District's proportionate share was 0.8768 percent at the end of the measurement period and 0.8573 percent for the beginning of the period.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

<u>Description</u>	<u>Amount</u>
District's Proportionate Share of the TRA	
Net Pension Liability	\$ 55,714,686
State's Proportionate Share of the Net Pension	
Liability Associated with the District	<u>3,643,788</u>
Total	<u><u>\$ 59,358,474</u></u>

For the year ended June 30, 2025, the District recognized an increase to pension expense of \$5,096,900. It also recognized \$44,577 as a decrease to pension expense and grant revenue for the support provided by direct aid.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

D. Pension Costs (Continued)

2. TRA Pension Costs (Continued)

At June 30, 2025, the District reported its proportionate share of the TRA's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 2,656,118	\$ 722,039
Changes in Actuarial Assumptions	5,618,821	6,644,128
Net Difference Between Projected and Actual Earnings on Plan Investments	-	7,885,731
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	2,751,873	221,574
District Contributions Subsequent to the Measurement Date	5,393,329	-
Total	<u>\$ 16,420,141</u>	<u>\$ 15,473,472</u>

A total of \$5,393,329 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to TRA will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2025	\$ (3,077,802)
2026	5,672,944
2027	(3,478,535)
2028	(2,923,306)
2029	(639,961)

3. Aggregate Pension Costs

For the year ended June 30, 2025, the District had the following record in relation to all plans in which it participates:

	TRA	PERA	Total
Net Pension Liability	\$ 55,714,686	\$ 8,578,405	\$ 64,293,091
Deferred Outflows of Resources	16,420,141	2,863,923	19,284,064
Deferred Inflows of Resources	15,473,472	6,189,262	21,662,734
Pension Expense	5,052,323	640,432	5,692,755

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

E. Long-Term Expected Return on Investment

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5 %	5.10 %
Private Markets	25.0	5.90
Fixed Income	25.0	0.75
International Equity	16.5	5.30
Totals	100.0 %	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2023 is six years. The *Difference between Expected and Actual Experience*, *Changes in Assumptions*, and *Changes in Proportion* use the amortization period of six years in the schedule presented. The amortization period for Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments is five years as required by GASB 68.

F. Actuarial Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

Inflation is assumed to be 2.25 percent for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. The tables were adjusted slightly to fit PERA's experience.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

F. Actuarial Assumptions (Continued)

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation.

TRA pre-retirement mortality rates were based on the PubT-2010(A) Employee Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale. Healthy retirees mortality rates were based on the PubT-2010 (A) retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale. Beneficiaries mortality rates were based on Pub2010 (A) Contingent Survivor Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale. Disabled retirees mortality rates were based on the PubNS-2010 Disabled Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.

Inflation is assumed to be 2.5 percent for TRA. Cost of living adjustments are assumed to be 1.0 percent for January 2019 through January 2023 then increasing by 0.10 percent each year up to 1.5 percent annually.

Salary growth assumptions for TRA range in annual increments from 2.85 percent to 8.85 percent before July 1, 2028 and 3.25 percent to 9.25 percent after June 30, 2028.

The following changes in actuarial assumptions and plan provisions for General Employees Fund occurred in 2024:

Changes in Actuarial Assumptions:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier I and Tier II members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions:

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

F. Actuarial Assumptions (Continued)

The following changes in actuarial assumptions and plan provisions for TRA occurred in 2024:

Changes in Actuarial Assumptions:

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint & Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

G. Discount Rate

The discount rate used to measure the PERA General Employees Plan liability in 2024 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees, Police and Fire, and Correctional Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the TRA pension liability was 7.00%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2024 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7 DEFINED BENEFITS PENSION PLANS (CONTINUED)

H. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
PERA Discount Rate	6.00%	7.00%	8.00%
District's Proportionate Share of the GERS Net Pension Liability	\$ 18,736,617	\$ 8,578,405	\$ 222,349
TRA Discount Rate	6.00%	7.00%	8.00%
District's Proportionate Share of the TRA Net Pension Liability	\$ 98,116,822	\$ 55,714,686	\$ 20,816,723

I. Pension Plan Fiduciary Net Position

Detailed information about the General Employees Plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Detailed information about TRA's fiduciary net position is available in a separately issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org; by writing to TRA at 60 Empire Drive #400, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-2409 or 1-800-652-9026.

NOTE 8 OTHER POSTEMPLOYMENT BENEFIT PLAN

A. Plan Description

The District operates a single-employer retiree benefit plan (the Plan) that provides health, dental, and life insurance to eligible employees and their spouses. The plan includes 1,116 active participants, 220 retired participants, and 99 spouses. Benefit and eligibility provisions are established through negotiations between the District and various unions representing District employees and are renegotiated each two-year bargaining period. The Plan does not issue a publicly available financial report.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

B. Funding Policy

The District has assets designated for OPEB. These assets are in a qualified irrevocable trust which is included as a fiduciary fund in these financial statements. The District's investment policy is to follow state statutes as listed in Note 3. The District is assumed to make no future contributions to the trust. Benefit payments equal to the annual direct subsidy plus implicit subsidy are assumed to be made from the trust. For fiscal year 2025, the District made no contribution to the plan; the current year benefits were paid from the District's OPEB Trust Fund. For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 6.8%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

C. Net OPEB Liability (Asset) of the District

The components of the net OPEB liability (asset) of the District at June 30, 2025 were as follows:

Total OPEB Liability	\$ 7,794,084
Plan Fiduciary Net Position	<u>4,739,661</u>
District's Net OPEB Liability	<u>\$ 3,054,423</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	61%

D. Actuarial Methods and Assumptions

The long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return, and a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), to the extent that the conditions above are not met.

The District's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a valuation date of July 1, 2024. Liabilities in this report were calculated as of the valuation date and rolled forward to the measurement date using the standard actuarial roll-forward techniques.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

D. Actuarial Methods and Assumptions (Continued)

The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	4.90%
Inflation	2.50%
Salary Increases	Service Graded Table
Investment Rate of Return	4.50%
20-Year Municipal Bond Yield	4.90%
Health Care Trend Rates	6.50% decreasing to 5.00% over six years and then to 4.00% over the next 48 years

Best estimates of geometric real and nominal rates of return for each major asset class included in the OPEB plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	100.00 %	<u>4.50 %</u>

The discount rate used to measure the total OPEB liability was 4.90%. The projection of cash flows and OPEB trust assets used to determine the discount rate were based on recent employer contribution history and their stated funding policy. The OPEB trust's long-term assumed investment return was used to discount projected benefit payments for as long as projected trust assets are available to fund OPEB payments. Once projected trust assets are exhausted, the municipal bond index rate was applied to the remaining expected benefit payments. The expected employer asset return is based on the long-term expected return on short-term/cash-equivalent assets using our capital market assumption model.

Since the most recent valuation, the following changes have been made:

- The discount rate was changed from 4.10% to 4.90%.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

E. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2024	\$ 8,519,543	\$ 4,934,776	\$ 3,584,767
Adjustments	-	-	-
Adjusted Balances at June 30, 2024	8,519,543	4,934,776	3,584,767
Changes for the Year:			
Service Cost	542,261	-	542,261
Interest Cost	360,788	-	360,788
Change in Benefit Terms	-	-	-
Assumption Changes	(247,828)	-	(247,828)
Differences Between Expected and Actual Experience	(851,179)	-	(851,179)
Contributions-Employer	-	-	-
Net Investment income	-	334,386	(334,386)
Benefit Payments	(529,501)	(529,501)	-
Administrative Expense	-	-	-
Net Changes	<u>(725,459)</u>	<u>(195,115)</u>	<u>(530,344)</u>
Balances at June 30, 2025	<u>\$ 7,794,084</u>	<u>\$ 4,739,661</u>	<u>\$ 3,054,423</u>

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (3.90)%	Discount Rate (4.90)%	1% Increase (5.90)%
Net OPEB Liability	\$ 3,551,928	\$ 3,054,423	\$ 2,585,058

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5.25% decreasing to 4.00%, then 3.25%) or 1% point higher (7.25% decreasing to 6.00%, then 5.00%) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (5.25% Decreasing to 4.00%, then 3.00%)	Current Trend Rates (6.25% Decreasing to 5.00%, then 4.00%)	1% Increase (7.25% Decreasing to 6.00%, then 5.00%)
Net OPEB Liability	\$ 2,309,588	\$ 3,054,423	\$ 3,920,628

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

E. Changes in the Net OPEB Liability (Continued)

For the year ended June 30, 2025, the District recognized OPEB expense of \$(688,508). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 772,159
Change of Assumptions	53,326	385,582
Net Difference Between Projected and Actual Investment Earnings	309,108	-
Contributions Between Measurement Date and Reporting Date	N/A	N/A
Total	<u>\$ 362,434</u>	<u>\$ 1,157,741</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Future Recognition
2026	\$ (34,002)
2027	(166,575)
2028	(205,934)
2029	(205,631)
2030	(183,165)
Thereafter	-
Total	<u>\$ (795,307)</u>

NOTE 9 FLEXIBLE BENEFIT PLAN

The District has a flexible benefit plan which is classified as a “cafeteria plan” under Section 125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the plan for health care and dependent care benefits.

Before the beginning of the plan year, which is July 1 to June 30, each participant designates a total amount of pre-tax dollars to be contributed to the plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants’ annual contributions to the plan, whether or not such contributions have been made.

All assets of the plan are administered by a third-party administrator and held with a trustee according to a trust agreement established between the plan administrator and the trustee. Payments are made by the third-party administrator to participating employees upon submitting a request for reimbursement of eligible expenses incurred by the participant.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 10 INTERFUND BALANCES

The District had the following interfund receivables and payables at June 30, 2025:

	Due from Other Fund	Due to Other Fund
General Fund	\$ 505,849	\$ -
Special Revenue Funds:		
Food Service Fund	7,100	-
Community Service Fund	16,552	-
Other Postemployment Benefits Trust	-	529,501
Total	<u>\$ 529,501</u>	<u>\$ 529,501</u>

The purpose of these interfund balances is as follows:

The Other Postemployment Benefits Trust owes the General Fund, Food Service Fund, and Community Service Fund for OPEB payments made by those funds.

NOTE 11 COMMITMENTS AND CONTINGENCIES

A. Federal and State Programs

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

B. Contingencies

The District is subject to legal proceedings and claims which arise in the ordinary course of business. Management believes the resolution of these matters will not have a material impact on the District.

C. Commitments

The District has remaining construction contract commitments at June 30, 2025 on ongoing projects of \$10,859,716.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 12 DENTAL SELF-INSURANCE PLAN

The District established a self-insured plan for dental benefits for District employees effective July 1, 2011, and an Internal Service Fund was created to record related revenues and expenditures. The plan is administered by a third party. Total premiums paid in the year ended June 30, 2025 were \$918,946 while total claims payments and administration fees were \$998,293 and \$50,912, respectively.

Participants in the program make premium payments to the fund based on the insurance premium. The excess amount received above current year claims is used to establish a reserve for future claims. At June 30, 2025, there is a reserve of \$327,289.

District liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

There were no liabilities in excess of claims paid at June 30, 2025. There is a possibility for loss if claims are in excess of the premiums collected. The District does not believe this occurrence would have a material financial effect on the District. The District held \$362,631 in cash and investments at June 30, 2025 for payment of claims. Schedule of changes in claims liability is as follows:

	2025	2024
Beginning of Fiscal Year Liability - July 1	\$ 14,863	\$ 16,471
Current Year Claims, Changes in Estimates, and Other Charges	998,293	1,000,301
Payments on Claims	<u>(1,000,907)</u>	<u>(1,001,909)</u>
End of Fiscal Year Liability - June 30	<u>\$ 12,249</u>	<u>\$ 14,863</u>

NOTE 13 GYMNASTICS GYMNASIUM AGREEMENT

In 1996, the City of Roseville paid \$920,000 to the District to construct a gymnastics gymnasium. Under the terms of the agreement, the City will allow the District to utilize the gymnasium in turn for the City's ability to use the High School. The agreement is cancelable by either party with 90 days' written notice. In the event of termination, the City will be entitled to the depreciated value of its investment, based on a 50-year life depreciated on a straight-line basis.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 14 RESTATEMENT OF BEGINNING NET POSITION

During the year ended June 30, 2025, beginning net position of the governmental activities was restated for the implementation of GASB Statement No. 101 to record the change in the recognition and measurement of the compensated absences liability. The restatements are as follows:

	<u>Governmental Activities</u>
Net Position, as Previously Reported at June 30, 2024	\$ (8,876,047)
Implementation of GASB Statement No. 101	<u>(24,673,173)</u>
Net Position, as Restated, at July 1, 2024	<u><u>\$ (33,549,220)</u></u>

A. Change in Accounting Principle

Effective July 1, 2024, The District implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of July 1, 2024 was understated by \$24.7 million in the governmental activities. The effect of the implementation of this standard is shown above.

REQUIRED SUPPLEMENTARY INFORMATION

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	\$ 28,962,189	\$ 28,962,189	\$ 29,761,444	\$ 799,255
Earnings and Investments	10,000	10,000	1,264,105	1,254,105
Exchange Revenue	1,435,600	1,435,600	3,671,719	2,236,119
State Sources	101,439,726	103,415,118	102,387,511	(1,027,607)
Federal Sources	4,790,723	4,897,562	4,746,340	(151,222)
Total Revenues	136,638,238	138,720,469	141,831,119	3,110,650
EXPENDITURES				
Current:				
Administration	5,802,404	5,722,530	5,806,341	83,811
District Support Services	5,229,751	5,310,410	5,735,556	425,146
Elementary and Secondary Regular Instruction	52,463,822	53,188,599	53,375,696	187,097
Vocational Education Instruction	2,091,255	2,318,779	2,252,516	(66,263)
Special Education Instruction	30,891,050	31,009,989	29,683,388	(1,326,601)
Instructional Support Services	9,362,769	10,102,040	10,749,421	647,381
Pupil Support Services	16,326,985	18,977,870	19,820,509	842,639
Sites and Buildings	8,259,966	8,068,505	9,134,036	1,065,531
Fiscal and Other Fixed Cost Programs	635,000	748,000	909,715	161,715
Capital Outlay	1,846,404	2,105,404	3,955,491	1,850,087
Debt Service:				
Principal	-	-	782,078	782,078
Interest and Fiscal Charges	-	-	21,376	21,376
Total Expenditures	132,909,406	137,552,126	142,226,123	4,673,997
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,728,832	1,168,343	(395,004)	(1,563,347)
OTHER FINANCING SOURCES				
Leases	-	-	12,842	12,842
Subscriptions	-	-	-	-
Financed Purchases	-	256,600	691,570	434,970
Total Other Financing Sources	-	256,600	704,412	447,812
NET CHANGE IN FUND BALANCE	<u>\$ 3,728,832</u>	<u>\$ 1,424,943</u>	309,408	<u>\$ (1,115,535)</u>
FUND BALANCE				
Beginning of Year			16,741,010	
End of Year			<u>\$ 17,050,418</u>	

See accompanying Note to Required Supplementary Information.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
MAJOR FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Exchange Revenue	\$ 653,212	\$ 653,212	\$ 129,663	\$ (523,549)
State Sources	1,655,600	1,655,600	2,014,601	359,001
Federal Sources	3,675,056	3,675,056	4,453,748	778,692
Total Revenues	<u>5,983,868</u>	<u>5,983,868</u>	<u>6,598,012</u>	<u>614,144</u>
EXPENDITURES				
Current:				
Food Service	5,486,740	5,486,740	6,059,403	572,663
Capital Outlay	829,573	829,573	768,439	(61,134)
Total Expenditures	<u>6,316,313</u>	<u>6,316,313</u>	<u>6,827,842</u>	<u>511,529</u>
NET CHANGE IN FUND BALANCE	<u>\$ (332,445)</u>	<u>\$ (332,445)</u>	(229,830)	<u>\$ 102,615</u>
FUND BALANCE				
Beginning of Year			<u>4,539,464</u>	
End of Year			<u>\$ 4,309,634</u>	

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
MAJOR COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final	Amounts	Final Budget
REVENUES				
Local Sources:				
Property Taxes	\$ 1,152,443	\$ 1,131,973	\$ 1,051,350	\$ (80,623)
Exchange Revenue	5,616,014	5,710,009	5,888,535	178,526
State Sources	1,437,469	1,464,065	1,376,079	(87,986)
Federal Sources	918,886	876,499	934,132	57,633
Total Revenues	<u>9,124,812</u>	<u>9,182,546</u>	<u>9,250,096</u>	<u>67,550</u>
EXPENDITURES				
Current:				
Community Service	9,048,475	9,168,767	9,052,592	(116,175)
Capital Outlay	<u>7,500</u>	<u>29,663</u>	<u>2,446</u>	<u>(27,217)</u>
Total Expenditures	<u>9,055,975</u>	<u>9,198,430</u>	<u>9,055,038</u>	<u>(143,392)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 68,837</u>	<u>\$ (15,884)</u>	195,058	<u>\$ 210,942</u>
FUND BALANCE				
Beginning of Year			<u>2,504,782</u>	
End of Year			<u>\$ 2,699,840</u>	

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
LAST NINE FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability									
Service Cost	\$ 542,261	\$ 482,142	\$ 494,260	\$ 500,722	\$ 585,700	\$ 543,390	\$ 491,646	\$ 350,169	\$ 305,193
Interest	360,788	336,742	319,905	214,430	278,055	312,793	366,477	407,579	415,532
Changes of Benefit Terms	-	-	-	-	-	-	23,877	-	-
Differences Between Expected and Actual Experience	(851,179)	-	(170,623)	-	28,341	-	379,117	-	-
Changes of Assumptions	(247,828)	(87,240)	150,792	(633,572)	26,147	235,612	(69,751)	313,178	-
Benefit Payments	(529,501)	(721,828)	(685,175)	(811,138)	(734,023)	(869,053)	(787,884)	(892,054)	(956,705)
Net Change in Total OPEB Liability	(725,459)	9,816	109,159	(729,558)	184,220	222,742	403,482	178,872	(235,980)
Total OPEB Liability - Beginning	8,519,543	8,610,910	8,501,751	9,231,309	9,047,089	8,824,347	8,420,865	8,241,993	8,477,973
Adjustments	-	(101,183)	-	-	-	-	-	-	-
Total OPEB Liability - Ending (a)	\$ 7,794,084	\$ 8,519,543	\$ 8,610,910	\$ 8,501,751	\$ 9,231,309	\$ 9,047,089	\$ 8,824,347	\$ 8,420,865	\$ 8,241,993
Plan Fiduciary Net Position									
Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Member Contributions	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	(85,756)	-	-	-	-	-	-	-
Net Investment Income	334,387	165,490	(99,069)	(881,134)	113,102	792,417	730,983	(35,777)	91,284
Benefits Paid	(529,501)	(721,828)	(685,175)	(811,138)	(734,023)	(869,053)	(787,884)	(892,054)	(956,705)
Administrative Expense	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(195,114)	(642,094)	(784,244)	(1,692,272)	(620,921)	(76,636)	(56,901)	(927,831)	(865,421)
Plan Fiduciary Net Position - Beginning	4,934,776	5,491,114	6,275,358	7,967,630	8,588,551	8,665,187	8,722,088	9,649,919	10,515,340
Adjustments	-	85,756	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 4,739,662	\$ 4,934,776	\$ 5,491,114	\$ 6,275,358	\$ 7,967,630	\$ 8,588,551	\$ 8,665,187	\$ 8,722,088	\$ 9,649,919
District's Net OPEB Liability (Asset) - Ending (a) - (b)	\$ 3,054,422	\$ 3,584,767	\$ 3,119,796	\$ 2,226,393	\$ 1,263,679	\$ 458,538	\$ 159,160	\$ (301,223)	\$ (1,407,926)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	60.81%	57.92%	63.77%	73.81%	86.31%	94.93%	98.20%	103.58%	117.08%
Covered-Employee Payroll	\$ 79,198,488	\$ 69,656,997	\$ 67,628,152	\$ 65,063,201	\$ 63,168,156	\$ 61,218,059	\$ 59,435,009	\$ 52,665,303	\$ 51,131,362
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	3.86%	5.15%	4.61%	3.42%	2.00%	0.75%	0.27%	-0.57%	-2.75%

*The District implemented GASB Statement Nos. 74 and 75 in the fiscal year 2017, and the above tables will be expanded to 10 years of information as the information becomes available.

See accompanying Note to Required Supplementary Information.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN ON PLAN ASSETS – OPEB
YEAR ENDED JUNE 30, 2025**

<u>Year</u>	<u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u>
2017	5.60%
2018	5.00%
2019	8.40%
2020	8.40%
2021	1.30%
2022	-11.10%
2023	-1.40%
2024	3.00%
2025	6.80%

*The District implemented GASB Statement Nos. 74 and 75 in the fiscal year 2017, and the above tables will be expanded to 10 years of information as the information becomes available.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN MEASUREMENT DATES**

**PERA Schedule of the District's
Proportionate Share of the
Net Pension Liability**

	Measurement Date June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.2320%	0.2239%	0.2382%	0.2396%	0.2404%	0.2300%	0.2385%	0.2451%	0.2488%	0.2535%
District's Proportionate Share of the Net Pension Liability	\$ 8,578,405	\$ 12,520,237	\$ 18,865,519	\$ 10,231,993	\$ 14,413,079	\$ 12,716,185	\$ 13,231,002	\$ 15,647,022	\$ 20,201,326	\$ 13,137,686
State's Proportionate Share of the Net Pension Liability Associated with District	221,820	345,181	553,118	312,443	444,425	395,231	433,960	196,782	263,785	-
Total	<u>\$ 8,800,225</u>	<u>\$ 12,865,418</u>	<u>\$ 19,418,637</u>	<u>\$ 10,544,436</u>	<u>\$ 14,857,504</u>	<u>\$ 13,111,416</u>	<u>\$ 13,664,962</u>	<u>\$ 15,843,804</u>	<u>\$ 20,465,111</u>	<u>\$ 13,137,686</u>
District's Covered Payroll	\$ 17,722,013	\$ 17,857,667	\$ 17,857,667	\$ 17,292,720	\$ 17,144,333	\$ 16,012,200	\$ 16,000,773	\$ 15,790,987	\$ 15,459,267	\$ 14,916,610
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	49.66%	72.04%	108.74%	60.98%	86.66%	81.88%	85.40%	100.33%	132.38%	88.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.08%	83.10%	76.67%	87.00%	79.10%	80.23%	79.50%	75.90%	68.90%	78.20%

**TRA Schedule of the District's
Proportionate Share of the
Net Pension Liability**

	Measurement Date June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.8768%	0.8573%	0.8406%	0.8291%	0.8277%	0.8408%	0.8493%	0.8589%	0.8565%	0.8650%
District's Proportionate Share of the Net Pension Liability	\$ 55,714,686	\$ 70,780,608	\$ 67,310,801	\$ 36,283,895	\$ 61,151,585	\$ 53,592,769	\$ 53,344,444	\$ 171,452,020	\$ 204,295,686	\$ 53,508,805
State's Proportionate Share of the Net Pension Liability Associated with District	3,643,788	4,958,082	4,991,692	3,060,054	5,124,887	4,742,755	5,011,862	16,573,240	20,506,603	6,563,362
Total	<u>\$ 59,358,474</u>	<u>\$ 75,738,690</u>	<u>\$ 72,302,493</u>	<u>\$ 39,343,949</u>	<u>\$ 66,276,472</u>	<u>\$ 58,335,524</u>	<u>\$ 58,356,306</u>	<u>\$ 188,025,260</u>	<u>\$ 224,802,289</u>	<u>\$ 60,072,167</u>
District's Covered Payroll	\$ 54,459,731	\$ 52,270,480	\$ 52,270,480	\$ 49,878,868	\$ 48,154,646	\$ 46,366,263	\$ 45,589,624	\$ 46,142,533	\$ 44,692,867	\$ 44,031,293
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	102.30%	135.41%	128.77%	72.74%	126.99%	115.59%	117.01%	371.57%	457.11%	121.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.07%	76.42%	76.17%	86.63%	75.48%	78.21%	78.07%	51.57%	44.88%	76.80%

See accompanying Note to Required Supplementary Information.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
LAST TEN FISCAL YEARS**

PERA Schedule of District Contributions

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 1,631,786	\$ 1,479,609	\$ 1,329,151	\$ 1,339,325	\$ 1,296,954	\$ 1,285,825	\$ 1,200,915	\$ 1,200,058	\$ 1,184,324	\$ 1,159,445
Contributions in Relation to the Statutorily Required Contribution	(1,631,786)	(1,479,609)	(1,329,151)	(1,339,325)	(1,296,954)	(1,285,825)	(1,200,915)	(1,200,058)	(1,184,324)	(1,159,445)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 21,757,147	\$ 19,728,120	\$ 17,722,013	\$ 17,857,667	\$ 17,292,720	\$ 17,144,333	\$ 16,012,200	\$ 16,000,773	\$ 15,790,987	\$ 15,459,267
Contributions as a Percentage of Covered Payroll	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

TRA Schedule of District Contributions

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 5,393,329	\$ 5,082,945	\$ 4,656,307	\$ 4,359,358	\$ 4,055,152	\$ 3,813,848	\$ 3,672,208	\$ 3,514,960	\$ 3,460,690	\$ 3,351,965
Contributions in Relation to the Statutorily Required Contribution	(5,393,329)	(5,082,945)	(4,656,307)	(4,359,358)	(4,055,152)	(3,813,848)	(3,672,208)	(3,514,960)	(3,460,690)	(3,351,965)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 61,638,046	\$ 58,090,800	\$ 54,459,731	\$ 52,270,480	\$ 49,878,868	\$ 48,154,646	\$ 46,366,263	\$ 45,589,624	\$ 46,142,533	\$ 44,692,867
Contributions as a Percentage of Covered Payroll	8.75%	8.75%	8.55%	8.34%	8.13%	7.92%	7.92%	7.71%	7.50%	7.50%

See accompanying Note to Required Supplementary Information.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS

The following changes were reflected in the valuation performed on behalf of the Public Employees Retirement Association for the year ended June 30:

General Employees Fund

2024

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier I and Tier II members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 6.50 percent to 7.00 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, noncompounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

General Employees Fund (Continued)

2021

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100 percent Joint & Survivor option changed from 35 percent to 45 percent. The assumed number of married female new retirees electing the 100 percent Joint & Survivor option changed from 15 percent to 30 percent. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.
- Augmentation for current privatized members was reduced to 2.0 percent for the period July 1, 2020 through December 31, 2023 and 0.0 percent after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

General Employees Fund (Continued)

2019

- The mortality projection scale was changed from MP-2017 to MP-2018.
- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed postretirement benefit increase was changed from 1.0 percent per year through 2044 and 2.5 percent per year thereafter to 1.25 percent per year.

2017

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and nonvested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability, and 3.0 percent for nonvested deferred member liability.
- The assumed postretirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016

- The assumed postretirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years.
- The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

The following changes were reflected in the valuation performed on behalf of the Teachers Retirement Association for the year ended June 30:

TRA

2024

Changes in Actuarial Assumptions:

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint & Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

Changes in Plan Provisions:

- There have been no changes since the prior valuation.

2023

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2022

No changes.

2021

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

TRA (Continued)

2020

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to the RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses MP-2015 scale.
- Generational projection uses the MP-2015 scale. Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

2019

No changes.

2018

- The cost of living adjustment (COLA) was reduced from 2.0 percent each January 1 to 1.0 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1 percent each year until reaching the ultimate rate of 1.5 percent in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5 percent if the funded ratio was at least 90 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to 0 percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0 percent to 3.0 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5 percent to 7.5 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next four years, (7.92 percent in 2019, 8.13 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.
- The single discount rate was changed from 5.12 percent to 7.5 percent.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

TRA (Continued)

2017

- The COLA was assumed to increase from 2.0 percent annually to 2.5 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5 percent, but remain at 2.0 percent for all future years.
- The investment return assumption was changed from 8.0 percent to 7.5 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.5 percent.
- The payroll growth assumption was lowered from 3.5 percent to 3.0 percent.
- The general wage growth assumption was lowered from 3.5 percent to 2.85 percent for ten years followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.
- The single discount rate was changed from 4.66 percent to 5.12 percent.

2016

- There was a change in actuarial assumptions that affected the measurement of the total liability since the prior measurement date.
- Post-retirement benefit adjustments are now assumed to stay level at 2.0 percent annually.
- The single discount rate was changed from 8.0 percent to 4.66 percent.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025**

NOTE 1 CHANGES IN SIGNIFICANT PLAN PROVISIONS, ACTUARIAL METHODS, AND ASSUMPTIONS (CONTINUED)

The following changes were reflected in the valuation performed on behalf of the District's Postemployment Benefits Plan for the year ended June 30:

2024

- The expected long-term rate of return was changed from 3.80% to 4.50%.
- The discount rate was changed from 3.90% to 4.90%.

2023

- The discount rate was changed from 3.70% to 4.10%.
- The investment rate of return was changed from 3.10% to 4.50%.
- The health care trend rates was changed from 6.50% to 6.00%.

2022

- The discount rate was changed from 2.30% to 3.70%.

2021

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2019 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and contract group.
- The expected long-term investment return was changed from 4.30% to 3.10%.
- The discount rate was changed from 3.00% to 2.30%.

2020

- The discount rate was changed from 3.50% to 3.00%.

2019

- The health care trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality table was updated from RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- Pre-age 55 employees on long-term disability (LTD) are assumed to continue on one of the District's medical plans for five years. Previously, they were assumed to continue until age 65.
- The expected long-term investment return was changed from 5.00% to 4.30%.
- The discount rate was changed from 4.30% to 3.50%.

2018

- The expected long-term investment return was changed from 5.60% to 5.00%.
- The discount rate was changed from 5.00% to 4.30%.

SUPPLEMENTARY INFORMATION

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
GENERAL FUND
JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Investments	\$ 17,083,214	\$ 16,199,709
Receivables:		
Current Taxes	16,810,408	17,749,917
Delinquent Taxes	1,374,495	992,968
Accounts and Interest Receivable	156,279	106,763
Due from Other Minnesota School Districts	21,092	19,184
Due from Minnesota Department of Education	10,832,118	10,480,740
Due from Federal Through the Minnesota Department of Education	2,808,873	4,789,098
Due from Other Governmental Units	670,888	241,978
Due from Other Funds	505,849	672,602
Prepays	<u>254,332</u>	<u>260,265</u>
Total Assets	<u><u>\$ 50,517,548</u></u>	<u><u>\$ 51,513,224</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries Payable	\$ 458,100	\$ 344,771
Payroll Deductions and Employer Contributions Payable	17,365	-
Accounts and Contracts Payable	1,881,453	2,138,635
Due to Other Minnesota School Districts	1,378,124	1,410,566
Due to Other Governmental Units	263,369	201,876
Unearned Revenue	<u>222,073</u>	<u>-</u>
Total Liabilities	4,220,484	4,095,848
Deferred Inflows of Resources:		
Unavailable Revenue - Property Taxes Levied for Subsequent Year	27,641,824	29,646,070
Unavailable Revenue - Delinquent Taxes	<u>1,604,822</u>	<u>1,030,296</u>
Total Deferred Inflows of Resources	29,246,646	30,676,366
Fund Balance:		
Nonspendable:		
Prepays	254,332	260,265
Restricted for:		
Student Activities	169,288	141,457
Operating Capital	339,479	54,424
Other Purposes	7,921	15,388
Assigned for Extracurricular Activities	681,785	675,722
Unassigned	<u>15,597,613</u>	<u>15,593,754</u>
Total Fund Balance	<u><u>17,050,418</u></u>	<u><u>16,741,010</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 50,517,548</u></u>	<u><u>\$ 51,513,224</u></u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025		2024	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 28,962,189	\$ 29,761,444	\$ 799,255	\$ 27,466,693
Earnings and Investments	10,000	1,264,105	1,254,105	756,037
Exchange Revenue	1,435,600	3,671,719	2,236,119	3,874,085
State Sources	103,415,118	102,387,511	(1,027,607)	98,634,247
Federal Sources	4,897,562	4,746,340	(151,222)	9,056,443
Total Revenues	138,720,469	141,831,119	3,110,650	139,787,505
EXPENDITURES				
Current:				
Administration:				
Salaries	4,148,713	4,239,065	90,352	4,049,933
Employee Benefits	1,396,093	1,430,056	33,963	1,349,296
Purchased Services	71,574	66,693	(4,881)	80,595
Supplies and Materials	9,750	10,078	328	15,993
Other Expenditures	96,400	60,449	(35,951)	60,690
Total Administration	5,722,530	5,806,341	83,811	5,556,507
District Support Services:				
Salaries	2,402,209	2,945,597	543,388	2,918,840
Employee Benefits	961,905	1,078,923	117,018	1,027,787
Purchased Services	387,080	486,243	99,163	403,943
Supplies and Materials	1,559,216	1,224,793	(334,423)	1,526,705
Other Expenditures	-	-	-	(83,532)
Total District Support Services	5,310,410	5,735,556	425,146	5,793,743
Elementary and Secondary Regular Instruction:				
Salaries	35,706,948	35,495,637	(211,311)	33,794,156
Employee Benefits	12,804,415	12,874,100	69,685	12,040,021
Purchased Services	3,373,583	3,238,258	(135,325)	4,772,813
Supplies and Materials	1,132,492	1,429,347	296,855	2,651,283
Other Expenditures	171,161	338,354	167,193	314,586
Total Elementary and Secondary Regular Instruction	53,188,599	53,375,696	187,097	53,572,859

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025			2024
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (CONTINUED)				
Current (Continued):				
Vocational Education Instruction:				
Salaries	\$ 1,318,540	\$ 1,324,661	\$ 6,121	\$ 1,067,407
Employee Benefits	505,920	505,993	73	429,507
Purchased Services	476,500	378,686	(97,814)	389,246
Supplies and Materials	17,819	36,809	18,990	31,105
Other Expenditures	-	6,367	6,367	5,697
Total Vocational Education Instruction	2,318,779	2,252,516	(66,263)	1,922,962
Special Education Instruction:				
Salaries	19,853,397	19,294,581	(558,816)	17,415,859
Employee Benefits	7,562,967	7,330,953	(232,014)	6,576,349
Purchased Services	3,383,618	2,819,619	(563,999)	2,660,084
Supplies and Materials	202,907	159,696	(43,211)	134,396
Other Expenditures	7,100	78,539	71,439	4,555
Total Special Education Instruction	31,009,989	29,683,388	(1,326,601)	26,791,243
Community Education and Services:				
Purchased Services	-	-	-	1,075
Instructional Support Services:				
Salaries	7,184,749	7,449,368	264,619	6,657,316
Employee Benefits	2,466,594	2,549,103	82,509	2,304,147
Purchased Services	256,609	352,326	95,717	239,304
Supplies and Materials	173,488	318,667	145,179	459,666
Other Expenditures	20,600	79,957	59,357	79,937
Total Instructional Support Services	10,102,040	10,749,421	647,381	9,740,370
Pupil Support Services:				
Salaries	3,301,676	3,185,564	(116,112)	3,384,079
Employee Benefits	1,170,182	1,162,551	(7,631)	1,272,723
Purchased Services	639,584	636,694	(2,890)	647,548
Supplies and Materials	49,220	48,527	(693)	50,392
Other Expenditures	37,839	50,521	12,682	13,932
Total Pupil Support Services	5,198,501	5,083,857	(114,644)	5,368,674

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025			2024
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (CONTINUED)				
Current (Continued):				
Sites and Buildings:				
Salaries	\$ 3,085,630	\$ 3,381,323	\$ 295,693	\$ 3,162,962
Employee Benefits	1,388,525	1,353,489	(35,036)	1,280,785
Purchased Services	2,105,050	2,952,017	846,967	2,722,247
Supplies and Materials	1,486,500	1,428,278	(58,222)	1,247,547
Other Expenditures	2,800	18,929	16,129	19,791
Total Sites and Buildings	8,068,505	9,134,036	1,065,531	8,433,332
Fiscal and Other Fixed Costs:				
Employee Benefits	50,000	-	(50,000)	-
Purchased Services	698,000	884,890	186,890	683,563
Other Expenditures	-	24,825	24,825	-
Total Fiscal and Other Fixed Costs	748,000	909,715	161,715	683,563
Transportation:				
Salaries	164,601	125,078	(39,523)	125,687
Employee Benefits	35,343	27,213	(8,130)	21,383
Purchased Services	13,543,325	14,565,986	1,022,661	11,557,914
Supplies and Materials	35,600	18,375	(17,225)	1,707
Other Expenditures	500	-	(500)	80
Total Transportation	13,779,369	14,736,652	957,283	11,706,771
Capital Outlay:				
District Support Services	356,600	749,224	392,624	1,765,222
Regular Instruction	160,566	198,283	37,717	196,329
Vocational Education Instruction	-	23,908	23,908	16,282
Special Education Instruction	16,000	5,200	(10,800)	-
Instructional Support Services	140,000	90,008	(49,992)	429,774
Pupil Support Services	50,000	17,214	(32,786)	-
Sites and Buildings	1,382,238	2,871,654	1,489,416	2,482,888
Total Capital Outlay	2,105,404	3,955,491	1,850,087	4,890,495

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025		2024	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
EXPENDITURES (CONTINUED)				
Debt Service:				
Principal	\$ -	\$ 782,078	\$ 782,078	\$ 1,035,922
Interest and Fiscal Charges	-	21,376	21,376	16,440
Total Debt Service	-	803,454	803,454	1,052,362
Total Expenditures	137,552,126	142,226,123	4,673,997	135,513,956
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	1,168,343	(395,004)	(1,563,347)	4,273,549
OTHER FINANCING SOURCES				
Leases	-	12,842	12,842	256,595
Subscriptions	-	-	-	3,528
Financed Purchased Agreements	256,600	691,570	434,970	1,501,018
Transfers Out	-	-	-	(1,808,991)
Total Other Financing Sources	256,600	704,412	447,812	(47,850)
NET CHANGE IN FUND BALANCE				
	<u>\$ 1,424,943</u>	309,408	<u>\$ (1,115,535)</u>	4,225,699
FUND BALANCE				
Beginning of Year		16,741,010		12,515,311
End of Year		<u>\$ 17,050,418</u>		<u>\$ 16,741,010</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
FOOD SERVICE SPECIAL REVENUE FUND
JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Investments	\$ 3,899,574	\$ 4,072,749
Receivables:		
Accounts and Interest Receivable	89,100	156,109
Due from Other Minnesota School Districts	40,892	19,326
Due from Minnesota Department of Education	78,792	93,900
Due from Federal Through the Minnesota Department of Education	232,480	119,685
Due from Other Funds	7,100	30,420
Inventory	157,225	148,451
Prepays	<u>606</u>	<u>160,651</u>
 Total Assets	 <u><u>\$ 4,505,769</u></u>	 <u><u>\$ 4,801,291</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 20,271	\$ 37,059
Payroll Deductions and Employer Contributions Payable	886	54
Accounts and Contracts Payable	73,191	147,939
Unearned Revenue	<u>101,787</u>	<u>76,775</u>
Total Liabilities	196,135	261,827
 Fund Balance:		
Nonspendable:		
Inventory	157,225	148,451
Prepays	606	160,651
Restricted for:		
Food Service	<u>4,151,803</u>	<u>4,230,362</u>
Total Fund Balance	<u><u>4,309,634</u></u>	<u><u>4,539,464</u></u>
 Total Liabilities and Fund Balance	 <u><u>\$ 4,505,769</u></u>	 <u><u>\$ 4,801,291</u></u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025			2024
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Exchange Revenue	\$ 653,212	\$ 129,663	\$ (523,549)	\$ 286,608
State Sources	1,655,600	2,014,601	359,001	1,890,986
Federal Sources	3,675,056	4,453,748	778,692	4,456,298
Total Revenues	<u>5,983,868</u>	<u>6,598,012</u>	<u>614,144</u>	<u>6,633,892</u>
EXPENDITURES				
Current:				
Salaries	2,038,469	2,138,923	100,454	1,858,254
Employee Benefits	871,888	794,676	(77,212)	794,626
Purchased Services	109,698	120,889	11,191	157,844
Supplies and Materials	2,457,182	2,996,360	539,178	3,023,018
Other Expenditures	9,503	8,555	(948)	8,250
Capital Outlay	829,573	768,439	(61,134)	152,691
Debt Service:				
Principal	-	-	-	1,162
Total Expenditures	<u>6,316,313</u>	<u>6,827,842</u>	<u>511,529</u>	<u>5,995,845</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(332,445)	(229,830)	102,615	638,047
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	260,291
NET CHANGE IN FUND BALANCE	<u>\$ (332,445)</u>	(229,830)	<u>\$ 102,615</u>	898,338
FUND BALANCE				
Beginning of Year		4,539,464		3,641,126
End of Year		<u>\$ 4,309,634</u>		<u>\$ 4,539,464</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
COMMUNITY SERVICE SPECIAL REVENUE FUND
JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Investments	\$ 2,532,685	\$ 2,610,431
Receivables:		
Current Taxes	610,642	576,729
Delinquent Taxes	47,440	36,417
Accounts and Interest Receivable	100,950	47,744
Due from Other Minnesota School Districts	776,292	505,599
Due from Minnesota Department of Education	130,344	109,848
Due from Federal Through the Minnesota Department of Education	159,173	222,001
Due from Other Governmental Units	60,669	65,472
Due from Other Funds	16,552	18,806
Prepays	<u>12,282</u>	<u>10,114</u>
Total Assets	<u><u>\$ 4,447,029</u></u>	<u><u>\$ 4,203,161</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 157,876	\$ 107,257
Payroll Deductions and Employer Contributions Payable	5,817	128
Accounts and Contracts Payable	188,271	199,252
Due to Other Minnesota School Districts	-	16,924
Due to Other Governmental Units	540	796
Unearned Revenue	<u>211,221</u>	<u>265,938</u>
Total Liabilities	563,725	590,295
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year	1,127,657	1,070,454
Unavailable Revenue - Delinquent Taxes	<u>55,807</u>	<u>37,630</u>
Total Deferred Inflows of Resources	1,183,464	1,108,084
Fund Balance:		
Nonspendable:		
Prepays	12,282	10,114
Restricted for:		
Community Education	1,943,273	1,483,926
Early Childhood and Family Education	294,009	312,579
School Readiness	99,751	145,911
Adult Basic Education	<u>350,525</u>	<u>552,252</u>
Total Fund Balance	<u><u>2,699,840</u></u>	<u><u>2,504,782</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 4,447,029</u></u>	<u><u>\$ 4,203,161</u></u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
COMMUNITY SERVICE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025			2024
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 1,131,973	\$ 1,051,350	\$ (80,623)	\$ 1,113,115
Exchange Revenue	5,710,009	5,888,535	178,526	5,388,107
State Sources	1,464,065	1,376,079	(87,986)	1,333,871
Federal Sources	876,499	934,132	57,633	882,023
Total Revenues	<u>9,182,546</u>	<u>9,250,096</u>	<u>67,550</u>	<u>8,717,116</u>
EXPENDITURES				
Current:				
Salaries	5,382,249	5,490,494	108,245	4,989,794
Employee Benefits	1,778,096	1,755,355	(22,741)	1,576,185
Purchased Services	1,483,079	1,400,985	(82,094)	1,471,804
Supplies and Materials	486,020	375,713	(110,307)	390,043
Other Expenditures	39,323	30,045	(9,278)	33,469
Capital Outlay	29,663	2,446	(27,217)	20,057
Debt Service:				
Principal	-	-	-	1,903
Interest	-	-	-	613
Total Expenditures	<u>9,198,430</u>	<u>9,055,038</u>	<u>(143,392)</u>	<u>8,483,868</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (15,884)</u></u>	<u>195,058</u>	<u><u>\$ 210,942</u></u>	<u>233,248</u>
FUND BALANCE				
Beginning of Year		<u>2,504,782</u>		<u>2,271,534</u>
End of Year		<u><u>\$ 2,699,840</u></u>		<u><u>\$ 2,504,782</u></u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND
JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Investments	\$ 15,011,109	\$ 26,803,269
Cash with Fiscal Agent	2,693	14,276
Receivables:		
Accounts and Interest Receivable	<u>9</u>	<u>56</u>
Total Assets	<u><u>\$ 15,013,811</u></u>	<u><u>\$ 26,817,601</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and Contracts Payable	\$ 3,301,211	\$ 2,971,032
Due to Other Funds	<u>-</u>	<u>-</u>
Total Liabilities	3,301,211	2,971,032
Fund Balance:		
Restricted for:		
Long Term Facilities Maintenance	3,256,631	14,827,301
Capital Projects	<u>8,455,969</u>	<u>9,019,268</u>
Total Fund Balance	<u>11,712,600</u>	<u>23,846,569</u>
Total Liabilities and Fund Balance	<u><u>\$ 15,013,811</u></u>	<u><u>\$ 26,817,601</u></u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025		2024	
	Final Budget	Actual Amounts	Over (Under) Final Budget	Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 4,000,000	\$ 1,544,823	\$ (2,455,177)	\$ 3,000,000
Earnings and Investments	1,000	201,684	200,684	556,788
Other	-	-	-	3,499
Total Revenues	4,001,000	1,746,507	(2,254,493)	3,560,287
EXPENDITURES				
Current:				
Purchased Services	-	105,662	105,662	25,104
Capital Outlay	18,000,000	13,773,981	(4,226,019)	10,079,917
Debt Service:				
Interest and Fiscal Charges	-	833	833	152,153
Total Expenditures	18,000,000	13,880,476	(4,119,524)	10,257,174
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(13,999,000)	(12,133,969)	1,865,031	(6,696,887)
OTHER FINANCING SOURCES				
Issuance of Bonds	-	-	-	17,345,000
Bond Premium	-	-	-	1,729,494
Total Other Financing Sources	-	-	-	19,074,494
NET CHANGE IN FUND BALANCE				
	<u>\$ (13,999,000)</u>	(12,133,969)	<u>\$ 1,865,031</u>	12,377,607
FUND BALANCE				
Beginning of Year		23,846,569		11,468,962
End of Year		\$ 11,712,600		\$ 23,846,569

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BALANCE SHEET
DEBT SERVICE FUND
JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	Regular Debt Service	OPEB Debt Service	Totals	
			2025	2024
ASSETS				
Cash and Investments	\$ 7,385,652	\$ 1,877,777	\$ 9,263,429	\$ 7,813,798
Receivables:				
Current Taxes	8,195,947	1,870,327	10,066,274	7,989,571
Delinquent Taxes	548,836	78,794	627,630	459,910
Due from Minnesota Department of Education	17,066	-	17,066	11,262
Due from Other Governmental Units	-	2,727	2,727	2,727
	<u>-</u>	<u>2,727</u>	<u>2,727</u>	<u>2,727</u>
Total Assets	<u>\$ 16,147,501</u>	<u>\$ 3,829,625</u>	<u>\$ 19,977,126</u>	<u>\$ 16,277,268</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Deferred Inflows of Resources:				
Property Taxes Levied for Subsequent Year	\$ 15,135,084	\$ 3,453,886	\$ 18,588,970	\$ 14,829,137
Unavailable Revenue - Delinquent Taxes	661,130	104,420	765,550	476,712
Total Deferred Inflows of Resources	<u>15,796,214</u>	<u>3,558,306</u>	<u>19,354,520</u>	<u>15,305,849</u>
Fund Balance:				
Restricted for:				
Debt Service	<u>351,287</u>	<u>271,319</u>	<u>622,606</u>	<u>971,419</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16,147,501</u>	<u>\$ 3,829,625</u>	<u>\$ 19,977,126</u>	<u>\$ 16,277,268</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2025
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2024)**

	2025				2024
	Actual			Over	
	Final	Regular	OPEB	(Under)	
	Budgeted	Debt	Debt	Final	Actual
	Amounts	Service	Service	Budget	Amounts
REVENUES					
Local Sources:					
Property Taxes	\$ 14,829,135	\$ 13,706,182	\$ 2,369,123	\$ 1,246,170	\$ 13,857,032
State Sources	-	167,461	-	167,461	112,644
Total Revenues	14,829,135	13,873,643	2,369,123	1,413,631	13,969,676
EXPENDITURES					
Debt Service:					
Bond Principal	9,050,000	7,210,000	1,880,000	40,000	8,305,000
Bond Interest	6,148,752	7,005,766	443,650	1,300,664	7,221,492
Paying Agent Fees and Other	6,000	51,688	475	46,163	3,325
Total Expenditures	15,204,752	14,267,454	2,324,125	1,386,827	15,529,817
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(375,617)	(393,811)	44,998	26,804	(1,560,141)
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	1,548,700
NET CHANGE IN FUND BALANCE	<u>\$ (375,617)</u>	(393,811)	44,998	<u>\$ 26,804</u>	(11,441)
FUND BALANCE					
Beginning of Year		745,098	226,321	971,419	982,860
End of Year		<u>\$ 351,287</u>	<u>\$ 271,319</u>	<u>\$ 622,606</u>	<u>\$ 971,419</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
UNIFORM FINANCIAL ACCOUNTING AND
REPORTING STANDARDS COMPLIANCE TABLE
JUNE 30, 2025**

	AUDIT	UFARS	DIFFERENCE
01 GENERAL FUND			
Total Revenue	\$ 141,831,119	\$ 141,895,555	\$ (64,436)
Total Expenditures	142,226,123	142,485,477	(259,354)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	254,332	250,903	3,429
<i>Restricted:</i>			
401 Student Activities	169,288	169,288	-
402 Scholarships	-	-	-
403 Staff Development	-	-	-
407 Capital Project Levy	-	-	-
408 Cooperative Programs	-	-	-
413 Projects Funded by COP	-	-	-
414 Operating Debt	-	-	-
416 Levy Reduction	-	-	-
417 Taconite Building Maintenance	-	-	-
420 American Indian Ed Aid	7,921	7,922	(1)
424 Operating Capital	339,479	339,479	-
426 \$25 Taconite	-	-	-
427 Disabled Accessibility	-	-	-
428 Learning and Development	-	-	-
434 Area Learning Center	-	-	-
435 Contracted Alternative Programs	-	-	-
436 State-Approved Alternative Programs	-	-	-
438 Gifted and Talented	-	-	-
440 Teacher Development and Evaluations	-	-	-
441 Basic Skills Programs	-	-	-
448 Achievement and Integration	-	-	-
449 Safe Schools Crime Levy	-	-	-
451 QZAB Payments	-	-	-
452 OPEB Liability Not Held in Trust	-	-	-
453 Unfunded Severance & Retirement Levy	-	-	-
459 Basic Skills Extended Time	-	-	-
467 Long Term Facilities Maintenance	(380,991)	(380,991)	-
472 Medical Assistance	-	-	-
464 Restricted Fund Balance	-	-	-
475 Title VII Impact Aid	-	-	-
476 Payments in Lieu of Taxes	-	-	-
<i>Committed:</i>			
418 Committed for Separation	-	-	-
461 Committed Fund Balance	-	-	-
<i>Assigned:</i>			
462 Assigned Fund Balance	681,785	681,785	-
<i>Unassigned:</i>			
422 Unassigned Fund Balance	15,978,604	15,978,604	-
02 FOOD SERVICE			
Total Revenue	6,598,012	6,566,472	31,540
Total Expenditures	6,827,842	6,827,515	327
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	157,831	157,832	(1)
<i>Restricted:</i>			
452 OPEB Liability Not Held in Trust	-	-	-
464 Restricted Fund Balance	4,151,803	4,151,803	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
04 COMMUNITY SERVICE			
Total Revenue	9,250,096	9,250,096	-
Total Expenditures	9,055,038	9,154,107	(99,069)
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	12,282	12,282	-
<i>Restricted:</i>			
426 \$25 Taconite	-	-	-
431 Community Education	1,504,981	1,504,981	-
432 E.C.F.E.	294,009	294,009	-
440 Teacher Development and Evaluations	-	-	-
444 School Readiness	99,751	99,751	-
447 Adult Basic Education	350,525	350,525	-
452 OPEB Liability Not Held in Trust	-	-	-
464 Restricted Fund Balance	438,292	438,292	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-

*Variances to revenue and expenditures are due to fixing prior year fund balance variances by adjusting current year activity.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
UNIFORM FINANCIAL ACCOUNTING AND
REPORTING STANDARDS COMPLIANCE TABLE (CONTINUED)
JUNE 30, 2025**

	AUDIT	UFARS	DIFFERENCE
06 BUILDING CONSTRUCTION			
Total Revenue	\$ 1,746,507	\$ 1,746,508	\$ (1)
Total Expenditures	13,880,476	13,880,476	-
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted:</i>			
407 Capital Projects Levy	-	-	-
409 Alternative Facility Program	-	-	-
413 Projects Funded by COP	-	-	-
467 Long Term Facilities Maintenance	3,256,631	3,256,631	-
464 Restricted Fund Balance	8,455,969	8,455,970	(1)
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
07 DEBT SERVICE			
Total Revenue	13,873,643	13,873,643	-
Total Expenditures	14,267,454	14,267,453	1
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted:</i>			
425 Bond Refunding	-	-	-
451 QZAB and QSCB Payments	-	-	-
464 Restricted Fund Balance	351,287	351,287	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-
08 TRUST			
Total Revenue	-	-	-
Total Expenditures	-	-	-
<i>Net Position:</i>			
422 Net Position	-	-	-
18 CUSTODIAL			
Total Revenue	618,541	618,541	-
Total Expenditures	622,513	655,013	(32,500)
<i>Restricted/Reserved:</i>			
401 Student Activities	-	-	-
402 Scholarships	-	-	-
448 Achievement and Integration	471,696	471,696	-
20 INTERNAL SERVICE			
Total Revenue	918,946	918,946	-
Total Expenditures	1,049,205	1,049,205	-
<i>Net Position:</i>			
422 Net Position	327,289	327,289	-
25 OPEB REVOCABLE TRUST			
Total Revenue	-	-	-
Total Expenditures	-	-	-
<i>Net Position:</i>			
422 Net Position	-	-	-
45 OPEB IRREVOCABLE TRUST			
Total Revenue	334,386	334,386	-
Total Expenditures	529,501	529,501	-
<i>Net Position:</i>			
422 Net Position	4,739,661	4,739,661	-
47 OPEB DEBT SERVICE			
Total Revenue	2,369,123	2,369,124	(1)
Total Expenditures	2,324,125	2,324,125	-
<i>Nonspendable:</i>			
460 Nonspendable Fund Balance	-	-	-
<i>Restricted:</i>			
425 Bond Refunding	-	-	-
464 Restricted Fund Balance	271,319	271,319	-
<i>Unassigned:</i>			
463 Unassigned Fund Balance	-	-	-

*Variances to revenue and expenditures are due to fixing prior year fund balance variances by adjusting current year activity.

STATISTICAL SECTION (UNAUDITED)

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STATISTICAL SECTION
(UNAUDITED)**

This part of Roseville Area Schools' Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	116
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	122
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	126
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	130
Operating Information These schedules contain service and infrastructure data to help the reader Understand how the information in the District's financial report related to services The District provides and the activities it performs.	132

Source: Unless otherwise note, the information in these tables is derived from the comprehensive financial reports for the relevant year.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	\$ 29,788,218	\$ 31,082,118	\$ 20,772,076	\$ 24,551,012	\$ 35,487,015	\$ 46,807,538	\$ 39,991,157	\$ 38,623,832	\$ 31,710,398	\$ 40,621,623
Restricted	14,755,133	4,595,020	154,103,599	8,718,947	6,099,942	15,202,918	27,454,489	17,406,311	16,987,261	19,166,343
Unrestricted	<u>(73,654,824)</u>	<u>(101,604,940)</u>	<u>(272,898,615)</u>	<u>(100,347,122)</u>	<u>(91,611,628)</u>	<u>(117,130,771)</u>	<u>(110,111,558)</u>	<u>(86,117,832)</u>	<u>(57,573,706)</u>	<u>(87,382,048)</u>
Total Governmental Activities Net Position	<u><u>\$ (29,111,473)</u></u>	<u><u>\$ (65,927,802)</u></u>	<u><u>\$ (98,022,940)</u></u>	<u><u>\$ (67,077,163)</u></u>	<u><u>\$ (50,024,671)</u></u>	<u><u>\$ (55,120,315)</u></u>	<u><u>\$ (42,665,912)</u></u>	<u><u>\$ (30,087,689)</u></u>	<u><u>\$ (8,876,047)</u></u>	<u><u>\$ (27,594,082)</u></u>

Source: District's financial records.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
EXPENSES										
Governmental Activities:										
Administration	\$ 5,302,720	\$ 6,722,609	\$ 6,220,212	\$ 3,482,502	\$ 5,948,248	\$ 5,280,207	\$ 5,021,711	\$ 4,475,940	\$ 5,109,863	\$ 5,938,947
District Support Services	3,101,677	3,353,697	3,775,704	4,208,383	4,347,348	4,681,295	5,009,915	5,739,189	6,235,498	6,505,783
Regular Instruction	46,210,131	62,326,785	61,376,632	31,908,065	48,407,934	50,300,028	51,258,248	41,574,631	55,284,782	62,802,501
Vocational Education Instruction	1,229,949	2,159,314	2,314,266	1,339,143	2,187,037	2,015,161	1,799,637	1,728,657	1,798,855	2,273,186
Special Education Instruction	18,513,528	25,951,953	25,045,146	14,632,985	21,823,100	22,434,079	22,510,599	20,389,089	25,190,873	29,474,396
Instructional Support Services	9,216,623	12,155,864	11,859,599	6,820,861	9,723,062	10,994,308	9,789,363	9,721,651	9,729,051	11,029,895
Pupil Support Services	8,943,604	10,843,988	11,099,498	9,546,883	10,808,725	9,583,128	11,988,862	14,406,797	17,036,547	20,014,315
Sites and Buildings	7,458,334	9,700,258	12,288,900	14,613,380	263,203	16,073,597	11,074,452	13,633,906	10,393,889	12,224,152
Fiscal and Other Fixed										
Cost Programs	231,433	131,630	246,882	270,532	288,494	453,063	647,713	572,450	683,563	909,715
Food Service	4,937,762	4,593,511	4,500,950	4,595,988	4,156,549	4,783,454	4,839,758	5,070,713	5,891,738	6,610,946
Community Service	7,064,253	8,388,465	8,625,757	7,002,228	7,534,582	6,878,034	7,062,164	7,473,513	8,127,070	8,743,675
Interest on Long-Term Debt	1,960,336	1,833,746	5,440,437	6,907,002	6,440,655	4,928,594	6,094,197	5,516,961	5,608,821	5,660,897
Total Governmental Activities Expenses	<u>\$ 114,170,350</u>	<u>\$ 148,161,820</u>	<u>\$ 152,793,983</u>	<u>\$ 105,327,952</u>	<u>\$ 121,928,937</u>	<u>\$ 138,404,948</u>	<u>\$ 137,096,619</u>	<u>\$ 130,303,497</u>	<u>\$ 151,090,550</u>	<u>\$ 172,188,408</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
Administration	\$ -	\$ 15,783	\$ 15,215	\$ 15,512	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -
District Support Services	75	25,356	29,533	76,847	47,113	10,734	24,080	21,799	18,257	16,389
Regular Instruction	1,004,708	984,464	989,088	922,188	644,160	601,190	745,999	791,289	821,108	779,322
Vocational Education Instruction	-	-	-	-	-	-	-	-	-	-
Special Education Instruction	651,906	676,517	744,332	726,628	376,011	261,323	330,259	335,410	430,270	585,152
Instructional Support Services	3,803	9,759	12,087	10,768	2,734	7,428	32,295	25,431	4,567	20,463
Pupil Support Services	54,892	47,477	47,520	45,864	23,451	6,537	41,880	39,546	33,018	31,119
Sites and Buildings	7,724	63,825	57,390	27,197	5,559	-	2,786	-	2,816	4,310
Food Service	1,401,588	1,344,572	1,318,093	1,407,903	1,113,318	195,381	127,898	1,246,602	286,608	129,663
Community Service	4,250,797	4,418,110	4,732,671	4,942,040	3,971,509	2,727,655	3,971,901	4,789,367	4,856,849	5,204,936
Operating Grants and Contributions	21,306,839	31,494,304	33,432,300	34,386,287	35,629,136	43,545,473	48,915,606	48,950,038	47,678,433	49,640,542
Capital Grants and Contributions	1,931,813	995,835	1,225,343	1,291,198	1,184,933	1,132,180	990,875	891,440	-	-
Total Governmental Activities Program Revenue	<u>\$ 30,614,145</u>	<u>\$ 40,076,002</u>	<u>\$ 42,603,572</u>	<u>\$ 43,852,432</u>	<u>\$ 42,997,924</u>	<u>\$ 48,487,901</u>	<u>\$ 55,183,829</u>	<u>\$ 57,090,922</u>	<u>\$ 54,131,926</u>	<u>\$ 56,411,896</u>

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
NET EXPENSE										
Governmental Activities	<u>\$ (83,556,205)</u>	<u>\$ (108,085,818)</u>	<u>\$ (110,190,411)</u>	<u>\$ (61,475,520)</u>	<u>\$ (78,931,013)</u>	<u>\$ (89,917,047)</u>	<u>\$ (81,912,790)</u>	<u>\$ (73,212,575)</u>	<u>\$ (96,958,624)</u>	<u>\$ (115,776,512)</u>
GENERAL REVENUES AND OTHER										
Governmental Activities:										
Property Taxes:										
General Purposes and Capital Projects	\$ 20,648,918	\$ 20,492,568	\$ 19,987,128	\$ 24,839,630	\$ 26,827,077	\$ 26,355,031	\$ 26,967,041	\$ 31,009,126	\$ 30,762,276	\$ 31,880,793
Community Service	958,531	966,329	927,889	933,720	1,068,872	961,380	1,005,917	1,103,399	1,123,879	1,069,527
Debt Service	4,161,665	4,427,647	4,313,325	12,433,541	12,493,115	12,857,016	13,592,540	13,952,424	13,996,200	16,364,143
Unrestricted Grants and Contributions	57,322,680	53,320,699	52,091,085	49,254,050	53,533,726	52,498,407	52,457,736	53,135,342	70,989,719	70,951,398
Unrestricted Investment Earnings	6,310	7,375	587,862	4,860,105	2,015,558	288,861	31,186	863,946	1,312,825	1,465,789
Miscellaneous	3,928,275	571,429	187,984	99,935	45,157	59,152	312,773	-	3,499	-
Gain on Sale of Capital Assets	-	-	-	316	-	31,347	-	-	-	-
Total Governmental Activities	<u>\$ 87,026,379</u>	<u>\$ 79,786,047</u>	<u>\$ 78,095,273</u>	<u>\$ 92,421,297</u>	<u>\$ 95,983,505</u>	<u>\$ 93,051,194</u>	<u>\$ 94,367,193</u>	<u>\$ 100,064,237</u>	<u>\$ 118,188,398</u>	<u>\$ 121,731,650</u>
CHANGE IN NET POSITION	\$ 3,470,174	\$ (28,299,771)	\$ (32,095,138)	\$ 30,945,777	\$ 17,052,492	\$ 3,134,147	\$ 12,454,403	\$ 26,851,662	\$ 21,229,774	\$ 5,955,138
Net Position - Beginning of Year	(32,581,647)	(29,111,473)	(65,927,802)	(98,022,940)	(67,077,163)	(50,024,671)	(55,120,315)	(42,665,912)	(30,087,689)	(8,857,915)
Change in Accounting Principle	-	(8,516,558)	-	-	-	-	-	-	-	-
Prior Period Restatement	-	-	-	-	-	(8,229,791)	-	(14,273,439)	-	(24,673,173)
NET POSITION - END OF YEAR	<u>\$ (29,111,473)</u>	<u>\$ (65,927,802)</u>	<u>\$ (98,022,940)</u>	<u>\$ (67,077,163)</u>	<u>\$ (50,024,671)</u>	<u>\$ (55,120,315)</u>	<u>\$ (42,665,912)</u>	<u>\$ (30,087,689)</u>	<u>\$ (8,857,915)</u>	<u>\$ (27,575,950)</u>

Source: District's financial records.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL FUND										
Nonspendable	\$ 734,087	\$ 869,406	\$ 792,020	\$ 749,779	\$ 655,323	\$ 591,417	\$ 395,436	\$ 1,190,862	\$ 260,265	\$ 254,332
Restricted	2,472,900	1,645,357	1,199,824	1,146,771	1,571,140	1,894,878	1,015,008	1,415,659	211,269	516,688
Assigned	-	-	-	-	-	-	620,504	679,910	675,722	681,785
Unassigned	2,055,938	2,285,861	2,225,462	2,853,523	6,624,473	1,234,587	3,288,979	9,228,880	15,593,754	15,597,613
Total General Fund	5,262,925	4,800,624	4,217,306	4,750,073	8,850,936	3,720,882	5,319,927	12,515,311	16,741,010	17,050,418
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	68,270	54,514	68,904	489,947	59,408	71,423	95,265	137,593	319,216	170,113
Restricted, Reported in:										
Food Service Fund	362,728	266,283	165,934	279,768	321,823	1,746,032	3,470,829	3,508,162	4,230,362	4,151,803
Community Service Fund	1,281,314	1,218,168	851,698	981,048	739,233	1,231,910	1,710,263	2,309,312	2,494,668	2,687,558
Capital Projects Fund	115,743	115,743	151,504,112	127,096,599	61,051,083	22,675,423	26,279,833	11,468,962	23,846,569	11,712,600
Debt Service Funds	714,080	936,447	18,638,594	1,432,542	1,729,188	2,155,505	2,543,500	982,860	971,419	622,606
Unassigned, Reported in:										
Community Service Fund	-	-	-	-	-	-	(3,203)	(42,407)	-	-
All Other Governmental Funds	2,542,135	2,591,155	171,229,242	130,279,904	63,900,735	27,880,293	34,096,487	18,364,482	31,862,234	19,344,680
Total All Funds	\$ 7,805,060	\$ 7,391,779	\$ 175,446,548	\$ 135,029,977	\$ 72,751,671	\$ 31,601,175	\$ 39,416,414	\$ 30,879,793	\$ 48,603,244	\$ 36,395,098

Source: District's financial records

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES										
Local Sources:										
Property Taxes	\$ 25,958,825	\$ 26,014,153	\$ 25,198,641	\$ 38,038,250	\$ 40,378,926	\$ 40,051,675	\$ 41,954,574	\$ 45,193,962	\$ 45,436,840	\$ 48,432,922
Earnings on Investments	6,310	7,375	587,862	4,860,105	2,015,558	288,861	31,186	863,946	1,312,825	1,465,789
Exchange	8,893,649	9,042,739	9,656,164	9,503,264	8,356,860	6,156,762	7,706,680	9,935,978	9,548,800	9,689,917
Other	-	-	-	-	-	-	312,773	-	3,499	-
State Sources	74,731,949	74,631,015	77,762,409	79,415,571	80,591,905	80,537,973	81,666,804	84,983,342	101,971,748	105,945,652
Federal Sources	5,829,383	6,780,960	6,952,531	7,584,384	7,192,776	14,205,588	18,831,077	16,861,102	14,394,764	10,134,220
Total Revenues	115,420,116	116,476,242	120,157,607	139,401,574	138,536,025	141,240,859	150,503,094	157,838,330	172,668,476	175,668,500
EXPENDITURES										
Current:										
Administration	5,176,243	5,046,403	4,877,844	4,733,506	5,545,225	5,224,686	5,251,721	5,362,306	5,556,507	5,806,341
District Support Services	3,048,934	3,013,071	3,406,152	4,149,811	4,351,885	4,651,153	4,730,714	4,856,676	5,793,743	5,735,556
Regular Instruction	42,727,091	43,190,679	42,655,871	44,047,533	42,565,307	43,592,426	45,539,379	46,776,118	53,572,859	53,375,696
Vocational Education Instruction	1,214,382	1,646,034	1,782,455	1,822,857	2,039,215	1,897,445	1,858,296	2,086,618	1,922,962	2,252,516
Special Education Instruction	18,397,284	19,390,490	19,470,686	19,933,088	20,359,525	21,372,548	23,576,557	24,552,863	26,791,243	29,683,388
Instructional Support Services	8,501,344	8,746,361	8,745,629	9,002,818	9,392,968	10,540,032	10,142,573	10,976,310	9,740,370	10,749,421
Pupil Support Services	8,897,544	9,457,968	10,007,799	10,151,062	10,424,327	9,338,604	12,060,245	14,753,727	17,075,445	19,820,509
Sites and Buildings	6,686,092	7,426,505	11,342,637	19,863,670	19,740,705	16,826,839	10,197,041	9,372,623	8,458,436	9,239,698
Fiscal and Other Fixed										
Cost Programs	231,433	131,630	246,882	270,532	288,494	453,063	647,713	572,450	683,563	909,715
Food Service	4,564,590	4,589,410	4,498,018	4,535,517	4,106,629	4,694,952	4,844,087	5,046,701	5,841,992	6,059,403
Community Service Fund	6,933,921	7,413,838	7,997,568	7,871,819	7,436,971	6,937,502	7,383,968	7,948,510	8,462,370	9,052,592
Capital Outlay	2,588,834	3,175,365	5,618,572	23,530,946	70,386,757	65,134,479	14,596,958	18,324,908	15,143,160	18,500,357
Debt Service:										
Principal	2,215,000	2,275,000	2,760,000	4,790,000	5,245,000	5,450,000	10,662,852	8,244,173	9,343,987	9,872,078
Interest and Fiscal Charges	2,096,785	1,958,198	3,164,107	8,425,237	7,327,353	7,157,142	7,945,058	7,541,522	7,394,023	7,523,788
Total Expenditures	113,279,477	117,460,952	126,574,220	163,128,396	209,210,361	203,270,871	159,437,162	166,415,505	175,780,660	188,581,058
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,140,639	(984,710)	(6,416,613)	(23,726,822)	(70,674,336)	(62,030,012)	(8,934,068)	(8,577,175)	(3,112,184)	(12,912,558)

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OTHER FINANCING SOURCES (USES)										
Proceeds from Sale of Equipment	\$ 2,790	\$ -	\$ -	\$ 316	\$ -	\$ 7,495	\$ -	\$ -	\$ -	\$ -
Proceeds from Sale of Real Property	2,393,240	-	-	-	-	23,852	-	-	-	-
Insurance Recovery	16,879	571,429	187,984	99,935	45,157	59,152	-	-	-	-
Bonds/COPs Issued	-	-	158,460,000	-	14,795,000	17,510,000	15,675,000	-	17,345,000	-
Bond/COP Premium (Discount)	-	-	15,823,398	-	750,873	-	714,382	-	1,729,494	-
Leases	-	-	-	-	-	-	-	-	256,595	12,842
Subscriptions	-	-	-	-	-	-	-	-	3,528	-
Payment to Refunded Bond Escrow	-	-	-	(16,790,000)	(7,195,000)	3,279,017	359,925	40,554	1,501,018	691,570
Transfers In	-	-	-	-	-	5,918,000	-	-	1,808,991	-
Transfers Out	-	-	-	-	-	(5,918,000)	-	-	(1,808,991)	-
Total Other Financing Sources (Uses)	<u>2,412,909</u>	<u>571,429</u>	<u>174,471,382</u>	<u>(16,689,749)</u>	<u>8,396,030</u>	<u>20,879,516</u>	<u>16,749,307</u>	<u>40,554</u>	<u>20,835,635</u>	<u>704,412</u>
NET CHANGES IN FUND BALANCES	4,553,548	(413,281)	168,054,769	(40,416,571)	(62,278,306)	(41,150,496)	7,815,239	(8,536,621)	17,723,451	(12,208,146)
Fund Balance - Beginning of Year	3,251,512	7,805,060	7,391,779	175,446,548	135,029,977	72,751,671	31,601,175	39,416,414	30,879,793	48,603,244
FUND BALANCE - END OF YEAR	<u>\$ 7,805,060</u>	<u>\$ 7,391,779</u>	<u>\$ 175,446,548</u>	<u>\$ 135,029,977</u>	<u>\$ 72,751,671</u>	<u>\$ 31,601,175</u>	<u>\$ 39,416,414</u>	<u>\$ 30,879,793</u>	<u>\$ 48,603,244</u>	<u>\$ 36,395,098</u>
Debt Service as a Percentage of Noncapital Expenditures	10.10%	8.20%	4.82%	4.82%	10.60%	9.17%	12.74%	10.33%	10.26%	10.01%

Sources: District's financial records

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

For Taxes Collectible	Tax Capacity Valuation						Taxable Market Value	Tax Capacity as a Percentage of Market Value
	Agricultural	Nonagricultural	Fiscal Disparities		Tax Increment	Total Taxable		
			Contribution	Distribution				
2016	\$ 1,456	\$ 64,655,443	\$ (7,894,090)	\$ 6,670,314	\$ (1,413,807)	\$ 62,019,316	\$ 5,423,990,600	1.14%
2017	2,716	67,191,992	(7,954,475)	7,349,115	(1,430,888)	65,158,460	5,705,909,900	1.14
2018	2,903	72,611,117	(8,649,546)	8,032,789	(1,027,494)	70,969,769	6,033,507,500	1.18
2019	2,995	77,362,316	(9,168,590)	8,319,736	(1,004,278)	75,512,179	6,431,234,700	1.17
2020	3,191	81,645,627	(9,729,174)	8,886,632	(1,072,923)	79,733,353	6,800,952,800	1.17
2021	3,287	88,362,570	(9,818,134)	9,446,851	(1,344,635)	86,649,939	7,279,489,500	1.19
2022	1,768	90,218,020	(11,018,513)	10,299,114	(1,346,783)	88,153,606	7,466,211,400	1.18
2023	13,133	100,957,224	(10,895,823)	9,800,455	(1,665,188)	98,209,801	8,369,964,518	1.17
2024	1,854	107,433,615	(11,388,892)	10,420,506	(2,079,653)	104,387,430	8,825,335,637	1.18
2025	1,854	109,061,028	(12,120,784)	11,054,519	(1,690,293)	103,306,324	8,860,948,140	1.17

Source: School Tax Report issued by the Minnesota Department of Education and Ramsey County

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)**

Rate	Tax Collection Calendar Fiscal Year	ISD No. 623	Overlapping Rates				Overlapping Rates					Total Roseville Resident
			Municipalities				Municipalities			County	Misc	
			Roseville	Maplewood	Shoreview	Little Canada	Arden Hills	Falcon Heights	Lauderdale	Ramsey	Other (1)	
Tax Capacity Rate	2016	0.20958	0.39324	0.48507	0.35689	0.30331	0.26539	0.25866	0.29042	0.58885	0.09052	1.28219
Market Value Rate	2016	0.00210	0.00019	0.00009								0.00229
Tax Capacity Rate	2017	0.18894	0.38552	0.47248	0.34627	0.28903	0.27211	0.26342	0.28678	0.55850	0.08669	1.21965
Market Value Rate	2017	0.00193	0.00018	0.00008								0.00211
Tax Capacity Rate	2018	0.34396	0.38177	0.45911	0.33935	0.26664	0.25532	0.31780	0.29919	0.53962	0.09086	1.35621
Market Value Rate	2018	0.00220	0.00017	0.00007								0.00236
Tax Capacity Rate	2019	0.31687	0.37422	0.44693	0.32960	0.26131	0.25555	0.37356	0.29347	0.48565	0.25210	1.42884
Market Value Rate	2019	0.00253	0.01574	0.00657								0.01827
Tax Capacity Rate	2020	0.30668	0.39201	0.44646	0.32626	0.25773	0.25414	0.35635	0.29330	0.52302	0.09270	1.31441
Market Value Rate	2020	0.00198	0.09531	0.00633								0.09729
Tax Capacity Rate	2021	0.31250	0.37071	0.41953	0.32331	0.23983	0.25089	0.36348	0.27733	0.47760	0.08938	1.25019
Market Value Rate	2021	0.00169	0.00000	0.00000								0.00169
Tax Capacity Rate	2022	0.26914	0.38483	0.43662	0.32961	0.25555	0.26543	0.38800	0.29596	0.48067	0.10919	1.24381
Market Value Rate	2022	0.00269	0.00000	0.00000								0.00269
Tax Capacity Rate	2023	0.25533	0.36083	0.40548	0.30258	0.25486	0.23632	0.35174	0.28159	0.44901	0.10347	1.16864
Market Value Rate	2023	0.00214	0.00000	0.00000								0.00214
Tax Capacity Rate	2024	0.25030	0.37229	0.42926	0.31432	0.24829	0.24491	0.36979	0.29497	0.45455	0.18580	1.26294
Market Value Rate	2024	0.00233	0.00000	0.00000								0.00233
Tax Capacity Rate	2025	0.27774	0.40375	0.48354	0.32377	0.27895	0.27648	0.35795	0.33228	0.47475	0.11054	1.26678
Market Value Rate	2025	0.00225	0.00000									0.00225

Source: Ramsey County Department of Property Tax and Public Records

(1) The miscellaneous other levy includes Metropolitan Council, mosquito control, watershed district, and other metro services. These miscellaneous levies vary slightly between municipalities.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	2025			2016		
	Net Tax Capacity	Rank	Percentage of Tax Capacity Value	Net Tax Capacity	Rank	Percentage of Tax Capacity Value
Rosedale Shopping Center	\$ 2,096,990	1	2.08%	\$ 2,349,250	1	3.45%
Xcel Energy	956,695	2	0.95	1,187,502	2	1.74
St. Jude Medical Inc.	937,352	3	0.93	423,714	8	0.62
Gateway Washington Inc & Co	860,970	4	0.85	807,026	3	1.18
Wilcal Crossroads LLC	847,172	5	0.84	616,788	5	0.90
Arrow Lexington Apartments, LLC	769,853	6	0.74	-	N/A	-
Rosedale Commons, LP	745,514	7	0.76	406,280	6	0.66
Meritex Industrial Portfolio, LLC	538,874	8	0.53	-	N/A	-
Rosedale Marketplace	480,068	9	0.48	362,452	4	1.04
Roseville Properties	451,172	10	0.45	347,202	7	0.66
Total	<u>\$ 8,684,660</u>		<u>8.60%</u>	<u>\$ 6,500,214</u>		<u>10.25%</u>

Source: Current Property Valuations, Net Tax Capacity by Classification. Trend Valuations and Larger Taxpayers have been furnished by Ramsey County

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

For Taxes Collectible	Original Levy				First Year Levy Recognized		Collections	Uncollected Taxes Receivable					
							Received in	as of June 30, 2025					
							Total Collections to Date	Delinquent					
	Local Spread	Fiscal Disparities	Property Tax Credits	Total Spread	Amount	Percentage of Levy	Subsequent Years	Percentage of		Amount	Percent		
	Amount						Amount	Levy					
2016	\$ 23,014,487	\$ 2,858,884	\$ 243,935	\$ 26,117,306	\$ 26,013,744	9960.3%	\$ 103,562	\$ 26,117,306	100.0%	\$ -	0.0%		
2017	22,147,148	3,055,799	218,646	25,421,593	25,198,644	99.1	222,949	25,421,593	100.0	-	-		
2018	34,891,855	3,026,465	200,048	38,118,368	38,127,149	100.0	(9,061)	38,118,088	100.0	280	0.0		
2019	35,779,776	4,612,447	197,120	40,589,343	39,894,491	98.3	657,757	40,552,248	99.9	37,095	0.1		
2020	35,204,430	4,732,099	213,160	40,149,689	39,821,716	99.2	285,546	40,106,853	99.9	42,427	0.1		
2021	36,410,633	4,694,269	-	41,104,902	40,004,638	97.3	1,007,314	41,011,952	99.8	92,950	0.2		
2022	41,065,541	4,857,279	176	45,922,996	45,020,894	98.0	195,986	45,216,880	98.5	706,116	1.5		
2023	40,448,425	5,169,304	1,161	45,618,890	44,022,228	96.5	1,438,864	45,461,092	99.7	157,798	0.3		
2024	44,077,177	4,767,635	-	48,844,812	47,568,054	97.4	263,860	47,831,914	97.9	1,012,899	2.1		
2025	45,574,721	5,185,260	-	50,759,981	26,604,502	52.4	In process of collection					-	
Total										\$ 2,049,565			

Note 1: A portion of the total spread levy is paid through various property tax credits which are paid through state aids and have been included in collections.

Note 2: Only a portion of calendar year 2025 taxes are collectible by June 30, 2025. A total of \$23,845,114 of 2025 taxes were collected by June 30, 2025.

Note 3: Delinquent taxes receivable are written off after seven years. The amount of collections has been adjusted to reflect the write off of delinquent taxes receivable.

Source: State of Minnesota School Tax Report

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities					Percentage	
	General Obligation Bonds	Long-Term Leases and Subscriptions	Certificates of Participation	Financed Purchases	Total Primary Government	of Personal Income (1)	Per Capita (1)
2016	\$ 38,176,006	\$ -	\$ -	\$ -	\$ 38,176,006	0.01%	\$ 698
2017	35,804,694	-	-	-	35,804,694	0.01	654
2018	206,883,978	-	-	-	206,883,978	0.07	3,781
2019	183,686,615	-	-	-	183,686,615	0.06	3,198
2020	164,845,000	-	-	-	164,845,000	0.05	2,876
2021	178,604,247	314,871	20,789,017	348,760	200,056,895	0.07	3,435
2022	184,156,431	216,374	19,445,665	414,330	204,232,800	0.07	3,507
2023	178,101,497	180,860	15,914,881	119,975	194,317,213	0.07	3,337
2024	175,340,000	299,710	14,835,000	723,279	191,197,989	N/A	3,283
2025	167,200,000	203,706	13,885,000	741,617	182,030,323	0.06	3,126

N/A - Not Available

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2025
(UNAUDITED)**

Governmental Unit	2024/2025 Taxable Net Tax Capacity	Bonded Debt	Percent Allocable to ISD No. 623	Portion Allocable to ISD No. 623
Independent School District No. 623	\$ 104,387,430	\$ 175,340,000	100.00%	\$ 175,340,000
Overlapping Debt				
Ramsey County	868,599,789	214,887,000	11.72%	25,174,360
Arden Hills	21,737,906	1,325,000	3.14%	41,618
Falcon Heights	7,360,186	1,055,000	23.74%	250,480
Lauderdale	3,784,736	600,000	60.63%	363,757
Little Canada	18,354,414	2,215,000	87.17%	1,930,846
Maplewood	66,391,623	48,495,000	11.68%	5,663,736
Roseville	77,501,530	9,875,000	61.66%	6,088,900
Shoreview	51,136,477	48,125,000	7.18%	3,456,964
Metropolitan Council	6,313,906,529	1,558,153,208	1.51%	23,580,238
Total Overlapping Debt				<u>66,550,899</u>
Total Direct and Overlapping Debt				<u>\$ 241,890,899</u>

Note (1): The above debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds and lease obligations outstanding all of which are supported entirely by revenues and have not been included in the Overlapping Debt or Debt Ratios.

Source: Ramsey County

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
RATIO OF NET GENERAL OBLIGATIONS BONDED DEBT TO TAX CAPACITY
AND NET OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Gross Bonded Debt	Less Debt Service Funds on Hand	Net Bonded Debt	Tax Capacity	Percent Net Debt to Tax Capacity	Percent of Estimated Actual Market Value of Property (1)	Estimated Population	Net Bonded Debt per Capita
2016	\$ 38,176,006	\$ 2,892,601	\$ 35,283,405	\$ 60,425,378	66.05	65%	54,723	\$ 645
2017	35,804,694	2,892,697	32,911,997	62,019,316	53.07	58%	54,723	601
2018	206,883,978	24,629,902	182,254,076	65,158,460	279.71	302%	54,723	3,330
2019	169,100,000	7,229,222	161,870,778	70,969,769	228.08	252%	57,443	2,818
2020	164,845,000	7,339,239	157,505,761	75,512,179	208.58	232%	57,325	2,748
2021	161,090,000	8,424,043	152,665,957	79,733,353	191.47	210%	58,239	2,621
2022	184,156,431	9,020,174	175,136,257	86,649,939	202.12	235%	58,239	3,007
2023	178,101,497	7,518,518	170,582,979	88,153,606	193.51	204%	58,239	2,929
2024	175,340,000	7,813,797	167,526,203	98,209,801	170.58	190%	58,239	2,877
2025	181,085,000	9,263,429	171,821,571	104,387,430	164.60	194%	58,239	2,950

(1) - See the Schedule of Tax Capacities and Market Value for information on the market value of the District's property.

Source: Annual school district census and U.S. census

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 814,498,590	\$ 855,886,485	\$ 905,026,125	\$ 964,685,205	\$ 1,020,142,920	\$ 1,091,923,425	\$ 950,347,636	\$ 1,086,413,355	\$ 1,179,890,749	\$ 1,127,968,835
Total Net Debt										
Applicable to Limit	35,283,405	32,911,997	182,254,076	182,254,076	176,457,393	178,604,247	169,584,074	169,081,323	180,601,392	186,656,571
Legal Debt Margin	<u>\$ 779,215,185</u>	<u>\$ 822,974,488</u>	<u>\$ 722,772,049</u>	<u>\$ 782,431,129</u>	<u>\$ 843,685,527</u>	<u>\$ 913,319,178</u>	<u>\$ 780,763,562</u>	<u>\$ 917,332,032</u>	<u>\$ 999,289,357</u>	<u>\$ 941,312,264</u>
Total Net Debt										
Applicable to the Limit										
as a Percentage										
of Debt Limit	4.33%	3.85%	20.14%	18.89%	17.30%	16.36%	17.84%	15.56%	15.31%	16.55%

Legal Debt Margin Calculation for Fiscal Year 2025

Market Value (1)	(1)	\$ 8,764,169,371
Debt Limit (15% of Market Value)		1,314,625,406
Debt Applicable to Limit:		
General Obligation Bonds		171,821,571
Less: Amount Set Aside for Repayment of		
General Obligation Debt		<u>14,835,000</u>
Total Net Debt Applicable to Limit		<u>186,656,571</u>
Legal Debt Margin		<u>\$ 1,127,968,835</u>

(1) Economic Market Value for School Districts. Assessment
Year 2025 for taxes payable in 2026. Minnesota
Department of Revenue.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Calendar Year	Population (1)	Estimated Personal Income (2)	Per Capita Personal Income (2)	Median Age	School Enrollment (3)	City of Roseville Unemployment Rate (4)
2016	54,723	\$ 2,651,712,411	\$ 48,457	40	7,550	300.0%
2017	54,723	2,723,384,555	49,767	40	7,615	3.0
2018	54,723	2,861,520,393	52,291	40	7,664	2.9
2019	57,443	2,937,060,590	51,130	38	7,580	3.0
2020	57,325	3,000,505,150	52,342	43	7,580	3.0
2021	58,239	2,968,849,503	50,977	44	7,299	2.3
2022	58,239	3,065,060,331	52,629	42	7,228	2.1
2023	58,239	2,851,905,591	48,969	40	7,272	3.2
2024	58,239	N/A	N/A	N/A	N/A	N/A
2025	58,239	2,922,898,932	50,188	42	7,144	3.9

Note 1: Student enrollment numbers are estimated for the most recent fiscal year.

Note 2: Annual average unemployment rates compiled by the Minnesota Department of Employment and Economic Development.

Sources:

- (1) MDE's Levy Limitation Reports
- (2) Estimated personal income is calculated by multiplying the per capital personal income by the estimated population per census
- (3) MDE's Levy Limitation Reports
- (4) United States Department of Agriculture/Economic Research Service

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Employer	2025		2016	
	Employees	Rank	Employees	Rank
Minnesota State Fair (1)	2,636	1	2,670	2
University of Minnesota (St. Paul Campus)	2,018	2	4,691	1
Abbott-St. Jude Medical	1,159	3	1,126	3
ISD No 623 (Roseville Area Schools)	1,254	4	1,113	4
Minnesota Department of Transportation	800	5	700	5
Hypro	400	6	N/A	
Lunds & Byerlys	377	7	N/A	
Asmodee North America	250	8	N/A	
Old Dutch Foods	250	9	400	7
Slumberland, Inc. (2)	110	10	N/A	
Total	<u>9,254</u>		<u>10,700</u>	

Source: Data Axle Reference Solutions, written and telephone survey, and the Minnesota Department of Employment and Economic Development.

Note: Information regarding the percentage of total employment for each employer was not available.

(1) This includes full-time staff year round, the 12 days before and after fair, summer seasonal staff, and special events.

(2) Total number of employees includes two locations in the District.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
FULL-TIME EQUIVALENT DISTRICT EMPLOYEE BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Administrative Staff	23	22	26	27	28	28	29	29	28	29
Support Service Staff	90.76	85.05	85.20	86.10	86.30	71.30	88.10	96.00	76.71	85.83
Classroom Teachers	388.73	401.64	405.28	401.40	406.80	402.50	407.90	412.40	361.48	364.37
Special Education Teachers	74.49	78.41	72.09	73.60	70.80	68.80	76.30	84.70	83.49	96.66

Source: STAR reports

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHOOL BUILDING INFORMATION
(UNAUDITED)**

Facility	Use	Constructed	Acres	Additions	Square Footage	Enrollment ⁽¹⁾
Brimhall Elementary	School	1957	16.8	1957, 1958, 1959, 1972 1994, 2019 2023	101,342	568
Central Park Elementary	School	1966	9.4	1968, 1996, 2019	88,801	414
District Center	Administration	1968	5.0		16,952	N/A
Edgerton Elementary	School	1952	13.0	1955, 1961 1967, 1969, 1996, 2004, 2019	86,880	384
Anpétu Téča Education Center	Community	2021	21.7		109,190	N/A
Falcon Heights Elementary	School	1951	8.8	1951, 1961, 1969, 1995, 1998, 2015 2020	74,081	435
Harambee Elementary	School	1996	27.3	2020	85,266	275
Little Canada Elementary	School	1968	16.0	1989, 1995, 2019	88,796	636
Williams Elementary	School	1963	13.6	1966, 1969, 1997, 2020	76,423	455
Parkview Center School	School	1967	26.3	1969, 1975, Renovated in 1997 2020	168,594	719
Roseville Area Middle School	School	1963	41.0	1963, 1966, 1970, 1972 1975, 1990 2004, 2020	260,232	849
Roseville Area High School	School	1952	40.0	1962, 1969, 1970, 1975, 1985, 1993-1996 2003, 2005, 2019-2023	527,990	2,140

N/A - Not Available

(1) Source: 2024-25 MN Department of Education School ADM Served Report

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
STANDARDIZED TESTING
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
STANDARDIZED TESTS										
MCA Reading (See Note 1)										
Grade 3	52.9%	51.4%	53.1%	47.8%	N/A	41.9%	48.0%	42.3%	43.3%	41.8%
Grade 5	64.1%	63.2%	61.6%	60.1%	N/A	55.6%	54.4%	54.7%	48.8%	49.2%
Grade 7	48.3%	51.2%	58.3%	60.6%	N/A	46.5%	50.5%	44.4%	43.6%	47.4%
Grade 10	54.8%	57.8%	53.1%	55.4%	N/A	69.1%	60.8%	52.4%	48.8%	42.4%
MCA Math (See Note 1)										
Grade 3	62.7%	62.6%	61.7%	57.1%	N/A	48.0%	53.3%	50.0%	48.8%	49.0%
Grade 5	50.8%	48.7%	48.0%	46.3%	N/A	28.4%	32.2%	33.7%	32.4%	32.2%
Grade 7	49.6%	47.3%	44.5%	52.8%	N/A	25.1%	34.4%	27.3%	37.1%	39.2%
Grade 11	38.8%	45.2%	45.1%	35.6%	N/A	39.6%	36.6%	39.1%	25.2%	29.6%
ACT										
Independent School										
District No. 623 Average										
Composite Score	20.6%	21.1%	20.8%	20.2%	N/A	24.3%	19.7%	19.0%	19.2%	20.0%
State Average Composite										
Score	21.1%	21.5%	21.3%	21.4%	N/A	21.6%	21.0%	20.8%	20.7%	20.6%

N/A - Not Available

Note 1: Percent of students scoring at or above proficiency on the Minnesota Comprehensive Assessment Test.

Note 2: MCAs were not administered in the 2019-2020 school year due to COVID-19 Pandemic

Note 3: Student participation in MCAs during the 2020-2021 school year was severely impacted due to the COVID-19 Pandemic

Note 4: Student participation in ACT during the 2020-21 school year was severely impacted due to the COVID-19 Pandemic

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SUMMARY OF MEALS SERVED
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Average Daily Attendance (1)	Total Lunches Served	Days	Average Daily Participation	Participation as a Percent of Average Daily Attendance	Free Lunch		Reduced Lunch	
						Number Served	Percent of Total	Number Served	Percent of Total
2016	7,059	869,259	173.0	5,025	71.18	440,887	50.72	81,054	9.32
2017	7,120	868,930	173.0	5,023	70.54	430,019	49.49	84,893	9.77
2018	7,166	844,827	173.0	4,883	68.14	405,578	48.01	85,311	10.10
2019	7,087	820,170	170.0	4,825	68.07	374,353	45.64	102,462	12.49
2020	7,087	583,066	116.0	5,026	70.92	248,842	42.68	69,867	11.98
2021	N/A - All students fed through Summer Nutrition Program and/or CACFP per USDA guidance								
2022	N/A - All students fed through Summer Nutrition Program and/or CACFP per USDA guidance								
2023	6,730	735,651	168.0	4,379	65.07	374,743	50.94	67,311	9.15
2024	6,590	879,436	168.0	5,236	79.45	461,042	52.42	44,395	5.05
2025	6,545	873,713	168.0	5,201	79.46	444,988	50.93	43,842	5.02

(1) Based on State Food and Nutrition Department guidelines, attendance is deemed to be 91.25% of enrollment.

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF INSURANCE COVERAGE
JUNE 30, 2025
(UNAUDITED)**

Type of Coverage	Amount of Coverage
PROPERTY COVERAGE	
Total Policy Limit	\$ 500,000,000
All Real Property & Property in the Open at Location #1	542,887,776
Business Personal Property Including:	
Property in the Open at other locations	15,759,656
Computers, EDP & Leased iPads	4,000,000
School Cameras AV Equipment	247,600
Blanket Flood Coverage	2,000,000
TIME ELEMENT COVERAGE EXTENSIONS	
Crisis Event Caused by Violent Crime	250,000
Interruption of computer Operations Due to Cyber Incident	25,000
Ingress or Egress Loss of Business Income	50,000
Ingress or Egress Extra Expense Incurred	50,000
Research and Development - Loss of Business Income	100,000
PROPERTY COVERAGE EXTENSIONS	
Accounts Receivable	250,000
Arson Reward	50,000
Course of Construction	500,000
Cyber Incident	25,000
Debris Removal Expense	250,000
Except for windblown debris	50,000
Deferred Payments	50,000
Electronic Data	25,000
Error and Omission	250,000
Exhibitions, Expositions, Trade Shows, Fairs	100,000
Fire Dept Service Charges	25,000
Fine Arts Physical Damage	100,000
Fine Arts for Any One Item	10,000
Fungus, Wet Rot, Dry Rot and Bacteria	250,000
Installation of Personal Property or Property of Others	250,000
Lock and Key Replacement	50,000
Mobile Equipment or Tools Physical Damage	100,000
Mobile Equipment or Tools Newly acquired mobile equipment or tools own or rent	100,000
Miscellaneous Unnamed Locations Physical Damage	4,000,000
Newly Acquired Locations Physical Damage	2,500,000
Ordinance or Law Demolition Expense	1,000,000
Ordinance or Law Demolition Increased Cost of Construction Expense	1,000,000
Ordinance of Law Value of the Undamaged Portion of Real Property	1,000,000
Personal Effects of Employees Physical Damage	100,000
Personal Effects of Employees For any one employee	10,000
Pollutant Cleanup Expense	100,000
Professional Fees	250,000
Protection and Preservation of Property	100,000
Salespeople Personal Property	50,000
Transit Personal Property	10,000
Trees, Shrubs, Plants Physical Damage	250,000
Trees, Shrubs, Plants For any one item	10,000
Utility Services Interruption Physical Damage	250,000
Utility Services Interruption Business Income	250,000
Utility Services Interruption Extra Expense	250,000

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF INSURANCE COVERAGE (CONTINUED)
JUNE 30, 2025
(UNAUDITED)**

Type of Coverage	Amount of Coverage
EQUIPMENT BREAKDOWN ALL LOCATIONS	
Ammonia Contamination	\$ 250,000
Expediting Expense	250,000
Hazardous Substances Contamination	250,000
Other than Ammonia	250,000
LIABILITY COVERAGES	
General Liability:	
Each Occurrence	1,000,000
General Aggregate	2,000,000
Products/Completed Operations Aggregate	2,000,000
Personal/Advertising Injury Limit	1,000,000
Damage to Rented Premises	1,000,000
Medical Expense Limit - excluding students	15,000
Employee Benefit Liability:	
Each Employee	1,000,000
Aggregate	3,000,000
Sexual Misconduct Liability:	
Each Sexual Misconduct	1,000,000
Aggregate	1,000,000
Custom Select Educational Institutions:	
Animals	25,000
Classroom Chemical Spills, per occurrence	50,000
Land Improvements	598,104
Misc. School Property at School Sponsored Events Away from a Covered Location	465,000
Personal Effects of Your Students, per occurrence	100,000
Umbrella Coverage:	
Limit of Liability Each Occurrence	3,000,000
Limit of Liability Annual Aggregate	3,000,000
Products/Completed Operations Aggregate	3,000,000
Crime Coverage:	
Employee Theft - Per Loss	1,000,000
Faithful Performance of Duty Coverage for Gov't Employees - Per Loss	500,000
Forgery or Alteration	50,000
Theft, Disappearance & Destruction:	
Inside the Premises Theft of Money & Securities	100,000
Robbery or State Burglary of Other Property	100,000
Outside the Premises	100,000
Computer Fraud & Funds Transfer Fraud	500,000
Money Orders and Counterfeit Money	50,000
False Pretenses Coverage	100,000

**ROSEVILLE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 623
SCHEDULE OF INSURANCE COVERAGE (CONTINUED)
JUNE 30, 2025
(UNAUDITED)**

Type of Coverage	Amount of Coverage
LIABILITY COVERAGES (CONTINUED)	
Cyber Liability Coverage:	
Aggregate Limit	\$ 1,000,000
Liability Costs - Full Prior Acts	1,000,000
PCI Costs - Full Prior Acts	1,000,000
Regulatory Costs - Full Prior Acts	1,000,000
First Party Expense:	
Cowbell Breach Fund	1,000,000
Data Restoration Costs	1,000,000
Extortion Costs	1,000,000
Business Impersonation Costs	1,000,000
Reputational Harm Expense	1,000,000
First Party Loss:	
Business Interruption Loss	1,000,000
Contingent Business Interruption Loss	1,000,000
System Failure	1,000,000
Contingent System Failure	1,000,000
Cyber Crime Loss	250,000
Bricking Costs	1,000,000
Criminal Rewards Costs	100,000
Coverage Endorsements:	
CA Consumer Privacy Act	1,000,000
General Data Protection Regulation	1,000,000
Utility Fraud Attack	100,000
Media Liability	1,000,000
Cryptojacking	100,000
Additional Cowbell Breach Fund Costs	1,000,000
Business Automobile Coverage:	
Liability	1,000,000
Personal Injury Protection	Statutory
Uninsured Motorists	1,000,000
Underinsured Motorists	1,000,000
Hired and Non-Owned Liability	1,000,000
School Leaders Errors and Omissions	1,000,000
Aggregate Limit	1,000,000
Aggregate Defense Expense	500,000
Law Enforcement Liability	
Each Wrongful Act	1,000,000
Aggregate Limit	1,000,000
Non-Monetary Relief Defense Coverage	100,000
Workers' Compensation Coverage:	
Employers Liability: Each Accident	500,000
Employers Liability: Disease - Policy Limit	500,000
Employers Liability: Disease - Each Employee	500,000