ANNUAL FINANCIAL REPORT

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

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STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Annual Financial Report
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For the Year Ended June 30, 2026

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INTRODUCTORY SECTION

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

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STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Board of Directors and Administration
For the Year Ended June 30, 2026

BOARD OF DIRECTORS

Name	Position
Sara Fromm	Chair
Andy Lyman	Vice-Chair
Tina Barak	Treasurer
Carie Essig	Teacher Member
Kelly Springer	Parent Member
Aaron Lundblad	Community Member

ADMINISTRATION

Name	Position
Eric Skanson	Executive Director
Kelly Rimpila - Creative Planning	Business Manager

STRIDE Academy Building Company
Board of Directors

Name	Position
Neil Theisen	President
Eric Williams	Secretary
Cory Heinen	Treasurer

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FINANCIAL SECTION

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota

Report on 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 STRIDE Academy (the Academy), St. Cloud, Minnesota, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy'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 and each major fund of the Academy as of June 30, 2026, and the respective changes in financial position for the year then ended in conformity 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy 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 – Change in Accounting Principle

As described in Note 6 to the financial statements, the Academy adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements,* for the year ended June 30, 2026. Adoption of the provisions of this statement results in significant changes to the classifications of the components of the financial statements. 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 these 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 the Academy'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.

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards 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 the Academy'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 the Academy'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 starting on page 15 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions and the related note disclosures, and the respective budgetary comparison schedule and related note disclosures starting on page 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 auditing standards generally accepted in the United States of America, 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 was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Academy's basic financial statements. The accompanying individual fund schedules and table are presented for purposes for 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules and table are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's 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 October 22, 2026 on our consideration of the Academy'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 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 the Academy's internal control over financial reporting and compliance.

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Minneapolis, Minnesota
October 22, 2026

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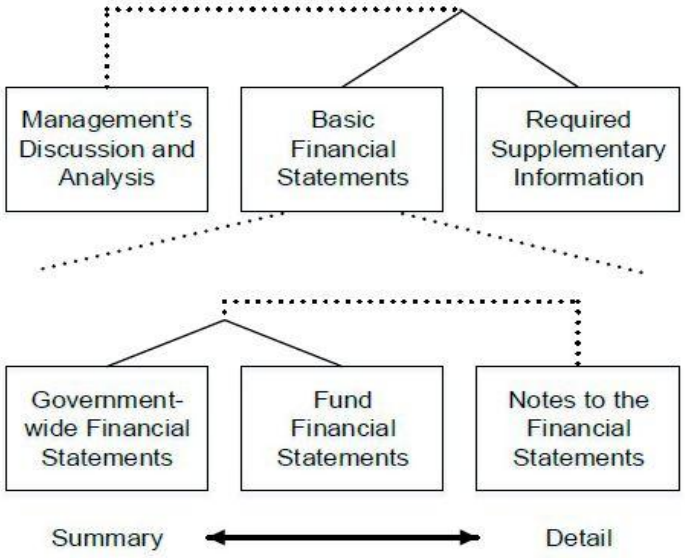
Management's Discussion and Analysis

As management of the STRIDE Academy Charter School No. 4142 (the Academy), St. Cloud, Minnesota, we offer readers of the Academy's financial statements this narrative overview and analysis of the financial activities of the Academy for the fiscal year ended June 30, 2026.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Academy's basic financial statements. The Academy's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

Organization of STRIDE Academy Charter School No. 4142's Annual Financial Report



The following chart summarizes the major features of the Academy's financial statements, including the portion of the Academy's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements:

Major Features of the Government-wide and Fund Financial Statements

		Fund Financial Statements
	Government-wide Statements	**Governmental Funds**
Scope	Entire Academy (except fiduciary funds)	The activities of the Academy that are not fiduciary, such as special education and building maintenance
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Academy's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Academy's assets, deferred inflows of resources, liabilities, and deferred outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Academy is improving or deteriorating.

The *statement of activities* presents information showing how the Academy's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements display functions of the Academy that are principally supported by intergovernmental revenues (*governmental activities*). The governmental activities of the Academy include administration, district support services, elementary and secondary regular instruction, special education instruction, instructional support services, pupil support services, sites and buildings, fiscal and other fixed cost programs, food service, and interest on long term debt.

The government-wide financial statements start on page 26 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Academy, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds*.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Academy's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Academy's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Academy maintains three individual governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund and the Building Company special revenue fund, which are considered major funds, and the Food Service special revenue fund, which is considered as a nonmajor fund.

The Academy adopts an annual appropriated budget for its General fund and Food Service special revenue fund. A budgetary comparison schedule have been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 30 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 35 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Academy's budgetary comparison schedule and related notes, and progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 62 of this report.

Other Information. The individual fund financial schedule and table start on page 72 of this report.

Government-wide Financial Analysis.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Academy, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources as shown in the summary of net position below at the close of the most recent fiscal year.

STRIDE Academy Charter School No. 4142's Net Position

	Governmental Activities		
	2026	2025	Increase (Decrease)
Assets			
Current and other assets	$ 5,589,408	$ 5,486,562	$ 102,846
Capital assets	13,573,007	13,594,550	(21,543)
Total Assets	19,162,415	19,081,112	81,303
Deferred Outflows of Resources			
Deferred pension resources	1,828,302	1,275,800	552,502
Liabilities			
Current and other liabilities	1,803,288	871,038	932,250
Noncurrent liabilities	18,629,872	19,143,155	(513,283)
Total Liabilities	20,433,160	20,014,193	418,967
Deferred Inflows of Resources			
Deferred pension resources	1,232,291	996,330	235,961
Net Position			
Net investment in capital assets	1,035,304	650,176	385,128
Restricted	548,135	721,094	(172,959)
Unrestricted	(2,258,173)	(2,024,881)	(233,292)
Total Net Position	$ (674,734)	$ (653,611)	$ (21,123)
Net Position as a Percent of Total			
Net investment in capital assets	153.5 %	99.5 %	
Restricted	81.2	110.3	
Unrestricted	(334.7)	(309.8)	
Total	(100.0) %	(100.0) %	

As shown in the table above, as of June 30, 2026, the School's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources. The following sections of the MD&A analyze the finances of the governmental activities.

Governmental Activities. Governmental activities decreased the academy's net position as shown below in the summary of changes in net position. Key elements of this increase are shown in the table below.

STRIDE Academy Charter School No. 4142's Changes in Net Position

	Governmental Activities		
	2026	2025	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	$ 6,247	$ 6,473	$ (226)
Operating grants and contributions	4,641,330	3,046,980	1,594,350
General revenues			
State aid-formula grants	9,441,737	7,267,687	2,174,050
Other general revenues	60,324	120,502	(60,178)
Unrestricted investment earnings	132,466	189,386	(56,920)
Total Revenues	14,282,104	10,631,028	3,651,076
Expenses			
Administration	780,504	612,969	167,535
District support services	893,856	831,012	62,844
Elementary and secondary regular instruction	4,879,536	4,222,852	656,684
Special education instruction	2,074,694	1,196,438	878,256
Instructional support services	646,660	489,340	157,320
Pupil support services	1,085,811	185,788	900,023
Sites and buildings	2,298,067	933,648	1,364,419
Fiscal and other fixed cost programs	212,057	175,915	36,142
Food service	640,192	566,195	73,997
Interest on long-term debt	770,098	785,063	(14,965)
Total Expenses	14,281,475	9,999,220	4,282,255
Excess (Deficiency) Before Unusual or Infrequent Items	629	631,808	(631,179)
Unusual or infrequent item			
Insurance proceeds	42,665	-	42,665
Reconstruction	(64,417)	-	(64,417)
Change in Net Position	(21,123)	631,808	(652,931)
Net Position, July 1	(653,611)	(1,285,419)	631,808
Net Position, June 30	$ (674,734)	$ (653,611)	$ (21,123)

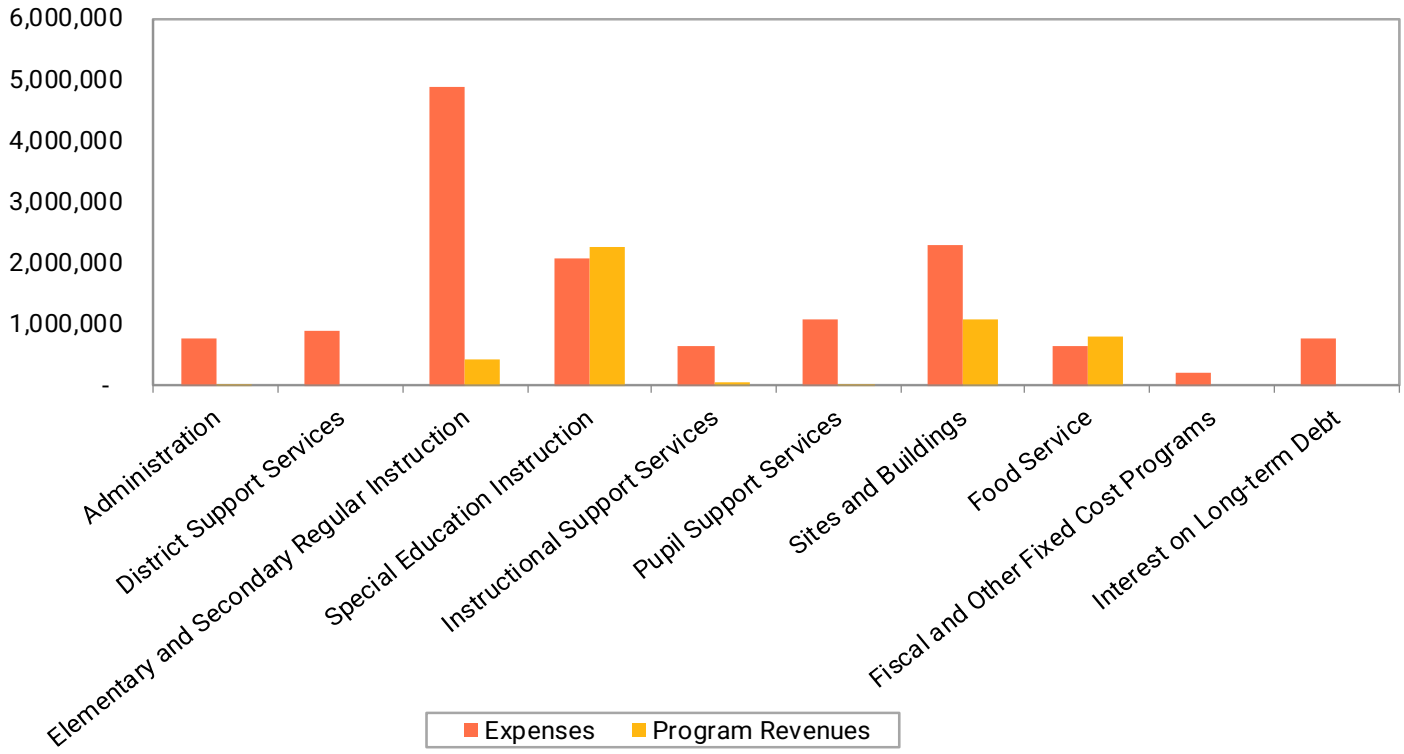
Overall, the net position decreased slightly due to the increase in expenditures outpacing the increase in revenues. Key elements of this decrease are as follows:

- Increases in expenses in each department with the exception of interest on long-term debt.

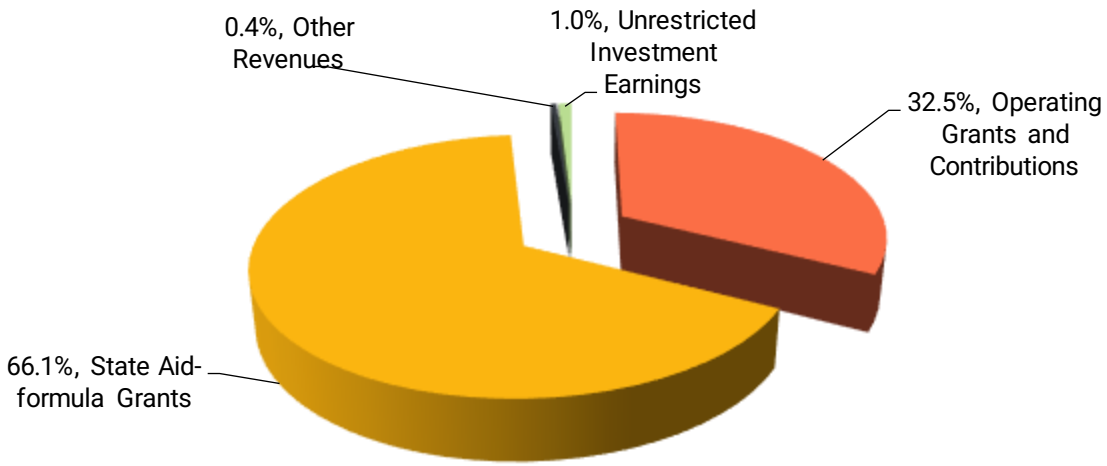
Expenses increases

Increases in department expenses due to the new costs associated with the first year of the second school site.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, the Academy uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund. The focus of the Academy's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Academy's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year

	General	Building Company	Food Service	Total	Prior Year Total	Increase/ Decrease
Fund Balances						
Nonspendable	$ 20,528	$ -	$ -	$ 20,528	$ 17,301	$ 3,227
Restricted	-	450,432	270,431	720,863	897,593	(176,730)
Unassigned	3,217,457	-	-	3,217,457	3,877,129	(659,672)
Total Fund Balances	$ 3,237,985	$ 450,432	$ 270,431	$ 3,958,848	$ 4,792,023	$ (833,175)

As of the end of the current fiscal year, the Academy's governmental funds reported combined ending fund balances as shown above. Additional information on the Academy's fund balances can be found in Note 1 starting on page 40 of this report.

General Fund

The General fund is the chief operating fund of the Academy. At the end of the current year, unassigned fund balance of the General fund was as shown above. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Fund Balance		Increase /
	2026	2025	(Decrease)
General Fund Balances			
Nonspendable	$ 20,528	$ 17,301	$ 3,227
Restricted	-	27,336	(27,336)
Unassigned	3,217,457	3,877,129	(659,672)
Total General Fund Balances	$ 3,237,985	$ 3,921,766	$ (683,781)
General fund expenditures	$ 14,140,319	$ 9,587,981	
Unassigned as a percent of expenditures	22.8%	40.4%	
Total fund balance as a percent of expenditures	22.9%	40.9%	

The General fund balance decreased mainly due to the increased expenditures in relation to opening a second site.

Capital Assets and Debt

Capital Assets. The Academy's investment in capital assets for its governmental activities as of June 30, 2026 is noted below. This net investment in capital assets includes land, buildings and improvements, leasehold improvements, and equipment. The following is a schedule of capital assets as of June 30, 2026.

STRIDE Academy Charter School No. 4142's Capital Assets

(Net of Depreciation)

	Governmental Activities		
	2026	2025	Increase (Decrease)
Land	$ 2,903,479	$ 2,903,479	$ -
Construction in Progress	161,652	-	161,652
Equipment	240,553	264,577	(24,024)
Buildings and Improvements	9,906,458	10,142,655	(236,197)
Leasehold Improvements	360,865	283,839	77,026
Total	$ 13,573,007	$ 13,594,550	$ (21,543)
Increase/(Decrease)			-0.2%

Significant capital asset activity during the current year includes acquisition of equipment and the completion of building improvements. Additional information on the Academy's capital assets can be found in Note 3B on page 44 of this report.

Noncurrent Liabilities. At the end of the current fiscal year, the Academy had the following noncurrent liabilities outstanding.

STRIDE Academy Charter School No. 4142's Outstanding Debt

	Governmental Activities		
	2026	2025	Increase (Decrease)
Bonds Payable	$ 13,560,000	$ 13,965,000	$ (405,000)
Bond Premium	80,184	84,252	(4,068)
Loan Payable	1,381,891	1,411,960	(30,069)
Total	$ 15,022,075	$ 15,461,212	$ (439,137)
Increase/(Decrease)			-2.8%

The Academy's total noncurrent liabilities decreased as shown above. The primary reason for the decrease was regularly scheduled debt and loan repayments. Additional information on the Academy's long-term debt can be found in Note 3D starting on page 45 of this report.

Currently Known Facts, Decisions, or Conditions

The Academy is dependent on the State of Minnesota for its revenue authority. Schools are receiving a 2.69% increase to the general education formula for FY 2027, and the holdback will continue at its current level of 10%.

The Academy anticipates enrollment of 865 during the 2026-2027 school year.

The Academy will strive to maintain its commitment to academic excellence and educational opportunity for students within a framework of financial fiduciary responsibility.

Requests for Information

These financial statements are designed to provide our citizens, authorizer, customers, and creditors with a general overview of the Academy's finances and to demonstrate the Academy's accountability for the money it receives. If you have questions about this report or need additional financial information, contact STRIDE Academy Charter School No. 4142, St. Cloud, Minnesota 56303.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Statement of Net Position
June 30, 2026

	Governmental Activities
Assets	
Cash and temporary investments	$ 2,637,140
Cash with fiscal agent	1,396,177
Accounts receivable	52,218
Due from the Department of Education	1,421,811
Due from the Federal government	61,534
Prepaid items	20,528
Capital assets	
Nondepreciable assets	3,065,131
Depreciable assets, net of accumulated depreciation	10,507,876
Total Assets	19,162,415
Deferred Outflows of Resources	
Deferred pension resources	1,828,302
Liabilities	
Accounts and other payables	337,941
Accrued salaries payable	1,042,619
Accrued interest payable	172,728
Line of credit	250,000
Noncurrent liabilities	
Due within one year	
Long-term liabilities	528,845
Due in more than one year	
Long-term liabilities	14,590,285
Net pension liability	3,510,742
Total Liabilities	20,433,160
Deferred Inflows of Resources	
Deferred pension resources	1,232,291
Net Position	
Net investment in capital assets	1,035,304
Restricted for	
Debt service	277,704
Food service	270,431
Unrestricted	(2,258,173)
Total Net Position	$ (674,734)

The notes to the financial statements are an integral part of this statement.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Statement of Activities
For the Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities
Governmental Activities					
Administration	$ 780,504	$ -	$ 15,000	$ -	$ (765,504)
District support services	893,856	-	-	-	(893,856)
Elementary and secondary regular instruction	4,879,536	5,044	414,041	-	(4,460,451)
Special education instruction	2,074,694	-	2,272,103	-	197,409
Instructional support services	646,660	220	39,790	-	(606,650)
Pupil support services	1,085,811	-	24,827	-	(1,060,984)
Sites and buildings	2,298,067	854	1,086,703	-	(1,210,510)
Food service	640,192	129	788,866	-	148,803
Fiscal and other fixed cost programs	212,057	-	-	-	(212,057)
Interest on long-term debt	770,098	-	-	-	(770,098)
Total Governmental Activities	$ 14,281,475	$ 6,247	$ 4,641,330	$ -	(9,633,898)
General Revenues					
State aid-formula grants					9,441,737
Other general revenues					60,324
Unrestricted investment earnings					132,466
Unusual or infrequent items					
Insurance proceeds					42,665
Reconstruction					(64,417)
Total General Revenues					9,612,775
Change in Net Position					(21,123)
Net Position, July 1					(653,611)
Net Position, June 30					$ (674,734)

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Balance Sheet
Governmental Funds
June 30, 2026

	General	Building Company	Nonmajor Food Service	Total Governmental Funds
Assets				
Cash and temporary investments	$ 2,281,631	$ 22,108	$ 333,401	$ 2,637,140
Cash with fiscal agent	-	1,396,177	-	1,396,177
Accounts receivable	2,995	42,665	6,558	52,218
Due from the Minnesota Department of Education	1,421,791	-	20	1,421,811
Due from Federal government	61,245	-	289	61,534
Due from other funds	1,009,768	-	-	1,009,768
Prepaid items	20,528	-	-	20,528
Total Assets	$ 4,797,958	$ 1,460,950	$ 340,268	$ 6,599,176
Liabilities				
Accounts and other payables	$ 268,272	$ 750	$ 68,919	$ 337,941
Accrued salaries payable	1,041,701	-	918	1,042,619
Due to other funds	-	1,009,768	-	1,009,768
Line of credit	250,000	-	-	250,000
Total Liabilities	1,559,973	1,010,518	69,837	2,640,328
Fund Balances				
Nonspendable prepaid items	20,528	-	-	20,528
Restricted for				
Debt service/capital	-	450,432	-	450,432
Food service	-	-	270,431	270,431
Unassigned	3,217,457	-	-	3,217,457
Total Fund Balances	3,237,985	450,432	270,431	3,958,848
Total Liabilities and Fund Balances	$ 4,797,958	$ 1,460,950	$ 340,268	$ 6,599,176

The notes to the financial statements are an integral part of this statement.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
June 30, 2026

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

Total Fund Balances - Governmental Funds	$ 3,958,848
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	18,779,261
Less: accumulated depreciation	(5,206,254)
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Noncurrent liabilities at year-end consist of	
Bond principal payable	(13,560,000)
Premium on bonds payable	(80,184)
Loans payable	(1,381,891)
Net pension liability	(3,510,742)
Compensated absences payable	(97,055)
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of pension resources	1,828,302
Deferred inflows of pension resources	(1,232,291)
Governmental funds do not report a liability for accrued interest on bonds until due and payable.	(172,728)
Total Net Position - Governmental Activities	$ (674,734)

The notes to the financial statements are an integral part of this statement.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2026

	General	Building Company	Nonmajor Food Service	Total Governmental Funds
Revenues				
Revenue from federal sources	$ 523,778	$ -	$ 712,267	$ 1,236,045
Revenue from state sources	12,757,398	-	76,399	12,833,797
Revenue from local sources	101,135	1,301,359	223	1,402,717
Interest earned on investments	74,018	58,448	-	132,466
Sales and other conversion of assets	209	-	106	315
Total Revenues	13,456,538	1,359,807	788,995	15,605,340
Expenditures				
Current				
Administration	818,010	-	-	818,010
District support services	880,092	29,198	-	909,290
Elementary and secondary regular instruction	5,084,553	-	-	5,084,553
Special education instruction	2,156,769	-	-	2,156,769
Instructional support services	632,069	-	-	632,069
Pupil support services	1,090,564	-	-	1,090,564
Sites and buildings	3,082,091	-	-	3,082,091
Food service	-	-	639,521	639,521
Fiscal and other fixed cost programs	95,845	116,212	-	212,057
Capital outlay				
Administration	57	-	-	57
Administration	1,154	-	-	1,154
Instructional support services	68,593	-	-	68,593
Sites and buildings	115,829	391,189	-	507,018
Food service	-	-	2,011	2,011
Debt service				
Principal	30,069	405,000	-	435,069
Interest and other charges	84,624	693,313	-	777,937
Total Expenditures	14,140,319	1,634,912	641,532	16,416,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	(683,781)	(275,105)	147,463	(811,423)
Unusual or Infrequent Items				
Insurance proceeds	-	42,665	-	42,665
Reconstruction	-	(64,417)	-	(64,417)
Total Unusual or Infrequent Item	-	(21,752)	-	(21,752)
Net Change in Fund Balances	(683,781)	(296,857)	147,463	(833,175)
Fund Balances, July 1	3,921,766	747,289	122,968	4,792,023
Fund Balances, June 30	$ 3,237,985	$ 450,432	$ 270,431	$ 3,958,848

The notes to the financial statements are an integral part of this statement.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2026

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

Net Change in Fund Balances - Total Governmental Funds	$	(833,175)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.		
Depreciation expense		(627,357)
Capital outlays		605,814
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.		
Principal repayments		405,000
Loan repayments		30,069
Amortization of bond premium		4,068
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		3,771
Long-term pension activity is not reported in governmental funds.		
Pension expense		398,035
Pension revenue		(21,877)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		14,529
Change in Net Position of Governmental Activities	$	(21,123)

The notes to the financial statements are an integral part of this statement.

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Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

STRIDE Academy Charter School No. 4142 (the Academy), St. Cloud, Minnesota is a charter school established April 8, 2004, in accordance with Minnesota statutes. The Academy's financial statements include all funds, departments, agencies, boards, commissions, component units, and other organizations for which the Academy is considered to be financially accountable.

Component units are legally separate entities for which the Academy (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit or is fiscally dependent upon by the potential component unit.

Based on these criteria, there is one organization considered to be a component unit of the Academy. STRIDE Academy Building Company (the Building Company) is a Minnesota nonprofit organization classified by the Internal Revenue Service (IRS) as a 501(c)(3) tax-exempt organization which owns the real estate and building that is leased by the Academy for its operations. The Building Company is governed by a separate four-member board, including one ex-officio members. Although it is legally separate from the Academy, the Building Company is reported as if it were part of the Academy (as a blended component unit) because (1) its sole purpose is to acquire, renovate, and own an educational site which is leased to the Academy and (2) the expectation is the debt obligations of the Building Company are to be repaid with the Academy's resources under the lease agreement. The building is leased to the Academy under the terms of a long-term agreement. All long-term debt related to the purchase of the building and property and all capital assets related to the school site is the responsibility of and will be under the ownership of the Building Company. The Building Company does not issue separate financial statements.

The Academy is required to operate under a charter agreement with an entity that has been approved by the Minnesota Department of Education (MDE) to be a charter school "authorizer." The authorizer monitors and evaluates the Academy's performance and periodically determines whether to renew the Academy's charter. The Academy is authorized by the Pillsbury United Communities. Aside from its responsibilities as authorizer, Pillsbury United Communities has no authority or control over the Academy and is not financially accountable for it. Therefore, the Academy is not considered a component unit of Pillsbury United Communities.

Extracurricular student activities, if any, are determined primarily by student participants under the guidance of an adult and are generally conducted outside of school hours. The Academy has no student activity accounts.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the Academy.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other internally dedicated resources are reported as general revenues rather than as program revenues. Other items not properly included among program revenues are reported instead as *general revenues*.

Note 1: Summary of Significant Accounting Policies (Continued)

Major individual governmental funds are reported in separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental fund (Food Service) is reported in a single column in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as 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*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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 was made. Other revenue is considered available if collected within one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlement, and donations. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Description of Funds

The various Academy funds have been established by the State of Minnesota Department of Education. Each fund is accounted for as an independent entity. Descriptions of the funds included in this report are as follows:

Major Governmental Funds

The *General fund* is the Academy's primary operating fund. It accounts for all financial resources of the Academy, except those required to be accounted for in another fund.

The *Building Company special revenue fund* accounts for all activities of the STRIDE Academy Building Company. This includes accounting for the proceeds and uses of resources borrowed to finance the purchase and renovation of the school building, the receipt of lease payments from the Academy, as well as debt service payments required under the terms of the related long-term bonds and loans.

Note 1: Summary of Significant Accounting Policies (Continued)

Nonmajor Governmental Funds

The *Food Service special revenue fund* is used to account for food service revenues and expenditures. The Food Service fund receives revenue from State and Federal sources as well as the receipts from the Academy's nutrition program.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The Academy's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Cash balances from all funds are pooled and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of cash balance participation by each fund. Cash with fiscal agent represents dollars held by others on behalf of the building company. Interest earnings are restricted to the funds that generate them.

The Academy may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.

2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and have received the highest credit rating are 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.

3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.

4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.

5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.

6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

7. Commercial paper issued by United States banks or corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies and maturing in 270 days or less.

8. Repurchase or reverse repurchase agreements and securities lending agreements with 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.

9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Note 1: Summary of Significant Accounting Policies (Continued)

The Academy categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Academy's recurring fair value measurements are valued using quoted market prices (Level 1 inputs).

Due from the Department of Education and Federal Government

Due from the Department of Education and Federal Government include amounts billed for services provided before year end as well as amounts for expenditures that have been incurred before year end that will be reimbursed with state and federal funding. No substantial losses are anticipated from present receivable balances; therefore, no allowance for uncollectible accounts has been recorded.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. The Academy defines capital assets as those with an initial, group cost of more than $5,000 (amount not rounded). Donated capital assets are recorded at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Equipment	5 - 20
Buildings and Improvements	10 - 30
Leasehold Improvements	20 - 25

Deferred Outflows of Resources

In addition to assets, the statement of net position 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 government has one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

Teachers Retirement Association (TRA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Teachers Retirement Association (TRA) and additions to/deductions from TRA's fiduciary net position have been determined on the same basis as they are reported by TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis, and Minneapolis School District. The direct aid is a result of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teachers Retirement Fund Association (DTRFA) in 2015. The General fund is typically used to liquidate the governmental net pension liability. Additional information can be found in Note 4.

Public Employees Retirement Association (PERA)

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 additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. 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. The General fund is typically used to liquidate the governmental net pension liability. Additional information can be found in Note 4.

The total pension expense for the General Employee Plan (GERP) and TRA is as follows:

	GERP	TRA	Total Pension Expense
Academy's proportionate share	$ 26,833	$ 167,750	$ 194,583
Proportionate share of State's contribution	(1,337)	(4,898)	(6,235)
Total Pension Expense	$ 25,496	$ 162,852	$ 188,348

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements 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 Academy has one item which arises only under a full accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position of the government-wide statements and results from actuarial calculations.

Compensated Absences

Certain Academy employees earn paid time off (PTO) based upon the employee's status (exempt, nonexempt, and full-time versus school year). The Academy compensates employees for unused vacation upon termination of employment. PTO is recorded as an expenditure when it is used. The General fund is typically used to liquidate governmental compensated absences.

Note 1: Summary of Significant Accounting Policies (Continued)

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 statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

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.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Academy is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as inventory.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of Board of Directors, which is the Academy's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board of Directors modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Board of Directors itself or by an official to whom the Board of Directors delegates the authority. The Board of Directors has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Executive Director or contract accountant.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

The Academy considers restricted amounts to be spent first when both restricted and unrestricted fund balances are available. Additionally, the Academy would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Academy has formally adopted a fund balance policy. The Academy's policy is to maintain a minimum general fund unrestricted fund balance of 25 percent of the annual General fund expenditures.

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net position is displayed in three components:

a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquiring capital assets.
b.

c. Restricted net position - Consists of net position balances restricted by limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

d. Unrestricted net position - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the Academy’s policy to use restricted resources first, then unrestricted resources as they are needed.

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are prepared for School governmental funds on the same basis and using the same accounting practices that are used in accounting and preparing financial statements for the funds.

The Academy follows these procedures when establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the budget is prepared by the Executive Director and Contract Accountant to be adopted by the Board.

2. A budget for the General fund and Food Service fund is adopted on a basis consistent with generally accepted accounting principles.

3. Budgeted amounts are as amended (if applicable).

4. Budget appropriations lapse at year end.

5. The legal level of control is at the fund level.

6. The Academy does not use encumbrance accounting.

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the Academy's deposits and investments may not be returned or the Academy will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board of Directors, the Academy maintains deposits at depository banks that are members of the Federal Reserve System.

Minnesota statutes require that all Academy deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds.
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity.
- General obligation securities of any state or local government with taxing powers which are rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which are rated "AA" or better by a national bond rating service.
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity.
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the Academy.

At year end, the Academy's carrying amount of deposits was $2,637,140 and the bank balance was $2,637,381. The bank balance was fully covered by FDIC insurance or NCUA.

Note 3: Detailed Notes on All Funds (Continued)

Investments

As of June 30, 2026, the Academy had the following investments that are insured or registered, or securities held by the Academy's agent in the Academy's name:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Non-pooled Investments			
Brokered Money Market Accounts	NA	less than one year	$ 1,396,177

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.
(2) Interest rate risk is disclosed using the segmented time distribution method.
N/A Indicates not applicable or available.

The investments of the Academy are subject to the following risks:

- *Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes limit the Academy's investments to the list on page 39 of the notes.

- *Custodial Credit Risk.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investments or collateral securities that are in the possession of an outside party.

- *Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

- *Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Academy does not have policies in place to address the above risks. The Academy has the following recurring fair value measurement as of June 30, 2026: Brokered money markets are valued using quoted market prices (Level 1 inputs).

A reconciliation of cash and temporary investments for the Academy is as follows:

Carrying amount of deposits	$ 2,637,140
Investments	1,396,177
Total	$ 4,033,317
Cash and temporary investments	
Unrestricted	$ 2,637,140
Restricted	1,396,177
Total	$ 4,033,317

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Building Company				
Land	$ 2,903,479	$ -	$ -	$ 2,903,479
Construction in progress	-	161,652	-	161,652
Total Capital Assets not Being Depreciated	2,903,479	161,652	-	3,065,131
Capital Assets Being Depreciated				
Building Company				
Buildings and improvements	14,247,313	293,953	-	14,541,266
School				
Equipment	544,174	42,742		586,916
Leasehold improvements	478,481	107,467	-	585,948
Total Capital Assets Being Depreciated	15,269,968	444,162	-	15,714,130
Less Accumulated Depreciation for				
Building Company				
Buildings and improvements	(4,104,658)	(530,150)	-	(4,634,808)
School				
Equipment	(279,597)	(66,766)		(346,363)
Leasehold improvements	(194,642)	(30,441)	-	(225,083)
Total Accumulated Depreciation	(4,578,897)	(627,357)	-	(5,206,254)
Total Capital Assets Being Depreciated, Net	10,691,071	(183,195)	-	10,507,876
Governmental Activities Capital Assets, Net	$ 13,594,550	$ (21,543)	$ -	$ 13,573,007

Note 3: Detailed Notes on All Funds (Continued)

Depreciation expense was charged to functions of the Academy as follows:

Governmental Activities	
Administration	$ 275
District support services	4,121
Elementary and secondary regular instruction	29,729
Special education instruction	527
Instructional support services	12,659
Food service	682
Sites and buildings	579,364
Total Depreciation Expense - Governmental Activities	$ 627,357

C. Interfund, Receivables, Payables and Transfers

Interfund Transfers

There were no transfer made during fiscal year 2026.

Interfund Balances

Due to/from funds represent reclassifications of temporary cash deficits in individual funds and other short-term loans expected to be repaid within one year. The amount owing between funds represents reclassifications of temporary cash deficits and short-term loans. At year end, the balances were as follows:

Receivable Fund	Payable Fund	Amount
Primary Government		
General	Building Company	$ 1,009,768

D. Long-term Liabilities

Lease Revenue Bonds

The following bonds were issued to finance the acquisition of the Stride Academy Building Company (Building Company) education facility, leased by the Academy. They will be repaid from future revenues received by the Academy from the State of Minnesota with respect to General Education Funding, Lease Aid, or any other funding sources, net of specified operating costs. The total pledged revenue reported by the Academy for the year ended June 30, 2026 amounted to $8,197,998 of which $1,301,359 or 15.87 percent was remitted during the current year as lease payments to the Building Company, or was due to the Building Company at the end of the current year and reported as due to other funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Charter School Lease Revenue, Series 2016A	$ 16,690,000	3.0 - 5.0 %	04/15/16	04/01/46	$ 13,560,000

Note 3: Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity for the bonds are as follows:

Year Ending June 30,	Lease Revenue Bonds Principal	Interest	Total
2027	$ 400,000	$ 678,500	$ 1,078,500
2028	430,000	658,000	1,088,000
2029	450,000	636,500	1,086,500
2030	475,000	614,000	1,089,000
2031	500,000	590,250	1,090,250
2032 - 2036	2,895,000	2,550,500	5,445,500
2037 - 2041	3,695,000	1,751,250	5,446,250
2042 - 2046	4,715,000	730,000	5,445,000
Total	$ 13,560,000	$ 8,209,000	$ 21,769,000

Loans Payable

To preserve financial flexibility, the Charter School entered into a promissory note agreement with the Choice Financial Group in the amount of $812,500 on December 18, 2022. The Note is secured by the Mortgage on certain real and personal property owned by Borrower located in the City of St. Cloud, Stearns County, Minnesota, plus certain other security agreements and guaranties, all of even date herewith. Disbursements of the principal of this Note will be made pursuant to (i) financing a portion of the purchase price of the Premises, and (ii) paying certain closing costs in connection with the transaction contemplated by the Agreement. The Academy is required to make monthly payments and the remaining unpaid principal is due on the maturity date.

The Academy also entered into a promissory note agreement with the Propel Nonprofits in the amount of $664,236 on November 4, 2022. The payment of the Note is secured by a mortgage. The Academy is required to make monthly payments and the remaining unpaid principal is due on the maturity date. Information for the loans is outlined below.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Promissory Note	$ 812,500	6.41 %	12/18/22	11/18/27	$ 762,961
Promissory Note	664,236	5.5	11/04/22	11/16/27	618,930
Total					$ 1,381,891

Line of Credit

The Academy also entered into a line of credit agreement with the Choice Financial Group in the amount of $250,000 on June 30, 2026 with an initial interest rate of 7.75 percent. The activity on the line of credit is noted below.

	Beginning Balance	Increases	Decreases	Ending Balance
Line of credit	$ -	$ 250,000	$ -	$ 250,000

Note 3: Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity for the loans payable are as follows:

Year Ending June 30,	Loans Payable Principal	Interest	Total
2027	$ 31,790	$ 82,904	$ 114,694
2028	1,350,101	13,773	1,363,874
Total	$ 1,381,891	$ 96,677	$ 1,478,568

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable	$ 13,965,000	$ -	$ (405,000)	$ 13,560,000	$ 400,000
Bond Premium	84,252	-	(4,068)	80,184	-
Loans Payable	1,411,960	-	(30,069)	1,381,891	31,790
Compensated Absences*	111,584	-	(14,529)	97,055	97,055
Governmental Activities Long-term Liabilities	$ 15,572,796	$ -	$ (453,666)	$ 15,119,130	$ 528,845

* Change in compensated absences is presented net in accordance with GASB Statement No. 101.STRIDE Academy

E. Lease Commitments

On April 1, 2016, the Academy entered into an operating lease with the STRIDE Academy Building Company. Under the terms of the lease agreement, the lease term ends thirty years later or June 30, 2046. The net annual base rent for the term of the lease agreement is directly tied to the debt service requirements of the STRIDE Academy Building Company. In addition, the Academy is responsible for all operating costs including maintenance and utility costs.

The following is a summary of future minimum lease payments:

Year Ending June 30,	Amount
2027	$ 1,143,875
2028	1,143,125
2029	1,142,625
2030	1,144,813
2031	1,145,750
2032 - 2036	5,723,064
2037 - 2041	5,723,814
2042 - 2046	4,358,314
Total Minimum Lease Payments	$ 21,525,380

Note 4: Defined Benefit Pension Plans - Statewide

A. Teachers Retirement Association (TRA)

1. Plan Description

The Teachers Retirement Association (TRA) is the 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 school, 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 within one year of eligible employment or elect coverage through the Defined Contribution Retirement Plan (DCR) administered by Minnesota State. A teacher employed by Minnesota State and electing the DCR plan is not a member of TRA except for purposes of social security coverage.

2. Benefits Provided

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:	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:

1. Normal retirement age is 65 with less than 30 years of allowable service and age 60 with 30 or more years of allowable service.
2. Three percent per year early retirement reduction factor for all years under normal retirement age.
3. Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

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. Beginning June 30, 2025, new reduction factors will apply, including special factors for members retiring at age 60 or later with at least 30 years of service.

Tier II Benefits

Members first employed after June 30, 1989, receive only the Tier II benefit calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 65 effective July 1, 2024. An early retirement reduction is applied to members retiring before age 65. Beginning June 30, 2025, new reduction factors will apply, including special factors for members retiring at age 60 or later with at least 30 years of service.

Six different types of annuities are available to members upon retirement. The No Refund 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 participants. 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.

3. Contributions

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for fiscal year 2026 for the Coordinated Plan were 8.00% for the employee and 9.81% for the employer. Basic rates were 11.50% for the employee and 13.81% for the employer. The Academy's contributions to TRA for the plan’s fiscal year ended June 30, 2026, were $482,755. The Academy’s contributions were equal to the required contributions for each year as set by state statute.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

4. Actuarial Assumptions

The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information	
Experience Studies	* August 2, 2023 (demographic and economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	7.00%
Price Inflation	2.50%
Wage Growth Rate	2.85% before July 1, 2027 and 3.25% after June 30, 2028.
Projected Salary Increase	2.85% to 8.85% before July 1, 2028 and 3.25% to 9.25% after June 30, 2028.
Cost of Living Adjustment	1% for January 2019 through January 2023, then increasing by 1.0% each year up to 1.5% annually.
Mortality Assumptions	
Pre-retirement	PubT-2010(A) Employee Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Health Retirees	PubT-2010 (A) Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Beneficiaries	Pub-2010 (A) Contingent Survivor Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.

*The assumptions prescribed are based on the experience study dated August 2, 2023. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with the actuary.

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 real 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 the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

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 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Total	100.0 %	

Changes in the actuarial assumptions since the 2023 valuation:

- Liability load for inactive non-vested members changed from 9% to 13%
  and the liability load for inactive vested members changed from 7% to 6%.

5. Discount Rate

The discount rate used to measure the total pension liability was 7%. 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 2025 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.

6. Net Pension Liability

On June 30, 2026, the Academy reported a liability of $3,149,449 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The Academy's proportion of the net pension liability was based on the Academy'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 Academy's proportionate share was 0.055% at the end of the measurement period and 0.0498% at the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the Academy 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 Academy were as follows:

Academy's Proportionate Share of Net Pension Liability	$ 3,149,449
State's Proportionate Share of Net Pension Liability Associated with the Academy	195,602
Total	$ 3,345,051

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

For the year ended June 30, 2026, the Academy recognized pension expense of $167,749. It also recognized negative $4,898 as a decrease to pension expense for the support provided by direct aid.

During the plan year ended June 30, 2025, the State of Minnesota contributed $28,462,000 to the Fund. The State of Minnesota is not included as a non-employer contributing entity in the plan pension allocation schedules for the $28,462,000 in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The Academy recognized $15,642 for the year ended June 30, 2026 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Fund.

At June 30, 2026, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 145,232	$ 30,931
Changes in Actuarial Assumptions	177,902	333,152
Net Difference Between Projected and Actual Investment Earnings	-	632,391
Changes in Proportion	809,905	-
Contributions Paid to TRA Subsequent to the Measurement Date	482,755	-
Total	$ 1,615,794	$ 996,474

The $482,755 reported as deferred outflows of resources related to pensions resulting from Academy contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

2027	$ 513,912
2028	(204,167)
2029	(187,839)
2030	(52,449)
2031	67,108

7. Pension Liability Sensitivity

The following presents the net pension liability of TRA calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6%) or one percentage point higher (8%) than the current rate.

	Academy's Proportionate Share of Net Pension Liability		
	One Percent Decrease (6%)	Current (7%)	One Percent Increase (8%)
Teachers Retirement Association	$ 5,940,736	$ 3,149,449	$ 852,237

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

8. Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in a separately issued TRA financial report. That report can be obtained at https://minnesotatra.org, by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling 651-296-2409 or 800-657-3669.

B. Public Employees Retirement Association (PERA)

1. Plan Description

The Academy participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax-qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General 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. Benefits Provided

PERA provides 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.

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. 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 retirement 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.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Benefit increases are provided to benefit recipients each January. The post-retirement 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 2025 annual increase was 1.25%. 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.

3. 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 Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2026 and the Academy was required to contribute 7.50% for General Plan members. The Academy's contributions to the General Employees Fund for the year ended June 30, 2026, were $103,628. The Academy's contributions were equal to the required contributions as set by state statute.

4. Pension Costs

General Employees Fund Pension Costs

At June 30, 2026, the Academy reported a liability of $361,293 for its proportionate share of the General Employees Fund's net pension liability. The Academy'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 non-employer 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 Academy totaled $8,716.

Academy's proportionate share of the net pension liability	$	361,293
State of Minnesota's proportionate share of the net pension liability associated with the Academy		8,716
Total	$	370,009

The net pension liability was measured as of June 30, 2026, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2025 through June 30, 2026, relative to the total employer contributions received from all of PERA's participating employers. The Academy's proportionate share was 0.0109% at the end of the measurement period and 0.011% at the beginning of the period.

For the year ended June 30, 2026, the Academy recognized pension expense of $26,833 for its proportionate share of the General Employees Plan's pension expense. In addition, the Academy recognized an additional negative $1,337 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

At June 30, 2026, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 34,423	$ -
Changes in actuarial assumptions	8,705	83,132
Net difference between projected and actual investment earnings	-	143,762
Changes in proportion	65,752	8,923
Employer contributions subsequent to the measurement date	103,628	-
Total	$ 212,508	$ 235,817

The $103,628 reported as deferred outflows of resources related to pensions resulting from Academy contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2027	$ (14,312)
2028	(36,280)
2029	(50,665)
2030	(25,680)

5. Long-term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return 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. 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 Return on Investment
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Total	100.0 %	

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

6. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, 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% for the General Employees Plan.
- Benefit increases after retirement are assumed to be 1.50% for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3% after 27 years of service.

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

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

The following changes in actuarial assumptions and plan provisions occurred in 2025:

General Employees Fund

Changes in Actuarial Assumptions:
- The combined service annuity loading factors increased from 15% to 19% for vested, terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions:
- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.

- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

7. Discount Rate

The discount rate used to measure the total pension liability in 2025 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 Plan was projected to be available to make all projected future benefit payments of current plan members. 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.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

8. Pension Liability Sensitivity

The following presents the Academy'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 Academy'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:

	1 Percent Decrease (6.00%)	Current (7.00%)	1 Percent Increase (8.00%)
General Employees Fund	$ 877,525	$ 361,293	$ (57,487)

9. Pension Plan Fiduciary Net Position

Detailed information about each pension 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.

Note 5: Other Information

A. Risk Management

The Academy is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Academy carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage in fiscal year 2026.

B. Contingencies

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 Academy expects such amounts, if any, to be immaterial.

C. Economic Dependency

The Academy has a significant amount of revenue (82.2 percent) coming from the State of Minnesota.

D. Income Taxes

The Academy is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Academy also qualifies as a tax-exempt organization under applicable statutes of the State of Minnesota.

Management believes that it is not reasonably possible for any tax position benefits to increase or decrease significantly over the next 12 months. As of June 30, 2026, there were no income tax related accrued interest or penalties recognized in either the statement of financial position or the statement of activities.

The Academy files informational returns in the U.S. federal jurisdiction, and in the Minnesota state jurisdiction. U.S. federal returns and Minnesota returns for the prior three fiscal years are closed. No returns are currently under examination in any tax jurisdiction.

Note 6: Change in Accounting Principle

During the year ended June 30, 2026, the Academy adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements.* There were no adjustments or restatements of beginning balance needed for the adoption of this statement.

Note 7: Subsequent Event

On July 1, 2026, the Academy issued $22,530,000 of Series 2026 Lease Revenue Bonds. The proceeds are to be used on the paying certain outstanding indebtedness of the Building Company, to finance the acquisition of land and the building at which the Academy leases and operates its existing charter school facility for fifth through eighth grade, to finance improvements and renovations to the Middle School Facility, to fund a debt service reserve fund to secure payment of the Series 2026 Bonds and pay the costs of issuing the Series 2026 Bonds. The bonds mature on April 1, 2061 and bear interest rates ranging from 6.875% to 7.00%. The bond issuance occurred subsequent to June 30, 2026 and, accordingly, is not reflected in the accompanying financial statements.

Note 8: Unusual or Infrequent Items

During the year ended June 30, 2026, the Academy recognized certain transactions that management considers unusual or infrequent in nature and not representative of normal recurring operations.

The Academy recognized insurance recovery proceeds of $42,665 related to a claim settlement. In addition, the Academy recognized building reconstruction costs of $64,417, which were incurrent in connection with a nonrecurring facility-relate project. These transactions are included in the accompany financial statements and may affect comparability between fiscal years.

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REQUIRED SUPPLEMENTARY INFORMATION

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Required Supplementary Information
For the Year Ended June 30, 2026

Schedule of Employer's Share of TRA Net Pension Liability

Fiscal Year Ending	Academy's Proportion of the Net Pension Liability	Academy's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Academy (b)	Total (a+b)	Academy's Covered Payroll (c)	Academy's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2025	0.0550 %	$ 3,149,449	$ 195,602	$ 3,345,051	$ 3,972,480	79.3 %	84.5 %
6/30/2024	0.0498	3,164,452	193,967	3,358,419	3,300,297	95.9	82.1
6/30/2023	0.0452	3,731,813	261,119	3,992,932	2,870,702	130.0	76.4
6/30/2022	0.0435	3,483,250	258,521	3,741,771	2,691,019	129.4	76.2
6/30/2021	0.0417	1,824,917	153,854	1,978,771	2,506,519	72.8	86.6
6/30/2020	0.0336	2,482,413	207,943	2,690,356	1,862,178	133.3	75.5
6/30/2019	0.0265	1,689,116	149,248	1,838,364	1,437,553	117.5	78.2
6/30/2018	0.0291	1,826,132	171,539	1,997,671	1,671,653	109.2	78.1
6/30/2017	0.0513	10,240,411	990,629	11,231,040	2,728,205	375.4	51.6
6/30/2016	0.0450	10,733,574	1,077,005	11,810,579	2,366,747	453.5	44.9

Schedule of Employer's TRA Contributions

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Academy's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
6/30/2026	$ 482,755	$ 482,755	$ -	$ 4,921,050	9.8 %
6/30/2025	347,592	347,592	-	3,972,480	8.8
6/30/2024	288,776	288,776	-	3,300,297	8.8
6/30/2023	245,445	245,445	-	2,870,702	8.5
6/30/2022	224,431	224,431	-	2,691,019	8.3
6/30/2021	203,780	203,780	-	2,506,519	8.1
6/30/2020	147,484	147,484	-	1,862,178	7.9
6/30/2019	110,835	110,835	-	1,437,553	7.7
6/30/2018	125,374	125,374	-	1,671,653	7.5
6/30/2017	204,615	204,615	-	2,728,205	7.5

Notes to the Required Supplementary Information - TRA

Changes in Actuarial Assumptions

2025 - Liability load for inactive non-vested members changed from 9% to 13% and the liability load for inactive vested members changed from 7% to 6%.

2024 - 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.

2023 - The 2023 Tax Finance and Policy Bill, effective July 1, 2025 and The 2024 Omnibus Pensions and Retirement Bill contained a number of changes. The employer contribution rate will increase from 8.75% to 9.5% on July 1, 2025. The employee contribution rate will increase from 7.75% to 8% on July 1, 2025. The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024. TRA's amortization date will remain the same at 2048. The pension adjustment rate for school districts and the base budgets for Minnesota State, Perpich Center for Arts Education, and Minnesota Academies will increase to reflect the 0.75% employer contribution rate increase.

2022 - No changes noted.

2021 - The investment return assumption was changed from 7.50 percent to 7.00 percent.

2020 - Assumed termination rates were changed to more closely reflect actual experience. The pre-retirement mortality assumption was changed to RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. 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 noted.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 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 non-vested 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 non-vested deferred member liability. The assumed post-retirement 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 post-retirement 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.

Notes to the Required Supplementary Information – TRA (Continued)

Changes in Plan Provisions

2025 - The 2025 Omnibus Pensions and Retirement Bill (HF 1889/SF 2884) made several changes to benefit provisions and actuarial methods. Expanded the current special early retirement reductions available at age 62 with at least 30 years of service to ages 60 and 61 with at least 30 years of service. Lowered special early retirement reductions for members who retire after reaching age 60 with 30 years of service from 6% with augmentation to 5% with augmentation. Delayed retired members' eligibility for their first COLA until age 65, including members who retire under special early retirement. Increased employer contribution rates by 0.31% above the previous scheduled increase. Changed the amortization method for financing the System's Unfunded Actuarial Accrued Liability (UAAL) from a single base being amortized over the period ending June 30, 2048 to a "layered" amortization approach. Under the new method, the UAAL as of July 1, 2024 will continue to be amortized according to its current schedule, but new bases will be amortized over varying periods depending on the source of the UAAL impact.

2024 - The 2024 Omnibus Pensions and Retirement Bill (HF 5040/SF 4643) lowered the normal retirement age for Tier 2 members from 66 to 65 effective July 1, 2024 and provided for a one-time State appropriation of $28.46 million to cover the cost. HF 3100, appropriated $176,166,838 to TRA, payable on October 1, 2023: $28,735,816 for the difference between the statutory 1.1% compounded COLA payable on January 1, 2024 and a one-time 2.5% lump-sum COLA for coordinated plan members, $2,384,222 for the difference between the statutory 1.1% compounded COLA payable on January 1, 2024 and a one-time 4.0% lump-sum COLA for basic plan members; and $145,046,800 to pay down the unfunded actuarial accrued liability.

2023 - The 2023 Tax Finance and Policy Bill contained a number of changes: Effective July 1, 2025, the normal retirement age for Tier 2 members will decrease from 66 to 65. The employer contribution rate will increase from 8.75% to 9.50% on July 1, 2025. The employee contribution rate will increase from 7.75% to 8.00% on July 1, 2025.

2022 - No changes noted.

2021 - No changes noted.

2020 - No changes noted.

2019 - No changes noted.

2018 - The 2018 Omnibus Pension Bill contained a number of changes: The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% 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% if the funded ratio was at least 90% 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 zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018. The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2017 - No changes noted.

2016 - No changes noted.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Required Supplementary Information (Continued)
For the Year Ended June 30, 2026

Schedule of Employer's Share of PERA Net Pension Liability

Fiscal Year Ending	Academy's Proportion of the Net Pension Liability	Academy's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Academy (b)	Total (a+b)	Academy's Covered Payroll (c)	Academy's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2025	0.0109 %	$ 361,293	$ 8,716	$ 370,009	$ 987,413	36.6 %	90.8 %
6/30/2024	0.0110	405,907	10,496	416,403	929,253	43.7	86.7
6/30/2023	0.0089	497,678	13,651	511,329	706,572	70.4	83.1
6/30/2022	0.0092	728,643	21,430	750,073	692,693	105.2	76.7
6/30/2021	0.0096	409,963	12,528	422,491	689,858	59.4	87.0
6/30/2020	0.0088	527,600	16,321	543,921	629,369	83.8	79.0
6/30/2019	0.0078	431,245	13,333	444,578	550,067	78.4	80.2
6/30/2018	0.0084	465,998	15,329	481,327	563,720	82.7	79.5
6/30/2017	0.0133	849,063	10,676	859,739	856,754	99.1	75.9
6/30/2016	0.0117	949,982	3,683	953,665	791,493	120.0	68.9

Schedule of Employer's PERA Contributions

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Academy's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
6/30/2026	$ 103,628	$ 103,628	$ -	$ 1,381,707	7.5 %
6/30/2025	74,056	74,056	-	987,413	7.5
6/30/2024	69,694	69,694	-	929,253	7.5
6/30/2023	52,993	52,993	-	706,572	7.5
6/30/2022	51,952	51,952	-	692,693	7.5
6/30/2021	51,739	51,739	-	689,858	7.5
6/30/2020	47,203	47,203	-	629,369	7.5
6/30/2019	41,255	41,255	-	550,067	7.5
6/30/2018	42,279	42,279	-	563,720	7.5
6/30/2017	64,257	64,257	-	856,754	7.5

Notes to the Required Supplementary Information - PERA

Changes in Actuarial Assumptions

2025 - The combined service annuity loading factors increased from 15% to 19% for vested, terminated members and from 3% to 44% for non-vested, terminated members. The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

2024 - The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023): 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 1 and Tier 2 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.

2023 - The investment return and single discount rates were changed from 6.5 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - 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.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. 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% 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% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 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 non-vested 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 non-vested deferred member liability. The assumed post-retirement 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 post-retirement 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.

Notes to the Required Supplementary Information - PERA (Continued)

Changes in Plan Provisions

2025 - The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%. The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 - The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 - 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 non-compounding 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 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - 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 augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.0 percent per year with a provision to increase to 2.5 percent upon attainment of 90.0 percent funding ratio to 50.0 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals $16,000,000 in 2017 and 2018, and $6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from $21,000,000 to $31,000,000 in calendar years 2019 to 2031. The state's contribution changed from $16,000,000 to $6,000,000 in calendar years 2019 to 2031.

2016 - There were no changes in plan provisions since the previous valuation.

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Required Supplementary Information (Continued)
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2026

	Budgeted Amounts		Budget	Actual	Variance with
	Original	Final	Amendments	Amounts	Final Budget
Revenues					
Revenue from federal sources	$ 490,250	$ 566,442	$ 76,192	$ 523,778	$ (42,664)
Revenue from state sources	13,076,898	12,991,788	(85,110)	12,757,398	(234,390)
Revenue from local sources	34,000	102,070	68,070	101,135	(935)
Interest earned on investments	75,000	80,000	5,000	74,018	(5,982)
Sales and other conversion of assets	-	1,000	1,000	209	(791)
Total Revenues	13,676,148	13,741,300	65,152	13,456,538	(284,762)
Expenditures					
Current					
Administration	702,799	782,773	79,974	818,010	(35,237)
District support services	930,971	863,026	(67,945)	880,092	(17,066)
Elementary and secondary regular instruction	5,237,917	4,878,516	(359,401)	5,084,553	(206,037)
Special education instruction	2,026,198	2,266,838	240,640	2,156,769	110,069
Instructional support services	663,572	612,493	(51,079)	632,069	(19,576)
Pupil support services	575,543	1,011,595	436,052	1,090,564	(78,969)
Sites and buildings	2,924,224	3,029,052	104,828	3,082,091	(53,039)
Fiscal and other fixed cost programs	120,000	93,717	(26,283)	95,845	(2,128)
Capital outlay					
Administration	-	-	-	57	(57)
District support services	-	1,000	1,000	1,154	(154)
Instructional support services	39,953	66,956	27,003	68,593	(1,637)
Sites and buildings	65,000	129,500	64,500	115,829	13,671
Debt service					
Principal	30,069	30,069	-	30,069	-
Interest and other charges	84,624	84,624	-	84,624	-
Total Expenditures	13,400,870	13,850,159	449,289	14,140,319	(290,160)
Net Change in Fund Balances	275,278	(108,859)	(384,137)	(683,781)	(574,922)
Fund Balances, July 1	3,921,766	3,921,766	-	3,921,766	-
Fund Balances, June 30	$ 4,197,044	$ 3,812,907	$ (384,137)	$ 3,237,985	$ (574,922)

The notes to the financial statements are an integral part of this statement.

Notes to the Required Supplementary Information - Budgetary Reporting

A. Budgetary Comparison Schedule

The budgetary comparison schedule presents the comparison of the original and legally amended budget with actual amounts on the fund level for the General fund. The departmental level budgets are adopted on a basis consistent with generally accepted accounting principles. The fund balance reports revenue in the period in which they become measurable and available.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2026, expenditures exceeded appropriations in the following fund:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
General	$ 13,850,159	$ 14,140,319	$ 290,160

These excess expenditures were funded by available fund balance.

C. Budget Amendments

The Academy Board exercised its authority as delineated in Minnesota Statutes Section 123B.77, ensuring that all modifications to the budget were deliberated and approved in public meetings, adhering to principles of transparency and accountability. Each amendment or group of amendments were documented and justified based on emergent fiscal requirements or reallocation of resources. This process underscores the Academy's commitment to maintaining financial integrity and regulatory compliance, providing a clear audit trail for citizens and auditors alike.

D. Summary of Significant Budget Amendments

Significant amendments to the original General fund budget were approved as noted below:

Revenues

- Approved a decrease in revenue from State sources relating to General Education Aid.
- Approved an increase in revenue from Federal sources relating to Title grants and special education grants.

Expenditures

- Approved a decrease in Elementary and Secondary expenditures due to reallocating salary and wage costs to other departments based on staffing needs.
- Approved an increase in Special Education instruction expenditures relating to hiring more staff.
- Approved an increase in Pupil Support Services expenditures relating to hiring more staff.

Notes to the Required Supplementary Information - Budgetary Reporting (Continued)

E. Summary of Significant Budget Variances

The General fund revenues and expenditures varied significantly from final budget amounts as noted below:

Revenues

- Revenue from State sources were under the final budget amounts due to General Aid being less than anticipated.

Expenditure

- Elementary and Secondary regular instruction exceeded final budget amounts due to hiring more staff than anticipated.

F. Budgetary Compliance

There were no budgetary compliance violations for the fiscal year ending June 30, 2026.

INDIVIDUAL FUND SCHEDULES AND TABLE

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued on the Following Pages)
For the Year Ended June 30, 2026

	Budgeted Amounts		Budget	Actual	Variance with
	Original	Final	Amendments	Amounts	Final Budget
Revenues					
Revenue from federal sources	$ 490,250	$ 566,442	$ 76,192	$ 523,778	$ (42,664)
Revenue from state sources	13,076,898	12,991,788	(85,110)	12,757,398	(234,390)
Revenue from local sources	34,000	102,070	68,070	101,135	(935)
Interest earned on investments	75,000	80,000	5,000	74,018	(5,982)
Sales and other conversion of assets	-	1,000	1,000	209	(791)
Total Revenues	13,676,148	13,741,300	65,152	13,456,538	(284,762)
Expenditures					
Current					
Administration					
Salaries	528,837	570,132	41,295	598,035	(27,903)
Fringe benefits	123,787	155,429	31,642	163,036	(7,607)
Purchased services	1,200	3,200	2,000	4,087	(887)
Supplies and materials	3,975	5,996	2,021	6,215	(219)
Other	45,000	48,016	3,016	46,637	1,379
Total administration	702,799	782,773	79,974	818,010	(35,237)
District support services					
Salaries	381,103	348,335	(32,768)	365,382	(17,047)
Fringe benefits	142,812	148,661	5,849	155,937	(7,276)
Purchased services	280,100	267,806	(12,294)	273,798	(5,992)
Supplies and materials	121,851	92,724	(29,127)	79,492	13,232
Other	5,105	5,500	395	5,483	17
Total district support services	930,971	863,026	(67,945)	880,092	(17,066)
Elementary and secondary regular instruction					
Salaries	3,745,440	3,633,966	(111,474)	3,787,699	(153,733)
Fringe benefits	1,210,079	1,073,102	(136,977)	1,117,912	(44,810)
Purchased services	91,574	13,750	(77,824)	9,866	3,884
Supplies and materials	190,824	156,198	(34,626)	167,507	(11,309)
Other	-	1,500	1,500	1,569	(69)
Total elementary and secondary regular instruction	5,237,917	4,878,516	(359,401)	5,084,553	(206,037)
Special education instruction					
Salaries	1,298,118	1,476,232	178,114	1,420,809	55,423
Fringe benefits	481,527	451,505	(30,022)	431,120	20,385
Purchased services	236,181	330,077	93,896	295,688	34,389
Supplies and materials	10,372	9,024	(1,348)	9,152	(128)
Total special education instruction	2,026,198	2,266,838	240,640	2,156,769	110,069

STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2026

	Budgeted Amounts		Budget	Actual	Variance with
	Original	Final	Amendments	Amounts	Final Budget
Expenditures (Continued)					
Current (continued)					
Instructional support services					
Salaries	$ 332,078	$ 340,892	$ 8,814	$ 357,955	$ (17,063)
Fringe benefits	91,626	76,191	(15,435)	79,988	(3,797)
Purchased services	61,728	39,000	(22,728)	42,018	(3,018)
Supplies and materials	178,140	156,410	(21,730)	152,108	4,302
Total instructional support services	663,572	612,493	(51,079)	632,069	(19,576)
Pupil support services					
Salaries	26,817	77,595	50,778	81,393	(3,798)
Fringe benefits	4,280	15,278	10,998	16,027	(749)
Purchased services	542,000	917,000	375,000	991,333	(74,333)
Supplies and materials	2,446	1,722	(724)	1,811	(89)
Total pupil support services	575,543	1,011,595	436,052	1,090,564	(78,969)
Sites and buildings					
Salaries	10,264	104,180	93,916	109,281	(5,101)
Fringe benefits	1,593	31,750	30,157	33,305	(1,555)
Purchased services	1,874,501	1,886,462	11,961	2,050,322	(163,860)
Supplies and materials	97,437	56,696	(40,741)	61,096	(4,400)
Rental and lease	940,429	949,964	9,535	828,087	121,877
Total sites and buildings	2,924,224	3,029,052	104,828	3,082,091	(53,039)
Fiscal and other fixed cost programs					
Purchased services	120,000	93,717	(26,283)	95,845	(2,128)
Total current	13,181,224	13,538,010	356,786	13,839,993	(301,983)
Capital outlay					
Administration	-	-	-	57	(57)
District support services	-	1,000	1,000	1,154	(154)
Instructional support services	39,953	66,956	27,003	68,593	(1,637)
Sites and buildings	65,000	129,500	64,500	115,829	13,671
Total capital outlay	104,953	197,456	92,503	185,633	11,823
Debt service					
Principal	30,069	30,069	-	30,069	-
Interest and other charges	84,624	84,624	-	84,624	-
Total debt service	114,693	114,693	-	114,693	-
Total Expenditures	13,400,870	13,850,159	449,289	14,140,319	(290,160)
Net Change in Fund Balances	275,278	(108,859)	(384,137)	(683,781)	(574,922)
Fund Balances, July 1	3,921,766	3,921,766	-	3,921,766	-
Fund Balances, June 30	$ 4,197,044	$ 3,812,907	$ (384,137)	$ 3,237,985	$ (574,922)

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STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota
Food Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended June 30, 2026

	Budgeted Amounts		Budget	Actual	Variance with
	Original	Final	Amendments	Amounts	Final Budget
Revenues					
Revenue from federal sources	$ 770,098	$ 720,510	$ (49,588)	$ 712,267	$ (8,243)
Revenue from state sources	18,000	90,000	72,000	76,399	(13,601)
Revenue from local sources	-	-	-	223	223
Sales and other conversion of assets	678	250	(428)	106	(144)
Total Revenues	788,776	810,760	21,984	788,995	(21,765)
Expenditures					
Current					
Food service	831,941	681,452	(150,489)	639,521	41,931
Capital outlay					
Food service	2,500	7,500	5,000	2,011	5,489
Total Expenditures	834,441	688,952	(145,489)	641,532	47,420
Net Change in Fund Balances	(45,665)	121,808	167,473	147,463	25,655
Fund Balances, July 1	122,968	122,968	-	122,968	-
Fund Balances, June 30	$ 77,303	$ 244,776	$ 167,473	$ 270,431	$ 25,655

The notes to the financial statements are an integral part of this statement.

DEPARTMENT OF EDUCATION

Fiscal Compliance

Fiscal Compliance Report - 6/30/2026
District: STRIDE ACADEMY (4142-7)

01 GENERAL FUND

	Audit	UFARS	Audit - UFARS
Total Revenue	$13,456,538	$13,456,527	$11
Total Expenditures	$14,140,319	$14,140,307	$12
Non Spendable:			
4.60 Non Spendable Fund Balance	$20,528	$20,528	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.03 Staff Development	$0	$0	$0
4.07 Capital Projects Levy	$0	$0	$0
4.08 Cooperative Revenue	$0	$0	$0
4.12 Literacy Incentive Aid	$0	$0	$0
4.14 Operating Debt	$0	$0	$0
4.16 Levy Reduction	$0	$0	$0
4.17 Taconite Building Maint	$0	$0	$0
4.20 American Indian Education Aid	$0	$0	$0
4.24 Operating Capital	$0	$0	$0
4.26 $25 Taconite	$0	$0	$0
4.27 Disabled Accessibility	$0	$0	$0
4.28 Learning & Development	$0	$0	$0
4.34 Area Learning Center	$0	$0	$0
4.35 Contracted Alt. Programs	$0	$0	$0
4.36 State Approved Alt. Program	$0	$0	$0
4.37 Q Comp	$0	$0	$0
4.38 Gifted & Talented	$0	$0	$0
4.39 English Learner	$0	$0	$0
4.40 Teacher Development and Evaluation	$0	$0	$0
4.41 Basic Skills Programs	$0	$0	$0
4.43 School Library Aid	$0	$0	$0
4.48 Achievement and Integration	$0	$0	$0
4.49 Safe Schools Levy	$0	$0	$0
4.51 QZAB Payments	$0	$0	$0
4.52 OPEB Liab Not In Trust	$0	$0	$0
4.53 Unfunded Sev & Retiremt Levy	$0	$0	$0
4.56 READ Act - Literacy Aid	$0	$0	$0
4.57 READ Act - Tchr Training Compensation	$0	$0	$0
4.67 LTFM	$0	$0	$0
4.71 Student Support Personnel Aid	$0	$0	$0
4.72 Medical Assistance	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
4.75 Title VII Impact Aid	$0	$0	$0
4.76 Payments in Lieu of Taxes	$0	$0	$0
Committed:			
4.18 Committed for Separation	$0	$0	$0
4.61 Committed Fund Balance	$0	$0	$0
Assigned:			
4.62 Assigned Fund Balance	$0	$0	$0
Unassigned:			
4.22 Unassigned Fund Balance	$3,217,457	$3,217,456	$1

02 FOOD SERVICES

06 BUILDING CONSTRUCTION

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.07 Capital Projects Levy	$0	$0	$0
4.13 Funded by COP/FP	$0	$0	$0
4.67 LTFM	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

07 DEBT SERVICE

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.25 Bond Refundings	$0	$0	$0
4.33 Maximum Effort Loan Aid	$0	$0	$0
4.51 QZAB Payments	$0	$0	$0
4.67 LTFM	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

08 TRUST

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

18 CUSTODIAL

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.48 Achievement and Integration	$0	$0	$0
4.64 Restricted Fund Balance	$0	$0	$0

20 INTERNAL SERVICE

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

25 OPEB REVOCABLE TRUST

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0

Total Revenue	$788,995	$788,995	$0
Total Expenditures	$641,532	$641,532	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.52 OPEB Liab Not In Trust	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$270,431	$270,431	$0
Unassigned:			
4.63 Unassigned Fund Balancee	$0	$0	$0

04 COMMUNITY SERVICE

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.26 $25 Taconite	$0	$0	$0
4.31 Community Education	$0	$0	$0
4.32 E.C.F.E	$0	$0	$0
4.37 Q Comp	$0	$0	$0
4.40 Teacher Development and Evaluation	$0	$0	$0
4.44 School Readiness	$0	$0	$0
4.47 Adult Basic Education	$0	$0	$0
4.52 OPEB Liab Not In Trust	$0	$0	$0
4.56 READ Act - Literacy Aid	$0	$0	$0
4.57 READ Act - Tchr Training Compensation	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

45 OPEB IRREVOCABLE TRUST

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

47 OPEB DEBT SERVICE

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted:			
4.25 Bond Refundings	$0	$0	$0
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

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OTHER REQUIRED REPORTS

STRIDE ACADEMY CHARTER SCHOOL NO. 4142
ST. CLOUD, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

Members of the Board of Directors
STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America the financial statements of the governmental activities and each major fund of STRIDE Academy Charter School No. 4142 (the Academy), St. Cloud, Minnesota as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated October 22, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Academy failed to comply with the provisions of the uniform financial accounting and reporting standards, and charter schools' sections of the *Minnesota Legal Compliance Audit Guide for Charter Schools*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Academy's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Abdo
Minneapolis, Minnesota
October 22, 2026

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Members of the Board of Directors
STRIDE Academy
Charter School No. 4142
St. Cloud, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of STRIDE Academy Charter School No. 4142 (the Academy), St. Cloud, Minnesota, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated October 22, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Academy's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control over.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Academy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Abdo
Minneapolis, Minnesota
October 22, 2026