



**\$12,500,000\***

**Pleasant Valley Community School District, Iowa**  
**School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026**

(Book Entry Only)  
(NOT Bank Qualified)  
(PARITY© Bidding Available)  
(FAST closing)

DATE: Monday, March 23, 2026  
TIME: 12:30 PM CDT  
Place: Administration Center  
525 Belmont Road  
Bettendorf, IA 52722

Standard & Poor's Rating: "A"

\* preliminary, subject to change

**PIPER | SANDLER**

3900 Ingersoll Ave., Suite 110  
Des Moines, IA 50312  
515/247-2340

**OFFICIAL BID FORM**

TO: Members of the Board of Directors of the Pleasant Valley Community School District, Iowa (the "Issuer")

Re: \$12,500,000\* School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026 dated the date of delivery, of the Issuer (the "Bonds")

For all of the above Bonds, in accordance with the Official Terms of Offering, we will pay you \$\_\_\_\_\_ for Bonds bearing interest rates and maturing as follows:

<u>Coupon %</u>	<u>Yield %</u>	<u>Bonds Due</u>	<u>Coupon %</u>	<u>Yield %</u>	<u>Bonds Due</u>
_____	_____	July 1, 2030	_____	_____	July 1, 2038
_____	_____	July 1, 2031	_____	_____	July 1, 2039
_____	_____	July 1, 2032	_____	_____	July 1, 2040
_____	_____	July 1, 2033	_____	_____	July 1, 2041
_____	_____	July 1, 2034	_____	_____	July 1, 2042
_____	_____	July 1, 2035	_____	_____	July 1, 2043
_____	_____	July 1, 2036	_____	_____	July 1, 2044
_____	_____	July 1, 2037	_____	_____	

\_\_\_\_\_ We hereby elect to have the following issued as term bonds:

<u>Principal Amount</u>	<u>Month and Year (Inclusive)</u>	<u>Maturity Month and Year</u>
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____

Subject to mandatory redemption requirement in the amounts and at the times shown above

\_\_\_\_\_ We will not elect to have any bonds issued as term bonds

\_\_\_\_\_ We represent that we are a bidder with established industry reputation for underwriting new issuances of municipal bonds.

\_\_\_\_\_ We will elect to utilize bond insurance from company \_\_\_\_\_ at a premium of \$ \_\_\_\_\_

This bid is for prompt acceptance and for delivery of said Bonds to use in compliance with the Official Terms of Offering, which is made a part of this proposal, by reference. Award will be made on a True Interest Cost Basis (TIC).

According to our computations (the correct computation being controlling in the award), we compute the following:

NET INTEREST COST: \$ \_\_\_\_\_ TRUE INTEREST COST \_\_\_\_\_%

\_\_\_\_\_  
Account Manager

\_\_\_\_\_  
Authorized Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the Pleasant Valley Community School District in the County of Scott, State of Iowa, this 23rd day of March 2026.

ATTEST: \_\_\_\_\_  
Board Secretary

\_\_\_\_\_  
President

\* Subject to change

## OFFICIAL TERMS OF OFFERING

This section sets forth the description of certain terms of the Bonds as well as the terms of offering with which all bidders and bid proposals are required to comply, as follows:

The Bonds: The Bonds to be offered are the following:

**SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BONDS** in the principal amount of \$12,500,000 (See Adjustment paragraph immediately below)\*, dated the date of delivery (the "Dated Date") in the denomination of \$5,000 or multiples thereof, and maturing as shown on the front cover of the official statement.

\* Adjustment to Principal Amount After Determination of Best Bid Each scheduled maturity of the Bonds is subject to increase or decrease. Such adjustments shall be made promptly after the sale and prior to the award of bids by the issuer and shall be in the sole discretion of the Issuer. The Issuer shall only make such adjustments in order to size the Bonds to provide enough funds to match actual known project costs received at bid on same date and to assure reasonable debt service coverage is met. To cooperate with any adjustment in the principal amounts, the Successful Bidder is required, as a part of its bid, to indicate its Initial Reoffering Yield and Initial Reoffering Price on each maturity of the Bonds (said price shall be calculated to the date as indicated by the Issuer). The total par amount of this issue will not exceed \$12,500,000. The Issuer has held a public hearing for an issuance amount of not to exceed \$12,500,000.

The dollar amount bid by the Successful Bidder may be changed if the aggregate principal amount of the Bonds, as adjusted as described below, is adjusted, however the interest rates specified by the Successful Bidder for all maturities will not change. The Issuer's Municipal Advisor will make every effort to ensure that the percentage net compensation to the Successful Bidder (the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the Issuer (not including accrued interest), less any bond insurance premium and credit rating fee, if any, to be paid by the Successful Bidder, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule.

The Successful Bidder may not withdraw or modify its bid once submitted to the Issuer for any reason, including post bond adjustment. Any adjustment shall be conclusive, and shall be binding upon the Successful Bidder.

Optional Redemption: The Bonds maturing after July 1, 2034, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Interest: Interest on said Bonds will be payable semiannually on each January 1 and July 1, beginning January 1, 2027 calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or a such other address as is furnished to the Paying Agent in writing by a registered owner.

Book Entry System: The Bonds will be issued by means of a book entry system with no physical distribution of certificates made to the public. The Bonds will be issued in fully registered form and one certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Issuer to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the certificates with DTC.

Good Faith Deposit: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a wire in the amount of \$100,000 for the Bonds, payable to the order of the Issuer is required. If a check is used, it must accompany each bid. If a wire is to be used, it must be received by the Issuer not later than two hours after the time stated for receipt of bids. The Municipal Advisor or the Issuer will provide the apparent winning bidder (the "Purchaser") with wiring instructions, by facsimile or email, within 10 minutes after the stated time when bids are due. If the wire is not received at the time indicated above, the Issuer will abandon its plan to award to the Purchaser ("Purchaser"), and will contact the next highest bidder received and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Issuer will not award the Bonds to the Purchaser absent receipt of the Deposit prior to action awarding the Bonds. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

Form of Bids: All bids shall be unconditional for the entire issue of Bonds for a price of not less than 98.30% of par, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations set forth herein. Bids must be submitted on or in substantial compliance with the Official Bid Form provided by the Issuer or through the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the electronic bid, facsimile facilities or the means used to deliver or complete a bid.

The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be received after the time specified on the front cover of the preliminary official statement. The time as maintained by the Internet Bid System shall constitute the official time with respect to all Bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Confidential information sent via secured portal: All confidential information exchanged between the Issuer and the Purchaser (including but not limited to closing details and good faith wire details) must be sent via a secure portal. As a condition to closing, the winning bidder will cooperate with the Issuer, its legal counsel and its Municipal Advisor to ensure that all confidential information is sent via a secure portal.

Internet Bidding: Internet bids must be submitted through Parity® ("the Internet Bid System"). Information about the Internet Bid System may be obtained by calling 212-849-5000.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purpose of submitting its internet bid in a timely manner and in compliance with the requirements of the Official Terms of Offering. The Issuer is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the internet bidding and the Internet Bid System is not an agent of the Issuer. In the events of conflict with information provided by the Internet Bid System and the Official Bid terms, the Issuer, in its sole discretion, shall choose a path to resolve the conflict. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the Internet Bid System. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

Electronic Facsimile Bidding: Facsimile Bids will not be accepted.

Sealed Bidding: Sealed bids may be submitted and will be received in the office of the Superintendent, Pleasant Valley Community School District, 525 Belmont Road, Bettendorf, IA.

Rates of Interest: The rates of interest specified in the bidder's proposal must conform to the limitations following:

The interest rates bid must be in multiples of 1/8th, 1/20th or 1/100th of 1%.

Rates must be in level or ascending order.

Delivery: The Bonds will be delivered to the Purchaser via FAST delivery with the Paying Agent holding the Bonds on behalf of DTC, against full payment in immediately available cash or federal funds. Should delivery be delayed beyond sixty days from date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw his bid and thereafter his interest in and liability for the Bonds will cease. (When the Bonds are ready for delivery, the Issuer may give the successful bidder five working days' notice of the delivery date and the Issuer will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase.)

Establishment of Issue Price: (a) The winning bidder shall assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel. All communications required of the Issuer under this Official Terms of Offering to establish the issue price of the Bonds may be communicated on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) the Issuer shall disseminate this Official Term of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Issuer shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.**

(d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(e) If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel.

(f) The Issuer acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (i)(A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date that the Bonds are awarded by the Issuer to the winning bidder.

**Official Statement:** The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the Issuer, shall constitute a “Final Official Statement” of the Issuer with respect to the Bonds, as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”). By awarding the Bonds to any underwriter or underwriting syndicate submitting an Official Bid Form therefore, the Issuer agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost, to the senior managing underwriter of the syndicate to which the Bonds, one “.pdf” copy of the Official Statement and the addendum described in the preceding sentence to permit each “Participating Underwriter” (as that term is defined in the Rule) to comply with the provisions of such Rule. The Issuer shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Issuer, (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

**CUSIP Numbers:** It is anticipated that CUSIP numbers will be printed on the Bonds. In no event will the Issuer be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Bonds shall not be cause for the purchaser to refuse to accept delivery of the Bonds. The CUSIP fee will be paid for by the Issuer.

**Responsibility of Bidder:** It is the responsibility of the bidder to deliver its signed, completed bid prior to the time of sale as posted on the front cover of the Official Statement. Neither the Issuer nor its Municipal Advisor will assume responsibility for the collection of or receipt of bids. Bids received after the appointed time of sale will not be opened.

**Continuing Disclosure:** In order to permit bidders for the Bonds and other participating underwriters in the primary offering of the Bonds to comply with paragraph (b)(5) of the Rule, the Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds, in the Series 2026 Resolution, to provide on annual basis, annual reports of specified information and notice of the occurrence of certain events, if material, as hereinafter described (the “Disclosure Covenants”). The information to be provided, the events as to which notice is to be given, if material, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix C to this Official Statement.

Breach of the Disclosure Covenants will not constitute a default or an “Event of Default” under the Bonds or resolution authorizing the issuance of the Bonds. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the Issuer to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

For more information on this see Continuing Disclosure herein.

Bond Insurance: Application has not been made for municipal bond insurance. Should the Bonds qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance on the Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the Issuer has requested and received a rating on the Bonds from a municipal bond rating service, the Issuer will pay that rating fee. Any other rating service fees shall be the responsibility of the Purchaser.

Requested modifications to the resolution authorizing the issuance of the Bonds or other issuance documents shall be accommodated by the Issuer at its sole discretion. In no event will modifications be made regarding the investment of funds created under the resolution authorizing the issuance of the Bonds or other issuance documents without prior Issuer consent, in its sole discretion. Either the purchaser or the insurer must agree, in the insurance commitment letter or separate agreement acceptable to the Issuer in its sole discretion, to pay any future continuing disclosure costs of the Issuer associated with any rating changes assigned to the municipal bond insurer after closing (for example, if there is a rating change on the municipal bond insurer that require a material event notice filing by the Issuer, the purchaser or the municipal bond insurer must agree to pay the reasonable costs associated with such filing). Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds.



No dealer, salesman or any other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any state to any persons to whom it is unlawful to make such offer in such state. The information set forth herein has been provided by the Issuer. The Underwriter makes no guarantee as to accuracy or completeness of such information, and its inclusion herein (other than representations about the Underwriter) is not to be construed as a representation by the Underwriter. Except where otherwise indicated, this Official Statement speaks as of the date hereof. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof.

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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE BONDS. THE ISSUER CONSIDERS THE OFFICIAL STATEMENT TO BE “NEAR FINAL” WITHIN THE MEANING OF RULE 15c2-12 OF THE SECURITIES EXCHANGE COMMISSION. STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT WHICH INVOLVES ESTIMATES, FORECASTS OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS A REPRESENTATION OF FACTS.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER’S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

## FORWARD-LOOKING STATEMENTS

This Official Statement, including Appendix A, contains statements which should be considered “forward-looking statements,” meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as “anticipated,” “plan,” “expect,” “projected,” “estimate,” “budget” “pro forma,” “forecast,” “intend,” or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS TO DIFFER. THE ISSUER DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE DISTRICT ON THE DATE HEREOF, AND THE DISTRICT ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED UNDER THE CAPTION “CONTINUING DISCLOSURE.”

**OFFICIAL STATEMENT**  
**\$12,500,000\* SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BONDS, SERIES 2026**  
**PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT, IOWA**

**INTRODUCTORY STATEMENT**

This Official Statement presents certain information relating to the Pleasant Valley Community School District, Iowa (the “District” or the “Issuer”), in connection with the sale of the Issuer’s School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026 (the “Bonds”). Proceeds of the Bonds will be used i) to build, furnish, and equip additions to District facilities, including a secure entrance and administrative space at Pleasant View Elementary and career and technical education areas at the High School, and to improve the sites; to remodel, repair, equip, and improve the Pleasant View Elementary building and site; to remodel, repair, equip, and improve the existing High School Building, including career and technical education, culinary arts, preschool and learning lab, and restroom and locker room areas, and for playground, fencing, and site improvements, ii) to establish and fund a Debt Service Reserve Fund, and iii) to pay costs of issuance for the Bonds (the “Project”). See “**THE PROJECT**” herein. The Bonds will be issued pursuant to a resolution authorizing the issuance of the Bonds expected to be adopted by the Board of Directors (the “Board”) of the Issuer on or about April 13, 2026 (the “Series 2026 Resolution”) which supplements the resolutions authorizing the Outstanding Bonds (as defined herein) (the “Prior Bond Resolutions” and, together with the Series 2026 Resolution, the “Resolutions”).

Prior to the adoption by the Iowa Legislature (the “Legislature”) of Chapter 423F of the Code of Iowa, as amended (the “Act”), voters in Scott County, authorized a school infrastructure local option sales and services tax to be used for school infrastructure purposes. Under the Act, all prior school infrastructure local option sales and services taxes were repealed on July 1, 2008, in favor of a new statewide one cent school infrastructure sales, services & use tax (the “Tax”). Under the provisions of the Act, school corporations are authorized to issue Sales Tax Revenue Bonds payable from the receipt of such Tax revenues (the “Tax Revenues”) for certain purposes, and for certain periods of time, set forth in the Act. See “**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS**” herein.

Summaries and descriptions of the Issuer, the Act, the Bonds, the Series 2026 Resolution, and certain other documents are included in this Official Statement. The summaries of and references to all documents, statutes and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each such document, statute or instrument. Copies of the Series 2026 Resolution may be obtained during the initial offering period by contacting the Issuer. The Issuer has agreed to provide certain continuing disclosure information after issuance of the Bonds as more fully described under “**APPENDIX C - Form of Continuing Disclosure Certificate**” – attached hereto.

This Preliminary Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information which is to be made available through a final Official Statement.

This Introductory Statement is only a brief description of the Bonds and certain other matters. Such description is qualified by reference to the entire Preliminary Official Statement and the documents summarized or described herein. This Preliminary Official Statement should be reviewed in its entirety.

The Bonds are special, limited obligations payable solely from the Tax Revenues received by the Issuer and certain funds pledged to the payment thereof in the Series 2026 Resolution. See “**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS.**”

The Bonds are being issued on a parity basis with prior bonds of the Issuer which remain outstanding as of the date of the Bonds and are secured by a lien on the Tax Revenues (the “Outstanding Bonds”), in particular: \$10,000,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2016, dated October 6, 2016, presently outstanding in the amount of \$3,215,000; \$10,000,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2017, dated October 11, 2017, presently outstanding in the amount of \$4,875,000; \$14,000,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2018, dated September 11, 2018, presently outstanding in the amount of \$7,595,000, and \$27,180,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2024, dated May 8, 2024, presently outstanding in the amount of \$27,080,000.

All statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

**CERTAIN BONDHOLDERS’ RISKS**

An investment in the Bonds involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement (including the appendices hereto) in order to make a judgment as to whether the Bonds are an appropriate investment. This information is based on current information available to the Issuer that may be incomplete and unknown. This information was derived using certain assumptions and methodologies, and includes unaudited financial information and projections. Some of this information is forward-looking and subject to change.

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\* Preliminary, subject to change

## Limited Obligations

The Bonds are not general obligations of the Issuer but are special limited obligations of the Issuer. The Bonds are payable only from (1) the Tax Revenues received by the Issuer, (2) the Sinking Fund (as defined herein) and (3) the Series 2026 Reserve Fund Subaccount within the Reserve Fund (as defined herein), each of which are pledged to the repayment of the Bonds. **THE BONDS SHALL NOT CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER OR CHARGE AGAINST ITS GENERAL CREDIT OR GENERAL FUNDS. NEITHER THE FAITH AND CREDIT OF THE ISSUER, THE COUNTY, NOR THE STATE OF IOWA NOR THE GENERAL TAXING POWER OF THE ISSUER, THE STATE OF IOWA OR ANY POLITICAL SUBDIVISION OF THE STATE OF IOWA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE BONDS OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO.** See “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” herein.

## Estimated Tax Revenues

Estimates of Tax Revenues available to pay the Bonds in the future presented herein are based on estimates provided to the Issuer by the State of Iowa Department of Revenue (the “Department”), which estimates have not been independently reviewed by any third parties. Failure to receive Tax Revenues in the amount estimated would reduce the debt service coverage ratios described herein (see “**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Estimated Debt Service and Coverage on the Bonds**” herein). If such estimates vary significantly from actual Tax Revenues in the future, that variance could prevent the Issuer from making timely payments of principal and interest on the Bonds.

While the estimated Tax Revenues set forth herein are based upon information and assumptions that the Issuer believes to be reasonable, potential purchasers of the Bonds should recognize that such estimates are subject to changes resulting from a wide variety of economic and other conditions. Therefore, no assurance can be given that the Tax Revenues will be received in the annual or aggregate amount estimated. There may be material differences between the estimated receipts and actual payment of Tax Revenues to the Issuer.

## Enrollment Trends

Tax Revenues received are based on the certified enrollment of the Issuer as described herein. The Issuer has experienced a decline in its resident student population over the last three years, negatively impacting its certified enrollment numbers and the amount of revenue received. During that time, the Issuer has maintained its total-served student population due to a large population of non-resident students that open enroll into the District. Open enrollment approval is subject to change year to year. Changes in enrollment, whether up or down, will impact Tax Revenues received, the impact of which could be material. Deterioration in long term enrollment or increases in statewide enrollments not matched by increases in enrollments in the Issuer will potentially reduce the actual amount of the Tax Revenues received, and that reduction could materially alter the Issuer’s ability to repay the Bonds. See “**THE BONDS – Estimated Debt Service Coverage on the Bonds**” herein.

## Economic Conditions

The Tax is being collected generally on the same basis as the State of Iowa (the “State”) retail sales and services tax, subject to certain exceptions. See “**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS**” herein. The Tax may not be levied on the sale of property or on any service not taxed by the State. A wide variety of economic and other conditions could cause fluctuations affecting the volume of taxable sales and services within the State which would then affect the Issuer’s receipt of the Tax Revenues. The following factors, among others, may affect the economic climate of the State and the volume of taxable sales and services originated in the State (and therefore the amount of Tax Revenues collected by the State and distributed to the Issuer), to an extent which cannot be determined at this time:

- 1) Global health pandemics, including the duration and scope thereof;
- 2) Employee strikes or other adverse labor actions affecting significant employers within the State;
- 3) Increased unemployment within the State;
- 4) Population decrease or other unfavorable demographic changes in the Issuer and surrounding areas;
- 5) Decrease in the number of resident students in the Issuer’s boundaries;
- 6) Competition from sales and services providers located outside of the State;
- 7) The loss of local retail establishment or any decrease in the amount of sales generated in the State;
- 8) Natural disaster or catastrophes affecting significant portions of the Issuer and surrounding areas,
- 9) Delays in receiving of the Tax Revenues;
- 10) Competition from Internet based sales and services providers that are currently exempt from the Tax;
- 11) Other unforeseen competitive or economic factors or acts of God.

## The Revenue Purpose Statement

The Act provides that a school corporation may use Tax Revenues for school infrastructure purposes, as authorized pursuant to a Revenue Purpose Statement (the “RPS”) which must be approved by the voters at a special election held for such purpose. The voters of the Issuer approved the RPS at an election held on March 2, 2021. The RPS describes the permitted uses of the Tax Revenue and is effective until January

1, 2051 unless repealed or amended. The RPS may be amended from time to time by the voters in the Issuer's boundaries. However, the RPS may not be amended in a way that would cause the school corporation to be unable to use Tax Revenues to repay validly issued School Infrastructure Sales, Services & Use Tax Revenue Bonds, including the Bonds.

### **Legislative Revisions of the Act**

A local option sales and services tax was originally enacted during the 1998 session of the Iowa General Assembly (the "Prior Tax") to set forth conditions under which bonds payable from the Prior Tax may be issued and was amended by the General Assembly on multiple occasions after its enactment. The Act was initially enacted to repeal the Prior Tax effective July 1, 2008. Potential purchasers of the Bonds should recognize that the Act may be amended further while the Bonds are outstanding, and such legislation could materially revise the current provisions of the Act relating to the collection, payment, application, receipt or distribution of the Tax Revenues to the Issuer, subject to constitutional restraints on impairment of contracts. It cannot be predicted whether or in what form any proposal might be enacted or whether if enacted, it would apply to the Bonds issued prior to enactment. Any such legislative amendments could adversely affect the Issuer's ability to make timely payments of principal of and interest on the Bonds. Bond Counsel, Disclosure Counsel, Counsel to the Underwriter, the Issuer or the Underwriter do not express any opinion regarding any pending or proposed legislation related to the Act.

In 2022, the Department's method of distributing Tax Revenues received was amended. The Act requires the Department to, annually prior to August 15, estimate the amount of revenue that will be remitted to the school districts for the fiscal year beginning each July 1. Historically, the Department was required to remit 95% of the annual estimate of Tax Revenues to be remitted to the school districts in monthly installments over the fiscal year and was allowed to retain 5% of the estimate until the end of the fiscal year, at which time the Department would complete an audit of the actual receipts and the actual remittances of the Tax. The Department would then reconcile the difference between the actual receipts and the estimated remittances and would remit the remaining balance to the school districts on or around November 1 for the fiscal year ending the previous June 30 (the "Reconciliation Payment"). It was possible for the Reconciliation Payment to be a negative number if actual receipts were less than expected receipts by an amount greater than 5%. Beginning with the October 2022 transfer, the Department transfers the actual amount of Tax Revenue attributable to each school district for the Tax Revenue remitted in the preceding month and eliminated the Reconciliation Payment.

The General Assembly periodically considers the creation of additional exemptions and there can be no assurance that additional sales tax exemptions will not be enacted in the future. Any such additional exemptions could materially reduce the amount of sales tax allocated to the Issuer and adversely affect the Issuer's ability to make timely payments of principal and interest on the Bonds.

### **Legislative Change Related to School Choice**

In 2023, the Iowa General Assembly adopted legislation ("HF68") that established a standing unlimited State general fund appropriation for an Education Savings Account Fund (the "Fund") under the control of the State Department of Education (the "Department of Education"). The Fund must be used to establish individual accounts for participating pupils and to make qualified education savings account payments on behalf of parents and guardians, including payment for non-public school tuition, textbooks, software, fees, curriculum materials, and other similar expenses. As of July 1, 2025, all students attending a non-public school are eligible to participate.

The annual amount per account in the Fund is determined by the State Cost Per Pupil (SCPP) for that fiscal year and changes each year based on the State Percent of Growth (SPG). For fiscal year ending June 30, 2026, the SCPP is \$7,988, which amount will be deposited into the Fund, instead of being sent to the Issuer, for each qualifying student within the Issuer attending a nonpublic school. HF68 provides that a school district is funded in an amount of \$1,176 per student for resident pupils who attend a nonpublic school. According to the Department of Education, there were 132 students who resided within the boundaries of the Issuer but attended non-public schools for the 2022-23 school year; 160 students for the 2023-24 school year; 250 students for the 2024-25 school year and 282 students for the 2025-26 school year. It is unknown how many additional students, if any, will attend non-public schools in future years, as HF68 is implemented. If a significant number of eligible students in the Issuer transition to non-public schools, it could have an adverse impact on the Issuer's finances given the reduction in per student funding the Issuer would otherwise receive. See "**THE BONDS – Source of Security for the Bonds**" herein.

### **Additional Debt and Parity Bonds**

The Series 2026 Resolution permits the Issuer to incur additional indebtedness under certain circumstances, including bonds, notes or other obligations payable solely from the Tax Revenues on an equal basis with the Bonds, the Outstanding Bonds, and any Additional Bonds (as defined herein) as authorized to be issued under the terms of the Resolution (the "Parity Bonds") that could have a lien on the Tax Revenues on a parity basis with the lien securing the Bonds and the Outstanding Bonds. See "**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS — Prior Lien and Parity Bonds; Subordinate Obligations**" herein. Such additional debt could increase the Issuer's debt service and repayment requirement in a manner which would adversely affect debt service coverage on the Bonds and the Outstanding Bonds. The Bonds are expected to be issued as Parity Bonds with the Outstanding Bonds.

### **Debt Payment History**

The Issuer knows of no instance in which it has intentionally or unintentionally defaulted in the payment of principal and/or interest on any of

its outstanding debt.

## **Secondary Market for the Bonds**

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, and secondary marketing practices in connection with a particular Bond or Bonds issue are suspended or terminated. Additionally, prices of Bond or bond issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

**EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.**

## **Ratings**

S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") has assigned a rating of "A" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of S&P, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Rating agencies are currently not regulated by any governmental authority. Future regulation of rating agencies could materially alter the methodology, rating levels, and types of rating available, for example, and these changes, if ever, could materially affect the market value of the Bonds.

## **Matters Relating to Enforceability of Agreements/Limitation or Delay in Remedies**

There is no Bond trustee or similar person to monitor or enforce the provisions of the Series 2026 Resolution for the Bonds. The owners of the Bonds should, therefore, be prepared to enforce such provisions themselves if the need to do so arises. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the Series 2026 Resolution) may have to be enforced from year to year. Holders of the Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the Series 2026 Resolution.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Series 2026 Resolution. The remedies available to the owners of the Bonds upon an event of default under the Series 2026 Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Series 2026 Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Series 2026 Resolution, including principal of and interest on the Bonds.

## **Pension and OPEB Information**

The Issuer contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a state-wide multiple-employer cost-sharing defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. All full-time employees of the Issuer are required to participate in IPERS. IPERS plan members are required to contribute a percentage of their annual salary, in addition to the Issuer being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The IPERS Annual Comprehensive Financial Report for its fiscal year ended June 30, 2025 (the "IPERS ACFR"), indicates that as of June 30, 2025, the date of the most recent actuarial valuation for IPERS, the funded ratio of IPERS was 92.17%, and the unfunded actuarial liability was approximately \$3.841 billion. The IPERS ACFR identifies the IPERS Net Pension Liability at June 30, 2025, at approximately \$2.323 billion, while its net pension liability at June 30, 2024, was approximately \$3.641 billion. The IPERS ACFR is available on the IPERS website, or by contacting IPERS at 7401 Register Drive, Des Moines, IA 50321. See "**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**" for additional information on IPERS.

Bond Counsel, Disclosure Counsel, Municipal Advisor, Counsel to the Municipal Advisor and the Issuer undertake no responsibility for and

make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS website.

In fiscal year ended June 30, 2025, the Issuer's IPERS contribution totaled approximately \$4,063,012. The Issuer is current in its obligations to IPERS. Pursuant to Governmental Accounting Standards Board Statement No. 68, IPERS has allocated the net pension liability among its members, with the Issuer's identified portion at June 30, 2025, at approximately \$16,065,876. While the Issuer's contributions to IPERS are controlled by state law, there can be no assurance the Issuer will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the Issuer. See "**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**" for additional information on pension and liabilities of the Issuer.

### **Forward-Looking Statements**

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Bonds.

### **Tax Matters, No Bank Qualification and Loss of Tax Exemption**

As discussed under the heading "**TAX EXEMPTION AND RELATED TAX MATTERS**" herein, the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the Issuer in violation of its covenants in the Series 2026 Resolution. Should such an event of taxability occur, the Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Bonds, and there is no provision for an adjustment of the interest rate on the Bonds.

The Issuer will NOT designate the Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of any pending or proposed federal income tax legislation being enacted or whether the proposed terms will be altered or removed during the legislative process cannot be reliably predicted.

It is also possible that actions of the Issuer after the closing of the Bonds will alter the tax status of the Bonds, and, in the extreme, remove the tax-exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset. A determination of taxability on the Bonds, after closing of the Bonds, could materially adversely affect the value and marketability of the Bonds.

### **DTC-Beneficial Owners**

Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the Issuer nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See "**THE BONDS – Book-Entry Only System.**"

### **Redemption Prior to Maturity/Loss of Premium from Redemption**

In considering whether the Bonds might be redeemed prior to maturity, Bondholders should consider the information included in this Preliminary Official Statement under the heading "**THE BONDS – Redemption.**" Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity.

## **Cybersecurity**

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the Issuer's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the Issuer's operations and financial condition.

The Issuer maintains cyber security insurance coverage. The Issuer cannot predict whether this coverage would be sufficient in the event of a cyber incident.

## **Environmental and Climate-Related**

Due to recent increases in the frequency and intensity of extreme weather events and natural disasters, the Issuer and its residents and businesses may experience operational disruptions and increased costs for mitigation and recovery. The increased costs of risk-mitigation and recovery efforts cannot be determined with certainty due to the multiple factors associated with these costs, including but not limited to, the future frequency and intensity of these events, future legal and regulatory requirements, the costs of labor and materials used in mitigation and recovery, insurance rates and available coverages, and the level of state and federal assistance available.

## **Financial Condition of the Issuer from time to time**

No representation is made as to the future financial condition of the Issuer. Certain risks discussed herein could adversely affect the financial condition and/or operations of the Issuer in the future.

## **Continuing Disclosure**

A failure by the Issuer to comply with the continuing disclosure obligations (see "**CONTINUING DISCLOSURE**" herein) will not constitute an event of default on the Bonds. Any such failure must be disclosed in accordance with the Rule and may adversely affect the transferability and liquidity of the Bonds and their market price.

## **Bankruptcy and Insolvency**

The rights and remedies provided in the Series 2026 Resolution may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds and the Series 2026 Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the Issuer were to file a petition under Chapter Nine of the Federal Bankruptcy Code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Series 2026 Resolution. In the event the Issuer fails to comply with its covenants under the Series 2026 Resolution or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under sections 76.16 and 76.16A of the Iowa Code, a city, county, or other political subdivision may become a debtor under Chapter Nine of the Federal Bankruptcy Code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted Series 2026 Resolution of each of the following: (1) that all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) that such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) that as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) that the debt is not an obligation to pay money to a city, county, entity organized pursuant to Chapter 28E of the Iowa Code, or other political subdivision.

## **Project Completion/Risks of Construction**

A delay in completion of the Project may arise from any number of other causes, including but not limited to, adverse weather conditions, unavailability of subcontractors, supply chain issues and negligence on the part of subcontractors, labor disputes, or unanticipated increase costs of construction, equipping or renovation. Any of these events or occurrences, separately or in combination, could have a material adverse effect on the Issuer's ability to complete the Project, or to complete it as planned and on schedule. The Issuer believes that the proceeds of the Bonds, will be sufficient to complete the Project; however, the cost of construction of the Project may be affected by factors beyond the control of the Issuer, including strikes, material shortages, adverse weather conditions, trade tariffs, subcontractor defaults, delays, and unknown conditions.

## **Damage or Destruction to Issuer's Facilities**

Although the District maintains certain kinds of insurance, there can be no assurance that the Issuer will not suffer uninsured losses in the event of damage to or destruction of the Issuer's facilities, including the Project, due to fire or other calamity or in the event of other unforeseen circumstances.

## **General Liability Claims**

In recent years, the number of general liability suits and the dollar amounts of damage awards have increased nationwide, resulting in substantial increases in insurance premiums. Litigation may also arise against the Issuer from its business activities, such as its status as an employer. While the Issuer maintains general liability insurance coverage, the Issuer is unable to predict the availability or cost of such insurance in the future. In addition, it is possible that certain types of liability awards may not be covered by insurance as in effect at relevant times. Any negative impact resulting from such awards may impact the Issuer's ability to operate.

## **Suitability of Investment**

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

## **Risks as Employer**

The Issuer is a major employer, combining a mix of full-time faculty, part-time faculty, technical and clerical support staff and other types of workers in a single operation. As with all large employers, the Issuer bears a wide variety of risks in connection with its employees. These risks include discrimination claims, personal tort actions, work-related injuries, exposure to hazardous materials, interpersonal torts (such as between employees or between employees and students) and other risks that may flow from the relationships between employer and employee or between students and employees. Certain of these risks are not covered by insurance, and certain of them cannot be anticipated or prevented.

## **Proposed Federal Tax Legislation**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals pending in Congress that could, if enacted, alter or amend one or more of the federal tax matters described herein in certain respects or would adversely affect the market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

## **Risk of Audit**

The Internal Revenue Service has an ongoing program to audit tax-exempt obligations to determine the legitimacy of the tax status of such obligations. No assurance can be given as to whether the Internal Revenue Service will commence an audit of the Bonds. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

## **Factors Beyond Issuer's Control**

Economic and other factors beyond the Issuer's control, such as economic recession, deflation of property values, tariffs, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the Issuer. The State of Iowa, including the Issuer, is susceptible to tornados, flooding and extreme weather wherein winds and flooding have from time to time caused significant damage, which may have an adverse impact on the Issuer's financial position.

Changing priorities in federal policies can result in reductions to the level or priority of federal funding for a variety of federally funded programs, including education related programs. Such changes could have an adverse impact on the Issuer's operations or financial position.

## **Summary**

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to

identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

## SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

### The Tax; Collection and Remittance of the Tax

#### Authorization

In 1998, the school districts in Iowa were allowed to implement on a county-by-county basis a \$0.01 school infrastructure local option sales and services tax, pursuant to Iowa Code Chapter 423E, to be used for school infrastructure purposes, for ten-year periods. In 2008, the Iowa Legislature adopted the Act, which replaced the Prior Tax with a statewide \$0.01 school infrastructure sales, services and use tax. Under the Act, all Prior Taxes were repealed on July 1, 2008, in favor of the new Tax to be imposed through December 31, 2029. After July 1, 2008, the use of Tax Revenues received by each school district is governed by a revenue purpose statement which must be approved by voters of a school district.

In 2019, House File 546 was signed into law (“2019 Act”) extending the Tax from December 31, 2029 to January 1, 2051. Provisions in the 2019 Act include an increase in the amount of the tax that is dedicated toward property tax relief, among others, under specific conditions related to the overall annual growth in the Tax, additional public hearing processes, expanded definition of “school infrastructure” and voter re-approval required for revenue purpose statements. Under the 2019 Act, an existing Revenue Purpose Statement approved by the voters of a school district before July 1, 2019 shall terminate on January 1, 2031 or the expiration date contained in the current RPS, whichever is earlier.

On March 2, 2021, voters in the school district approved the current RPS, which expires when the Tax sunsets on January 1, 2051. The Project is an authorized school infrastructure project under the RPS.

#### Issuance of Bonds

Under provisions of the Act, school corporations are authorized to issue sales tax revenue bonds payable from Tax Revenues. A school district receiving Tax Revenues may issue bonds in anticipation of the receipt of Tax Revenues and may pledge irrevocably an amount of Tax Revenues for each of the years the bonds remain outstanding to the payment of such bonds. Bonds may be issued only for one or more of the purposes set forth in the RPS as approved by the electors of the Issuer. Prior to the issuance of sales tax revenue bonds, school districts must hold a public hearing on the proposal to issue such bonds and must publish a notice of hearing not less than ten (10) nor more than twenty (20) days prior to such hearing. If a valid petition is received prior to fifteen (15) days after the public hearing requesting an election on the issuance of the bonds, the school district must either submit the question of issuing the bonds to an election of the voters or abandon the issuance of bonds.

The hearing on the issuance of the Bonds, for an amount of approximately \$12,500,000, was held on November 10, 2025. No petition was received requesting an election on the issuance of the Bonds.

#### Imposition and Collection

The Tax is imposed on the same basis as the State of Iowa’s (the “State”) other sales, services and use taxes under Iowa Code Chapter 423, subchapters II and III. See “Legislative Revisions of the Act” included in ‘**BONDHOLDERS’ RISKS**’.

The Tax is collected by the retailers in the State and remitted at the end of each calendar month to the State. The Department remits the Tax to the school corporations on the last day of the next month. The Act requires the Department to, annually prior to August 15, estimate the amount of revenue that would be remitted to the school corporations for the fiscal year beginning each July 1. The Department transfers monthly to each school corporation the actual amount of Tax Revenue remitted to the Department attributable to the school corporation from the preceding month.

The Tax is remitted to each school corporation in the State based on actual enrollment for the fiscal year in question. The actual enrollment for a fiscal year is determined by a count of those students registered to attend the school corporation as of the previous October 1, or the Monday following if October 1 is on a Saturday or Sunday (as amended from time to time in the future by the Legislature). Each school corporation receives an equal amount of revenue from the Tax, per student, and all taxes collected under the Tax will be remitted to each school corporation based on their actual enrollment as a percentage of the total enrollment in the State.

With the extension of the Tax from December 31, 2029, to January 1, 2051, a change to the calculation of the remittance to schools was made. Previously, an annual allocation of 2.1% of available revenues were diverted to the Property Tax Equity Relief fund (“PTER”). Effective July 1, 2019, that amount increased to 3.1% and allows for an annual increase of 1.0% each subsequent year if the growth in total Tax revenues per year exceed 2.0%. For example, if Fiscal Year 2020 Tax revenues actually grew at 4.0%, there would be a 1.0% increase in the distribution amount to the PTER fund, making that amount 4.1% instead of 3.1% and passing on to the schools 3.0% instead of 4.0% growth. In any given year, if the annual growth of the Tax revenues is less than 2.0%, no additional amount will be diverted to the PTER fund. The maximum amount of Tax dollars that can be diverted is 30.0%. The amounts diverted now to the PTER fund will be divided among schools in two categories: one portion being shared by schools above the statewide average base tax levy rate, and the other portion shared by all schools equally. The 2019 legislation also created a category of annual competitive grant funds that will be administered through the State Department

of Education for career academy infrastructure and equipment. The fund was established with \$1.0 million available in FY2020, and the fund may grow when the prior fiscal year’s growth rate exceeds 2.5%. The maximum annual amount that could be diverted in the future to this career academy fund would be \$5.0 million.

**HISTORICAL AND ESTIMATED STATEWIDE RECEIPTS OF THE TAX**

Presented below is the actual or estimated receipts of the Tax by the State and the allocations to the various funds pursuant to the 2019 Act, as discussed herein:

<u>Fiscal Year</u>	<u>Total Collections</u>	<u>Allocated to PTR</u>	<u>Allocated to Career Academies</u>	<u>Allocated to schools</u>
2026	\$707,249,902	\$50,214,743	\$5,000,000	\$652,035,159
2025	694,062,710	49,278,452	5,000,000	639,784,258
2024	687,794,332	41,930,132	5,000,000	640,864,200
2023	626,759,000	38,232,299	5,000,000	583,526,701
2022	632,076,590	32,235,906	5,000,000	594,840,684

**CURRENT STATEWIDE RECEIPTS OF THE TAX – AVERAGE PER PUPIL RECEIPTS (5)**

<u>Fiscal Year</u>	<u>Original State Estimate (1)</u>	<u>Statewide Disbursements (1) (2)</u>	<u>Statewide Enrollment (3)</u>	<u>Average Revenue per Student (4)</u>
2021	\$499,356,865	\$544,786,628	490,094	\$1,111.60
2022	540,481,659	594,840,684	484,159	1,228.61
2023	598,208,742	583,526,701	485,630	1,201.59
2024	600,005,449	640,864,200	486,476	1,317.36
2025	661,436,255	639,784,258	483,699	1,322.69
2026	652,679,943	652,679,943	480,665	1,357.87

- (1) Fiscal Year 2026 is a preliminary estimate, subject to change, as provided by the Department
- (2) Historical Payments through Fiscal Year 2025 as provided by the Department
- (3) Statewide Enrollment count is from the prior October count (i.e. the October 1, 2024 count is used for distributing Tax Revenues in Fiscal Year 2026)
- (4) Revenue calculations are provided on an accrual basis
- (5) FY2026 revenue per pupil estimate provided by the Department at \$1,357.87 and may be different than the actual distribution.

**ESTIMATED RECEIPTS OF THE TAX AVAILABLE FOR DISTRIBUTION – PER PUPIL BASIS (4)**

Table I: Assuming No Growth in Statewide Revenues & No Enrollment Changes (4)

<u>Fiscal Year (6/30)</u>	<u>Total Revenues (1)(5)</u>	<u>Total Enrollment (3)</u>	<u>Average Revenue Per Student (5) (6)</u>
2026	\$652,679,943	480,665	\$1,357.87
2027 & thereafter	\$652,679,943	473,329	\$1,378.91

Table II: Assuming Growth in Statewide Revenues & No Enrollment Changes

<u>Fiscal Year (6/30)</u>	<u>Total Revenues (1)(2)</u>	<u>Total Enrollment (3)</u>	<u>Average Revenue Per Student</u>
2027	\$662,470,142	473,329	\$1,399.60
2028	672,407,194	473,329	1,420.59
2029	682,493,302	473,329	1,441.90
2030	692,730,702	473,329	1,463.53
2031	703,121,662	473,329	1,485.48
2032	713,668,487	473,329	1,507.76
2033	724,373,514	473,329	1,530.38
2034	735,239,117	473,329	1,553.33
2035	746,267,704	473,329	1,576.64
2036	757,461,719	473,329	1,600.28
2037	768,823,645	473,329	1,624.29
2038	780,356,000	473,329	1,648.65
2039	792,061,340	473,329	1,673.38
2040	803,942,260	473,329	1,698.48
2041	816,001,394	473,329	1,723.96
2042	828,241,415	473,329	1,749.82
2043	840,665,036	473,329	1,776.07
2044	853,275,012	473,329	1,802.71
2045	866,074,137	473,329	1,829.75
2046	879,065,249	473,329	1,857.20
2047	892,251,228	473,329	1,885.05
2048	905,634,996	473,329	1,913.33
2049	919,219,521	473,329	1,942.03
2050	933,007,814	473,329	1,971.16
2051	473,501,465	473,329	2,000.73

- (1) Effective July 1, 2019 the Tax expires January 1, 2051 and schools will receive revenues for only one-half of Fiscal Year 2051
- (2) The assumption for growth in retail sales is based on an estimated growth rate of 1.50%. The statewide average percentage increases on a 25-year, 10-year, and 5-year historical basis were 2.564%, 1.835%, and 2.285% respectively.
- (3) For Fiscal years after 2027, the enrollment assumes no changes from the October 1, 2025 certified enrollment count.
- (4) Revenue calculations are provided on an accrual basis and not cash basis.
- (5) Fiscal Year 2026-2027 average Total Revenues assume no growth from Fiscal Year 2026 original estimates.
- (6) Fiscal Year 2027 average revenue per pupil estimate is calculated as of the Fiscal Year 2026 total statewide revenues divided by October 1, 2025 certified enrollment

**CALCULATIONS OF FISCAL YEAR TOTAL COLLECTIONS**

The 2022 Act requires the Department to pay the school districts in the State an amount equal to 100% of the actual amount received multiplied by the individual school district’s enrollment as a percentage of total statewide school enrollment. The Department is obligated to estimate revenues as of each August 15 of the fiscal year beginning July 1, and provide that revenue estimate to the school districts in the State, for planning purposes.

**HISTORICAL RESIDENT ENROLLMENT IN THE SCHOOL DISTRICT**

<u>Count Date October 1</u>	<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Count Date October 1</u>	<u>Fiscal Year</u>	<u>Enrollment</u>
2001	2002-03	3,119.0	2014	2015-16	4,386.1
2002	2003-04	3,130.0	2015	2016-17	4,531.8
2003	2004-05	3,164.0	2016	2017-18	4,745.5
2004	2005-06	3,208.0	2017	2018-19	4,922.4
2005	2006-07	3,295.0	2018	2019-20	5,036.7
2006	2007-08	3,371.0	2019	2020-21	5,128.4
2007	2008-09	3,503.0	2020	2021-22	5,244.2
2008	2009-10	3,588.5	2021	2022-23	5,423.6
2009	2010-11	3,609.0	2022	2023-24	5,556.8
2010	2011-12	3,784.2	2023	2024-25	5,537.9
2011	2012-13	3,959.9	2024	2025-26	5,497.5
2012	2013-14	4,230.0	2025	2026-27	5,413.2
2013	2014-15	4,288.6			

**ACTUAL HISTORIC SALES, SERVICES & USE TAX REVENUE RECEIPTS (1) (2)**

Presented below is a table illustrating the actual Tax Revenues received by the Issuer for the period indicated on an accrual basis:

<u>Fiscal Year</u>	<u>TOTAL REVENUES</u>	<u>Approximate Per Student</u>
2005	\$2,574,770	\$814
2006	\$2,722,790	\$849
2007	\$2,936,672	\$891
2008	\$3,060,306	\$908
2009	\$3,003,961	\$858
2010	\$2,715,731	\$757
2011	\$2,887,839	\$800
2012	\$3,192,935	\$844
2013	\$3,444,006	\$870
2014	\$3,819,007	\$903
2015	\$3,956,659	\$923
2016	\$4,135,590	\$943
2017	\$4,258,623	\$940
2018	\$4,615,465	\$973
2019	\$4,898,871	\$995
2020	\$5,222,051	\$1,037
2021	\$5,700,729	\$1,112
2022	\$6,443,040	\$1,229
2023	\$6,513,147	\$1,201
2024	\$7,320,306	\$1,317
2025	\$7,324,925	\$1,323
2026*	\$7,464,890	\$1,358

(1) Source: Iowa Department of Revenue

(2) FY26 revenues are estimated and provided by the Iowa Department of Revenue.

**ESTIMATED FUTURE SALES, SERVICES & USE TAX RECEIPTS**

Presented below is a table illustrating the estimated Tax Revenues received for the periods indicated, using the assumptions noted below:

Fiscal Year	Estimated Collection	Estimated Collection
	Without Growth (1)	With Growth (2) (3)
2026	7,464,890	7,464,890
2027	7,350,558	7,576,455
2028	7,350,558	7,690,102
2029	7,350,558	7,805,453
2030	7,350,558	7,922,535
2031	7,350,558	8,041,373
2032	7,350,558	8,161,993
2033	7,350,558	8,284,423
2034	7,350,558	8,408,690
2035	7,350,558	8,534,820
2036	7,350,558	8,662,842
2037	7,350,558	8,792,785
2038	7,350,558	8,924,677
2039	7,350,558	9,058,547
2040	7,350,558	9,194,425
2041	7,350,558	9,332,341
2042	7,350,558	9,472,327
2043	7,350,558	9,614,411
2044	7,350,558	9,758,628

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- (1) Assumes revenue per pupil as outlined in “ESTIMATED RECEIPTS OF THE TAX AVAILABLE FOR DISTRIBUTION – PER PUPIL BASIS – Table I” herein. FY2026 revenues based upon October 2024 certified enrollment count & FY2026 revenue per student as estimated by the Iowa Department of Revenue, and FY2027 & beyond assumes October 2025 certified enrollment count with no enrollment change thereafter & FY2026 revenue per student as estimated by the Iowa Department of Revenue as there is no official estimate for FY2027 revenue per student at the time of issuance.
  - (2) Assumes revenue per pupil increase as outlined in “ESTIMATED RECEIPTS OF THE TAX AVAILABLE FOR DISTRIBUTION – PER PUPIL BASIS – Table II” herein
  - (3) Assumes no change in certified enrollment from the October 2025 count.

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## ESTIMATED DEBT SERVICE AND COVERAGE ON THE BONDS (2)

Presented below are the annual debt service requirements on the Outstanding Bonds, the estimated annual debt service requirement on the Bonds and the estimated debt service coverage on the Bonds and the Outstanding Bonds, on an accrual basis:

Fiscal Year	Prior Outstanding P&I Payments	Portion of Prior P&I Escrowed to Assure ABT is met	ESTIMATED Series 2026 P&I Payments (1)	Combined P&I Payments	No Growth Assumed		Growth Assumed	
					Estimated Collections (2)	Estimated Coverage (4)	Estimated Collections (3)	Estimated Coverage (5)
2026	5,455,273			5,455,273	7,464,890	1.37	7,464,890	1.37
2027	5,448,571	-451,340	653,594	5,650,824	7,350,558	1.30	7,576,455	1.34
2028	5,444,674	-347,998	556,250	5,652,926	7,350,558	1.30	7,690,102	1.36
2029	5,428,437	-341,499	556,250	5,643,188	7,350,558	1.30	7,805,453	1.38
2030	2,435,150		1,251,250	3,686,400	7,350,558	1.99	7,922,535	2.15
2031	2,431,900		1,235,323	3,667,223	7,350,558	2.00	8,041,373	2.19
2032	2,435,650		1,218,728	3,654,378	7,350,558	2.01	8,161,993	2.23
2033	2,435,900		1,211,465	3,647,365	7,350,558	2.02	8,284,423	2.27
2034	2,432,650		1,203,090	3,635,740	7,350,558	2.02	8,408,690	2.31
2035	2,435,900		1,193,603	3,629,503	7,350,558	2.03	8,534,820	2.35
2036	2,435,150		1,183,003	3,618,153	7,350,558	2.03	8,662,842	2.39
2037	2,435,400		1,176,290	3,611,690	7,350,558	2.04	8,792,785	2.43
2038	2,434,200		1,143,243	3,577,443	7,350,558	2.05	8,924,677	2.49
2039	2,435,200		1,154,973	3,590,173	7,350,558	2.05	9,058,547	2.52
2040	2,433,200		1,049,478	3,482,678	7,350,558	2.11	9,194,425	2.64
2041	2,433,200		916,875	3,350,075	7,350,558	2.19	9,332,341	2.79
2042	2,435,000		1,133,500	3,568,500	7,350,558	2.06	9,472,327	2.65
2043	2,433,400		1,089,000	3,522,400	7,350,558	2.09	9,614,411	2.73
2044	2,428,400		1,044,500	3,472,900	7,350,558	2.12	9,758,628	2.81
	58,287,254	-1,140,837	18,970,411	76,116,828				

- (1) Represents estimated Debt Service on the Bonds. Preliminary, subject to change
- (2) FY2026 revenues based upon October 2024 certified enrollment count & FY2026 revenue per student as estimated by the Iowa Department of Revenue, and FY2027 & beyond assumes October 2025 certified enrollment count with no enrollment change thereafter & FY2026 revenue per student as estimated by the Iowa Department of Revenue as there is no official estimate for FY2027 revenue per student at the time of issuance.
- (3) Assumes no enrollment change from October 2025 certified count
- (4) Assumes revenue per pupil as outlined in "ESTIMATED RECEIPTS OF THE TAX AVAILABLE FOR DISTRIBUTION – PER PUPIL BASIS – Table I" herein and District receipt estimates as outlined in "ESTIMATED FUTURE SALES, SERVICES & USE TAX RECEIPTS"
- (5) Assumes revenue per pupil as outlined in "ESTIMATED RECEIPTS OF THE TAX AVAILABLE FOR DISTRIBUTION – PER PUPIL BASIS – Table II" herein and District receipt estimates as outlined in "ESTIMATED FUTURE SALES, SERVICES & USE TAX RECEIPTS"

### Summary of Bond Resolution

Definitions. The following terms with or without capitalization shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Act" shall mean Iowa Code Chapter 423F, as from time to time amended and supplemented.
- "Additional Bonds" shall mean any obligation payable from School Infrastructure Tax Revenues issued on a parity with the Bonds in accordance with the provisions of this Resolution.
- "Authorized Denominations" shall mean \$5,000 or any integral multiple thereof.
- "Bond Proceeds" shall mean the amount actually received from the sale of the Bonds and paid to the Issuer on the Closing Date.
- "Bond(s)" shall mean \$12,500,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026, authorized to be issued by this Resolution.
- "Closing Date" shall mean the date of the delivery of the Bonds in exchange for the agreed upon purchase price.
- "Debt Service Fund" shall mean the Sinking Fund.
- "Economic Refunding" shall mean the sale and issuance of refunding bonds issued to discharge and satisfy all or a part of the Bonds or the Outstanding Bonds in accordance with Section 20 of this Resolution, and to pay costs of issuance. The refunding must (i) produce annual debt service on the refunding bonds not greater than the total (remaining) debt service on the refunded bonds; (ii) shall not have a payment in any Fiscal Year (through maturity of the new bonds) that is greater than the payment on the Bonds or Outstanding Bonds being refunded, and (iii) shall not extend the final maturity of the refunded bonds.
- "Fiscal Year" shall mean the twelve-month period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the Issuer. Requirements of a Fiscal Year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the Fiscal Year and include any payment of principal or interest falling due on the first day of the succeeding

Fiscal Year, except to the extent of any conflict with the terms of the Outstanding Bonds while the same remain outstanding.

- "Governing Body" shall mean the Board of Directors of the School District.
- "Independent Auditor" shall mean an independent firm of Certified Public Accountants, an independent financial consultant, placement agent representing the Issuer, Municipal Advisor, or the Auditor of State.
- "Issuer" and "School District" shall mean the Pleasant Valley Community School District, County of Scott, State of Iowa.
- "Outstanding Bonds" shall mean the \$10,000,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2016, dated October 6, 2016 (the "Series 2016 Bonds"), issued in accordance with a resolution adopted by the Issuer on September 26, 2016, of which \$3,215,000 of the bonds are still outstanding and unpaid and remain a lien on the School Infrastructure Tax Revenues; the \$10,000,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017, dated October 11, 2017 (the "Series 2017 Bonds"), issued in accordance with a resolution adopted by the Issuer on September 25, 2017, of which \$4,875,000 of the bonds are still outstanding and unpaid and remain a lien on the School Infrastructure Tax Revenues; \$14,000,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2018, dated September 11, 2018 (the "Series 2018 Bonds"), issued in accordance with a resolution adopted by the Issuer on August 27, 2018, of which \$7,595,000 of the bonds are still outstanding and unpaid and remain a lien on the School Infrastructure Tax Revenues; and \$27,180,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2024, dated May 8, 2024 (the "Series 2024 Bonds"), issued in accordance with a resolution adopted by the Issuer on April 22, 2024, of which \$27,080,000 of the bonds are still outstanding and unpaid and remain a lien on the School Infrastructure Tax Revenues.
- "Parity Bonds" shall mean School Infrastructure Sales, Services and Use Tax Revenue Bonds, notes or other obligations payable solely from the School Infrastructure Tax Revenues on an equal basis with the Outstanding Bonds, and the Bonds herein authorized to be issued and shall include Additional Bonds as authorized to be issued under the terms of this Resolution.
- "Paying Agent" shall mean UMB Bank, N.A., or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Bonds as the same shall become due.
- "Prior Bond Resolutions" shall mean, collectively, resolutions adopted by the Issuer on September 26, 2016 authorizing the issuance of the Series 2016 Bonds; on September 25, 2017 authorizing the issuance of the Series 2017 Bonds; on August 27, 2018 authorizing the issuance of the Series 2018 Bonds; and on April 22, 2024 authorizing the issuance of the Series 2024 Bonds.
- "Project" shall mean a school infrastructure project as authorized by the electors at the election held March 2, 2021 and the Act, including to provide funds to build, furnish, and equip additions to District facilities, including a secure entrance and administrative space at Pleasant View Elementary and career and technical education areas at the High School, and to improve the sites; to remodel, repair, equip, and improve the Pleasant View Elementary building and site; to remodel, repair, equip, and improve the existing High School Building, including career and technical education, culinary arts, preschool and learning lab, and restroom and locker room areas, and for playground, fencing, and site improvements.
- "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Bonds.
- "Rebate Fund" shall mean the rebate fund so defined in and established pursuant to the Tax Exemption Certificate and as provided in Section 21 of this Resolution.
- "Registrar" shall mean UMB Bank, N.A. of West Des Moines, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Bonds. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Bonds.
- "Reserve Fund" shall mean the reserve fund established in Section 16 of this Resolution.
- "Reserve Fund Requirement" shall mean an amount equal to the lesser of (a) the maximum amount of the principal and interest coming due on the Series 2024 Bonds, the Bonds and any Additional Bonds secured by the Reserve Fund; (b) 10% of the stated principal amount of the Series 2024 Bonds, the Bonds and any Additional Bonds secured by the Reserve Fund (for issues with original issue discount the issue price as defined in the Tax Exemption Certificate shall be substituted for the stated principal amount) or (c) 125% of the average principal and interest coming due on the Series 2024 Bonds, the Bonds and any Additional Bonds secured by the Reserve Fund. For purposes of this definition: (1) "issue price" shall be substituted for "stated principal amount" for issues with original issue discount or original issue premium of more than a de minimus amount and (2) stated principal amount shall not include any portion of an issue refunded or advance refunded by a subsequent issue.
- "Revenue Fund" shall mean the revenue fund established in Section 16 of this Resolution.
- "School Infrastructure Tax" shall mean the School District's portion of the one percent (1%) sales, services and use tax imposed by the State of Iowa for school infrastructure purposes which must be deposited into the State Secure an Advanced Vision for Education Fund and distributed to the School District pursuant to Iowa Code Section 423F.2, as amended.
- "School Infrastructure Tax Revenues" shall mean all of the revenues received by the School District in each Fiscal Year from the imposition of the School Infrastructure Tax (including, without limitation, any revenues received by the School District from interest and penalties on delinquent collections of the School Infrastructure Tax).
- "Secretary" shall mean the Secretary of the Board of Directors of the School District, or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.
- "Sinking Fund" shall mean the sinking fund established in Section 16 of this Resolution.
- "State" shall mean the State of Iowa.
- "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Chief Financial Officer and delivered at the time of issuance and delivery of the Bonds.
- "Treasurer" shall mean the Treasurer of the School District or such other officer as shall succeed to the same duties and

responsibilities with respect to the recording and payment of the Bonds issued hereunder.

- "Yield Restricted" shall mean any amount required to be invested at a yield that is not materially higher than the yield on the Bonds under Section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Application of Bond Proceeds – Project Fund. Proceeds of the Bonds shall be applied as follows:

- An amount sufficient to meet the Reserve Fund Requirement shall be deposited in the Series 2026 Bond Reserve Fund Subaccount within the Reserve Fund.
- There is hereby created a Project Fund, to be held by the Issuer, into which the balance of the Bond Proceeds shall be deposited and expended therefrom to pay costs of the Project and costs of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Bonds at any time that other School Infrastructure Tax Revenues shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Application of Revenues. The provisions of the Prior Bond Resolutions are hereby ratified and confirmed. Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Bonds. The amounts herein required to be paid into the various funds named in this Section shall be inclusive of payments required in respect to the Outstanding Bonds. The provisions of the Prior Bond Resolutions authorizing the Outstanding Bonds and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the Prior Bond Resolutions first adopted shall prevail until such time as the bonds authorized by said Prior Bond Resolutions have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

As long as any of the Outstanding Bonds, the Bonds or Parity Bonds shall be outstanding and unpaid either as to principal or interest, or until all of the Bonds and Parity Bonds then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, all of the receipts of the School Infrastructure Tax Revenues shall be deposited as collected with the Issuer in a special fund to be known as the Pleasant Valley Community School District School Infrastructure Sales and Services Tax Revenue Fund (the "Revenue Fund"), to be held by the Issuer and shall be disbursed in the following priority and only as follows:

1. Sinking Fund. The provisions in the Prior Bond Resolutions, whereby there was created and is to be maintained a Sinking Fund, to be held by or on behalf of the Issuer and for the monthly payment into said fund from future School Infrastructure Tax Revenues such portion thereof as will be sufficient to meet the principal and interest of the Outstanding Bonds are hereby ratified and confirmed; provided, however, that the amounts to be set aside and paid into the Sinking Fund in equal monthly installments from the School Infrastructure Tax Revenues shall be sufficient to pay the principal and interest due each year, not only on the Outstanding Bonds, but also the principal and interest of the Bonds herein authorized to be issued. The required amount to be deposited in the Sinking Fund in any month shall be the equal monthly amount necessary to pay in full the installment of interest coming due on the next interest payment date on the Outstanding Bonds, and the then outstanding Bonds and Parity Bonds plus the equal monthly amount necessary to pay in full the installment of principal coming due on such Outstanding Bonds, and then outstanding Bonds and Parity Bonds on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Outstanding Bonds, the Bonds and Parity Bonds as the same shall become due and payable. Accrued interest, if any, shall be deposited in the Sinking Fund.

2. Reserve Fund. There shall be created within the Reserve Fund established in the Prior Bond Resolutions various subaccounts with respect to the outstanding Series 2024 Bonds, the Bonds, and Additional Bonds, if required. The money in the Revenue Fund shall next be disbursed on a parity basis to make deposits into the various subaccounts of the Reserve Fund in an amount equal to the Reserve Fund Requirement, as calculated for the outstanding Series 2024 Bonds, the Bonds, and Additional Bonds, if required, which shall be held by or on behalf of the Issuer. The Issuer may establish other subaccounts within the Reserve Fund upon the issuance of Additional Bonds, if required, to secure the repayment of such Additional Bonds at the option of the Issuer and the terms and conditions of the purchase of such Additional Bonds. The subaccounts in the Reserve Fund shall be segregated from all other Funds, accounts and subaccounts established by this Resolution and each subaccount shall be segregated and shall not be commingled or pledged to any other Parity Bonds or Additional Bonds, if issued. Upon the issuance of Additional Bonds or Parity Bonds, the Issuer may provide for annual or more or less frequent payments of principal and interest into the subaccount(s) for the Parity Bonds or Additional Bonds proposed to be issued. The following subaccounts are hereby established:

\$12,500,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026 Reserve Fund Subaccount ("Series 2026 Bond Reserve Fund Subaccount").

There is hereby established a subaccount entitled "Series 2026 Bond Reserve Fund Subaccount" within the Reserve Fund in connection with the issuance of the Bonds which shall be held by or on behalf of the Issuer and which shall only secure the Bonds. In each month there shall be deposited in the Series 2026 Bond Reserve Fund Subaccount an amount equal to one hundred percent of the amount required by this Resolution to be deposited in such month in the Sinking Fund for the Bonds; provided, however, that when the amount on deposit in the Series

2026 Bond Reserve Fund Subaccount shall be not less than the Reserve Fund Requirement, no further deposits shall be made into the Series 2026 Bond Reserve Fund Subaccount except to maintain such level, and when the amount on deposit in the Series 2026 Bond Reserve Fund Subaccount is greater than the balance required above, such additional amounts shall be withdrawn and paid into the Revenue Fund. Money in the Series 2026 Bond Reserve Fund Subaccount shall be used solely for the purpose of paying principal at maturity of or interest on the Bonds when insufficient funds shall be available in the Sinking Fund. Whenever it shall become necessary to so use money in the Series 2026 Bond Reserve Fund Subaccount, the payments required above shall be continued or resumed until it shall have been restored to the required minimum amount. On the Closing Date, \$\_\_\_\_\_ of the Bond Proceeds shall be deposited in the Series 2026 Bond Reserve Fund Subaccount. The Series 2026 Bond Reserve Fund Subaccount is not pledged or otherwise held for the benefit of the purchasers or owners of the Outstanding Bonds or Additional Bonds, when issued.

\$27,180,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2024 Reserve Fund Subaccount ("Series 2024 Bond Reserve Fund Subaccount").

The provisions in the Prior Bond Resolutions whereby there were created and maintained the Reserve Fund in an amount equal to the Reserve Fund Requirement for the outstanding Series 2024 Bonds and Additional Bonds, if required, is hereby ratified and confirmed and a subaccount entitled "Series 2024 Bond Reserve Fund Subaccount" is hereby established. All such provisions inure to and constitute the security for the payment of principal and interest on the outstanding Series 2024 Bonds. The Series 2024 Bond Reserve Fund Subaccount shall be held by or on behalf of the Issuer solely for the purpose of paying principal at maturity of or interest on the outstanding Series 2024 Bonds when insufficient funds shall be available in the Sinking Fund. The outstanding Series 2024 Bond Reserve Fund Subaccount is not pledged or otherwise held for the benefit of the purchasers of the Series 2016 Bonds, Series 2017 Bonds, Series 2018 Bonds, the Bonds or Additional Bonds, when issued.

In lieu of maintaining and depositing moneys in the Reserve Fund Subaccounts, the Issuer may hold in deposit in the Reserve Fund Subaccounts a letter of credit, surety bond or similar instrument issued by a bank, insurance company or other financial institution in an amount equal to the Reserve Fund Requirement as calculated for the outstanding Series 2024 Bonds, the Bonds, and Additional Bonds, if required, such bank, insurance company or other financial institution, as the case may be, having a credit rating at the time of such delivery in one of the two highest rating categories of any nationally recognized rating service (without regard to any refinements of gradation of any rating category by numerical modifier or otherwise).

3. Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the School Infrastructure Tax Revenues, but subordinate to the Outstanding Bonds, the Bonds and Parity Bonds.

4. Surplus Revenue. Any remaining money may be used to pay or redeem any of the Outstanding Bonds, the Bonds or Parity Bonds or may be used for any lawful purpose.

Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with the State Sinking Fund provided under Iowa Code Chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided but in no event maturing in more than three years in the case of the Reserve Fund. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Section.

The Sinking Fund and the Reserve Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the School District but designated as a trust fund on the books and records of the School District. The Sinking Fund and Reserve Fund shall not be available for any other purposes other than those specified in this Resolution.

Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Bonds, amend or supplement this Resolution for any one or more of the following purposes:

- to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Bonds or Parity Bonds; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Bonds or Parity Bonds;
- to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Bonds or Parity Bonds from being includable within the gross income of the holders thereof for federal income tax purposes;
- to grant to or confer upon the holders of the Bonds or Parity Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the bondholders;
- to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

- to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Bonds and Parity Bonds at any time outstanding (not including in any case any bonds which may then be held or owned by or for the account of the Issuer, but including such refunding bonds as may have been issued for the purpose of refunding any of such bonds if such refunding bonds shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

- Make any change in the maturity or interest rate of the Bonds, or modify the terms of payment of principal of or interest on the Bonds or any of them or impose any conditions with respect to such payment;
- Materially affect the rights of the holders of less than all of the Bonds and Parity Bonds then outstanding; and
- Reduce the percentage of the principal amount of Bonds, the consent of the holders of which is required to affect a further amendment.

Prior Lien and Parity Bonds; Subordinate Obligations. So long as the Series 2016 Bonds are outstanding and remain a lien on the School Infrastructure Tax Revenues, Section 19 of the resolution authorizing the Series 2016 Bonds shall apply; thereafter, so long as the Series 2017 Bonds are outstanding and remain a lien on the School Infrastructure Tax Revenues, Section 19 of the resolution authorizing the Series 2017 Bonds shall apply; thereafter, so long as the Series 2018 Bonds are outstanding and remain a lien on the School Infrastructure Tax Revenues, Section 19 of the resolution authorizing the Series 2018 Bonds shall apply; thereafter, so long as the Series 2024 Bonds are outstanding and remain a lien on the School Infrastructure Tax Revenues, Section 20 of the resolution authorizing the Series 2024 Bonds shall apply; thereafter, and so long as the Bonds are outstanding and remain a lien on the School Infrastructure Tax Revenues, this Section shall apply.

The Issuer will issue no other Additional Bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the School Infrastructure Tax Revenues having priority over the Outstanding Bonds, the Bonds, or Parity Bonds.

Additional Bonds may be issued on a parity and equality of rank with the Outstanding Bonds, the Bonds, and any Parity Bonds with respect to the lien and claim of such Additional Bonds to the School Infrastructure Tax Revenues and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

- For the purpose of refunding any of the Bonds or Parity Bonds outstanding so long as the refunding is an Economic Refunding, without complying with subsection (b) below.
- For the purpose of refunding any Bonds or Parity Bonds outstanding, or for other lawful purposes, provided that, before any such Additional Bonds ranking on a parity are issued, there will have been procured and filed with the Secretary, a statement of an Independent Auditor reciting the opinion based upon necessary investigations that the School Infrastructure Tax Revenues for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.30 times the maximum amount that will be required in any Fiscal Year for the payment of both principal of and interest on all Bonds or Parity Bonds then outstanding which are payable from the School Infrastructure Tax Revenues and the Additional Bonds then proposed to be issued.

For the purpose of determining the School Infrastructure Tax Revenues for the preceding Fiscal Year, the amount of the revenues for such year may be adjusted by the Independent Auditor to reflect: (1) any revision of the rate of the School Infrastructure Tax as if such revision had been in effect during all of such preceding Fiscal Year; and (2) the current level at which the State funds the Statewide Average Revenue Per Student then in effect for the year in which the Additional Bonds are issued. For the purpose of determining the School Infrastructure Tax Revenues for the preceding Fiscal Year, the amount of revenues for such year may be adjusted by the Independent Auditor to reflect the most recent certified enrollment count of students for the School District.

- the Additional Bonds must be payable as to principal and as to interest on the same month and day as the Bonds herein authorized.
- for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.
- the Reserve Fund for the Series 2024 Bonds, the Bonds, and Additional Bonds, if required, must be fully funded as of the date of issue of the Additional Bonds.

The Issuer may issue any bonds, notes, or other obligations that are subordinate to the Bonds ("Subordinate Obligations").

Discharge and Satisfaction of Bonds. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds and Parity Bonds, or any of them, in any one or more of the following ways:

- By paying the Bonds or Parity Bonds when the same shall become due and payable; and
- By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity

or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Bonds or Parity Bonds shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

**THE PROJECT**

Proceeds of the Bonds will be used i) to build, furnish, and equip additions to District facilities, including a secure entrance and administrative space at Pleasant View Elementary and career and technical education areas at the High School, and to improve the sites; to remodel, repair, equip, and improve the Pleasant View Elementary building and site; to remodel, repair, equip, and improve the existing High School Building, including career and technical education, culinary arts, preschool and learning lab, and restroom and locker room areas, and for playground, fencing, and site improvements, ii) to establish and fund a Debt Service Reserve Fund, and iii) to pay costs of issuance for the Bonds.

**Estimated Sources & Uses of Funds (\*)**

SOURCES OF FUNDS	Bond Proceeds	\$12,500,000*
	Original Reoffering Premium	
TOTAL SOURCES		
USES OF FUNDS	Project Costs	
	Issuance Costs	
	Debt Service Reserve Fund	
	Underwriters Discount	
TOTAL USES OF FUNDS		

\* Preliminary, subject to change

**Future Debt**

The District does not expect to issue any additional debt in the next 6 months.

**THE BONDS**

**General**

The Bonds are dated as of the date of delivery and will bear interest at the rates to be set forth on the cover page herein, with interest payable on January 1 and July 1, each year, beginning on January 1, 2027, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or a such other address as is furnished to the Paying Agent in writing by a registered owner.

**Authorization for the Issuance**

The Bonds are being issued pursuant to the Act and the Series 2026 Resolution expected to be adopted by the Board on or about April 13, 2026. See “**SECURITY AND SOURCE OF PAYMENT FOR THE BONDS**” herein.

**Book Entry Only System**

*The following information concerning The Depository Trust Company (“DTC”), New York, New York and DTC’s book-entry system has been obtained from sources the Issuer believes to be reliable. However, the Issuer takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.*

The Depository Trust Company (“DTC”), New York, NY will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues and money market instrument (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participations include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC").

DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered in the transaction. Transfers of ownership interest in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to taken certain steps to augment transmission to them notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit have agreed to obtain and transmit notices to Beneficial Owners, in the alternative, beneficial owners may wish to provide their names and addresses to the registrar and request that copies of the notices by provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participants in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required

to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or successor securities depository). In that event Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

The Issuer cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Bonds (i) payments of principal of or interest and premium, if any, on the Bonds, (ii) certificates representing an ownership interest or other confirmation of beneficial ownership interest in the Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Bonds, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the Issuer nor the Paying Agent/Registrar will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (2) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (3) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of Bonds; (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (5) any consent given or other action taken by DTC as a Bondholder.

### **Transfer and Exchange**

In the event that Book Entry-Only System is discontinued, any Bond may, in accordance with its terms, be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal corporate office of the Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any Bond or Bonds shall be surrendered for transfer, the Registrar shall execute and deliver a new Bond or Bonds of the same maturity, interest rate, and aggregate principal amount.

Bonds may be exchanged at the principal corporate office of the Bond Registrar for a like aggregate principal amount of Bonds or other authorized denominations of the same maturity and interest rate; provided, however, that the Bond Registrar is not required to transfer or exchange any Bonds which have been selected for prepayment and is not required to transfer or exchange any Bonds during the period beginning 15 days prior to the selection of Bonds for prepayment and ending the date notice of prepayment is mailed. The Bond Registrar may require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Bonds surrendered pursuant to the provisions of this and the preceding paragraph shall be canceled by the Bond Registrar and shall not be redelivered.

### **Redemption \***

Optional Redemption. All of the Bonds are subject to prepayment at the option of the Issuer, as a whole or in part, and within a maturity by lot from any source of available funds, beginning July 1, 2034 and on any date thereafter, at a prepayment price equal to the principal amount of the Bonds, together with accrued interest to the date fixed for prepayment, without premium.

Mandatory Sinking Fund Redemption The Bonds maturing on \_\_\_\_\_ are subject to mandatory redemption (by lot, as selected by the Registrar) on \_\_\_\_ 1 and \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date in the following principal amounts:

_____ Term Bond	
<u>Mandatory Sinking Fund Date</u>	<u>Principal Amount</u>
(maturity)	\$

\_\_\_\_\_  
\* preliminary, subject to change

Selection of Bonds for Redemption Bonds subject to redemption will be selected in such order of maturity as the Issuer may direct. If less than all of the Bonds of a single maturity are to be redeemed, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

Notice of Redemption Prior to the redemption of any Bonds under the provisions of the Series 2026 Resolution, the Bond Registrar shall give notice not less than thirty (30) days prior to the redemption date to each registered owner thereof.

On the dates so designated for redemption, notice having been given in the manner and under the conditions hereinabove, provided and moneys for payment of the redemption price being held in the Sinking Fund, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date. Interest on the Bonds so called for redemption shall cease to accrue; such Bonds shall cease to be entitled to any benefit hereunder, and the Bondholders shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Bonds which have been duly called for redemption, with respect to which irrevocable instructions to call for redemption at a stated redemption have been given to the Bond Registrar, and moneys for the payment the face amount thereof, premium, if any, and interest on are held in separate accounts by the Bond Registrar in trust for Bondholders shall not thereafter be deemed to be outstanding under the provisions of the Resolution, other than be entitled to receive payment from such sources.

## LITIGATION

To the best of the Issuer's knowledge, no litigation is pending or threatened which, if decided adversely to the Issuer would be likely to result, either individually or in the aggregate, in final judgments against the Issuer which would materially adversely affect the transaction contemplated by this Official Statement, the validity of the Bonds, the Issuer's ability to meet debt service payments on the Bonds when due, or its obligations under the Resolution, or which would materially adversely affect its financial position.

## UNDERWRITING

The Bonds are being purchased, subject to certain conditions, by \_\_\_\_\_ (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Bonds at an aggregate purchase price of \$\_\_\_\_\_ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the cover page. The initial public offering prices of the Bonds may be changed, from time to time, by the Underwriter.

The Underwriter intends to engage in secondary market trading of the Bonds subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Bonds at the request of the holder thereof.

## TAX EXEMPTION AND RELATED TAX MATTERS

### Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Bond proceeds and facilities financed with Bond proceeds, and certain other matters. The Issuer has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Issuer's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, the interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on corporations.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

The interest on the Bonds is not exempt from present Iowa income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

#### NOT Qualified Tax Exemption Obligations

The Bonds will NOT be designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code").

#### Discount and Premium Bonds

The initial public offering price of certain Bonds may be less than the amount payable on such Bonds at maturity ("Discount Bonds"). Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Bonds may be greater than the amount of such Bonds at maturity ("Premium Bonds"). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable premium on Premium Bonds for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

#### Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Bonds.

#### Audits

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. To the best of the Issuer's knowledge, no obligations of the Issuer are currently under examination by the Service. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the Issuer as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

#### Reporting and Withholding

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

#### Tax Legislation

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any other legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion other than as set forth in its legal opinion.

#### The Opinion

The FORM OF LEGAL OPINION, in substantially the form set out in APPENDIX B to this Preliminary Official Statement, will be delivered at closing.

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court

decisions and the representations and covenants of the Issuer described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

#### Enforcement

There is no trustee or similar person to monitor or enforce the terms of the resolution for issuance of the Bonds. In the event of a default in the payment of principal or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

The owners of the Bonds cannot foreclose on property within the boundaries of the Issuer or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the Issuer with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

#### Bond Counsel Review

Bond Counsel has approved the language included in this "TAX EXEMPTION AND RELATED TAX MATTERS" Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement and will express no opinion with respect thereto.

**ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).**

### **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt status of the interest thereon (see "**TAX EXEMPTION AND RELATED TAX MATTERS**" herein) are subject to the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as "**APPENDIX B – FORM OF BOND COUNSEL OPINION.**" Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the Underwriter at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel. Ahlers & Cooney, P.C. is also serving as Disclosure Counsel for the Issuer in connection with the issuance of the Bonds. Certain matters will be passed upon for the Municipal Advisor by Dentons Davis Brown, Des Moines, Iowa.

Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement and will express no opinion with respect thereto. Bond Counsel has not participated in the preparation of this Official Statement other than to review or prepare information describing the terms of the Bonds, Iowa and Federal law pertinent to the validity of the Bonds, and the tax status of interest on the Bonds which can be found generally under the sections "**THE BONDS**", "**THE BONDS - Source of Security for the Bonds**", and "**TAX EXEMPTION AND RELATED TAX MATTERS**". Additionally, Bond Counsel has provided its form of bond counsel opinion and Issuer's continuing disclosure certificate, found in Appendices B and C.

The legal opinion to be delivered will express the professional judgment of Bond Counsel, and by rendering a legal opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment or of the transaction or the future performance of the parties to the transaction.

### **MUNICIPAL ADVISOR**

The Issuer has retained Piper Sandler & Co. as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Bonds. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy, completion or fairness of such information within the Official Statement but has relied upon governmental officials, and other sources who have access to relevant data to provide accurate data. The Municipal Advisor is not a public accounting firm and has not been engaged by the Issuer to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

### **CONTINUING DISCLOSURE**

The Issuer will covenant in a Continuing Disclosure Certificate (the "Undertaking") for the benefit of the Owners and Beneficial Owners of

the Bonds to provide annually certain financial information and operating data relating to the Issuer (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The notices of events, if any, are also to be filed with the Municipal Securities Rulemaking Board, at its internet repository named “Electronic Municipal Market Access” (“EMMA”). The notices of events, if any, are also to be filed with EMMA. See “**APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE.**” The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in “**APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE.**” These covenants have been made in order to assist the Underwriter in complying with the Rule.

A failure by the Issuer to comply with the Undertaking will not constitute a default under the Resolution and Beneficial Owners of the Bonds are limited to the remedies described in the Undertaking. Any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Certificate. Direct, indirect, consequential, and punitive damages shall not be recoverable by any person for any default thereunder.

If the Issuer fails to comply with any provision of the Continuing Disclosure Certificate, the sole remedy available shall be an action to compel performance. A failure by the Issuer to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Issuer provides the following information in accordance with the reporting requirement of paragraph (f)(3) of the Rule: During the previous five (5) year period, the Issuer has complied, in all material respects, with any previous Disclosure Covenants it has entered into with respect to the Rule.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

#### **MISCELLANEOUS**

Brief descriptions or summaries of the Issuer, the Bonds, the Series 2026 Resolution and other documents, agreements and statutes are included in this Official Statement. The summaries or references herein to the Bonds, the Series 2026 Resolution and other documents, agreements and statutes referred to herein, and the description of the Bonds included herein, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to such documents, and the description herein of the Bonds is qualified in its entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained from the Issuer.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or Owners of any of the Bonds.

The attached APPENDICES A, B, C, D, and E are integral parts of this Official Statement and must be read together with all of the foregoing statements.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

The Issuer has reviewed the information contained herein which relates to it and has approved all such information for use within this Official Statement. The execution and delivery of this Official Statement has been duly authorized by the Issuer.

PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT, STATE OF IOWA

/s/Heather Larson  
Board Secretary

**APPENDIX A - INFORMATION ABOUT THE ISSUER**

**PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT, IOWA  
DISTRICT OFFICIALS**

<b>PRESIDENT</b>	Molly Brockmann
<b>BOARD MEMBERS</b>	Brent Ayers– Vice President Nikhil Wagle Kathryn Kunkel Adrienne Wheeler Jameson Smith Doug Kanwischer
<b>SUPERINTENDENT</b>	Brian Strusz <sup>(1)</sup>
<b>CHIEF FINANCIAL OFFICER</b>	Mike Clingsmith <sup>(2)</sup>
<b>DISTRICT SECRETARY</b>	Heather Larson
<b>DISTRICT ATTORNEY</b>	Lane and Waterman LLP

**CONSULTANTS**

<b>BOND COUNSEL</b>	Ahlers & Cooney, P.C. Des Moines, Iowa
<b>DISCLOSURE COUNSEL</b>	Ahlers & Cooney, P.C. Des Moines, Iowa
<b>MUNICIPAL ADVISOR</b>	Piper Sandler & Co. Des Moines, Iowa
<b>PAYING AGENT</b>	UMB Bank, n.a. West Des Moines, Iowa

(1) The current superintendent will retire June 30, 2026. The District has hired a new superintendent, who will begin July 1, 2026.

(2) The current chief financial officer will retire July 31, 2026. The District will conduct a hiring process for a new chief financial officer this spring, to begin during the summer of 2026.

**General Information**

The Pleasant Valley Community School District is located within Scott County, in eastern Iowa, just west of the Iowa and Illinois border, and includes the communities of Bettendorf (partial), LeClaire, Panorama Park & Riverdale. Residents of the district are within commuting distance for higher education opportunities located in eastern Iowa, northern Illinois and southern Wisconsin. The district is one of several serving what is known as the “Quad Cities” metropolitan area; including the cities of Bettendorf, Davenport, Rock Island (IL) and Moline (IL).

**District Facilities (1)**

Presented below is a recap of the existing facilities of the Issuer:

<u>Building</u>	<u>Year(s) Constructed</u>	<u>Grades Served</u>
Pleasant Valley High School	1960	9-12
Pleasant Valley Junior High	1970	7-8
Edison Academy*	NA	9-12
Bridgeview Elementary	1965	PK-6
Cody Elementary	1954	K-6
Forest Grove Elementary	2021	PK-6
Hopewell Elementary	2010	PK-6
Pleasant View Elementary	1959	K-6
Riverdale Heights Elementary	1995	K-6

\* Pleasant Valley CSD does not own the Edison Academy building. The District pays rent to Bettendorf CSD for its use. It is an alternative high school shared by Bettendorf, North Scott and Pleasant Valley School Districts

**Enrollment (2)**

Total enrollment in the Issuer in the fall of the past five school years has been as follows:

<u>Count Date</u>	<u>Fiscal Year effective</u>	<u>Certified (Resident) (3)(4)</u>	<u>Open Enroll In (5)</u>	<u>Open Enroll Out (5)</u>	<u>Total Served</u>
October-25	2026-27	5,413.20	423.10	242.40	5,593.90
October-24	2025-26	5,497.50	407.00	285.00	5,619.50
October-23	2024-25	5,537.90	374.10	299.10	5,612.90
October-22	2023-24	5,556.80	330.30	321.90	5,565.20
October-21	2022-23	5,423.60	282.40	355.40	5,350.60

**Staff (1)**

Presented below is a list of the Issuer’s 743 employees.

Administrators:	28	Media Specialists:	8
Teachers:	373	Nurses:	8
Teacher Aids:	165	Guidance:	15
Custodians:	35	Secretaries:	32
Food Service:	44	Transportation:	0
Other:	26	Maintenance:	9

- 
- (1) Source: the Issuer
  - (2) Source: Iowa Department of Education
  - (3) Used for Sales Tax distribution
  - (4) Used for State Aid distribution
  - (5) For each fiscal year, the school district into which any student open-enrolls, sends an invoice to the home-district in the amount of regular district cost per pupil, which is equal to the amount of State Aid the home-district receives from the State.

## Other Post-Employment Benefits (OPEB) (1)

Plan Description - The Issuer operates a single-employer health benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses.

Individuals who are employed by the Issuer and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	12
<u>Active employees</u>	<u>435</u>
 Total	 447

Total OPEB Liability – The Issuer’s total OPEB liability of \$5,864,179 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024 rolled forward to June 30, 2025.

Actuarial Assumptions – the total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement:

Rate of inflation	3.00%
Rates of salary increase including inflation	4.00%
Discount rate including inflation	4.81%
Healthcare cost trend rate	5.00% reducing annually until reaching ultimate health care cost trend rate –4.50%

The discount rate was based on the Bond Buyer 20-Bond GO index.

Mortality rates were based on the PubT.H-2010 Teacher Mortality with Mortality Improvement using Scale MP-2020. The actuarial assumptions used in the June 30, 2025 roll forward valuation were based on the results of an actuarial experience study for the period 2010–2021.

Changes in the Total OPEB Liability:

Total OPEB obligation – beginning of year	\$5,610,372
Changes for the year	
	Service Cost 429,201
	Interest 233,486
	Difference between expected & actual experiences -
	Change in assumption (280,119)
	<u>Benefit Payments (128,761)</u>
Net Changes	253,807
Net OPEB obligation – end of year	\$5,864,179

Changes of assumptions reflect a change in the discount rate from 4.21% in fiscal year 2024 to 4.81% in fiscal year 2025.

(1) Source: the Issuer

**Employee Pension Plan (1)**

Plan Description. Iowa Public Employees’ Retirement System (“IPERS”) membership is mandatory for employees of the Issuer. The Issuer’s employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. The Issuer’s employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If the Issuer’s employee retires before normal retirement age, the employees’ monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to Issuer employees and benefits to the employees’ beneficiaries upon the death of the eligible employee. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS**” for additional information on IPERS. Additionally, copies of IPERS annual financial report may be obtained from [www.ipers.org](http://www.ipers.org). Moreover, IPERS maintains a website at [www.ipers.com](http://www.ipers.com). However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Contributions. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2017 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

The Issuer’s contributions to IPERS is not less than that which is required by law. The Issuer’s share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

The following table sets forth the contributions made by the Issuer and its employees to IPERS for the period indicated. The Issuer cannot predict the levels of funding that will be required in the future.

Table 1 – Issuer and Employees Contribution to IPERS.

Fiscal Year	Issuer Contribution		Issuer Employees’ Contribution	
	Amount Contributed	% of Covered Payroll	Amount Contributed	% of Covered Payroll
2021	3,125,396	9.44	2,082,886	6.29
2022	3,381,411	9.44	2,253,080	6.29
2023	3,622,464	9.44	2,420,999	6.29
2024	3,845,034	9.44	2,642,160	6.29
2025	4,063,012	9.44	2,772,798	6.29

The Issuer cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the Issuer. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the Issuer which could affect other budgetary matters.

Table 2 – Recent returns of IPERS (1)

According to IPERS, the market value investment return on program assets is as follows:

Fiscal Year Ended June 30	Investment Return %
2019	8.35
2020	3.39
2021	29.63
2022	-3.90
2023	5.41

(1) SOURCE: The Issuer

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS (collectively, the “IPERS CAFRs”), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the “IPERS Actuarial Reports”). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

**Table 3 – Funding Status of IPERS (1)**

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [[c-a]/[d]]
2021	37,584,987,296	42,889,875,682	42,544,648,750	4,959,661,454	88.34	-345,226,932	100.81	8,648,783,536	57.35
2022	39,354,232,379	40,191,566,259	43,969,714,606	4,615,482,227	89.50	3,778,148,347	91.40	9,018,019,950	51.18
2023	41,012,524,216	41,206,314,259	45,719,979,439	4,707,455,223	89.70	4,513,665,180	90.13	9,588,339,000	49.10
2024	42,927,257,062	43,661,123,300	47,302,619,657	4,375,362,595	90.75	3,641,496,357	92.30	10,002,034,974	43.74
2025	45,222,324,002	46,740,552,175	49,063,230,575	3,840,906,573	92.17	2,322,678,400	95.27	10,525,039,254	36.49

**Net Pension Liabilities (2)**

At June 30, 2025, the Issuer reported a liability of \$16,065,876 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7%. The Issuer’s proportion of the net pension liability was based on the Issuer’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS**” for additional information related to the Issuer’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at [www.ipers.org](http://www.ipers.org).

Bond Counsel, Disclosure Counsel, the Issuer, the Underwriter, the Municipal Advisor and Counsel to the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the material available from IPERS as discussed above or included on the IPERS website, including, but not limited to, updates of such information on the Auditor of State’s website or links to other websites through the IPERS website.

**Investment of Public Funds (2)**

The Issuer invests its funds pursuant to Chapter 12B of the Code. Presented below is the Issuer's investing activities as of December 31, 2025:

Type of Investment	Amount Invested
Local Bank Money Market	\$0
Local Bank Deposit Accounts	39,282,528
Local Bank Time CD’s	127,879
ISJIT Diversified Fund (LGIP – Local Government Investment Pool)	5,025,736.79
ISJIT Fixed Income (US Treasury Notes)	444,250.39

**Population (3)**

Presented below are population figures for the periods indicated for the cities of Bettendorf and Le Claire:

Year	Bettendorf	Le Claire
2020	39,102	4,710
2010	33,217	3,765
2000	31,275	2,847
1990	28,139	2,734
1980	27,381	2,899
1970	22,126	2,520

(1) Source: IPERS Actuarial Reports. For a description of the assumptions used when calculating the funding status of IPERS for the fiscal year noted herein, see IPERS CAFRs

(2) Source: the Issuer

(3) Source: Census Bureau

## Major Employers (2)

Presented below is a summary of the largest employers in the area:

<u>Employer</u>	<u>Business</u>	<u>Approximate Employees</u>
Deere & Co.	Agricultural, construction & forestry manufacturing	8,572
Rock Island Arsenal	Defense manufacturing	6,300
UnityPoint Health – Trinity	Healthcare	6,100
Genesis Health System	Healthcare	4,700
Hy-Vee	Grocery store	4,200
HNI Corporation	Office furniture manufacturing	3,800
Walmart	Discount store	3,600
Arconic	Aerospace and defense aluminum	2,400
Tyson Fresh Meat	Food processing	2,400
Tri-City Electric Co.	Electrical contractor	1,600
Kraft Heinz	Food processing	1,200
Amazon	Warehouse & Logistics	1,000
XPAC	Supply chain management and logistics	1,000
Kent Corp	Food processing	1,000
Nestle Purina PetCare Company	Pet food maker	1,000
Sears Seating	Vehicle seat manufacturing	1,000
City of Davenport	City government	989
Easton: Coham Mission Systems	Defense and aerospace manufacturing	950
Mercy One	Healthcare	950
West Liberty Foods, LLC	Food processing	900
Constellation-Quad Cities Generating Station	Utility/energy delivery	800
Archer Daniels Midland	Food processing	750
Custom-Pak Inc.	Durable good manufacturing	725
MidAmerican Energy Company	Utility/energy delivery	720
Great Dane Trailers	Truck trailer manufacturing	700
Eastern Iowa Community College	Education	675
Augustana College	Education	650
Sterilite	Plastics housewares manufacturing	650
United Parcel Service	International and domestic package shipping	640
Kone	Elevator & escalator manufacturing	600
The Sedona Group	Staffing, technology tools & governmental services	600

## Property Tax Assessment (3)

In compliance with section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for residential, agricultural and commercial valuations are as follows:

Fiscal Year	Residential	Ag Land & Buildings	Commercial (3)	Multi-residential	Railroad (3)	Industrial (3)	Old Utilities	Ch 437 Utilities	Ch 428 & 438 Utilities
2026-27	44.5345	59.4401	90.0000	NA	90.0000	90.0000	NA	94.2059	98.0000
2025-26	47.4316	73.8575	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2024-25	46.3428	71.8370	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2023-24	54.6501	91.6430	90.0000	NA	90.0000	90.0000	100.0000	Utilities	Utilities
2022-23	54.1302	89.0412	90.0000	63.7500	90.0000	90.0000	100.0000	Utilities	Utilities

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2025 are used to calculate tax liability for the tax year starting July 1, 2026 through June 30, 2027. Presented below are the historic property valuations of the Issuer by class of property.

- (1) Source: the Issuer
- (2) Source: QuadCities First
- (3) Source: Iowa Department of Revenue

**Property Valuations (1)**

Actual Valuation					
Valuation as of January	2025	2024	2023	2022	2021
Fiscal Year	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	4,550,504,308	4,044,882,973	3,927,545,641	3,304,233,740	3,029,887,059
Agricultural Land:	33,111,500	26,451,700	26,725,900	20,055,760	20,247,530
Ag Buildings:	2,930,200	2,693,900	2,708,100	1,939,980	1,655,010
Commercial:	256,953,773	239,365,978	249,758,585	201,515,896	191,862,139
Industrial:	99,092,657	100,333,271	100,400,758	74,771,173	73,378,498
Multi-Residential	0	0	0	0	89,334,852
Reserved	0	0	0	0	0
Railroads:	4,032,495	4,077,076	4,136,463	3,608,053	3,560,886
Utilities:	15,773,770	13,781,776	12,696,751	11,595,041	14,262,069
Other:	0	0	0	0	0
<b>Total Valuation:</b>	<b>4,962,398,703</b>	<b>4,431,586,674</b>	<b>4,323,972,198</b>	<b>3,617,719,643</b>	<b>3,424,188,043</b>
Less Military:	3,876,000	4,028,000	4,310,827	2,040,904	2,113,132
Less Homestead:	13,370,500	12,746,500	6,066,400		
<b>Net Valuation:</b>	<b>4,945,152,203</b>	<b>4,414,812,174</b>	<b>4,313,594,971</b>	<b>3,615,678,739</b>	<b>3,422,074,911</b>
TIF Valuation:	327,481,662	275,173,388	241,967,976	172,682,322	161,514,966
Utility Replacement:	201,444,803	185,808,242	169,725,345	154,074,882	159,554,037

Taxable Valuation					
Valuation as of January	2025	2024	2023	2022	2021
Fiscal Year	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	2,025,038,158	1,914,746,407	1,780,766,327	1,756,807,209	1,594,006,479
Agricultural Land:	19,681,499	19,536,568	19,199,105	18,379,698	18,028,635
Ag Buildings:	1,741,717	1,989,648	1,945,419	1,777,859	1,473,641
Commercial:	208,493,623	194,357,777	201,527,958	159,180,177	166,788,396
Industrial:	87,921,955	89,058,083	89,019,479	66,039,007	65,823,539
Multi-Residential	0	0	0	0	56,939,631
Reserved	0	0	0	0	0
Railroads:	3,609,539	3,650,917	3,703,894	3,231,925	3,204,798
Utilities:	15,458,295	13,781,776	12,696,751	11,595,041	14,262,069
Other:	0	0	0	0	0
<b>Total Valuation:</b>	<b>2,361,944,786</b>	<b>2,237,121,176</b>	<b>2,108,858,933</b>	<b>2,017,010,916</b>	<b>1,920,527,188</b>
Less Military:	3,876,000	4,028,000	4,310,827	2,040,904	2,113,132
Less Homestead:	13,370,500	12,746,500	6,066,400		
<b>Net Valuation:</b>	<b>2,344,698,286</b>	<b>2,220,346,676</b>	<b>2,098,481,706</b>	<b>2,014,970,012</b>	<b>1,918,414,056</b>
TIF Valuation:	216,682,667	180,471,069	191,326,520	172,682,322	161,514,966
Utility Replacement:	59,238,621	53,448,626	50,470,420	50,442,024	65,519,019

Valuation	Actual Valuation	% Change in Actual Valuation	Taxable Valuation	% Change in Taxable Valuation
Year	<u>w/ Utilities</u>	<u>Valuation</u>	<u>w/ Utilities</u>	<u>Valuation</u>
2025	5,474,078,668	12.27%	2,620,619,574	6.78%
2024	4,875,793,804	3.19%	2,454,266,371	4.87%
2023	4,725,288,292	19.86%	2,340,278,646	4.57%
2022	3,942,435,943	5.32%	2,238,094,358	4.32%
2021	3,743,143,914	9.25%	2,145,448,041	5.55%

(1) Source: Iowa Department of Management

**Tax Rates (1)**

Presented below are the taxes levied by the Issuer for the fund groups as presented, for the period indicated:

<u>Fiscal Year</u>	<u>Operating Fund</u>	<u>Management Fund</u>	<u>Board PEEL</u>	<u>Voter PEEL</u>	<u>Play Ground</u>	<u>Debt Service</u>	<u>School House</u>	<u>Total Levy</u>
2026	9.66294	0.86026	0.33000	1.34000	0.00000	0.00000	0.00000	12.19320
2025	10.93015	0.86026	0.33000	1.34000	0.00000	0.00000	0.00000	13.46041
2024	11.09977	0.69078	0.33000	1.34000	0.00000	0.00000	0.00000	13.46055
2023	10.71419	1.07624	0.33000	1.34000	0.00000	0.00000	0.00000	13.46043
2022	11.66416	0.42608	0.33000	1.34000	0.00000	0.00000	0.00000	13.76024
2021	11.68544	0.42608	0.33000	1.34000	0.00000	0.00000	0.00000	13.78152

**Historic Tax Rates (1)**

Presented below are the tax rates by taxing entity for residents of the City of Bettendorf:

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Transit</u>	<u>Total Levy</u>
2026	13.11000	12.19320	0.92744	0.00000	0.23157	0.06338	0.00000	5.93331	0.00000	32.45890
2025	13.11000	13.46041	0.94807	0.00180	0.20387	0.06305	0.00000	5.95000	0.00000	33.73720
2024	12.65000	13.46055	0.94840	0.00180	0.21464	0.06477	0.00000	5.95000	0.00000	33.29016
2023	12.65000	13.46043	0.94542	0.00240	0.19858	0.06381	0.00000	5.95000	0.00000	33.27064
2022	12.80000	13.76024	0.92357	0.00260	0.17298	0.06377	0.00000	6.04197	0.00000	33.76513
2021	12.80000	13.78152	0.82406	0.00270	0.17432	0.06397	0.00000	6.21304	0.00000	33.85961

Presented below are the tax rates by taxing entity for residents of the City of LeClaire:

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Transit</u>	<u>Total Levy</u>
2026	12.64166	12.19320	0.92744	0.00000	0.23157	0.06338	0.00000	5.93331	0.00000	31.99056
2025	12.64166	13.46041	0.94807	0.00180	0.20387	0.06305	0.00000	5.95000	0.00000	33.26886
2024	12.64166	13.46055	0.94840	0.00180	0.21464	0.06477	0.00000	5.95000	0.00000	33.28182
2023	12.64166	13.46043	0.94542	0.00240	0.19858	0.06381	0.00000	5.95000	0.00000	33.26230
2022	12.83631	13.76024	0.92357	0.00260	0.17298	0.06377	0.00000	6.04197	0.00000	33.80144
2021	13.09828	13.78152	0.82406	0.00270	0.17432	0.06397	0.00000	6.21304	0.00000	34.15789

Presented below are the tax rates by taxing entity for residents of the City of Panorama Park:

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Transit</u>	<u>Total Levy</u>
2026	4.47658	12.19320	0.92744	0.00000	0.23157	0.06338	0.00000	5.93331	0.00000	23.82548
2025	4.54872	13.46041	0.94807	0.00180	0.20387	0.06305	0.00000	5.95000	0.00000	25.17592
2024	5.65318	13.46055	0.94840	0.00180	0.21464	0.06477	0.00000	5.95000	0.00000	26.29334
2023	5.68321	13.46043	0.94542	0.00240	0.19858	0.06381	0.00000	5.95000	0.00000	26.30385
2022	6.11078	13.76024	0.92357	0.00260	0.17298	0.06377	0.00000	6.04197	0.00000	27.07591
2021	5.97332	13.78152	0.82406	0.00270	0.17432	0.06397	0.00000	6.21304	0.00000	27.03293

Presented below are the tax rates by taxing entity for residents of the City of Riverdale:

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Transit</u>	<u>Total Levy</u>
2026	9.98317	12.19320	0.92744	0.00000	0.23157	0.06338	0.00000	5.93331	0.00000	29.33207
2025	9.88689	13.46041	0.94807	0.00180	0.20387	0.06305	0.00000	5.95000	0.00000	30.51409
2024	8.10001	13.46055	0.94840	0.00180	0.21464	0.06477	0.00000	5.95000	0.00000	28.74017
2023	5.63532	13.46043	0.94542	0.00240	0.19858	0.06381	0.00000	5.95000	0.00000	26.25596
2022	6.03216	13.76024	0.92357	0.00260	0.17298	0.06377	0.00000	6.04197	0.00000	26.99729
2021	9.39665	13.78152	0.82406	0.00270	0.17432	0.06397	0.00000	6.21304	0.00000	30.45626

(1) Source: Iowa Department of Management

**Tax Collection History (1)**

Presented below are the actual ad-valorem tax levies and collections for the periods indicated:

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>Percentage Collected</u>
2026	28,261,760	In collection	NA
2025	29,501,658	29,365,370	99.54%
2024	28,328,738	28,328,738	100.00%
2023	27,195,528	27,190,995	99.98%
2022	26,356,996	26,356,996	100.00%

(1) Source: the Issuer

**Largest Taxpayers (1) (2)**

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the Issuer. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the Issuer. The Issuer’s tax levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the Issuer from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the tax levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	<u>2024 Taxable Valuation</u>	<u>Percent of Total</u>
Arconic Davenport LLC	49,247,670	2.007%
Mid American Energy	36,961,751	1.506%
The Bettplex LLC	25,837,607	1.053%
Continental 203 Fund LLC	18,554,862	0.756%
Iowa American Water Company	16,340,222	0.666%
Wellsfire-Bettendorf LLC	15,805,395	0.644%
Northern Border Pipeline Company	12,011,494	0.489%
Pebble Creek Borrower 2021 LLC	10,701,471	0.436%
Glenbrook Ridge Senior Living LLC	10,518,953	0.429%
Olympic Steel Iowa Inc.	9,436,818	0.385%
	<b>Total</b>	<b>8.37%</b>

(1) Source: Scott County

(2) Utility Property Tax Replacement. Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State. The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the Issuer’s authority to levy taxes to pay principal and interest on the Bonds could be adjudicated to be proportionately reduced in future years if the utility replacement tax were to be other than “taxable property” for purposes of computing the Issuer’s levy limit under Iowa Code Section 298.18, as amended from time to time. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer’s ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations.

**Direct Debt**

General Obligation School Bonds (Debt Service) (1)

The Issuer does not have any outstanding general obligation bonds.

General Obligation School Capital Loan Notes (PPEL) (1)

Presented below is the principal and interest on the District’s outstanding general obligation school capital loan notes, presented by fiscal year and issue.

<u>Fiscal Year</u>	<u>10/1/18</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&amp;I</u>
2026	2,075,000	2,075,000	192,300	2,267,300
2027	2,135,000	2,135,000	130,050	2,265,050
2028	2,200,000	2,200,000	66,000	2,266,000
<b>Totals:</b>	<b>6,410,000</b>	<b>6,410,000</b>	<b>388,350</b>	<b>6,798,350</b>

Anticipatory Warrants (1)

The Issuer has not issued anticipatory warrants during the past five years.

School Infrastructure Sales, Services & Use Tax Revenue Bonds<sup>1</sup>

Presented below is the principal and interest on the District’s outstanding School Infrastructure Sales, Services & Use Tax Revenue Bonds, presented by fiscal year and issue, including the estimated principal and interest due on the Bonds.

<u>Fiscal Year</u>	<u>10/6/16</u>	<u>10/11/17</u>	<u>9/11/18</u>	<u>5/8/24</u>	<u>4/28/26*</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P&amp;I</u>
2026	780,000	1,175,000	1,830,000	100,000		3,885,000	1,570,273	5,455,273
2027	795,000	1,205,000	1,875,000	100,000		3,975,000	2,127,164	6,102,164
2028	810,000	1,235,000	1,925,000	100,000		4,070,000	1,930,924	6,000,924
2029	830,000	1,260,000	1,965,000	100,000		4,155,000	1,829,687	5,984,687
2030				1,265,000	695,000	1,960,000	1,726,400	3,686,400
2031				1,325,000	710,000	2,035,000	1,632,223	3,667,223
2032				1,395,000	725,000	2,120,000	1,534,378	3,654,378
2033				1,465,000	750,000	2,215,000	1,432,365	3,647,365
2034				1,535,000	775,000	2,310,000	1,325,740	3,635,740
2035				1,615,000	800,000	2,415,000	1,214,503	3,629,503
2036				1,695,000	825,000	2,520,000	1,098,153	3,618,153
2037				1,780,000	855,000	2,635,000	976,690	3,611,690
2038				1,850,000	860,000	2,710,000	867,443	3,577,443
2039				1,925,000	910,000	2,835,000	755,173	3,590,173
2040				2,000,000	845,000	2,845,000	637,678	3,482,678
2041				2,080,000	750,000	2,830,000	520,075	3,350,075
2042				2,165,000	1,000,000	3,165,000	403,500	3,568,500
2043				2,250,000	1,000,000	3,250,000	272,400	3,522,400
2044				2,335,000	1,000,000	3,335,000	137,900	3,472,900
<b>Totals:</b>	<b>3,215,000</b>	<b>4,875,000</b>	<b>7,595,000</b>	<b>27,080,000</b>	<b>12,500,000</b>	<b>55,265,000</b>	<b>21,992,665</b>	<b>77,257,665</b>

<sup>1</sup> Source: the Issuer

<sup>2</sup> The Issuer intends to use Tax Revenues on hand to cash call and redeem approximately \$1,100,000 of the outstanding Series 2018 Bonds prior to the closing date of the Bonds to ensure the Bonds may be issued as Parity Bonds with the Outstanding Bonds.

\* Preliminary, subject to change.

### Debt Limit (1) (2) (3)

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The Issuer's debt limit, based upon said valuation, amounts to the following:

1/1/2024 Actual Valuation:	4,875,793,804
X	0.05
Statutory Debt Limit:	243,789,690
Total General Obligation Bond Debt:	0
Total General Obligation Note Debt:	6,410,000
Total Lease Purchases:	0
Total Loan Agreements:	0
Capital Leases:	0
Total Debt Subject to Limit:	6,410,000
Percentage of Debt Limit Obligated:	2.63%

It has not been determined whether the Issuer's Sales Tax Revenue Bonds do or do not count against the constitutional debt limit. If the Bonds do count against the constitutional debt limit, the amount of debt subject to the debt limit would increase \$55,265,000 to be \$61,675,000, or 25.30% of the statutory debt limit.

- (1) Direct debt source: the Issuer
- (2) Valuation data source: Iowa Department of Management
- (3) Utility Property Tax Replacement

Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the Issuer's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations.

### Overlapping & Underlying Debt (1) (3)

Presented below is a listing of the overlapping and underlying debt outstanding of Issuers within the Issuer.

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2024 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
City Of Bettendorf	118,360,000	3,135,536,759	1,692,565,897	53.98%	63,890,847
City Of Le Claire	18,675,000	343,629,995	343,629,995	100.00%	18,675,000
City Of Riverdale	114,157	108,705,431	108,167,422	99.51%	113,592
City Of Panorama Park	0	6,181,945	6,181,945	100.00%	
Scott County	6,935,000	11,597,068,216	2,454,266,371	21.16%	1,467,641
Eastern Iowa CC	49,395,000	19,088,051,493	2,454,266,371	12.86%	6,351,014
Mississippi Bend AEA	0	18,995,308,088	2,454,266,371	12.92%	
				Total:	90,498,095

### FINANCIAL SUMMARY (1) (2) (3) (4)

Actual Value of Property, 2024:	\$4,875,793,804
Taxable Value of Property, 2024:	2,454,266,371
Direct General Obligation Debt:	\$6,410,000
Overlapping Debt:	90,498,095
Direct & Overlapping General Obligation Debt:	\$96,908,095
Population, 2020 US Census:	26,042
Direct Debt per Capita:	\$246.14
Total Debt per Capita:	\$3,721.22
Direct Debt to Taxable Valuation:	0.26%
Total Debt to Taxable Valuation:	3.95%
Direct Debt to Actual Valuation:	0.13%
Total Debt to Actual Valuation:	1.99%
Actual Valuation per Capita:	\$187,228
Taxable Valuation per Capita:	\$94,243

- 
- (1) Valuation source: Iowa Department of Management
  - (2) Direct debt source: the Issuer
  - (3) Overlapping debt outstanding source: Treasurer, State of Iowa; where available, EMMA.MSRB.ORG
  - (4) Population source: U.S. Census Bureau

**APPENDIX B – FORM OF LEGAL OPINION**  
DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the Board of Directors of the Pleasant Valley Community School District in the County of Scott, State of Iowa, and acts of administrative officers of the School District (the "Issuer"), relating to the issuance of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026, by said Issuer, dated April 28, 2026, in the denominations of \$5,000 or multiples thereof, in the aggregate amount of \$\_\_\_\_\_ (the "Bonds").

The Bonds are issued pursuant to Iowa Code Chapter 423F and a Resolution Authorizing the Terms of Issuance and Providing for and Securing the Payment of School Infrastructure Sales, Services and Use Tax Revenue Bonds (the "Resolution") of the Issuer adopted \_\_\_\_\_, 2026. Under the Resolution, the Issuer has pledged certain School Infrastructure Sales, Services and Use Tax Revenues (the "School Infrastructure Tax Revenues") for the payment of principal of, premium (if any), and interest on the Bonds when due.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt the Resolution, perform the agreements on its part contained therein, and issue the Bonds.
2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding agreement of the Issuer.
3. The Resolution creates a valid lien on the School Infrastructure Tax Revenues pledged by the Resolution (and defined therein) for the security of the Bonds and the Parity Bonds. The lien of the Bonds ranks on a parity as to the pledge of School Infrastructure Tax Revenues with respect to other Outstanding Bonds and Additional Bonds (as defined in the Resolution). The right to issue Additional Bonds is reserved upon conditions set forth in the Resolution.
4. The Bonds have been duly authorized and executed by the Issuer and are valid and binding limited obligations of the Issuer, payable solely from the sources provided therefor in the Resolution.

THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE ISSUER AND THE GENERAL CREDIT AND TAXING POWERS OF THE ISSUER ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL THEREOF OR INTEREST THEREON. THE ISSUER IS NOT OBLIGATED TO LEVY ANY AD VALOREM TAXES NOR TO EXPEND ANY MONIES OF THE ISSUER TO PAY THE BONDS, EXCEPT THE SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUES SPECIFICALLY PLEDGED UNDER THE RESOLUTION.

5. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Ahlers & Cooney, P.C.

## APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE

### DRAFT

#### CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Pleasant Valley Community School District, State of Iowa (the "Issuer"), in connection with the issuance of \$\_\_\_\_\_ School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026 (the "Bonds") dated April 28, 2026. The Bonds are being issued pursuant to a Resolution of the Issuer approved on \_\_\_\_\_, 2026 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close. "Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"Holders" shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Bonds, dated \_\_\_\_\_, 2026.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

- a. The Issuer shall, or shall cause the Dissemination Agent to, not later than the 15th day of April of each year following the close of the Issuer's fiscal year (currently June 30), commencing with information for the 2025/2026 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual

Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

- b. If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the form attached as Exhibit A.
- c. The Dissemination Agent shall:
  - i. each year file Annual Financial Information with the National Repository; and
  - ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

- a. The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.
- b. A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the captions: "Current Statewide Receipts of the Tax-Average Per Pupil Receipts", "Actual Historic Sales, Services and Use Tax", "Estimated Future Sales, Services and Use Tax Receipts", "Historic Resident Enrollment in the School District", "Estimated Debt Service and Coverage on the Bonds".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

- a. Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 Business Days after the day of the occurrence of the event:
  - i. Principal and interest payment delinquencies;
  - ii. Non-payment related defaults, if material;
  - iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
  - iv. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
  - v. Substitution of credit or liquidity providers, or their failure to perform;
  - vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;
  - vii. Modifications to rights of Holders of the Bonds, if material;
  - viii. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
  - ix. Defeasances of the Bonds;
  - x. Release, substitution, or sale of property securing repayment of the Bonds, if material;
  - xi. Rating changes on the Bonds;
  - xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
  - xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
  - xvi. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

- b. Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.
- c. If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- a. If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;
- b. The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- c. The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding

liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: \_\_\_\_\_ day of \_\_\_\_\_, 2026.

PLEASANT VALLEY COMMUNITY  
SCHOOL DISTRICT, STATE OF IOWA

By: \_\_\_\_\_  
President

ATTEST:

By: \_\_\_\_\_  
Secretary of the Board of Directors

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF  
FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: Pleasant Valley Community School District, Iowa.

Name of Bond Issue: \$\_\_\_\_\_ School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2026

Dated Date of Issue: April 28, 2026

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

PLEASANT VALLEY COMMUNITY  
SCHOOL DISTRICT, STATE OF IOWA

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER**

This Appendix contains the entire 2025 audited financial statement of the issuer. The Auditor of State of the State of Iowa (the "State Auditor") maintains a webpage that contains prior years' audits of city, county, school district and community college, including audits of the Issuer.

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# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025



**PLEASANT VALLEY  
SCHOOLS**  
*Committed to Excellence*  
Bettendorf, Iowa



**Annual Comprehensive Financial Report of the  
Pleasant Valley Community School District  
Bettendorf, Iowa  
For the Fiscal Year Ended June 30, 2025**

Official Issuing Report

Mike Clingingsmith, Chief Financial Officer

Office Issuing Report

Administration Center

## **Introductory Section**

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**INTRODUCTORY SECTION (Unaudited)**

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November 20, 2025

To School Board President Molly Brockmann,  
Members of the Board of Education  
Citizens and Stakeholders of the Pleasant Valley Community School District  
Bettendorf, Iowa

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Pleasant Valley Community School District (the "District") for the fiscal year ending June 30, 2025. This report has been prepared to conform to guidelines recommended by the Association of School Business Officials (ASBO) International and the Government Finance Officers Association (GFOA) of the United States and Canada.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

#### Management Responsibility

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the officials of the District. To the best of our knowledge and belief, the enclosed information is fairly stated in all material respects and is presented in a manner which sets forth the financial position and results of the operations of the governmental activities, business-type activities, each major fund and aggregate of the remaining funds of the District in accordance with generally accepted accounting principles, (GAAP). It includes all funds of the District. The District is not included in any other reporting entity, nor are any other entities included within this report. All disclosures necessary to enable a reader to gain maximum understanding of the District's financial activities have been included.

#### Independent Audit/Legal Requirements

The Code of the State of Iowa requires an annual audit of the District to be performed by an accounting firm selected in a competitively bid process. The annual audit meets the requirements of the Code of Iowa, generally accepted auditing standards and the annual single audit requirements of Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditor's report on the basic financial statements and combining and individual fund statements and other schedules is included in the financial section of this report. Information related to this single audit, including a schedule of expenditures of federal awards, summary schedule of prior audit findings, the independent auditor's report on internal control over financial reporting and on compliance and other matters, independent auditor's report on compliance with requirements applicable to each major program and internal control over compliance, a schedule of findings and questioned costs and corrective action plans (if any) are included in the Compliance Section of this report.

All of the District's funds are presented in this report and have been audited by the District's independent certified public accountants, Bohnsack & Frommelt LLP, Certified Public Accountants. Bohnsack & Frommelt LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Pleasant Valley Community School District's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of the ACFR.

### Internal Control

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the internal accounting controls of the school district adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the District is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. As part of the District's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the District has complied with applicable laws and regulations.

### Basis of Presentation

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Government units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records materially conform to the Uniform Financial Accounting for Iowa Schools and Area Education Agencies issued by the Iowa Department of Education and Chapter 11 of the Code of Iowa. The chart of accounts manual is updated annually, and the District is materially in compliance with these requirements.

### Profile of the District

The Pleasant Valley Community School District is proud to be considered the #1 school district in the state of Iowa (Niche – 2024 "Best School Districts in Iowa"). Our 738 faculty and staff serve more than 5,600 students in the 2024-2025 school year. Incorporated in 1962, our families live in Bettendorf, LeClaire, Panorama Park, Riverdale, unincorporated Pleasant Valley, Iowa and rural Scott County Iowa. In the 2024-2025 school year, the district operated two PK-6 elementary schools, four K-6 elementary schools, one 7-8 junior high, and one 9-12 high school. All buildings are air-conditioned and equipped with state of the art technology.

The resident population of the Pleasant Valley Community School District was estimated to be approximately 26,534 in the year 2025 according to the U.S. Census Bureau (based on 2023 ACS 5-year data).

The District provides a full range of educational services for those attending the Pleasant Valley Community School District including basic, regular and enriched academic education, specialized instruction for handicapped children, vocational education and many individualized programs such as specialized instruction for students at-risk. There are no charter school relationships within the District.

The District is supported financially by state aid, property taxes, state and federal grants for special projects and local revenue. The District is governed by a seven-member board of education, serving staggered terms of four years. School elections are held in November of odd numbered years. The District is divided into seven geographical director districts. Each member of the school board serves a particular geographical director district. The Board of Directors is a policy-making and planning body whose decisions are carried out by school administrators. The District is subject to the general oversight of the Iowa Department of Education. This oversight generally includes an approval process that reviews compliance

to standards enacted by legislative mandate.

The combined financial statements include all funds, organizations, agencies, boards, commissions and other authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The criteria considered in determining financial accountability include appointing a voting majority of an organization's governing body, and 1) the ability of the District to impose its will on that organization or 2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District.

### Budgeting

The District's Board of Education annually adopts a budget and approves the related appropriations for the General, Special Revenue, Debt Service, Capital Projects and Enterprise Funds in accordance with provisions outlined in the statutes of the State of Iowa. The budgets are prepared on an accrual basis, which details estimates of GAAP revenues and GAAP expenditures, and use of beginning fund balances, whereas the financial statements of the funds are prepared on either the modified accrual basis or accrual basis of accounting. A statement comparing the budget to actual receipts and disbursements is included in the required supplemental information in aggregate form for fund types for which budgets are required. For management control, the budget is reviewed on a line item basis. Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functions, not by fund or fund type.

It should be noted that school districts have two levels of budgetary control. One form of budgetary control exists through the certified budget, which includes all fund of the District (the type of budget explained in the preceding paragraph). This budget is certified with the County Auditor and the Iowa Department of Management each year. Iowa school districts may not certify a general fund budget in excess of its spending authority.

The other level of budgetary control is the unspent (maximum) authorized budget and pertains only to the General Fund of the District. The maximum authorized budget is the total spending authority in the General Fund of the District. The unspent budget is a budgetary concept and is not equivalent to General Fund cash. It is imperative for users of District financial information to make this important distinction. The unspent balance is the amount of spending authority that is carried over into the next fiscal year. The unspent balance is a budgetary carryover and does not represent actual dollars (General Fund cash) or actual financial position (nonspendable, restricted, assigned or unassigned General Fund fund balance) of the District.

### Economic Condition and Outlook

The Quad Cities region is a bi-state, six-county region comprised of Clinton, Muscatine, and Scott Counties in Iowa, and Henry, Mercer, and Rock Island Counties in Illinois with a population of 474,019 and is the heart of the Midwest, a proud, forward-thinking family of communities connected by one of the world's most renowned rivers, the Mississippi River.

The Quad Cities is within a 300-mile radius of 41 million people and just hours of major markets like Chicago, Minneapolis-St. Paul, Des Moines, Omaha, Kansas City and Indianapolis.

The Quad Cities is the home and headquarters of Deere & Company, the Fortune 100 icon and global agricultural equipment innovator, and more than 150 Fortune 500 & 1000 companies with a presence in the Quad Cities. It is where the major military installation, Rock Island Arsenal, operates and achieves its critical mission, supported by the QC advanced metals and materials manufacturing sector and thousands of highly skilled workers. The Arconic aluminum manufacturing plant is located within the boundaries of the Pleasant Valley Community School District and employs approximately 2,500 employees.

The Quad Cities economic strength has grown over the past five years by 5.2%. Expanding businesses and companies new to the region – including Amazon and Fair Oaks Foods – have acted on their confidence in the Quad Cities economy investing a total \$1.5 billion in capital and creating more than 4,500 new jobs.

The unemployment rate in Scott County, Iowa averaged 4.6% between January, 2025 to September, 2025. The national average was 4.3% in August, 2025.

Taxable valuations of property in the District continue to increase each year. The average growth in the District's taxable valuations (including tax increment financing (TIF's)) over the last ten years has been 5.2%. In the 2024-25 fiscal year (taxable valuations as of January 1, 2023), the increase was 4.6%. The Cities of Bettendorf, LeClaire and Riverdale, Iowa continue to encourage job creation and capital investment through the use of tax abatements offered to entities that contribute to economic development of the Cities.

The oldest school building in the District, Cody Elementary School, was originally built in 1954 and has been very well maintained, as have all of the District's schools. Other school buildings in the District have original build dates between 1959 and 2021.

The financial solvency ratio of the District measures movement and distribution of current assets. The financial solvency ratio represents a school district's year-end position after payment of all current and outstanding or accrued liabilities. Iowa Association of School Boards recommends a target solvency ratio within a range of 7% to 17%. The District's solvency ratio at June 30, 2025 is 22.4%, which is an increase from 20.3% at June 30, 2024.

The Iowa school funding formula is a complex formula that is pupil driven and increasing total spending authority occurs by increasing the number of pupils or increasing the cost per pupil. The district cost per pupil for 2024-2025 was \$7,924.

The Iowa Legislature has introduced a major change to the funding model for Area Education Agencies (AEAs), which support school districts with services such as special education, media, and educational services. Starting with the 2024-25 school year, funding for media and educational services was allocated by the state on a per-pupil basis, flowing through districts rather than directly to the AEAs. During the 2024-25 school year, AEAs retained 40% of this funding, while districts controlled 60%. This shift allows districts the flexibility to either continue using AEA services or redirect the funds toward other necessary general expenditures.

By the 2025-26 school year, districts will receive 100% of the media and educational services allocation. At that point, they can opt to either use those funds for AEA services or spend them on similar services from other providers. The transition year is crucial for districts to assess their needs and determine how to allocate resources effectively. Meanwhile, special education funding remains largely with the AEAs, though 10% will be redirected to districts in 2025-26.

In addition to the changes affecting Area Education Agencies (AEAs), the Iowa Legislature also approved a significant update to the teacher pay structure. Starting in fiscal year 2024-25, the minimum salary for teachers rose to \$47,500, with a further increase to \$50,000 by the 2025-26 fiscal year. Teachers with 12 or more years of experience will see their minimum pay increase to \$60,000 in the 2024-25 fiscal year and \$62,000 in the 2025-26 fiscal year. This increase in teacher salaries will require districts to allocate more of their budget toward compensation. The higher pay scale could also strain general funds if not supported by increased state funding, especially as districts gain flexibility in reallocating funds previously earmarked for AEAs. This combination of increased teacher pay and changes in AEA funding marks a critical period of financial adjustment for school districts across Iowa.

In recent years, the state of Iowa has faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. The District has faced inadequate funding for state aid and other state-funded programs, and this has resulted in lower supplemental state aid.

A nationwide labor shortage has made it increasingly difficult to retain and recruit qualified staff. Global supply chain disruption and significant increases in inflation have driven the prices of goods and services past projected budget allocations. As a result, local, regional and national economies, including that of the District, may be adversely impacted.

### Debt Administration

As of June 30, 2025 the District had \$50,260,035 of debt applicable to its legal debt margin. This amount is well below the District's bonding capacity of \$236,264,415.

### Long-term Financial Planning and Relevant Financial Policies

#### Financial Policies

The District invests in only those securities allowed by the Code of Iowa, Chapter 12C. The District's cash and pooled investments consist of depository accounts at financial institutions including short-term and long-term nonnegotiable certificate of deposits. The cash balances of the District's funds are pooled. Interest revenue of \$2,266,394 was earned on all deposits and investments for the fiscal year ending June 30, 2025.

The District currently covers property and liability losses with traditional insurance coverage. The group health plan and dental plan are fully self-funded.

A comprehensive accounting system is promulgated by the Iowa Department of Education including account numbers for revenues and expenditures by function and object. The District additionally tracks revenues by source of funds and expenditures by location, curricular program and funding source.

For long-term planning, the District utilizes a "Comprehensive Financial Planning Model" to project out various scenarios and how they could affect the financial health of the District in the next five years. The District also has a "Five Year Capital Projects Plan" which is updated at least annually for projecting future capital project needs in the District.

### Major Initiatives and Achievements

An important element in maintaining an excellent educational program is the management of fiscal and capital resources. The District's use of a long-range planning process, a growing enrollment and an increasing property tax base have helped to achieve and maintain the following results:

- Salary and benefit schedules that attract and retain a high quality faculty and staff
- Excellent facilities and equipment maintained and updated on an ongoing basis
- Broad community support for bond referendums, Instructional Support Levy, Revenue Purpose Statement renewal for the Secure an Advanced Vision for Education (SAVE) one cent sales tax for school infrastructure and voted Physical Plant and Equipment Levy (PPEL)

The District has 421 certified teachers under contract in the District. 72.2% of the teachers have a master's degree and / or graduate hours beyond their master's. The development of life-long learners is a key strategic goal. The District models this expectation in the selection, professional development, and retention of its faculty and staff. Supporting the belief that quality teaching is the single most important variable a District can influence. The District provides:

- A rigorous two-year mentoring program for all beginning teachers
- Ongoing professional development
- An emphasis on the study and acquisition of "best practice" in the field of education
- Encouragement toward the pursuit of advanced degree work
- Leadership opportunities

## Following is the Pleasant Valley Community School District's Mission Statement:

The mission of the Pleasant Valley Community School District as a premier innovative district in the Midwest is to prepare students to succeed in a diverse, global society by providing superior quality opportunities in a safe environment for each student to become a life-long learner and by continuously improving and customizing the educational experience.

## The Pleasant Valley Community School District's Vision Statement is:

It is the vision of the Pleasant Valley Community School District that we shall provide the finest academic and extra-curricular programs in the state - not in some things, but in everything; not for some students but for every student.

The District is proud of its academic, activities and athletics programs, which includes the following highlights from the 2024-25 school year:

# SPARTAN SPOTLIGHTS

## ACADEMICS

- 12 National Merit Scholars
- 62 seniors earned the Seal of Bi-Literacy

## FINE ARTS

### Band, Choir & Orchestra

- 280 HS band students last year. (803 in 6-12 grade)
- 10 band students selected to the Iowa All-state band, 1 student selected to the 4A Iowa All State Jazz Band, 20 selected to the South East Iowa District High School Honor Band
- 7 High School, 8 Junior High, and 9 Elementary students were selected and participated in the SEISTA (South Eastern Iowa String Teacher's Association) Honor Orchestra.
- 36 students accepted and one alternate student selected to the Opus Honor Choir
- 30 PVJH students selected for JH SEICDA Honor Choir
- Leading Tones performed at the Iowa Vocal Jazz Championships and placed FIRST in 4A

### Drama & Speech

- 23 THESPY performances resulting in 6 national qualifying performances and two center awards, 2 first place wins in tech challenge, 3 ImprovWorks performances, a PV representative elected to the state student board for the 12th year running, and a Thespian Scholarship winner.
- The SpongeBob Musical earned 2024-2025 Outstanding Overall Technical and Creative Achievement award
- PVHS students competed in 13 events at the State Speech Competition, earning 7 Division 1 and 6 Division 2 rankings

### Art

- Sherry Tang had her artwork published in the New York Times
- 50 students participate in the Festival of Trees High School Art Show; Three students received awards.
- 19 students participate in the Quad City Arts High School Invitational. 6 students received awards totaling \$2,200.
- Celebrating Artists: all of these students had their work published in the Celebrating Art Spring 2025 volume: Lilly Jensen, Sofia Anderson, Adeline Trees, and Madalyn Locke



## ATHLETICS

- Of the 22 Iowa sanctioned sports, Pleasant Valley advanced to state in 19 either as a team, an individual, or both including **3 State Championships: Girls Cross Country, Girls Volleyball, Dance Class XIII Pom. Pleasant Valley Platinum Dance also won their 14th state championship.**
- Individual Awards:
  - Isabelle Kremer named IGCA 5A Volleyball Player of the Year

## ACTIVITY ACCOLADES

- **PVHS Robotics:** Team No Limit (FRC Robotics Team) Earned a Captainship at the Central Illinois Regional, Robotics Program receives a \$10,000 grant from RDA
- **PV Robotics** FTC Team #6093 Deviation From the Norm advanced to the State Championships by winning the Inspire Award & Captain of the Winning Alliance.
- **Future Business Leaders of America** members attended the state leadership conference where 19 members qualified for nationals! In addition, 5 members were state champs in one of their events.
- **JA Titan Business Simulation:** Pleasant Valley High School had two teams compete in the JA Titan competition, a simulation-based program where students act as CEOs in the phone industry, making strategic business decisions and analyzing outcomes in real time. PV teams earned both 1st and 2nd place in the initial round.
- **PVHS Physics Club** earned an impressive 2nd place out of more than 20 teams at the State of Iowa Physics Competition
- **PV Engineering** Wins QC Tech Challenge Trebuchet Competition
- **Science Bowl Club** team wins the Iowa regional championship, qualified to compete in the National Science Bowl competition in Washington DC
- **PVHS Ethics Bowl Teams** place first, second, and third at Friday's state competition. The three teams had only one loss in the entire tournament, in the final round to another PV team!
- **Student Hunger Drive raised** 102,312 pounds (265,464 meals). For the 7th year in a row, PV is the winner of Student Hunger Drive!
- **Iowa Skills USA**, 2 students captured fifth-place in the 33rd annual (DMACC)/Iowa Automobile Dealers Association (IADA) Automotive Skills Contest.
- **Spartan Shield** students earn 10 Iowa High School Press Association awards

## DISTRICT & STAFF ACHIEVEMENTS

- Amber Hall named IGCA 5A Volleyball Coach of the Year
- Colin Wikan named the 2024-25 Southeast District Middle School Activities Director of the Year.
- Shawn Rice - PV teacher at Edison Academy was awarded a Lifetime Achievement Award from the Iowa Association of Alternative Education
- Christina Myatt received the Impact Award, a student-nominated award presented to an adult who leads and/or supports their school's theater productions
- Jason Landa received the Regional Computer Science Teaching Excellence Award and was named a finalist for the National Award

### Certificate of Achievement for Excellence in Financial Reporting (GFOA) and Certificate of Excellence in Financial Reporting (ASBO)

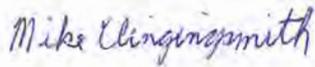
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pleasant Valley Community School District for its comprehensive annual financial report for the fiscal year ended June 30, 2024. This was the ninth consecutive year that the District has achieved this prestigious award from GFOA. The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting to Pleasant Valley Community School District for its comprehensive annual financial report for the fiscal year ended June 30, 2024. This was also the ninth consecutive year that the District has achieved this prestigious award from ASBO. In order to be awarded these certificates, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report meets program requirements for both awards and we are submitting it to ASBO and GFOA to determine its eligibility for each certificate.

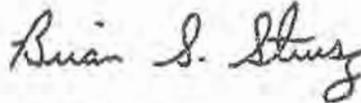
We wish to take this opportunity to thank the administrative office staff who assisted in obtaining and organizing data, our financial auditors, the County Auditor and Treasurer offices and the city and town officials who provided much needed information. Without all of the above groups' efforts, the report could not have been completed.

Finally, sincere appreciation is extended to the Board of Directors, where the commitment to excellence begins. It is with great pride that this year's Comprehensive Annual Financial Report is submitted to the Board of Directors and the residents of the Pleasant Valley Community School District.

Very truly yours,



Mike Clingingsmith  
Chief Financial Officer



Brian Strusz  
Superintendent

**Pleasant Valley Community School District**

**Board of Education and School District Officials  
Year Ended June 30, 2025**

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**Board of Education**

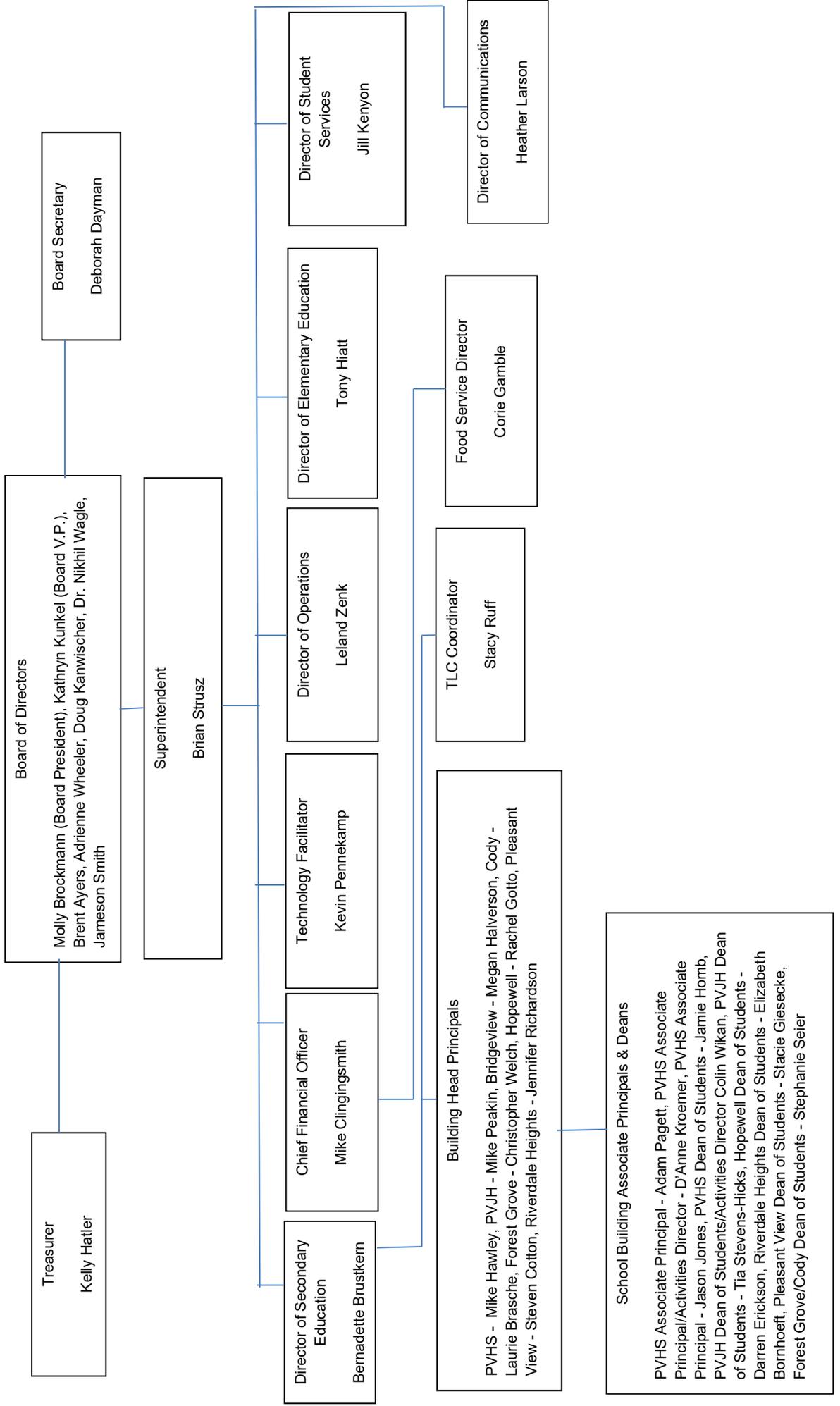
<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
Molly Brockmann	Board President	2027
Kathryn Kunkel	Board Vice President	2025
Brent Ayers	Board Member	2025
Adrienne Wheeler	Board Member	2027
Nikhil Wagle	Board President	2027
Jameson Smith	Board Member	2027
Doug Kanwischer	Board Member	2025

**School District Officials**

Brian Strusz	Superintendent	2027
Tony Hiatt	Director of Elementary Education	2026
Bernadette Brustkern	Director of Secondary Education	2026
Mike Clingingsmith	Chief Financial Officer	2026
Deborah Dayman	Board Secretary	2025
Kelly Hatler	District Treasurer	2025
Lane & Waterman	Attorney	Indefinite

# PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT

## Organizational Chart (As of June 30, 2025)





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Pleasant Valley Community School District  
Iowa**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Pleasant Valley Community  
School District**

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2024.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

**Ryan S. Stechschulte**  
President

A handwritten signature in black ink, reading 'James M. Rowan'.

**James M. Rowan, CAE, SFO**  
CEO/Executive Director



**Independent Auditor's Report**

To the Board of Education  
Pleasant Valley Community School District  
Bettendorf, Iowa

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Pleasant Valley Community School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Pleasant Valley Community School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As discussed in Note 14 to the financial statements, the District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. As a result, June 30, 2024 governmental activities, business-type activities and Nutrition Fund net positions were restated.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pleasant Valley Community School District'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pleasant Valley Community School District'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 Pleasant Valley Community School District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the District's total OPEB liability and related ratios, and schedule of the District's proportionate share of the net pension liability and schedule of District contributions on pages 4-16 and 59-68 be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 opinions on the financial statements that collectively comprise the Pleasant Valley Community School District's basic financial statements. The supplementary information, as listed on the table of contents and the Schedule of Expenditures of Federal Awards as required by Title 2, *U.S Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 supplementary information and Schedule of Expenditures of Federal Awards is 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 included in the annual report. The other information comprises the introductory and statistical sections 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 3, 2025, on our consideration of the Pleasant Valley Community School District'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 the Pleasant Valley Community School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pleasant Valley Community School District's internal control over financial reporting and compliance.

*Bohnsack & Frommelt LLP*

Moline, Illinois  
October 3, 2025

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## Pleasant Valley Community School District

### Management's Discussion and Analysis Year Ended June 30, 2025

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Pleasant Valley Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the District's financial statements, which follow:

#### 2024-25 FINANCIAL HIGHLIGHTS

- The District's net position for governmental activities was \$90,269,834 at June 30, 2025 compared to restated \$81,952,661 at June 30, 2024, an increase of \$8,317,173 or 10.1%.
- Net position for business-type activities was \$4,171,980 at June 30, 2025 compared to restated \$4,015,794 at June 30, 2024, an increase of \$156,186 or 3.9%.
- The beginning net position for Governmental Activities, Business-Type Activities and the Nutrition Fund were restated for the implementation of GASB Statement No. 101, *Compensated Absences*.
- General Fund revenues increased from \$69,450,118 in the 2023-24 fiscal year to \$71,687,829 in the 2024-25 fiscal year (a 3.2% increase), while General Fund expenditures increased from \$66,728,017 in the 2023-24 fiscal year to \$69,922,416 in the 2024-25 fiscal year (a 4.8% increase). The District's fund balance in the General Fund increased from \$14,965,075 at June 30, 2024 to \$16,738,808 at June 30, 2025, an 11.9% increase.
- The revenue increase in the 2024-25 fiscal year was mainly due to increases in state aid due to a 2.50% increase in supplemental state aid (S.S.A.) for the fiscal year and an increase in teacher salary supplement (TSS) funding by the state to increase teacher minimum salaries. The increase in expenditures was due primarily to an increase in negotiated salaries and benefits for the 2024-25 fiscal year.
- The District's solvency ratio (Assigned + Unassigned General Fund Balance / Actual General Fund Revenues – AEA Flowthrough) increased from 20.3% at June 30, 2024 to 22.4% at June 30, 2025. Per the Iowa Association of School Board (IASB), solvency ratio is a financial measure that provides a picture of the cash resources on hand at fiscal year-end of a school district and represents the percent of the district's available funding. IASB recommends that this ratio be between 7 – 17%, not to exceed 25%.
- Long-term bonded debt decreased \$5,904,311 during the 2024-25 fiscal year due to scheduled debt payments.
- The District's 2024-25 fiscal year overall property tax levy rate remained steady when compared to the 2023-24 fiscal year property tax levy rate at \$13.46 (rounded to the nearest penny) per \$1,000 taxable valuation.

#### USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

## Pleasant Valley Community School District

### Management's Discussion and Analysis Year Ended June 30, 2025

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- The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Pleasant Valley Community School District as a whole and present an overall view of the District's finances.
- The fund financial statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Pleasant Valley Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Pleasant Valley Community School District acts solely as an agent or custodian for the benefit of those outside of the District.
- Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes.
- Other supplementary information provides detailed information about the nonmajor governmental funds.

## REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

### Government-Wide Financial Statements

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

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position is an indicator of whether financial position is improving or deteriorating. To assess the District's overall health, additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities need to be considered.

In the government-wide financial statements, the District's activities are divided into two categories:

**Governmental activities:** Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property tax and state aid finance most of these activities.

**Business type activities:** The District charges fees to help it cover the costs of certain services it provides. The District's school nutrition program and student construction fund are included here.

## Pleasant Valley Community School District

### Management's Discussion and Analysis Year Ended June 30, 2025

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#### Fund Financial Statements

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

Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes, such as accounting for student activity funds, or to show that it is properly using certain revenues, such as federal grants.

The District has three kinds of funds:

- 1) **Governmental Funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The District's major governmental funds for 2024-25 were the General Fund and the Capital Projects Fund. The nonmajor governmental funds include two Special Revenue Funds (the Management Fund and Student Activities Fund) and the Debt Service Fund. The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

- 2) **Proprietary funds:** Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Funds, one type of proprietary fund, are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District currently has two Enterprise Funds, the School Nutrition Fund and the Student Construction Fund. The District uses internal service funds, the other kind of proprietary fund, to report activities that provide supplies and services for other District programs and activities. The District currently has one internal service fund, which is used to account for the District's self-funded health and fully self-funded dental insurance plans.

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows.

- 3) **Fiduciary funds:** The District is the trustee, or fiduciary, for assets that belong to others. This fund type includes custodial funds.

Custodial Funds: These are funds through which the District faculty accounts for certain revenue collected for District employee purchases of pop, funeral flowers, etc. and related expenditures and for revenues and expenditures of other various club accounts.

The District is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statements for fiduciary funds include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the governmental fund financial statements follow the governmental fund financial statements.

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Figure A-1 below provides a summary of the District’s net position as of June 30, 2025 compared to June 30, 2024.

**Figure A-1 Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2024-25
	Restated		Restated		Restated		
	2025	2024	2025	2024	2025	2024	
Current and other assets	\$ 77,964,090	\$ 92,147,174	\$ 4,424,824	\$ 4,285,098	\$ 82,388,914	\$ 96,432,272	-14.6%
Capital assets	126,614,195	110,938,394	476,569	506,109	127,090,764	111,444,503	14.0%
<b>Total assets</b>	<b>204,578,285</b>	<b>203,085,568</b>	<b>4,901,393</b>	<b>4,791,207</b>	<b>209,479,678</b>	<b>207,876,775</b>	<b>0.8%</b>
Deferred outflows of resources	7,491,112	9,586,903	176,210	221,631	7,667,322	9,808,534	-21.8%
Long-term liabilities	81,857,808	90,084,396	694,621	721,046	82,552,429	90,805,442	-9.1%
Other liabilities	12,926,231	12,475,940	148,492	214,044	13,074,723	12,689,984	3.0%
<b>Total liabilities</b>	<b>94,784,039</b>	<b>102,560,336</b>	<b>843,113</b>	<b>935,090</b>	<b>95,627,152</b>	<b>103,495,426</b>	<b>-7.6%</b>
Deferred inflows of resources	27,015,524	28,159,474	62,510	61,954	27,078,034	28,221,428	-4.1%
Net position:							
Net investment in capital assets	83,402,589	77,032,809	476,569	506,109	83,879,158	77,538,918	8.2%
Restricted	11,334,519	12,373,804	11,623	13,099	11,346,142	12,386,903	-8.4%
Unrestricted	(4,467,274)	(7,453,952)	3,683,788	3,496,586	(783,486)	(3,957,366)	80.2%
<b>Total net position</b>	<b>\$ 90,269,834</b>	<b>\$ 81,952,661</b>	<b>\$ 4,171,980</b>	<b>\$ 4,015,794</b>	<b>\$ 94,441,814</b>	<b>\$ 85,968,455</b>	<b>9.9%</b>

The District’s combined net position as of June 30, 2025 grew by \$8,473,359 (9.9%) over the June 30, 2024 combined net position. Net position in the governmental activities grew by \$8,317,173 (10.1%). The net position of the District’s business-type activities increased by \$156,186 (3.9%).

The largest portion of the District’s net position is invested in capital assets (e.g., land, infrastructure, intangibles, buildings, equipment and right-to-use leased equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets.

The most significant factors for the increase in the combined net position of the District were the increase in the unrestricted portion of net position and the increase in the net investment in capital assets.

The District’s combined net investment in capital assets increased by \$6,340,240 (8.2%) primarily due to District’s continued investment in buildings.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District’s restricted net position decreased by \$1,040,761 (8.4%) primarily due to school infrastructure restricted funds being spent on capital projects of the District.

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
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Governmental activities unrestricted net position (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements) increased by \$3,173,880 (80.2%).

Net position increased in Business-Type activities by \$156,186 (3.9%).

Figure A-2 shows the changes in net position for the year ended June 30, 2025 compared to the year ended June 30, 2024.

**Figure A-2 Changes in Net Position From Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2024-25
	Not restated		Not restated		Not restated		
	2025	2024	2025	2024	2025	2024	
<b>Revenues:</b>							
<b>Program revenues:</b>							
Charges for services	\$ 5,843,917	\$ 5,106,988	\$ 2,240,697	\$ 2,281,036	\$ 8,084,614	\$ 7,388,024	9.4%
Operating grants and contributions	11,602,239	11,363,779	1,096,770	1,122,110	12,699,009	12,485,889	1.7%
Capital grants and contributions	12,500	51,548	-	-	12,500	51,548	100.0%
<b>General revenues:</b>							
Property taxes	28,745,302	27,737,459	-	-	28,745,302	27,737,459	3.6%
State foundation aid	31,335,685	29,912,675	-	-	31,335,685	29,912,675	4.8%
Unrestricted intergovernmental revenue	7,324,934	7,320,316	-	-	7,324,934	7,320,316	0.1%
Other	2,939,127	2,619,253	175,119	186,633	3,114,246	2,805,886	11.0%
<b>Total revenues</b>	<b>87,803,704</b>	<b>84,112,018</b>	<b>3,512,586</b>	<b>3,589,779</b>	<b>91,316,290</b>	<b>87,701,797</b>	<b>4.1%</b>
<b>Expenses:</b>							
Instruction	52,048,215	54,367,970	-	-	52,048,215	54,367,970	-4.3%
Support services	23,407,967	21,396,919	-	-	23,407,967	21,396,919	9.4%
Noninstructional	36,999	48,284	3,304,100	3,161,569	3,341,099	3,209,853	4.1%
Other	4,045,650	4,278,366	-	-	4,045,650	4,278,366	-5.4%
<b>Total expenses</b>	<b>79,538,831</b>	<b>80,091,539</b>	<b>3,304,100</b>	<b>3,161,569</b>	<b>82,842,931</b>	<b>83,253,108</b>	<b>-0.5%</b>
<b>Change in net position</b>							
before transfers	8,264,873	4,020,479	208,486	428,210	8,473,359	4,448,689	90.5%
Transfers	52,300	49,417	(52,300)	(49,417)	-	-	0.0%
<b>Increase in net position</b>	<b>8,317,173</b>	<b>4,069,896</b>	<b>156,186</b>	<b>378,793</b>	<b>8,473,359</b>	<b>4,448,689</b>	<b>90.5%</b>
Net position, beginning of year, as restated	81,952,661	79,973,084	4,015,794	3,756,400	85,968,455	83,729,484	
Net position, end of year	\$ 90,269,834	\$ 84,042,980	\$ 4,171,980	\$ 4,135,193	\$ 94,441,814	\$ 88,178,173	

In 2024-25, property taxes, unrestricted intergovernmental revenue and state foundation aid accounted for 76.8% of the revenue from governmental activities while charges for services and grants and contributions accounted for 95.0% of the revenue from business-type activities.

**Pleasant Valley Community School District**

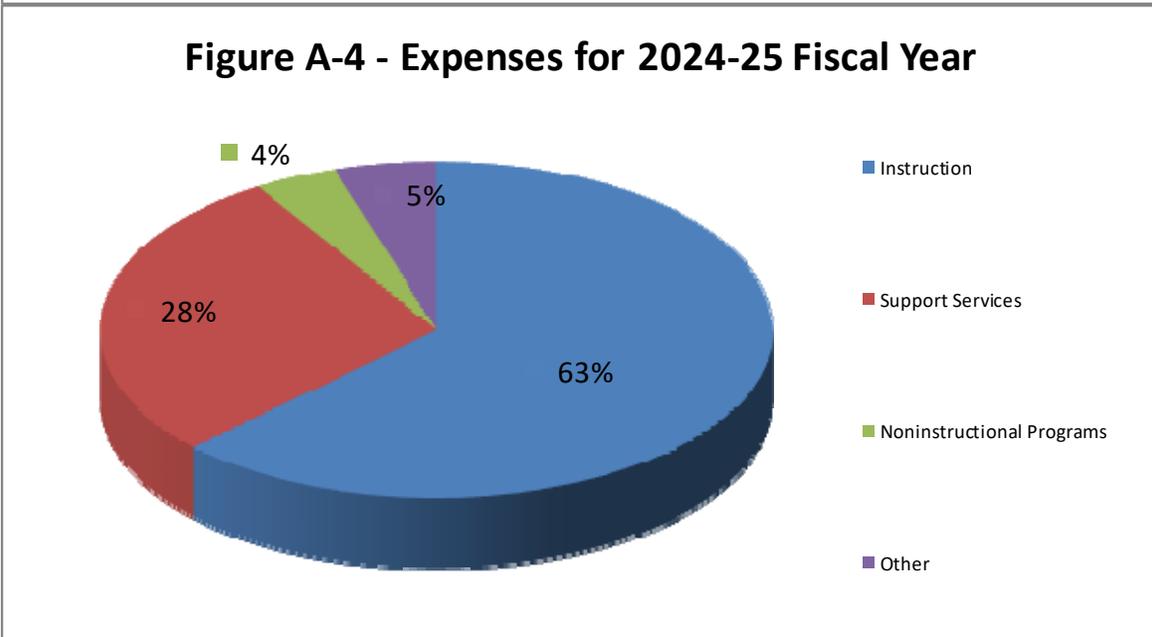
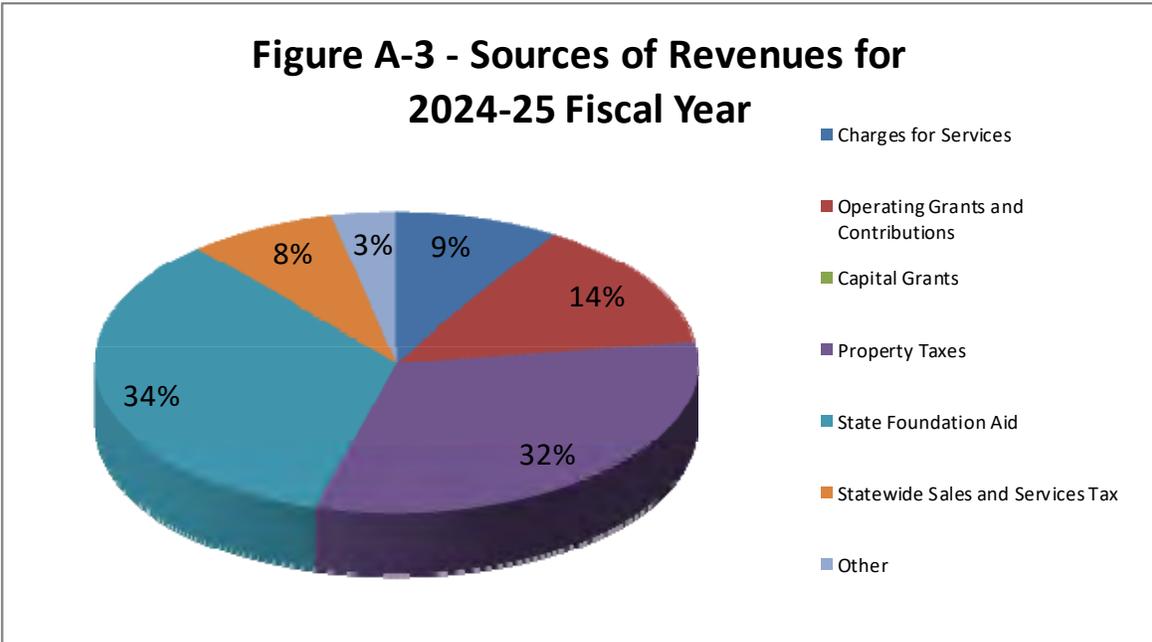
**Management’s Discussion and Analysis  
Year Ended June 30, 2025**

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In 2024-25, the District’s expenses primarily relate to instructional and support services, which account for 91.1% of the total expenses. Total District expenses decreased by \$410,177 (0.5%), primarily because of decreases in instruction costs.

Total revenue for the District increased by \$3,614,493 (4.1%) in the fiscal year ended June 30, 2025. The most significant revenue category changes were due to an increase in property taxes and state foundation aid.

Figures A-3 and A-4, which follow, show charts reflecting sources of revenue and distribution of expenses for the 2024-25 fiscal year.



**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2025**

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**Governmental Activities**

Revenue for the District’s governmental activities in 2024-25 increased by \$3,691,686 (4.4%) from the previous year, while total expenses in governmental activities decreased by \$552,708 (0.7%). Governmental activities net position as of June 30, 2025 increased by \$8,317,173 (10.1%) over the June 30, 2024 balance.

Figure A-5 presents the total and net cost of the District’s major governmental activities: instruction, support services, noninstructional programs and other expenses, for the year ended June 30, 2025 compared to the year ended June 30, 2024.

**Figure A-5 Net Cost of Governmental Activities**

	Total Cost of Services		Percentage	Net Cost of Services		Percentage
	2025	2024	Change	2025	2024	Change
Instruction	\$ 52,048,215	\$ 54,367,970	-4.3%	\$ 38,006,449	\$ 42,493,513	-10.6%
Support services	23,407,967	21,396,919	9.4%	22,189,061	19,522,784	13.7%
Noninstructional	36,999	48,284	-23.4%	36,999	48,284	-23.4%
Other	4,045,650	4,278,366	-5.4%	1,847,666	1,504,643	22.8%
<b>Total</b>	<b>\$ 79,538,831</b>	<b>\$ 80,091,539</b>	<b>-0.7%</b>	<b>\$ 62,080,175</b>	<b>\$ 63,569,224</b>	<b>-2.3%</b>

For the year ended June 30, 2025:

- The cost financed by the users of the District’s programs was \$5,843,917.
- Federal and state governments and some local sources subsidized certain programs with grants and contributions totaling \$11,614,739.
- The net cost of governmental activities was financed with \$28,745,302 in property taxes, \$31,335,685 of unrestricted state grants, \$7,324,934 in statewide sales and services tax revenue, and \$2,939,127 in investment and other earnings.

For the year ended June 30, 2024:

- The cost financed by the users of the District’s programs was \$5,106,988.
- Federal and state governments and some local sources subsidized certain programs with grants and contributions totaling \$11,415,327.
- The net cost of governmental activities was financed with \$27,737,459 in property taxes, \$29,912,675 of unrestricted state grants, \$7,320,316 in statewide sales and services tax revenue, and \$2,619,253 in investment and other earnings.

## Pleasant Valley Community School District

### Management's Discussion and Analysis Year Ended June 30, 2025

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#### Business-Type Activities

The District's business-type activities include the School Nutrition Fund and Student Construction Fund. Revenues of the District's business-type activities in 2024-25 were \$3,512,586; a decrease of \$77,193 (2.2%) from 2023-24. Other revenues of these activities were comprised of federal and state reimbursements and interest. Expenses were \$3,304,100, an increase of \$142,531 (4.5%) from 2023-24.

#### INDIVIDUAL FUND ANALYSIS

As previously noted, the Pleasant Valley Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the District as a whole is reflected in its governmental funds, as well. As the District completed the year, its governmental funds reported combined fund balances of \$34,683,393, which reflects a decrease of \$14,009,283 (28.8%) from last year's ending fund balances of \$48,692,676. The primary reasons for the decrease in combined fund balances at the end of the 2024-25 fiscal year was the planned spending from the issuance of \$27,180,000 in revenue bonds in the prior year.

#### Governmental Fund Highlights

- The fund balance in the District's General Fund increased by \$1,773,733 (11.9%) from \$14,965,075 as of June 30, 2024 to \$16,738,808 as of June 30, 2025. Revenues of the General Fund increased \$2,237,711 (3.2%). The increase was primarily due to an increase in state revenues of \$1,372,844 (3.4%) and tuition revenues of \$460,438 (13.8%) offset by a decrease in federal revenue of \$69,417 (5.4%). Expenditures increased \$3,194,399 (4.8%), primarily in instruction.
- The fund balance in the Capital Projects Fund decreased by \$16,457,079 (62.4%) from \$26,365,605 as of June 30, 2024 to \$9,908,526 as of June 30, 2025 primarily due to the planned spending from the issuance of \$27,180,000 in revenue bonds in the prior year. Total expenditures were \$21,628,074 in 2024-25 compared to \$19,342,820 in 2023-24. The increase in expenditures were due to planned capital projects for buildings and building renovations.

#### Proprietary Fund Highlights

The net position of the District's proprietary funds increased during the year.

- The net position of the Nutrition Fund increased by \$143,686 (3.7%) during 2024-25 from the 2023-24 net position. Charges for services decreased from \$2,281,036 in 2023-24 to \$2,240,697 in 2024-25. Nonoperating revenues from federal sources decreased from \$1,102,137 in 2023-24 to \$1,065,125 in 2024-25.

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2025**

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**BUDGETARY HIGHLIGHTS**

A schedule showing the original and final budget amounts compared to the District’s actual financial activity is included in the required supplementary information section of this report.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds, except internal service funds and custodial funds. This is referred to as the certified budget. The certified budget may be amended during the year utilizing similar statutorily prescribed procedures. The District uses the GAAP (Generally Accepted Accounting Principles) method of accounting for budgeting purposes. Over the course of the year, the District amended its certified budget one time.

Pleasant Valley Community School District’s normal practice is to amend the certified budget one time during each fiscal year. Iowa law requires that actual spending in each functional area of the budget does not exceed the amount budgeted to be spent in that functional area at any time during the fiscal year. The District’s practice is to amend the budget each year prior to expenses going over budget in any of the functional areas. The District’s practice is also to amend the budget to reflect the entire fund balances in each of the various budgeted funds being spent down to a zero balance at the end of the fiscal year. As a result, the District’s certified budget as amended should always exceed actual expenditures for the year. This is the most significant reason for the amended budget showing \$47,873,632 more in expenditures than the original certified budget for the 2024-25 fiscal year.

The other main reason for the differences between the original budget and the amended budget are:

- The budget is amended to reflect additional allowed expenditures due to receipt of other miscellaneous income during the year that was not possible to predict when the certified budget was adopted.

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of the 2024-25 fiscal year, the District had invested \$127,090,764 (net of accumulated depreciation and amortization of \$69,872,608 in a broad range of assets, including school buildings, athletic facilities, computer and audio-visual equipment and administrative offices. (See Figure A-6). This amount represents a net increase of \$15,646,261 or 14.0% from last year. Major capital asset projects in the current year include high school and junior high additions and renovations. (More detailed information about capital assets can be found in Note 4 to the financial statements). Total depreciation/amortization expense for the year was \$4,604,848.

**Figure A-6 Capital Assets (Net of Depreciation and Amortization)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2024-25
Land	\$ 2,298,692	\$ 2,298,692	\$ -	\$ -	\$ 2,298,692	\$ 2,298,692	0.0%
Buildings	79,632,723	82,665,497	-	-	79,632,723	82,665,497	-3.7%
Improvements other than buildings	5,863,670	5,525,269	-	-	5,863,670	5,525,269	6.1%
Furniture and equipment	1,844,645	1,549,227	476,569	506,109	2,321,214	2,055,336	12.9%
Construction in progress	36,478,777	18,317,847	-	-	36,478,777	18,317,847	99.1%
Intangible right to use lease equipment	194,756	266,031	-	-	194,756	266,031	-26.8%
Intangible right to use IT subscription	300,932	315,831	-	-	300,932	315,831	-4.7%
<b>Total</b>	<b>\$ 126,614,195</b>	<b>\$ 110,938,394</b>	<b>\$ 476,569</b>	<b>\$ 506,109</b>	<b>\$ 127,090,764</b>	<b>\$ 111,444,503</b>	<b>14.0%</b>

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2025**

**Long-Term Debt**

As of June 30, 2025, the District had \$82,552,429 in long-term debt outstanding. This represents a decrease of \$8,253,012 (9.1%) over last year (See Figure A-7). In the 2024-25 fiscal year, the District made principal payments of \$5,994,890 and interest and fiscal charges payments of \$2,140,396 on its long-term debt including lease obligations and IT subscription obligations. More detailed information about the District’s long-term debt is presented in Note 5 to the financial statements.

The constitution of the State of Iowa limits the amount of general obligation debt districts can issue to 5% of the assessed value of all taxable property within the District. The District’s outstanding general obligation debt is significantly below its constitutional debt limit of \$236,264.415.

Payments of early retirement benefits come out of the District’s Management Fund. Payments of compensated absences and lease obligations are primarily made from the District’s General Fund.

**Figure A-7 Outstanding Long-Term Obligations**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	Restated		Restated		Restated		2024-25
	2025	2024	2025	2024	2025	2024	
Revenue bonds	\$ 43,717,494	\$ 47,562,625	\$ -	\$ -	\$ 43,717,494	47,562,625	-8.1%
GO bonds	6,542,541	8,601,721	-	-	6,542,541	8,601,721	-23.9%
Lease obligation	200,266	270,577	-	-	200,266	270,577	-26.0%
IT subscription obligation	43,910	66,497	-	-	43,910	66,497	-34.0%
Equipment note	315,936	-	-	-	315,936	-	100.0%
Early retirement	427,376	524,343	-	-	427,376	524,343	-18.5%
Compensated absences	9,224,868	8,299,538	149,983	119,398	9,374,851	8,418,936	11.4%
OPEB liability	5,629,612	5,385,957	234,567	224,415	5,864,179	5,610,372	4.5%
Pension liability	15,755,805	19,373,138	310,071	377,232	16,065,876	19,750,370	-18.7%
<b>Total</b>	<b>\$ 81,857,808</b>	<b>\$ 90,084,396</b>	<b>\$ 694,621</b>	<b>\$ 721,045</b>	<b>\$ 82,552,429</b>	<b>\$ 90,805,441</b>	<b>-9.1%</b>

## Pleasant Valley Community School District

### Management's Discussion and Analysis Year Ended June 30, 2025

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#### ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its financial health in the future:

- After many years of growing certified enrollment (the number of resident students in the District), the District has experienced three consecutive years of declining certified enrollment. The District's certified enrollment declined by 18.9 students on the certified enrollment taken in October, 2023. The District's certified enrollment declined by 40.4 students on the certified enrollment taken in October, 2024. The District's certified enrollment declined by 84.3 students on the certified enrollment taken in October, 2025. The state school foundation aid formula is a statutory funding mechanism based on the number of pupils in a school district which authorizes the maximum spending authority a school district may spend in the General Fund in any fiscal year. A decrease in certified enrollment can have a negative effect on a school district's General Fund revenues.
  - The decline in certified enrollment is being at least partially offset by an increase in the net open enrollment in the District. For the certified enrollment taken in October, 2024, the District had 407 students open enrolled in and 285 students open enrolled out for a net open enrollment of 122 students. For the certified enrollment taken in October, 2025, the District had 423 students open enrolled in and 242 students open enrolled out for a net open enrollment of 181 students. Therefore, the net open enrollment in the District increased by 53 students on the October, 2025 certified enrollment. The net open enrollment had increased by 47 students on the October, 2024 certified enrollment. While a net open enrollment gain has a positive effect on a district's financial health, it is important to note that open enrollment revenue is considered miscellaneous income and a district's ongoing expenditures should not be funded with miscellaneous income.
  - The Iowa Legislature set supplemental state aid (SSA) at 2% for the 2025-26 fiscal year. Funding at the state level continues to be a focal point for education. Low state supplemental aid increases are not satisfying cost-of-living increases, as well as increased costs for operations.
  - The Students First Act, introduced by Governor Reynolds and signed into law on Jan. 24, 2024, makes state funding available to support the success of every K-12 student in Iowa. The bill establishes a framework and funding for education savings accounts (ESAs), which may be used by eligible families to cover tuition, fees, and other qualified education expenses at accredited nonpublic schools in Iowa. In the first year of Educational Savings Accounts (ESAs) in the state of Iowa (2023-24 fiscal year), the District had 48 resident students who qualified to receive the funding. The District received approximately \$1,218 of categorical funding per student for those 48 students in the 2024-25 fiscal year even though they are not attending our schools. In the second year of ESA's (2024-25 fiscal year), the District had 131 resident students who qualified to receive the funding. In the third year of ESA's (2025-26 fiscal year), the District has 272 resident students who qualified to receive the funding. Students First ESAs are available based on the following eligibility:
    - **Year 1: School Year 2023-2024**
- All entering kindergarten students
  - All students enrolled in a public school
  - A student enrolled in an accredited nonpublic school with a household income at or below 300% of the 2025 Federal Poverty Guidelines, \$90,000 for a family of four

**Pleasant Valley Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2025**

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○ **Year 2: School Year 2024-2025**

- All entering kindergarten students
- All students enrolled in a public school
- A student enrolled in an accredited nonpublic school with a household income at or below 400% of the 2025 Federal Poverty Guidelines that will be updated January 2025

○ **Year 3: School Year 2025-2026**

- All K-12 students in Iowa regardless of income
- It is unknown how many resident students of the District will receive funding for the ESAs in future years and exactly what financial effect that may have on the District in the future.

**CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT**

This financial report is designed to provide the District’s citizens, taxpayers, customers, and investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mike Clingingsmith, Chief Financial Officer, Pleasant Valley Community School District, 525 Belmont Rd., Bettendorf, Iowa 52722.

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## **Basic Financial Statements**

**Pleasant Valley Community School District**

**Statement of Net Position**

**June 30, 2025**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and pooled investments	\$ 47,818,885	\$ 4,287,089	\$ 52,105,974
Receivables:			
Property tax:			
Current year	111,051	-	111,051
Succeeding year	25,510,000	-	25,510,000
Accounts	946,147	779	946,926
Due from other governments	2,911,589	-	2,911,589
Inventories	-	17,895	17,895
Assets held for sale	-	107,578	107,578
Prepaid expenses	666,418	11,483	677,901
Capital assets:			
Nondepreciable	38,777,469	-	38,777,469
Depreciable, net	87,836,726	476,569	88,313,295
<b>Total assets</b>	<b>204,578,285</b>	<b>4,901,393</b>	<b>209,479,678</b>
<b>Deferred Outflows of Resources:</b>			
Pension related deferred outflows	6,181,859	121,658	6,303,517
OPEB related deferred outflows	1,309,253	54,552	1,363,805
<b>Total deferred outflows of resources</b>	<b>7,491,112</b>	<b>176,210</b>	<b>7,667,322</b>

<b>Liabilities</b>	Governmental	Business-Type	Total
	Activities	Activities	
Accounts payable	3,310,981	40,939	3,351,920
Salaries and benefits payable	7,125,287	1,672	7,126,959
Due to other governments	1,953,253	-	1,953,253
Claims incurred but not reported	512,604	-	512,604
Accrued interest	16,025	-	16,025
Unearned revenue	8,081	105,881	113,962
Long-term liabilities:			
Portion due within one year:			
Revenue bonds	3,935,131	-	3,935,131
General obligation bonds	2,119,180	-	2,119,180
Compensated absences	2,767,460	58,494	2,825,954
Early retirement	293,900	-	293,900
Lease obligation	58,519	-	58,519
Equipment note	315,936	-	315,936
IT subscription obligation	14,018	-	14,018
OPEB liability	123,611	5,150	128,761
Portion due after one year:			
Revenue bonds	39,782,363	-	39,782,363
General obligation bonds	4,423,361	-	4,423,361
Compensated absences	6,457,408	91,489	6,548,897
Early retirement	133,476	-	133,476
Lease obligation	141,747	-	141,747
IT subscription obligation	29,892	-	29,892
OPEB liability	5,506,001	229,417	5,735,418
Pension liability	15,755,805	310,071	16,065,876
<b>Total liabilities</b>	<b>94,784,039</b>	<b>843,113</b>	<b>95,627,152</b>
<b>Deferred Inflows of Resources:</b>			
Deferred revenue from succeeding year property tax	25,510,000	-	25,510,000
Pension related deferred inflows	10,008	197	10,205
OPEB related deferred inflows	1,495,516	62,313	1,557,829
<b>Total deferred inflows of resources</b>	<b>27,015,524</b>	<b>62,510</b>	<b>27,078,034</b>
<b>Net Position</b>			
Net investment in capital assets	83,402,589	476,569	83,879,158
Restricted for:			
Categorical funding	998,475	-	998,475
Management levy	4,560,106	-	4,560,106
Physical plant and equipment levy	625,818	-	625,818
School infrastructure	4,110,067	-	4,110,067
Other special revenue purposes	842,902	-	842,902
Debt service	197,151	-	197,151
Other	-	11,623	11,623
Unrestricted	(4,467,274)	3,683,788	(783,486)
<b>Total net position</b>	<b>\$ 90,269,834</b>	<b>\$ 4,171,980</b>	<b>\$ 94,441,814</b>

See Notes to Basic Financial Statements.

**Pleasant Valley Community School District**

**Statement of Activities  
Year Ended June 30, 2025**

Functions/Programs	Expenses
Governmental activities:	
Instruction:	
Regular instruction	\$ 34,904,601
Special instruction	9,712,145
Other	7,431,469
	<u>52,048,215</u>
Support services:	
Student services	2,780,268
Instructional staff services	5,399,437
Administration services	7,027,373
Operation and maintenance of plant services	5,338,614
Transportation services	2,862,275
	<u>23,407,967</u>
Noninstructional programs	<u>36,999</u>
Other:	
Long term debt interest	1,847,666
AEA flowthrough	2,197,984
	<u>4,045,650</u>
Total governmental activities	<u>79,538,831</u>
Business-type activities:	
Noninstructional programs:	
Student construction	-
Food service operations	3,304,100
Total business-type activities	<u>3,304,100</u>
Total	<u>\$ 82,842,931</u>
General revenues:	
Property tax levied for:	
General purposes	
Capital outlay	
Other specific purposes	
Utility excise tax	
Other tax	
Statewide sales and services tax	
Unrestricted state grants	
Revenue in lieu of taxes	
Unrestricted investment earnings	
Other, gain on sale of capital assets	
Total general revenues	
Transfers	
Total general revenues and transfers	
Change in net position	
Net position, beginning of year, as restated	
Net position, end of year	
See Notes to Basic Financial Statements.	

Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 3,848,991	\$ 9,251,673	\$ -	\$ (21,803,937)	\$ -	\$ (21,803,937)
619,645	22,502	-	(9,069,998)	-	(9,069,998)
237,603	61,352	-	(7,132,514)	-	(7,132,514)
4,706,239	9,335,527	-	(38,006,449)	-	(38,006,449)
-	-	-	(2,780,268)	-	(2,780,268)
504,661	-	-	(4,894,776)	-	(4,894,776)
594,054	-	12,500	(6,420,819)	-	(6,420,819)
38,963	-	-	(5,299,651)	-	(5,299,651)
-	68,728	-	(2,793,547)	-	(2,793,547)
1,137,678	68,728	12,500	(22,189,061)	-	(22,189,061)
-	-	-	(36,999)	-	(36,999)
-	-	-	(1,847,666)	-	(1,847,666)
-	2,197,984	-	-	-	-
-	2,197,984	-	(1,847,666)	-	(1,847,666)
5,843,917	11,602,239	12,500	(62,080,175)	-	(62,080,175)
-	12,500	-	-	12,500	12,500
2,240,697	1,084,270	-	-	20,867	20,867
2,240,697	1,096,770	-	-	33,367	33,367
\$ 8,084,614	\$ 12,699,009	\$ 12,500	(62,080,175)	33,367	(62,046,808)
			23,148,379	-	23,148,379
			3,802,517	-	3,802,517
			1,794,406	-	1,794,406
			620,068	-	620,068
			1,603	-	1,603
			7,324,934	-	7,324,934
			31,335,685	-	31,335,685
			222,162	-	222,162
			2,091,275	175,119	2,266,394
			4,019	-	4,019
			70,345,048	175,119	70,520,167
			52,300	(52,300)	-
			70,397,348	122,819	70,520,167
			8,317,173	156,186	8,473,359
			81,952,661	4,015,794	85,968,455
			\$ 90,269,834	\$ 4,171,980	\$ 94,441,814

**Pleasant Valley Community School District**

**Balance Sheet  
Governmental Funds  
June 30, 2025**

	General	Capital Projects	Nonmajor	Total
<b>Assets</b>				
Cash and pooled investments	\$ 23,824,306	\$ 11,566,484	\$ 7,941,140	\$ 43,331,930
Receivables:				
Property tax:				
Current year	89,494	14,578	6,979	111,051
Succeeding year	20,040,000	3,700,000	1,770,000	25,510,000
Accounts	8,983	-	4,075	13,058
Due from other governments	2,143,444	768,145	-	2,911,589
Prepaid items	136,765	338,172	191,481	666,418
<b>Total assets</b>	<b>\$ 46,242,992</b>	<b>\$ 16,387,379</b>	<b>\$ 9,913,675</b>	<b>\$ 72,544,046</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 396,902	\$ 2,778,853	\$ 88,277	\$ 3,264,032
Salaries and benefits payable	7,105,948	-	19,339	7,125,287
Due to other governments	1,953,253	-	-	1,953,253
Unearned revenue	8,081	-	-	8,081
<b>Total liabilities</b>	<b>9,464,184</b>	<b>2,778,853</b>	<b>107,616</b>	<b>12,350,653</b>
Deferred Inflows of Resources:				
Unavailable revenue:				
Succeeding year property tax	20,040,000	3,700,000	1,770,000	25,510,000
<b>Total deferred inflows of resources</b>	<b>20,040,000</b>	<b>3,700,000</b>	<b>1,770,000</b>	<b>25,510,000</b>
Fund balances:				
Nonspendable	136,765	338,172	191,481	666,418
Restricted for:				
Categorical funding	998,475	-	-	998,475
Management levy	-	-	4,377,910	4,377,910
Physical plant and equipment levy	-	345,845	-	345,845
School infrastructure	-	9,224,509	-	9,224,509
Student activity purposes	-	-	833,617	833,617
Debt service	-	-	2,633,051	2,633,051
Assigned primarily for transportation	3,648,794	-	-	3,648,794
Unassigned	11,954,774	-	-	11,954,774
<b>Total fund balances</b>	<b>16,738,808</b>	<b>9,908,526</b>	<b>8,036,059</b>	<b>34,683,393</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 46,242,992</b>	<b>\$ 16,387,379</b>	<b>\$ 9,913,675</b>	<b>\$ 72,544,046</b>

See Notes to Basic Financial Statements.

**Pleasant Valley Community School District**

**Reconciliation of Total Governmental Fund Balances to Net  
Position of Governmental Activities  
June 30, 2025**

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Total fund balances of governmental funds \$ 34,683,393

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial resources and, therefore,  
are not reported as assets in the governmental funds. 126,614,195

The Internal Service Fund is used to charge costs of the District's self-funded insurance  
plan to the governmental funds. The net position of the Internal Service Fund is therefore  
included under governmental activities. 4,860,491

Pension and OPEB related deferred outflows of resources and deferred inflows of resources  
are not due and payable in the current year and, therefore, are not reported in the  
governmental funds, as follows:

Deferred outflows of resources related to pension	6,181,859
Deferred inflows of resources related to pension	(10,008)
Deferred inflows of resources related to OPEB	(1,495,516)
Deferred outflows of resources related to OPEB	1,309,253

Long-term liabilities, including bonds payable and compensated absences, are not  
due and payable in the current period and, therefore, are not reported as liabilities  
in the governmental funds.

Revenue bonds	(42,765,000)
General obligation bonds	(6,410,000)
Premium on issuance of bonds	(1,085,035)
Accrued interest	(16,025)
Lease obligations	(200,266)
IT subscription obligations	(43,910)
Equipment note	(315,936)
Early retirement	(427,376)
Compensated absences	(9,224,868)
OPEB liability	(5,629,612)
Pension liability	(15,755,805)

<b>Net position of governmental activities</b>	<b>\$ 90,269,834</b>
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See Notes to Basic Financial Statements.

Pleasant Valley Community School District

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2025

	General	Capital Projects	Nonmajor	Total
Revenues:				
Local sources:				
Property tax	\$ 23,148,379	\$ 3,802,517	\$ 1,794,406	\$ 28,745,302
Utility excise tax	490,623	85,435	44,010	620,068
Other tax	1,268	221	114	1,603
Tuition	3,808,293	-	-	3,808,293
Other	1,521,254	975,610	1,508,686	4,005,550
State sources	41,497,287	7,355,544	15,768	48,868,599
Federal sources	1,220,725	395,696	-	1,616,421
<b>Total revenues</b>	<b>71,687,829</b>	<b>12,615,023</b>	<b>3,362,984</b>	<b>87,665,836</b>
Expenditures:				
Current:				
Instruction	45,775,294	980,738	1,437,496	48,193,528
Support services:				
Student services	2,851,940	-	4,823	2,856,763
Instructional staff services	5,503,832	-	52,580	5,556,412
Administration services	6,643,830	53,715	93,924	6,791,469
Operation and maintenance of plant services	4,093,435	526,826	875,147	5,495,408
Transportation services	2,854,497	-	9,581	2,864,078
	21,947,534	580,541	1,036,055	23,564,130
Noninstructional programs	1,604	7,479	27,916	36,999
Other expenditures:				
Facilities acquisition	-	20,021,616	-	20,021,616
AEA flowthrough	2,197,984	-	-	2,197,984
	2,197,984	20,021,616	-	22,219,600
Debt service:				
Principal	-	-	5,994,890	5,994,890
Interest and fiscal charges	-	37,700	2,102,696	2,140,396
	-	37,700	8,097,586	8,135,286
<b>Total expenditures</b>	<b>69,922,416</b>	<b>21,628,074</b>	<b>10,599,053</b>	<b>102,149,543</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,765,413</b>	<b>(9,013,051)</b>	<b>(7,236,069)</b>	<b>(14,483,707)</b>

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	General	Capital Projects	Nonmajor	Total
Other financing sources (uses):				
Issuance of equipment lease	-	407,928	-	407,928
Interfund transfers in	52,300	2,552,091	8,132,223	10,736,614
Interfund transfers (out)	(58,176)	(10,404,047)	(222,091)	(10,684,314)
Proceeds from sale of capital assets	14,196	-	-	14,196
<b>Total other financing sources (uses)</b>	<b>8,320</b>	<b>(7,444,028)</b>	<b>7,910,132</b>	<b>474,424</b>
<b>Net change in fund balance</b>	<b>1,773,733</b>	<b>(16,457,079)</b>	<b>674,063</b>	<b>(14,009,283)</b>
Fund balances, beginning of year	14,965,075	26,365,605	7,361,996	48,692,676
Fund balances, end of year	<u>\$ 16,738,808</u>	<u>\$ 9,908,526</u>	<u>\$ 8,036,059</u>	<u>\$ 34,683,393</u>

See Notes to Basic Financial Statements.

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**Pleasant Valley Community School District**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2025**

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Net change in fund balances - total governmental funds \$ (14,009,283)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the Statement of Net Position and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation/amortization expense in the year are as follows:

Capital outlay	\$ 20,212,721	
Depreciation and amortization expense	(4,526,743)	15,685,978
Proceeds from the sale of capital assets	(14,196)	
Gain on sale of capital assets	4,019	(10,177)

The increase in net position of the Internal Service Fund represents an overcharge to the governmental funds and is incorporated into the change in net position of governmental activities. 297,489

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position

Repayment of revenue bond and general obligation bond principal	5,810,000	
Amortization of premium	94,311	
Payment of lease obligations	70,311	
Payment of IT subscription liability	22,587	
Issuance of equipment note	(407,928)	
Payment of equipment note	91,992	
Interest expense	198,419	
Pension expense	1,857,206	
Early retirement	96,967	
Compensated absences	(925,330)	
OPEB liability	(555,369)	6,353,166

**Change in net position of governmental activities \$ 8,317,173**

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See Notes to Basic Financial Statements.

Pleasant Valley Community School District

Statement of Net Position

Proprietary Funds

June 30, 2025

	Business-Type Activities, Enterprise Funds			Governmental Activities, Internal Service Fund
	Nonmajor		Total	
	Nutrition	Student Construction		
<b>Assets</b>				
Current:				
Cash and cash equivalents	\$ 4,287,089	\$ -	\$ 4,287,089	\$ 4,486,955
Accounts receivable	779	-	779	933,089
Due from other governments	-	-	-	-
Inventories	17,895	-	17,895	-
Prepaid items	11,483	-	11,483	-
Assets held for sale	-	107,578	107,578	-
<b>Total current assets</b>	<b>4,317,246</b>	<b>107,578</b>	<b>4,424,824</b>	<b>5,420,044</b>
Noncurrent:				
Capital assets, net of accumulated depreciation	476,569	-	476,569	-
<b>Total assets</b>	<b>4,793,815</b>	<b>107,578</b>	<b>4,901,393</b>	<b>5,420,044</b>
<b>Deferred Outflows of Resources:</b>				
Pension related deferred outflows	121,658	-	121,658	-
OPEB related deferred outflows	54,552	-	54,552	-
<b>Total deferred outflows of resources</b>	<b>176,210</b>	<b>-</b>	<b>176,210</b>	<b>-</b>
<b>Liabilities</b>				
Current:				
Accounts payable	31,082	9,857	40,939	46,949
Salaries and benefits payable	1,672	-	1,672	-
Claims incurred but not reported	-	-	-	512,604
Unearned revenue, other	105,881	-	105,881	-
Compensated absences	58,494	-	58,494	-
OPEB liability	5,150	-	5,150	-
<b>Total current liabilities</b>	<b>202,279</b>	<b>9,857</b>	<b>212,136</b>	<b>559,553</b>
Noncurrent:				
Compensated absences	91,489	-	91,489	-
OPEB liability	229,417	-	229,417	-
Pension liability	310,071	-	310,071	-
<b>Total noncurrent liabilities</b>	<b>630,977</b>	<b>-</b>	<b>630,977</b>	<b>-</b>
<b>Total liabilities</b>	<b>833,256</b>	<b>9,857</b>	<b>843,113</b>	<b>559,553</b>
<b>Deferred Inflows of Resources:</b>				
Pension related deferred inflows	197	-	197	-
OPEB related deferred inflows	62,313	-	62,313	-
<b>Total deferred inflows of resources</b>	<b>62,510</b>	<b>-</b>	<b>62,510</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	476,569	-	476,569	-
Restricted, for food service	11,623	-	11,623	-
Unrestricted	3,586,067	97,721	3,683,788	4,860,491
<b>Total net position</b>	<b>\$ 4,074,259</b>	<b>\$ 97,721</b>	<b>\$ 4,171,980</b>	<b>\$ 4,860,491</b>

See Notes to Basic Financial Statements.

**Pleasant Valley Community School District**

**Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
Year Ended June 30, 2025**

	<u>Business-Type Activities, Enterprise Funds</u>			
	<u>Nonmajor</u>			Internal Service Fund
	Nutrition	Student Construction	Total	
Operating revenues:				
Local sources, charges for services	\$ 2,240,697	\$ -	\$ 2,240,697	\$ 7,301,267
Operating expenses:				
Support services:				
Purchased services	-	-	-	7,088,425
Other	-	-	-	49,202
	-	-	-	7,137,627
Noninstructional programs:				
Salaries	902,645	-	902,645	-
Benefits	261,800	-	261,800	-
Purchased services	40,251	-	40,251	-
Supplies	2,014,551	-	2,014,551	-
Depreciation	78,105	-	78,105	-
Other	6,748	-	6,748	-
	3,304,100	-	3,304,100	-
<b>Total operating expenses</b>	3,304,100	-	3,304,100	7,137,627
<b>Operating income (loss)</b>	(1,063,403)	-	(1,063,403)	163,640
Nonoperating revenues:				
Interest on investments	175,119	-	175,119	133,849
Local sources	-	12,500	12,500	-
State sources	19,145	-	19,145	-
Federal sources	1,065,125	-	1,065,125	-
<b>Total nonoperating revenues</b>	1,259,389	12,500	1,271,889	133,849
<b>Income before transfers</b>	195,986	12,500	208,486	297,489
Transfers out	(52,300)	-	(52,300)	-
<b>Change in net position</b>	143,686	12,500	156,186	297,489
Net position, beginning of year, as restated	3,930,573	85,221	4,015,794	4,563,002
Net position, end of year	\$ 4,074,259	\$ 97,721	\$ 4,171,980	\$ 4,860,491

See Notes to Basic Financial Statements.

Pleasant Valley Community School District

Statement of Cash Flows  
 Proprietary Funds  
 Year Ended June 30, 2025

	<u>Business-Type Activities, Enterprise Funds</u>			
	<u>Nonmajor</u>		Total	Internal Service Fund
	Nutrition	Student Construction		
Cash flows from operating activities:				
Cash received from sale of lunches and breakfasts	\$ 2,158,648	\$ -	\$ 2,158,648	\$ -
Cash received from miscellaneous operating activities	-	-	-	7,263,094
Cash payments to employees for services	(1,145,894)	-	(1,145,894)	-
Cash payments to suppliers for goods or services	(1,789,123)	(12,500)	(1,801,623)	(7,290,577)
<b>Net cash provided by (used in) operating activities</b>	<b>(776,369)</b>	<b>(12,500)</b>	<b>(788,869)</b>	<b>(27,483)</b>
Cash flows from noncapital financing activities:				
Transfers to other funds	(52,300)	-	(52,300)	-
Proceeds from other funds	(795)	-	(795)	-
Local grants received	-	12,500	12,500	-
State grants received	19,145	-	19,145	-
Federal grants received	835,782	-	835,782	-
<b>Net cash provided by noncapital financing activities</b>	<b>801,832</b>	<b>12,500</b>	<b>814,332</b>	<b>-</b>
Cash flows (used in) capital related financing activities,				
Acquisition of capital assets	(48,565)	-	(48,565)	-
<b>Net cash (used in) capital related financing activities</b>	<b>(48,565)</b>	<b>-</b>	<b>(48,565)</b>	<b>-</b>
Cash flows from investing activities,				
interest on investments	175,119	-	175,119	133,849
<b>Net increase in cash and cash equivalents</b>	<b>152,017</b>	<b>-</b>	<b>152,017</b>	<b>106,366</b>
Cash and cash equivalents, beginning of year	4,135,072	-	4,135,072	4,380,589
Cash and cash equivalents, end of year	<u>\$ 4,287,089</u>	<u>\$ -</u>	<u>\$ 4,287,089</u>	<u>\$ 4,486,955</u>

(Continued)

Pleasant Valley Community School District

Statement of Cash Flows (Continued)

Proprietary Funds

Year Ended June 30, 2025

	<u>Business-Type Activities, Enterprise Funds</u>			
	<u>Nonmajor</u>		Total	Internal Service Fund
	Nutrition	Student Construction		
Reconciliation of operating income (loss) to net cash (used in) operating activities:				
Operating income (loss)	\$(1,063,403)	\$ -	\$(1,063,403)	\$ 163,640
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:				
Depreciation	78,105	-	78,105	-
Commodities used	242,285	-	242,285	-
(Increase) decrease in accounts receivable	524	-	524	(38,173)
Decrease in inventories	2,291	-	2,291	-
Decrease in prepaid items	4	-	4	-
(Increase) in assets held for resale	-	(2,685)	(2,685)	-
Increase (decrease) in accounts payable	27,847	(9,815)	18,032	44,568
(Decrease) in salaries and benefits payable	(1,001)	-	(1,001)	-
Increase in compensated absences	30,584	-	30,584	-
Increase in OPEB liability and related deferrals	23,140	-	23,140	-
(Decrease) in pension and related deferrals	(34,172)	-	(34,172)	-
(Decrease) in claims incurred but not reported	-	-	-	(197,518)
(Decrease) in unearned revenue	(82,573)	-	(82,573)	-
<b>Net cash (used in) operating activities</b>	<b>\$ (776,369)</b>	<b>\$ (12,500)</b>	<b>\$ (788,869)</b>	<b>\$ (27,483)</b>
Schedule of noncash items:				
Noncapital financing activities, federal commodities	\$ 242,285	\$ -	\$ 242,285	\$ -

See Notes to Basic Financial Statements.

**Pleasant Valley Community School District**

**Statement of Fiduciary Net Position**

**Fiduciary Fund**

**June 30, 2025**

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	<u>Custodial</u>
<b>Assets</b>	
Cash and pooled investments	<u>\$ 40,085</u>
<b>Liabilities</b>	
Accounts payable	<u>\$ 2,731</u>
<b>Net position</b>	<u><u>\$ 37,354</u></u>

See Notes to Basic Financial Statements.

Pleasant Valley Community School District

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended June 30, 2025

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	<u>Custodial</u>
<b>Additions</b>	
Contributions	\$ 71,271
<b>Total additions</b>	<u>71,271</u>
<b>Deductions</b>	
Administrative expenses	<u>67,375</u>
<b>Total deductions</b>	<u>67,375</u>
<b>Change in net position</b>	3,896
Net position, beginning of the year	<u>33,458</u>
Net position, end of the year	<u><u>\$ 37,354</u></u>

See Notes to Basic Financial Statements.

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## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies

Pleasant Valley Community School District (the District) is a political subdivision of the state of Iowa and operates public schools for children in grades kindergarten through twelve. The District also operates a preschool program. The geographic area served includes the Township of Pleasant Valley, Iowa, the City of LeClaire, Iowa, portions of the City of Bettendorf, Iowa and portions of the agricultural territory of Scott County. The District is governed by a Board of Education whose members are elected on a nonpartisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

#### Reporting entity:

For financial reporting purposes, Pleasant Valley Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the District. Pleasant Valley Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly governed organizations: The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Scott County Assessor's Conference Board.

#### Basis of presentation:

District-wide financial statements: The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's nonfiduciary assets, deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvements of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customer or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements: Separate financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities.

The other governmental funds of the District are considered nonmajor and are as follows:

Special Revenue Funds: Are used to account for the revenue sources that are legally restricted to expenditures for specific purposes:

The Management Fund accounts for tort liability insurance premiums, unemployment compensation insurance claims and early retirement incentive payments.

The Student Activity Fund accounts for money held by the District on behalf of the students who have raised these funds and are responsible for their disposition for co-curricular to extracurricular activities of the District.

Debt Service Fund: Accounts for the accumulation of resources for, and the payment of, long- term debt principal, interest and related costs. Revenue of the fund primarily consists of local property taxes.

Proprietary fund types are used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows. The District has two types of proprietary funds, enterprise funds and an internal service fund.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Enterprise funds are used to account for those operations that are financed and operating in a manner similar to private business or where the District has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The Nutrition Fund is a major enterprise fund which accounts for the food service operations of the District.

The District's nonmajor enterprise fund is the Student Construction Fund accounts for grant funding to build an aircraft with neighboring districts. The aircraft will be built and held for a year under FAA guidelines and then sold with the proceeds from the sale of the aircraft used to build the next aircraft.

The Internal Service Fund is used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District's Internal Service Fund is used to account for the premium and claim payments for the self-insured health insurance plans for District employees.

The District also reported fiduciary funds which focus on net position and changes in net position. The District's fiduciary funds include the following:

The Custodial Fund is used to account for assets held by the District as an agent for individuals, private organizations and other governments. These are funds of District employee for purchases of pop, funeral flowers, and related expenditures.

#### Measurement focus and basis of accounting:

The District-wide financial statements and the proprietary and fiduciary fund 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. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year-end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under leases and subscription agreements are reported as other financing sources.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Proprietary funds distinguished operating revenues and expenses from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **Assets, deferred outflows of resources, liabilities, deferred inflows of resources and fund equity:**

The following accounting policies are followed in preparing the financial statements:

Cash, pooled investments and cash equivalents: The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for short-term nonnegotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and, at the day of purchase, have maturity date no longer than three months.

Property tax receivable: Property tax in governmental funds is accounted for using the modified accrual basis of accounting. Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Current year property tax receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is a deferred inflow of resources in both the District-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied. The property tax revenue recognized in these funds was due and collectible in September and March of the fiscal year with 1½ percent per month penalty for delinquent payments; is based on January 1, 2023 assessed property valuations; is for the tax accrual period July 1, 2024 through June 30, 2025 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2024.

Due from other governments: Due from other governments represents amounts due from the state of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories: Inventories are valued at cost using the first-in, first-out method for purchased items and governmental commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Prepaid items: The District accounts for the prepaid items by using the purchases method.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

Capital assets: Capital assets, which include property, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the District-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at acquisition 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 asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	\$ 1
Buildings	25,000
Improvements other than buildings	25,000
Intangibles	100,000
Furniture and equipment:	
School Nutrition Fund equipment	300
Other furniture and equipment	2,500

Capital assets are depreciated using the straight-line method of depreciation over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	20 - 40 years
Improvements other than buildings	15 - 40 years
Furniture and equipment	5 - 15 years

Salaries and benefits payable: Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Unearned revenue: Unearned revenue consists primarily of school registration fees, activity fees and meal revenues collected for the programs and services in the next school year.

Compensated absences: District employees accumulate a limited amount of earned but unused vacation, sick leave, and personal leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The District estimates the compensated absences liability for leave benefits that are more likely than not to be used or otherwise paid or settled based on historical information on employees use or payment of the benefits provided. The liability is measured using the pay rates in effect at year-end, the measurement date, and includes salary-related payments that are directly and incrementally associated with the leave liability measurement.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Leases: The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the governmental activities of the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs to place the asset in service. Subsequently, the lease asset is amortized on a straight-line basis over the life of the lease.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Subscription-Based Information Technology Arrangements (SBITA) – The District has entered into a contract that conveys control of the right to use information technology software. The District has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements.

At the commencement of the IT subscription term, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use IT subscription asset is initially measured as the sum of the initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalized implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to IT subscription arrangements include how the District determines the discount rate it uses to discount the expected payments to present value, term and payments.

The District uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

The District monitors changes in circumstances that would require a remeasurement of its IT subscription and will remeasure the right-to-use IT subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

Total OPEB Liability: For purposes of measuring total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the District's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Enterprise Fund.

Pensions — For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Cash flows: For the purpose of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Deferred outflows/inflows of resources: In addition to assets, the balance sheet and/or statement of financial 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 (expenses/expenditures) until then. The District's deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period and OPEB related deferred outflows.

In addition to liabilities, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources consist of deferred revenue, unrecognized items not yet charged to pension expense and other postemployment benefits.

The District reports unavailable revenue in the governmental funds balance sheet from grants and property tax. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. In the District's government-wide statements, only the succeeding year property tax revenue remains as a deferred inflow of resources under the full accrual basis of accounting and will become an inflow in the year for which levied. The District also reports pension and OPEB related deferred outflows in the government-wide statements and the proprietary fund statements.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Fund equity: In the governmental fund financial statements fund balances are classified as follows:

**Nonspendable**: Balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

**Restricted**: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

**Committed**: Amounts which can be used only for specific purposes determined pursuant to constraints formally imposed by the Board of Education through resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same action it employed to commit those amounts.

**Assigned**: Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The authority to assign fund balances has been delegated to the Chief Financial Officer by the Board of Education. The District has assigned \$3,487,960 primarily for transportation. Unlike commitments, assignments only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

**Unassigned**: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expenditure toward restricted fund balance and then to less restrictive classifications –assigned and then unassigned fund balances.

Net position: In proprietary funds, fiduciary funds, and government-wide financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. As of June 30, 2025, the District had \$10,387,394 of unspent bond proceeds. Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net position restricted by enabling legislation as of June 30, 2025 consists of \$998,475 for categorical funding, \$4,560,106 for management levy purposes, \$625,818 for physical plant and equipment levy, \$4,110,067 for school infrastructure, \$842,902 for student activity purposes, \$197,151 for debt service and \$11,623 for food service.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Net position flow assumption: Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Interfund activity: Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### **Budgets and budgetary control:**

In accordance with the Code of Iowa, the District's Board of Education annually adopts a single district-wide budget and approves the related appropriations following required public notice and hearing for all funds. The budgets and related appropriations as well as the financial statements are prepared on the modified accrual basis or accrual basis of accounting. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control for the certified budget is based upon four major classes of disbursement known as functional areas, not by fund. These four functional areas are instruction, support services, noninstructional programs and other expenditures. The Code of Iowa also provides that District disbursements in the General Fund may not exceed the amount authorized by the school finance formula. The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2025, expenditures did not exceed the amounts budgeted.

#### Note 2. Cash and Pooled Investments

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

As of June 30, 2025, the book balance of the District's cash deposits at financial institutions and deposits totaled \$39,332,857 and the bank balances totaled \$39,368,124. The District also had \$12,090 cash on hand and \$23,177 cash with fiscal agent. The fair value measurement for the District's treasury bills of \$915,735 are valued by the broker based on quoted market prices of similar assets (Level 2 inputs.)

The District does not have a separate interest rate risk policy from state statutes.

The District 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.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

#### Note 2. Cash and Pooled Investments (Continued)

As of June 30, 2025, the District's investments were as follows:

	Investment Maturities (in Years)					Level Input	Rating	
	Fair Value	Less than 1	1-5	6-10	>10		Standard & Poor	Fitch
Investment Pools, Iowa Schools Joint								
Investment Trust, DVF	\$ 6,529,408	\$ 6,529,408	\$ -	\$ -	\$ -	N/A	AAAm	N/A
Treasury Bills	915,735	915,735	-	-	-	2	AA+	AAA
Certificate of Deposits	5,332,792	5,332,792	-	-	-	N/A	N/A	N/A
Total	<u>\$ 12,777,935</u>	<u>\$ 12,777,935</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

At June 30, 2025, the District had investments in the Iowa Schools Joint Investment Trust (ISJIT) Diversified Fund and money market funds which are valued at amortized cost of \$6,529,408 pursuant to Rule 2a-7 under the investment Company Act of 2040. There were no limitations or restrictions on withdrawals of the ISJIT investments.

**Credit Risk:** Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. The District has no formal investment policy that would limit its investment choices to items other than those allowed by Iowa law. The credit ratings related to the Iowa Schools Joint Investment Trust and Treasury Bills are disclosed in the chart above.

**Concentration of Credit Risk:** The District's investment policy does not allow for a prime bankers' acceptance or commercial paper and other corporate debt balances to be greater than 10 percent of its total deposits and investments. The policy also limits the amount that can be invested in a single issue to 5 percent of its total deposits and investments. The District did not hold any commercial paper or other corporate debt as of June 30, 2025.

**Custodial Credit Risk Deposits:** In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's deposits are entirely covered by federal depository insurance of by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

**Custodial Credit Risk Investments:** For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District had no custodial credit risk with regards to investments as all investments were held by the District or its agent in the District's name.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 3. Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2025 is as follows:

	Transfer in	Transfer out
General	\$ 52,300	\$ 58,176
Capital projects fund	2,552,091	10,404,047
Nonmajor governmental fund, Debt Service	8,098,961	212,091
Student Activity	33,262	10,000
Major enterprise fund, Nutrition	-	52,300
	<u>\$ 10,736,614</u>	<u>\$ 10,736,614</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. Transfers from the Capital Projects Fund to the Debt Service Fund are to make principal and interest payments on the District's revenue bonds. Transfers from the General Fund to the Debt Service Fund are to make principal and interest payments on the District's subscription based information technology arrangements and lease agreements.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

**Note 4. Capital Assets**

Capital assets activity for the year ended June 30, 2025 is as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,298,692	\$ -	\$ -	\$ 2,298,692
Construction in progress	18,317,847	18,340,952	180,022	36,478,777
<b>Total capital assets not being depreciated</b>	<b>20,616,539</b>	<b>18,340,952</b>	<b>180,022</b>	<b>38,777,469</b>
Capital assets being depreciated and amortized:				
Buildings	131,228,207	253,353	-	131,481,560
Improvements other than buildings	12,280,333	1,020,425	83,550	13,217,208
Furniture and equipment	9,972,628	677,448	33,128	10,616,948
Intangible right to use lease equipment	344,028	-	47,851	296,177
Intangible right to use subscription asset	657,861	100,565	104,033	654,393
<b>Total capital assets being depreciated and amortized</b>	<b>154,483,057</b>	<b>2,051,791</b>	<b>268,562</b>	<b>156,266,286</b>
Less accumulated depreciation and amortization for:				
Buildings	48,562,710	3,286,127	-	51,848,837
Improvements other than buildings	6,755,064	680,382	81,908	7,353,538
Furniture and equipment	8,423,401	373,495	24,593	8,772,303
Intangible right to use lease equipment	77,997	71,275	47,851	101,421
Intangible right to use subscription asset	342,030	115,464	104,033	353,461
<b>Total accumulated depreciation and amortization</b>	<b>64,161,202</b>	<b>4,526,743</b>	<b>258,385</b>	<b>68,429,560</b>
<b>Total capital assets being depreciated and amortized, net</b>	<b>90,321,855</b>	<b>(2,474,952)</b>	<b>10,177</b>	<b>87,836,726</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 110,938,394</b>	<b>\$ 15,866,000</b>	<b>\$ 190,199</b>	<b>\$ 126,614,195</b>
Business-type activities:				
Furniture and equipment	\$ 1,882,653	\$ 48,565	\$ 11,601	\$ 1,919,617
Less accumulated depreciation	1,376,544	78,105	11,601	1,443,048
<b>Business-type activities capital assets, net</b>	<b>\$ 506,109</b>	<b>\$ (29,540)</b>	<b>\$ -</b>	<b>\$ 476,569</b>

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

**Note 4. Capital Assets (Continued)**

Depreciation and amortization expense was charged by the District to the following functions:

Governmental activities:

Instruction	\$	4,261,673
Support services:		
Administration		152,125
Operation and maintenance of plant services		112,945
<b>Total governmental activities depreciation and amortization expense</b>	<b>\$</b>	<b>4,526,743</b>

Business-type activities, food service operations	\$	78,105
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**Note 5. Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2025 is as follows:

	Restated Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Revenue bonds, Series 2016	\$ 3,980,000	\$ -	\$ 765,000	\$ 3,215,000	\$ 780,000
Revenue bonds, Series 2017	6,025,000	-	1,150,000	4,875,000	1,175,000
Revenue bonds, Series 2018	9,375,000	-	1,780,000	7,595,000	1,830,000
Revenue bonds, Series 2024	27,180,000	-	100,000	27,080,000	100,000
Premium on revenue bonds	1,002,625	-	50,131	952,494	50,131
Private Placement, GO bonds, Series 2018	8,425,000	-	2,015,000	6,410,000	2,075,000
Premium on GO bonds	176,721	-	44,180	132,541	44,180
Equipment note	-	407,928	91,992	315,936	315,936
Lease obligations	270,577	-	70,311	200,266	58,519
IT subscription obligations	66,497	-	22,587	43,910	14,018
Early retirement	524,343	266,953	363,920	427,376	293,900
Compensated absences	8,299,538	925,330	-	9,224,868	2,767,460
Total OPEB liability	5,385,957	243,655	-	5,629,612	123,611
Pension liability	19,373,138	-	3,617,333	15,755,805	-
<b>Total</b>	<b>\$ 90,084,396</b>	<b>\$ 1,843,866</b>	<b>\$ 10,070,454</b>	<b>\$ 81,857,808</b>	<b>\$ 9,627,755</b>
Business-type activities:					
Compensated absences	\$ 119,398	\$ 30,585	\$ -	149,983	\$ 58,494
Total OPEB liability	224,415	10,152	-	234,567	5,150
Pension liability	377,232	-	67,161	310,071	-
<b>Total</b>	<b>\$ 721,045</b>	<b>\$ 40,737</b>	<b>\$ 67,161</b>	<b>\$ 694,621</b>	<b>\$ 63,644</b>

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 5. Long-Term Liabilities (Continued)

General obligation bonds: In October 2018, the District issued \$17,640,000 General Obligation School Capital Loan Notes, Series 2018 for capital facility construction/building improvement purposes. The bonds provide for the serial retirement of principal payable annually on June 1 and interest due semiannually at 3% with maturity on June 1, 2028. The general obligation bonds will be paid through voter-approved physical plant and equipment property tax. Annual Debt Service requirements of the general obligation bonded indebtedness are as follows:

Year ending June 30:	Direct Borrowing and Direct Placement General Obligation School Capital Loan Notes, Series 2018		
	Principal	Interest	Total
2026	\$ 2,075,000	\$ 192,300	\$ 2,267,300
2027	2,135,000	130,050	2,265,050
2028	2,200,000	66,000	2,266,000
<b>Totals</b>	<b>\$ 6,410,000</b>	<b>\$ 388,350</b>	<b>\$ 6,798,350</b>

#### Revenue bonds:

In October 2016, the District issued \$10,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2016 for capital improvements to school buildings. Bond principal is payable annually on July 1 beginning July 1, 2018 through July 1, 2029. The bonds have an interest rate of 1.96 percent. Interest is payable semiannually on January 1 and July 1 until maturity. The bonds are payable solely from the revenues of the statewide sales, services and use tax. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the bonds as of June 30, 2025 is \$3,374,152. During the year ended June 30, 2025, \$765,000 principal was paid and \$78,008 of interest was paid on the bonds.

In October 2017, the District issued \$10,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017 for capital improvements to school buildings. Bond principal is payable annually on July 1, beginning July 1, 2018 through July 1, 2029. The bonds have an interest rate of 1.94 percent. Interest is payable semiannually on January 1 and July 1 until maturity. The bonds are payable solely from the revenues of the statewide sales, services and use tax. The bonds are not general obligations of the District. The total remaining principal and interest remaining to be paid on the bonds as of June 30, 2025 is \$5,114,202. During the year ended June 30, 2025, \$1,150,000 principal was paid and \$116,460 of interest was paid on the bonds.

In October 2018, the District issued \$14,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2018 for capital improvements to school buildings. Bond principal is payable annually on July 1, beginning July 1, 2020 through July 1, 2029. The bonds have an interest rate of 2.93 percent. Interest is payable semiannually on January 1 and July 1 until maturity. The bonds are payable solely from the revenues of the statewide sales, services and use tax. The bonds are not general obligations of the District. The total remaining principal and interest remaining to be paid on the bonds as of June 30, 2025 is \$8,158,000. During the year ended June 30, 2025, \$1,780,000 principal was paid and \$273,699 of interest was paid on the bonds.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

#### Note 5. Long-Term Liabilities (Continued)

In May 2024, the District issued \$27,180,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2024 to construct, furnish and equip an addition to the High School building and renovate and improve portions of the existing High School building. Bond principal is payable annually on July 1, beginning July 1, 2025 through July 1, 2044. The bonds have an interest rate ranging from 4.0-5.0 percent. Interest is payable semiannually on January 1 and July 1 until maturity. The bonds are payable solely from the revenues of the statewide sales, services and use tax. The bonds are not general obligations of the District. The total remaining principal and interest remaining to be paid on the bonds as of June 30, 2025 is \$42,811,050. During the year ended June 30, 2025, \$100,000 principal was paid and \$1,371,103 of interest was paid on the bonds.

During the year ended June 30, 2025 the statewide sales, services, and use tax revenues were \$7,324,934 for the year ended June 30, 2025. The pledge of statewide sales, service and use tax revenues for this bond and parity bonds constitutes approximately 97% of annual statewide sales, service and use tax revenues of the District.

The resolutions providing for the issuance of the revenue bonds included the following provisions:

- All proceeds from the statewide sales, service and use tax shall be deposited into the revenue account.
- Monies in the revenue account shall first be disbursed to make deposits into the sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year. At June 30, 2025, there was \$2,443,956 deposited in the sinking account in the Debt Service Fund.
- If monies in the sinking fund exceed the required amount, the excess shall be transferred to the revenue account. At June 30, 2025, there was no amount deposited into a surplus account.

Annual debt service requirements on outstanding revenue bond indebtedness as of June 30, 2025, are as follows:

Year ending June 30:	Revenue Bonds, Series 2016		
	Principal	Interest	Total
2026	\$ 780,000	\$ 63,014	\$ 843,014
2027	795,000	47,726	842,726
2028	810,000	32,144	842,144
2029	830,000	16,268	846,268
<b>Totals</b>	<b>\$ 3,215,000</b>	<b>\$ 159,152</b>	<b>\$ 3,374,152</b>

Year ending June 30:	Revenue Bonds, Series 2017		
	Principal	Interest	Total
2026	\$ 1,175,000	\$ 94,575	\$ 1,269,575
2027	1,205,000	71,780	1,276,780
2028	1,235,000	48,403	1,283,403
2029	1,260,000	24,444	1,284,444
<b>Totals</b>	<b>\$ 4,875,000</b>	<b>\$ 239,202</b>	<b>\$ 5,114,202</b>

Pleasant Valley Community School District

Notes to Basic Financial Statements

Note 5. Long-Term Liabilities (Continued)

Year ending June 30:	Revenue Bonds, Series 2018		
	Principal	Interest	Total
2026	\$ 1,830,000	\$ 222,534	\$ 2,052,534
2027	1,875,000	168,914	2,043,914
2028	1,925,000	113,978	2,038,978
2029	1,965,000	57,574	2,022,574
<b>Totals</b>	<b>\$ 7,595,000</b>	<b>\$ 563,000</b>	<b>\$ 8,158,000</b>

Year ending June 30:	Revenue Bonds, Series 2024		
	Principal	Interest	Total
2026	\$ 100,000	\$ 1,190,150	\$ 1,290,150
2027	100,000	1,185,150	1,285,150
2028	100,000	1,180,150	1,280,150
2029	100,000	1,175,150	1,275,150
2030	1,265,000	1,170,150	2,435,150
2031-2035	7,335,000	5,186,250	12,521,250
2036-2040	9,250,000	3,310,850	12,560,850
2041-2044	8,830,000	1,333,200	10,163,200
<b>Totals</b>	<b>\$ 27,080,000</b>	<b>\$ 15,731,050</b>	<b>\$ 42,811,050</b>

Equipment Note: The District financed a scoreboard for \$407,928 in 2025 with an interest rate of 6.39%. The District paid \$91,992 of principal in 2025. The remaining principal and related interest will be paid in fiscal year 2026.

Leases: The District has entered into various lease agreements for printer and copier equipment. As of June 30, 2025, the value of the lease liability was \$200,266. The lease agreements have an interest rate of 3.5 percent with final maturity of all the agreements on June 30, 2029.

Year ending June 30:	Principal	Interest	Total
2026	\$ 58,519	\$ 6,077	\$ 64,596
2027	60,600	3,995	64,595
2028	59,331	1,845	61,176
2029	21,816	223	22,039
<b>Total</b>	<b>\$ 200,266</b>	<b>\$ 12,140</b>	<b>\$ 212,406</b>

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 5. Long-Term Liabilities (Continued)**

Subscription Based Information Technology Arrangements: The District has entered into various arrangements for subscription-based information technology. As of June 30, 2025, the liability was \$43,910. The arrangements have an interest rate of 3.5 percent with final maturity of all the arrangements on June 30, 2028. The future principal and interest payments as of June 30, 2025, were as follows:

Year ending June 30:	Principal	Interest	Total
2026	\$ 14,018	\$ 1,537	\$ 15,555
2027	14,612	1,046	15,658
2028	15,280	535	15,815
Total	\$ 43,910	\$ 3,118	\$ 47,028

As of June 30, 2025, the District did not exceed its legal debt margin computed as follows:

Total assessed valuation	\$ 4,725,288,292
Debt limit, 5% of total assessed valuation	\$ 236,264,415
Amount of debt applicable to debt limit:	
Bonded indebtedness	49,175,000
Equipment note	315,936
Lease obligations	200,266
IT subscription obligations	43,910
Total indebtedness	49,735,112
Legal debt margin	\$ 186,529,303

Early retirement: The District offered a voluntary early retirement plan to its certified, administrative and classified employees. Eligible employees must be at least age 55 and employees must have completed 15 years of service to the District. Employees must complete an application which is required to be approved by the Board of Education.

For administrative and certified personnel, the early retirement incentive for each eligible employee is equal to 50 percent of the employee's base salary calculated by using the current year regular salary schedule. For classified personnel, the early retirement incentive for each eligible employee is the product of 50 percent of the number of unused sick leave days (limited to a maximum number of days in the employee's letter of assignment) times the employee's hourly wage rate on the last day of employment times the daily hours worked.

As of June 30, 2025, the District had obligations to 20 participants with a total liability of \$427,376. Actual early retirement expenditures for the year ended June 30, 2025 totaled \$363,920. Early retirement is recorded as a long-term liability of the Governmental Activities in the District-wide financial statements. Early retirement obligations are generally liquidated by the Management Fund.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

**Note 6. Other Postemployment Benefits (OPEB)**

Plan description: The District’s defined benefit OPEB plan, Pleasant Valley Community School District Postemployment Plan Other Than Pensions (the Plan), provides postemployment benefits for eligible participants enrolled in its plans. The Plan is a single employer defined benefit OPEB plan administered by the District. Under Chapter 509A.13 of the Code of Iowa, “Group Insurance for Public Employees,” If a governing body has procured insurance for its employees, the governing body shall allow its employees who retired before the age of sixty-five years of age to continue participation in the group plan at the employee’s own expense until the employee attains sixty-five years of age. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Benefits provided: The Plan provides healthcare benefits including medical and prescription drug benefits for retirees and their dependents. Retiree health care coverage is available to pre-age 65 eligible retirees. All employees are required to contribute the full premium in order to continue coverage at retirement.

The full monthly premium rates as of July 1, 2024 for each plan are as shown below:

Rate Tier	Traditional
Single	\$ 645
Spouse	838

Employees covered by benefit terms: At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	12
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	435
	447

Total OPEB Liability: The District’s total OPEB liability of \$5,864,179 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024 rolled forward to June 30, 2025.

Actuarial assumptions and other inputs: The total OPEB liability in the roll forward actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified.

Inflation	3.00% per annum
Salary increases	4.00% per annum
Discount rate	4.81% per annum
Retirees' share of benefit-related costs	100%
Health care cost trend rate	5.00% reducing annually until reaching ultimate health care cost trend rate - 4.50%

The discount rate was based on the Bond Buyer 20-Bond GO index. Mortality rates were based on the PubT.H-2010 Teacher Mortality with Mortality Improvement using Scale MP-2020. The actuarial assumptions used in the June 30, 2025 roll forward valuation were based on the results of an actuarial experience study for the period 2010– 2021.

Pleasant Valley Community School District

Notes to Basic Financial Statements

Note 6. Other Postemployment Benefits (OPEB) (Continued)

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability (a)
Balance at June 30, 2024	\$ 5,610,372
Changes for the year:	
Service cost	429,201
Interest	233,486
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(280,119)
Benefit payments	(128,761)
Net changes	253,807
Balance at June 30, 2025	\$ 5,864,179

Changes of assumptions or other inputs reflect a change in the discount rate from 4.21% per annum in 2024 to 4.81% per annum in 2025. Rates of retirement, withdrawal, and disability were changed to those found in the Iowa Public Employees' Retirement System actuarial valuation report as of June 30, 2024.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
	3.81%	4.81%	5.81%
Total OPEB liability	\$ 6,377,463	\$ 5,864,179	\$ 5,392,976

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents that total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1-percentage point higher than the current healthcare cost trend rates.

	Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
	4.00%	5.00%	6.00%
Total OPEB liability	\$ 5,194,087	\$ 5,864,179	\$ 6,654,626

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 6. Other Postemployment Benefits (OPEB) (Continued)**

For the year ended June 30, 2025, the District recognized OPEB expense of \$707,270. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 769,296	\$ 223,546
Changes of assumptions or other inputs	594,509	1,334,283
Net difference between projected and actual investments	-	-
<b>Total</b>	<b>\$ 1,363,805</b>	<b>\$ 1,557,829</b>

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

Year ended June 30:	
2026	\$ 44,582
2027	44,582
2028	44,582
2029	44,582
2030	(74,624)
Thereafter	(297,728)
	<u>\$ (194,024)</u>

**Note 7. Pension and Retirement Benefits**

Plan Description – IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees’ Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://www.ipers.org).

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 7. Pension and Retirement Benefits (Continued)

The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member's highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50 percent for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, Regular members contributed 6.29 percent of covered payroll and the District contributed 9.44 percent of covered payroll for a total rate of 15.73 percent.

The District's contributions to IPERS for the year ended June 30, 2025 were \$4,063,012.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the District reported a liability of \$16,065,876 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the District's proportion was 0.441189 percent, which was an increase of 0.003621 percent from its proportion measured as of June 30, 2023.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

**Note 7. Pension and Retirement Benefits (Continued)**

For the year ended June 30, 2025, the District recognized pension expense of \$2,171,634. At June 30, 2025, the District 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 experience	\$ 1,278,375	\$ 9,980
Changes of assumptions	-	225
Net difference between projected and actual earnings on pension plan investments	200,930	-
Changes in proportion and differences between District contributions and proportionate share of contributions	761,200	-
District contributions subsequent to the measurement date	4,063,012	-
<b>Total</b>	<b>\$ 6,303,517</b>	<b>\$ 10,205</b>

Deferred outflows of resources of \$4,063,012 related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2026	\$ (1,820,160)
2027	4,169,038
2028	317,352
2029	(456,396)
2030	20,466
Thereafter	-
<b>Total</b>	<b>\$ 2,230,300</b>

There were no non-employer contributing entities to IPERS.

**Actuarial Assumptions** – The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2017)	2.60 percent per annum
Salary Increases (effective June 30, 2017)	3.25 percent to 16.25 percent average, including inflation. Rates vary by membership group.
Investment rate of return (effective June 30, 2017)	7.00 percent, compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25 percent per annum, based on 2.60 percent inflation and 0.65 percent real wage inflation

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 7. Pension and Retirement Benefits (Continued)**

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021. Mortality rates used in the 2024 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0%	3.52%
International equity	13.0%	5.18%
Global smart beta equity	5.0%	4.12%
Core plus fixed income	25.5%	3.04%
Public credit	3.0%	4.53%
Cash	1.0%	1.69%
Private equity	17.0%	8.89%
Private real assets	9.0%	4.25%
Private credit	5.5%	6.62%
<b>Total</b>	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

**Pleasant Valley Community School District**

**Notes to Basic Financial Statements**

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**Note 7. Pension and Retirement Benefits (Continued)**

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability (asset)	\$ 39,425,372	\$ 16,065,876	\$ (3,497,825)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

Payables to the Pension Plan – At June 30, 2025, the District reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

**Note 8. Risk Management**

On July 1, 2023, the District transitioned from being partially self-insured to being self-insured with aggregate stop loss policy for the excess of 125 percent of estimated claims for the plan year and specific stop-loss reinsurance coverage for the excess of \$75,000 in insured claims for any one covered individual.

Payments are made to the plan based on actuarial estimates of amounts needed to pay prior and current year claims and to establish a reserve for incurred but unpaid claims. Changes in the claims liability amounts for the years ended June 30, 2025 and 2024 were as follows:

Self-Insurance Liability	Beginning	Claims and Changes in Estimates	Claim Payments	Ending
2024	\$ 173,416	\$ 5,270,849	\$ 4,734,143	\$ 710,122
2025	710,122	5,143,964	5,341,482	512,604

Claims liability is classified as current as claims are typically paid within 2 ½ months of incurred date.

Pleasant Valley Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

#### Note 9. Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$2,197,984 for the year ended June 30, 2025 and is recorded in the General Fund.

The Governor signed House File 2612 on March 27, 2024, which changes the percentage of educational and media services funding generated through local property taxes by Districts which flow through to each Area Education Agency (AEA) beginning July 1, 2024. For fiscal year 2026, 100% of the educational and media services funds generated by Districts will be received directly by the District and none will flow through to the AEAs. Also, for fiscal year 2026, Districts will flow through 90% (instead of 100%) of special education support services funds to AEAs, who will code the funds as a combination of state aid and property taxes.

#### Note 10. Categorical Funding

The District's fund balance restricted for categorical funding as of June 30, 2025 is comprised of the following programs:

Program	Amount
Home school assistance	\$ 148,520
ELP/TAG	200,549
Teacher leadership	274,109
Successful progression for early readers	41,573
Professional development	174,907
4 year old preschool	104,930
Other	53,887
<b>Total</b>	<b>\$ 998,475</b>

#### Note 11. Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2025 under tax abatement agreements of other entities:

Entity	Tax Abatement Program	Amount of Tax Diverted
City of LeClaire, Iowa	Urban renewal and economic development projects	\$ 504,553
City of Bettendorf, Iowa	Urban renewal and economic development projects	720,829
City of Riverdale, Iowa	Urban renewal and economic development projects	125,076

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2025, this reimbursement amounted to \$633,183.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### **Note 12. Commitments**

The District entered into a transportation contract for busing equipment and services for the busing of all District students. The terms call for the leasing of buses for various routes. All services are provided by the lessor. The contract is for one year and can be cancelled by either party at the end of the one year term. For the year ended June 30, 2025, the contract payments for busing services and equipment totaled \$2,332,249.

The District has entered into contracts totaling \$43,052,891 for junior high addition and renovations, high school additions and renovations, junior high roof repairs, high school chiller, and playground equipment. As of June 30, 2025, costs of \$32,861,366 had been incurred against the contracts. The balance of \$10,191,525 remaining as of June 30, 2025 will be paid as work on the projects progress.

#### **Note 13. Governmental Accounting Standards Board (GASB)**

The District adopted the following statements during the year ended June 30, 2025:

GASB Statement No. 101, *Compensated Absences*, issued June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (As long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. A government should provide information in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint. The disclosures should include descriptions of the following: (a) The concentration or constraint (b) Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (c) Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

The above statements did not have a significant impact to the District except for GASB Statement No. 101 required the District to restate beginning net position of the governmental and business-type activities and Nutrition Fund.

## Pleasant Valley Community School District

### Notes to Basic Financial Statements

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#### Note 13. Governmental Accounting Standards Board (GASB) (Continued)

As of June 30, 2025, GASB had issued several statements not yet required to be implemented by the District. The Statements which might impact the District are as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements*, issued April 2024, will be effective for the District beginning with its fiscal year ending June 30, 2026. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, issued September 2024, will be effective for the District beginning with its fiscal year ending June 30, 2026. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale.

The District's management has not yet determined the effect these Statements will have on the District's financial statements.

#### Note 14. Restatement

The District implemented GASB Statement No. 101, *Compensated Absences*, which required the District to restate net position as of June 30, 2024, as follows:

	Governmental Activities	Business-Type Activities	Major Fund Nutrition
Net position June 30, 2024, as previously reported	\$ 84,042,980	\$ 4,135,193	\$ 4,049,972
Compensated absences liability, change in accounting principle	(2,090,319)	(119,399)	(119,399)
Net position June 30, 2024, as restated	<u>\$ 81,952,661</u>	<u>\$ 4,015,794</u>	<u>\$ 3,930,573</u>

Pleasant Valley Community School District

Required Supplementary Information

Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances -  
Budget and Actual - All Governmental Funds and Enterprise Fund  
Year Ended June 30, 2025

	Governmental Funds - Actual	Enterprise Fund - Actual
Revenues:		
Local sources	\$ 37,180,816	\$ 2,428,316
State sources	48,868,599	19,145
Federal sources	1,616,421	1,065,125
<b>Total revenues</b>	<b>87,665,836</b>	<b>3,512,586</b>
Expenditures/expenses:		
Instruction	48,193,528	-
Support services	23,564,130	-
Noninstructional programs	36,999	3,304,100
Other expenditures	30,354,886	-
<b>Total expenditures/expenses</b>	<b>102,149,543</b>	<b>3,304,100</b>
<b>Excess (deficiency) of revenues over (under) expenditures/expenses</b>	<b>(14,483,707)</b>	<b>208,486</b>
Other financing sources (uses):		
Interfund transfers in	10,736,614	-
Interfund transfers (out)	(10,684,314)	(52,300)
Other	422,124	-
<b>Total other financing sources (uses)</b>	<b>474,424</b>	<b>(52,300)</b>
<b>Net change in fund balance</b>	<b>(14,009,283)</b>	<b>156,186</b>
Balance, beginning of year	48,692,676	4,015,794
Balance, end of year	<b>\$ 34,683,393</b>	<b>\$ 4,171,980</b>

See Notes to Required Supplementary Information.

Total Actual	Budgeted Amounts		Final to Actual Variance
	Original	Final	
\$ 39,609,132	\$ 39,111,262	\$ 39,111,262	\$ 497,870
48,887,744	48,645,448	48,645,448	242,296
2,681,546	2,424,536	2,424,536	257,010
91,178,422	90,181,246	90,181,246	997,176
48,193,528	49,232,102	68,799,942	20,606,414
23,564,130	22,869,982	30,916,450	7,352,320
3,341,099	3,142,615	6,903,624	3,562,525
30,354,886	27,278,403	43,776,718	13,421,832
105,453,643	102,523,102	150,396,734	44,943,091
(14,275,221)	(12,341,856)	(60,215,488)	45,940,267
10,736,614	12,618,164	12,618,164	(1,881,550)
(10,736,614)	(11,900,569)	(11,900,569)	1,163,955
422,124	-	-	422,124
422,124	717,595	717,595	(295,471)
(13,853,097)	\$ (11,624,261)	\$ (59,497,893)	\$ 45,644,796
52,708,470			
\$ 38,855,373			

**Pleasant Valley Community School District**

**Required Supplementary Information  
Schedule of Changes in the District's Total OPEB  
Liability and Related Ratios  
Last Eight Fiscal Years**

	2025	2024
Total OPEB liability		
Changes for the year:		
Service cost	\$ 429,201	\$ 460,959
Interest	233,486	211,722
Changes of benefit terms		
Differences between expected and actual experience	-	323,904
Changes in assumptions or other inputs	(280,119)	(448,041)
Benefit payments	(128,761)	(129,208)
Net changes in total OPEB liability	253,807	419,336
Total OPEB liability - beginning	5,610,372	5,191,036
Total OPEB liability - ending	<u>\$ 5,864,179</u>	<u>\$ 5,610,372</u>
Covered employee payroll	\$ 25,278,071	\$ 25,278,071
Total OPEB liability as a percentage of covered employee payroll	23.2%	22.2%

**Notes to Schedule:**

Changes of benefit terms:

There were no changes as a result of changes in benefit terms.

Changes of assumption:

Changes of assumptions or other inputs reflect a change in the discount rate. The following are the discount rates used in each period:

4.81%	4.21%
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No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75

Note: The schedule is intended to present information for ten years. Information prior to 2018 is not available.

See Notes to Required Supplementary Information.

	2023	2022	2021	2020	2019	2018
\$	403,655	\$ 528,196	\$ 419,695	\$ 358,497	\$ 200,905	\$ 193,420
	190,901	115,152	122,329	85,188	90,870	84,561
	-	(365,839)	-	1,211,052	-	-
	(17,570)	(818,342)	220,448	618,617	83,558	(59,537)
	(106,915)	(40,790)	(117,404)	(99,536)	(77,578)	(48,099)
	470,071	(581,623)	645,068	2,173,818	297,755	170,345
	4,720,965	5,302,588	4,657,520	2,483,702	2,185,947	2,015,602
\$	5,191,036	\$ 4,720,965	\$ 5,302,588	\$ 4,657,520	\$ 2,483,702	\$ 2,185,947
\$	32,384,338	\$ 32,384,338	\$ 25,448,998	\$ 25,448,998	\$ 25,413,000	\$ 24,435,885
	16.0%	14.6%	20.8%	18.3%	10.0%	9.0%
	4.13%	4.09%	2.18%	2.66%	3.50%	3.87%

**Pleasant Valley Community School District**

**Required Supplementary Information**

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

**Iowa Public Employees' Retirement System**

**Last Ten Fiscal Years**

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	2025*	2024*	2023*
District's proportion of the net pension liability	0.441189%	0.437568%	0.444279%
District's proportionate share of the net pension liability	\$ 16,065,876	\$ 19,750,370	\$ 16,785,504
District's covered payroll	\$ 40,802,069	\$ 38,489,624	\$ 35,820,023
District's proportionate share of the net pension liability as a percentage of its covered payroll	39.38%	51.31%	46.86%
Plan fiduciary net pension as a percentage of the total pension liability	92.30%	90.13%	91.40%

\*The amounts presented for each fiscal year were determined as of the prior fiscal year-end.

See Notes to Required Supplementary Information.

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	2022*	2021*	2020*	2019*	2018*	2017*	2016*
	-0.165620%	0.401184%	0.405431%	0.396414%	0.380032%	0.374103%	0.366061%
\$	571,765	\$ 28,182,108	\$ 23,477,096	\$ 25,086,036	\$ 25,314,966	\$ 23,543,466	\$ 18,085,204
\$	33,113,826	\$ 31,851,031	\$ 30,870,918	\$ 29,800,064	\$ 28,377,079	\$ 26,851,672	\$ 25,093,051
	1.73%	88.48%	76.05%	84.18%	89.21%	87.68%	72.07%
	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

**Pleasant Valley Community School District**

**Required Supplementary Information  
Schedule of District Contributions (in Thousands)  
Iowa Public Employees' Retirement System  
Last Ten Fiscal Years**

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	2025	2024	2023	2022
Statutorily required contribution	\$ 4,063	\$ 3,845	\$ 3,622	\$ 3,381
Contributions in relation to the statutorily required contribution	\$ (4,063)	\$ (3,845)	\$ (3,622)	\$ (3,381)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 43,156	\$ 40,802	\$ 38,489	\$ 35,820
Contributions as a percentage of employee payroll	9.41%	9.42%	9.41%	9.44%

See Notes to Required Supplementary Information.

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	2021		2020		2019		2018		2017		2016
\$	3,125	\$	3,007	\$	2,913	\$	2,661	\$	2,534	\$	2,398
\$	(3,125)	\$	(3,007)	\$	(2,913)	\$	(2,661)	\$	(2,534)	\$	(2,398)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	33,114	\$	31,851	\$	30,871	\$	29,800	\$	28,377	\$	26,852
	9.44%		9.44%		9.44%		8.93%		8.93%		8.93%

## Pleasant Valley Community School District

### Notes to Required Supplementary Information

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#### Note 1. Budgets and Budgetary Information

This budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except internal service, private-purpose trust and custodial funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the GAAP basis.

Formal and legal budgetary control for the certified budget is based upon four major classes or expenditures known as functions, not by fund or fund type. These four functions are instruction, support services, noninstructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment increasing budgeted expenditures by \$47,873,632.

During the year ended June 30, 2025, expenditures did not exceed the amounts budgeted.

#### Note 2. Iowa Public Employees' Retirement System Pension Liability

##### Changes of benefit terms:

There are no significant changes in benefit terms.

##### Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

**Pleasant Valley Community School District**

**Notes to Required Supplementary Information**

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**Note 2. Iowa Public Employees' Retirement System Pension Liability (Continued)**

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

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## **Other Supplementary Information**

Pleasant Valley Community School District

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2025

	Special Revenue			Total
	Management Levy	Student Activity	Debt Service	
<b>Assets</b>				
Cash and pooled investments	\$ 4,383,565	\$ 924,524	\$ 2,633,051	\$ 7,941,140
Receivables:				
Property tax:				
Current year	6,979	-	-	6,979
Succeeding year	1,770,000	-	-	1,770,000
Accounts	-	4,075	-	4,075
Prepaid items	182,196	9,285	-	191,481
<b>Total assets</b>	<b>\$ 6,342,740</b>	<b>\$ 937,884</b>	<b>\$ 2,633,051</b>	<b>\$ 9,913,675</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 12,634	\$ 75,643	\$ -	\$ 88,277
Salaries and benefits payable	-	19,339	-	19,339
<b>Total liabilities</b>	<b>12,634</b>	<b>94,982</b>	<b>-</b>	<b>107,616</b>
Deferred inflows of resources, Unavailable revenue-succeeding year property tax	1,770,000	-	-	1,770,000
Fund balances:				
Nonspendable	182,196	9,285	-	191,481
Restricted	4,377,910	833,617	2,633,051	7,844,578
<b>Total fund balances</b>	<b>4,560,106</b>	<b>842,902</b>	<b>2,633,051</b>	<b>8,036,059</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 6,342,740</b>	<b>\$ 937,884</b>	<b>\$ 2,633,051</b>	<b>\$ 9,913,675</b>

Pleasant Valley Community School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2025

	Special Revenue		Debt Service	Total
	Management Levy	Student Activity		
Revenues:				
Local sources:				
Property tax	\$ 1,794,406	\$ -	\$ -	\$ 1,794,406
Utility excise tax	44,010	-	-	44,010
Other tax	114	-	-	114
Other	167,624	1,132,500	208,562	1,508,686
State sources	15,768	-	-	15,768
<b>Total revenues</b>	<b>2,021,922</b>	<b>1,132,500</b>	<b>208,562</b>	<b>3,362,984</b>
Expenditures:				
Current:				
Instruction	340,655	1,096,841	-	1,437,496
Support services:				
Student services	4,823	-	-	4,823
Instructional staff services	52,580	-	-	52,580
Administration services	86,856	7,068	-	93,924
Operation and maintenance of plant services	874,089	1,058	-	875,147
Transportation services	9,581	-	-	9,581
Noninstructional programs	27,916	-	-	27,916
Debt Service:				
Principal	-	-	5,994,890	5,994,890
Interest and fiscal charges	-	-	2,102,696	2,102,696
<b>Total expenditures</b>	<b>1,396,500</b>	<b>1,104,967</b>	<b>8,097,586</b>	<b>10,599,053</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>625,422</b>	<b>27,533</b>	<b>(7,889,024)</b>	<b>(7,236,069)</b>
Other financing sources (uses):				
Transfers in	-	33,262	8,098,961	8,132,223
Transfers (out)	-	(10,000)	(212,091)	(222,091)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>23,262</b>	<b>7,886,870</b>	<b>7,910,132</b>
<b>Net change in fund balances</b>	<b>625,422</b>	<b>50,795</b>	<b>(2,154)</b>	<b>674,063</b>
Fund balances, beginning of year	3,934,684	792,107	2,635,205	7,361,996
Fund balances, end of year	\$ 4,560,106	\$ 842,902	\$ 2,633,051	\$ 8,036,059

Pleasant Valley Community School District

Schedule of Combining Balance Sheet  
 Capital Project Fund - By Account  
 June 30, 2025

	Capital Projects Accounts		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
<b>Assets</b>			
Cash and pooled investments	\$ 10,955,244	\$ 611,240	\$ 11,566,484
Receivables:			
Property tax:			
Current year	-	14,578	14,578
Succeeding year	-	3,700,000	3,700,000
Due from other governments	768,145	-	768,145
Prepaid expenses	338,172	-	338,172
<b>Total assets</b>	<b>\$ 12,061,561</b>	<b>\$ 4,325,818</b>	<b>\$ 16,387,379</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 2,498,880	\$ 279,973	\$ 2,778,853
<b>Total liabilities</b>	<b>2,498,880</b>	<b>279,973</b>	<b>2,778,853</b>
Deferred Inflows of Resources:			
Unavailable revenue-succeeding year property tax	-	3,700,000	3,700,000
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>3,700,000</b>	<b>3,700,000</b>
Fund Balances:			
Nonspendable	338,172	-	338,172
Restricted for:			
Physical plant and equipment	-	345,845	345,845
School infrastructure	9,224,509	-	9,224,509
<b>Total fund balances</b>	<b>9,562,681</b>	<b>345,845</b>	<b>9,908,526</b>
<b>Total liabilities and fund balances</b>	<b>\$ 12,061,561</b>	<b>\$ 4,325,818</b>	<b>\$ 16,387,379</b>

Pleasant Valley Community School District

Schedule of Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Capital Project Fund - By Account  
 Year Ended June 30, 2025

	Capital Projects Accounts		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Property tax	\$ -	\$ 3,802,517	\$ 3,802,517
Utility excise tax	-	85,435	85,435
Other tax	-	221	221
Other	737,726	237,884	975,610
State sources	7,324,934	30,610	7,355,544
Federal sources	-	395,696	395,696
<b>Total revenues</b>	<b>8,062,660</b>	<b>4,552,363</b>	<b>12,615,023</b>
Expenditures:			
Current:			
Instruction	120,074	860,664	980,738
Support services:			
Administration services	-	53,715	53,715
Operation and maintenance of plant services	-	526,826	526,826
Noninstructional	-	7,479	7,479
Other expenditures, facilities acquisition	16,921,761	3,099,855	20,021,616
Debt service, fees	37,450	250	37,700
<b>Total expenditures</b>	<b>17,079,285</b>	<b>4,548,789</b>	<b>21,628,074</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(9,016,625)</b>	<b>3,574</b>	<b>(9,013,051)</b>
Other financing sources (uses):			
Issuance of equipment lease	-	407,928	407,928
Transfer in	191,560	2,360,531	2,552,091
Transfers (out)	(7,975,683)	(2,428,364)	(10,404,047)
<b>Total other financing (uses)</b>	<b>(7,784,123)</b>	<b>340,095</b>	<b>(7,444,028)</b>
<b>Net change in fund balance</b>	<b>(16,800,748)</b>	<b>343,669</b>	<b>(16,457,079)</b>
Fund balance, beginning of year	26,363,429	2,176	26,365,605
Fund balance, end of year	\$ 9,562,681	\$ 345,845	\$ 9,908,526

Pleasant Valley Community School District

Schedule of Changes in Special Revenue Fund, Student Activity Accounts  
Year Ended June 30, 2025

Account	Balance Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balance End of Year
Elementary and Junior High Activities:					
P.V.J.H. Band	\$ 2,612	\$ -	\$ -	\$ -	\$ 2,612
P.V.J.H. Vocal Music	476	805	-	-	1,281
P.V.J.H. Bookstore	213	2,063	2,063	-	213
P.V.J.H. Chorus	73	-	-	-	73
P.V.J.H. General Activities	3,711	1,562	1,928	-	3,345
P.V.J.H. Home Economics	1,712	-	-	-	1,712
P.V.J.H. Quest Program	327	-	-	-	327
P.V.J.H. Science	14	-	-	-	14
P.V.J.H. Special Olympics	197	-	-	-	197
P.V.J.H. Student Council	1,803	-	-	-	1,803
P.V.J.H. Athletics	-	53	53	-	-
P.V.J.H. Orchestra	-	9,113	9,113	-	-
P.V.J.H. PTA	-	795	795	-	-
P.V.J.H. Robotics	270	120	-	-	390
P.V.J.H. Yearbook	40,628	17,192	10,736	-	47,084
P.V.J.H. PE Fundraising	1,708	-	-	-	1,708
Bridgeview General Activities	11,637	1,837	1,615	-	11,859
Bridgeview PTA Donations	11	-	-	-	11
Bridgeview Yearbook	663	1,966	1,804	-	825
Bridgeview Student Activity	582	-	-	-	582
Bridgeview Vocal Music	739	200	181	-	758
Bridgeview Robotics	50	-	-	-	50
Bridgeview Plant Club	103	-	-	-	103
Cody Band	34	-	-	-	34
Cody Book Club	2,588	798	2,558	-	828
Cody Bookstore	295	-	-	-	295
Cody Candy Sales	782	-	-	-	782
Cody General Activities	10,417	4,346	3,538	-	11,225
Cody Jump for Heart	2	-	-	-	2
Cody Robotics	60	-	-	-	60
Cody Student Fund	429	-	-	-	429
Cody Vocal Music	620	208	156	-	672
Cody Yearbook	5,767	3,083	2,846	-	6,004
Cody Student Council	65	-	-	-	65
Cody PTA Donations	1,303	2,901	2,749	-	1,455
Hopewell General Activities	15,761	4,007	7,220	(18)	12,530
Hopewell PTA	252	266	266	-	252
Hopewell Book Club	12,538	2,529	628	-	14,439
Hopewell Vocal Music	167	2,453	2,638	18	-
Hopewell Yearbook	9,145	8,064	7,962	-	9,247
Pleasant View General Activities	8,200	1,944	4,962	(237)	4,945
Pleasant View PTA	7,576	7,895	10,438	-	5,033
Pleasant View Book Club	4,655	5,195	8,867	-	983
Pleasant View Book Store	-	-	129	129	-
Pleasant View Yearbooks	-	7,764	7,872	108	-
Pleasant View Vocal Music	-	2,392	474	-	1,918
Pleasant View Robotics	1,757	-	-	-	1,757

(Continued)

Pleasant Valley Community School District

Schedule of Changes in Special Revenue Fund, Student Activity Accounts (Continued)  
 Year Ended June 30, 2025

Account	Balance Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balance End of Year
Elementary and Junior High Activities:					
Riverdale Book Club	\$ 1,929	\$ 2,714	\$ 3,941	\$ -	\$ 702
Riverdale Bookstore	218	-	-	-	218
Riverdale Jump for Heart	42	-	-	-	42
Riverdale General Activities	21,680	4,208	4,179	-	21,709
Riverdale PTA	1,143	-	-	-	1,143
Riverdale Student Council	264	-	-	-	264
Riverdale Science	843	-	-	-	843
Riverdale Band	500	-	-	-	500
Riverdale Robotics	558	-	-	-	558
Riverdale Vocal Music	90	200	182	-	108
Riverdale Yearbook	1,005	6,400	6,049	-	1,356
District-Wide Garage Sale	1,234	-	-	-	1,234
District-Wide Wellness	219	-	-	-	219
District-Wide STEM Night	556	-	-	-	556
Interest	77,138	11,479	-	(3,207)	85,410
6th Grade Choir	3,634	-	-	-	3,634
Forest Grove General Activities	1,664	128	524	-	1,268
Elementary and JH First Lego League	383	9,749	13,339	3,207	-
Forest Grove Vocal Music	600	200	-	-	800
Forest Grove Yearbook	267	4,059	2,131	-	2,195
Forest Grove Book Club	3,723	1,135	3,105	-	1,753
High School Activities:					
General Administrative	11,940	3,343	-	-	15,283
Clubs and Organizations	50,491	367,029	343,398	(28,646)	45,476
Drama	2,587	23,794	34,480	8,099	-
Therapy Dog	573	-	-	-	573
High School Athletics	98,607	160	-	(5,338)	93,429
Sparkles	2,534	50	131	-	2,453
Music Clubs	29,832	49,393	46,843	-	32,382
FCCLA	830	-	-	-	830
Croquet/Gentlemen's Club	236	-	-	-	236
PV Pals	893	-	-	-	893
PV Shining Stars	44	-	-	-	44
PVMCSA	80	1,750	1,034	-	796
Multi-occupations	72	391	60	-	403
First Robotics Club	7,464	35,600	25,786	-	17,278
Valenian	50,995	81,415	72,579	-	59,831
Athletic Support Groups	175,098	444,592	465,615	35,642	189,717
Interest	68,338	28,422	-	(13,025)	83,735
Interfund Transfers	23,861	-	-	3,268	27,129
<b>Total</b>	<b>\$ 792,107</b>	<b>\$ 1,165,762</b>	<b>\$ 1,114,967</b>	<b>\$ -</b>	<b>\$ 842,902</b>

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## **Statistical Section**

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# Pleasant Valley Community School District

## Statistical Section Contents

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The statistical section of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the District's overall financial health.

Contents	Page
<b>Financial Trends</b>	76-89
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	
<b>Revenue Capacity</b>	90-95
These schedules contain trend information to help the reader assess the factors affecting the District's ability to generate its property taxes.	
<b>Debt Capacity</b>	96-101
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	102
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments	
<b>Operating Information</b>	103-111
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

**Pleasant Valley Community School District**

**Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
Governmental activities:				
Net investment in				
capital assets	\$ 46,357,427	\$ 48,923,365	\$ 53,863,845	\$ 54,688,945
Restricted	7,618,033	8,779,479	6,824,623	9,377,347
Unrestricted	(9,745,457)	(9,497,092)	(11,162,552)	(12,357,024)
Business-type activities				
Net investment in				
capital assets	523,807	446,365	541,660	517,626
Restricted	7,646	5,189	17,737	26,299
Unrestricted	430,982	842,399	1,012,013	1,240,620
<b>Total primary government net position</b>	<b>\$ 45,192,438</b>	<b>\$ 49,499,705</b>	<b>\$ 51,097,326</b>	<b>\$ 53,493,813</b>

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 57,616,352	\$ 61,834,605	\$ 64,294,575	\$ 69,100,013	\$ 77,032,809	\$ 83,402,589	
9,546,788	9,520,185	11,617,264	15,148,892	12,373,804	11,334,519	
(13,090,297)	(12,120,596)	(7,438,766)	(4,275,821)	(5,363,633)	(4,467,274)	
519,029	740,141	669,179	587,501	506,109	476,569	
41,295	32,205	7,716	4,299	13,099	11,623	
1,018,293	1,169,130	2,478,082	3,164,600	3,615,985	3,683,788	
<u>\$ 55,651,460</u>	<u>\$ 61,175,670</u>	<u>\$ 71,628,050</u>	<u>\$ 83,729,484</u>	<u>\$ 88,178,173</u>	<u>\$ 94,441,814</u>	

Pleasant Valley Community School District

**Expenses, Program Revenues and Net (Expense) Revenue  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
<b>Expenses:</b>				
Governmental activities:				
Regular instruction	\$ 25,438,186	\$ 26,703,792	\$ 29,527,917	\$ 29,900,727
Special instruction	3,685,199	3,806,549	4,177,790	4,177,790
Other instruction	4,426,675	4,755,087	5,033,700	5,044,702
Student services	1,805,292	1,921,235	2,121,430	2,186,916
Instructional staff services	3,217,189	3,487,286	3,749,838	3,932,783
Administration services	3,730,755	4,764,242	5,112,130	5,306,450
Operation and maintenance of plant services	3,683,918	3,675,409	4,032,811	4,590,464
Transportation services	1,687,983	1,809,887	1,934,517	1,988,860
Noninstructional	42,924	33,911	23,618	21,855
Interest on long-term debt	206,613	471,868	623,732	1,455,077
AEA flowthrough	1,826,774	1,901,900	2,056,304	2,156,919
<b>Total governmental activities</b>	<b>49,751,508</b>	<b>53,331,166</b>	<b>58,393,787</b>	<b>60,762,543</b>
Business-type activities:				
Administration Service	44,303	-	-	-
Operation and maintenance of plant services	32,362	-	-	-
Food service operations	1,809,658	1,937,243	2,079,277	2,118,968
<b>Total business-type activities</b>	<b>1,886,323</b>	<b>1,937,243</b>	<b>2,079,277</b>	<b>2,118,968</b>
<b>Total primary government expenses</b>	<b>51,637,831</b>	<b>55,268,409</b>	<b>60,473,064</b>	<b>62,881,511</b>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
Instruction:				
Regular instruction	2,383,423	2,470,094	2,553,359	2,165,736
Special instruction	-	-	-	174,032
Other instruction	874,540	924,568	982,706	960,964
Support services	36,603	35,489	41,725	32,350
Operating grants and contributions	7,726,677	6,619,414	6,999,341	7,256,134
Capital grants and contributions	-	200,000	-	15,054
<b>Total governmental activities</b>	<b>11,021,243</b>	<b>10,249,565</b>	<b>10,577,131</b>	<b>10,604,270</b>
Business-type activities:				
Charges for services:				
Food service operations	1,590,833	1,664,304	1,750,799	1,771,203
Operating grants and contributions	582,902	628,697	629,562	667,986
Capital grants and contributions	-	-	-	-
<b>Total business-type activities</b>	<b>2,173,735</b>	<b>2,293,001</b>	<b>2,567,897</b>	<b>2,439,189</b>
<b>Total primary government revenues</b>	<b>13,194,978</b>	<b>12,542,566</b>	<b>13,145,028</b>	<b>13,043,459</b>
<b>Net (expense) revenues:</b>				
Total governmental activities	(38,730,265)	(43,081,601)	(47,816,656)	(50,158,273)
Total business-type activities	287,412	355,758	488,620	320,221
<b>Total primary government revenues</b>	<b>\$ (38,442,853)</b>	<b>\$ (42,725,843)</b>	<b>\$ (47,328,036)</b>	<b>\$ (49,838,052)</b>

Source: District financial records

		Fiscal Year									
		2020	2021	2022	2023	2024	2025				
\$	30,147,393	\$	32,063,358	\$	31,061,506	\$	29,820,957	\$	37,735,705	\$	34,904,601
	5,349,038		6,055,626		6,209,079		9,056,695		9,303,231		9,712,145
	5,764,629		5,663,271		5,657,450		7,345,938		7,329,034		7,431,469
	2,161,707		1,974,779		2,348,172		2,318,339		2,618,008		2,780,268
	4,186,258		4,168,647		4,035,298		4,532,562		4,898,929		5,399,437
	5,410,975		5,763,843		5,750,866		5,784,137		6,705,695		7,027,373
	3,681,052		3,615,929		3,651,439		3,846,967		4,408,481		5,338,614
	1,951,249		1,959,282		2,037,751		2,314,110		2,765,806		2,862,275
	24,256		23,195		24,945		32,771		48,284		36,999
	1,423,256		1,214,348		1,089,304		968,734		1,504,643		1,847,666
	2,259,331		2,375,720		2,486,311		2,644,450		2,773,723		2,197,984
	62,359,144		64,877,998		64,352,121		68,665,660		80,091,539		79,538,831
	-		-		-		-		-		-
	-		-		-		-		-		-
	1,957,472		1,964,268		2,877,616		3,055,700		3,161,569		3,304,100
	1,957,472		1,964,268		2,877,616		3,055,700		3,161,569		3,304,100
	64,316,616		66,842,266		67,229,737		71,721,360		83,253,108		82,842,931
	2,202,140		2,689,110		2,722,717		2,191,551		2,576,693		3,848,991
	134,936		-		7,560		516,836		620,070		619,645
	725,108		714,982		1,059,330		132,644		151,092		237,603
	29,437		22,376		35,163		1,854,495		1,759,133		1,137,678
	7,336,281		10,320,304		9,411,513		11,391,815		11,363,779		11,602,239
	-		-		-		482,245		51,548		12,500
	10,427,902		13,746,772		13,236,283		16,569,586		16,522,315		17,458,656
	1,347,137		428,604		743,024		2,230,141		2,281,036		2,240,697
	508,088		1,808,630		3,556,322		1,357,903		1,122,110		1,096,770
	-		-		-		11,000		-		-
	1,855,225		2,237,234		4,299,346		3,599,044		3,403,146		3,337,467
	12,283,127		15,984,006		17,535,629		20,168,630		19,925,461		20,796,123
	(51,931,242)		(51,131,226)		(51,115,838)		(52,096,074)		(63,569,224)		(62,080,175)
	(102,247)		272,966		1,421,730		543,344		241,577		33,367
\$	(52,033,489)	\$	(50,858,260)	\$	(49,694,108)	\$	(51,552,730)	\$	(63,327,647)	\$	(62,046,808)

**Pleasant Valley Community School District**

**General Revenues and Total Change in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 16,698,868	\$ 17,606,221	\$ 18,359,453	\$ 19,216,658
Capital projects	2,379,912	2,566,497	2,705,964	2,854,682
Other specific purposes	690,670	743,239	589,075	634,423
Statewide sales and services tax	4,194,086	4,343,875	4,423,311	5,059,769
Unrestricted grants	18,552,175	21,128,076	22,602,674	23,406,467
Miscellaneous	509,597	513,969	460,997	548,663
Investment earnings	87,857	124,520	202,180	489,188
Transfers	30,025	30,953	216,856	131,775
<b>Total governmental activities</b>	<b>43,143,190</b>	<b>47,057,350</b>	<b>49,560,510</b>	<b>52,341,625</b>
Business-type activities:				
Investment earnings	4,243	6,713	13,441	24,689
Transfers	(30,025)	(30,953)	(216,856)	(131,775)
<b>Total business-type activities</b>	<b>(25,782)</b>	<b>(24,240)</b>	<b>(203,415)</b>	<b>(107,086)</b>
<b>Total primary government</b>	<b>43,117,408</b>	<b>47,033,110</b>	<b>49,357,095</b>	<b>52,234,539</b>
Change in net position:				
Total governmental activities	4,412,925	(759,306)	1,743,854	2,183,352
Total business-type activities	261,630	464,380	285,205	213,135
<b>Total primary government</b>	<b>\$ 4,674,555</b>	<b>\$ (294,926)</b>	<b>\$ 2,029,059</b>	<b>\$ 2,396,487</b>

Source: District financial records

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 19,510,686	\$ 21,072,520	\$ 22,390,453	\$ 20,863,056	\$ 19,576,049	\$ 20,004,107	
3,065,500	3,236,818	3,422,653	3,472,790	3,651,322	3,802,517	
728,431	759,226	809,119	2,064,390	1,391,657	1,794,406	
5,191,254	5,587,148	5,854,401	7,101,953	7,320,316	7,324,934	
24,503,479	24,430,506	27,262,472	27,930,505	29,912,675	31,335,685	
535,476	476,946	285,201	801,420	3,995,439	3,992,124	
634,970	813,563	163,251	1,299,071	1,742,245	2,091,275	
125,021	(84,150)	219,176	57,739	49,417	52,300	
54,294,817	56,292,577	60,406,726	63,590,924	67,639,120	70,397,348	
21,340	5,743	10,947	115,818	186,633	175,119	
(125,021)	84,150	(219,176)	(57,739)	(49,417)	(52,300)	
(103,681)	89,893	(208,229)	58,079	137,216	122,819	
54,191,136	56,382,470	60,198,497	63,649,003	67,776,336	70,520,167	
2,363,575	56,292,577	60,406,726	63,590,924	4,069,896	8,317,173	
(205,928)	89,893	(208,229)	58,079	378,793	156,186	
\$ 2,157,647	\$ 56,382,470	\$ 60,198,497	\$ 63,649,003	\$ 4,448,689	\$ 8,473,359	

Pleasant Valley Community School District

**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
**(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
General Fund:				
Nonspendable	\$ 130,038	\$ 107,892	\$ 142,536	\$ 143,272
Restricted	600,523	634,569	662,376	523,933
Assigned	2,040,642	2,146,505	2,313,277	3,148,671
Unassigned	2,957,325	3,550,195	3,470,053	3,238,128
<b>Total General Fund</b>	<b>5,728,528</b>	<b>6,439,161</b>	<b>6,588,242</b>	<b>7,054,004</b>
All other governmental funds:				
Nonspendable	1,112	4,918	5,295	9,884
Restricted for:				
Capital projects funds	5,651,773	6,752,614	3,268,728	28,524,186
Debt service	594,338	381,144	22,455	1,059,583
Special revenue funds	2,175,331	2,431,290	2,643,444	2,919,016
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>8,422,554</b>	<b>9,569,966</b>	<b>5,939,922</b>	<b>32,512,669</b>
<b>Total governmental funds</b>	<b>\$ 14,151,082</b>	<b>\$ 16,009,127</b>	<b>\$ 12,528,164</b>	<b>\$ 39,566,673</b>

Source: District financial records

		Fiscal Year									
		2020	2021	2022	2023	2024	2025				
\$	158,217	\$	358,172	\$	518,688	\$	272,311	\$	178,409	\$	136,765
	623,430		895,985		1,105,162		1,224,131		1,242,038		998,475
	3,133,352		3,162,842		3,161,450		3,277,498		3,349,442		3,648,794
	4,309,175		6,920,517		7,157,559		7,370,920		10,195,186		11,954,774
	8,224,174		11,337,516		11,942,859		12,144,860		14,965,075		16,738,808
	96,367		1,126		4,259		15,914		6,017		529,653
	20,244,645		12,549,453		14,722,369		14,264,584		26,365,605		9,570,354
	280,874		289,304		302,213		388,038		2,635,205		2,633,051
	3,012,089		2,976,038		3,049,054		4,276,791		4,720,774		5,211,527
	-		-		-		-		-		-
	23,633,975		15,815,921		18,077,895		18,945,327		33,727,601		17,944,585
\$	31,858,149	\$	27,153,437	\$	30,020,754	\$	31,090,187	\$	48,692,676	\$	34,683,393

Pleasant Valley Community School District

**Governmental Funds Revenues**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
**(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
Local sources:				
Property taxes	\$ 19,769,450	\$ 21,662,607	\$ 21,654,493	\$ 22,705,763
Interest income	87,857	124,520	229,390	151,685
Other revenues	3,606,539	3,287,108	3,910,439	3,952,799
<b>Total local sources</b>	<b>23,463,846</b>	<b>25,074,235</b>	<b>25,794,322</b>	<b>26,810,247</b>
State sources:				
Statewide sales, services and use tax	4,182,214	4,333,461	4,415,088	5,059,769
State foundation aid and state grants	25,572,441	26,985,461	28,762,094	29,773,918
<b>Total state sources</b>	<b>29,754,655</b>	<b>31,318,922</b>	<b>33,177,182</b>	<b>34,833,687</b>
Federal sources, federal grants	904,035	872,011	941,058	1,012,883
<b>Total revenues</b>	<b>\$ 54,122,536</b>	<b>\$ 57,265,168</b>	<b>\$ 59,912,562</b>	<b>\$ 62,656,817</b>

Source: District financial records

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 23,304,617	\$ 25,068,564	\$ 26,622,225	\$ 26,400,236	\$ 27,737,459	\$ 25,601,030	
599,831	796,576	163,251	533,274	1,630,841	1,957,426	
3,303,074	3,443,555	3,958,874	6,690,557	5,778,995	9,622,360	
27,207,522	29,308,695	30,744,350	33,624,067	35,147,295	37,180,816	
5,215,928	5,117,291	6,298,315	7,394,675	7,320,316	7,324,934	
31,147,243	33,221,454	34,530,111	37,458,976	40,165,592	41,543,665	
36,363,171	38,338,745	40,828,426	44,853,651	47,485,908	48,868,599	
923,013	1,991,226	2,284,600	1,869,016	1,321,372	1,616,421	
\$ 64,493,706	\$ 69,638,666	\$ 73,857,376	\$ 80,346,734	\$ 83,954,575	\$ 87,665,836	

**Pleasant Valley Community School District**

**Governmental Funds Expenditures and Debt Service Ratio**

**Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

**(Unaudited)**

	Fiscal Year			
	2016	2017	2018	2019
Instruction	\$ 32,013,799	\$ 32,861,581	\$ 35,464,968	\$ 35,574,571
Student services	1,805,292	1,921,235	2,066,131	2,140,443
Instructional staff services	3,217,189	3,487,286	3,648,615	3,847,717
Administration services	4,209,472	4,466,699	4,750,539	4,860,451
Operation and maintenance of plant	3,040,088	3,307,042	3,491,192	3,731,218
Transportation services	1,687,983	1,809,887	1,932,688	1,987,324
Noninstructional programs	42,924	33,911	23,618	21,855
Capital outlay, facilities acquisition	10,084,680	13,587,047	17,072,274	9,136,619
AEA flowthrough	1,826,774	1,901,900	2,056,304	2,156,919
Debt service:				
Principal	-	1,590,000	2,840,000	2,979,691
Interest and fiscal charges	206,613	471,868	623,732	1,455,077
<b>Total expenditures</b>	<b>\$ 58,134,814</b>	<b>\$ 65,438,456</b>	<b>\$ 73,970,061</b>	<b>\$ 67,891,885</b>
Debt service as a percentage of noncapital expenditures	0.42%	3.95%	6.05%	7.46%

Source: District financial records

Fiscal Year						
	2020	2021	2022	2023	2024	2025
\$	36,542,961	\$ 39,113,467	\$ 42,286,174	44,517,008	\$ 46,169,462	\$ 48,193,528
	2,081,854	1,907,354	2,546,322	2,454,356	2,686,442	2,856,763
	4,036,280	4,029,453	4,447,502	4,806,787	5,050,443	5,556,412
	4,818,158	5,140,249	5,715,789	5,815,625	6,445,015	6,791,469
	3,501,291	3,729,238	4,036,232	4,395,081	4,410,593	5,495,408
	1,948,687	1,957,462	2,043,837	2,317,749	2,767,576	2,864,078
	24,256	23,195	24,945	32,771	48,284	36,999
	10,592,542	9,757,645	1,045,132	5,841,785	17,525,019	20,021,616
	2,259,331	2,375,720	2,486,311	2,644,450	2,773,723	2,197,984
	5,138,397	5,266,348	5,478,365	5,520,631	5,667,810	5,994,890
	1,383,494	1,263,003	1,138,084	1,017,652	1,360,329	2,140,396
<b>\$</b>	<b>72,327,251</b>	<b>\$ 74,563,134</b>	<b>\$ 71,248,693</b>	<b>\$ 79,363,895</b>	<b>\$ 94,904,696</b>	<b>\$ 102,149,543</b>
	10.52%	10.03%	9.46%	8.96%	9.09%	9.93%

Pleasant Valley Community School District

Other Financing Sources and Uses and Net Change in Fund Balances

Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2016	2017	2018	2019
Excess (deficiency) of revenues over (under) expenditures	\$ (4,012,278)	\$ (8,173,288)	\$ (14,057,499)	\$ (5,235,067)
Other financing sources (uses):				
Sale of capital assets	2,361	380	10,842	60,000
Issuance of debt	10,000,000	10,000,000	10,348,838	32,081,801
Premium on issuance of debt	-	-	-	-
Issuance of lease	-	-	-	-
Issuance of IT subscription obligation	-	-	-	-
Transfers in	716,187	1,736,826	3,182,554	5,306,374
Transfers out	(686,162)	(1,705,873)	(2,965,698)	(5,174,599)
<b>Total other financing sources (uses)</b>	<b>10,032,386</b>	<b>10,031,333</b>	<b>10,576,536</b>	<b>32,273,576</b>
<b>Net change in fund balances</b>	<b>\$ 6,020,108</b>	<b>\$ 1,858,045</b>	<b>\$ (3,480,963)</b>	<b>\$ 27,038,509</b>

Source: District financial records

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ (7,833,545)	\$ (4,924,468)	\$ 2,608,683	\$ 982,839	\$ (10,950,121)	\$ (14,483,707)
-	5,975	12,354	1,342	46,039	14,196
-	-	-	-	27,180,000	-
-	-	-	-	1,002,625	-
-	-	27,104	-	201,905	407,928
-	-	-	27,513	72,624	-
5,942,616	6,670,799	6,760,411	6,618,831	12,577,203	10,736,614
(5,817,595)	(6,457,018)	(6,541,235)	(6,561,092)	(12,527,786)	(10,684,314)
125,021	219,756	258,634	86,594	28,552,610	474,424
\$ (7,708,524)	\$ (4,704,712)	\$ 2,867,317	\$ 1,069,433	\$ 17,602,489	\$ (14,009,283)

**Pleasant Valley Community School District**

**Assessed Value and Taxable Value of Assessed Property  
Last Ten Fiscal Years  
(Unaudited)**

Valuation Date	Fiscal Year	Taxable Residential Property	Taxable Multiresidential Property	Taxable Agricultural Property	Taxable Commercial Property	Taxable Industrial Property	Taxable Railroads
1/1/2014	2015-2016	1,043,403,312	-	15,247,537	156,483,850	60,456,091	1,224,349
1/1/2015	2016-2017	1,133,691,222	44,926,073	15,015,402	119,039,872	61,893,532	1,732,590
1/1/2016	2017-2018	1,208,406,161	41,798,373	15,550,165	120,102,257	61,586,636	2,071,435
1/1/2017	2018-2019	1,311,230,225	40,880,110	17,944,261	128,368,271	63,522,426	2,340,134
1/1/2018	2019-2020	1,401,196,722	39,937,432	18,164,734	130,992,138	63,504,346	2,393,200
1/1/2019	2020-2021	1,428,289,294	53,886,496	19,313,150	133,890,065	63,423,518	3,114,867
1/1/2020	2021-2022	1,528,268,831	53,109,023	19,825,922	147,026,323	63,751,441	3,242,272
1/1/2021	2022-2023	1,594,006,479	56,939,631	19,502,276	166,788,396	65,823,539	3,204,798
1/1/2022	2023-2024	1,756,807,209	-	20,157,557	159,180,177	66,039,007	3,231,925
<b>1/1/2023</b>	<b>2024-2025</b>	<b>1,780,766,327</b>	<b>-</b>	<b>21,144,524</b>	<b>201,527,958</b>	<b>89,019,479</b>	<b>3,703,894</b>

Source: Iowa Department of Management and Scott County Auditor.

**Notes:**

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the second fiscal year following the tax assessment year.

Prior to FY2017 multiresidential property was included with commercial property and taxed at the same rate. Beginning in FY2017 its rollback percentage is 3.75% less than commercial property. The rollback percentage for multiresidential property will decrease 3.75% per year until it is taxed at the same rate as residential property.

(a) Per \$1,000 of taxable value.

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Taxable Utilities Without Gas & Electric	Taxable Utilities Gas & Electric Only	Military Exemption	Total Taxable Valuation Without Tax Increment Financing (TIF)	Tax Increment Financing (TIF)	Total Taxable Value With TIF	100% Assessed Value	Total Direct Rate (a)
17,035,377	58,484,070	(2,316,852)	1,350,017,734	133,372,143	1,483,389,877	2,469,017,594	14.34409
15,636,926	58,731,748	(2,285,368)	1,448,381,997	146,892,381	1,595,274,378	2,676,942,475	14.14425
15,160,104	55,030,720	(2,252,032)	1,517,453,819	158,345,603	1,675,799,422	2,777,879,736	13.95589
17,829,924	54,463,164	(2,248,328)	1,634,330,187	134,836,020	1,769,166,207	2,999,567,470	13.65587
18,165,474	52,827,278	(2,211,288)	1,724,970,036	133,107,413	1,858,077,449	3,102,841,240	13.41138
14,607,453	50,758,578	(2,185,360)	1,765,098,061	149,366,560	1,914,464,621	3,275,467,091	13.78152
13,893,146	55,195,991	(2,166,840)	1,882,146,109	150,506,886	2,032,652,995	3,426,217,440	13.76024
14,262,069	65,519,019	(2,113,132)	1,983,933,075	161,514,966	2,145,448,041	3,747,399,810	13.46043
11,595,041	50,442,024	(2,040,904)	2,065,412,036	172,682,322	2,238,094,358	3,942,435,943	13.46055
<b>12,696,751</b>	<b>50,470,420</b>	<b>(10,377,227)</b>	<b>2,148,952,126</b>	<b>191,326,520</b>	<b>2,340,288,646</b>	<b>4,725,288,292</b>	<b>13.46041</b>

**Pleasant Valley Community School District**

**Direct and Overlapping Property Tax Rates**

**Last Ten Fiscal Years**

*(rate per \$1,000 of taxable value)*

**(Unaudited)**

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Fiscal Year	District Direct Rates			Total
	General Purposes	Capital Purposes	Debt Service	
2015-2016	12.67409	1.67000	-	14.34409
2016-2017	12.47425	1.67000	-	14.14425
2017-2018	12.28589	1.67000	-	13.95589
2018-2019	11.98587	1.67000	-	13.65587
2019-2020	11.74138	1.67000	-	13.41138
2020-2021	12.11152	1.67000	-	13.78152
2021-2022	12.09024	1.67000	-	13.76024
2022-2023	11.79043	1.67000	-	13.46043
2023-2024	11.79055	1.67000	-	13.46055
2024-2025	11.79041	1.67000	-	13.46041

Source: Iowa Department of Management and Scott County Auditor.

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Overlapping Rates							
Scott County	College Area IX	City of Bettendorf	City of LeClaire	City of Panarama Park	City of Riverdale	Assessor	Other
6.00377	0.96863	12.55000	14.29804	5.79870	11.90048	0.27052	0.07135
5.82228	1.00909	12.55000	14.29798	5.80468	11.99199	0.23792	0.07089
5.82167	1.03000	12.50000	13.92602	5.80424	11.99735	0.22975	0.07057
5.82167	1.03000	12.50000	13.64999	5.80408	11.84593	0.19523	0.06842
5.99401	0.99000	12.50000	13.35596	5.80405	9.39248	0.18832	0.06740
6.21304	0.82406	12.80000	13.09828	5.97332	9.39665	0.17432	0.06667
6.04197	0.92357	12.80000	12.83631	6.11078	6.03216	0.17298	0.06637
5.95000	0.94542	12.65000	12.64166	5.68321	5.63532	0.19858	0.06621
5.95000	0.94840	12.65000	12.64166	5.65318	8.10001	0.21464	0.06657
5.95000	0.94807	13.11000	12.64166	4.54872	9.88689	0.20387	0.06485

**Pleasant Valley Community School District**

**Principal Property Tax Payers  
Current Year and Nine Years Ago  
(Unaudited)**

Name of Taxpayer	2025*			2016**		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Arconic Davenport LLC	49,235,708	1	2.1%	37,234,692	2	2.5%
Midamerican Energy Co.	36,978,587	2	1.6%	52,325,045	1	3.5%
The Bettplex LLC	25,595,764	3	1.1%			
Wellspire-Bettendorf LLC	23,799,947	4	1.0%			
Continental 203 Fund LLC	18,128,933	5	0.8%	19,878,588	3	1.3%
Iowa American Water Company	13,391,953	6	0.6%	6,151,644	10	0.4%
Northern Border Pipeline Company	10,811,655	7	0.5%	9,973,209	5	0.7%
Pebble Creek Borrower 2021 LLC	10,417,261	8	0.4%			
Glenbrook Ridge Senior Living LLC	10,277,489	9	0.4%			
Olympic Steel Iowa Inc	9,435,186	10	0.4%	8,647,425	7	0.6%
Chateau Knoll LLC				10,792,080	4	0.7%
First Equity Management L C				9,411,048	6	0.6%
Bettendorf Regency Apartments				7,692,300	8	0.5%
Alter Trading Corp				6,806,817	9	0.5%
<b>Total</b>	<b>\$ 208,072,483</b>		<b>8.9%</b>	<b>\$ 168,912,848</b>		<b>11.4%</b>
<b>Total Taxable Value</b>	<b>\$ 2,340,278,646</b>			<b>\$ 1,483,389,877</b>		

Source: Scott County Auditor

\* - Based on 01/01/2023 Valuations

\*\* - Based on 01/01/2014 Valuations

**Pleasant Valley Community School District**

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015-2016	\$ 19,743,499	\$ 19,726,000	99.91%	\$ 2,892	\$ 19,728,891	99.93%
2016-2017	20,900,338	20,875,864	99.88%	2,381	20,878,245	99.89%
2017-2018	21,622,918	21,622,918	100.00%	-	21,622,918	100.00%
2018-2019	22,695,843	22,675,780	99.91%	5,892	22,681,566	99.94%
2019-2020	23,505,437	23,268,087	98.99%	237,350	23,505,437	100.00%
2020-2021	24,783,708	24,783,708	100.00%	-	24,783,708	100.00%
2021-2022	26,356,996	26,356,996	100.00%	-	26,356,996	100.00%
2022-2023	27,195,528	27,190,995	99.98%	-	27,190,995	99.98%
2023-2024	28,328,738	28,328,738	100.00%	-	28,328,738	100.00%
2024-2025	29,501,658	29,365,370	99.54%	-	29,365,370	99.54%

Source: Iowa Department of Management, Scott County Auditor and School District financial records.

**Pleasant Valley Community School District**

**Outstanding Debt by Type  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	General Obligation Note	Leases	IT Subscription Obligation	Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2016	\$ -	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000	1.3%	466
2017	-	-	-	18,410,000	18,410,000	2.1%	833
2018	-	-	-	25,570,000	25,570,000	2.9%	N/A
2019	18,037,621	-	-	36,680,000	54,717,621	5.9%	2,392
2020	16,258,441	-	-	33,360,000	49,618,441	5.1%	1,905
2021	14,424,261	89,402	-	29,970,000	44,483,663	4.0%	1,728
2022	12,540,081	213,703	24,770	26,515,000	39,293,554	N/A	N/A
2023	10,600,901	139,407	25,948	22,990,000	33,756,256	N/A	N/A
2024	8,601,721	270,577	66,497	47,562,625	56,501,420	N/A	N/A
2025	6,542,541	200,266	43,910	43,717,494	50,504,211	N/A	1,903

Source: District financial records

N/A = not available.

**Pleasant Valley Community School District**

**Ratio of Net Bonded Debt to Assessed Values  
Last Ten Fiscal Years  
(Unaudited)**

Year of Collection	Actual Value of Taxable Property	Total Primary Government Outstanding Debt	Net Bonded Debt	Amount Restricted for Repayment of Outstanding Debt	Ratio of Net Bonded Debt to Taxable Value	Net Bonded Debt Per Capita
2015-16	\$ 1,483,389,877	\$ 10,000,000	\$ -	\$ 594,338	-	\$ -
2016-17	1,595,277,188	18,410,000	-	381,144	-	-
2017-18	1,675,799,422	25,918,838	-	22,455	-	-
2018-19	1,769,166,207	54,976,768	18,037,621	1,059,583	1.0%	785
2019-20	1,858,077,449	49,794,191	16,258,441	373,438	0.9%	624
2020-21	1,914,464,621	44,483,663	14,424,261	289,304	0.8%	562
2021-22	2,032,652,995	39,268,784	12,540,081	302,213	0.6%	N/A
2022-23	2,145,448,041	33,756,256	10,600,901	388,038	0.5%	N/A
2023-24	2,238,094,358	56,501,420	8,601,721	199,305	0.4%	N/A
2024-25	2,340,288,646	50,504,211	6,542,541	197,151	0.0%	N/A

Source: Iowa Department of Management, Scott County Auditor and School District financial records.

Notes: Details of the District's outstanding debt can be found in Note 5 in the notes to the financial statements.

N/A = not available.

**Pleasant Valley Community School District**

**Legal Debt Margin Information  
Last Ten Fiscal Years  
(Unaudited)**

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	2015-2016	2016-2017	2017-2018	2018-2019
Legal Debt Margin Calculation				
Assessed value	\$ 2,469,017,594	\$ 2,676,942,475	\$ 2,777,879,736	\$ 2,999,567,470
Debt limit (5% of assessed value)	123,450,880	133,847,124	138,893,987	149,978,374
Debt applicable to limit	10,000,000	18,410,000	25,570,000	54,717,621
Legal debt margin	\$ 113,450,880	\$ 115,437,124	\$ 113,323,987	\$ 95,260,153
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	8.10%	13.75%	18.41%	36.48%

Source: Iowa Department of Management, Scott County Auditor's Office and School District financial records.

Legal Debt Margin Calculation for Fiscal Year 2024-2025

Assessed value	<b><u>\$ 4,725,288,292</u></b>
Debt limit (5% of assessed value)	<b>\$ 236,264,415</b>
Debt applicable to limit	<b><u>49,735,112</u></b>
Legal debt margin	<b><u>\$ 186,529,303</u></b>

2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
<b><u>\$ 3,102,841,240</u></b>	<b><u>\$3,275,467,091</u></b>	<b><u>\$3,426,217,440</u></b>	<b><u>\$3,747,399,810</u></b>	<b><u>\$3,942,435,943</u></b>	<b><u>\$4,725,288,292</u></b>
155,142,062	163,773,355	171,310,872	187,369,991	197,121,797	<b>236,264,415</b>
49,618,441	44,394,261	39,055,081	33,590,901	55,322,074	<b>49,735,112</b>
<b><u>\$ 105,523,621</u></b>	<b><u>\$ 119,379,094</u></b>	<b><u>\$ 131,255,791</u></b>	<b><u>\$ 153,779,090</u></b>	<b><u>\$ 141,799,723</u></b>	<b><u>\$ 186,529,303</u></b>
31.98%	27.11%	22.80%	17.93%	28.06%	<b>21.05%</b>

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**Pleasant Valley Community School District**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2025  
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Direct and Overlapping Debt
Scott County	10,075,011	21.21%	2,137,405
Eastern Iowa Community College	47,060,000	12.91%	6,075,501
City of Bettendorf	141,133,600	55.35%	78,115,615
City of LeClaire	18,681,900	100.00%	18,681,900
City of Riverdale	114,157	99.45%	113,526
<b>Subtotal, overlapping debt</b>			105,123,948
District direct debt			50,504,211
<b>Total direct and overlapping debt</b>			\$ 155,628,159

Source: Scott County Auditor.

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This statistical page estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\* The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value. (Calculated by dividing the amount of the value applicable to the District by the total value for that taxing authority; 2023 assessed values are used.)

**Pleasant Valley Community School District**

**Pledged Revenue Coverage  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Revenue Bonds			Coverage
	Revenue	Debt Service		
		Principal	Interest	
2016	4,182,214	-	92,956	44.99
2017	4,333,461	1,590,000	329,694	2.26
2018	4,415,088	2,840,000	485,652	1.33
2019	5,037,297	2,540,000	299,810	1.77
2020	5,215,928	3,320,000	843,026	1.25
2021	5,117,291	3,390,000	777,884	1.23
2022	6,298,315	3,455,000	709,371	1.51
2023	7,394,675	3,525,000	641,934	1.77
2024	7,320,316	3,610,000	556,941	1.76
2025	7,324,934	3,795,000	1,839,270	1.30

Source: District financial records

Notes: Details regarding the District's outstanding debt can be found in Note 5 of the notes to the financial statements.

These bonds are backed by a one-cent statewide sales, service and use tax

**Pleasant Valley Community School District**

**Demographic and Economic Statistics  
Last Ten Calendar Years  
(Unaudited)**

Calendar Year	Population (a)	Personal Income (b) (Thousands of Dollars)	Per Capita Personal Income	Scott County Area Unemployment Rate (c) *
2016	21,438	\$ 771,396,005	39,996	4.6%
2017	22,101	857,428,967	40,228	3.7%
2018	N/A	889,086,936	N/A	3.1%
2019	22,980	931,566,012	40,538	3.3%
2020	26,042	972,667,111	37,350	7.1%
2021	25,687	1,121,829,278	43,673	5.3%
2022	N/A	1,140,330,903	N/A	3.5%
2023	N/A	N/A	N/A	3.5%
2024	N/A	N/A	N/A	3.7%
2025	26,534	N/A	N/A	4.6%

Source:

(a) U.S. Census Bureau

(b) Iowa Department of Revenue

(c) Iowa Workforce Development

Notes: N/A = not available.

\* Based on a ten-month period, January through October.

Pleasant Valley Community School District

Full-Time Equivalent District Employees By Type  
Last Ten Fiscal Years  
(Unaudited)

	Full-Time Equivalent Employees as of June 30			
	2016	2017	2018	2019
Supervisory:				
Superintendent	1.0	1.0	1.0	1.0
Principals	7.0	7.0	7.0	7.0
Assistant principals	5.0	5.0	5.0	5.4
District secretary	-	-	-	-
Business Manager	1.0	1.0	1.0	1.0
Other officials/administrators	3.0	3.0	3.0	3.6
<b>Total supervisory</b>	<b>17.0</b>	<b>17.0</b>	<b>17.0</b>	<b>18.0</b>
Instruction:				
Classroom teachers	233.4	239.5	244.1	247.3
Special education teachers	28.6	29.0	29.3	30.4
Special programs	19.5	20.5	21.6	22.9
Vocational teachers	7.6	8.5	9.0	8.8
Teacher aides	60.7	66.5	68.7	71.5
Instructional technology technicians	3.3	3.0	3.0	3.0
<b>Total instruction</b>	<b>352.9</b>	<b>367.0</b>	<b>375.7</b>	<b>383.9</b>
Student services:				
Social workers	1.0	1.0	1.0	1.0
Counselors	14.0	13.0	14.0	14.2
Library/media specialists	6.0	7.0	7.0	7.0
Nurses	6.6	6.6	6.9	6.9
<b>Total student services</b>	<b>27.6</b>	<b>27.6</b>	<b>28.9</b>	<b>29.0</b>
Support and administration:				
Other support services	10.0	10.0	12.0	14.0
Office/clerical personnel	28.4	31.3	32.8	30.0
Other professional employees	2.5	3.5	3.5	2.0
Technology specialist	2.0	3.0	3.0	3.0
Crafts and trades personnel	4.0	3.0	4.0	3.0
Laborers	2.0	2.0	2.0	2.0
Service workers	46.0	44.1	45.9	50.4
Operative personnel	1.7	1.7	1.2	3.0
<b>Total support and administration</b>	<b>96.5</b>	<b>98.6</b>	<b>104.3</b>	<b>107.4</b>
<b>Total</b>	<b>494.1</b>	<b>510.2</b>	<b>525.9</b>	<b>538.4</b>

Source: District financial records

Full-Time Equivalent Employees as of June 30							Percentage Change
2020	2021	2022	2023	2024	2025	2016-2025	
1.0	1.0	1.0	1.0	1.0	1.0	0%	
7.0	7.0	8.0	8.0	8.0	8.0	14%	
5.5	7.0	8.8	9.0	10.0	10.0	100%	
1.0	1.0	1.0	1.0	1.0	1.0	0%	
3.7	1.6	1.0	1.0	1.0	2.0	-33%	
18.2	17.6	19.8	20.0	21.0	22.0	29%	
252.2	256.3	273.8	269.8	275.0	279.0	20%	
34.8	36.8	38.1	38.5	39.0	42.4	49%	
21.3	25.3	29.4	36.6	38.3	32.6	67%	
8.5	8.8	9.8	9.8	10.8	18.1	139%	
84.3	75.7	95.1	108.0	112.2	113.4	87%	
3.0						-100%	
404.0	402.8	446.2	462.8	475.3	485.5	38%	
1.0	-	-	-	-	-	-100%	
14.2	13.6	13.3	13.7	15.7	14.2	1%	
7.0	7.0	8.0	8.0	8.0	8.0	33%	
6.9	7.0	8.0	8.0	8.0	8.0	21%	
29.1	27.6	29.3	29.7	31.7	30.2	9%	
13.5	21.4	16.1	18.9	17.9	21.8	100%	
27.4	30.6	37.8	36.5	35.7	35.7	26%	
2.0	4.0	5.0	5.0	6.0	6.0	140%	
3.0	5.0	5.0	5.5	5.6	5.6	180%	
5.5	4.9	4.0	5.0	5.0	4.0	0%	
2.0	2.0	3.0	4.0	3.0	3.0	50%	
48.8	49.9	52.9	55.2	57.3	58.9	28%	
3.0	1.7	1.7	3.7	3.1	3.4	105%	
105.2	119.5	125.5	133.8	133.7	138.4	43%	
556.5	567.5	620.8	646.2	661.7	676.1	37%	

**Pleasant Valley Community School District**

**Operating Statistics  
Last Ten Fiscal Years  
(Unaudited)**

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Fiscal Year	Certified Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change
2015-2016	4,532	\$ 45,391,590	\$ 10,016	5.71%
2016-2017	4,746	47,415,560	9,991	-0.26%
2017-2018	4,922	50,735,977	10,308	3.18%
2018-2019	5,037	52,142,032	10,352	0.43%
2019-2020	5,128	53,008,239	10,337	-0.14%
2020-2021	5,244	55,962,993	10,672	3.24%
2021-2022	5,424	61,741,879	11,383	6.66%
2022-2023	5,557	64,759,789	11,654	2.38%
2023-2024	5,538	66,728,017	12,049	3.39%
2024-2025	5,498	69,922,416	12,718	5.55%

Source: Nonfinancial information from District records. District financial records.

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Governmental Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Price Meals
\$ 58,134,814	\$ 12,828	24.41%	321	7.08%	12.00%
65,438,456	13,788	7.48%	320	6.74%	12.00%
73,970,061	15,028	8.99%	326	6.62%	11.00%
67,891,884	13,479	-10.31%	336	6.67%	11.91%
72,327,251	14,104	4.64%	342	6.67%	11.97%
62,058,872	11,834	-16.10%	351	6.69%	12.00%
71,248,693	13,136	11.00%	371	6.84%	14.10%
79,363,895	14,282	8.72%	403	7.25%	12.70%
94,904,696	17,137	19.99%	412	7.44%	13.30%
102,149,543	18,579	8.42%	422	7.68%	12.10%

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**Pleasant Valley Community School District**

**Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Employer	2025			2016		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Arconic	2,550	1	2.9%			
Davenport Community School District	2,538	2	2.9%	2,200	4	1.0%
John Deere Davenport Works	2,000	3	2.3%	838	10	0.4%
Kraft Heinz Co.	1,600	4	1.8%			
MercyOne Genesis	1,600	5	1.8%			
Amazon	1,500	6	1.7%			
Tri-City Electric Co.	1,200	7	1.4%			
Isle Casino Hotel	923	8	1.1%	1,000	7	0.5%
Davenport City Hall Civil	900	9	1.0%			
Eaton: Cobham Mission Systems	800	10	0.9%			
Genesis Health System				14,100	1	6.5%
Hy-Vee Scott County Locations				3,054	2	1.4%
City of Davenport				2,354	3	1.1%
Alcoa				2,000	5	0.9%
Oscar Mayer Foods Inc.				1,600	6	0.7%
Walmart Scott County Locations				992	8	0.5%
Tri-City Communications				900	9	0.4%
Scott County Total Employment (2025)						86,764
Scott County Total Employment (2016)						N/A

Source: Bi-State Regional Commission

**Pleasant Valley Community School District**

**School Building Information  
Last Ten Fiscal Years  
(Unaudited)**

School	Fiscal Year			
	2015-2016	2016-2017	2017-2018	2018-2019
Pleasant View				
Square feet	80,913	80,913	81,513	81,513
Capacity*	850	850	925	925
Enrollment	632	632	651	713
Playgrounds	2	2	2	2
Hopewell				
Square feet	64,180	64,180	64,180	80,486
Capacity*	900	900	900	875
Enrollment	545	545	650	709
Playgrounds	1	1	1	2
Cody				
Square feet	54,709	54,709	60,897	70,060
Capacity*	625	625	675	700
Enrollment	320	320	361	394
Playgrounds	1	1	1	1
Bridgeview				
Square feet	54,654	54,654	54,654	55,254
Capacity*	575	575	575	600
Enrollment	383	383	391	407
Playgrounds	2	2	2	2
Riverdale Heights				
Square feet	84,195	84,195	84,195	84,195
Capacity*	800	800	950	950
Enrollment	634	634	636	680
Playgrounds	2	2	2	2
Forest Grove				
Square feet	n/a	n/a	n/a	n/a
Capacity*	n/a	n/a	n/a	n/a
Enrollment	n/a	n/a	n/a	n/a
Playgrounds	n/a	n/a	n/a	n/a
Jr. High				
Square feet	137,937	137,937	141,777	144,719
Capacity*	1,300	1,300	1,325	1,325
Enrollment	668	668	745	844
Playgrounds	-	-	-	-
High School				
Square feet	258,304	258,304	353,711	374,704
Capacity*	1,975	1,975	2,300	2,300
Enrollment	1,338	1,338	1,442	1,540
Playgrounds	-	-	-	-

Source: District records.

Notes: \* Capacity calculation is number of possible classrooms times maximum of 25 students each

Fiscal Year						
2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	
81,513	81,513	81,513	81,513	81,513	81,513	81,513
925	925	925	925	925	925	925
713	673	651	659	691	665	665
2	2	2	2	2	2	2
80,486	80,486	80,486	80,486	80,486	80,486	80,486
875	875	875	875	875	875	875
709	696	649	698	716	684	684
2	2	2	2	2	2	2
70,060	70,060	70,060	70,060	70,060	70,060	70,060
700	700	700	700	700	700	700
394	445	424	457	467	460	460
1	1	1	1	1	1	1
55,254	55,254	55,254	55,254	55,254	55,254	55,254
600	600	600	600	600	600	600
407	366	374	366	363	357	357
2	2	2	2	2	2	2
84,195	84,195	84,195	84,195	84,195	84,195	84,195
950	950	950	950	950	950	950
680	659	636	629	662	661	661
2	2	2	2	2	2	2
n/a	84,195	84,195	84,195	84,195	84,195	84,195
n/a	950	950	950	950	950	950
n/a	-	248	328	361	359	359
n/a	2	2	2	2	2	2
144,719	144,719	144,719	144,719	144,719	144,719	144,719
1,325	1,325	1,325	1,325	1,325	1,325	1,325
844	824	800	856	942	986	986
-	-	-	-	-	-	-
374,704	374,704	374,704	374,704	374,704	374,704	374,704
2,300	2,300	2,300	2,300	2,300	2,300	2,300
1,540	1,541	1,643	1,658	1,779	1,826	1,826
-	-	-	-	-	-	-

**Pleasant Valley Community School District**

**Average Salary by Education Level  
Last Ten Fiscal Years  
(Unaudited)**

Education Level	Fiscal Year			
	2015-2016	2016-2017	2017-2018	2018-2019
<b>BA</b>				
Total FTE	65.83	66.50	62.00	57.00
Average salary	39,720	40,822	41,297	41,135
<b>BA + 10</b>				
Total FTE	27.00	21.33	21.33	18.34
Average salary	45,918	48,135	48,655	50,866
<b>BA +20</b>				
Total FTE	40.00	41.00	44.00	47.00
Average salary	52,435	53,220	53,865	52,631
<b>MA</b>				
Total FTE	62.79	72.88	76.69	80.80
Average salary	52,252	53,461	54,254	53,814
<b>MA + 10</b>				
Total FTE	42.00	38.00	35.00	36.59
Average salary	60,762	62,138	62,238	60,746
<b>MA + 20</b>				
Total FTE	25.00	30.00	30.00	30.00
Average salary	65,390	66,154	67,941	67,808
<b>MA +30</b>				
Total FTE	62.00	66.00	74.42	81.50
Average salary	66,649	67,734	69,617	69,201
<b>Grand total FTE</b>	324.62	335.71	343.44	351.23
<b>Total average salary</b>	54,069	52,284	56,855	55,594

Source: District personnel records.

Notes:

Full-time instructional employees of the District are employed for all 192 work days, at eight hours per day or 1,536 hours per year. This schedule includes the local instructional salary schedule only. Not included are state appropriations to increase salaries, i.e., Teacher Quality or Phase II Funds.

Fiscal Year					
2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
63.00 41,996	72.00 42,411	80.00 42,540	82.00 44,302	82.00 45,335	78.00 46,284
20.33 50,521	18.33 51,141	18.33 48,699	14.33 50,405	17.33 51,183	10.33 52,115
38.00 56,463	41.00 56,025	36.17 57,270	38.00 59,379	34.00 59,129	42.50 59,854
96.26 54,563	87.96 56,597	100.16 57,445	106.66 58,745	109.50 60,371	108.00 63,024
28.09 62,150	37.00 63,148	39.00 64,156	39.00 66,293	43.00 69,309	44.50 68,966
26.00 67,983	25.40 67,195	31.17 67,066	32.00 69,826	33.00 72,692	33.00 73,940
86.59 70,945	87.00 72,955	85.00 73,864	88.00 75,689	92.00 78,284	104.00 78,375
358.26 58,044	368.69 58,740	389.83 58,980	399.99 60,855	410.83 62,794	420.33 64,519

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## **Compliance**

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**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***

To the Board of Education  
Pleasant Valley Community School District  
Bettendorf, Iowa

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Pleasant Valley Community School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated October 3, 2025.

Our report includes an emphasis of matter paragraph for the implementation of Governmental Accounting Standards Board Statement No. 101.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit 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 District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Pleasant Valley Community School District’s internal control.

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 District’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. 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 or significant deficiencies may exist that have not been identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*. However, we noted certain immaterial instances of noncompliance or other matters which are described in Part II of the accompanying Schedule of Findings and Responses.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2025 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

### 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bohnsack & Frommelt LLP*

Moline, Illinois  
October 3, 2025

**Pleasant Valley Community School District**

**Schedule of Findings and Responses  
Year Ended June 20, 2025**

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**Part I: Findings Related to the Basic Financial Statements**

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

**Part II: Other Findings Related to Statutory Reporting**

**II-A-25**

Certified Budget – Expenditures for the year ended June 30, 2025 did not exceed the amounts budgeted at year-end.

**II-B-25**

Questionable Expenditures – No expenditures were noted that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

**II-C-25**

Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

**II-D-25**

Business Transactions – No business transactions between the District and District officials or employees were noted.

**II-E-25**

Restricted Donor Activity – No transaction were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

**II-F-25**

Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.

**II-G-25**

Board Minutes – No transactions requiring Board approval which had not been approved by the Board were noted.

(Continued)

**Pleasant Valley Community School District**

**Schedule of Findings and Responses  
Year Ended June 20, 2025**

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**II-H-25**

Certified Enrollment –

Finding: The District identified variances in certified enrollment submitted to the state in October 2024.

Recommendation: We recommend the District review certified enrollment data for accuracy prior to submission to the state.

Response and Corrective Action Plan: The District will continue to review data prior to submission.

Conclusion: Response accepted.

**II-I-25**

Supplementary Weighting – No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

**II-J-25**

Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy were noted.

**II-K-25**

Certified Annual Report – The Certified Annual Report was certified to the Iowa Department of Education timely and we noted no significant deficiencies in the amounts reported.

**II-L-25**

Categorical Funding – No instances were noted of categorical funding being used to supplant rather than supplement other funds.

(Continued)

**Pleasant Valley Community School District**

**Schedule of Findings and Responses  
Year Ended June 20, 2025**

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**II-M-25**

Statewide Sales and Services Tax – No instances of noncompliance with the use of the statewide sales and services tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales and services tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education.

For the year ended June 30, 2025, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

Beginning balance	\$ 26,363,429
Revenue / transfers in:	
Statewide sales and services tax revenue	7,324,934
Interest and other	737,726
Transfer in	191,560
Expenditures/transfers out:	
Transfers out	7,975,683
Instruction	120,074
School infrastructure	16,921,761
Debt service, fees	37,450
Ending balance	<u>\$ 9,562,681</u>

For the year ended June 30, 2025, the District reduced the debt service tax levy by \$3.13 per \$1,000 of taxable valuation as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

	Per \$1,000 of Taxable Valuation	Property Tax Dollars
Debt service levy	\$ 3.13	\$ 7,324,934

## APPENDIX E – FORM OF ISSUE PRICE CERTIFICATES

### EXHIBIT A PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT, IOWA \$10,000,000 SCHOOL INFRASTRUCTURE SALES, SERVICES AND USE TAX REVENUE BONDS, SERIES 2026

#### ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.
2. Initial Offering Price of the Hold-the-Offering-Price Maturities.
  - a. Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.
  - b. As set forth in the Terms of Offering, Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.
3. Defined Terms.
  - a. General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."
  - b. Hold-the-Offering-Price Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."
  - c. Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (March 30, 2026), or (ii) the date on which Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.
  - d. Issuer means Pleasant Valley Community School District.
  - e. Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.
  - f. Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
  - g. Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is March 23, 2026.
  - h. Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's

interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: April 28, 2026

SCHEDULE A  
SALE PRICES OF THE GENERAL RULE MATURITIES AND  
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES  
(Attached)

SCHEDULE B  
PRICING WIRE OR EQUIVALENT COMMUNICATION

**EXHIBIT A**  
**PLEASANT VALLEY COMMUNITY SCHOOL DISTRICT, IOWA**  
**\$10,000,000 SCHOOL INFRASTRUCTURE SALES, SERVICES**  
**AND USE TAX REVENUE BONDS, SERIES 2026**

**ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. Reasonably Expected Initial Offering Price.
  - a. As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.
  - b. Purchaser was not given the opportunity to review other bids prior to submitting its bid.
  - c. The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.
2. Defined Terms.
  - a. Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
  - b. Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
  - c. Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is March 23, 2026.
  - d. Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Dated: April 28, 2026

SCHEDULE A  
EXPECTED OFFERING PRICES  
(Attached)

SCHEDULE B  
COPY OF UNDERWRITER'S BID  
(Attached)