

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2026

1900 52nd Avenue
Moline, Illinois 61265-3198

Moline-Coal Valley School District No. 40
Moline, Illinois

Annual Comprehensive Financial Report
Year Ended June 30, 2026

Prepared by:

Office of the Chief Financial Officer

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MOLINE-COAL VALLEY
SCHOOL DISTRICT
1900 52ND AVENUE, MOLINE, IL 61265

October 22, 2026

President and Members of the
Board of Education
Moline-Coal Valley School District No. 40
1900 52nd Ave
Moline, Illinois 61265

The Annual Comprehensive Financial Report of Moline-Coal Valley School District No. 40, Moline, Illinois, for the fiscal year ended June 30, 2026, is hereby submitted.

The Superintendent of Schools and the Chief Financial Officer are responsible for the financial transactions of Moline-Coal Valley School District No. 40 and the contents of this report. We believe the information presented is accurate in all material respects and fairly presents the District's financial position and results of operations, as reflected in the financial activity of its various funds. We also believe the report includes all disclosures necessary to provide readers with a thorough understanding of the District's fiscal affairs.

The Annual Comprehensive Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, lists of Board of Education members and principal officials, and the organizational chart. The financial section includes the basic financial statements and schedules, along with the auditors' report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

History of the District

Moline-Coal Valley School District No. 40, a pre-kindergarten-through-grade-12-unit school district, was established in 1873 in the City of Moline. Located on the Mississippi River in Rock Island County, Illinois, Moline is approximately 170 miles west of Chicago and is the headquarters of Deere & Company. As the farm implement manufacturer grew, so did the city and the District. Enrollment has declined gradually over the past 10 years, from 7,267 students in the 2017–2018 school year to 7,107 in the 2025–2026 school year.

Washington (Central) School was the first building erected in 1873 at a cost of $25,000. Other schools soon followed, including the first Moline High School in 1894. The high school was replaced with a new school in 1915 and later with the current Moline High School in 1958, which now has approximately 2,186 students. In 1928, Wharton Field House was constructed and became part of the high school athletic facilities with Browning Field. John Deere and Calvin Coolidge Junior High Schools were constructed in the early 1930s for grades seven, eight and nine. Woodrow Wilson Junior High School was built in 1962.

In the early 1980s, the District consolidated facilities in response to enrollment declining to 9,000 students and to improve operating efficiency. It closed eight of its 20 neighborhood elementary schools and Coolidge Junior High School. Moline High School became a four-year high school, while John Deere and Woodrow Wilson became two-year middle schools serving grades seven and eight. Jane Addams Elementary School reopened in 1992. Jefferson Elementary School reopened in 1996

as the Jefferson Early Childhood Center for prekindergarten students. Coolidge became the site of the Alternative High School, the Regional Office of Education, and District maintenance and support offices.

In 1952, the Village of Coal Valley schools were annexed into Moline-Coal Valley School District No. 40. Bicentennial Elementary School, built in 1976 in Coal Valley south of Moline across the Rock River, became the newest of the District's 13 elementary schools. In 2008, the District completed the reconstruction and expansion of Bicentennial Elementary School to accommodate all K–6 students from Horace Mann and Bicentennial Elementary Schools. Students moved into the new Bicentennial Elementary School in January 2009.

In 2010, the District undertook its largest capital project in terms of bond sales, renovating both middle schools to accommodate sixth-grade students moving from elementary schools. John Deere Middle School, built in 1931 at a cost of $560,000, originally contained 96,557 square feet. Construction began in spring 2010 on a new gymnasium, fitness center, ground-level cafeteria, geothermal system, and renovations throughout the existing building. The project added 11,963 square feet at a total cost of $15,600,000, bringing the building to 108,520 square feet. Wilson Middle School, originally built in 1961 at a cost of $1,943,625, contained 103,622 square feet. Construction began in spring 2010 on a new science wing, fitness center, geothermal system, and renovations throughout the existing building. The project added 9,388 square feet at a total cost of $9,700,000, bringing the building to 113,010 square feet. Both middle schools now serve students in grades six through eight.

In 2013, the District began a $17,300,000 expansion of Hamilton Elementary School into a four-section K–5 attendance center. Beginning with the 2015–2016 school year, new attendance boundaries were established to balance class sizes, increase grade-level collaboration, and better align educational resources across the District. The expansion increased Hamilton's area from 17,075 to 85,619 square feet.

Starting with the 2015-2016 school year, Garfield and Ericsson Schools were closed as attendance centers. Ericsson was sold in June 2015. Garfield was sold in June 2016.

In 2018, bonds were sold in the amount of $22,000,000 for multiple projects in the District, including an HVAC upgrade at Moline High School, a performing arts center at Moline High School, renovations at Franklin Elementary School, LED lighting, and parking lot resurfacing. The Bartlett Performing Arts Center was completed in 2019 at a total cost of $11,800,000. The project was funded by the Bartlett Family Trust (approximately 75%) and the bond sale (approximately 25%).

In 2019, bonds were sold in the amount of $14,000,000 for a PE Facility at Moline High School. This project was completed during the 2020-2021 school year.

In 2022 and 2023, Elementary and Secondary Emergency Relief (ESSER II) and American Rescue Plan (ESSER III) funds supported air quality improvements in response to the COVID-19 pandemic. Using these funds, the District enhanced air quality at Jane Addams, Butterworth, Logan, Washington, and Lincoln-Irving Elementary Schools by installing air conditioning and upgrading electrical and heating systems.

Improvement projects at Jane Addams, Butterworth, and Logan were completed in the fall of 2023, totaling $6,873,872, while projects at Washington and Lincoln-Irving were completed in 2025, totaling $9,906,806.

In addition, ESSER I, ESSER II, and ESSER III funds supported HVAC and heat pump upgrades at Bicentennial, Jefferson, Roosevelt, John Deere Middle School, and Wilson Middle School, totaling $675,602.

In 2024, the District purchased a 26,536-square-foot office building at 1900 52nd Ave. for $1.8 million. The facility now houses District administration and support staff, accommodates Board of Education meetings, and provides space for in-District professional development. This acquisition reflects the District's commitment to operational efficiency and professional growth.

In 2025, the District issued $47,400,000 in bonds for projects including the combined Lincoln-Irving and Willard elementary campus, scheduled to open in fall 2027 at a cost of $29,415,321. Other planned bond-funded projects include Moline High School restroom renovations, a new soccer complex, and a new baseball and softball complex with turf varsity fields.

The District is also undertaking facility improvements scheduled for completion during the 2026–2027 school year. These include concession stand and restroom upgrades and visitor bleachers at Browning Field, Moline High School cafeteria renovations, and heat pump replacements at Bicentennial Elementary, John Deere Middle School, and Wilson Middle School.

Local property taxes remain an important source of District funding. During the 2025-2026 school year, the District received $58,515,681 in property taxes levied by the District, representing approximately 38.0% of total revenues. Referendums were approved by voters of the District in 1992 (operations and maintenance purposes rate change from $0.54 to $0.75 per $100 equalized assessed valuation) and in 1987 (educational purposes rate change from $2.55 to $3.27 per $100 equalized assessed valuation).

Moline-Coal Valley School District No. 40 enjoys strong support from active Parent-Teacher Association/Parent-Teacher Organizations in the schools. The Moline Public Schools Foundation raises funds through corporate and personal pledges and other annual fundraising activities to support schools. During the 2025-2026 school year, the Moline Public Schools Foundation donated nearly $40,000 in teacher grants for classroom needs.

Reporting Entity

The financial statements include all funds that are controlled by or dependent on the Board of Education of the District. The District does not exercise oversight responsibility over any other entity and thus does not include any other entity or a component unit in this report. Additionally, based on consideration of oversight responsibility, scope of public service and special financing relationships, the District is an independent entity, not included as a component unit of any other reporting entity.

Economic Condition and Outlook

Moline and Coal Valley, Illinois, are part of the Quad Cities Metropolitan Statistical Area, which includes Davenport and Bettendorf, Iowa; Rock Island and East Moline, Illinois; and other surrounding communities. The metropolitan area has a population of nearly 400,000. Moline-Coal Valley School District No. 40 serves a population of 46,858 across 27.88 square miles.

The City of Moline continues to experience residential and commercial development throughout the community. Previously adopted City Council Goals, including a Strong Local Economy, a Vibrant Downtown, and Expanded Housing Opportunities, reflect the city's interest in maintaining and enhancing local growth in a variety of economic sectors. As previously undeveloped sites become harder to find, much of the community's new development is occurring in the form of infill development, redevelopment, and adaptive reuse projects. Previously successful commercial redevelopment projects have rendered favorable economic impacts on the Moline community. These benefits include generating a higher economic multiplier effect, capitalizing on existing infrastructure, and adding value to existing structures or development sites.

Heritage Church purchased the former KONE campus and began developing plans to renovate its office and warehouse space for church operations, a 600-seat worship center, collaborative space, and leasable offices for other nonprofit organizations. Funding of $10,000,000 through TIGER II and $177,000,000 for high-speed rail has been associated with proposed passenger rail service between Chicago and the Quad Cities. Western Illinois University's Quad Cities campus has contributed to the local economy through a $15,800,000 first-phase project completed in January 2012 and a $42,000,000 second phase completed for fall 2014 classes. The University subsequently experienced

enrollment and funding declines and did not proceed with a third phase of renovations and improvements.

The $65,000,000 multiyear widening and reconstruction of John Deere Road (JDR), from the I-74 interchange through the 70th Street intersection, has been completed. This heavily traveled corridor now has three lanes in each direction and dedicated turning lanes at intersections, improving traffic flow. Commercial development along John Deere Road and the John Deere Expressway has included a shopping center at 38th Street with national tenants; redevelopment of the former Menards property into retail spaces; and reuse of the former Mill's Chevrolet site at 16th Street for health care offices, a restaurant, and a shipping and printing center.

The City sold the 15-acre property formerly known as One Moline Place Phase II for development as Overlook Village, a $51,000,000 continuum-of-care senior living project by S.J. Russell Corporation and the Dial Corporation. Infrastructure improvements for Phase III of One Moline Place, now known as Hawk Hollow, have also been completed, including a new roadway, sanitary sewer and water service, and stormwater facilities.

During fiscal year 2026, the City continued planning implementation of the Moline River Front + Centre Plan, developed with Renew Moline to guide mixed-use redevelopment, public open space, walking and bicycling connections, and infrastructure improvements near the former I-74 bridge site. In April 2026, the City received a River Edge Redevelopment Zone designation, making eligible downtown projects eligible for state redevelopment incentives. The City also advanced its comprehensive plan update and 2026–2029 strategic priorities, emphasizing infrastructure, housing, economic development, and quality of place.

The City reported progress on its South Slope Wastewater Treatment Plant modernization, supported by approximately $120 million in Illinois Environmental Protection Agency loan funding, along with sidewalk improvements, planning for a replacement central fire station, and efforts to expand housing opportunities. These municipal initiatives represent planned and ongoing community investments.

The Village of Coal Valley continued to promote commercial investment through its economic development resources and Tax Increment Financing Commercial Revitalization Grant Program. An approximately 17,000-square-foot Fareway grocery store at First Street and Route 6 was proposed to open in October 2026. The Village also highlighted a $527,800 state Open Space Land Acquisition and Development grant awarded to Niabi Zoo for a splash pad, dinosaur-dig playground, and outdoor education deck, with construction anticipated in 2026 and potentially continuing into 2027. These initiatives may support community amenities, business activity, and the long-term attractiveness of the District's service area.

Internal Controls

District management is responsible for establishing and maintaining an internal control structure designed to protect District assets from loss, theft, or misuse and to ensure that sufficient accounting data are available to prepare financial statements in conformity with generally accepted accounting principles. This structure provides reasonable, but not absolute, assurance that these objectives will be met. Reasonable assurance recognizes that (1) the cost of a control should not exceed its expected benefits and (2) evaluating costs and benefits requires management estimates and judgments.

The District's independent auditors perform tests of internal controls, including controls related to federal financial assistance programs, and assess compliance with applicable laws and regulations. The results of these tests for the fiscal year ended June 30, 2026, identified no material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

Budgetary control is maintained at the line-item level, with line items grouped into programs and/or cost centers and then combined into fund totals. District management receives monthly comparisons

of actual activity with budgeted amounts, and the Board of Education receives monthly budget-to-actual reports. Significant variances are disclosed when they arise during the year.

Cash Management

The District invests up to 100% of its available cash, aligning investment maturities with anticipated cash needs. All checking accounts are interest-bearing. Investments comply with applicable Illinois statutes. The District maintains an investment relationship with Illinois Funds, a statewide investment pool established by statute and managed by the Treasurer of the State of Illinois.

The school treasurer is appointed by the Board of Education and authorizes all investments and cash transactions. Investment strategies are structured to obtain the best yield for invested funds while maintaining appropriate risk controls. The District maintains investments in accordance with applicable Illinois statutes. During the 2025-2026 school year, interest on investments totaled $5,506,910.

Risk Management

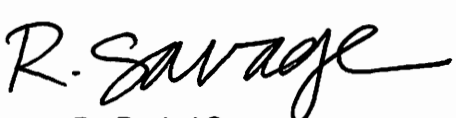
The District completed its annual review of insurance coverage to minimize the risk of major losses at reasonable premium costs. The District Group Insurance Fund, an internal service fund established in 1994, accounts for and finances uninsured risks of loss. The health benefit plan includes stop-loss coverage with a $210,000 threshold per covered participant. The District purchases commercial insurance for claims exceeding the coverage provided by the Fund and for other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past four fiscal years.

Independent Audit

The Illinois School Code and District policy require an annual audit of the accounts, financial records, and transactions of all District funds. Independent certified public accountants selected by the Board of Education perform the audit. The auditors' opinion is included in this report.

Acknowledgments

We thank the members of the Board of Education for their interest and support in planning and overseeing the District's financial operations in a responsible and progressive manner. We also thank the dedicated central office staff for their assistance in preparing this report on time.



Dr. Rachel Savage
Superintendent



Vincent P. Gallo
Chief Financial Officer

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Moline-Coal Valley School District No. 40

Board of Education
Year Ended June 30, 2026

Name	Title	First Elected	Term Expires
Cheston DeSmet	President	2021	2029
Audrey Adamson	Vice President	2019	2027
Ramona Dixon	Member	2023	2027
Jason Farrell	Member	2023	2027
Lindsey Hines	Member	2023	2027
Geoff Manis	Member	2025	2029
Laura Sivertsen	Member	2025	2029

Moline-Coal Valley School District No. 40

School District Administration
Year Ended June 30, 2026

Rachel Savage	Superintendent
Brian Prybil	Deputy Superintendent
Todd DeTaeye	Assistant Superintendent for Administration and Human Resources
Erin Terstriep	Assistant Superintendent for Student Services and Special Education
Vince Gallo	Chief Financial Officer, Comptroller, and Treasurer
Robert Beem	Director of Secondary Education
Steven Etheridge	Director of Elementary Education
Keith Karstens	Director of Facilities
Craig Reid	Director for Technology
Candace Sountris	Director for Public Relations and Communications
Trista Sanders	Coordinator for Student Services
Leia Peterson	Coordinator of Special Education Services
Leslie Perkins	Coordinator of ML Learners & Early Childhood Programs
William Duncan	Coordinator of Facilities Services
Scott VanBlaricome	Coordinator of Custodial Services

Moline-Coal Valley Schools
Organization Flow Chart

Revised 2025

Chain of Command & Succession Plan AP 3:70



Citizens of District 40

Board of Education

Superintendent

Deputy Superintendent

Asst. Sup for Student Services & SPED

Asst. Sup for Admin and Human Resources

Chief Financial Officer

Director of Elementary
Reports to Deputy

Director of Secondary
Reports to Deputy

Director of Technology
Reports to Deputy

Director of Facilities
Reports to CFO

Director of PR
Reports to Superintendent

Coordinator Student Services
Reports to Asst. Sup Spec. Ed.

Coordinator Spec. Ed.
Reports to Asst. Sup Spec. Ed.

Coordinator ML /Early Childhood
Reports to Directors of Elem/Sec

Coordinator Custodial Services
Reports to Director of Facilities

Coordinator Maintenance Services
Reports to Director of Facilities

Principals

Assistant Principals

Deans

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Bohnsack & Frommelt LLP
Certified Public Accountants
575 12th Avenue
East Moline, Illinois 61244

Independent Auditor's Report

To the Board of Education
Moline-Coal Valley School District No. 40
Moline, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Moline-Coal Valley School District No. 40 (the District) as of and for the year ended June 30, 2026, 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, each major fund and the aggregate remaining fund information of the Moline-Coal Valley School District No. 40, as of June 30, 2026, 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 Moline-Coal Valley School District No. 40 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.

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 Moline-Coal Valley School District No. 40'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 Moline-Coal Valley School District No. 40'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 Moline-Coal Valley School District No. 40'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, schedules of changes in net pension liability and related ratios and schedules of contributions for the Illinois Municipal Retirement Plan; Schedule of the District's proportionate share of the net pension liability and schedule of District contributions of Teachers' Retirement System of the State of Illinois; and Schedule of the District's Proportionate Share of the Total OPEB Liability and Schedule of District Contributions for Teachers' Health Insurance Security Fund and schedule of changes in the District's total OPEB liability and related ratios, and budgetary comparison information, on pages 4–13 and 65-80 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 Moline-Coal Valley School District No. 40's basic financial statements. The supplementary information as listed in the table of contents, is 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 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 22, 2026, on our consideration of the Moline-Coal Valley School District No. 40'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 Moline-Coal Valley School District No. 40'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 Moline-Coal Valley School District No. 40's internal control over financial reporting and compliance.

Bohnsack & Frommelt LLP

East Moline, Illinois
October 22, 2026

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It is an honor to present to you the financial picture of Moline-Coal Valley School District No. 40. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of Moline-Coal Valley School District No. 40 for the fiscal year ended June 30, 2026. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements and provides an analytical overview of the District's financial activity. The District's financial report contains basic financial statements, required supplementary information and supplementary information. The basic financial statements present the District's finances at both an overall and detailed level as follows.

Government-wide financial statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements provide information about the activities of the District as a whole using the accrual basis of accounting and economic resources measurement.

The government-wide financial statements report the governmental activities which reflect functions of Moline-Coal Valley School District No. 40 that are principally supported by intergovernmental revenues. Business-type activities are services primarily financed by charges for services. The District does not currently have any activities that are considered business-type activities. The governmental activities of the District include instruction, support services, tuition paid to other districts, community service, and debt service.

The government-wide financial statements include only Moline-Coal Valley School District No. 40. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Moline-Coal Valley School District No. 40 like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. The District funds consist of governmental funds and a proprietary, internal service fund.

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

- **Proprietary funds**
  The District maintains an internal service fund to account for the premium and claim payments for the health insurance plan for District employees. Internal service funds are an accounting devise used to accumulate and allocate costs internally among the District's various functions; it has been included within governmental activities in the government-wide financial statements**.**

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

The Moline-Coal Valley School District No. 40 maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances for the General Fund and Capital Projects Fund. Data from the other six governmental funds are combined into a single aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Notes to basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Moline-Coal Valley School District No. 40's budget, pension plans and other postemployment benefit plans.

Supplementary information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

Table 1

	Governmental Activities	
	2026	2025
Current and other assets	$ 263,648,228	$ 202,260,429
Capital assets	156,778,195	146,989,236
Total assets	420,426,423	349,249,665
Deferred outflows of resources	10,050,853	13,454,094
Noncurrent liabilities	111,124,456	70,163,005
Other liabilities	18,244,408	12,764,393
Total liabilities	129,368,864	82,927,398
Deferred inflows of resources	87,137,638	87,847,188
Net position:		
Net investment in capital assets	131,725,802	129,590,041
Restricted	61,107,214	51,994,203
Unrestricted	21,137,758	9,635,496
Total net position	$ 213,970,774	$ 191,219,740

As of June 30, 2026, the Districts total net position was $213,970,774, an increase of $22,751,304 or 11.9 percent compared with 2025. The increase is the result of financial performance analyzed in the following sections.

By far the largest portion of the District's total assets reflected its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's investment in capital assets was $233,156,775 net of accumulated depreciation of $76,378,580 as of June 30, 2026.

The largest portion of the District's noncurrent liabilities are for general obligation bonds. The District's total liabilities increased $46,441,466 primarily due to the issuance of $47,400,000 general obligation bonds in December 2025..

The restricted portion of the District's net position $61,107,214 represents resources that are subject to external restrictions on how they might be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to students and creditors. The District's unrestricted net position is $21,137,758. Unrestricted net position increased $11,502,262 from 2025 unrestricted net position of $9,635,496. This is primarily due to the net change in fund balance generated in the General Fund for 2026 and the change in the OPEB and pension accruals of $3,004,513 and $242,995 respectively.

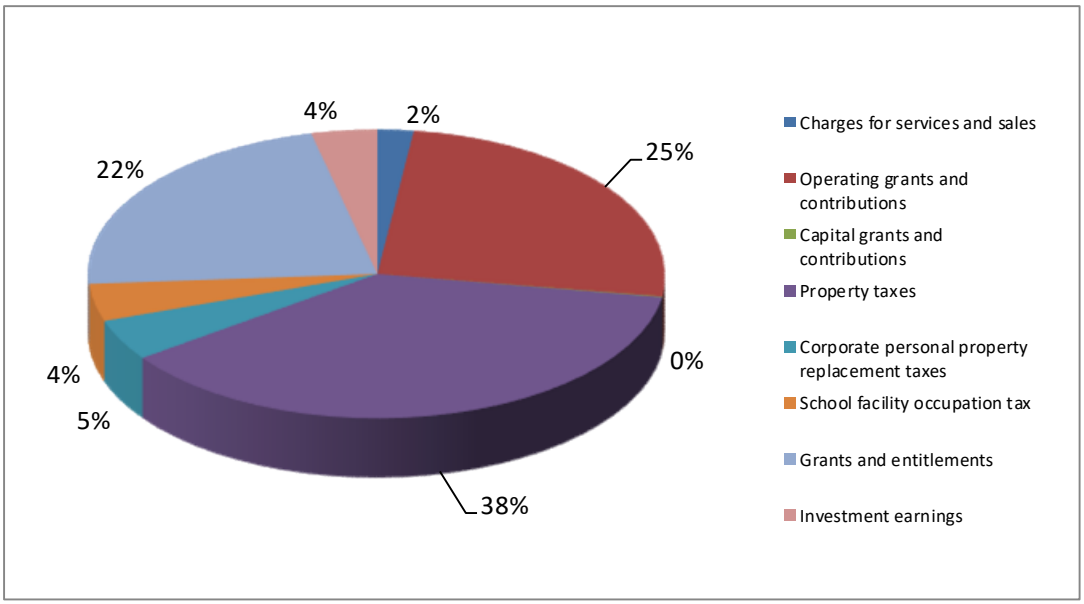
Table 2 highlights the District's revenues and expenses for the fiscal year ended June 30, 2026 and 2025.

Table 2 - Program Revenues and Expenses

	Governmental Activities	
	2026	2025
Revenues:		
Program revenues:		
Charges for services and sales	$ 3,144,885	$ 3,327,631
Operating grants and contributions	39,731,178	43,713,340
Capital grants and contributions	126,786	103,191
General revenues:		
Property taxes	58,515,681	53,039,359
Corporate personal property replacement taxes	7,183,138	6,525,423
School facility occupation tax	6,528,681	5,873,331
Grants and entitlements	34,950,637	31,022,129
Investment earnings	5,739,433	5,687,086
Total revenues	155,920,419	149,291,490
Program expenses:		
Instruction	90,116,174	90,686,905
Support services	38,668,378	39,349,063
Tuition paid to other districts	1,636,094	1,570,661
Community services	562,540	604,795
Debt service interest	2,186,199	424,247
Total expenses	133,169,385	132,635,671
Increase in net position	22,751,034	16,655,819
Net position, beginning of year, as restated	191,219,740	174,563,921
Net position, end of year	$ 213,970,774	$ 191,219,740

Net position increased $22,751,034. Revenues increased $6,628,929. Expenses increased $533,714. See the following analysis of revenues and expenses.

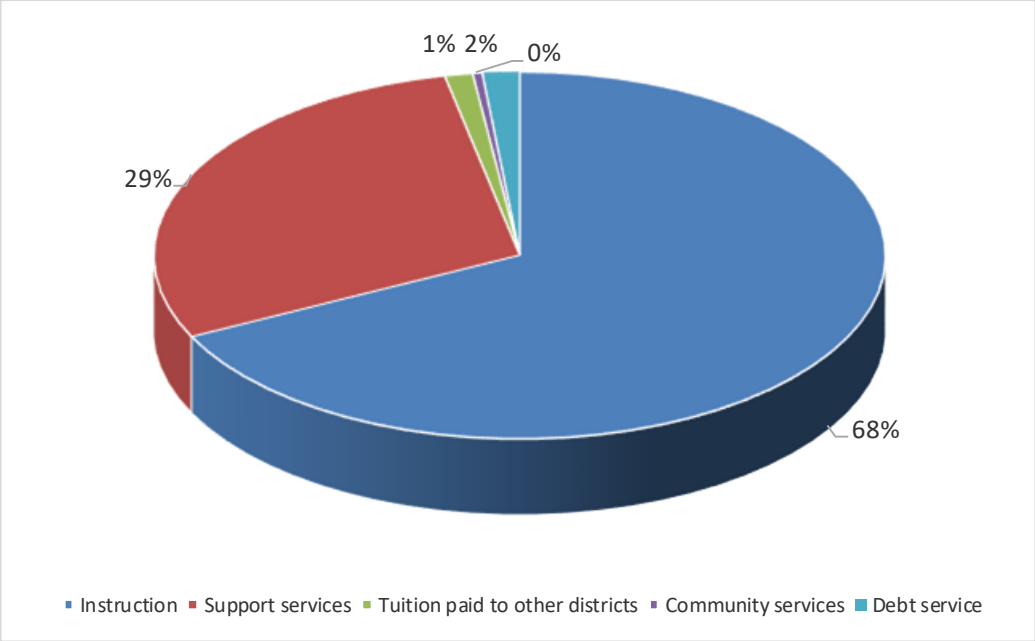
Revenue Sources



Revenues	2026	2025	Increase/ (Decrease)	% Increase/ (Decrease)
Charges for services and sales	$ 3,144,885	$ 3,327,631	$ (182,746)	-5.49%
Operating grants and contributions	39,731,178	43,713,340	(3,982,162)	-9.11%
Capital grants and contributions	126,786	103,191	23,595	22.87%
Property taxes	58,515,681	53,039,359	5,476,322	10.33%
Corporate personal property replacement taxes	7,183,138	6,525,423	657,715	10.08%
School facility occupation tax	6,528,681	5,873,331	655,350	11.16%
Grants and entitlements	34,950,637	31,022,129	3,928,508	12.66%
Investment earnings	5,739,433	5,687,086	52,347	0.92%
Total revenues	$ 155,920,419	$ 149,291,490	$ 6,628,929	4.44%

Revenues increased $6,628,929 from $149,291,490 in 2025 to $155,920,419 in 2026. The increase is primarily in property taxes and grants and entitlements offset by a decrease in operating grants and contributions. Property taxes increased 10.33% which is due to a combination of increase in taxable assessed value of 6% for the 2025 levy and 7% for the 2024 levy. Property taxes collected in fiscal year 2026 represent approximately 58% of the 2025 levy and 44% of the 2024 levy. Amounts reported as grants and entitlements are the revenue received from the Evidence Based Funding Formula. As a result of the state's mechanism for school funding allocations, the District received an additional $3,982,162 over the prior fiscal year. Operating grants and contributions decreased $3,982,162, or 9.1 %, primarily due to a $3,909,357 decrease in State of Illinois on-behalf contributions for teacher retirement and retiree health insurance. These contributions are recognized as both revenue and expenditure and do not represent cash received by the District. The remaining $72,805 decrease reflects lower federal and restricted state operating grant revenues and donated food commodities, substantially offset by changes in the government-wide recognition of intergovernmental revenues.

Expenses by Function



Expenses	2026	2025	Increase/ (Decrease)	% Increase/ (Decrease)
Instruction	$ 90,116,174	$ 90,686,905	$ (570,731)	-0.63%
Support services	38,668,378	39,349,063	(680,685)	-1.73%
Tuition paid to other districts	1,636,094	1,570,661	65,433	4.17%
Community services	562,540	604,795	(42,255)	-6.99%
Debt service	2,186,199	424,247	1,761,952	415.31%
Total expenses	$ 133,169,385	$ 132,635,671	$ 533,714	0.40%

Expenses increased $533,714 from $132,635,671 in 2025 to $133,169,385 in 2026. Debt service expense increased $1,761,952, from $424,247 to $2,186,199, principally in connection with the $47.4 million Series 2025 school bond issuance on December 18, 2025 and related costs of issuance of the debt. Instruction expenses decreased $570,731 primarily due to the decrease in the State of Illinois on-behalf contributions referred to in the revenue analysis and the decrease in OPEB costs. These decreases were offset by higher instructional staffing and benefit costs, increases in special education and purchased service costs.

Table 3 below discloses cost of services for governmental activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program receipts. Succinctly put, net costs are costs that must be covered by unrestricted state aid. The difference in these two columns would represent restricted grants, fees and donations. Expenses for instruction and program support represent the largest percent of total District expenses.

Table 3 - Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2026	2025	**2026**	2025
Instruction	**$ 90,116,174**	$ 90,686,905	**$ 55,556,898**	$ 52,529,598
Support services	**38,668,378**	39,349,063	**30,224,805**	30,362,208
Community services	**562,540**	604,795	**562,540**	604,795
Tuition paid to other districts	**1,636,094**	1,570,661	**1,636,094**	1,570,661
Debt service, interest	**2,186,199**	424,247	**2,186,199**	424,247
Total	**$ 133,169,385**	$ 132,635,671	**$ 90,166,536**	$ 85,491,509

Net cost of service has increased from 64.5% in 2025 to 67.7% in 2026 which reflects a higher reliance on general revenues of the District.

Financial Analysis of the Government's Funds

As noted earlier, the Moline-Coal Valley School District No. 40 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Moline-Coal Valley School District No. 40's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Moline-Coal Valley School District No. 40's governmental funds reported combined ending fund balances of $188,604,344, an increase of $57,703,617 in comparison with the prior year. Approximately 47 percent of the total ending governmental funds fund balance amount constitutes unassigned fund balance which is available for spending at the government's discretion. The remainder of the fund balance is nonspendable or restricted to indicate that it is not available for new spending because it has already been restricted for: 1) special revenue purposes 2) debt service 4) transportation 3) life safety projects and 4) capital projects.

Following are ending fund balances including restricted and unassigned of the major governmental funds and a discussion concerning the change in balances:

Table 4 - Governmental Fund Balances

Purpose	**2026**	2025	Change	% Change
General	**$ 108,609,975**	$ 100,517,516	$ 8,092,459	8.05%
Capital Projects	**61,825,926**	15,449,346	46,376,580	300.18%

General Fund:

The General Fund strengthened in 2026 as revenues exceeded expenditures by $8,150,978, and ending fund balance increased $8,092,459, or 8.05%, to $108,609,975. The General Fund includes the Educational, Operations and Maintenance, and Working Cash accounts. Revenue growth was driven primarily by $4,542,934 more in property taxes and $3,928,508 more in Evidence-Based Funding. Corporate personal property replacement taxes increased $614,892. These gains were partially offset by a $955,699 decrease in interest income and the $3,909,357 decrease in state on-behalf retirement contributions. Excluding on-behalf contributions, which produce equal revenue and expenditure entries, General Fund revenues increased $8,253,831, or 8.12%.

Expenditures increased only 1.06% as reported, but increased $5,239,953, or 5.43%, excluding on-behalf contributions. The principal increases were instruction, excluding on-behalf contributions, of $2,783,239; capital outlay of $1,842,580; and support services of $589,929. Instructional increases were concentrated in salaries and purchased services, particularly special education and remedial programs. Capital outlay increased primarily in the Operations and Maintenance account, where spending rose $1,569,172. Tuition and other payments to districts increased $65,433, while community services decreased $41,228.

Capital Projects Fund:

The Capital Projects Fund balance increased $46,376,580, or 300.18%, from $15,449,346 in 2025 to $61,825,926 in 2026. The increase was driven by a $50 million transfer of bond proceeds and premium from the Working Cash Account of the General Fund, providing resources for construction projects.

Revenues increased 15.35%, primarily from $1,072,841 more in investment income and $767,496 more in school facility occupation tax receipts. These gains were partially offset by the decrease in intergovernmental revenue received in 2025 from federal COVID-19 ESSER programs.

Capital expenditures increased $5,182,291, or 132.81 %, reflecting increased construction and facility improvement spending.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

The following table shows ending balances of capital assets by category. At the end of the 2026 fiscal year, the District had invested $233,156,775 in capital assets. Total accumulated depreciation of these assets equaled $76,378,580. Total capital assets net of depreciation for 2026 was $156,778,195, which represents an increase of $9,788,959 from 2025. Major capital assets in the current year included athletic facility upgrades and Lincoln Irving expansion and improvements

Table 4 - Capital Assets as of June 30 (Net of Depreciation)

	Governmental Activities		Total Percentage Change
	2026	2025	2025-26
Land	$ 2,547,902	$ 2,350,190	8.4%
Construction-in-progress	12,258,966	3,969,749	208.8%
Land improvements	5,396,602	2,856,741	88.9%
Buidlings	132,184,159	135,174,816	-2.2%
Equipment and vehicles	3,770,248	2,517,280	49.8%
Right to use lease equipment	-	36,080	-100.0%
Right to use IT subscription	620,318	84,380	635.1%
Total	$ 156,778,195	$ 146,989,236	6.7%

Long-term Debt

As of June 30, 2026, the Moline-Coal Valley School District No. 40 had general obligation bonds outstanding totaling $57,760,000, and a subscription liability of $19,519. In the current year, the District paid $6,243,155 in principal and $1,042,323 in interest on debt outstanding. The District issued $47.4 million Series 2025 bonds on December 18, 2025. The bonds were issued to finance school construction and facility improvements including the Lincoln-Irving Elementary School expansion, the high school restroom renovations and athletic facility improvements.

Table 5 - Outstanding Long-Term Obligations

	Governmental Activities		Total Percentage Change
	2026	2025	2025-26
General obligation bonds	$ 57,760,000	$ 16,546,982	249.1%
Bond premium	5,489,456	269,563	1936.4%
Leases	-	37,405	-100.0%
Subscription liability	19,519	38,287	-49.0%
Total	$ 63,268,975	$ 16,892,237	

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The School Year 2026-2027 (Fiscal Year 2027) Proposed Budget has been prepared based upon known expenditures for approved programs and projected revenues. The following is a summary of the major 2026-2027 budget changes from the 2025-2026 Amended Budget:

Revenues and available carried forward fund balances equal or exceed expenditures for all funds for the 2026-2027 Fiscal Year. Historically, plan budget deficits do not materialize, since the District's past practice and budgeting philosophy is to allocate expenditures on the higher side while budgeting revenues conservatively. Salaries, wages and benefits have been updated to reflect known changes of staff costs. The Evidence Based Funding (EBF) formula has been updated to reflect base minimum plus Tier I funding of $2,500,000.

The Educational account of the General Fund reflects a budgeted surplus of $151,840. This is mainly due to an increase in equalized assessed valuation (EAV), Evidence-Based Funding (EBF), and interest rates. Property tax revenue reflects an increase of $2,229,116 or 5.9%, as a result of updated equalized assessed valuation projections provided by the Rock Island Assessment Office and anticipated needs based on the 2025 levy. CPPRT reflects a decrease of $25,000, as this amount is an unknown source from the State of Illinois and is projected to decline. Other state funded grants (i.e., Special Education, Preschool for All, Private Facility, etc.) reflects a decrease of $258,168, or -9.1%. This is based on recent funds received analysis and the proration of Mandated State Categoricals (MCAT's). Federal grant program (i.e., Child Nutrition, IDEA, Title I, etc.) revenues and expenditures have been analyzed to reflect updated awards, entitlements, carryovers, and allocation changes from the prior year. Offsetting revenues and expenses have been budgeted for all of these programs.

Operations & Maintenance account of the General Fund reflects a budgeted deficit of $3,108,280 due to the athletic field improvements, Browning Field bleachers, and parking lot repairs at various schools.

Debt Service fund reflects a budgeted deficit of $2,515,286 due to the interest on the 2025 Bond series. The revenue was received when the bonds were sold in the 2025-2026 school year, with payment occurring in the 2026-2027 school year and future years as projects are completed.

Transportation Fund reflects a budgeted deficit of $363,540. The State Special Education Transportation reimbursement amount was prorated at 60-65% resulting in an estimated decrease of $30,000.

Capital Projects Fund reflects an anticipated deficit of $39,751,080 due to bond projects including the Lincoln-Irving Expansion, Moline High School restroom renovations, the Moline High School soccer field, and the Moline High School baseball and softball fields renovations.

Tort Fund reflects a budgeted surplus of $26,890. Although there is an increase in property tax revenue, that surplus is offset by an increase in insurance premiums.

Life Safety Fund reflects a budgeted deficit of $76,050. This is primarily due to the timing of projects crossing fiscal years.

Total revenues decreased by $50,884,765, or -37.8%, primarily due to the 2025 Bond sale. Total expenditures increased by $31,528,619, or 24.6%. This increase in expenditures is due to projects financed by the 2025 bond series.

Request for Information

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write Mr. Vincent Gallo, Chief Financial Officer, Moline-Coal Valley School District No. 40, 1900 52nd Avenue, Moline, Illinois 61265.

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Moline-Coal Valley School District No. 40

Statement of Net Position
June 30, 2026

	Governmental Activities
Assets	
Cash and investments	$ 189,513,182
Receivables, net of allowances for uncollectible amounts:	
Property taxes	65,946,911
Corporate personal property replacement taxes	1,414,164
Sales tax	1,715,976
Other	120,521
Due from other govenmental units	2,899,869
Lease receivable	863,176
Inventory	65,443
Prepaid items	1,108,986
Capital assets:	
Nondepreciable:	
Land	2,547,902
Construction-in-process	12,258,966
Depreciable:	
Land improvements	14,062,277
Buildings	194,670,489
Equipment and vehicles	8,491,164
Right to use lease equipment	108,238
Right to use IT subscription	1,017,739
Accumulated depreciation and amortization	(76,378,580)
Total assets	420,426,423
Deferred Outflows of Resources	
Pension related deferred outflows	4,929,434
OPEB related deferred outflows	5,121,419
Total deferred outflows of resources	10,050,853

	Governmental Activities
Liabilities	
Accounts and contracts payable	$ 6,069,578
Accrued payroll and benefits	9,746,151
Claims payable	826,223
Accrued interest	1,448,757
Unearned revenue	153,699
Noncurrent liabilities:	
Due within one year:	
Compensated absences	7,825,291
IT subscription liability	19,519
General obligation bonds	5,680,000
Total OPEB liability	693,874
Portion due after one year:	
Compensated absences	5,708,572
General obligation bonds	57,569,456
Net pension liability	4,181,639
Total OPEB liability	29,446,105
Total liabilities	129,368,864
Deferred Inflows of Resources	
Property taxes levied for subsequent years	52,114,142
Lease related deferred inflows	863,176
Pension related deferred inflows	8,102,301
OPEB related deferred inflows	26,058,019
Total deferred inflows of resources	87,137,638
Net Position	
Net investment in capital assets	131,725,802
Restricted for:	
Grantor restricted puposes	5,624,519
Debt service	5,752,487
Tort immunity	2,397,504
Capital projects	25,155,709
Transportation	2,940,768
School activity	1,597,122
Municipal retirement and social security	5,077,075
Working cash	12,562,030
Unrestricted	21,137,758
Total net position	$ 213,970,774

See Notes to Basic Financial Statements.

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Moline-Coal Valley School District No. 40

Statement of Activities
Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:					
Instruction	$ 90,116,174	$ 842,391	$ 33,716,885	$ -	$ (55,556,898)
Support services	38,668,378	2,302,494	6,014,293	126,786	(30,224,805)
Community services	562,540	-	-	-	(562,540)
Tuition paid to other districts	1,636,094	-	-	-	(1,636,094)
Debt service, interest on long-term debt	2,186,199	-	-	-	(2,186,199)
	$ 133,169,385	$ 3,144,885	$ 39,731,178	$ 126,786	(90,166,536)
General revenues:					
Property taxes					58,515,681
Corporate personal property replacement taxes					7,183,138
School facility occupation tax					6,528,681
Grants and entitlements not restricted to specific programs					34,950,637
Investment earnings					5,739,433
Total general revenues					112,917,570
Change in net position					22,751,034
Net position, beginning of year					191,219,740
Net position, end of year					$ 213,970,774

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Balance Sheet
Governmental Funds
June 30, 2026

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	$ 103,354,494	$ 64,897,033	$ 16,535,350	$ 184,786,877
Receivables, net of allowances for uncollectible amounts:				
Property taxes	54,967,361	-	10,979,550	65,946,911
Corporate personal property replacement taxes	1,414,164	-	-	1,414,164
School facility occupation tax	-	1,715,976	-	1,715,976
Other	97,187	17,710	5,624	120,521
Due from other governmental units	2,349,869	-	550,000	2,899,869
Lease receivable	-	863,176	-	863,176
Inventory	65,443	-	-	65,443
Prepaid items	1,108,986	-	-	1,108,986
Total assets	$ 163,357,504	$ 67,493,895	$ 28,070,524	$ 258,921,923
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts and contracts payable	$ 1,196,762	$ 4,211,915	$ 450,762	$ 5,859,439
Accrued payroll and benefits	9,520,755	-	225,396	9,746,151
Unearned revenue	153,699	-	-	153,699
Total liabilities	10,871,216	4,211,915	676,158	15,759,289
Deferred Inflows of Resources:				
Unavailable revenue:				
Property taxes	43,438,219	-	8,675,923	52,114,142
School facility occupation tax	-	592,878	-	592,878
Intergovernmental	438,094	-	550,000	988,094
Lease	-	863,176	-	863,176
Total deferred inflows of resources	43,876,313	1,456,054	9,225,923	54,558,290
Fund Balances:				
Nonspendable:				
Inventory	65,443	-	-	65,443
Prepaid items	1,108,986	-	-	1,108,986
Restricted	18,186,549	61,825,926	18,168,443	98,180,918
Unassigned	89,248,997	-	-	89,248,997
Total fund balances	108,609,975	61,825,926	18,168,443	188,604,344
Total liabilities, deferred inflows of resources and fund balances	$ 163,357,504	$ 67,493,895	$ 28,070,524	$ 258,921,923

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position
June 30, 2026

Total fund balances of governmental funds	$	188,604,344
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.		156,778,195
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		
School facility occupation tax		592,878
Intergovernmental		988,094
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:		
Pension related:		
Deferred outflows of resources		4,929,434
Deferred inflows of resources		(8,102,301)
OPEB related:		
Deferred outflows of resources		5,121,419
Deferred inflows of resources		(26,058,019)
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.		3,689,943
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.		
Compensated absences		(13,533,863)
Accrued interest		(1,448,757)
General obligation bonds		(57,760,000)
IT subscription liability		(19,519)
Net pension liability		(4,181,639)
Other post employment benefits obligation		(14,339,300)
Other post employment benefits obligation, THIS		(15,800,679)
Bond premium		(5,489,456)
Net position of governmental activities	$	213,970,774

See Notes to Basic Financial Statements.

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Moline-Coal Valley School District No. 40

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2026

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	$ 48,773,279	$ -	$ 9,742,402	$ 58,515,681
School facility occupation tax	-	6,508,125	-	6,508,125
Corporate personal property replacement taxes	6,561,005	-	622,133	7,183,138
Intergovernmental	73,819,850	-	472,355	74,292,205
Interest	3,714,104	1,413,213	379,593	5,506,910
Other	1,696,017	420,000	1,028,868	3,144,885
Total revenues	134,564,255	8,341,338	12,245,351	155,150,944
Expenditures:				
Current:				
Instruction	86,195,590	-	1,248,812	87,444,402
Support services	31,699,602	-	5,891,286	37,590,888
Community services	562,223	-	317	562,540
Tuition paid to other districts	1,636,094	-	-	1,636,094
Capital outlay	6,319,768	9,084,308	256,849	15,660,925
Debt service:				
Principal	-	-	6,243,155	6,243,155
Interest	-	-	1,042,323	1,042,323
Total expenditures	126,413,277	9,084,308	14,682,742	150,180,327
Excess of revenues over expenditures	8,150,978	(742,970)	(2,437,391)	4,970,617
Other financing sources (uses):				
Issuance of long-term debt	47,400,000	-	-	47,400,000
Premium on issuance of long-term debt	2,600,000	-	2,733,000	5,333,000
Transfers in	-	50,000,000	2,938,969	52,938,969
Transfers out	(50,058,519)	(2,880,450)	-	(52,938,969)
Total other financing sources (uses)	(58,519)	47,119,550	5,671,969	52,733,000
Net change in fund balance	8,092,459	46,376,580	3,234,578	57,703,617
Fund balance, beginning of year	100,517,516	15,449,346	14,933,865	130,900,727
Fund balance, end of year	$ 108,609,975	$ 61,825,926	$ 18,168,443	$ 188,604,344

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities
Year Ended June 30, 2026

Net change in fund balances - total governmental funds		$ 57,703,617
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/amortization expense in the Statement of Activities. The amounts of capital outlays and depreciation/amortization expense in the year are as follows:		
Expenditures for capital assets	$ 15,598,845	
Depreciation/amortization expense	(5,780,853)	9,817,992
Loss on sale of capital assets		(29,033)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, change in unavailable revenues		
School facility occupation tax		20,556
Intergovernmental		175,597
Internal Service Fund change in net position		(716,748)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayments of the principal of long-term debt consumes the current financial resources of governmental funds. The issuance of debt increases liabilities in the Statement of Net Position, while the repayment of long-term debt reduces long-term liabilities. Also governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. Interest is accrued on outstanding bonds, whereas in the governmental funds, interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:		
Repayment of bond principal	6,186,982	
Issuance of general obligation bond	(47,400,000)	
Premium on issuance of general obligation bond	(5,333,000)	
Capital contribution	76,786	
Payment of lease liability	37,405	
Payment of IT subscription liability	18,768	
Interest expense	(1,256,983)	
Amortization of bond premium	113,107	(47,556,935)

Commodities inventory is not a financial resource in governmental funds. Commodities used are reported as expenses and commodities donated are reported as revenue in the statement of activities:		
Commodities used		(264,013)
Commodities donated		264,013
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, as follows:		
Compensated absences	88,480	
Other post employment benefits obligation	3,004,513	
Pension expense	242,995	3,335,988
Change in net position of governmental activities		$ 22,751,034

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Statement of Net Position
Governmental Activities - Proprietary Fund - Internal Service Fund
June 30, 2026

Assets		
Current:		
Cash and investments	$	4,726,305
Total assets	$	4,726,305
Liabilities		
Current:		
Accounts payable	$	210,139
Claims payable		826,223
Total liabilities		1,036,362
Net Position, unrestricted	$	3,689,943

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Statement of Revenues, Expenses and Changes in Fund Net Position
Governmental Activities - Proprietary Fund - Internal Service Fund
Year Ended June 30, 2026

Operating revenues, charges for services	$	11,646,884
Operating expenses		12,596,155
Operating loss		(949,271)
Other nonoperating income, interest income		232,523
Change in net position		(716,748)
Total net position, beginning		4,406,691
Total net position, ending	$	3,689,943

See Notes to Basic Financial Statements.

Moline-Coal Valley School District No. 40

Statement of Cash Flows
Governmental Activities - Proprietary Fund - Internal Service Fund
Year Ended June 30, 2026

Cash flows from operating activities:		
Cash received from employees and employer	$	11,646,884
Cash payments for claims and administration		(12,543,534)
Net cash (used in) operating activities		(896,650)
Cash flows from investing activities, interest received on investments		232,523
Net decrease in cash and cash equivalents		(664,127)
Cash and cash equivalents:		
Beginning		5,390,432
Ending	$	4,726,305
Reconciliation of operating loss to net cash (used in) operating activities:		
Operating loss	$	(949,271)
Adjustments to reconcile operating loss to net cash (used in) operating activities:		
Increase in accounts and contracts payable		17,758
Increase in claims payable		34,863
Net cash (used in) operating activities	$	(896,650)

See Notes to Basic Financial Statements.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies

Nature of operations:

Moline-Coal Valley School District No. 40 (the District) is a political subdivision created under Illinois State Statute. The District has the power to make rules and regulations for its own government consistent with the laws of the state of Illinois and the regulations of the Illinois State Board of Education. The District is governed by the Moline-Coal Valley School Board (the Board) which is elected at large in the general elections. The District is composed of one high school, one alternative high school, two middle schools, 11 elementary schools and one early childhood center. Student enrollment (preschool through high school) for the 2025-2026 school year was 7,107 regular and special education students as of October 1, 2025.

Reporting entity:

The financial statements of the District include all District operations required to be included in accordance with Governmental Accounting Standards Board (GASB) pronouncements concerning the reporting entity. 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 GASB has set forth criteria to be considered in determining financial accountability. These criteria are: a) 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; and b) fiscal dependency. Additional criteria to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District include (1) the economic resources being received or held by the separate organization being entirely or almost entirely for the direct benefit of the District, its component units or its constituents, (2) the District being entitled to, or having the ability to otherwise access, a majority of the economic resources received or held by the organization and (3) the economic resources received or held by an individual organization that the District is entitled to, or has the ability to otherwise access, are significant to the District. The District has no component units which meet the GASB criteria. In addition, the District is not aware of any entity which would exercise such oversight over it which would result in the District being considered a component unit of that entity.

Basis of presentation and Financial Statement Presentation:

The District's basic financial statements consist of the Government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide financial statements: The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. The District does not have any activities that are considered business-type activities.

The Statement of Net Position presents the District's nonfiduciary assets and 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.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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.

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 and proprietary funds. The District does not have fiduciary funds. 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:

General Fund: The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purposes provided it is expended or transferred according to the general laws of Illinois or the restrictions placed on the resources by a third party.

Capital Projects Fund: The Capital Projects Fund accounts for the acquisition or construction of major 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:

Transportation Fund: This fund accounts for all revenue received and expenditures made for student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement and Social Security Fund: This fund accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, OASDI and Employer's Share of Medicare for noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

School Activity Fund: This fund accounts for the monies generated by student organizations via fund raising activities.

Tort Immunity and Judgment Fund: This fund accounts for all revenue received and expenditures made for tort immunity or tort judgment purposes. Revenue is derived primarily from local property taxes.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

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

Capital Projects Fund: Is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including acquisition or construction of capital facilities and other capital assets.

Life Safety Fund: The Life Safety Fund accounts for the revenue and expenditures related to fire prevention and safety projects.

Additionally, the District reports the following fund types:

Proprietary Fund: The proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The only proprietary fund of the District is the Internal Service Fund. The Internal Service Fund supports the general government and accounts for the premium and claim payments for the self-insured health insurance plan for District employees.

Measurement focus and basis of accounting:

Government-wide financial statements: The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. All assets, deferred outflows of resources, deferred inflows of resources and liabilities associated with the operation of the District are included on the statement of net position. Revenues are recorded when earned and expense are recorded when a liability is incurred, regardless of timing of related cash flow.

Fund financial statements: All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets plus deferred outflows of resources and current liabilities plus deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

Revenues – exchange and nonexchange transactions: Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which it is budgeted. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, property and corporate personal property replacement taxes, intergovernmental revenues, charges for services and interest revenues are considered to be both measurable and available at fiscal year-end to the extent received within 60 days of year-end. Charges for sales and services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Proprietary funds distinguish operating revenues and expenses from noncapital subsidies, and other nonoperating revenues and expenses. Nonoperating revenues and expenses are any (1) contributions to permanent and term endowments; (2) finance related revenues and expenses; (3) gain and losses from disposals of capital assets and inventory; (4) investment income and expenses; and (5) subsidies received and provided. A subsidy represents amounts received from or provided to another party or fund of the District. Amounts received from another party or fund are considered a subsidy if it is unrelated to the services provided by the proprietary fund and keeps the fees charged at the same amount or lower if the subsidy was not received. Amounts provided to the other party or fund are considered a subsidy if it is unrelated to the goods or services provided by those parties and will generally result in the proprietary fund charging higher fees in the future. All revenues and expenses not meeting the definitions of nonoperating revenues and expenses are reported as operating revenues and expense.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Significant accounting policies:

The significant accounting policies followed by the District include the following:

Property taxes: Property taxes are recognized as a receivable at the time they become an enforceable legal claim. The current taxes receivable represents the 2025 levy and an estimate of the 2026 levy for the period January 1, 2026 through June 30, 2026. Property taxes are levied each year on all taxable real property in the District. Property taxes are levied on or before the last Tuesday in December and attach as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in June, August, September and November and are collected by the county collector, who in turn remits to the District its respective share. An allowance is provided for uncollectible taxes. Property taxes received after August 2026 of the 2025 levy along with six months of the 2026 property tax levy are intended to finance fiscal year ending June 30, 2027 and have been reported as deferred inflows of resources and will not be recognized as revenue until fiscal year 2027.

Due from other governmental units: Due from other governmental units represents amounts due from the Illinois State Board of Education, grants and reimbursements from other governments.

Inventories: Inventories are stated at cost (first-in, first-out) which approximates market. The consumption method of accounting is applied to the governmental fund type inventories. Unused commodities as of year-end are reported as inventory in the statement of net position and balance sheet. The fund balance related to inventories is reported as nonspendable.

Prepaids: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The fund balance in the governmental funds relating to prepaid items is reported as nonspendable.

Unearned revenue: Unearned revenue in the governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue consists primarily of school registration fees and meal revenues collected for the programs and services in the next school year.

Deferred outflows of resources: In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that time. In the District's government-wide statements, deferred outflows of resources consist of unrecognized items not yet charged to expense related the net pension liability and other postemployment benefit (OPEB) liability and contributions paid by the employer after the measurement date of the net pension liability and OPEB liability but before the end of the employer's reporting period.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Deferred inflow of resources: In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that apply to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenue from property taxes, sales tax, intergovernmental revenue, and lease revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District's government-wide statements present only the property tax revenues, lease, pension related deferred inflows and OPEB related deferred inflows. The property tax revenues remain under the full accrual basis of accounting and will become an inflow in the year that they are levied and budgeted for. Deferred inflows of resources in the government-wide statements also include the unrecognized items not yet charged to pension expense and other post-employment benefit expense.

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 District's pension plans and additions to/deductions from pension fiduciary net position have been determined on the same basis as they are reported by the respective pension plan. 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.

Other Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Postretirement Health Plan and the Teacher Health Insurance Security Fund of Illinois (THIS) and additions to / deductions from the fiduciary net position have been determined on the same basis as they are reported by the District Postretirement Health Plan and THIS. 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.

Expenses/expenditures: On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the statement of activities, as an expense, with the amount donated to the District reported as program revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable and due. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

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.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Investments: The investments are stated at fair value with the exception of the external investment pools below. Short-term investments are reported at cost which approximates fair value. Securities traded in a national or international exchange are valued at the last reported sales price at the current exchange rates. There are no investments in a fund earning income that is recorded in another fund.

The District invests in the Illinois School District Liquid Asset Fund and the Illinois Funds Money Market Fund which are external investment pools that are not SEC-registered and regulated by the State Treasurer's Office. These external investment pools are valued at amortized cost based on the criteria set forth in GASB Statement No. 79.

Capital assets: Capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. 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. The District maintains a capitalization threshold of $5,000. All capital assets except land and construction-in-process are depreciated.

Right-to-use leased assets are 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 direct costs to place the assets in service. Subsequently, the leased assets are amortized on a straight-line basis over the shorter of the life of the lease or estimated useful life of the asset.

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

Asset Class	Estimated Useful Lives
Land improvements	20 years
Buildings and building improvements	20 - 50 years
Equipment and vehicles	5 - 20 years

The District's collection of library books and other similar asset are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to District policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Self-insurance: The District is self-insured for health benefits. The District's premiums and claims are accounted for in the Internal Service Fund. Premiums are charged by the Internal Service Fund to operating funds based upon the number of employees and selected coverage in each fund.

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.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Leases:

Lessee: 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 proprietary fund statements and 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.

Lessor: The District is a lessor for a noncancellable lease of a building. The District recognizes a lease receivable and a deferred inflow of the resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Leases (Continued):

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

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments fro the lessee.

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

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 an 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 capitalization 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.

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.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Accrued liabilities and long-term obligations: All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and special termination benefits are reported as a liability in the fund financial statements only to the extent that they have matured and are due.

Fund balance: 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.

Assigned: Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The authority to assign fund balances has been delegated by the Board of Education to the Superintendent through an approved fund balance policy.

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

When an expenditure is incurred for purposes for which amounts in the committed, assigned, or unassigned fund balance classifications could be used, the District's policy is generally to first apply the expenditure to restricted fund balance and then to less restrictive classifications – committed, assigned and then unassigned fund balances.

Net position: 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. Net investment in capital assets excludes unspent debt proceeds of $42,581,336. 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 through enabling legislation consist of $5,752,487 for debt service, $2,397,504 for tort immunity, $12,562,030 for working cash, $25,155,709 for capital projects, $2,940,768 for transportation, and $5,077,075 for municipal retirement and social security. The District first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position is available.

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation and Financial Statement Presentation, Measurement Focus and Basis of Accounting, and Significant Accounting Policies (Continued)

Interfund transactions: Transactions among District funds would be treated as revenues and expenditures or expenses if they involved organizations external to the District and are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through with the revenues are to be expected, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding are reported in the government-wide financial statements as "internal balances."

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.

Note 2. Budgets and Budgetary Information

The District's Board of Education annually adopts a budget and approves the related appropriations for the General, special revenue, Debt Service and capital projects funds in accordance with provisions of Illinois Compiled Statutes. These budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of. On-behalf payments made by the state of Illinois for the District are not budgeted for by the District as revenues and expenditures. These on-behalf payments were recorded in the General Fund in the amount of $24,623,643 as of June 30, 2026.

Legal spending control is established at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education may amend the budget after it is approved using the same procedures necessary to approve the original budget. As of June 30, 2026, the District overexpended the Student Activity Fund and the Debt Service Fund.

Note 3. Deposits and Investments

As of June 30, 2026, the District had the following cash and investments:

Petty cash	$	4,056
Deposits		18,681,599
Certificates of Deposit		10,325,045
Illinois Funds Money Market Fund		72,294,104
Illinois School District Liquid Asset Fund		86,247,288
U.S. Treasury		1,961,090
	$	189,513,182

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 or identical assets; Level 2 inputs are significant other observable inputs, Level 3 inputs are significant unobservable inputs. As of June 30, 2026, the Districts investments were as follows:

		Investment Maturities (in Years)					Rating	
	Amortized Cost/ Fair Value	< 1	1-5	6-10	>10	Level Input	Standard & Poor	Fitch
Investment Pools,								
Illinois Funds Money Market Fund	$ 72,294,104	$ 72,294,104	-	-	-	N/A	N/A	AAAmmf
Illinois School Liquid Asset Fund	86,247,288	82,332,070	3,915,218	-	-	N/A	AAAm	N/A
U.S. Treasury	1,961,090	-	1,961,090	-	-	2	AA+	AAA
	$ 160,502,482	$ 154,626,174	$ 5,876,308	$ -	$ -			

State statutes and the District's investment policy authorize the District to make deposits in interest bearing depository accounts in federally insured and/or state-chartered banks and savings and loan associations, and to invest available funds in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, and short-term obligations of corporations organized in the United States with assets exceeding $500,000,000.

The District is also authorized to invest in Illinois School District Liquid Asset Fund and the Illinois Funds Money Market Fund, which invests member deposits on a pooled basis, short-term certificates of deposit and high rated short-term obligation of major United States corporations and banks.

Interest rate risk: The District's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, but it does state the investment portfolio should provide sufficient liquidity to pay District obligations as they become due.

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. See above for credit ratings related to the Illinois School District Liquid Asset Fund, and the Illinois Funds Money Market Fund and the U.S. Treasury.

Note 3. Deposits and Investments (Continued)

Concentration of credit risk: The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The District's investment policy seeks diversification to minimize the risk of loss resulting in over concentration in a specific maturity, issuer or class of securities. The investments above are investments in an external investment pools and, therefore, are not subject to concentration of credit risk.

Custodial credit risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. It is the District's policy to require that time deposits in excess of FDIC insurable limits be secured by collateral or private insurance to protect public deposits in a single financial institution if it were to default. As of June 30, 2026, $10,279,160 of the District's bank balances were exposed to custodial credit risk. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. As of June 30, 2026, The District's investments are not exposed to custodial credit risk.

Note 4. Lease Receivable

On July 1, 2019, the District entered into a lease agreement to lease approximately 35,000 square feet of the Horace Mann School building to Camelot Therapeutic Schools, LLC. The term of the lease was for a term of two years with the option to renew through June 2024 at a monthly base rent of $25,000. On June 26, 2023, the District approved a lease modification which extended the terms of the agreement and changed responsibility for boiler maintenance and repair. As a result, the lease was remeasured as of June 26, 2023 and the lease asset and deferred inflow of resources were adjusted by $1,605,955 the difference between the remeasured asset and the asset immediately before the lease modification.

The District recognized $377,249 in lease revenue and $42,751 in interest revenue during the current fiscal year related to this lease. As of June 30, 2026, the District's receivable for lease payments was $863,176. The District has a deferred inflow of resources associated with this lease of $863,176 that will be recognized as revenue over the term of the lease.

Rent is due monthly through June 1, 2028 is as follows for the District lease receivable:

Year Ended June 30:	Principal	Interest	Total
2027	$ 412,990	$ 27,010	$ 440,000
2028	450,186	9,814	460,000
	$ 863,176	$ 36,824	$ 900,000

Note 5. Interfund Transfers

The following is a schedule of transfers as included in the basic financial statements of the District:

	Transfer in	Transfer out
Major fund:		
General Fund	$ -	$ 50,058,519
Capital Projects Fund	50,000,000	2,880,450
Nonmajor fund,		
Debt Service Fund	2,938,969	-
	$ 52,938,969	$ 52,938,969

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The Capital Projects Fund transferred $2,880,450 to the Debt Service Fund for principal and interest on long term debt. The General Fund transferred $58,519 to the Debt Service Fund for lease and IT subscription obligations. The General Fund transferred $50,000,000 to the Capital Projects Fund for planned capital spending.

Note 6. Capital Assets

Capital assets activity for the year ended June 30, 2026 is as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 2,350,190	$ 197,712	$ -	$ 2,547,902
Construction in progress	3,969,749	10,076,075	1,786,858	12,258,966
Total capital assets not being depreciated/amortized	6,319,939	10,273,787	1,786,858	14,806,868
Capital assets being depreciated/amortized:				
Land improvements	11,108,230	2,954,047	-	14,062,277
Buildings	193,155,830	1,514,659	-	194,670,489
Equipment and vehicles	8,323,607	1,812,081	1,644,524	8,491,164
Right to use IT subscription	249,796	831,129	63,186	1,017,739
Right to use lease equipment	108,238	-	-	108,238
Total capital assets being depreciated/amortized	212,945,701	7,111,916	1,707,710	218,349,907
Less accumulated depreciation for:				
Land improvements	8,251,489	414,186	-	8,665,675
Buildings	57,981,014	4,505,316	-	62,486,330
Equipment and vehicles	5,806,327	530,080	1,615,491	4,720,916
Right to use IT subscription	165,416	295,191	63,186	397,421
Right to use lease equipment	72,158	36,080	-	108,238
Total accumulated depreciation and amortization	72,276,404	5,780,853	1,678,677	76,378,580
Total capital assets being depreciated/amortized, net	140,669,297	1,331,063	29,033	141,971,327
Governmental activities capital assets, net	$ 146,989,236	$11,604,850	$ 1,815,891	$156,778,195

Depreciation and amortization expense was charged to governmental functions as follows:

Governmental activities:	
Instruction	
Depreciation	$ 5,234,383
Amortization	331,271
Support services	215,199
Total governmental activities depreciation/amortization expense	$ 5,780,853

Note 7. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2026 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Direct placements:					
General obligation school bonds series 2009 (qualified zone academy bonds)	$ 574,582	$ -	$ 574,582	$ -	$ -
Taxable General Obligation School Bonds, Series 2024	517,400	-	517,400	-	-
Publicly issued:					
General obligation bonds:					
Alternate revenue source, series 2018	6,015,000	-	2,700,000	3,315,000	2,645,000
Bond premium, series 2018	41,454	-	24,935	16,519	-
Funding school bonds, series 2019A	6,405,000	-	2,135,000	4,270,000	2,285,000
Bond premium, series 2019A	77,760	-	36,786	40,974	-
Refunding school bonds, series 2020A	3,035,000	-	260,000	2,775,000	750,000
Bond premium, series 2020A	150,349	-	51,386	98,963	-
Funding school bonds, series 2025	-	47,400,000	-	47,400,000	-
Bond premium, series 2025	-	5,333,000	-	5,333,000	-
Total general obligation bonds	16,816,545	52,733,000	6,300,089	63,249,456	5,680,000
Lease obligation	37,405	-	37,405	-	-
IT subscription obligation	38,287	-	18,768	19,519	19,519
Compensated absences	13,622,343	-	88,480	13,533,863	7,825,291
Total	$ 30,514,580	$ 52,733,000	$ 6,444,742	$ 76,802,838	$ 13,524,810

General Obligation Bonds:

General obligation bonds payable as of June 30, 2026, are summarized as follows:

Original Issue Date	Original Issue Amount	Maturity Date	Purpose	Interest Rate	Balance Due
Publicly issued:					
February 27, 2018	21,925,000	February 1, 2028	Construction	3.00%	$ 3,315,000
September 9, 2019	14,000,000	February 1, 2028	Construction	2.00% to 5.00%	4,270,000
April 6, 2020	6,395,000	February 1, 2029	Refunding	4.00%	2,775,000
December 18, 2025	47,400,000	December 1, 2034	Construction	5.00%	47,400,000

Certain bonds have early redemption clauses that may be exercised at the District's option, subject to certain restrictions. Principal for the Series 2018, 2019A and 2020A bonds are due annually on February 1 with interest due semiannually on February 1 and August 1 through maturity. Principal and interest payments for the Series 2024 bonds are due on December 1, 2025. Principal payments for the Series 2025 bonds are due on December 1 with interest due semiannually on June 1 and December 1.

On December 18, 2024, the District issued $517,400 Taxable General Obligation School Bonds, Series 2024 for the purpose of increasing the working cash account of the District. The bonds were due December 1, 2025.

Note 7. Long-Term Liabilities (Continued)

The annual debt service requirements on the District's bonds are as follows:

	Publicly Issued Alternative Revenue Source, Series 2018			Publicly Issued General Obligation Refunding, Series 2019A		
Year Ending June 30,	Principal	Interest	Total	Principal	Interest	Total
2027	$ 2,645,000	$ 99,450	$ 2,744,450	$ 2,285,000	$ 105,250	$ 2,390,250
2028	670,000	20,100	690,100	1,985,000	59,550	2,390,250
Total	$ 3,315,000	$ 119,550	$ 3,434,550	$ 4,270,000	$ 164,800	$ 4,780,500

	Publicly Issued General Obligation Funding, Series 2020A			Publicly Issued General Obligation Funding, Series 2025		
Year Ending June 30,	Principal	Interest	Total	Principal	Interest	Total
2027	$ 750,000	$ 111,000	$ 861,000	$ -	$ 3,443,083	$ 3,443,083
2028	980,000	81,000	861,000	1,275,000	2,338,125	3,613,125
2029	1,045,000	41,800	1,086,800	4,265,000	2,199,625	6,464,625
2030	-	-	-	5,755,000	1,949,125	7,704,125
2031	-	-	-	6,205,000	1,650,125	7,855,125
2032-2034	-	-	-	29,900,000	3,124,250	33,024,250
Total	$ 2,775,000	$ 233,800	$ 2,808,800	$ 47,400,000	$ 14,704,333	$ 62,104,333

	Total		
Year Ending June 30,	Principal	Interest	Total
2027	$ 5,680,000	$ 3,758,783	$ 861,000
2028	4,910,000	2,498,775	861,000
2029	5,310,000	2,241,425	7,551,425
2030	5,755,000	1,949,125	7,704,125
2031	6,205,000	1,650,125	7,855,125
2032-2034	29,900,000	3,124,250	33,024,250
Total	$ 57,760,000	$ 15,222,483	$ 57,856,925

General Obligation School Bonds (Alternative Revenue Source), Series 2018: In February 2018, the District issued $21,925,000 General Obligation School Bonds (Alternate Revenue Source), Series 2018 for improvements to school facilities. The Board adopted a resolution authorizing the issuance of alternate bonds, being general obligation bonds payable from collections distributed to the District from taxes imposed by the County pursuant to the County School Facility Occupation Tax Law of the State of Illinois. The bonds are general obligation of the District and are subject to payment from ad valorem property taxes in the event the pledged revenues are not sufficient. The total remaining principal and interest to be paid on the bonds as of June 30, 2026 is $3,434,550. During the year ended June 30, 2026, $2,700,000 of principal and $180,450 of interest was paid on the bonds. The pledged county school facility occupation tax revenues were $6,508,125 for the year ended June 30, 2026. The pledge of county school facility occupation tax revenues constitutes approximately 60% of annual county school facility occupation tax. The resolution providing for the issuance of the revenue bonds included the provision that pledged revenues of 1.25 times debt service shall be deposited into the pledged tax account. The resolution also requires the District to deposit into the bond fund 1/6 of the interest and 1/12 of the principal coming due.

Note 7. Long-Term Liabilities (Continued)

Leases: In July 2024, the District entered into a lease with a vendor for a copier. An initial lease liability was recorded for $108,238. The agreement requires monthly payments of $3,185, with an interest rate of 4% and final payment due June 2026. During the year ended June 30, 2026, principal and interest paid were $37,405 and $815 respectively.

IT Subscription Liability: In August 2022, the District entered into an IT Subscription agreement with a vendor for website content management. An initial IT subscription liability was recorded for $93,987. The agreement requires annual payments of $20,300 over 5 years with the initial payment made in August 2024 for $20,300, interest rate of 4% and final payment due August 2026. During the year ended June 30, 2026, principal and interest paid were $18,768 and $1,532 respectively.

The following is the annual debt service requirements of the District's IT subscription liability:

			Total
Year Ending June 30,	Principal	Interest	Total
2027	$ 19,519	$ 781	$ 20,300

Note payable guarantee: In April 2022, the District guaranteed a note payable for the Moline Booster Club refinancing a previously existing note payable for the purchase of scoreboards and extending the payment terms. Prior to the refinancing of the note payable, the District made a payment on September 2021 consisting of $10,918 of principal and $3,494 of interest. The note payable was due quarterly through December 15, 2026. In the event the Moline Booster Club was unable to make a payment, the District was required to make the payment. As a result of the difficulties in raising advertising revenue to pay the installments, the District determined that it was more likely than not that the District would be required to make debt service payments in the future based on this guarantee. The note was paid in full as of June 30, 2026.

The District's legal debt margin is as follows:

Assessed valuation	$ 1,183,425,734
Statutory debt limitation, 13.8% of assessed valuation	$ 163,312,751
Less indebtedness:	
General obligation bonds	57,760,000
IT subscription obligation	19,519
	57,779,519
Unused legal debt margin	$ 105,533,232

Note 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks, except for employee's health benefits, are covered by the purchase of commercial insurance.

Settled claims from these risks have not exceeded the planned coverage during any of the past three years. The District maintains an Internal Service Fund to account for its self-insurance related to its employees' health benefits. Self-insurance is in effect up to an individual stop loss amount of $210,000 and aggregate stop loss amount of approximately 125% of cumulative monthly claim expenditures, with coverage from a private insurance company maintained for losses in excess of the aggregate stop loss amounts. All claim handling procedures are performed by an independent claims administrator.

Liabilities are recognized when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Recognized liabilities include a provision for all estimated claims incurred but not reported. The changes in the aggregate liabilities for claims for the years ended June 30, 2026 and 2024 are as follows:

Self-Insurance Liability	Beginning	Claims and Changes in Estimates	Claim Payments	Ending
2026	$ 791,360	$10,172,071	$10,137,208	$ 826,223
2025	659,254	11,758,962	11,626,856	791,360

Note 9. Other Postemployment Benefits (OPEB)

The District offers two plans that employees may participate in, a self-funded District plan and the Illinois Teacher Health Insurance Security, (THIS).

Moline-Coal Valley School District No. 40 Postretirement Health Plan

Plan description: The District's defined benefit OPEB plan, Moline-Coal Valley School District No. 40 Postretirement Health Plan (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.

Benefits provided: The Plan provides medical and prescription drug benefits to eligible active employees and retired employees and their eligible dependents. Qualified retirees are full-time salaried employees that are eligible to retire within a state retirement system. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75. The Plan does not issue a stand-alone financial report.

All employees are required to contribute the full premium in order to continue coverage at retirement.

The full monthly premium rates for the plan are as shown below:

Rate Tier	Over 65 PPO	Over 65 HSA	Under 65 PPO	Under 65 HSA	TRIP
Retiree	$ 618	$ 467	$ 886	$ 670	$ 857
Spouse	1,237	935	2,216	1,673	1,726

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Moline-Coal Valley School District No. 40 Postretirement Health Plan (Continued)

Employees covered by benefit terms: At June 30, 2026, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	162
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	662
	824

Total OPEB liability: The District's total OPEB liability of $14,339,300 was measured as of June 30, 2026 and was determined by an actuarial valuation dated September 8, 2026.

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2026 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.0% per annum
Salary increases	4.0% per annum
Discount rate	4.32% per annum
Retirees' share of benefit-related costs	100%
Health care cost trend rate	Initial cost for TRIP plan members is 5.00% staying consistent for all years. Intial cost for the District's plan is 7.50% decreasing ultimately to 4.5%.

The discount rate was based on the Bond Buyer 20-Bond GO index. Mortality rates were based on the RP-2014 generational table scaled using MP-17 and applied on a gender-specific basis. The actuarial assumptions used in the rolled forward June 30, 2026 valuation were based on the results of an actuarial experience study for the period 2010– 2023.

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Moline-Coal Valley School District No. 40 Postretirement Health Plan (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at July 1, 2025	$ 14,490,746
Changes for the year:	
Service cost	881,238
Interest	680,317
Changes of benefit terms	-
Differences between expected and actual experience	(1,388,790)
Changes in assumptions or other inputs	369,663
Benefit payments	(693,874)
Net changes	(151,446)
Balance at June 30, 2026	$ 14,339,300

There were no changes as a result of changes in benefit terms. Changes of assumptions or other inputs reflect a change in the discount rate from 4.81% per annum in 2025 to 4.32% per annum in 2026.

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
	3.32%	4.32%	5.32%
Total OPEB liability	$ 14,935,605	$ 14,339,300	$ 13,691,324

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.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	6.50%	7.50%	8.50%
Total OPEB liability	$ 13,228,721	$ 14,339,300	$ 15,600,101

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Moline-Coal Valley School District No. 40 Postretirement Health Plan (Continued)

For the year ended June 30, 2026, the District recognized OPEB expense of $1,056,797. At June 30, 2026, 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	$ -	$ 2,287,479
Changes of assumptions or other inputs	566,962	1,457,105
Net difference between projected and actual investments	-	-
Total	$ 566,962	$ 3,744,584

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:	Net Deferred Inflows of Resources
2027	$ (526,947)
2028	(636,259)
2029	(670,145)
2030	(482,041)
2031	(293,359)
Thereafter	(568,871)
	$ (3,177,622)

Illinois Teachers' Health Insurance Security ("THIS") Fund

Plan description: The District participates in the Teachers' Health Insurance Security Fund, a cost-sharing, multiple-employer defined benefit postemployment health care plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

Benefits provided: The THIS Fund provides medical, prescription and behavioral health benefits, but it does not provide vision, dental or life insurance benefits to annuitants of TRS. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval.

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Illinois Teachers' Health Insurance Security ("THIS") Fund

Contributions: The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State of Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On-behalf contributions to THIS Fund: The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2026. State of Illinois contributions were $509,937, and the District recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2025 and 2024 were 0.90 percent of pay. State contributions on behalf of District employees were $493,608, and $473,171 respectively.

Employer contributions to the THIS Fund: The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.67 percent during the year ended June 30, 2026 and 0.67 percent during years ended June 30, 2025 and 2024. For the year ended June 30, 2026, the District paid $379,620 to the THIS Fund. For the years ended June 30, 2024 and 2023, the District paid $367,464 and $352,249 respectively to the THIS Fund which was 100 percent of the required contribution.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: http://www.auditorillinois.gov/Audit-Reports/ABC-List.asp. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Total OPEB liability: At June 30, 2026, the District reported a liability of $15,800,679 for its proportionate share of the total OPEB liability. The total OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the total OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2025, the District's proportion was 0.175870 percent which is a decrease of 0.000611 from the District's proportion as of June 30, 2024.

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Illinois Teachers' Health Insurance Security ("THIS") Fund

For the year ended June 30, 2026, the District recognized OPEB expense of $2,987,800. At June 30, 2026, 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	$ 1,610,497	$ 4,741,769
Changes of assumptions	363,948	16,720,770
Net difference between projected and actual earnings on OPEB plan investments	-	25,409
Changes in proportion and differences between District contributions and proportionate share of contributions	2,200,392	825,487
District contributions subsequent to the measurement date	379,620	-
Total	$ 4,554,457	$ 22,313,435

$379,620 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the reporting year ended June 30, 2027. Other 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:	Net Deferred Inflows of Resources
2027	$ (4,681,880)
2028	(4,618,956)
2029	(4,237,343)
2030	(3,222,354)
2031	(2,309,746)
Thereafter	931,681
	$ (18,138,598)

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Illinois Teachers' Health Insurance Security ("THIS") Fund (Continued)

Actuarial assumptions: The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% per annum
Salary increases	Depends on service and ranges from 8.50% at one year of service to 3.50% at 20 or more years of service.
Discount rate	5.20% per annum
Health care cost trend rate	Trend starts at 8.00% for plan year 2027 and decrease gradually to an ultimate rate of 4.25% in 2042.

Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the PubNS-2010 Non-Safety Disabled Retiree Table. Mortality rates for pre-retirement were based on the PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2021. The actuarial assumptions used in the June 30, 2025 valuation were based on the results of an actuarial experience study for the period July 1, 2020 through June 30, 2023.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since Teacher Retirement Insurance Program (TRIP) is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024, and 5.20% as of June 30, 2025. The increase in the single discount rate from 3.97% to 5.20% caused the total OPEB liability to decrease by approximately $1.2 billion as of June 30, 2025.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the members' attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

During plan year ended June 30, 2025, the trust earned $30,662,000 in interest, and the market value of assets at June 30, 2025, is $784.4 million. The long-term investment return was assumed to be 2.75 percent.

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Illinois Teachers' Health Insurance Security ("THIS") Fund (Continued)

Sensitivity of the District's proportionate share of the total OPEB liability to changes in the discount rate: The following presents the District's proportionate share of the total OPEB liability, as well as what the District's proportionate share of the 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 rate:

	1% Decrease	Discount Rate	1% Increase
	4.20%	5.20%	6.20%
Total OPEB liability	$ 17,656,777	$ 15,800,679	$ 14,200,655

Sensitivity of the District's proportional share of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the District's proportionate share of the total OPEB liability, as well as what the District's proportionate share of the 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.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	7.00% decreasing to 3.25%	8.00% decreasing to 4.25%	9.00% decreasing to 5.25%
Total OPEB liability	$ 13,710,615	$ 15,800,679	$ 18,344,457

Payables to THIS – At June 30, 2026, the District reported payables to THIS of $0 for legally required District contributions and $0 for legally required employee contributions withheld from employee wages which had not yet been remitted to THIS.

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued THIS financial report. The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: http://www.auditorillinois.gov/Audit-Reports/ABC-List.asp. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Note 9. Other Postemployment Benefits (OPEB) (Continued)

Summary information of all other postemployment benefit plans as of June 30, 2026 is as follows:

	Governmental Activities
	District Plan
Total OPEB liability	$ 14,339,300
Deferred outflows of resources related to OPEB	566,962
Deferred inflows of resources related to OPEB	3,744,584
OPEB expense	1,056,797
	THIS
Total OPEB liability	$ 15,800,679
Deferred outflows of resources related to OPEB	4,554,457
Deferred inflows of resources related to OPEB	22,313,435
OPEB expense	2,987,800
	Total
Total OPEB liability	$ 30,139,979
Deferred outflows of resources related to OPEB	5,121,419
Deferred inflows of resources related to OPEB	26,058,019
OPEB expense	4,044,597

Note 10. Employee Retirement Systems and Pension Plans

Moline-Coal Valley School District No. 40 participates in two retirement systems: the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System of the State of Illinois (TRS). Members of TRS consist of all full-time teachers and teachers employed on a part-time basis in positions where services are expected to be rendered for a full and complete school term. Employees, other than teachers, who meet prescribed annual hourly standards, are members of IMRF. Pension liabilities are generally liquidated by the Municipal Retirement and Social Security nonmajor special revenue fund and the General Fund.

Illinois Municipal Retirement Fund

Plan administration - The District's defined benefit pension plan for employees provides retirement and disability benefits, post retirement increases and death benefits to plan members and beneficiaries. The District plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public pension plan. Benefit and contribution provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report may be obtained on-line at www.imrf.org. The IMRF actuarial valuation date is December 31, 2025 and the measurement date is December 31, 2025.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

IMRF is administered in accordance with Illinois statutes. The statutes do not provide for termination of the plan under any circumstances.

Plan membership – All counties and school districts, plus cities and villages and incorporated towns with a population of 5,000 or more (except certain governmental entities specifically excluded by the Pension Code) are required to participate. Other local government units may elect to participate. All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. Elected officials and hospital employees who satisfy requirements may also participate.

As of December 31, 2025, the District's pension plan membership consisted of the following:

Retirees and beneficiaries	416
Inactive, non-retired plan members	444
Active plan members	357
Total	1,217

Benefits provided- The IMRF Plan provides retirement benefits, as well as death and disability benefits. A complete description of IMRF benefits is found in Article 7 of the Illinois Pension Code. IMRF has three benefit plans. The vast majority of IMRF members, including the District, participate in the Regular Plan (RP). IMRF benefit plans have two tiers.

Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of 3 percent of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Contributions – As set by statute, the District's Regular Plan members are required to contribute 4.5 percent of the covered payroll. The statutes require each participating employer to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. Employer contributions for disability benefits, death benefits and the supplemental retirement benefits are pooled. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees while the supplemental retirement benefits rate is set by statute. Costs of administering the plan are financed by investment income. Contributions are based on employer payrolls and are due on the tenth of the month following the month of payment pursuant to the authority vested in the IMRF Board by the Illinois Pension Code. For the year ended June 30, 2026, the District contributed $1,268,628 to the plan.

Net Pension Liability of the District – The District's net pension liability was measured as of December 31, 2025, and the total net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of December 31, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases, including inflation	2.85% to 13.75%
Investment rate of return, including inflation, and net of investment expense	7.25%

Mortality rates were based on Pub-2010, amount-weighted, below-median income, general, retiree, male (adjusted 108%) and female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.

For disabled retirees, mortality rates were based on Pub-2010, amount-weighted, below-median income, general, disabled retiree, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

For active members, mortality rates were based on Pub-2010, amount-weighted, below-median income, general, employee, male and female (both unadjusted) tables, and future morality improvements projected using scale MP-2021.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2025 are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	32.5%	7.35%
International Equities	18.0%	7.45%
Fixed Income	24.0%	4.75%
Real Estate	10.5%	6.25%
Alternatives	14.0%	3.90-8.50%
Cash equivalents	1.0%	3.00%
Total	100.0%	

Discount rate: A single discount rate (SDR) of 7.25 percent was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on the pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met.)

For the purpose of the District's valuation, the expected rate of return on pension plan investments is 7.25 percent, the municipal bond rate is 4.83 percent and the resulting Single Discount Rate is 7.25 percent.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Changes in the Net Pension Liability (Asset): The following table presents the changes in the net pension liability (asset):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2025	$ 82,347,309	$ 74,718,471	$ 7,628,838
Changes for the year:			
Service cost	1,173,076	-	1,173,076
Interest	5,819,771	-	5,819,771
Differences between expected and actual experience	(542,975)	-	(542,975)
Changes of assumptions	-	-	-
Contributions-employer	-	1,230,931	(1,230,931)
Contributions-employee	-	580,096	(580,096)
Net investment income	-	11,898,185	(11,898,185)
Benefit payments, including refunds of employee contributions	(5,322,297)	(5,322,297)	-
Other	-	480,027	(480,027)
Net changes	1,127,575	8,866,942	(7,739,367)
Balance, June 30, 2026	$ 83,474,884	$ 83,585,413	$ (110,529)

Sensitivity to the net pension liability to changes in the discount rate: The following presents the net pension liability of the District, calculated using the discount rate of 7.25 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's net pension liability (asset)	$ 8,497,835	$ (110,529)	$ (7,193,183)

Pension plan fiduciary net position: Detailed information about the IMRF pension plan's fiduciary net position is available in the separately issued IMRF financial report.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended June 30, 2026, the District's pension expense is $1,055,507 and the deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 271,784	$ 332,226
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	3,259,692	7,631,141
District contributions subsequent to measurement date	676,180	-
Total	$ 4,207,656	$ 7,963,367

$676,180 reported as deferred outflows of resources related to pensions resulting from District employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the IMRF pension will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2027	$ 1,040,896
2028	(2,401,308)
2029	(1,753,285)
2030	(1,318,194)
2031	-
Thereafter	-
Total	$ (4,431,891)

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Retirement System of the State of Illinois

Plan description- The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at www.trsil.org/financial/acfrs/fy2024; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits provided- TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions- The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2025, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS: The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2026, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of $24,113,706 in pension contributions from the state of Illinois.

2.2 formula contributions: Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2026, were $328,626 and are deferred because they were paid after the June 30, 2025 measurement date.

Federal and special trust fund contributions: When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2026, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2026, salaries totaling $1,276,428 were paid from federal and special trust funds that required employer contributions of $131,983. These contributions are deferred because they were paid after the June 30, 2025 measurement date.

Employer retirement cost contributions: Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2026, the employer paid $60,803 to TRS for employer contributions due on salary increases in excess of 6 percent, and $0 for sick leave days granted in excess of the normal annual allotment.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2025, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer follows below:

Employer's proportionate share of the net pension liability	$ 4,292,168
State's proportionate share of the net pension liability associated with the employer	344,910,218
Total	$ 349,202,386

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2025, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2025, the employer's proportion was .00506441 percent, which was an increase of .0.0001719805 from its proportion measured as of June 30, 2024.

For the year ended June 30, 2026, the employer recognized pension expense of $520,910 and revenue of $24,113,706 for support provided by the state. At June 30, 2026, the employer 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	$ 11,976	$ 6,875
Changes of assumptions	44,541	828
Net difference between projected and actual earnings on pension plan investments	-	61,267
Changes in proportion and differences between District contributions and proportionate share of contributions	204,652	69,964
District contributions subsequent to the measurement date	460,609	-
Total	$ 721,778	$ 138,934

Note 10. Employee Retirement Systems and Pension Plans (Continued)

$460,609 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30,-82279		
2027	$	39,871
2028		19,432
2029		32,539
2030		19,158
2031		11,235
Total	$	122,235

Actuarial assumptions: The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation	2.50 percent
Salary Increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2025 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table 2024 Adjusted Scale MP-2021.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 10. Employee Retirement Systems and Pension Plans (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	37.0%	4.59%
Private equity	15.0%	7.93%
Public income	15.0%	3.52%
Private credit	8.0%	6.70%
Real estate	16.0%	4.76%
Infra/other real assets	2.0%	5.38%
Diversitying strategies	6.0%	2.83%
Cash equivalents	1.0%	0.25%
Total	100.0%	

Discount rate: At June 30, 2025, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2024 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2025 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate: The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer'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	$ 5,339,516	$ 4,292,168	$ 3,423,092

Note 10. Employee Retirement Systems and Pension Plans (Continued)

TRS fiduciary net position - Detailed information about the TRS's fiduciary net position as of June 30, 2025 is available in the separately issued TRS *Annual Comprehensive Financial Report*.

Payables to TRS – At June 30, 2026, the District reported payables to TRS of $0 for legally required District contributions and $0 for legally required employee contributions withheld from employee wages which had not yet been remitted to TRS.

Summary information of all pension plans as of June 30, 2026 is as follows:

	Governmental Activities
	IMRF
Net pension liability (asset)	$ (110,529)
Deferred outflows of resources related to pensions	4,207,656
Deferred inflows of resources related to pensions	7,963,367
Pension expense	1,055,507
	TRS
Net pension liability	$ 4,292,168
Deferred outflows of resources related to pensions	721,778
Deferred inflows of resources related to pensions	138,934
Pension expense	520,910
	Total
Net pension liability	$ 4,181,639
Deferred outflows of resources related to pensions	4,929,434
Deferred inflows of resources related to pensions	8,102,301
Pension expense	1,576,417

Note 11. Contingencies and Commitments

The District has consulted legal counsel in the course of operations for various matters. In the opinion of District management, the resolution of these matters will not have a material adverse effect on the future financial statements of the District.

The District has entered into contracts totaling $48,332,833 for various construction projects throughout the District. As of June 30, 2026, costs of $8,639,562 had been incurred against these contracts. The remaining balance of $39,693,271 at June 30, 2026 will be paid as work on the projects progresses.

Note 12. Tax Abatements

The Illinois General Assembly adopted the Tax Increment Allocation Redevelopment Act (TIF Act) in 1977 (65 ILCS 5/11-74.4-1 through 11-74.4-11). Cities, towns and villages may create tax increment financing districts. Tax increment financing is a method of reallocating property tax revenue which are produced as a result of an increase in taxable valuation above a “base valuation” figure within a tax increment district to the city, town or village that created the district for the purpose of economic development.

The District is comprised of students from municipalities in Rock Island County. As a result, the District has forgone the following revenues during the year ended June 30, 2026 and will forgo the following during the year ended June 30, 2026:

County	2027	2026
Rock Island	$ 2,041,389	$ 1,850,143

During the year ended June 30, 2017, the District entered into a development and economic incentive agreement with a local developer under Illinois Constitution Article VII, Section 10(a) whereas the developer agrees to redevelop certain property described in the agreement and the District is to provide an incentive in the form of certain economic development assistance. The District will pay the developer incentive payments based on a percentage of the increase from the 2015 base year equalized assessed value of the property for a maximum incentive of $1,200,000 to be considered a property tax rebate to be paid to the developer. No taxes have been abated as of June 30, 2026.

Note 13. Governmental Accounting Standards Board (GASB) Statements

The District adopted the following statements as of the beginning of the year ended June 30, 2026:

GASB Statement No. 103, *Financial Reporting Model Improvements*, issued April 2024. This Statement establishes new accounting and financial reporting requirements or modifies existing requirements related to; (a) management's discussion and analysis, (b) unusual or infrequent items, (c) presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, (d) information about major component units in basic financial statements, (e) budgetary comparison information, and (f) financial trends information in the statistical section.

The implementation of GASB Statement No. 103 impacts multiple areas of the financial report, including the presentation of proprietary fund statements, managements discussion and analysis, and required supplementary information.

GASB Statement No. 104, *Disclosure of Certain Capital Assets,* issued September 2024. 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 District accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in District 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 District 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.

GASB Statement No. 105, *Subsequent Events*, issued December 17, 2025. This Statement is intended to enhance consistency in the application of requirements for subsequent events. The Statement defines subsequent events as transactions or other events that occur after the date of the financial reporting statements but before the date the financial statements are available to be issued. The definition of subsequent events in this Statement modifies the subsequent events time frame throughout the GASB literature. Statement No. 105 also clarifies the different types of subsequent events, when note disclosures are required, and the information that should be included in those note disclosures.

The implementation of Statements Nos. 103 – 105 established new accounting and financial reporting and disclosures or modified previous financial reporting and disclosures in the District's financial report.

Note 14. Change in Reporting Entity

In 2026, the District was required to report the Capital Projects Fund as major fund due to the Fund meeting the major fund quantitative threshold. The effect of the change within the financial reporting entity is as follows:

	Capital Projects Fund	Aggregate Remaining Fund Information
Fund balance, previously reported	$ -	$ 30,383,211
Fund balance, beginning of year	15,449,346	14,933,865

Note 15. Subsequent Events

The District has evaluated subsequent events through October 22, 2026, which is the date the financial statements were available and issued.

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Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Illinois Municipal Retirement Plan
Last Ten Fiscal Years

	December 31 2025	December 31 2024	December 31 2023	December 31 2022
Total pension liability				
Service cost	$ 1,173,076	$ 1,108,203	$ 1,057,191	$ 1,010,844
Interest	5,819,771	5,615,278	5,361,266	5,188,109
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(542,975)	1,282,698	2,173,304	885,751
Changes of assumptions	-	-	(96,356)	-
Benefit payments, including refunds of member contributions	(5,322,297)	(5,113,749)	(4,920,858)	(4,518,145)
Net change in total pension liability	1,127,575	2,892,430	3,574,547	2,566,559
Total pension liability - beginning	82,347,309	79,454,879	75,880,332	73,313,773
Total pension liability - ending (a)	$ 83,474,884	$ 82,347,309	$ 79,454,879	$ 75,880,332
Plan fiduciary net position				
Contributions - employer	$ 1,230,931	$ 1,108,298	$ 989,135	$ 1,141,509
Contributions - member	580,096	575,907	550,414	495,583
Net investment income	11,898,185	7,228,483	7,370,007	(10,626,762)
Benefit payments, including refunds of member contributions	(5,322,297)	(5,113,749)	(4,920,858)	(4,518,145)
Other	480,027	(984,856)	1,766,830	(28,333)
Net change in plan fiduciary net position	8,866,942	2,814,083	5,755,528	(13,536,148)
Plan fiduciary net position - beginning	74,718,471	71,904,388	66,148,860	79,685,008
Plan fiduciary net position - ending (b)	$ 83,585,413	$ 74,718,471	$ 71,904,388	$ 66,148,860
Net pension liability - ending (a)-(b)	$ (110,529)	$ 7,628,838	$ 7,550,491	$ 9,731,472
Plan fiduciary net position as a percentage of total pension liability	100.13%	90.74%	90.50%	87.18%
Covered valuation payroll	$ 12,930,187	$ 12,797,897	$ 12,062,621	$ 10,933,995
Net pension liability as a percentage of covered valuation payroll	-0.85%	59.61%	62.59%	89.00%

December 31 2021	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
$ 997,950	$ 1,053,430	$ 1,025,766	$ 973,317	$ 1,015,296	$ 1,050,538
5,020,552	4,916,402	4,767,419	4,631,872	4,621,950	4,468,767
-	-	-	-	-	-
753,018	173,700	251,626	475,207	45,569	(113,801)
-	(484,060)	-	1,725,515	(2,001,918)	(348,219)
(4,415,531)	(3,974,835)	(4,032,558)	(3,633,312)	(3,421,912)	(3,372,313)
2,355,989	1,684,637	2,012,253	4,172,599	258,985	1,684,972
70,957,784	69,273,147	67,260,894	63,088,295	62,829,310	61,144,338
$ 73,313,773	$ 70,957,784	$ 69,273,147	$ 67,260,894	$ 63,088,295	$ 62,829,310
$ 1,351,116	$ 1,375,329	$ 1,127,863	$ 1,310,193	$ 1,259,475	$ 1,287,664
471,296	462,210	473,392	435,067	434,928	418,536
12,048,008	9,253,624	10,655,479	(3,517,431)	9,654,879	3,499,434
(4,415,531)	(3,974,835)	(4,032,558)	(3,633,312)	(3,421,912)	(3,372,313)
(285,915)	32,116	(56,790)	1,230,500	(1,819,420)	67,795
9,168,974	7,148,444	8,167,386	(4,174,983)	6,107,950	1,901,116
70,516,034	63,367,590	55,200,204	59,375,187	53,267,237	51,366,121
$ 79,685,008	$ 70,516,034	$ 63,367,590	$ 55,200,204	$ 59,375,187	$ 53,267,237
$ (6,371,235)	$ 441,750	$ 5,905,557	$ 12,060,690	$ 3,713,108	$ 9,562,073
108.69%	99.38%	91.47%	82.07%	94.11%	84.78%
$ 10,473,243	$ 10,271,322	$ 9,954,658	$ 9,668,142	$ 9,489,709	$ 9,292,079
-60.83%	4.30%	59.32%	124.75%	39.13%	102.91%

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Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of Contributions
Illinois Municipal Retirement Plan
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2017	$ 1,267,440	$ 1,287,664	$ (20,224)	$ 9,292,079	13.86%
2018	1,242,203	1,259,475	(17,272)	9,489,709	13.27%
2019	1,287,797	1,310,193	(22,396)	9,668,142	13.55%
2020	1,127,863	1,127,863	-	9,954,658	11.33%
2021	1,375,330	1,375,329	1	10,271,322	13.39%
2022	1,344,764	1,351,116	(6,352)	10,473,243	12.90%
2023	1,141,509	1,141,509	-	10,933,995	10.44%
2024	989,135	989,135	-	12,062,621	8.20%
2025	1,108,298	1,108,298	-	12,806,290	8.65%
2026	1,234,833	1,230,931	3,902	12,930,187	9.52%

Notes to Schedule:

Valuation date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, ECO): 18-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 13 years for most employers (five employers were financed over 14 years; one employer was financed over 15 years; two employers were financed over 16 years; one employer was financed over 19 years; three employers were financed over 22 years; four employers were financed over 23 years and one employer was financed over 24 years).
Asset valuation method	5-Year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75% including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other:	There were no benefit changes during the year.

Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Retirement System of the State of Illinois
Last Ten Fiscal Years

	2026*	2025*	2024*	2023*
District's proportion of the net pension liability	0.00506441%	0.00489243%	0.00479304%	0.00471171%
District's proportionate share of the net pension liability	$ 4,292,168	$ 4,200,921	$ 4,073,154	$ 3,950,310
State's proportionate share of the net pension liability	344,910,218	350,266,705	351,515,301	342,663,213
Total	$ 349,202,386	$ 354,467,626	$ 355,588,455	$ 346,613,523
District's covered-employee payroll	$ 54,845,352	$ 52,574,547	$ 50,231,775	$ 48,201,985
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.83%	7.99%	8.11%	8.20%
Plan fiduciary net pension as a percentage of the total pension liability	47.70%	45.40%	43.90%	42.80%

* The amounts presented for each fiscal year were were determined as of the prior fiscal-year end.

Note 1: Changes of assumptions
For the 2025-2024 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Aug. 16, 2024.

For the 2023-2022 and the 2020-2016 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.50 percent and a real return of 4.50 percent. For the 2021 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

2022*	2021*	2020*	2019*	2018*	2017*
0.00500284%	0.00506999%	0.00516582%	0.00548482%	0.01550128%	0.01452631%
$ 3,902,779	$ 4,371,104	$ 4,189,902	$ 4,275,134	$ 11,842,690	$ 11,466,492
327,094,324	342,367,588	298,190,732	292,864,579	290,763,957	304,287,214
$ 330,997,103	$ 346,738,692	$ 302,380,634	$ 297,139,713	$ 302,606,647	$ 315,753,706
$ 44,868,947	$ 42,604,094	$ 40,334,899	$ 39,251,266	$ 39,270,912	$ 38,327,122
8.70%	10.26%	10.39%	10.89%	30.16%	29.92%
45.10%	37.80%	39.60%	40.00%	39.30%	36.40%

Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of District Contributions
Teachers' Retirement System of the State of Illinois
Last Ten Fiscal Years

	2026	2025	2024	2023
Statutorily required contribution	$ 460,609	$ 455,692	$ 454,175	$ 627,721
Contributions in relation to the statutorily required contribution	(460,609)	(455,692)	(454,175)	(627,721)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered employee payroll	$ 56,659,717	$ 54,845,352	$ 52,574,547	$ 50,231,775
Contributions as a percentage of covered employee payroll	0.81%	0.83%	0.86%	1.25%

NOTE: Contributions in relation to the statutorily required contribution only include contributions required by the state of Illinois.

2022	2021	2020	2019	2018	2017
$ 619,065	$ 374,053	$ 300,838	$ 262,596	$ 243,365	$ 632,755
(619,065)	(374,053)	(300,838)	(262,596)	(243,365)	(632,755)
$ -	$ -	$ -	$ -	$ -	$ -
$ 48,201,985	$ 44,868,947	$ 42,604,094	$ 40,334,899	$ 39,251,266	$ 39,270,912
1.28%	0.83%	0.71%	0.65%	0.62%	1.61%

Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of the District's Proportionate Share of the Total OPEB Liability
Teachers' Health Insurance Security Fund
Last Nine Fiscal Years

	2026*	2025*	2024*
District's proportion of the total OPEB liability	0.175870%	0.176481%	0.179672%
District's proportionate share of the total OPEB liability	$ 15,800,679	$ 13,960,567	$ 12,805,865
State's proportionate share of the total OPEB liability	21,434,524	18,959,080	17,317,599
Total	$ 37,235,203	$ 32,919,647	$ 30,123,464
District's covered payroll	$ 54,845,352	$ 52,574,547	$ 50,231,775
District's proportionate share of the total OPEB liability as a percentage of its covered payroll	28.81%	26.55%	25.49%
Plan fiduciary net OPEB as a percentage of the total OPEB liability	0.25%	0.25%	0.25%
Note 2: Changes of assumptions. Changes of assumptions or other inputs reflects a change in discount rate. The following are the discount rates used in each period:	5.20%	3.97%	3.86%

* The amounts presented for each fiscal year were determined as of the prior fiscal-year end.

Note 1: GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

2023*	2022*	2021*	2020*	2019*	2018*
0.174689%	0.017285%	0.168437%	0.164102%	0.165736%	0.170717%
$ 11,956,906	$ 38,122,976	$ 45,033,061	$ 45,419,320	$ 43,664,491	$ 44,300,445
16,266,194	51,689,192	61,007,681	61,503,462	58,631,944	58,177,486
$ 28,223,100	$ 89,812,168	$ 106,040,742	$ 106,922,782	$ 102,296,435	$ 102,477,931
$ 48,201,985	$ 44,868,947	$ 42,604,094	$ 40,334,899	$ 39,251,266	$ 39,270,912
24.81%	84.97%	105.70%	112.61%	111.24%	112.81%
0.25%	0.25%	0.25%	0.25%	-0.07%	-0.17%
3.69%	1.92%	2.45%	n/a	n/a	n/a

Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of District Contributions
Teachers' Health Insurance Security Fund
Last Nine Fiscal Years

	2026	2025	2024
Statutorily required contribution	$ 379,620	$ 367,464	$ 352,249
Contributions in relation to the statutorily required contribution	(379,620)	(367,464)	(352,249)
Contribution deficiency (excess)	$ -	$ -	$ -
District's employee payroll	$ 56,659,717	$ 54,845,352	$ 52,574,547
Contributions as a percentage of employee payroll	0.67%	0.67%	0.67%

Note 1: Contributions in relation to the statutorily required contribution only include contributions required by the state of Illinois.

Note 2: GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

2023	2022	2021	2020	2019	2018
$ 336,553	$ 322,953	$ 412,794	$ 391,958	$ 371,081	$ 345,287
(336,553)	(322,953)	(412,794)	(391,958)	(371,081)	(345,287)
$ -	$ -	$ -	$ -	$ -	$ -
$ 50,231,775	$ 48,201,985	$ 44,868,947	$ 42,604,094	$ 40,334,889	$ 39,251,266
0.67%	0.67%	0.92%	0.92%	0.92%	0.88%

Moline-Coal Valley School District No. 40

Required Supplementary Information
Schedule of Changes in the District's Total OPEB
Liability and Related Ratios
District's Other Postemployment Plan
Last Nine Fiscal Years

	2026	2025	2024
Total OPEB liability			
Changes for the year:			
Service cost	$ 881,238	$ 326,381	$ 617,294
Interest	680,317	596,197	615,610
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,388,790)	-	(903,897)
Changes in assumptions or other inputs	369,663	(294,399)	(438,475)
Benefit payments	(693,874)	(597,753)	(672,028)
Other changes	-	-	-
Net changes in total OPEB liability	(151,446)	30,426	(781,496)
Total OPEB liability - beginning	14,490,746	14,460,320	15,241,816
Total OPEB liability - ending	$ 14,339,300	$ 14,490,746	$ 14,460,320
Covered payroll	58,007,906	54,069,948	51,999,276
Total OPEB liabliity as a percentage of covered payroll	24.7%	26.8%	27.8%

Notes to Schedule:

Changes of benefit terms:
There were no changes as a result of changes in benefit terms or differences between expected and actual experience.

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: 4.32% 4.81% 4.21%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75

* The schedule is intended to present information for ten years.
Information prior to 2018 is not available.

2023	2022	2021	2020	2019	2018
$ 650,542	$ 836,835	$ 775,492	$ 718,488	$ 644,122	$ 610,225
588,944	370,140	424,095	412,596	428,236	611,550
-	-	-	-	-	(1,150,702)
-	(1,083,016)	-	-	-	(971,736)
(35,034)	(2,091,815)	451,417	792,947	165,053	(905,759)
(724,483)	(498,403)	(732,662)	(866,879)	(845,853)	(919,244)
-	-	-	30,779	37,003	(3,462,481)
479,969	(2,466,259)	918,342	1,087,931	428,561	(6,188,147)
14,761,847	17,228,106	16,309,764	15,221,833	14,793,272	20,981,419
$ 15,241,816	$ 14,761,847	$ 17,228,106	$ 16,309,764	$ 15,221,833	$ 14,793,272
49,809,856	47,887,474	N/A	N/A	N/A	N/A
30.6%	30.80%	N/A	N/A	N/A	N/A
4.13%	4.09%	2.18%	2.66%	2.79%	2.98%

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Moline-Coal Valley School District No. 40

Required Supplementary Information
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund - Budgetary Basis
Year Ended June 30, 2026

	Original Budget	Final Budget	Variance With Original Budget Over (Under) Final Budget	Actual	Variance With Actual Over (Under) Final Budget
Revenues:					
Property taxes	$ 46,470,644	$ 46,470,644	$ -	$ 48,773,279	$ 2,302,635
Corporate personal property replacement taxes	6,525,000	6,525,000	-	6,561,005	36,005
Other	14,086,430	14,499,854	413,424	1,696,017	(12,803,837)
Intergovernmental	45,839,032	48,618,188	2,779,156	49,196,207	578,019
Interest	4,000,000	3,900,000	(100,000)	3,714,104	(185,896)
Total revenues	116,921,106	120,013,686	3,092,580	109,940,612	(10,073,074)
Expenditures:					
Operating:					
Instruction	62,972,147	63,860,439	888,292	61,571,947	(2,288,492)
Support services	46,749,868	46,999,429	249,561	31,699,602	(15,299,827)
Community services	695,752	657,762	(37,990)	562,223	(95,539)
Tuition paid to other districts	2,114,866	2,030,279	(84,587)	1,636,094	(394,185)
Capital outlay	6,388,920	11,310,842	4,921,922	6,319,768	(4,991,074)
Total expenditures	118,921,553	124,858,751	5,937,198	101,789,634	(23,069,117)
Excess (deficiency) of revenues over (under) expenditures	(2,000,447)	(4,845,065)	(2,844,618)	8,150,978	12,996,043
Other financing sources (uses):					
Proceeds from issuance of debt	-	47,400,000	47,400,000	47,400,000	-
Premium on issuance of debt	-	2,600,000	2,600,000	2,600,000	-
Transfer in	-	52,900,000	52,900,000	-	(52,900,000)
Transfer out	(72,500)	(102,972,500)	(102,900,000)	(50,058,519)	52,913,981
Total other financing sources (uses)	(72,500)	(72,500)	-	(58,519)	13,981
Net change in fund balance	$ (2,072,947)	$ (4,917,565)	$ (2,844,618)	$ 8,092,459	$ 13,010,024
Fund balance, beginning of year				100,517,516	
Fund balance, end of year				$ 108,609,975	

See Note to Required Supplementary Information.

Moline-Coal Valley School District No. 40

Note to Required Supplementary Information

Note 1. Budgets and Budgetary Information

Budgets are adopted by the Board of Education annually for all governmental funds. For budgetary purposes, the District does not recognize as revenues the retirement contributions made by the State to the Teachers' Retirement System of the State of Illinois (TRS) and Teachers' Health Insurance Security Fund of the State of Illinois (THIS) on behalf of the District as well as the related expenditures. The following schedule reconciles the revenues and expenditures on the budgetary basis with the amounts presented in accordance with accounting principles generally accepted in the United States of America for the District's General Fund only.

Revenues - budgetary basis	$ 109,940,612
Unbudgeted retirement/OPEB contributions made by the State	24,623,643
Revenues - GAAP basis	$ 134,564,255
Expenditures - budgetary basis	$ 101,789,634
Unbudgeted retirement/OPEB contributions made by the State	24,623,643
Expenditures - GAAP basis	$ 126,413,277

The Board uses the following procedures in establishing the budget amounts reported in the financial statements:

1. The administration submits to the Board a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments. The proposed budget is readily available at least 30 days prior to final action by the Board.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy ordinance is filed with the county clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board.
5. Legal spending control for the budget is at the fund level, but formal budgetary integration at a line-item level is employed as a management control device during the year for each fund.
6. The Board may amend the budget after it is approved using the same procedure required to approve the original budget.
7. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

There original budget was passed on June 23, 2025 and amended on April 13, 2026. As of June 30, 2026, the District overexpended Student Activity Fund and Debt Service Fund.

(Continued)

Note 1. Budgets and Budgetary Information (Continued)

The following explains the significant variances from the final budget to the actual amount:

	Variance Over (Under)	Explanation
Revenues:		
Property taxes	$ 2,302,635	Property tax receipts from the 2025 levy received in May, June, July and August were greater than anticipated.
Other	(12,803,837)	The budget includes health insurance revenues which are reported in the Internal Service Fund for financial reporting purposes.
Intergovernmental	578,019	Higher federal Medicaid and Title I funding than budgeted.
Expenditures:		
Operating:		
Instruction	(2,288,492)	Substitute and hourly employees were less than budgeted and purchase services and supplies were not fully expended by year end.
Support services	(15,299,827)	The budget includes health insurance expenditures that are reported in the Internal Service Fund for financial reporting purposes.
Tuition paid to other districts	(394,185)	The District budgeted additional capacity for private facility and special education placements. Actual amounts were less than anticipated.
Capital outlay	(4,991,074)	Facility projects progressed slower than anticipated, resulting in lower year-end construction expenditures.

The following explains the significant variances from the original budget to the final budget:

	Over (Under)	Explanation
Revenues:		
Other	$ 413,424	Revised estimates for local revenue.
Intergovernmental	2,779,156	Increase Evidence Based Funding allocations plus revised federal and state grant funding.
Expenditures:		
Operating:		
Instruction	888,292	Additional appropriations for approved curriculum adoption and grant supported instructional programs.
Capital outlay	4,921,922	Increased for summer facility projects, curriculum purchases and technology upgrades.

Moline-Coal Valley School District No. 40

Balance Sheet - By Account
General Fund
June 30, 2026

	Educational Account	Operations and Maintenance Account	Working Cash Account	Total
Assets				
Cash and investments	$ 75,459,017	$ 13,512,583	$ 14,382,894	$ 103,354,494
Receivables, net of allowances for uncollectible accounts:				
Property taxes	44,396,716	9,909,987	660,658	54,967,361
Corporate personal property replacement taxes	1,414,164	-	-	1,414,164
Other	74,111	23,076	-	97,187
Due from other governmental units	2,349,869	-	-	2,349,869
Inventory	65,443	-	-	65,443
Prepaid items	1,108,986	-	-	1,108,986
Total assets	$ 124,868,306	$ 23,445,646	$ 15,043,552	$ 163,357,504
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts and contracts payable	$ 506,352	$ 690,410	$ -	$ 1,196,762
Accrued payroll and benefits	9,520,755	-	-	9,520,755
Unearned revenue	153,699	-	-	153,699
Total liabilities	10,180,806	690,410	-	10,871,216
Deferred inflows of resources,				
Unavailable revenue:				
Property taxes	35,084,718	7,831,420	522,081	43,438,219
Intergovernmental	438,094	-	-	438,094
Total deferred inflows of resources	35,522,812	7,831,420	522,081	43,876,313
Fund balance:				
Nonspendable:				
Inventory	65,443	-	-	65,443
Prepaid items	1,108,986	-	-	1,108,986
Restricted:				
Grantor restricted purposes	5,624,519	-	-	5,624,519
Working cash	-	-	12,562,030	12,562,030
Unassigned	72,365,740	14,923,816	1,959,441	89,248,997
Total fund balances	79,164,688	14,923,816	14,521,471	108,609,975
Total liabilities, deferred inflows of resources and fund balances	$ 124,868,306	$ 23,445,646	$ 15,043,552	$ 163,357,504

Moline-Coal Valley School District No. 40

Schedule of Revenues, Expenditures and Changes in Fund Balances - By Account
General Fund
Year Ended June 30, 2026

	Educational Account	Operations and Maintenance Account	Working Cash Account	Total
Revenues:				
Property taxes	$ 39,393,784	$ 8,793,261	$ 586,234	$ 48,773,279
Corporate personal property replacement taxes	6,561,005	-	-	6,561,005
Intergovernmental	44,596,207	4,600,000	-	49,196,207
State on-behalf contributions - TRS and THIS	24,623,643	-	-	24,623,643
Interest	2,786,811	424,331	502,962	3,714,104
Other	1,646,594	49,423	-	1,696,017
Total revenues	119,608,044	13,867,015	1,089,196	134,564,255
Expenditures:				
Current:				
Instruction	61,571,947	-	-	61,571,947
Support services	24,274,578	7,425,024	-	31,699,602
Community services	562,223	-	-	562,223
Tuition paid to other districts	1,636,094	-	-	1,636,094
State on-behalf contributions - TRS and THIS	24,623,643	-	-	24,623,643
Capital outlay	1,779,759	4,540,009	-	6,319,768
Total expenditures	114,448,244	11,965,033	-	126,413,277
Excess of revenues over expenditures	5,159,800	1,901,982	1,089,196	8,150,978
Other financing sources (uses):				
Issuance of long-term debt	-	-	47,400,000	47,400,000
Premium on issuance of debt	-	-	2,600,000	2,600,000
Transfers out	(58,519)	-	(50,000,000)	(50,058,519)
Total other financing sources (uses)	(58,519)	-	-	(58,519)
Net change in fund balance	5,101,281	1,901,982	1,089,196	8,092,459
Fund balances, beginning of year	74,063,407	13,021,834	13,432,275	100,517,516
Fund balances, end of year	$ 79,164,688	$ 14,923,816	$ 14,521,471	$ 108,609,975

Moline-Coal Valley School District No. 40

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - By Account - General Fund - Budgetary Basis
Year Ended June 30, 2026

	Educational Account	
	Budget	Actual
Revenues:		
Property taxes	$ 37,533,984	$ 39,393,784
Corporate personal property replacement taxes	6,525,000	6,561,005
Intergovernmental	44,018,188	44,596,207
Interest	3,200,000	2,786,811
Other	14,223,354	1,646,594
Total revenues	105,500,526	94,984,401
Expenditures:		
Current:		
Instruction	63,860,439	61,571,947
Support services	38,384,367	24,274,578
Community services	657,762	562,223
Tuition paid to other districts	2,030,279	1,636,094
Capital outlay	1,681,928	1,779,759
Total expenditures	106,614,775	89,824,601
Excess (deficiency) of revenues over (under) expenditures	(1,114,249)	5,159,800
Other financing soures (uses):		
Proceeds from issuance of debt	-	-
Premium on issuance of debt	-	-
Transfer in	-	-
Transfer out	(2,972,500)	(58,519)
Total other financing sources (uses)	(2,972,500)	(58,519)
Net change in fund balance	$ (4,086,749)	5,101,281
Fund balance, beginning of year		74,063,407
State on-behalf contributions - TRS and THIS revenue		24,623,643
State on-behalf contributions - TRS and THIS expenditures		24,623,643
Fund balance, end of year		$ 79,164,688

Operations and Maintenance Account		Working Cash Account		Total	
Budget	Actual	Budget	Actual	Budget	Actual
$ 8,378,120	$ 8,793,261	$ 558,540	$ 586,234	$ 46,470,644	$ 48,773,279
-	-	-	-	6,525,000	6,561,005
4,600,000	4,600,000	-	-	48,618,188	49,196,207
300,000	424,331	400,000	502,962	3,900,000	3,714,104
276,500	49,423	-	-	14,499,854	1,696,017
13,554,620	13,867,015	958,540	1,089,196	120,013,686	109,940,612
-	-	-	-	63,860,439	61,571,947
8,615,062	7,425,024	-	-	46,999,429	31,699,602
-	-	-	-	657,762	562,223
-	-	-	-	2,030,279	1,636,094
9,628,914	4,540,009	-	-	11,310,842	6,319,768
18,243,976	11,965,033	-	-	124,858,751	101,789,634
(4,689,356)	1,901,982	958,540	1,089,196	(4,845,065)	8,150,978
-	-	47,400,000	47,400,000	47,400,000	47,400,000
-	-	2,600,000	2,600,000	2,600,000	2,600,000
52,900,000	-	-	-	52,900,000	-
(50,000,000)	-	(50,000,000)	(50,000,000)	(102,972,500)	(50,058,519)
2,900,000	-	-	-	(72,500)	(58,519)
$ (1,789,356)	1,901,982	$ 958,540	1,089,196	$ (4,917,565)	8,092,459
	13,021,834		13,432,275		100,517,516
	-		-		24,623,643
	-		-		24,623,643
	$ 14,923,816		$ 14,521,471		$ 108,609,975

Moline-Coal Valley School District No. 40

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2026

	Special Revenue		
	Transportation	Municipal Retirement and Social Security	School Activity
Assets			
Cash and investments	$ 2,040,054	$ 4,879,847	$ 1,607,636
Receivables, net of allowances for uncollectible amounts:			
Property taxes	1,644,553	2,254,925	-
Other	-	531	1,211
Due from other governmental units	550,000	-	-
Total assets	$ 4,234,607	$ 7,135,303	$ 1,608,847
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts and contracts payable	$ 41,721	$ -	$ 11,725
Accrued payroll and benefits	-	225,396	-
Total liabilities	41,721	225,396	11,725
Deferred Inflows of Resources:			
Unavailable revenue:			
Property taxes	1,252,118	1,832,832	-
Intergovernmental	550,000	-	-
Total deferred inflows of resources	1,802,118	1,832,832	-
Fund Balances:			
Restricted	2,390,768	5,077,075	1,597,122
Total fund balances	2,390,768	5,077,075	1,597,122
Total liabilities, deferred inflows of resources and fund balances	$ 4,234,607	$ 7,135,303	$ 1,608,847

Special Revenue		Capital Projects		
Tort Immunity and Judgment	Total	Life Safety	Debt Service	Total Nonmajor Governmental Funds
$ 2,228,206	$ 10,755,743	$ 967,749	$ 4,811,858	$ 16,535,350
1,935,935	5,835,413	660,658	4,483,479	10,979,550
3,882	5,624	-	-	5,624
-	550,000	-	-	550,000
$ 4,168,023	$ 17,146,780	$ 1,628,407	$ 9,295,337	$ 28,070,524
$ 244,477	$ 297,923	$ 152,839	$ -	$ 450,762
-	225,396	-	-	225,396
244,477	523,319	152,839	-	676,158
1,526,042	4,610,992	522,081	3,542,850	8,675,923
-	550,000	-	-	550,000
1,526,042	5,160,992	522,081	3,542,850	9,225,923
2,397,504	11,462,469	953,487	5,752,487	18,168,443
2,397,504	11,462,469	953,487	5,752,487	18,168,443
$ 4,168,023	$ 17,146,780	$ 1,628,407	$ 9,295,337	$ 28,070,524

Moline-Coal Valley School District No. 40

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2026

	Special Revenue		
	Transportation	Municipal Retirement and Social Security	School Activity
Revenues:			
Property taxes	$ 1,462,035	$ 1,997,853	$ -
Corporate personal property replacement taxes	-	622,133	-
Intergovernmental	422,355	-	-
Interest	69,840	169,947	-
Other, primarily student fundraising activities	1,575	-	1,027,293
Total revenues	1,955,805	2,789,933	1,027,293
Expenditures:			
Current:			
Instruction	-	1,248,812	-
Support services	1,943,086	1,670,310	868,029
Community services	-	317	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	1,943,086	2,919,439	868,029
Excess (deficiency) of revenues over (under) expenditures	12,719	(129,506)	159,264
Other financing sources:			
Premium on issuance of long term debt	-	-	-
Transfers in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	12,719	(129,506)	159,264
Fund balance, beginning of year	2,378,049	5,206,581	1,437,858
Fund balance, end of year	$ 2,390,768	$ 5,077,075	$ 1,597,122

Special Revenue		Capital Projects		
Tort Immunity and Judgment	Total	Life Safety	Debt Service	Total Nonmajor Governmental Funds
$ 1,717,989	$ 5,177,877	$ 586,234	$ 3,978,291	$ 9,742,402
-	622,133	-	-	622,133
-	422,355	50,000	-	472,355
56,724	296,511	10,484	72,598	379,593
-	1,028,868	-	-	1,028,868
1,774,713	7,547,744	646,718	4,050,889	12,245,351
-	1,248,812	-	-	1,248,812
1,409,861	5,891,286	-	-	5,891,286
-	317	-	-	317
-	-	256,849	-	256,849
-	-	-	6,243,155	6,243,155
-	-	-	1,042,323	1,042,323
1,409,861	7,140,415	256,849	7,285,478	14,682,742
364,852	407,329	389,869	(3,234,589)	(2,437,391)
6,750	6,750	-	2,726,250	2,733,000
-	-	-	2,938,969	2,938,969
6,750	6,750	-	5,665,219	5,671,969
371,602	414,079	389,869	2,430,630	3,234,578
2,025,902	11,048,390	563,618	3,321,857	14,933,865
$ 2,397,504	$ 11,462,469	$ 953,487	$ 5,752,487	$ 18,168,443

Moline-Coal Valley School District No. 40

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Special Revenue Funds
Year Ended June 30, 2026

	Transportation		Municipal Retirement and Social Security	
	Budget	Actual	Budget	Actual
Revenues:				
Property taxes	$ 1,126,000	$ 1,462,035	$ 2,189,480	$ 1,997,853
Corporate personal property replacement taxes	-	-	641,560	622,133
Intergovernmental	350,000	422,355	-	-
Interest	120,000	69,840	200,000	169,947
Other, primarily student fundraising activities	-	1,575	-	-
Total revenues	1,596,000	1,955,805	3,031,040	2,789,933
Expenditures:				
Current:				
Instruction	-	-	1,370,608	1,248,812
Support services	2,023,240	1,943,086	1,641,380	1,670,310
Community services	-	-	560	317
Total expenditures	2,023,240	1,943,086	3,012,548	2,919,439
Revenues over (under) expenditures	(427,240)	12,719	18,492	(129,506)
Other financing sources:				
Premium on issuance of debt	-	-	-	-
Net change in fund balances	$ (427,240)	12,719	$ 18,492	(129,506)
Fund balance, beginning of year		2,378,049		5,206,581
Fund balance, end of year		$ 2,390,768		$ 5,077,075

School Activity		Tort Immunity and Judgment		Total	
Budget	Actual	Budget	Actual	Budget	Actual
$ -	$ -	$ 1,615,300	$ 1,717,989	$ 4,930,780	$ 5,177,877
-	-	-	-	641,560	622,133
-	-	-	-	350,000	422,355
-	-	45,000	56,724	365,000	296,511
-	1,027,293	-	-	-	1,028,868
-	1,027,293	1,660,300	1,774,713	6,287,340	7,547,744
-	-	-	-	1,370,608	1,248,812
-	868,029	1,619,680	1,409,861	5,284,300	5,891,286
-	-	-	-	560	317
-	868,029	1,619,680	1,409,861	6,655,468	7,140,415
-	159,264	40,620	364,852	(368,128)	407,329
-	-	-	6,750	-	6,750
$ -	159,264	$ 40,620	371,602	$ (368,128)	414,079
	1,437,858		2,025,902		11,048,390
	$ 1,597,122		$ 2,397,504		$ 11,462,469

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Moline-Coal Valley School District No. 40

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Debt Service Fund
Year Ended June 30, 2026

	Budget	Actual
Revenues:		
Property taxes	$ 3,789,145	$ 3,978,291
Interest	140,000	72,598
Total revenues	3,929,145	4,050,889
Expenditures:		
Debt service:		
Principal	6,188,000	6,243,155
Interest and fiscal charges	1,078,750	1,042,323
Total expenditures	7,266,750	7,285,478
(Deficiency) of revenues (under) expenditures	(3,337,605)	(3,234,589)
Other financing soures:		
Issuance of long term debt	2,726,250	2,726,250
Transfers in	2,952,950	2,938,969
Total other financing sources	5,679,200	5,665,219
Net change in fund balances	$ 2,341,595	2,430,630
Fund balance, beginning of year		3,321,857
Fund balance, end of year		$ 5,752,487

Moline-Coal Valley School District No. 40

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - Capital Projects Funds
Year Ended June 30, 2026

	Capital Projects	
	Budget	Actual
Revenues:		
Property taxes	$ -	$ -
School facility occupation tax	5,400,000	6,508,125
Intergovernmental	-	-
Interest	450,000	1,413,213
Other, primarily student fundraising activities	300,000	420,000
Total revenues	6,150,000	8,341,338
Expenditures:		
Capital outlay	13,113,390	9,084,308
Total expenditures	13,113,390	9,084,308
Excess (deficiency) of revenues over (under) expenditures	(6,963,390)	(742,970)
Transfer in	50,000,000	50,000,000
Transfer out	(2,880,450)	(2,880,450)
	47,119,550	47,119,550
Net change in fund balances	$ 40,156,160	46,376,580
Fund balance, beginning of year		15,449,346
Fund balance, end of year		$ 61,825,926

Life Safety		Total	
Budget	Actual	Budget	Actual
$ 558,541	$ 586,234	$ 558,541	$ 586,234
-	-	5,400,000	6,508,125
50,000	50,000	50,000	50,000
25,000	10,484	475,000	1,423,697
-	-	300,000	420,000
633,541	646,718	6,783,541	8,988,056
494,300	256,849	13,607,690	9,341,157
494,300	256,849	13,607,690	9,341,157
139,241	389,869	(6,824,149)	(353,101)
-	-	50,000,000	50,000,000
-	-	(2,880,450)	(2,880,450)
-	-	47,119,550	47,119,550
$ 139,241	389,869	$ 40,295,401	46,766,449
	563,618		16,012,964
	$ 953,487		$ 62,779,413

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Moline School District No. 40

Statistical Section
Contents

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
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	95
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	111
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	119
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	124
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	126

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

Moline School District No. 40

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
Governmental activities:				
Net investment in capital assets	**$ 131,725,802**	$ 129,590,041	$ 121,543,587	$ 110,326,028
Restricted	**61,107,214**	51,994,203	49,041,336	48,033,770
Unrestricted	**21,137,758**	9,635,496	16,471,682	735,779
Total governmental activities net position	**$ 213,970,774**	$ 191,219,740	$ 187,056,605	$ 159,095,577

Fiscal Year						
2022	2021	2020	2019	2018	2017
$ 97,291,766	$ 87,842,466	$ 82,499,879	$ 78,864,754	$ 64,579,826	$ 60,228,675
44,020,843	32,457,547	43,279,398	42,673,143	37,401,462	21,094,811
(21,860,387)	(30,595,384)	(50,220,008)	(53,382,173)	(50,553,102)	2,062,838
$ 119,452,222	$ 89,704,629	$ 75,559,269	$ 68,155,724	$ 51,428,186	$ 83,386,324

Moline School District No. 40

Expenses, Program Revenues and Net (Expense) Revenue
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
Expenses:				
Governmental activities:				
Instruction	**$ 90,116,174**	$ 90,686,905	$ 89,728,413	$ 84,643,080
Support services	**38,668,378**	39,349,063	29,260,620	29,183,285
Community services	**562,540**	604,795	577,652	593,846
Tuition Paid to Other Districts	**1,636,094**	1,570,661	2,424,866	1,399,229
Debt Service	**2,186,199**	424,247	533,187	1,017,818
Total governmental activities expenses	**133,169,385**	132,635,671	122,524,738	116,837,258
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	**$ 842,391**	$ 878,088	$ 916,372	$ 425,056
Support services	**2,302,494**	2,449,543	2,215,245	2,511,581
Operating grants and contributions	**39,731,178**	43,713,340	50,075,600	44,662,933
Capital grants and contributions	**126,786**	103,191	100,845	8,682,176
Total governmental activities program revenues	**43,002,849**	47,144,162	53,308,062	56,281,746
Total governmental net (expense) revenue	**$ (90,166,536)**	$ (85,491,509)	$ (69,216,676)	$ (60,555,512)

	Fiscal Year					
	2022	2021	2020	2019	2018	2017
$	76,631,785	$ 91,382,251	$ 82,007,909	$ 79,617,124	$ 86,220,622	$ 81,799,870
	27,848,413	26,570,730	28,137,564	27,449,659	27,049,134	21,412,990
	474,475	-	-	-	-	-
	1,607,722	1,131,408	6,117,700	560,461	277,300	102,280
	816,889	996,115	1,766,117	1,060,065	1,295,410	694,512
	107,379,284	120,080,504	118,029,290	108,687,309	114,842,466	104,009,652
$	459,921	$ 2,842,500	$ 3,347,164	$ 3,998,479	$ 5,581,594	$ 6,174,470
	1,793,298	7,367	663,084	835,903	842,049	911,443
	40,640,370	50,539,059	43,002,601	38,472,232	39,150,550	38,089,890
	3,686,905	-	50,000	3,750,000	4,400,000	-
	46,580,494	53,388,926	47,062,849	47,056,614	49,974,193	45,175,803
$	(60,798,790)	$ (66,691,578)	$ (70,966,441)	$ (61,630,695)	$ (64,868,273)	$ (58,833,849)

Moline School District No. 40

General Revenues and Total Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
Net governmental (expense)	**$ (90,166,536)**	$ (85,491,509)	$ (69,216,676)	$ (60,555,512)
General revenues and other changes in net position:				
Taxes:				
Property taxes levied for general purposes	**58,515,681**	53,039,359	48,786,577	48,652,788
Property taxes levied for capital projects	**-**	-	-	-
School facility occupation tax	**6,528,681**	5,873,331	5,168,044	5,034,766
Corporate personal property replacement taxes	**7,183,138**	6,525,423	9,731,042	16,148,956
Unrestricted grants and contributions	**34,950,637**	31,022,129	27,681,421	26,580,838
Investment earnings	**5,739,433**	5,687,086	5,810,620	3,596,353
Insurance proceeds	**-**	-	-	-
Other, primarily student fund-raising	**-**	-	-	-
Total governmental activities	**112,917,570**	102,147,328	97,177,704	100,013,701
Changes in net position	**$ 22,751,034**	$ 16,655,819	$ 27,961,028	$ 39,458,189

Fiscal Year						
2022	2021	2020	2019	2018	2017
$ (60,798,790)	$ (66,691,578)	$ (70,966,441)	$ (61,630,695)	$ (64,868,273)	$ (58,833,849)
44,947,783	45,450,091	43,932,428	43,418,449	43,303,749	42,068,022
-	-	-	432,796	426,428	412,103
4,775,113	4,125,546	3,606,412	4,192,368	3,513,031	-
15,473,686	7,156,516	5,136,397	4,750,263	4,865,949	5,185,632
25,160,743	21,988,854	21,989,014	20,374,417	19,146,998	15,937,442
193,652	215,592	1,645,641	1,793,471	860,309	285,757
-	-	-	1,022,706	4,280,632	-
-	1,900,339	2,060,094	2,373,763	2,059,049	2,394,079
90,550,977	80,836,938	78,369,986	78,358,233	78,456,145	66,283,035
$ 29,752,187	$ 14,145,360	$ 7,403,545	$ 16,727,538	$ 13,587,872	$ 7,449,186

Moline School District No. 40

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
General Fund:				
Nonspendable	**$ 1,174,429**	$ 106,908	$ 82,948	$ 89,453
Restricted	**18,186,549**	20,088,498	18,718,817	19,757,770
Committed	**-**	-	-	-
Assigned	**-**	-	-	2,933,983
Unassigned	**89,248,997**	80,322,110	76,142,766	63,454,566
Total General Fund	**$ 108,609,975**	$ 100,517,516	$ 94,944,531	$ 86,235,772
All other governmental funds:				
Nonspendable	**$ -**	$ 3,882	$ 36,041	$ -
Restricted	**79,994,369**	30,379,329	29,497,420	24,764,994
Committed	**-**	-	-	-
Assigned	**-**	-	-	-
Unassigned	**-**	-	-	-
Total all other governmental funds	**$ 79,994,369**	$ 30,383,211	$ 29,533,461	$ 24,764,994

	Fiscal Year					
2022	2021	2020	2019	2018	2017
$ 108,236	$ 109,075	$ 97,230	$ 83,433	$ 66,747	$ 53,423
17,942,059	14,312,092	14,217,019	13,637,051	12,545,058	11,821,906
-	-	-	-	-	-
2,924,300	1,604,903	1,629,919	1,621,073	1,254,016	776,851
47,676,050	38,351,955	36,247,214	34,146,885	31,006,575	26,569,684
$ 68,650,645	$ 54,378,025	$ 52,191,382	$ 49,488,442	$ 44,872,396	$ 39,221,864
$ 3,867	$ 10,682	$ 54,802	$ 1,485	$ 419	$ 18,218
25,224,367	22,578,983	33,522,021	33,399,592	29,063,102	12,433,334
-	-	-	-	-	-
-	7,056,234	2,507,725	2,468,093	9,633,117	1,690,046
-	-	-	-	-	-
$ 25,228,234	$ 29,645,899	$ 36,084,548	$ 35,869,170	$ 38,696,638	$ 14,141,598

Moline School District No. 40

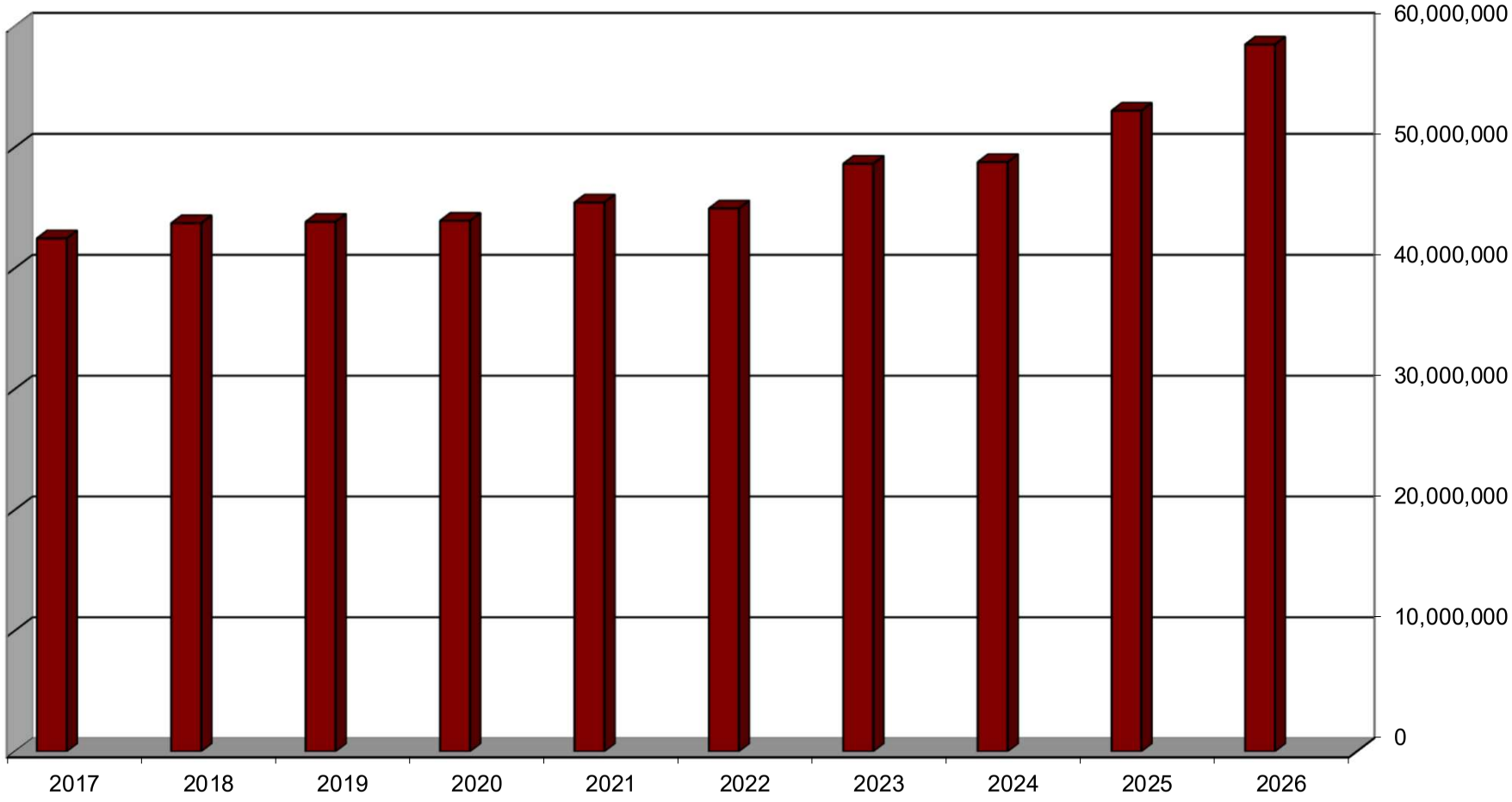
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
Federal sources:				
Federal grants	**$ 8,727,311**	$ 9,246,860	$ 18,035,499	$ 16,721,700
Food services	**2,834,609**	2,803,987	2,752,559	2,696,969
Total federal sources	**11,561,920**	12,050,847	20,788,058	19,418,669
State sources:				
Evidence based funding	**34,950,637**	31,022,129	25,467,371	25,783,413
State grants and other	**3,156,005**	3,199,745	5,617,617	4,077,902
Total state sources	**38,106,642**	34,221,874	31,084,988	29,861,315
Local sources:				
Property taxes	**58,515,681**	53,039,359	48,786,577	48,652,788
Corporate replacement taxes	**7,183,138**	6,525,423	9,731,042	16,148,956
School facility occupation tax	**6,508,125**	5,740,629	5,169,719	4,989,471
Interest and other income	**5,506,910**	5,475,625	5,543,298	3,409,652
Other local sources	**3,144,885**	3,327,631	3,181,617	3,035,514
Total local sources	**80,858,739**	74,108,667	72,412,253	76,236,381
Total revenues	**$ 130,527,301**	$ 120,381,388	$ 124,285,299	$ 125,516,365

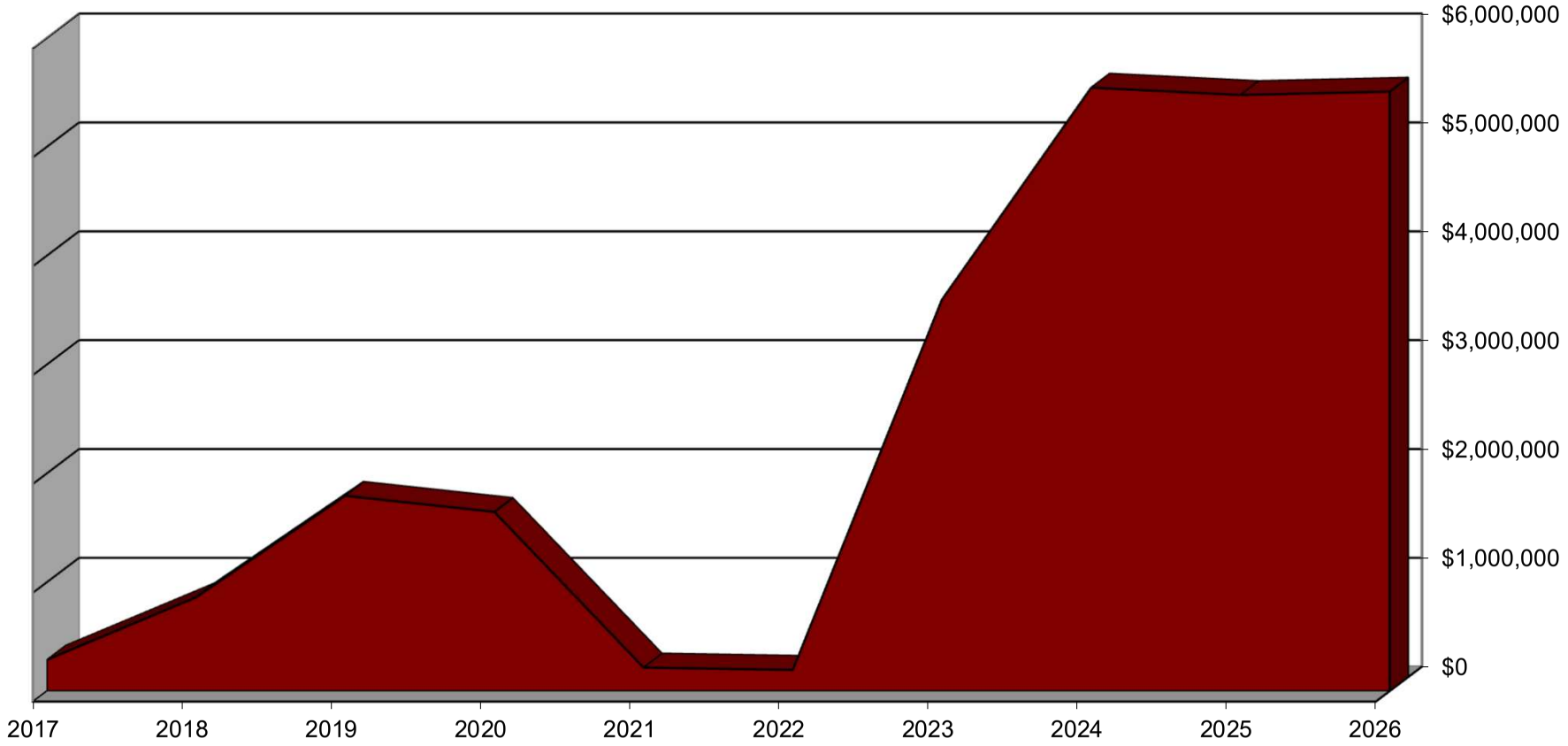
Note: Chart does not include on-behalf payments from the State of Illinois for Illinois Teachers' Retirement System.

	Fiscal Year					
	2022	2021	2020	2019	2018	2017
$	12,214,179	$ 5,125,265	$ 5,125,265	$ 4,757,162	$ 4,473,713	$ 4,873,614
	3,963,914	1,742,433	1,742,433	2,221,082	2,250,142	2,149,240
	16,178,093	6,867,698	6,867,698	6,978,244	6,723,855	7,022,854
	24,694,482	21,989,014	21,989,014	20,374,417	19,146,998	15,937,442
	2,931,491	2,909,389	2,909,389	3,181,259	3,528,268	3,882,338
	27,625,973	24,898,403	24,898,403	23,555,676	22,675,266	19,819,780
	44,947,783	43,932,427	43,932,427	43,851,245	43,730,177	42,480,125
	15,473,686	5,136,397	5,136,397	4,750,263	4,865,949	5,185,632
	4,821,499	3,629,007	3,629,007	3,850,569	3,513,031	-
	180,928	1,538,260	1,538,260	1,642,103	728,944	247,805
	2,253,219	3,468,368	3,468,368	7,600,491	8,450,146	4,384,127
	67,677,115	57,704,459	57,704,459	61,694,671	61,288,247	52,297,689
$	111,481,181	$ 89,470,560	$ 89,470,560	$ 92,228,591	$ 90,687,368	$ 79,140,323

Moline-Coal Valley School District No. 40
Property Tax Revenues
Last Ten Fiscal Years
(Unaudited)



Moline-Coal Valley School District No. 40
Earnings on Investments
Last Ten Fiscal Years
(Unaudited)



Moline School District No. 40

Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2026	2025	2024	2023
Instructional:				
Regular programs	**$ 41,466,090**	$ 41,362,495	$ 40,385,583	$ 39,916,779
Special education programs	**12,477,999**	11,017,755	10,137,438	9,688,582
Educationally deprived/remedial programs	**3,710,931**	2,941,786	2,774,482	2,136,571
Vocational programs	**-**	-	-	-
Interscholastic programs	**1,526,650**	1,410,566	1,130,518	1,092,029
Summer school	**246,421**	238,660	229,589	230,738
Gifted programs	**-**	-	1,666,043	1,302,723
Bilingual programs	**2,307,587**	1,953,554	1,789,502	1,737,971
Alternative and optional programs	**1,085,081**	1,016,835	960,260	685,095
School activity accounts	**-**	-	-	-
Total instructional	**62,820,759**	59,941,651	59,073,415	56,790,488
Support services:				
Pupil services	**7,245,024**	7,011,742	6,084,834	5,666,818
Instructional staff	**3,064,543**	2,844,107	1,868,973	1,971,460
School activity accounts	**868,029**	1,089,799	1,026,093	813,005
General administration	**1,351,951**	1,306,473	2,181,197	1,259,056
School administration	**5,628,621**	5,544,096	5,377,747	5,085,037
Business	**5,240,278**	4,744,270	4,325,268	4,699,272
Central	**3,351,374**	3,946,487	3,796,107	2,763,638
Other	**63,097**	22,067	28,452	105,864
Operations and maintenance	**7,425,024**	7,254,632	6,973,026	6,815,642
Pupil transportation	**1,943,086**	1,840,667	1,332,666	1,241,739
Tort immunity and judgement	**1,409,861**	1,269,307	914,905	1,179,902
Total support services	**37,590,888**	36,873,647	33,909,268	31,601,433
Total current operating	**100,411,647**	96,815,298	92,982,683	88,391,921
Other:				
Community services	**562,540**	604,795	577,561	596,812
Capital outlay	**15,660,925**	8,847,349	9,415,210	12,474,330
Payments to other governmental units	**1,636,094**	1,570,661	1,307,052	1,165,484
Debt service:				
Principal	**6,243,155**	6,003,317	5,858,451	5,697,249
Interest	**1,042,323**	634,633	775,354	957,582
Bond issuance costs	**-**	-	-	-
Total expenditures	**$ 125,556,684**	$ 114,476,053	$ 110,916,311	$ 109,283,378
Debt service as a percentage of noncapital expenditures	**6.63%**	6.28%	6.54%	6.87%

Source of Information: Annual Financial Reports.
Note: Chart does not include on-behalf payments from the State of Illinois for Illinois Teachers' Retirement System.

Fiscal Year					
2022	2021	2020	2019	2018	2017
$ 38,217,298	$ 34,765,986	$ 33,520,498	$ 31,218,451	$ 30,452,858	$ 30,546,868
8,649,250	8,062,704	7,471,435	7,257,296	7,552,570	7,871,742
1,599,266	2,771,836	2,469,981	2,365,569	1,768,613	1,986,120
39,775	62,900	87,875	33,300	59,200	70,300
1,060,549	938,128	937,637	866,736	876,340	906,596
187,789	138,072	165,394	129,713	92,213	79,686
211,681	217,356	433,985	533,673	617,993	645,655
1,682,390	1,661,049	1,363,456	1,231,270	1,197,586	1,168,000
661,284	790,904	824,889	831,664	775,313	879,775
934,179	265,649	371,462	413,681	499,981	459,295
52,309,282	54,779,453	52,734,576	49,395,025	48,301,960	59,772,270
5,135,600	5,133,948	4,456,286	3,632,885	2,824,797	2,803,621
1,757,432	1,687,410	1,391,581	1,614,126	1,651,539	1,652,871
587,786	150,809	244,387	361,849	334,588	302,699
1,229,695	1,177,318	1,323,661	1,296,953	1,102,477	1,152,779
4,867,266	4,877,171	4,528,273	4,497,972	4,567,258	4,203,172
5,040,378	3,916,639	4,320,592	4,443,332	3,027,000	3,143,338
2,639,159	2,561,212	2,289,304	2,240,807	1,882,056	2,094,047
6,159	92,174	944,075	766,475	1,241,957	1,014,617
6,728,116	5,958,117	5,869,193	6,230,014	7,189,439	7,302,510
1,134,403	644,363	1,247,301	1,340,920	1,418,740	1,344,168
1,090,662	1,229,310	1,034,737	947,972	966,350	940,287
30,216,656	27,428,471	27,649,390	27,373,305	26,206,201	25,954,109
82,525,938	82,207,924	80,383,966	76,768,330	74,508,161	85,726,379
472,625	-	420,378	334,250	351,752	175,304
10,353,632	13,885,420	17,603,265	12,958,255	12,314,184	1,637,670
1,607,722	1,131,408	1,029,736	560,461	277,300	102,280
5,518,643	5,308,996	11,833,596	4,130,297	6,064,100	2,982,002
1,147,666	1,396,158	1,614,370	1,224,798	935,651	799,447
-	-	176,878	-	220,130	-
$ 101,626,226	$ 103,929,906	$ 113,062,189	$ 95,976,391	$ 94,671,278	$ 91,423,082
7.30%	7.45%	14.09%	6.45%	8.42%	4.21%

Moline School District No. 40

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			
	2026	2025	2024	2023
Excess of revenues over (under) expenditures	**$ 4,970,617**	$ 5,905,335	$ 13,368,988	$ 17,004,842
Other financing sources (uses):				
General long-term debt issued	**47,400,000**	517,400	108,238	117,045
Insurance proceeds	**-**	-	-	-
Capital lease obligations issued	**-**	-	-	-
Bond premium (discount)	**5,333,000**	-	-	-
Transfers in	**52,938,969**	3,017,665	4,821,115	2,995,049
Transfers out	**(52,938,969)**	(3,017,665)	(4,821,115)	(2,995,049)
Total other financing sources	**52,733,000**	517,400	108,238	117,045
Net change in fund balances	**$ 57,703,617**	$ 6,422,735	$ 13,477,226	$ 17,121,887

Fiscal Year						
2022	2021	2020	2019	2018	2017
$ 9,854,955	$ (4,252,006)	$ 33,323,793	$ 765,872	$ 425,383	$ 2,875,474
-	-	20,395,000	-	25,001,000	-
-	-	-	1,022,706.00	4,280,632	-
-	-	-	-	-	-
-	-	1,026,983	-	498,557	-
3,501,218	5,951,150	4,461,176	-	-	-
(3,501,218)	(5,951,150)	(4,461,176)	-	-	-
-	-	21,421,983	1,022,706	29,780,189	-
$ 9,854,955	$ (4,252,006)	$ 54,745,776	$ 1,788,578	$ 30,205,572	$ (12,282,759)

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Moline School District No. 40

Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
(Unaudited)

Fiscal Year	Equalized Assessed Value	Less Exemptions & TIF	Total Taxable Value	Total Direct Rate
2026	**$ 1,372,628,827**	**$ 193,164,909**	**$ 1,183,425,734**	**4.9912**
2025	1,296,245,228	179,162,421	1,117,082,207	4.9906
2024	1,206,473,570	169,308,192	1,037,164,981	4.9855
2023	1,140,968,185	162,716,477	978,251,708	4.9685
2022	1,085,171,171	182,595,493	902,575,678	5.0181
2021	1,074,519,534	183,108,852	891,410,682	5.0410
2020	1,053,712,161	176,370,535	877,341,626	5.0438
2019	1,038,463,403	175,620,856	862,842,547	5.0318
2018	1,019,624,686	165,944,152	853,680,534	5.1094
2017	998,946,705	165,193,541	833,753,164	5.1498

Source of Information: County Property Appraiser.

Moline School District No. 40

Property Tax Rates - Levies and Collections (1)
Last Ten Levy Years
(Unaudited)

	Levy Year			
	2025	2024	2023	2022
Rates Extended:				
Educational	**3.2700**	3.2700	3.2700	3.2589
Tort immunity	**0.1479**	0.1446	0.1270	0.1035
Operations and maintenance	**0.7500**	0.7500	0.7500	0.7475
Special education	**0.0400**	0.0400	0.0400	0.0399
Fire prevention and safety	**0.0500**	0.0500	0.0500	0.0499
Bond and interest	**0.3394**	0.3392	0.3474	0.3691
Transportation	**0.1416**	0.1008	0.0943	0.0850
Facility leasing	**0.0500**	0.0500	0.0500	0.0499
Illinois Municipal Retirement	**0.0677**	0.0874	0.0922	0.0958
Social Security	**0.0846**	0.1086	0.1146	0.1191
Working Cash	**0.0500**	0.0500	0.0500	0.0499
Total rates extended	**4.9912**	4.9906	4.9855	4.9685
Levies Extended:				
Educational	**$ 38,698,022**	$ 36,528,608	$ 33,915,295	$ 31,880,245
Tort immunity	**1,750,287**	1,615,302	1,317,200	1,012,491
Operations and maintenance	**8,875,693**	8,378,121	7,778,738	7,312,432
Special education	**473,370**	446,833	414,866	390,322
Fire prevention and safety	**591,713**	558,541	518,582	488,148
Bond and interest	**4,016,547**	3,789,145	3,603,111	3,610,727
Transportation	**1,675,731**	1,126,019	978,047	831,514
Facility leasing	**591,713**	558,541	518,582	488,148
Illinois Municipal Retirement	**801,179**	976,330	956,266	937,165
Social Security	**1,001,178**	1,213,152	1,188,591	1,165,098
Working Cash	**591,713**	558,541	518,582	488,148
Total rates extended	**$ 59,067,145**	$ 55,749,135	$ 51,707,860	$ 48,604,436
Total collections (2)	**$ 34,279,836**	$ 55,651,703	$ 51,704,654	$ 48,464,884
Percentage of extensions collected	58.04%	99.83%	99.99%	99.71%

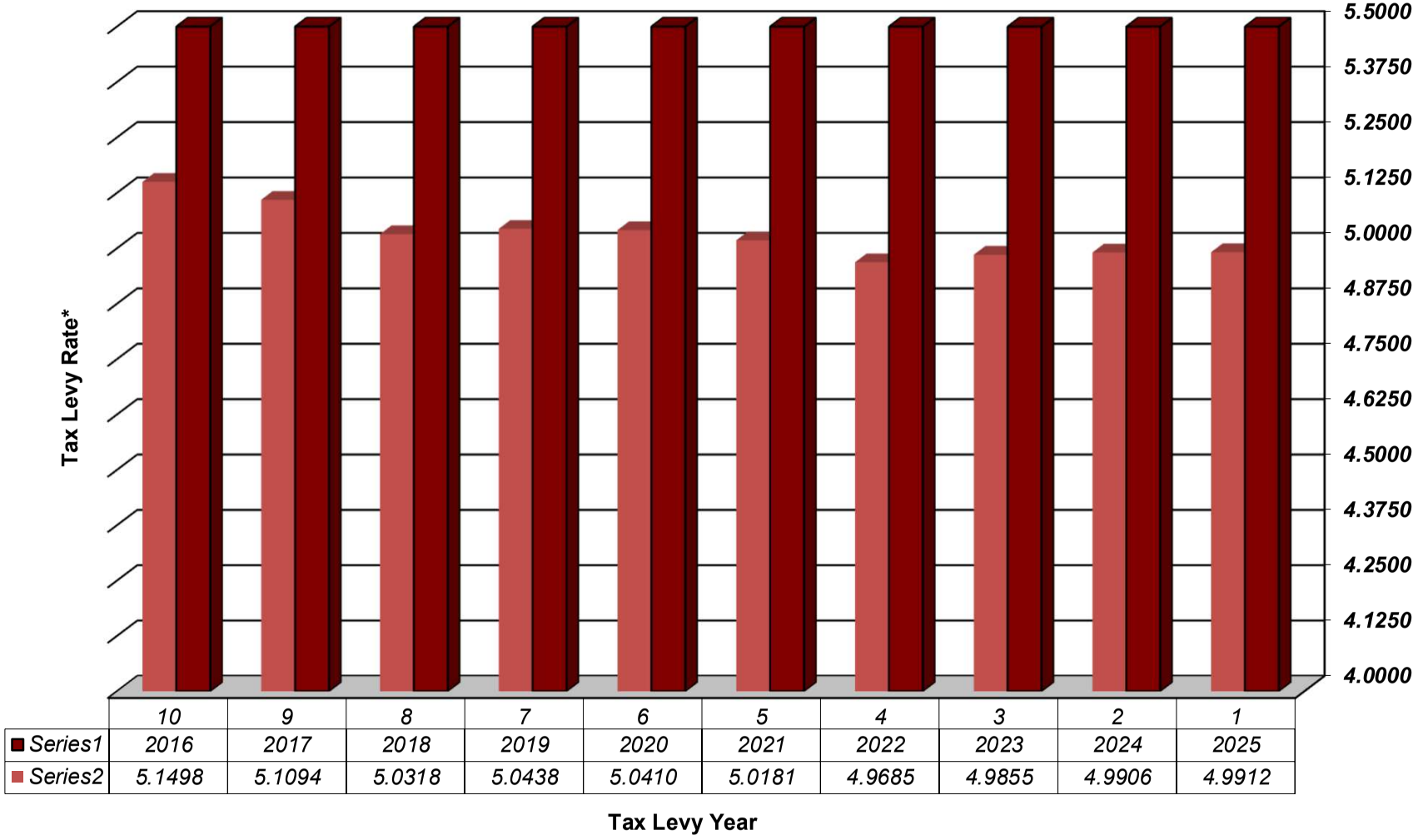
(1) Tax rates are expressed in dollars per $100 of equalized assessed valuation
(2) Modified accrual basis of accounting includes receipts for May, June, July and August

Source of Information: Rock Island County Levy, Rate and Extension Reports for 2016 to 2025

	Levy Year					
	2021	2020	2019	2018	2017	2016
	3.2700	3.2700	3.2700	3.2700	3.2700	3.2700
	0.1102	0.1008	0.1020	0.1086	0.1336	0.1338
	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500
	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
	0.4052	0.4149	0.4243	0.3834	0.4478	0.4548
	0.0535	0.0785	0.0835	0.0774	0.0880	0.1302
	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
	0.1127	0.1150	0.1055	0.1290	0.1164	0.1092
	0.1265	0.1218	0.1185	0.1234	0.1136	0.1118
	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
	5.0181	5.0410	5.0438	5.0318	5.1094	5.1498
$	29,514,225	$ 29,149,129	$ 28,689,071	$ 28,254,036	$ 27,952,099	$ 27,296,482
	994,638	898,542	894,888	938,345	1,142,018	1,116,902
	6,769,318	6,685,580	6,580,062	6,480,283	6,411,032	6,260,661
	361,030	356,564	350,937	345,615	341,922	333,902
	451,288	445,705	438,671	432,019	427,402	417,377
	3,657,237	3,698,463	3,722,561	3,312,721	3,827,813	3,796,465
	482,878	699,757	732,580	668,765	752,228	1,086,851
	451,288	445,705	438,671	432,019	427,402	417,377
	1,017,203	1,025,122	925,595	1,114,609	994,992	911,552
	1,141,758	1,085,738	1,039,650	1,066,223	971,058	933,256
	451,288	445,705	438,671	432,019	427,402	417,377
$	45,292,150	$ 44,936,010	$ 44,251,357	$ 43,476,654	$ 43,675,368	$ 42,988,202
$	45,133,030	$ 44,969,411	$ 44,157,733	$ 43,339,021	$ 43,572,839	$ 43,236,032
	99.65%	100.07%	99.79%	99.68%	99.77%	100.58%

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Moline-Coal Valley School District No. 40
Property Tax Levy Rates
Last Ten Tax Levy Years (Unaudited)



	10	9	8	7	6	5	4	3	2	1
Series1	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Series2	5.1498	5.1094	5.0318	5.0438	5.0410	5.0181	4.9685	4.9855	4.9906	4.9912

* Dollars per $100 of Equalized Assessed Valuation

Moline School District No. 40

Direct and Overlapping Property Tax Rates (1)
Last Ten Levy Years
(Unaudited)

Taxing District	Levy Year 2025	2024	2023	2022
Overlapping Government Rates:				
Common Rates				
Moline School District No. 40	**4.9912**	4.9906	4.9855	4.9685
County of Rock Island (2)	**1.0438**	1.0881	1.1957	1.2258
Metropolitan Airport Authority	**0.0613**	0.0622	0.0638	0.0647
Black Hawk College District No. 503	**0.5652**	0.5658	0.5312	0.5441
Metropolitan Transit Authority (3)	**0.1764**	0.1797	0.1849	0.1888
Cities and Villages:				
City of Moline	**1.6749**	1.7198	1.8009	1.8475
Village of Coal Valley (4)	**1.7286**	1.7696	1.7597	1.8962
Townships:				
Township of Moline	**0.2144**	0.2165	0.2454	0.2477
Township of South Moline (5)	**0.0981**	0.0989	0.1050	0.1079
Township of Coal Valley (6)	**0.1703**	0.1831	0.1873	0.1975
Township of Blackhawk (7)	**0.0399**	0.0425	0.0454	0.0615
Representative total tax rates by township/municipality location:				
Township #8 - Moline/ City of Moline - Code 1	**8.7272**	8.8227	9.0074	9.0989
Township #7 - South Moline City of Moline - Code 5	**8.6269**	8.7211	8.8842	8.9764
Township #12 - Coal Valley/ Village of Coal Valley - Code 3	**8.4557**	8.5469	8.6081	8.7873

(1) Tax Rates are expressed in dollars per $100 of assessed (one third of market) valuation.
(2) Includes Forest Preserve
(3) Common to all township locations except Coal Valley
(4) Includes Coal Valley Municipality Roads & Bridges; Coal Valley FPD; and Coal Valley Library
(5) Includes roads & bridges for Municipal Moline and Township of South Moline
(6) Includes Coal Valley Township Roads & Bridges
(7) Includes .1% of total District assessed valuations.

Source of Information: Rock Island County Clerk's Office, Department of Tax Extension.

Levy Year					
2021	2020	2019	2018	2017	2016
5.0181	5.0181	5.0438	5.0318	5.1094	5.1498
1.4369	1.4355	1.4602	1.3674	1.2436	1.2466
0.0696	0.0721	0.0733	0.0748	0.0756	0.0750
0.5620	0.5682	0.5714	0.5632	0.5676	0.5718
0.1952	0.2000	0.1958	0.1952	0.2120	0.2056
1.9437	2.0177	2.0554	2.0602	2.0742	2.0854
1.5766	1.5946	1.3273	1.2140	1.2138	1.1834
0.2686	0.2639	0.2623	0.2586	0.2536	0.2498
0.1118	0.1131	0.1164	0.1182	0.1248	0.1278
0.2085	0.2099	0.2190	0.2220	0.2222	0.2200
0.0992	0.1125	0.1882	0.1854	0.1812	0.2082
9.4941	9.5984	9.6622	9.5512	9.5360	9.5840
9.3555	9.4660	9.5338	9.4282	9.4188	9.4738
8.7964	8.8508	8.7584	8.5356	8.4684	8.4858

Moline School District No. 40

Principal Property Taxpayers
Current Year and Ten Years Ago
(Unaudited)

	2026			2017		
Taxpayer	2025 Equalized Assessed Valuation	Rank	Percentage of Total 2025 Equalized Assessed Valuation	2016 Equalized Assessed Valuation	Rank	Percentage of Total 2016 Equalized Assessed Valuation
Deere & Company	**15,534,854**	**1**	**1.31%**	3,960,336	5	0.48%
Quad Cities Rehabilitation Institute LLC	**7,804,710**	**2**	**0.66%**			
Financial District Prop	**7,318,895**	**3**	**0.62%**			
IH Mississippi Valley Credit Union	**5,959,571**	**4**	**0.50%**			
First Financial Group LLC	**5,014,778**	**5**	**0.42%**			
Vibrant Credit Union	**4,920,793**	**6**	**0.42%**			
Moline FNMA LLC/Corelogic	**4,680,696**	**7**	**0.40%**			
Pedcor Investment	**4,640,384**	**8**	**0.39%**			
Southpark Mall Realty Holding LLC	**4,586,806**	**9**	**0.39%**			
Sabra Health Care Holdings III LLC	**4,278,134**	**10**	**0.36%**			
SDG Macerich-Southpark Mall				10,432,635	1	1.25%
Kone				4,474,321	2	0.54%
Mills at Riverbend Commons				4,332,900	3	0.52%
United Health Care Service				4,028,767	4	0.48%
Wal-Mart Stores				3,632,348	6	0.44%
Heritage Place				3,040,117	7	0.36%
Carr Limited Partnership-Highland Toyota				2,974,638	8	0.36%
Pedcor (Valley View Apts.)				2,864,960	9	0.34%
Moline Hotel LLC-Pine Ridge Apartments				2,799,780	10	0.34%
Other Properties in District	**1,118,686,116**		**94.53%**	791,212,362		94.90%
Total	**$ 1,183,425,737**		**100.00%**	$ 833,753,164		100.00%

Source of Information: Rock Island County Supervisor of Assessments.

Moline School District No. 40

Property Tax Levies and Collections
Last Ten Fiscal Years
(modified accrual basis of accounting)
(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
2026	**$ 59,067,145**	**$ 34,279,837**	**58.04%**	**$ -**	**$ 34,279,837**	**58.04%**
2025	55,749,135	31,341,724	56.22	24,309,979	55,651,703	99.83
2024	51,707,860	30,007,019	58.03	21,698,635	30,007,019	100.00
2023	48,604,436	29,685,328	61.08	18,779,556	48,464,884	99.71
2022	45,292,150	26,165,567	57.77	18,967,463	45,133,030	99.65
2021	44,936,012	26,187,196	58.28	18,782,215	44,969,411	100.07
2020	44,251,357	24,929,541	55.34	19,228,192	44,157,733	99.79
2019	43,476,653	24,336,135	55.98	19,002,886	43,339,021	99.68
2018	43,675,368	24,057,728	55.08	19,515,111	43,572,839	99.77
2017	42,988,203	23,563,585	54.81	19,672,447	43,236,032	100.58

* Modified accrual basis of accounting includes receipts for June, July and August

Source of Information: Rock Island County Levy, Rate and Extension Reports

Moline School District No. 40

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Tax Levy Year	General Obligation Bonds	Equalized Assessed Valuation	Percent of Actual Taxable Value of Property	Estimated Population*	Per Capita
2026	**2025**	**$ 57,760,000**	**$ 1,183,425,734**	**4.88%**	**46,858**	**$ 1,232.66**
2025	2024	16,546,982	1,117,082,807	1.48	46,858	353.13
2024	2023	21,971,230	1,037,164,981	2.12	45,838	479.32
2023	2022	27,770,054	978,251,708	2.84	45,863	605.50
2022	2021	33,420,162	902,575,678	3.70	46,253	693.84
2021	2020	38,923,663	891,410,682	4.37	45,696	851.80
2020	2019	44,232,659	877,341,626	5.04	45,079	981.23
2019	2018	35,671,255	864,037,786	4.13	45,659	781.25
2018	2017	39,801,552	854,804,251	4.66	46,006	865.14
2017	2016	20,864,651	834,754,801	2.50	45,971	453.87

* Population estimates are based on census data

Moline School District No. 40

Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities: General Obligation Bonds	Notes Payable	Capital Leases	Subscription Based Information Technology	Total Outstanding Debt	Personal Income (1) (000's)	Percentage of Personal Income	Estimated Population (2)	Per Capita
2026	**$ 57,760,000**	**$ -**	**$ -**	**$ 19,519**	**$ 57,779,519**	*	*	**46,858**	**$ 1,233.08**
2025	16,546,982	76,786	37,405	38,287	16,699,460	*	*	46,858	356.38
2024	21,971,230	129,977	73,345	64,016	22,238,568	*	*	45,838	485.16
2023	27,770,054	180,822	-	88,750	269,572	*	*	45,863	611.38
2022	33,420,162	230,000	15,761	-	33,665,923	*	*	48,167	698.94
2021	38,923,663	-	-	-	38,923,663	*	*	45,696	851.80
2020	44,232,659	-	-	-	44,232,659	*	*	45,079	981.23
2019	35,671,255	-	-	-	35,671,255	*	*	45,659	781.25
2018	39,801,552	-	-	-	39,801,552	*	*	46,006	865.14
2017	20,864,652	-	-	-	20,864,652	*	*	45,971	453.87

(1) Personal income data is unavailable at this time.

(2) Population estimates are based on census data

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Moline School District No. 40

Direct and Overlapping Governmental Activities Debt
As of June 30, 2026
(Unaudited)

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Direct and Overlapping Debt
County:			
Rock Island County	$ 27,110,691	34.263%	$ 9,288,936
Rock Island County Forest Preserve	4,908,595	34.263%	1,681,832
Municipality:			
City of Moline	90,567,000	98.123%	88,867,057
City of Milan	4,550,000	1.825%	83,038
Other:			
Metropolitan Airport Authority (3)	7,490,000	43.995%	3,295,226
Blackhawk Community College District 503	71,050,000	34.233%	24,322,547
Subtotal, overlapping debt			127,538,635
Direct bonded debt, Moline School District No. 40			57,760,000
Total direct and overlapping debt			$ 185,298,635

(1) As of November 30, 2025

(2) Overlapping debt percentages are based on the 2025 equalized assessed valuation, the most current available.

(3) Represents the principal amounts due on a lease obligation issued through a Public Building Commission.

Source of Information: Rock Island County Clerk

Moline School District No. 40

Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2026		
Assessed value	**$**	**1,183,425,734**
Debt limit (13.8% of assessed valuation)	**$**	**163,312,751**
Debt applicable to limit		**57,779,519**
Legal debt margin	**$**	**105,533,232**

	2026	2025	2024	2023
Debt limit	**$ 163,312,751**	$ 154,157,427	$ 142,714,767	$ 134,998,736
Total net debt applicable to limit	**57,779,519**	16,699,460	22,238,568	28,039,626
Legal debt margin	**$ 105,533,232**	$ 137,457,967	$ 120,476,199	$ 106,959,110
Total net debt applicable to the limit as a percentage of debt limit	**35.38%**	10.83%	15.58%	20.77%

	2022	2021	2020	2019	2018	2017
$	124,555,444	$ 123,014,674	$ 121,073,144	$ 119,237,214	$ 117,962,987	$ 115,196,163
	33,665,924	38,923,663	44,232,659	35,671,255	39,801,552	20,864,652
$	90,889,520	$ 84,091,011	$ 76,840,485	$ 83,565,959	$ 78,161,435	$ 94,331,511
	27.03%	31.64%	36.53%	29.92%	33.74%	18.11%

Moline School District No. 40

Demographic and Economic Statistics (1)
Last Ten Calendar Years
(Unaudited)

Calendar Year	Estimated Population (2)	Personal Income (000's)	Per Capita Personal Income	Unemployment Rate
2025	**46,858**	**$ 1,548,114,392**	**$ 36,476**	**4.20%**
2024	46,858	1,466,802,645	34,953	5.00
2023	45,838	1,591,678,712	34,724	4.50
2022	45,863	1,472,981,971	32,117	3.80
2021	42,985	1,349,170,195	31,387	3.90
2020	42,985	1,349,170,195	31,387	6.10
2019	41,356	1,309,868,588	31,673	4.90
2018	43,483	1,327,753,405	30,535	5.00
2017	43,483	1,297,228,339	29,833	4.90
2016	43,483	1,216,393,442	27,974	5.90

(1) Information provided for the City of Moline.
(2) Population estimates are based on census data estimates

Source of Information: City of Moline

Moline School District No. 40

Principal Employers in the Area (1)
Current Year and Ten Years Ago
(Unaudited)

	2026			2017		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	Employees	Rank	Percentage of Total Employment
Rock Island Arsenal (2)	**6,300**	**1**	**28.11%**	5,602	2	13.01%
Deere & Company (3)	**4,800**	**2**	**21.42%**	7,625	1	17.70%
Unity Point Health (3)	**2,500**	**3**	**11.16%**	4,468	4	10.37%
Tyson Fresh Meats (3)	**2,400**	**4**	**10.71%**			
Moline-Coal Valley CUSD 40	**1,060**	**5**	**4.73%**			
XPAC (3)	**1,000**	**6**	**4.46%**			
MercyOne Genesis (3)	**950**	**7**	**4.24%**	4,805	3	11.16%
Rock Island County (3)	**800**	**8**	**3.57%**			
Gonstellation-Quad Cities Generating Station (3)	**800**	**9**	**3.57%**			
Black Hawk College (3)	**650**	**10**	**2.90%**			
Augustana College (3)	**650**	**11**	**2.90%**			
Vibrant Arena at The MARK	**500**	**12**	**2.23%**			
Wal-Mart Super Centers Quad Cities				2,821	7	6.55%
Hy-vee Stores Quad Cities (1)				4,378	5	10.16%
HNI Corporation /The Hon Company				3,700	6	8.59%
Tyson Foods (IBP Inc.)				2,400	8	5.57%
Davenport Community Schools				2,279	9	5.29%
Arconic (Alcoa)				2,194	10	5.09%
Kraft Foods (Oscar Mayer Foods)				1,600	11	3.71%
Tri-City Electric Co.				1,200	12	2.79%
Total	**22,410**		**100.00%**	43,072		100.00%

(1) Employment levels are for the entire Quad Cities area.
and Moline, Illinois, and other contiguous communities).
(2) Military and Civilian employees.
(3) Rock Island County only

Sources of Information: Rock Island County CAFR; City of Moline CAFR

Moline School District No. 40

Full-Time Equivalent District Employees By Type
Last Ten Fiscal Years
(Unaudited)

	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
Administration:					
Superintendent	**1**	1	1	1	1
Assistant superintendents and directors	**11**	11	9	10	9
Principals, assistants, deans and athletic director	**28**	26	25	26	25
Total administration	**38**	38	35	37	35
Teachers:					
Regular grades K-12	**320**	320	329	308	307
Special education	**83**	81	79	75	72
Elementary music, art, physical education specialists	**10**	10	10	10	10
Social workers, counselors	**27**	26	26	26	26
Reading recovery	**-**	-	-	-	-
Librarians	**6**	5	5	6	6
Pre-school At-Risk programs	**12**	11	12	11	11
Gifted programs - PATS	**-**	-	-	3	2
Educationally deprived/remedial programs	**13**	13	13	38	46
Bilingual programs	**15**	20	19	15	13
Psychologists	**6**	6	5	5	5
Total teachers	**491**	492	498	497	498
Other supporting staff:					
Regular grade teachers' paraprofessionals	**85**	**84**	74	73	82
Special education teachers' paraprofessiona	**111**	**105**	108	91	94
Nurses, health professionals	**7**	**17**	18	17	16
Hall monitors	**5**	**5**	5	7	7
Lab managers	**14**	**14**	14	14	17
Library paraprofessionals	**12**	**7**	7	7	6
Lunchroom assistants	**51**	**35**	30	26	24
Administrative assistants	**42**	**38**	42	43	43
Custodial-maintenance and supervisors	**70**	**65**	68	66	66
Educational Technology	**7**	**8**	8	8	8
Other	**25**	**18**	15	9	9
Total support staff	**428**	396	389	359	372
Total staff	**957**	925	922	894	905

Source of information: District Human Resources records

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2020 - 2021	2019 - 2020	2018 - 2019	2017 - 2018	2016 - 2017	Percentage Change 2016-2017
1	1	1	1	1	0.00%
9	6	6	6	6	83.33%
25	25	25	25	24	16.67%
35	32	32	32	31	22.58%
295	297	284	290	294	8.71%
70	83	68	74	74	11.62%
17	17	17	17	17	-41.18%
25	20	17	16	17	58.82%
-	-	-	-	-	0.00%
6	7	6	6	6	0.00%
11	12	10	6	6	100.00%
3	4	3	6	7	-100.00%
14	13	10	10	9	44.44%
15	12	16	15	15	0.00%
4	4	4	3	4	50.00%
460	469	435	443	449	9.40%
76	73	71	73	57	49.47%
98	93	94	102	116	-4.31%
17	16	16	16	16	-56.25%
7	7	8	7	4	25.00%
18	19	20	20	20	-30.00%
7	7	7	8	10	20.00%
22	24	25	24	24	112.50%
43	45	48	48	47	-11.70%
64	66	64	66	65	6.92%
8	8	8	8	8	-12.50%
10	9	8	8	8	212.50%
370	365	367	378	375	14.19%
864	866	834	853	855	11.98%

Moline School District No. 40

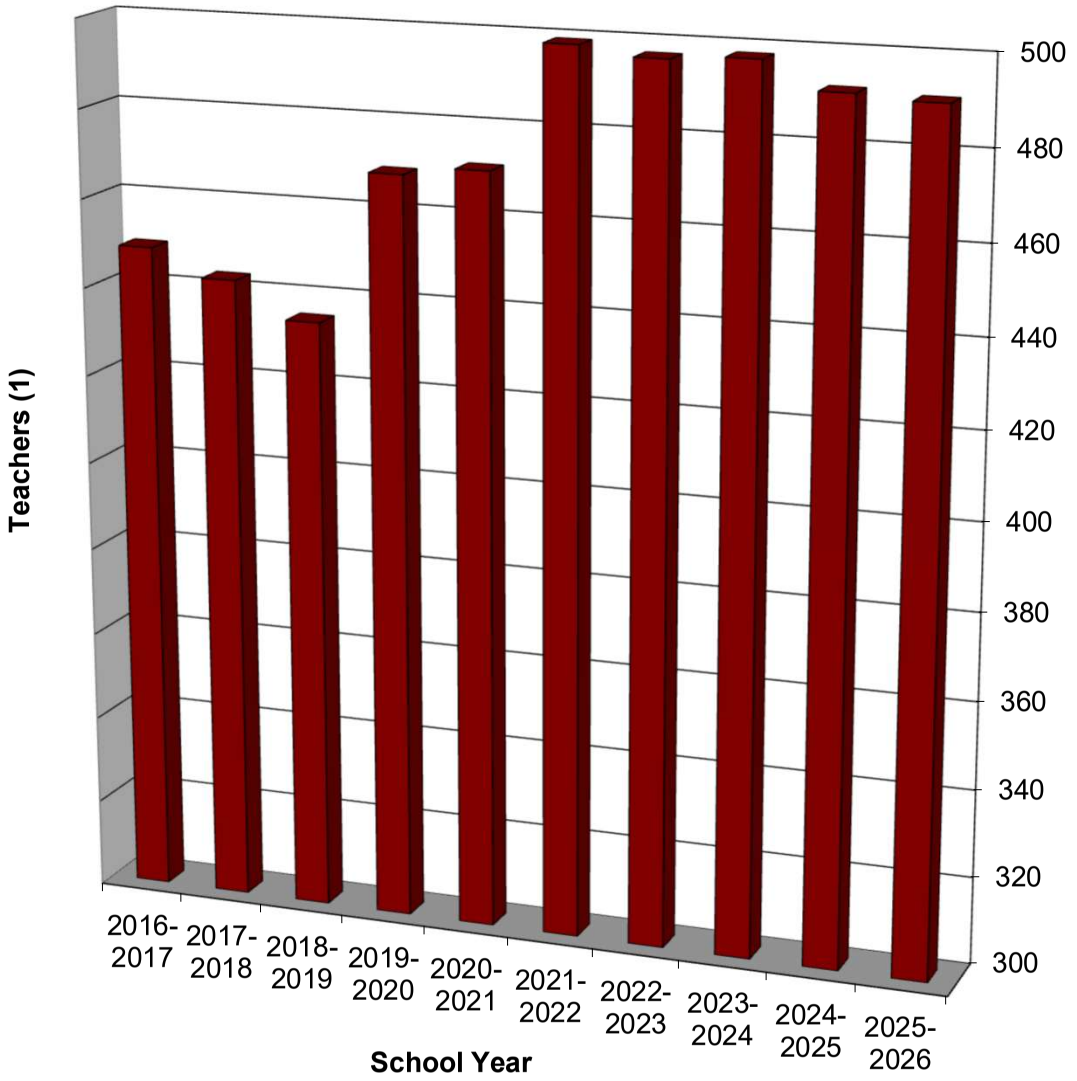
Operating Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Average Daily Attendance	Net Operating Expenditures	Net Operating Expenditures Per Pupil	Percentage Change	Enrollment (1)
2026	**6,550.72**	**$ 98,499,181**	**$ 15,036.39**	**0.42%**	**7,107**
2025	6,441.00	94,230,255	14,629.76	0.38	7,185
2024	6,429.00	89,676,899	13,948.81	0.26	7,184
2023	6,410.86	86,923,292	13,558.76	0.27	7,129
2022	6,327.12	83,273,637	13,161.38	0.24	7,109
2021	6,159.50	75,229,114	12,213.51	0.19	7,132
2020	6,951.90	73,559,814	10,581.25	0.03	7,243
2019	6,705.30	71,142,959	10,609.96	0.03	7,243
2018	6,492.78	71,648,551	11,035.11	0.07	7,267
2017	6,537.55	69,932,990	10,697.13	0.04	7,196

(1) Enrollment information from Fall Housing Report.
(2) Total Teachers include all Illinois certificated positions including teachers, counselors, social workers, psychologists, librarians, speech and language and other specialists.
(3) Net operating expenditures from the Annual Financial Report.

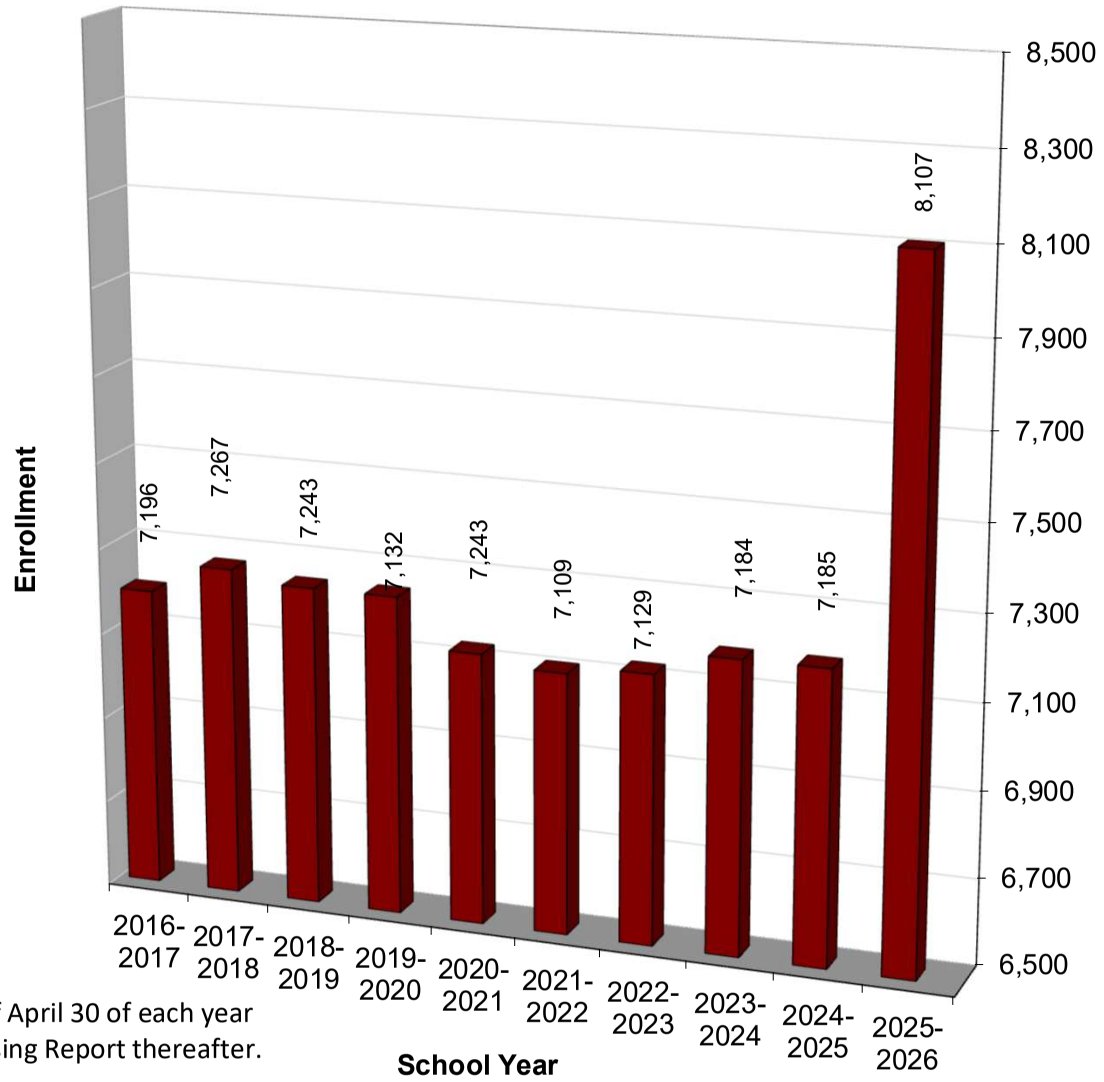
	Total Expenses	Cost Per Pupil	Percentage Change	Teachers (2)	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Priced Meals
$	**150,180,327**	**21,131**	**1.73%**	**491**	**14.47**	**59.30%**
	143,009,053	19,904	0.50	492	14.60	59.30
	141,008,002	19,628	0.51	498	14.43	63.09
	135,880,258	19,060	0.50	497	14.34	59.31
	125,521,205	17,657	0.40	499	14.25	48.94
	103,929,906	14,572	0.05	471	15.14	53.30
	56,146,767	7,752	(44.21)	469	15.45	53.30
	95,976,391	13,251	(4.63)	435	16.65	57.06
	94,671,278	13,028	(0.06)	443	16.40	56.37
	91,423,082	12,705	(8.56)	449	16.03	53.73

Moline-Coal Valley School District No. 40
Teacher Statistics
Last Ten Fiscal Years
(Unaudited)



(1) Teachers include all Illinois certificated positions including teachers, counselors, social workers, psychologists, librarians, and speech and language and other specialists.

Moline-Coal Valley School District No. 40
Enrollment Statistics as of April 30
Last Ten Fiscal Years
(Unaudited)



*Enrollment information as of April 30 of each year through 2012-2013, Fall Housing Report thereafter.

Moline School District No. 40

Operating Expenditures Per Student
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

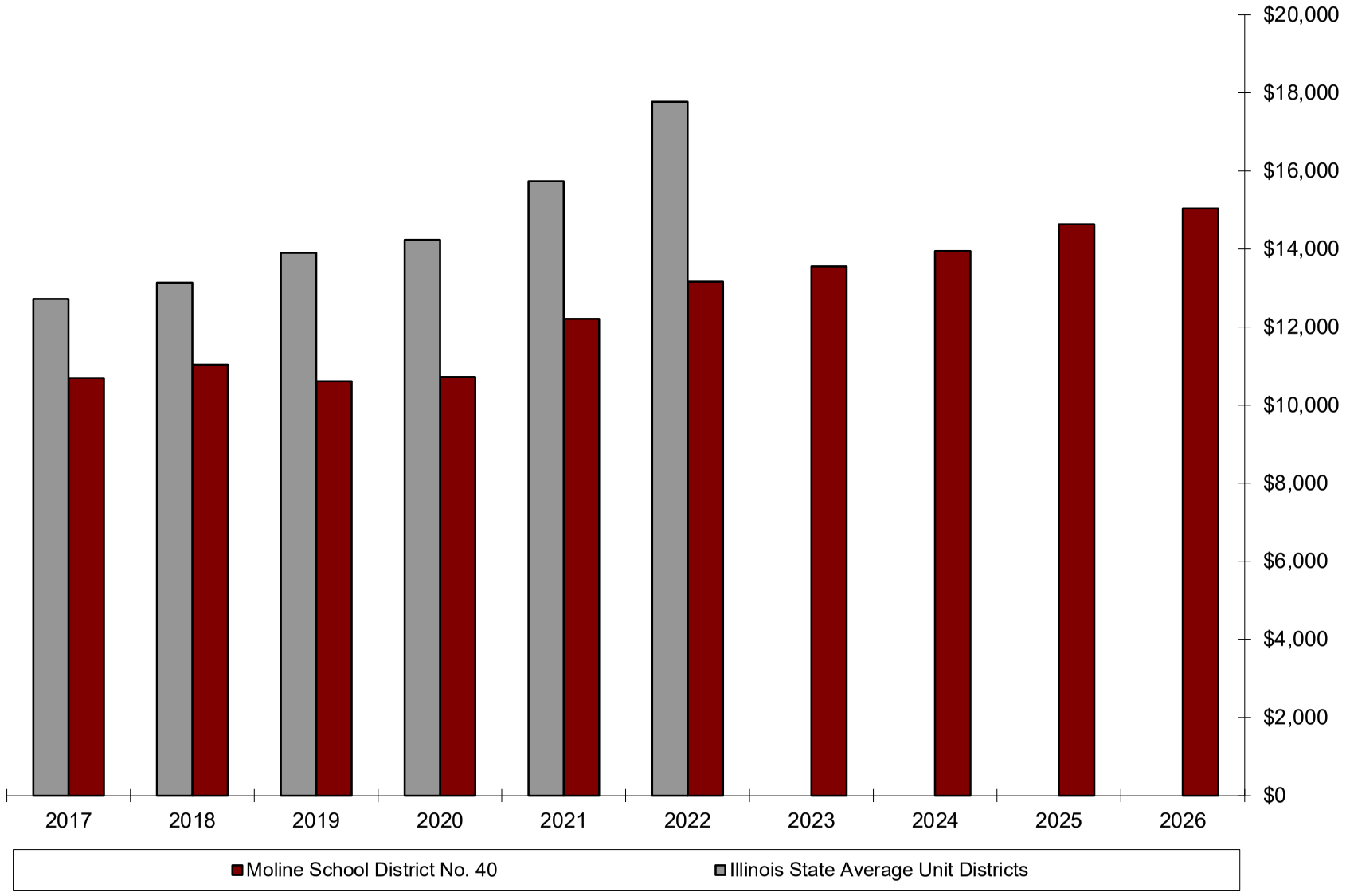
	2026	2025	2024	2023
Expenditures				
Educational fund *	**$ 89,824,601**	$ 86,324,212	$ 82,102,865	$ 78,495,243
Operations and maintenance fund	**11,965,033**	10,225,469	6,973,026	7,360,968
Debt service fund	**7,285,478**	6,637,950	6,633,805	6,654,831
Transportation fund	**1,943,086**	1,840,667	1,332,666	1,241,739
Municipal retirement fund	**2,919,439**	2,718,488	2,517,741	2,444,471
Tort fund	**1,409,861**	1,269,307	914,905	1,179,902
Total	**115,347,498**	109,016,093	100,475,008	97,377,154
Less expenditures not applicable to operation of regular programs:				
Early childhood	**1,685,569**	1,350,690	1,441,684	1,385,558
Summer school	**240,638**	238,609	229,484	230,738
Capital outlay	**5,871,671**	4,477,188	2,305,140	1,381,105
Bond principal retired	**6,243,155**	6,003,317	5,858,451	5,694,165
Lease/purchases principal retired	**-**	-	-	-
Tuition	**964,642**	928,004	538,485	590,060
Federal special education	**-**	-	-	-
Community services	**569,978**	607,479	575,809	1,172,236
Nonprogrammed charges	**-**	-	-	-
Total	**15,575,653**	13,605,287	10,949,053	10,453,862
Net operating expenditures	**$ 99,771,845**	$ 95,410,806	$ 89,525,955	$ 86,923,292
Average daily attendance	**6,550.72**	6,441.00	6,429.00	6,410.86
Net operating expenditure per student	**$ 15,230.67**	$ 14,813.04	$ 13,925.33	$ 13,558.76
State average operating expense per student - all districts (2)	N/A	$ 20,975.85	$ 20,123.55	$ 18,904.89
State average operating expense per student - unit districts (2)	N/A	$ 20,618.11	$ 20,008.08	$ 18,740.28
*Educational fund expenditures from annual financial report	**$ 114,448,244**	$ 116,271,175	$ 112,194,556	$ 78,422,598
Less "on-behalf of" payments	**(24,623,643)**	(28,533,000)	(30,091,691)	(27,368,735)
Less Internal Service Fund contributions (in excess) under of claims	**-**	-	-	771,857
	$ 89,824,601	$ 87,738,175	$ 82,102,865	$ 51,825,720

(2) Illinois State Board of Education, 2026 data not available until Spring 2027

Source of Information: 2017-2026 Annual Financial Report

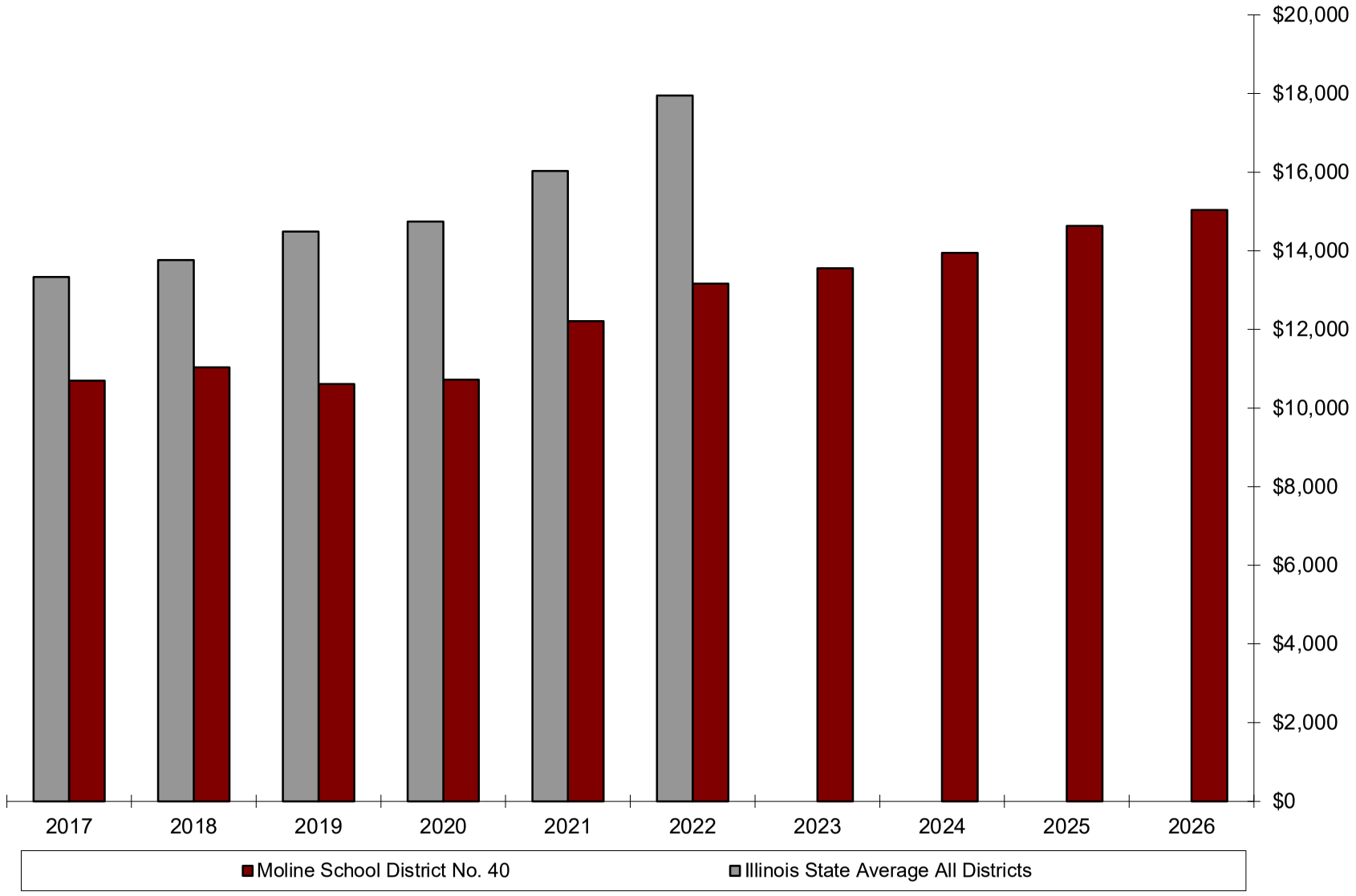
Fiscal Year						
2022	2021	2020	2019	2018	2017
$ 73,410,537	$ 68,357,362	$ 65,058,059	$ 61,942,588	$ 64,155,425	$ 60,955,774
6,999,113	6,153,496	6,384,398	7,405,822	10,435,023	6,380,692
6,666,309	6,705,153	13,559,412	5,355,095	6,999,751	3,781,449
1,134,403	714,083	1,237,413	1,331,197	999,577	921,874
2,478,691	2,549,344	2,461,496	2,326,781	2,383,461	2,066,483
1,090,662	1,229,310	1,034,737	947,972	966,350	940,287
91,779,715	85,708,748	89,735,515	79,309,455	85,939,587	75,046,559
1,297,239	1,263,258	1,402,764	1,035,234	718,892	710,755
188,321	136,308	165,854	130,626	94,520	81,179
1,027,401	2,118,963	1,321,725	2,696,688	5,271,438	909,123
5,518,643	5,308,996	11,833,596	4,130,297	6,064,100	2,982,002
-	-	-	-	-	-
-	569,303	595,995	489,320	252,460	102,280
-	-	-	-	-	-
474,474	520,705	422,024	337,668	349,065	185,758
-	562,101	433,743	296,272	183,843	142,472
8,506,078	10,479,634	16,175,701	9,116,105	12,934,318	5,113,569
$ 83,273,637	$ 75,229,114	$ 73,559,814	$ 70,193,350	$ 73,005,269	$ 69,932,990
6,327.12	6,159.50	6,951.90	6,705.30	6,492.78	6,537.55
$ 13,161.38	$ 12,213.51	$ 10,581.25	$ 10,468.34	$ 11,244.07	$ 10,697.13
$ 17,952.76	$ 16,028.65	$ 14,746.95	$ 14,491.98	$ 13,763.50	$ 13,335.17
$ 17,775.88	$ 15,739.28	$ 14,235.49	$ 13,903.10	$ 13,136.58	$ 12,717.66
$ 97,305,516	$ 73,464,067	$ 70,664,041	$ 66,894,681	$ 66,552,565	$ 75,544,231
(23,894,979)	(5,106,705)	(5,089,748)	(4,515,296)	(4,410,879)	(15,158,233)
518,972	(787,510)	(516,234)	(436,797)	2,013,739	569,776
$ 73,929,509	$ 67,569,852	$ 65,058,059	$ 61,942,588	$ 64,155,425	$ 60,955,774

Moline-Coal Valley School District No. 40
Operating Expenditures Per Student
State Average Comparison - Unit Districts
(Unaudited)



* Illinois State Board of Education

Moline-Coal Valley School District No. 40
Operating Expenditures Per Student
State Average Comparison - All Districts
(Unaudited)



* Illinois State Board of Education

Moline School District No. 40

Schedule of Insurance in Force
Fiscal Year 2025-2026
(Unaudited)

			2025-2026
I.	Property (includes Boiler & Machinery and Inland Marine)		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$378,927.20
	E.	Limit:	Blanket per Statement of Values on file $50,000 Deductible (except earthquake/flood $100,000 deductible)
II.	General Liability & Employee Benefits Liability		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$45,738.70
	E.	Limit:	$1,000,000 each occurance $3,000,000 Aggregate Limit with $1,000 Deductible
III.	Automobile/Garagekeepers		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$17,135.89
	E.	Limit:	$1,000,000 Liability Limit $1,000 Deductible on Comprehensive/Collision
IV.	Fidelity/Crime Bond		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$2,356.20
	E.	Limit:	$1,000,000/$1,000 Deductible
V.	Workers' Compensation and Employers' Liability		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$311,510.94
	E.	Limit:	$2,500,000 each accident

Moline School District No. 40

Schedule of Insurance in Force (Continued)
Fiscal Year 2025-2026
(Unaudited)

			2025-2026
VII.	Excess Liability Insurance (Umbrella)		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$38,788.05
	E.	Limit:	$1,000,000 per Occurrence
VIII.	Cyber Liability		
	A.	Policy #:	C-4LQL0105895-CYBER-2025 2025-07-01
	B.	Carrier:	Coalition Insurance Solutions, Inc./Arch Specialty
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$26,235.00
	E.	Limit:	$1,000,000/$50,000 deductible
VIIII.	Catastrophic Student Accident		
	A.	Policy #:	P6-1000926-2526-01
	B.	Carrier:	IPMG
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$8,206.00
	E.	Limit:	$10,000/$3,000,000 Aggregate Limit/$25,000 Deductible
X.	Treasurer's Bond		
	A.	Policy #:	22899
	B.	Carrier:	Lyndon Southern
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$15,073.00
	E.	Limit:	$15,250,000.00
XI.	Treasurer's Bond		
	A.	Policy #:	30BSBJB5696
	B.	Carrier:	Hartford Fire Ins. Co.
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$11,132.00
	E.	Limit:	$9,381,525.00
XII.	Treasurer's Bond		
	A.	Policy #:	23163
	B.	Carrier:	Concert Insurance Company
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$4,216.00
	E.	Limit:	$50,000,000.00
XIII.	Flood Insurance		
	A.	Policy #:	12 1152594061 01 & 121151955328 05
	B.	Carrier:	Wright National Flood Insurance Company
	C.	Policy Period:	July 1, 2025 to June 30, 2026
	D.	Premium:	$9,595.00
	E.	Limit:	$500,000/$50,000 deductible

Source of Information: District insurance records

Moline School District No. 40

School Building Information
Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year 2026	2025	Fiscal Year 2024	2023
Elementary:				
Addams Elementary School				
Square feet	**25,823**	25,823	25,823	25,823
Capacity	**284**	284	284	284
Enrollment	**275**	290	295	272
Bicentennial Elementary School				
Square feet	**46,335**	46,335	46,335	46,335
Capacity	**370**	370	370	370
Enrollment	**312**	317	325	303
Butterworth Elementary School				
Square feet	**29,942**	29,942	29,942	29,942
Capacity	**411**	411	411	411
Enrollment	**272**	265	266	243
Franklin Elementary School				
Square feet	**28,646**	28,646	28,646	28,646
Capacity	**370**	370	370	370
Enrollment	**269**	281	293	281
Hamilton Elementary School				
Square feet	**85,619**	85,619	85,619	85,619
Capacity	**600**	600	600	600
Enrollment	**567**	565	572	597
Lincoln-Irving Elementary School				
Square feet	**41,690**	41,690	41,960	41,960
Capacity	**492**	492	492	492
Enrollment	**347**	365	333	295
Logan Elementary School				
Square feet	**41,472**	41,472	41,472	41,472
Capacity	**413**	413	413	413
Enrollment	**306**	294	305	293
Mann Elementary School				
Square feet	**36,555**	36,555	36,555	36,555
Capacity	**372**	372	372	372
Enrollment	**-**	-	-	-
Roosevelt Elementary School				
Square feet	**56,774**	56,774	56,774	56,774
Capacity	**484**	484	484	484
Enrollment	**402**	409	408	410

(Continued)

Fiscal Year					
2022	2021	2020	2019	2018	2017
25,823	25,823	25,138	25,138	25,138	25,138
284	284	284	284	284	284
288	297	277	274	283	267
46,335	46,335	47,600	47,600	47,600	47,600
370	370	370	370	370	370
301	285	282	291	299	304
29,942	29,942	29,942	29,942	29,942	29,942
411	411	411	411	411	411
229	242	243	248	268	305
28,646	28,646	28,646	28,646	28,646	28,646
370	370	370	370	370	370
283	277	252	262	267	280
85,619	85,619	85,619	85,619	85,619	85,619
600	600	600	600	600	600
600	608	632	579	572	579
41,960	41,960	41,960	41,960	41,960	41,960
492	492	492	492	492	492
288	279	328	359	388	424
41,472	41,472	41,472	41,472	41,472	41,472
413	413	413	413	413	413
277	287	291	328	323	319
36,555	36,555	36,555	36,555	36,555	36,555
372	372	372	372	372	372
-	-	-	-	-	-
56,774	56,774	56,774	56,774	56,774	56,774
484	484	484	484	484	484
428	388	407	384	328	321

Moline School District No. 40

School Building Information (Continued)
Last Ten Fiscal Years
(Unaudited)

School	**Fiscal Year 2026**	2025	Fiscal Year 2024	2023
Washington Elementary School				
Square feet	**44,223**	44,223	44,223	44,223
Capacity	**366**	366	366	366
Enrollment	**294**	332	315	334
Willard Elementary School				
Square feet	**30,108**	30,108	30,108	30,108
Capacity	**267**	267	267	267
Enrollment	**153**	163	165	179
Middle:				
Deere Middle School				
Square feet	**119,834**	119,834	119,834	119,834
Capacity	**854**	854	854	854
Enrollment	**741**	761	739	754
Wilson Middle School				
Square feet	**113,010**	113,010	113,010	113,010
Capacity	**963**	963	963	963
Enrollment	**847**	850	849	814
High:				
Moline High School				
Square feet	**407,929**	407,929	407,929	407,929
Capacity	**2,333**	2,333	2,333	2,333
Enrollment	**2,186**	2,167	2,178	2,171
Wharton Field House				
Square feet	**33,000**	33,000	33,000	33,000
Capacity	**-**	-	-	-
Enrollment	**-**	-	-	-
Other:				
Coolidge/Alternative High School**				
Square feet	**113,290**	113,290	113,290	113,290
Capacity	**623**	623	623	623
Enrollment	**-**	-	-	-
Jefferson Early Childhood Center*				
Square feet	**17,998**	17,998	17,998	17,998
Capacity	**171**	171	171	171
Enrollment	**137**	126	141	183
Allendale/Administrative Services				
Square feet	**17,400**	17,400	17,400	17,400
Capacity	**-**	-	-	-
Enrollment	**-**	-	-	-
MEC/Administrative Services***				
Square feet	**26,536**	26,536	-	-
Capacity	**-**	-	-	-
Enrollment	**-**	-	-	-
Students in Non-District Buildings	**-**	-	-	-
Total enrollment	**7,107**	7,185	7,184	7,129

* Students attend half days.
**Coolidge students were absorbed into Moline High School as ASPIRE in 2023.
***Allendale moved to MEC in August 2024

Source of Information: ISBE Fall Enrollment Report
Occupancy/capacity and square feet from District facilities records.

Fiscal Year					
2022	2021	2020	2019	2018	2017
44,223	44,223	44,223	44,223	44,223	44,223
366	366	366	366	366	366
323	289	282	270	271	253
30,108	30,108	30,108	30,108	30,108	30,108
267	267	267	267	267	267
185	181	205	218	221	197
119,834	119,834	108,520	108,520	108,520	108,520
854	854	854	854	854	854
752	794	780	783	764	749
113,010	113,010	113,010	113,010	113,010	113,010
963	963	963	963	963	963
802	851	885	890	860	853
407,929	407,929	352,958	352,958	352,958	352,958
2,333	2,333	2,333	2,333	2,333	2,333
2,091	2,089	2,085	2,082	2,082	2,040
33,000	33,000	33,000	33,000	33,000	33,000
-	-	-	-	-	-
-	-	-	-	-	-
113,290	113,290	98,232	98,232	98,232	98,232
623	623	623	623	623	623
57	69	72	65	94	78
17,998	17,998	17,998	17,998	17,998	17,998
171	171	171	171	171	171
206	196	222	210	247	227
17,400	17,400	17,400	17,400	17,400	17,400
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,110	7,132	7,243	7,243	7,267	7,196

Moline School District No. 40

District Owned Buildings
June 30, 2026

Building Name	Occupancy*	Square Feet	Enrollment
Moline High School	2,333	407,929	2,186
Wharton Field House	-	33,000	-
Total high school	2,333	440,929	2,186
Deere Middle School	854	119,834	741
Wilson Middle School	963	113,010	847
Total middle schools	1,817	232,844	1,588
Addams Elementary School	284	25,823	275
Bicentennial Elementary School	370	46,335	312
Butterworth Elementary School	411	29,942	272
Franklin Elementary School	370	28,646	269
Hamilton Elementary School	600	85,619	567
Lincoln-Irving Elementary School	492	41,960	347
Logan Elementary School	413	41,472	306
Horace Mann Elementary School	372	36,555	-
Roosevelt Elementary School	484	56,774	402
Washington Elementary School	366	44,223	294
Willard Elementary School	267	30,108	153
Total elementary schools	4,429	467,457	3,196
Coolidge/Alternative High School	623	113,290	-
Jefferson Early Childhood Center **	171	17,998	137
Total special schools	794	131,288	137
Allendale/Administrative Services	-	17,400	-
Moline-Coal Valley Education Center	-	26,536	-
Total	9,373	1,316,454	7,107
Total Enrollment			7,107

*Capacity
** Students attend half days

Source of Information: Enrollment information from District enrollment records.
Occupancy/capacity and square feet from District facilities records.

COMPLIANCE

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Bohnsack & Frommelt LLP
Certified Public Accountants
575 12th Avenue
East Moline, Illinois 61244

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
Moline-Coal Valley School District No. 40
Moline, Illinois

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, each major fund and the aggregate remaining fund information of Moline-Coal Valley School District No. 40 (the District) as of and for the year ended June 30, 2026, 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 22, 2026.

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 the 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 Moline-Coal Valley School District No. 40'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*.

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.



East Moline, Illinois
October 22, 2026

Moline-Coal Valley School District No. 40

Schedule of Findings and Responses
Year Ended June 30, 2026

Findings Related to the Basic Financial Statements

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.