

Rock Island-Milan School District No. 41

Investment Report

for Quarter Ended
September 30, 2024



Presented to Board of Education December 10, 2024

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Investment Report Summary

In December 1999, the Board of Education adopted Policy 6144 and Administrative Guidelines 6144. This put the District in compliance with SB1555, which required public entities to adopt policies and procedures for public funds within their custody and control.

The policy and guidelines require that an investment report be given to the Board of Education quarterly. Enclosed is the report for the quarter ending September 30, 2024. The guideline provides for a benchmark for the investment portfolio. The benchmark is the 90-day Treasury bill rate. FDIC insurance and/or a perfected security interest collateralize all investments. The collateral is 110% of the investment, marked to the market rate of the pledged assets.

The amount of cash and investments in the portfolio decreased by \$2,806,027 from the September 30, 2023 balance. This decrease is due to bonds fund expenditures on capital projects.

Fund	September 30, 2024			September 30, 2023		
	Cash/Invest	w/o cash	x-Mat	Cash/Invest	w/o cash	x-Mat
Education	\$39,542,435	3.97%	1	\$31,468,023	4.68%	1
O & M	\$6,823,313	4.33%	1	\$7,793,740	4.49%	1
Bond & Int	\$2,130,021	4.32%	1	\$3,107,037	4.49%	1
Transportation	\$2,534,422	4.32%	1	\$4,210,429	4.49%	1
IMRF	\$3,044,616	4.33%	1	\$2,659,758	4.49%	1
Capital Proj	\$16,119,268	4.64%	1	\$24,028,991	4.83%	1
Tort	\$2,002,656	4.32%	1	\$1,742,289	4.49%	1
Life/Safety	\$174,326	4.33%	1	\$166,817	4.49%	1
Totals/Avgs	\$72,371,058	4.20%	1	\$75,177,085	4.68%	1

Portfolio rates have stayed consistent during the quarter. The district portfolio shows that 88.9% of money has been maintained locally at Blackhawk Bank. The remaining 11.1% is split between Illinois Funds and PMA at 1% and 10.1% respectively. Investment rates continued to stay consistent for the past quarter. The T-bill rates ranged from a high of 5.37% in the middle of the quarter to a low of 4.61% at the end of the quarter. Investing money is showing a greater rate of return than leaving money locally.

The portfolio contains 50% in Checking/Money Market Accounts, 50% in REPO Accounts, 0% in Commercial Paper and 0.0% Certificates of Deposit. At quarter end, the Rock Island-Milan School District portfolio is below the benchmark calculation, with cash in, by 1.10% compared to the T-bill rate. The portfolio is also below the benchmark compared to the T-bill rate by 1.28% with cash out of the calculation. As a reminder in periods of declining rates, the portfolio rate of return will generally exceed the market. When rates begin to ascend after a decline, the portfolio will underperform the benchmark. This is due to the timed investments.

Performance over the past four quarters is presented below. The portfolio average rate of return and average maturity are presented with cash out of the calculation.

Fund	September 30, 2024			June 30, 2024		
	Cash/Invest	w/o cash	x-Mat	Cash/Invest	w/o cash	x-Mat
Education	\$39,542,435	3.97%	1	\$45,160,611	4.31%	1
O & M	\$6,823,313	4.33%	1	\$6,458,318	4.49%	1
Bond & Int	\$2,130,021	4.32%	1	\$762,021	4.49%	1
Transportation	\$2,534,422	4.32%	1	\$1,958,733	4.49%	1
IMRF	\$3,044,616	4.33%	1	\$2,655,620	4.49%	1
Capital Proj	\$16,119,268	4.64%	1	\$9,523,064	4.49%	1
Tort	\$2,002,656	4.32%	1	\$1,393,563	4.49%	1
Life/Safety	\$174,326	4.33%	1	\$172,388	4.49%	1
Totals/Avg	\$72,371,058	4.20%	1	\$68,084,318	4.47%	1

Fund	March 31, 2024			December 31, 2023		
	Cash/Invest	w/o cash	x-Mat	Cash/Invest	w/o cash	x-Mat
Education	\$30,556,971	4.25%	1	\$37,710,881	4.37%	1
O & M	\$8,054,702	4.49%	1	\$7,226,785	4.49%	1
Bond & Int	\$705,349	4.49%	1	\$562,517	4.49%	1
Transportation	\$4,264,166	4.49%	1	\$4,185,033	4.49%	1
IMRF	\$2,143,562	4.49%	1	\$2,465,795	4.49%	1
Capital Proj	\$17,068,853	4.77%	1	\$15,325,141	4.86%	1
Tort	\$1,893,828	4.49%	1	\$1,527,944	4.49%	1
Life/Safety	\$170,511	4.49%	1	\$168,654	4.49%	1
Totals/Avg	\$64,857,942	4.45%	1	\$69,172,750	4.50%	1

The Education Fund portfolio is shorter in duration than the typical benchmark of six months. The average maturity of the Education Fund portfolio, with cash in, is 1 day. It is under the benchmark by 89 days. Positioning with a shorter duration provides more agility to take advantage of the rate increase.

The Capital Projects Fund was reinstated due to the County Wide Sales Tax being passed. The Capital Projects Fund will fluctuate as projects are completed

The investment report contains data by fund. Each fund is invested to meet the criteria of liquidity, safety and return on investment. The graphs shown include all cash within the fund, including cash on deposit to meet ongoing current expenses. The Education Fund includes the investment of the Working Cash Fund. All other funds are invested individually.

Below is a chart showing the balances, average investment rate with all cash in the checking accounts, without cash in the checking accounts, the benchmark and average maturity of the portfolio (x-Mat):

Fund	Portfolio Avg. Return				T-Bill	
	Cash/Invest	w/cash	x-Mat	w/o cash	x-Mat	Rate
Education	\$39,542,435	4.30%	1	3.97%	1	5.48%
O & M	\$6,823,313	4.33%	1	4.33%	1	5.48%
Bond & Int	\$2,130,021	4.32%	1	4.32%	1	5.48%
Transportation	\$2,534,422	4.32%	1	4.32%	1	5.48%
IMRF	\$3,044,616	4.33%	1	4.33%	1	5.48%
Capital Proj	\$16,119,268	4.64%	1	4.64%	1	5.48%
Tort	\$2,002,656	4.32%	1	4.32%	1	5.48%
Life/Safety	\$174,326	4.33%	1	4.33%	1	5.48%
Totals/Avgs	\$72,371,058	4.38%	1	4.20%	1	5.48%

From the chart, the aggregate portfolio, without cash in the calculation, is below the benchmark (T-bill Rate) by 1.10%. The average maturity of the portfolio is below the benchmark (90-day Treasury bill) by 89 days.

The Education Fund portfolio is below the benchmark, with the operating cash in, by 1.18% and below the benchmark with cash out of the calculation by 1.51%. The average maturity of the portfolio is below the benchmark by 89 days, with cash in, and is below the benchmark by 89 days with cash out of the calculation. The portfolio consists of 100% cash, 0% Commercial Paper and 0% Certificate of Deposit.

The O & M Fund portfolio is below the benchmark, with operating cash in, by 1.15% and below the benchmark by 1.15% with cash out of the calculation. The average maturity, with cash in, is below the benchmark by 89 days and below the benchmark by 89 days with cash out of the calculation. The portfolio consists of 100% cash, 0% certificate of deposit and 0% commercial paper.

The Bond & Interest Fund is used to amortize the 2018 General Obligation Refunding School Bonds. This fund must maintain liquidity for scheduled payments on the bonds and interest. Investments are monitored to stay within the investment parameters of the State of Illinois. Currently, the account is 1.16% below the benchmark.

The Transportation portfolio is below the benchmark with the operating cash in by 1.16%. With the operating cash out of the calculation, it is below the benchmark by 1.16%. The average maturity of the portfolio is below the benchmark by 89 days with cash in, and is below the benchmark by 89 days with cash out of the calculation.

The IMRF Fund is below the benchmark when cash is included in the calculation by 1.15%. Without the cash balance, the portfolio is below the benchmark by 1.15%. The average maturity of the portfolio is below the benchmark by 89 days with cash in, and is below the benchmark by 89 days with the operating cash out of the calculation. The current portfolio consists of 100% cash, 0% certificate of deposit and 0% commercial paper.

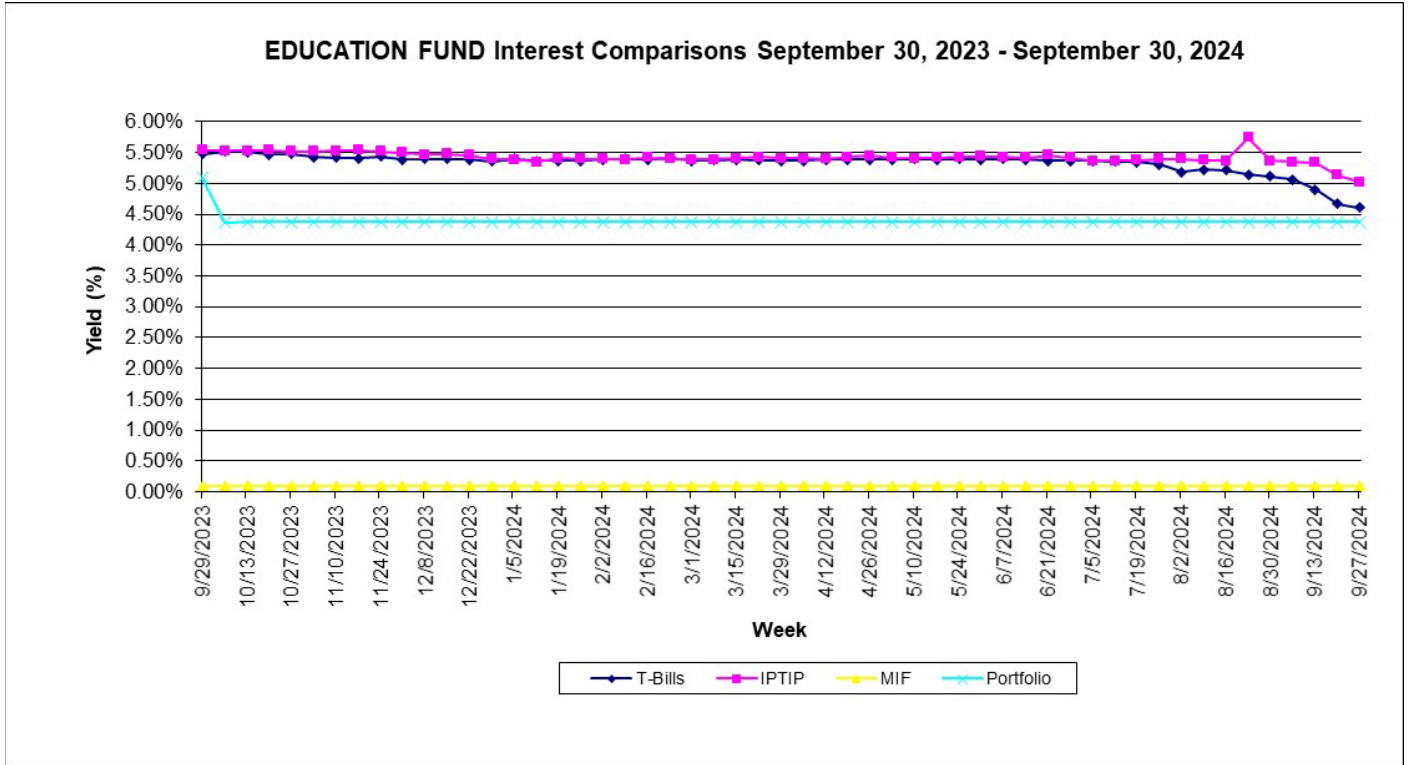
The Capital Projects portfolio is below the benchmark when cash is included in the calculation by 0.84%. Without the cash balance, the portfolio is also below the benchmark by 0.84%.

The Tort portfolio was below the benchmark by 1.16% with cash in and below the benchmark with cash out, by 1.16%. The average maturity of the portfolio is below the benchmark by 89 days with cash in, and below the benchmark by 89 days with cash out of the calculation.

The Life/Safety Fund is below the benchmark when cash is included in the calculation by 1.15%. With cash out of the calculation, the fund is below the benchmark by 1.15%.

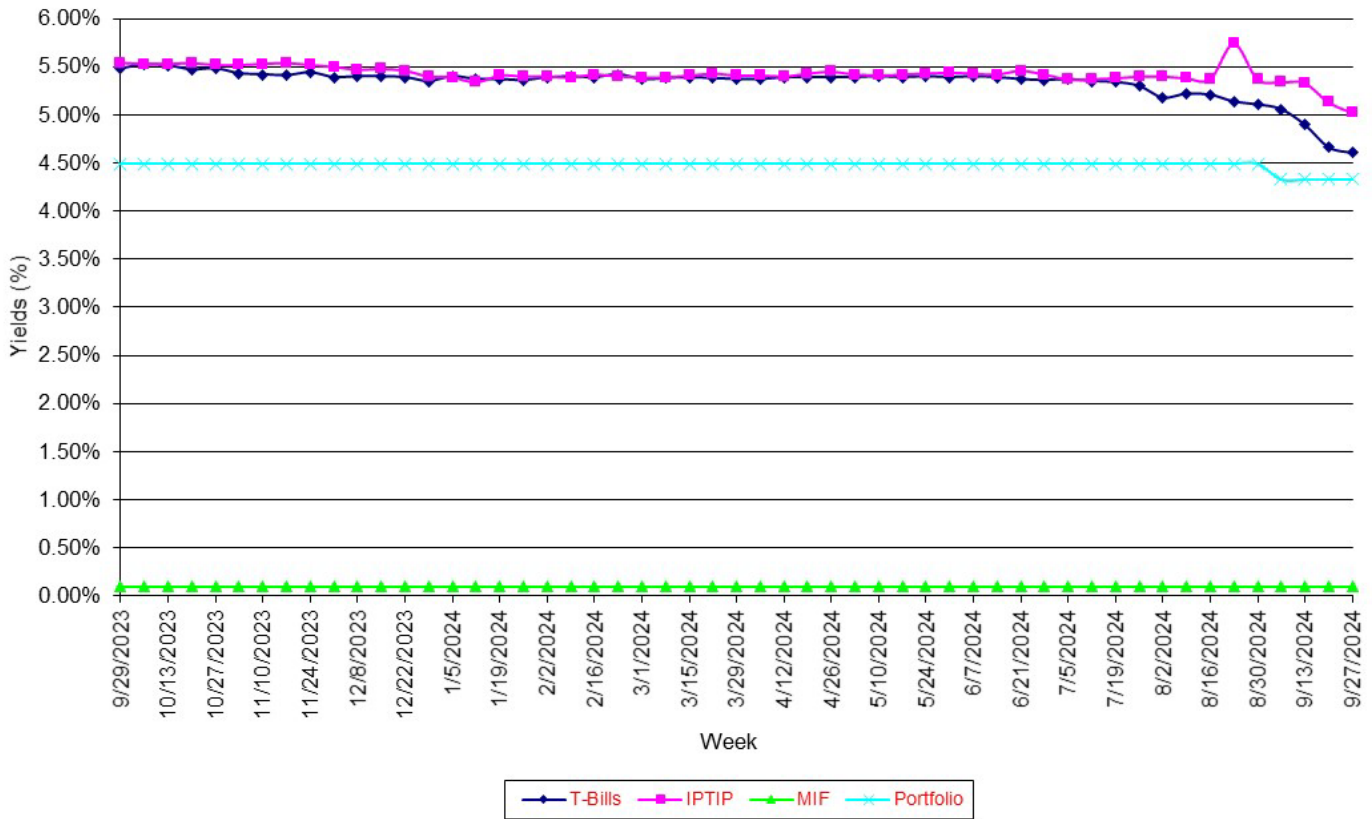
Please analyze this report. If there is additional information, you desire or something you would like explained in more depth, let me know and revisions will be made to the report for the next quarter.

FUND ANALYSIS



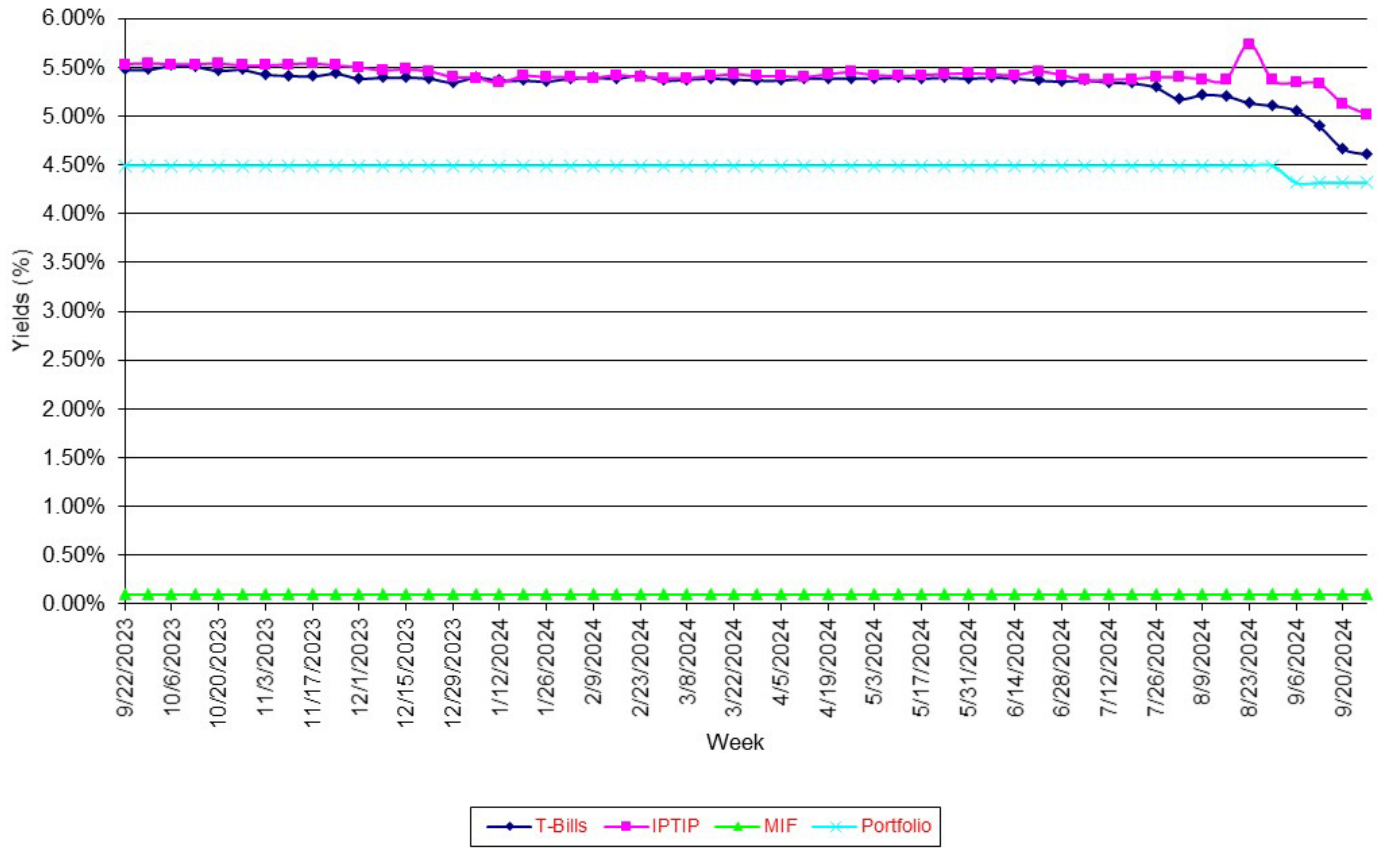
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	PMA MAX	Savings	\$2,379,754	4.97%	0.2991%	0.06	1	0.06
9/30/2024	IPTIP	Repo	\$725,207	5.02%	0.0921%	0.02	1	0.02
9/30/2024	Blackhawk	Checking	\$700,020	0.00%	0.0000%	0.02	1	0.02
9/30/2024	Blackhawk	Development	\$259,822	4.32%	0.0284%	0.01	1	0.01
9/30/2024	Blackhawk	Payroll	\$42,262	4.19%	0.0045%	0.00	1	0.00
9/30/2024	Blackhawk	Repo	<u>\$35,435,371</u>	4.33%	<u>3.8803%</u>	<u>0.90</u>	<u>1</u>	<u>0.90</u>
Total Portfolio/Average Weighted Rate			<u>\$39,542,435</u>		<u>4.3043%</u>	<u>1.00</u>		<u>1.00</u>

O & M FUND Interest Comparisons September 30, 2023 - September 30, 2024



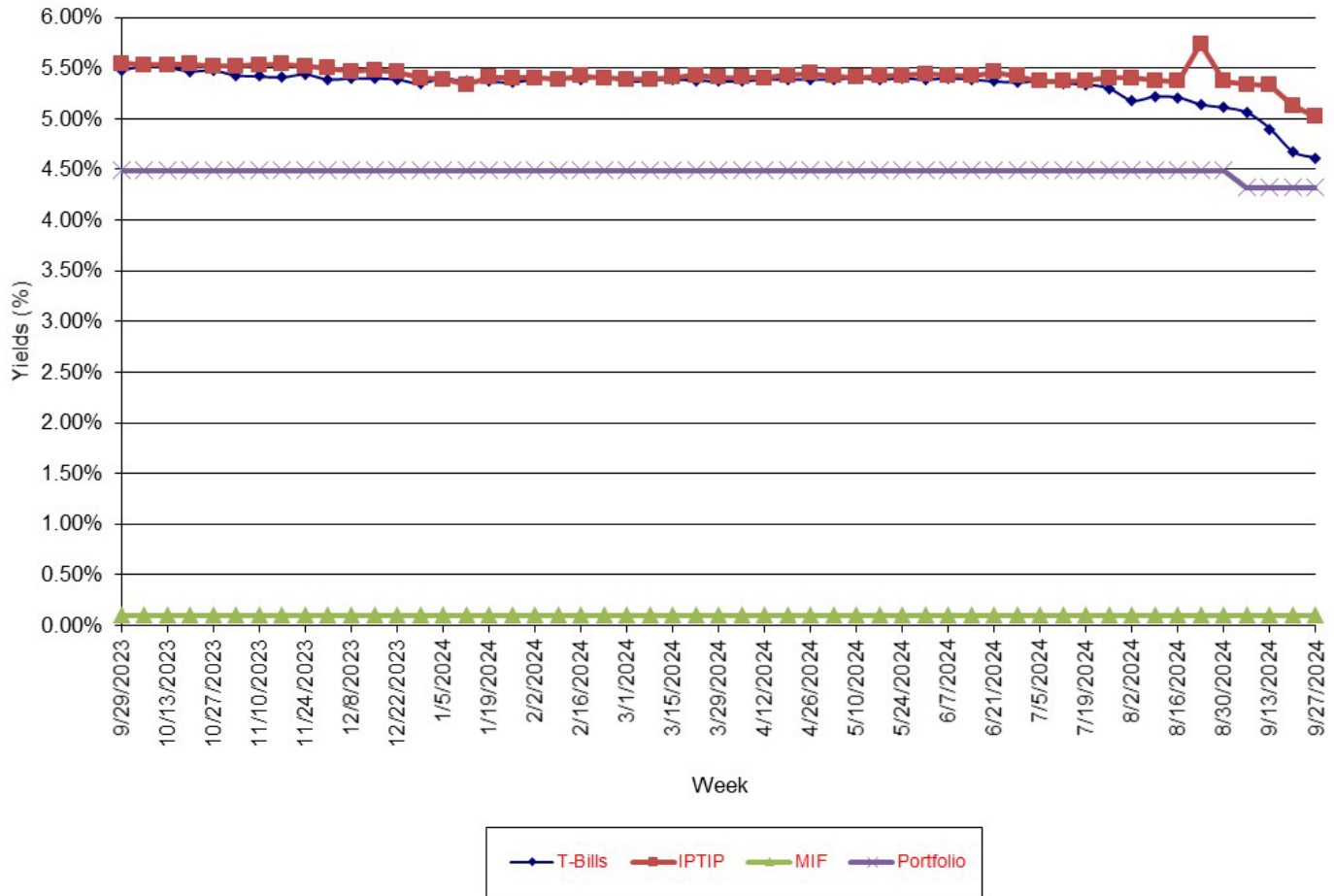
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	Blackhawk	Checking	<u>\$6,823,313</u>	<u>4.33%</u>	<u>4.3300%</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
Total Portfolio/Average Weighted Rate			<u>\$6,823,313</u>		<u>4.3300%</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>

Bond & Interest Fund Interest Comparisons September 30, 2023 - September 30, 2024



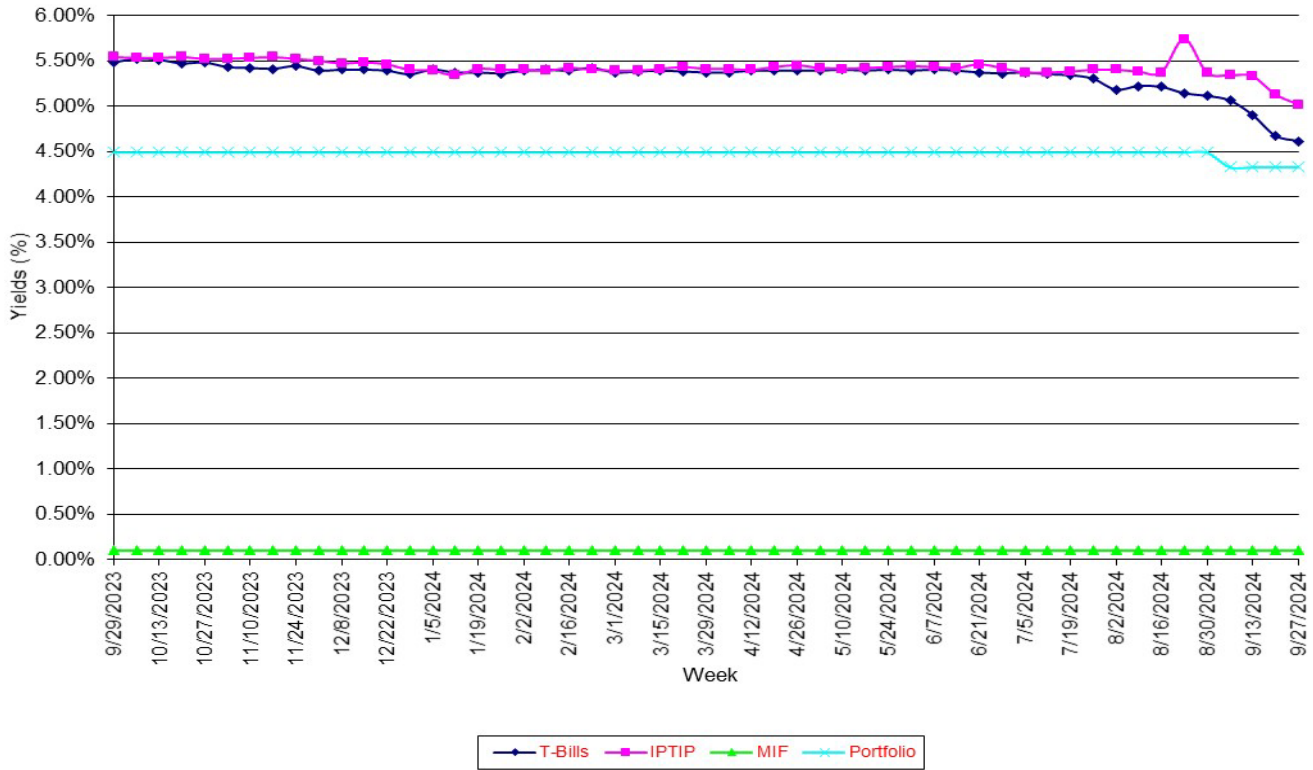
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	Blackhawk	Money Market	\$2,130,021	4.32%	4.3200%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$2,130,021		4.3200%	1.00	1	1.00

TRANSPORTATION FUND Interest Comparisons September 30, 2023 - September 30, 2024



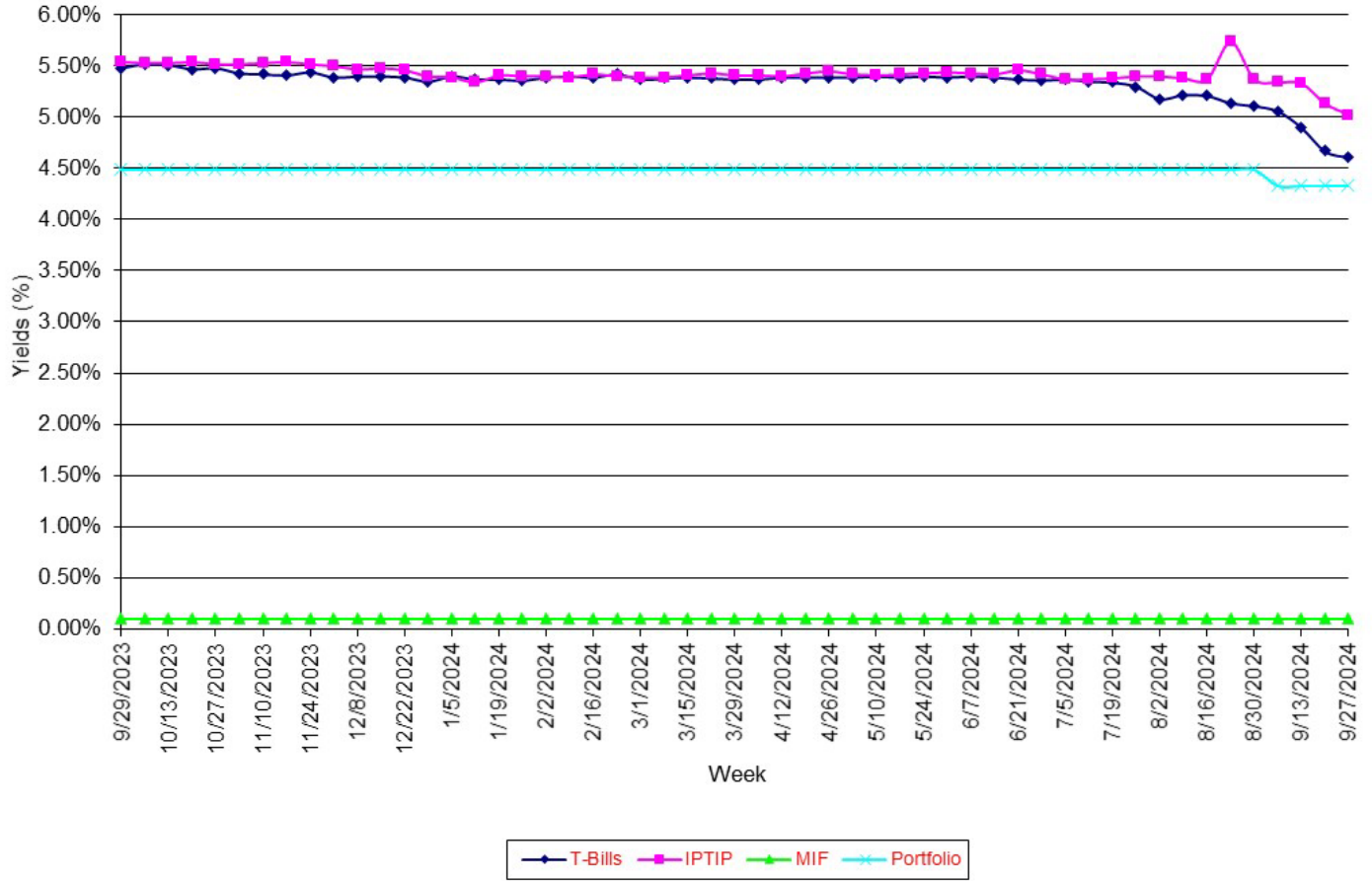
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	Blackhawk	Checking	\$2,534,422	4.32%	4.3200%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			<u>\$2,534,422</u>		<u>4.3200%</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>

IMRF FUND Interest Comparisons September 30, 2023- September 30, 2024



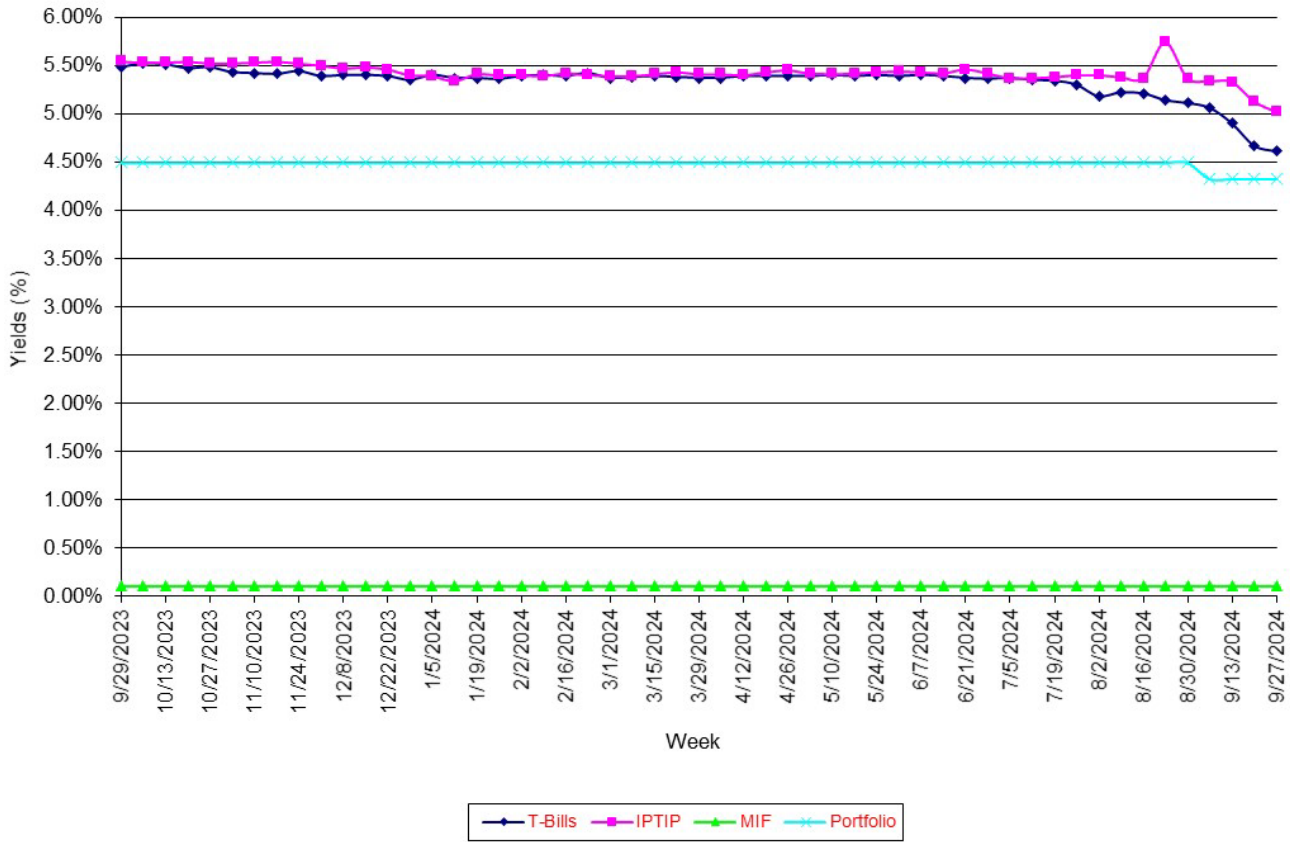
Maturity Date	Vendor	Type Invest	Amount	Interest Rate	Weighted Avg. %	Avg Weigh Maturity	Days to Maturity	W/O MIF X-Mat
9/30/2024	Blackhawk	Checking	<u>\$3,044,616</u>	4.33%	<u>4.3300%</u>	1.00	<u>1</u>	1.00
Total Portfolio/Average Weighted Rate			<u>\$3,044,616</u>		<u>4.3300%</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>

Capital Projects FUND Interest Comparisons September 30, 2023 - September 30, 2024



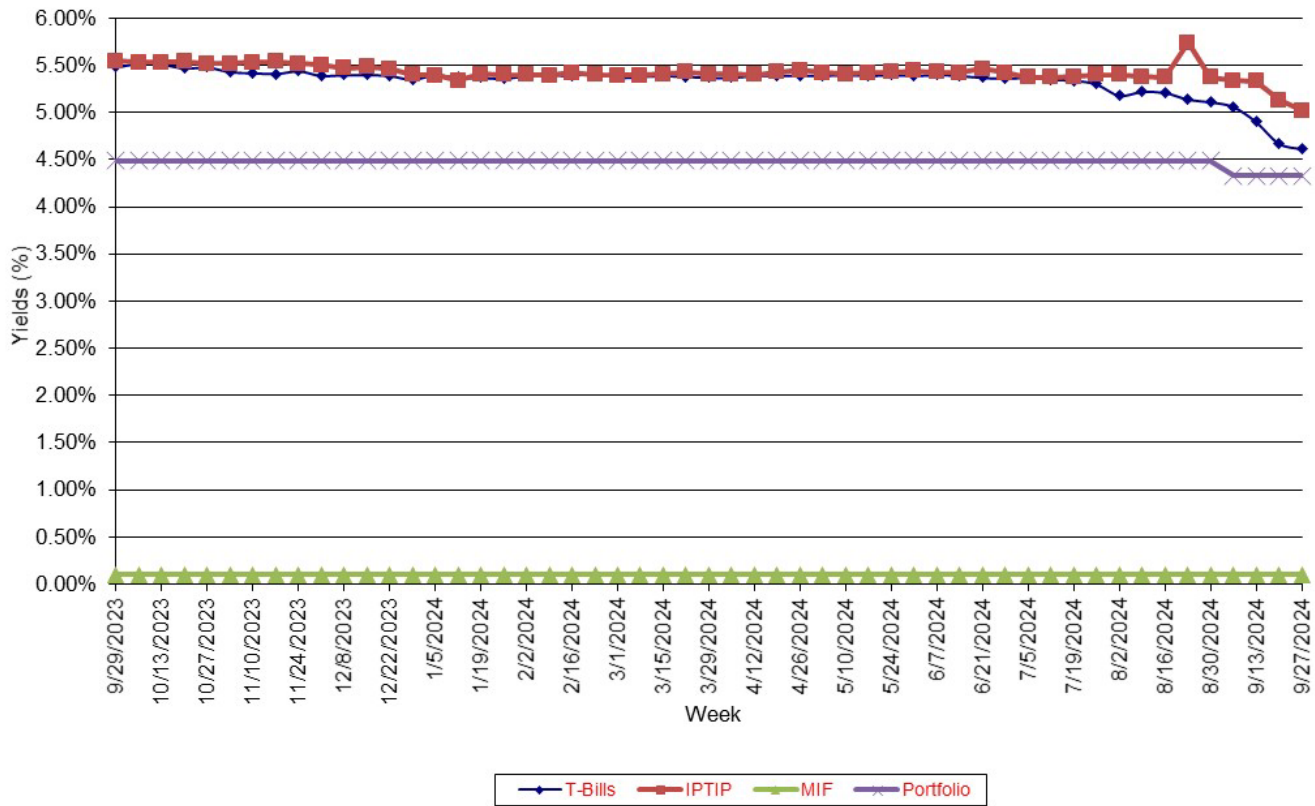
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2023	PMA SDA	Savings	\$4,952,484	4.97%	1.5270%	0.31	1	0.31
9/30/2023	Blackhawk	Checking	\$11,166,784	4.49%	3.1105%	0.69	1	0.69
Total Portfolio/Average Weighted Rate			\$16,119,268		4.6375%	1.00	2	1.0

Tort FUND Interest Comparisons September 30, 2023 - September 30, 2024



<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	Blackhawk	Money Market	\$2,002,656	4.32%	4.3200%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$2,002,656		4.3200%	1.00	1	1.0

LIFE/SAFETY FUND Interest Comparisons September 30, 2023 - September 30, 2024



<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Interest Amount</u>	<u>Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
9/30/2024	Blackhawk	Money Market	\$174,326	4.33%	4.3300%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$174,326		4.3300%	1.00	1	1.0