



Rock Island-Milan School District No. 41

Investment & Financial Report

for Quarter Ended

June 30, 2025

Unaudited

Presented to Board of Education September 23, 2025

Prepared by: Annaka Whiting

Financial Report

The District prepares quarterly financial reports to provide the Board of Education and the community with a clear, timely, and transparent view of the District's financial position. These reports highlight trends in revenues, expenditures, and fund balances, equipping decision-makers with the information necessary to monitor financial stability and guide long-term planning.

Quarterly reports focus on the Operating Funds – Educational, Operations & Maintenance, Transportation, Illinois Municipal Retirement & Social Security, Working Cash, and Tort – as these funds support the District's core services, account for the majority of recurring revenues and expenditures, and offer the most accurate measure of overall financial health. Other funds, including Debt Service and Capital Projects, are excluded because their restricted or irregular activity may distort ongoing financial trends.

The 4th quarter results presented here are unaudited. Unaudited financials provide a preliminary snapshot of the District's financial condition and are valuable for monitoring and decision-making throughout the year; however, figures are subject to adjustment during the annual audit process before being finalized.

Rock Island SD 41
Revenue Overview - Operating Funds
4th Quarter 2025

Local Revenue

\$17,078,769

37.45% of Budget

State Revenue

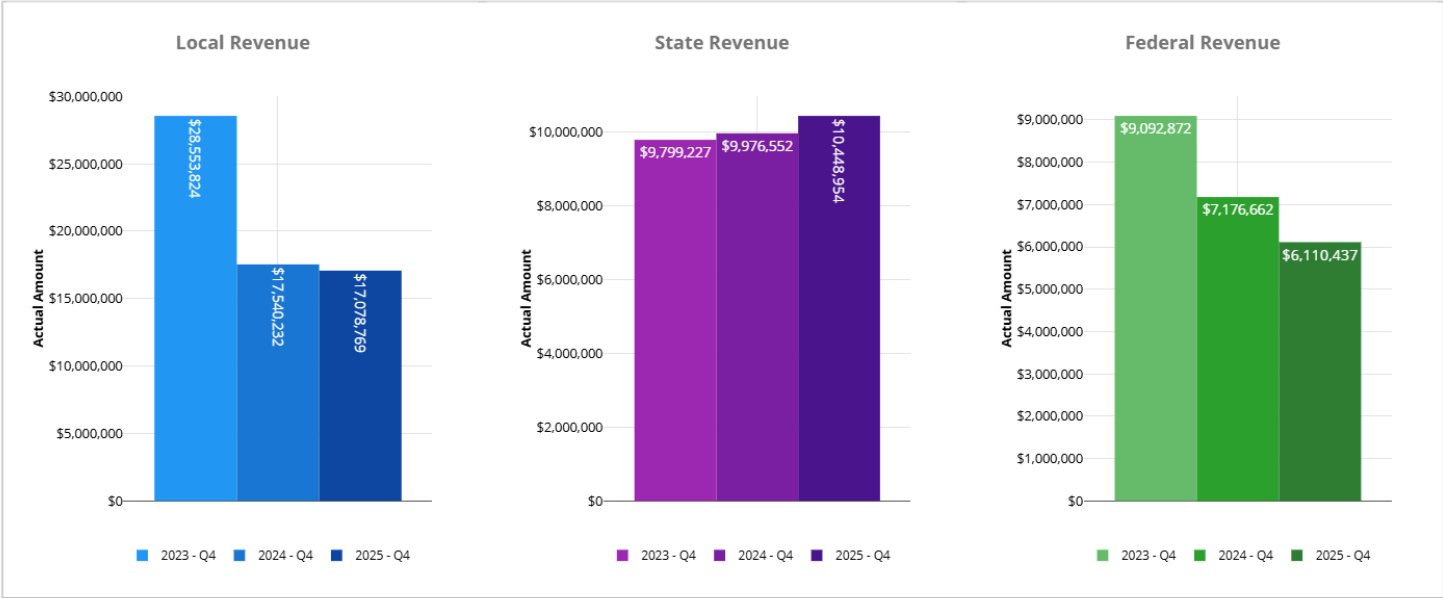
\$10,448,954

27.66% of Budget

Federal Revenue

\$6,110,437

34.97% of Budget



	FY 2023 QTD Amount	FY 2024 QTD Amount	FY 2025 QTD Amount	FY 2025 Annual Budget	FY 2025 % QTD Budget
LOCAL REVENUE					
1100 Ad Valorem Taxes	\$19,767,416	\$12,583,773	\$12,944,640	\$35,753,918	36.20%
1200 Payments in Lieu of Taxes	\$7,476,786	\$4,162,357	\$3,028,991	\$7,010,938	43.20%
1500 Earnings on Investments	\$467,219	\$526,143	\$803,030	\$2,043,469	39.30%
1600 Food Service	\$3,099	\$14,786	\$15,675	\$69,600	22.52%
1900 Other Revenue from Local Sources	\$760,583	\$238,576	\$265,236	\$600,504	44.17%
ALL OTHER LOCAL REVENUE	\$78,722	\$14,596	\$21,198	\$130,100	16.29%
TOTAL LOCAL REVENUE	\$28,553,824	\$17,540,232	\$17,078,769	\$45,608,529	37.45%
STATE REVENUE					
3000 Unrestricted Grants-in-Aid	\$9,261,923	\$9,414,295	\$9,858,161	\$36,138,000	27.28%
3100 Special Education	\$38,086	\$52,028	\$33,682	\$218,870	15.39%
3300 Bilingual Education	\$24,733	\$39,754	\$29,279	\$124,257	23.56%
3500 State Transportation Reimbursement	\$343,019	\$320,747	\$361,727	\$664,619	54.43%
ALL OTHER STATE REVENUE	\$131,466	\$149,728	\$166,105	\$631,449	26.31%
TOTAL STATE REVENUE	\$9,799,227	\$9,976,552	\$10,448,954	\$37,777,194	27.66%
TOTAL FEDERAL REVENUE	\$9,092,872	\$7,176,662	\$6,110,437	\$17,472,123	34.97%
TOTAL REVENUE	\$47,445,923	\$34,693,446	\$33,638,160	\$100,857,846	33.35%

4th Quarter Revenue Insight:
Operating Funds (excluding transfers) revenue for the 4th quarter of 2025 totaled \$33,638,160, which is -\$1,055,286 or -3.04%, less than the amount received last year in the 4th quarter.

Rock Island SD 41
Expense Overview - Operating Funds*
4th Quarter 2025

Salaries and Benefits

\$24,952,574

31.72% of Budget

Purchased Services

\$3,723,892

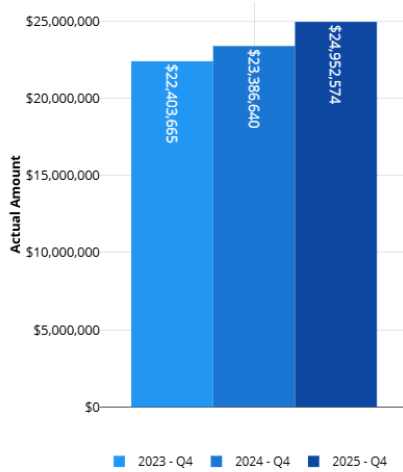
41.59% of Budget

Supplies & Materials

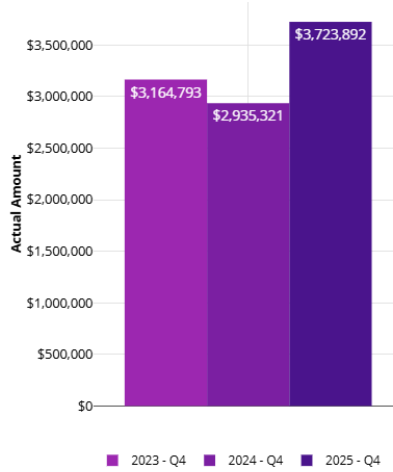
\$1,694,908

28.52% of Budget

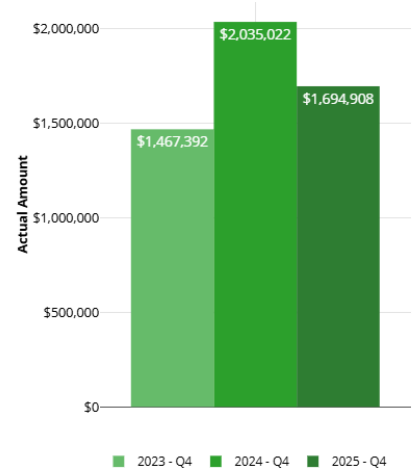
Salaries and Benefits



Purchased Services



Supplies & Materials



	FY 2023 QTD Amount	FY 2024 QTD Amount	FY 2025 QTD Amount	FY 2025 Annual Budget	FY 2025 % QTD Budget
SALARIES AND BENEFITS					
100 Salaries	\$18,020,525	\$18,562,860	\$19,659,177	\$62,259,259	31.58%
200 Benefits	\$4,383,140	\$4,823,779	\$5,293,397	\$16,417,657	32.24%
TOTAL SALARIES AND BENEFITS	\$22,403,665	\$23,386,639	\$24,952,574	\$78,676,916	31.72%
300 Purchased Services	\$3,164,793	\$2,935,321	\$3,723,892	\$8,953,424	41.59%
400 Supplies & Materials	\$1,467,392	\$2,035,022	\$1,694,908	\$5,943,818	28.52%
500 Capital Outlay	\$555,816	\$547,557	\$245,232	\$1,167,000	21.01%
600 Other Objects	\$989,460	\$-710,831	\$826,559	\$2,136,740	38.68%
700 Non-Capitalized Equipment	\$382,125	\$218,457	\$202,713	\$627,988	32.28%
800 Termination Benefits	\$0	\$0	\$0	\$0	0.00%
TOTAL ALL OTHER	\$6,559,586	\$5,025,526	\$6,693,304	\$18,828,970	35.55%
TOTAL EXPENSES	\$28,963,251	\$28,412,165	\$31,645,878	\$97,505,886	32.46%

4th Quarter Expense Insight:

Operating Funds (excluding transfers) expenses for the 4th quarter of 2025 totaled \$31,645,878, which is \$3,233,713 or 11.38%, more than the amount spent last year in the 4th quarter.

Investment Report Summary

In December 1999, the Board of Education adopted Policy 6144 and Administrative Guidelines 6144, ensuring the District's compliance with SB1555. This legislation required public entities to establish policies and procedures for managing public funds under their custody and control.

As part of these guidelines, a quarterly investment report must be provided to the Board of Education. Enclosed is the report for the unaudited quarter ending June 30, 2025. The guidelines also specify a benchmark for the investment portfolio, which is the 90-day Treasury bill rate. All investments are collateralized by FDIC insurance and/or a perfected security interest, with collateral valued at 110% of the investment and marked to the market rate of the pledged assets.

The portfolio's cash and investment balance increased by \$52,671,770 from the balance as of June 30, 2024. This increase is due to the sale of the Working Cash Fund Bond, but for the bond issuance, there would have been a decrease of \$2,542,628 from the previous year due to the spend-down of the 2022 Bond.

<u>Fund</u>	<u>June 30, 2025</u>			<u>June 30, 2024</u>		
	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>
Education	\$41,612,386	3.43%	1	\$45,160,611	4.31%	1
O & M	\$4,478,928	3.66%	1	\$6,458,318	4.49%	1
Bond & Int	\$485,170	3.66%	1	\$762,021	4.49%	1
Transportation	\$2,240,200	3.66%	1	\$1,958,733	4.49%	1
IMRF	\$2,666,994	3.66%	1	\$2,655,620	4.49%	1
Capital Proj	\$68,266,064	4.13%	1	\$9,523,064	4.49%	1
Tort	\$827,156	3.66%	1	\$1,393,563	4.49%	1
Life/Safety	<u>\$179,191</u>	<u>3.66%</u>	<u>1</u>	<u>\$172,388</u>	<u>4.49%</u>	<u>1</u>
Totals/Avg	<u>\$120,756,087</u>	<u>3.85%</u>	<u>1</u>	<u>\$68,084,318</u>	<u>4.47%</u>	<u>1</u>

Portfolio rates remained the same from the previous quarter ending March 31, 2025. The district's portfolio shows 51.1% of funds held locally at Blackhawk Bank, with the remaining 48.9% split between Illinois Funds (0.60%) and PMA (48.3%). T-bill rates ranged from a high of 4.40% mid-quarter to 4.46% at quarter's end. Overall, investing funds continues to yield a higher return than keeping money in local accounts.

The portfolio is divided as follows: 67.8% in Checking/Money Market Accounts, 32.2% in REPO Accounts, and 0% in Commercial Paper or Certificates of Deposit. At quarter-end, the Rock Island-Milan School District portfolio is underperforming the benchmark by 0.36% when cash is included, and by 0.45% when cash is excluded, compared to the T-bill rate. It is important to note that during periods of declining rates, the portfolio rate of return typically outperforms the market. However, when rates start to rise after a decline, the portfolio will generally underperform the benchmark due to the timing of investments.

Performance over the past four quarters is presented below, including the portfolio's average rate of return and average maturity, with cash excluded from the calculation.

<u>Fund</u>	June 30, 2025			March 31, 2025		
	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>
Education	\$41,612,386	3.43%	1	\$41,586,615	3.43%	1
O & M	\$4,478,928	3.66%	1	\$4,478,928	3.66%	1
Bond & Int	\$485,170	3.66%	1	\$485,170	3.66%	1
Transportation	\$2,240,200	3.66%	1	\$2,240,200	3.66%	1
IMRF	\$2,666,994	3.66%	1	\$2,666,994	3.66%	1
Capital Proj	\$68,266,064	4.13%	1	\$68,233,484	4.15%	1
Tort	\$827,156	3.66%	1	\$827,156	3.66%	1
Life/Safety	<u>\$179,191</u>	<u>3.66%</u>	<u>1</u>	<u>\$179,191</u>	<u>3.66%</u>	<u>1</u>
Totals/Avg s	<u>\$120,756,087</u>	<u>3.85%</u>	<u>1</u>	<u>\$120,697,737</u>	<u>3.86%</u>	<u>1</u>

<u>Fund</u>	December 31, 2024			September 30, 2024		
	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>	<u>Cash/Invest</u>	<u>w/o cash</u>	<u>x-Mat</u>
Education	\$31,637,256	3.40%	1	\$39,542,435	3.97%	1
O & M	\$5,924,400	3.78%	1	\$6,823,313	4.33%	1
Bond & Int	\$2,817,472	3.78%	1	\$2,130,021	4.32%	1
Transportation	\$2,830,653	3.78%	1	\$2,534,422	4.32%	1
IMRF	\$2,880,167	3.78%	1	\$3,044,616	4.33%	1
Capital Proj	\$17,784,602	3.82%	1	\$16,119,268	4.64%	1
Tort	\$2,313,203	3.78%	1	\$2,002,656	4.32%	1
Life/Safety	<u>\$176,025</u>	<u>3.78%</u>	<u>1</u>	<u>\$176,025</u>	<u>3.78%</u>	<u>1</u>
Totals/Avg s	<u>\$66,363,779</u>	<u>3.61%</u>	<u>1</u>	<u>\$72,372,757</u>	<u>4.20%</u>	<u>1</u>

The investment report provides data by fund, with each fund invested to meet the criteria of liquidity, safety, and return on investment. The graphs presented include all cash within each fund, including cash on deposit to cover ongoing current expenses. The Education Fund incorporates the investment of the Working Cash Fund, while all other funds are invested individually.

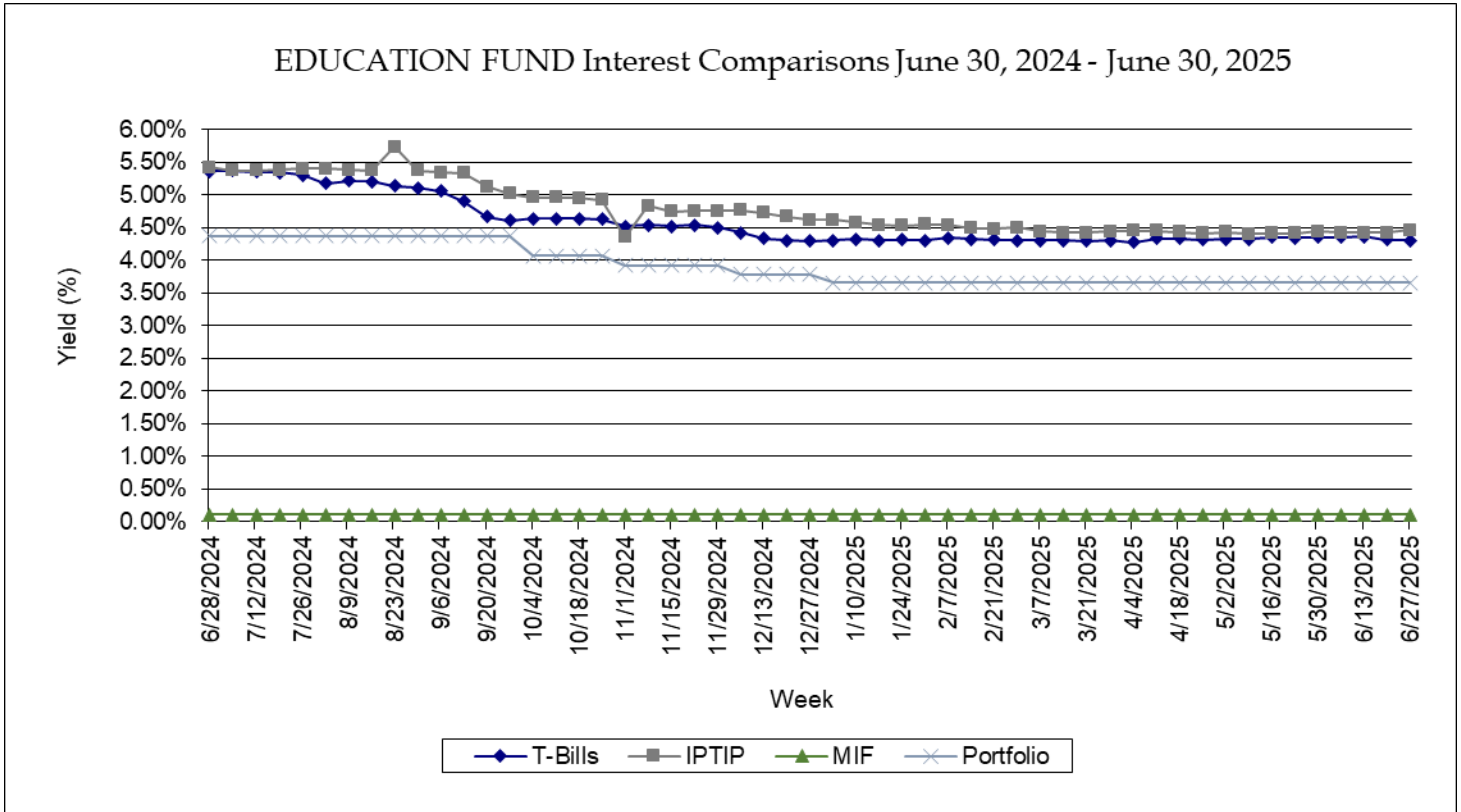
Below is a chart displaying the balances, average investment rate (both with and without cash in the checking accounts), the benchmark, and the average maturity of the portfolio (x-Mat):

<u>Fund</u>	Portfolio Avg. Return				T-Bill	
	<u>Cash/Invest</u>	<u>w/cash</u>	<u>x-Mat</u>	<u>w/o cash</u>	<u>x-Mat</u>	<u>Rate</u>
Education	\$41,612,386	3.71%	1	3.43%	1	4.30%
O & M	\$4,478,928	3.66%	1	3.66%	1	4.30%
Bond & Int	\$485,170	3.66%	1	3.66%	1	4.30%
Transportation	\$2,240,200	3.66%	1	3.66%	1	4.30%
IMRF	\$2,666,994	3.66%	1	3.66%	1	4.30%
Capital Proj	\$68,266,064	4.13%	1	4.13%	1	4.30%
Tort	\$827,156	3.66%	1	3.66%	1	4.30%
Life/Safety	<u>\$179,191</u>	<u>3.66%</u>	<u>1</u>	<u>3.66%</u>	<u>1</u>	<u>4.30%</u>
Totals/Avg s	<u>\$120,756,087</u>	<u>3.94%</u>	<u>1</u>	<u>3.85%</u>	<u>1</u>	<u>4.30%</u>

From the chart, the aggregate portfolio, excluding cash in the calculation, is underperforming the benchmark (T-bill Rate) by 0.36%. The portfolio's average maturity is 89 days shorter than the benchmark (90-day Treasury bill).

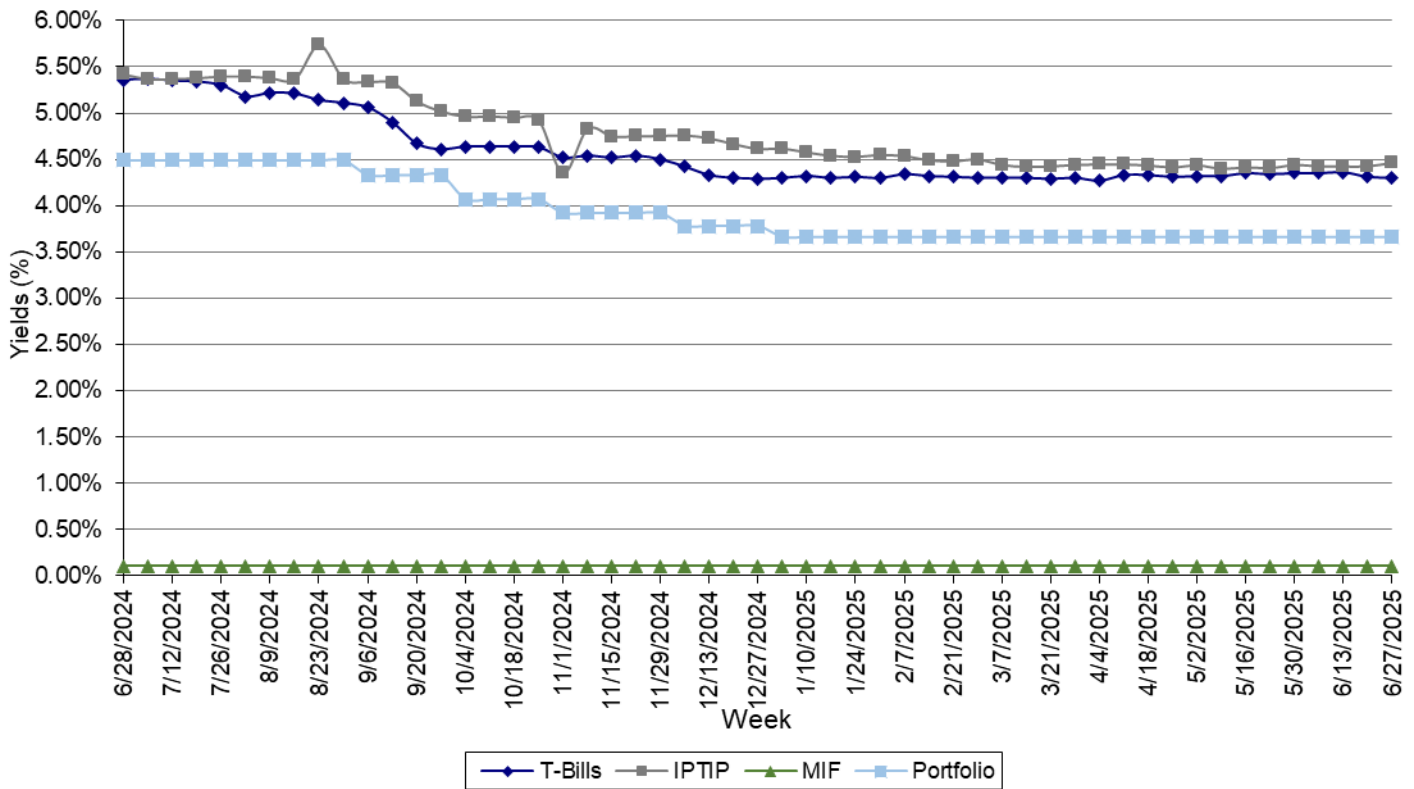
- **Education Fund:** The portfolio is below the benchmark by 0.59% with operating cash included, and by 0.87% with cash excluded. The average maturity is 89 days below the benchmark, both with and without cash in the calculation. The portfolio consists entirely of cash (100%), with no investments in Commercial Paper or Certificates of Deposit.
- **O & M Fund:** The portfolio is underperforming the benchmark by 0.64% with operating cash included, and by 0.64% when cash is excluded. The average maturity is 89 days shorter than the benchmark, regardless of whether cash is included. This portfolio consists of 100% cash, with no Commercial Paper or Certificates of Deposit.
- **Bond & Interest Fund:** This fund is used to amortize the 2018 General Obligation Refunding School Bond and 2025 Working Cash Fund Bond and must maintain liquidity for scheduled payments on the bonds and interest. The current portfolio is 0.64% below the benchmark. Investments are managed within the investment parameters set by the State of Illinois.
- **Transportation Fund:** The portfolio is underperforming the benchmark by 0.64% with operating cash included, and by 0.64% with cash excluded. The average maturity is 89 days shorter than the benchmark in both cases.
- **IMRF Fund:** The portfolio is 0.64% below the benchmark when cash is included, and 0.64% below when cash is excluded. The average maturity is 89 days shorter than the benchmark with or without cash included. The portfolio consists of 100% cash, with no investments in Commercial Paper or Certificates of Deposit.
- **Capital Projects Fund:** The portfolio is 0.17% below the benchmark, both with and without the cash balance included.
- **Tort Fund:** The portfolio is 0.64% below the benchmark with cash in, and 0.64% below with cash excluded. The average maturity is 89 days shorter than the benchmark in both cases.
- **Life/Safety Fund:** The portfolio is 0.64% below the benchmark when cash is included, and 0.64% below when cash is excluded.

FUND ANALYSIS



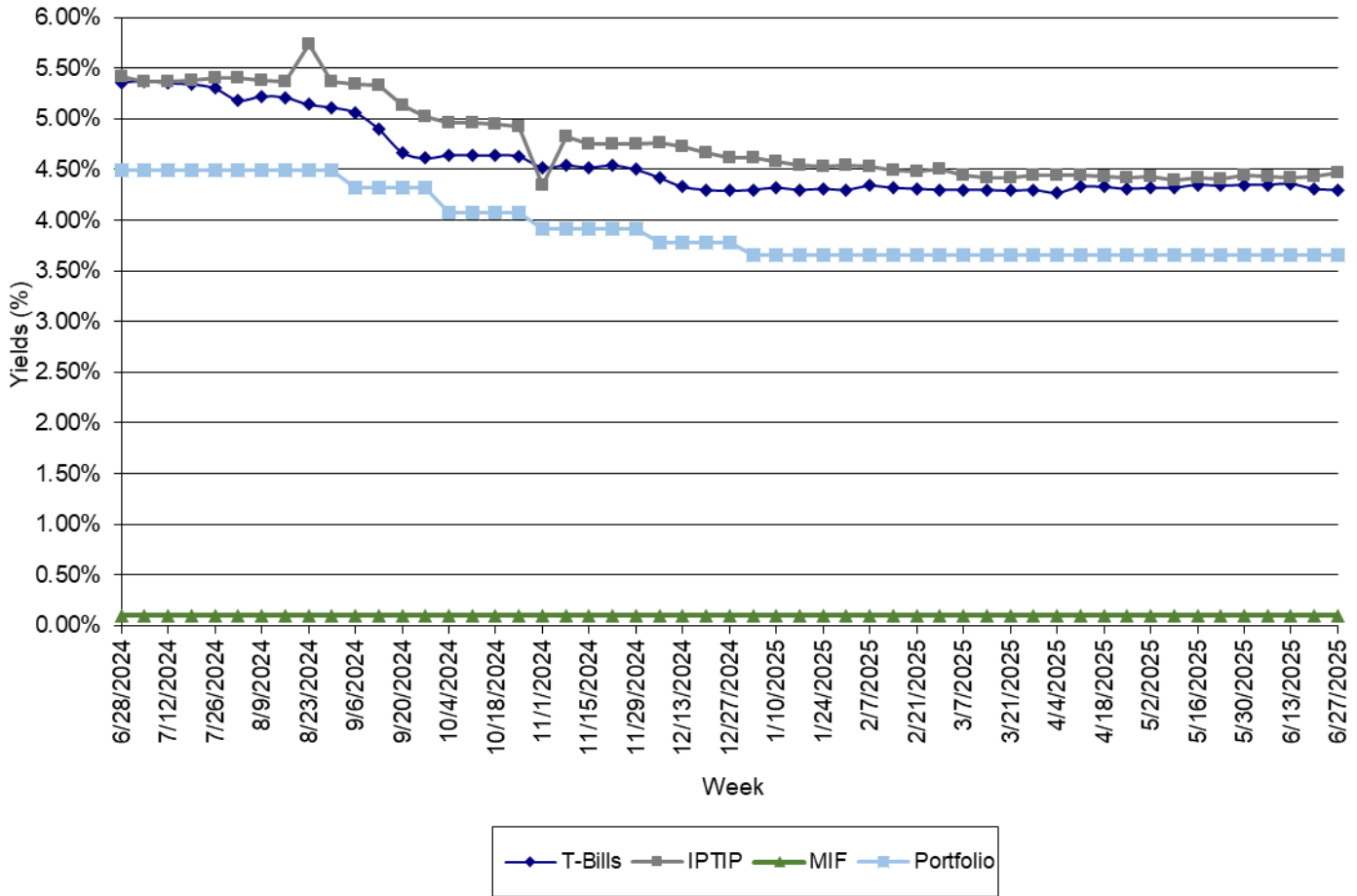
<u>Maturity Date</u>	<u>Vendor</u>	<u>Type Invest</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Weighted Avg. %</u>	<u>Avg Weigh Maturity</u>	<u>Days to Maturity</u>	<u>W/O MIF X-Mat</u>
6/30/2025	PMA MAX	Savings	\$2,459,158	4.24%	0.2503%	0.06	1	0.06
6/30/2025	IPTIP	Repo	\$750,431	4.46%	0.0805%	0.02	1	0.02
6/30/2025	Blackhawk	Checking	\$11,929	3.66%	0.0010%	0.00	1	0.00
6/30/2025	Blackhawk	Development	\$254,652	3.66%	0.0224%	0.01	1	0.01
6/30/2025	Blackhawk	Payroll	\$35,420	3.66%	0.0031%	0.00	1	0.00
6/30/2025	Blackhawk	Repo	<u>\$38,100,795</u>	3.66%	<u>3.3511%</u>	<u>0.92</u>	<u>1</u>	<u>0.92</u>
Total Portfolio/Average Weighted Rate			<u>\$41,612,386</u>		<u>3.7085%</u>	<u>1.00</u>		<u>1.00</u>

O & M FUND Interest Comparisons June 30, 2024 - June 30, 2025



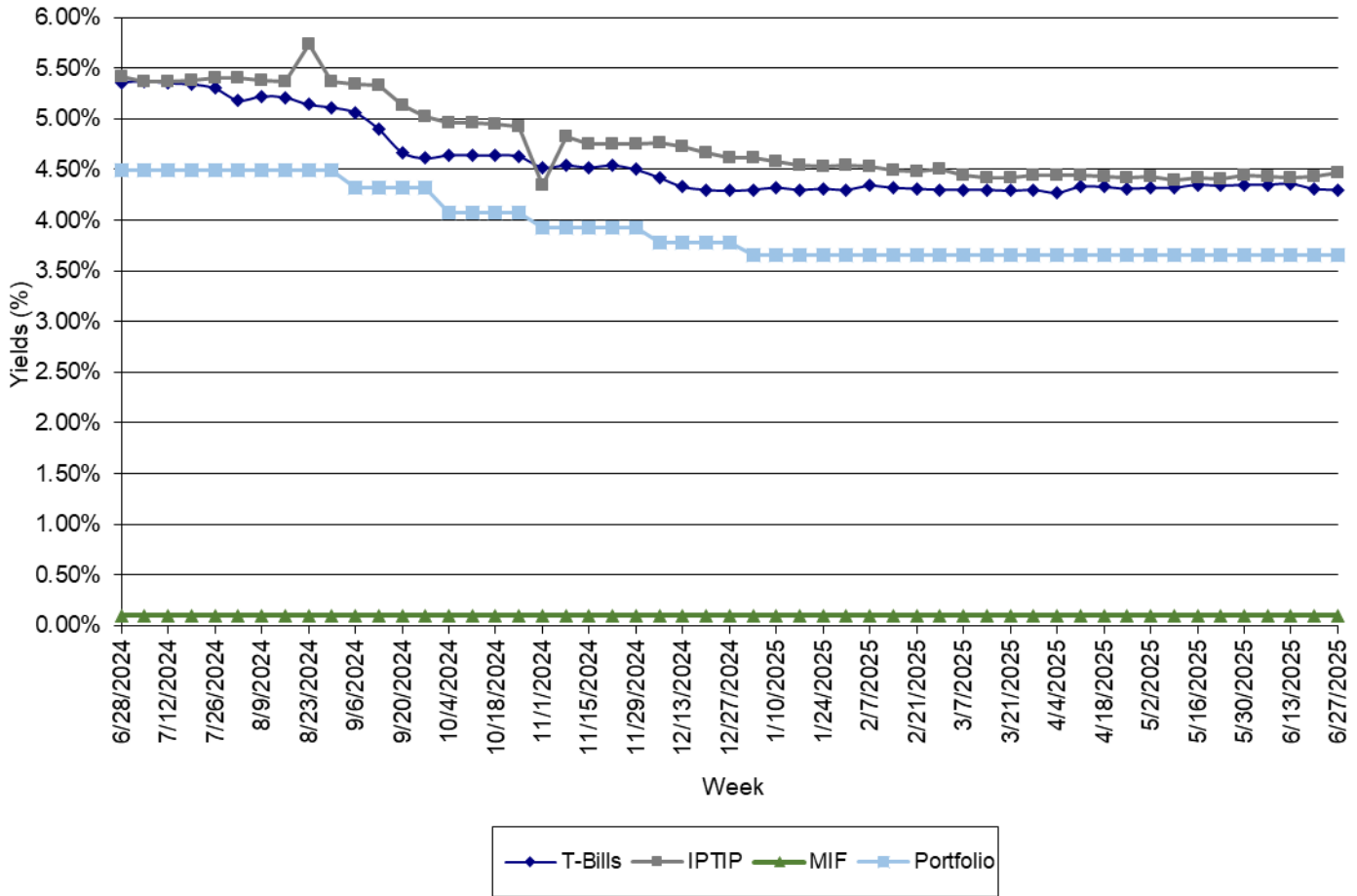
Maturity		Type		Interest	Weighted	Avg	Days to	W/O
<u>Date</u>	<u>Vendor</u>	<u>Invest</u>	<u>Amount</u>	<u>Rate</u>	<u>Avg. %</u>	<u>Weigh</u>	<u>Maturity</u>	<u>MIF</u>
6/30/2025	Blackhawk	Checking	\$4,478,928	3.66%	3.6600%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$4,478,928	-	3.6600%	1.00	1	1.00

BOND & INTEREST FUND Interest Comparisons June 30, 2024 - June 30, 2025



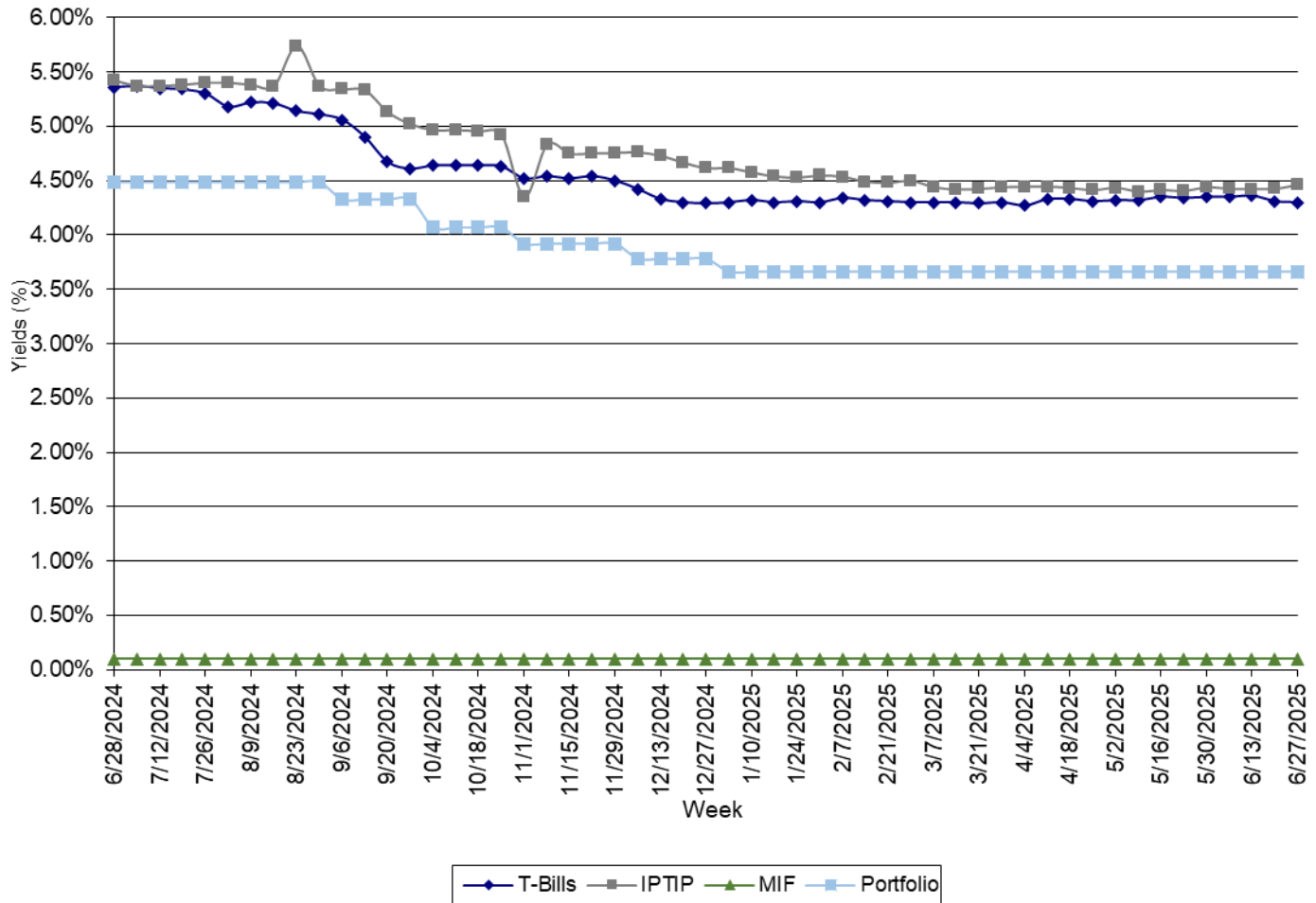
Maturity Date	Vendor	Type Invest	Amount	Interest Rate	Weighted Avg. %	Avg Weigh Maturity	Days to Maturity	W/O MIF X-Mat
6/30/2025	Blackhawk	Money Market	\$485,170	3.66%	3.6600%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$485,170		3.6600%	1.00	1	1.00

TRANSPORTATION FUND Interest Comparisons June 30, 2024 - June 30, 2025



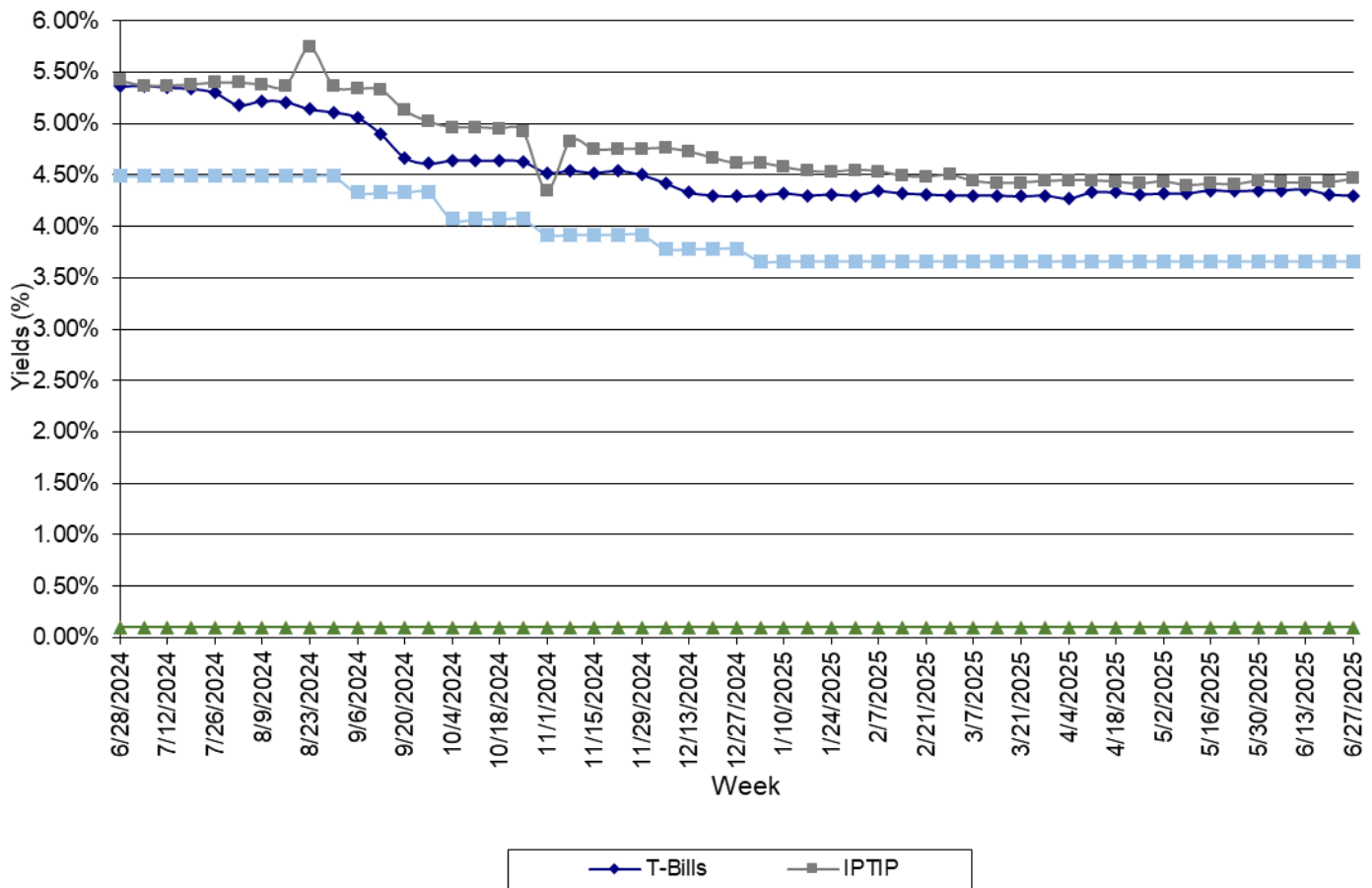
<u>Maturity</u> <u>Date</u>	<u>Vendor</u>	<u>Type</u> <u>Invest</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Weighted</u> <u>Avg. %</u>	<u>Avg</u> <u>Weigh</u> <u>Maturity</u>	<u>Days to</u> <u>Maturity</u>	<u>W/O</u> <u>MIF</u> <u>X-Mat</u>
6/30/2025	Blackhawk	Checking	\$2,240,200	3.66%	3.6600%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			<u>\$2,240,200</u>		<u>3.6600%</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>

IMRF FUND Interest Comparisons June 30, 2024 - June 30, 2025



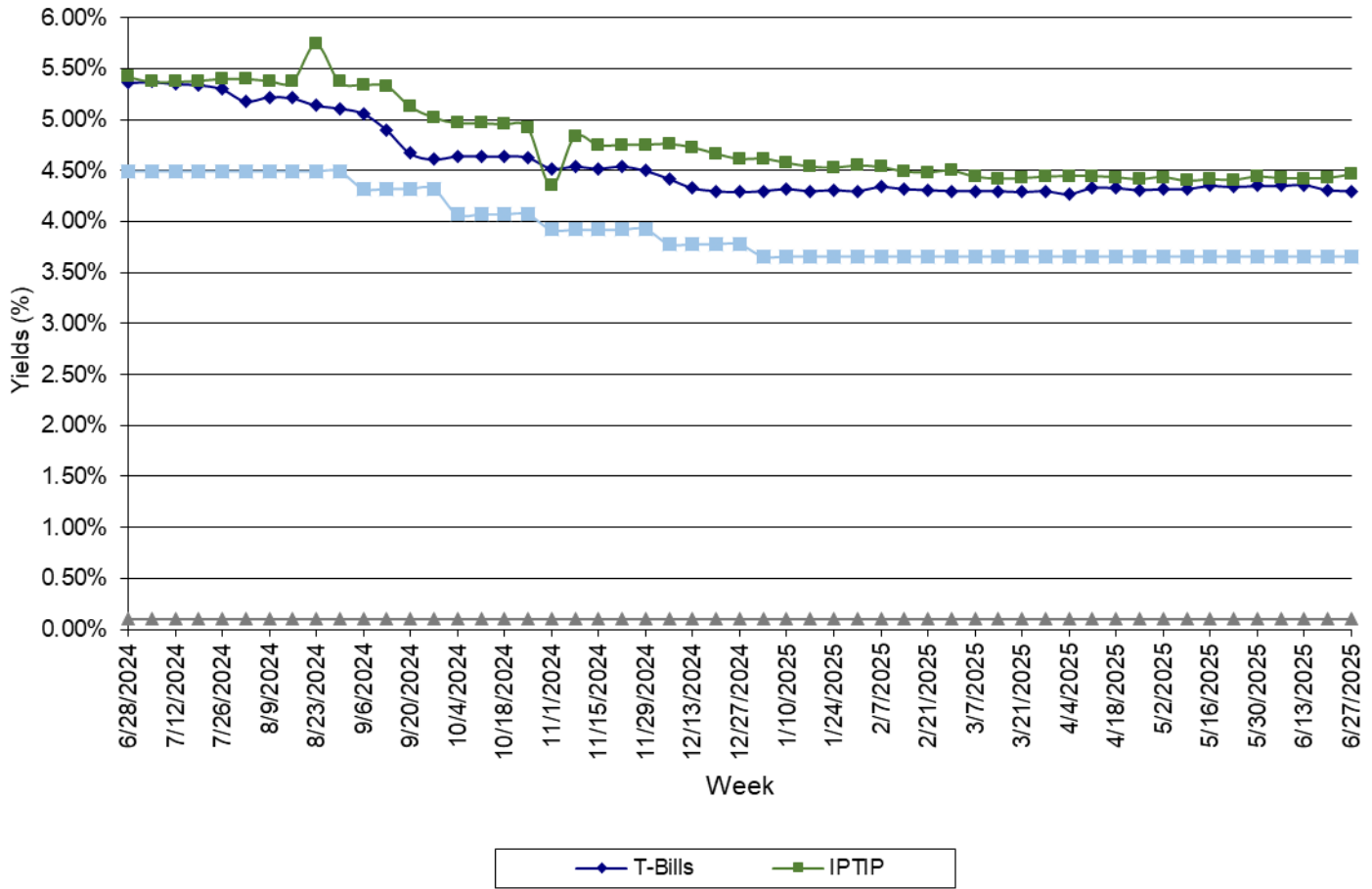
Maturity Date	Vendor	Type Invest	Amount	Interest Rate	Weighted Avg. %	Avg Weigh Maturity	Days to Maturity	W/O MIF X-Mat
6/30/2025	Blackhawk	Checking	\$2,666,994	3.66%	3.6600%	1.00	1	1.00
Total Portfolio/Average Weighted Rate			\$2,666,994		3.6600%	1.00	1	1.00

Capital Projects FUND Interest Comparisons June 30, 2024 - June 30, 2025



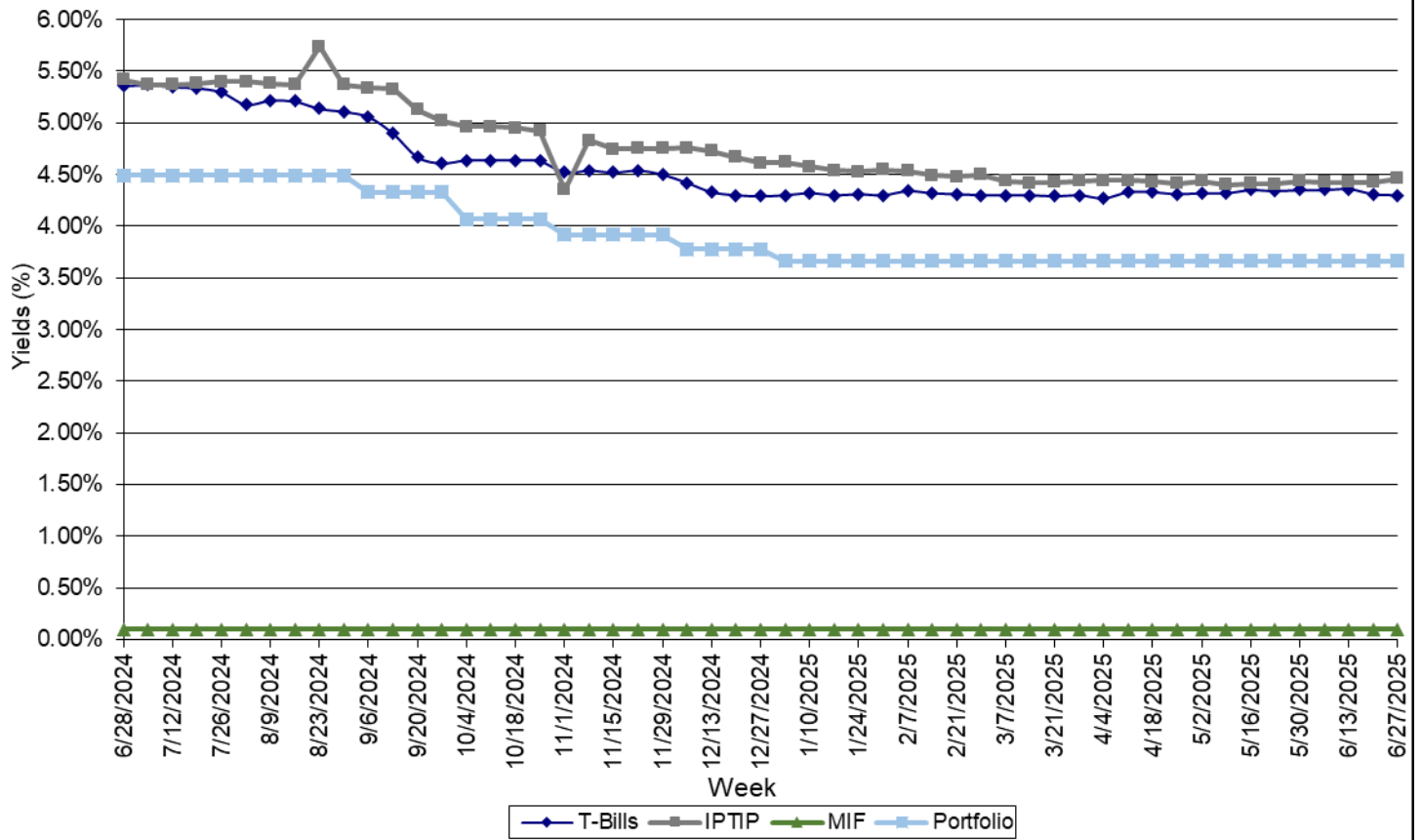
Maturity Date	Vendor	Type Invest	Amount	Interest Rate	Weighted Avg. %	Avg Weigh Maturity	Days to Maturity	W/O MIF X-Mat
6/30/2025	PMA SDA	Savings	\$55,832,550	4.24%	3.4645%	0.82	1	0.82
6/30/2025	Blackhawk	Checking	\$12,433,514	3.66%	0.6666%	0.18	1	0.18
Total Portfolio/Average Weighted Rate			\$68,266,064		4.1311%	1.00	2	1.0

Tort FUND Interest Comparisons June 30, 2024 - June 30, 2025



Maturity	Vendor	Type	Interest	Weighted	Avg	Days to	W/O
Date		Invest	Rate	Avg. %	Weigh	Maturity	MIF
6/30/2025	Blackhawk	Money Market	3.66%	3.6600%	1.00	1	1.00
Total Portfolio/Average Weighted Rate				3.6600%	1.00	1	1.0

LIFE/SAFETY FUND Interest Comparisons June 30, 2024 - June 30, 2025



Maturity Date	Vendor	Type Invest	Amount	Interest Rate	Weighted Avg. %	Avg Weigh Maturity	Days to Maturity	W/O MIF X-Mat
6/30/2025	Blackhawk	Money Market	<u>\$179,191</u>	3.66%	<u>3.6600%</u>	1.00	<u>1</u>	1.00
Total Portfolio/Average Weighted Rate			<u>\$179,191</u>		<u>3.6600%</u>	<u>1.00</u>	<u>1</u>	<u>1.0</u>