

TOWNSHIP SCHOOL TRUSTEES

TOWNSHIP 39 – RANGE 12 – COOK COUNTY, ILLINOIS
10114 GLADSTONE, WESTCHESTER, IL 60154

KERRY LUCIANO, TRUSTEE
ANTHONY TRAVIS, TRUSTEE
RAYMOND ZAABEL, PRESIDENT

TEL: 708-450-3930
FAX: 708-450-9566

PAUL BELLISARIO, TREASURER

March 31, 2022

Dr. Edward Condon, Supt.
School District #90
7776 Lake Street
River Forest, Illinois 60305

Dear Dr. Condon:

Accompanying this letter is your Pooled Investment Earnings Distribution report that details your district's proportionate share of the Pooled Earnings for Fiscal 2022. This year's Pooled Investment Earnings reflect the following:

- | | |
|---|-----------|
| • Total Pooled Earnings Distribution | \$463,530 |
| • Yield for the base earnings period average March 2021 – February 2022 | 0.15% |
| • Percent of Pooled Earnings Distributed vs. Prior Year | <86.85%> |

In addition to the Pooled Earnings, interest has been earned, for your district only, and distributed on certain restricted funds totaling:

- | | |
|--------------------------------|------------|
| • Restricted Interest Earnings | \$7,567.77 |
|--------------------------------|------------|

Restricted interest earnings will also be reflected on the Distribution Report by description and in summary with your pooled position but were posted at time of receipt. Further, the report includes a review of the Total and Pooled Earnings for the past ten years.

The pool's earnings distribution and yield on the base earnings decreased from the prior year due to the pandemic forcing the Fed to dramatically decrease the Federal Funds Rate to near zero. This in turn, decreased the yield on Agencies and Certificates of Deposits significantly. Which resulted in the above dismal earnings.

The year prior we were able avoid these lower rates because of our investments having longer maturities. With the extended period of low rates, the pandemic persistence, and being restricted to government backed investments or highest rated securities, we were unable to avoid investing in these lower rates this past year. So our investment strategy shifted to a very short term liquid position this past year. We avoided tying up our investments in longer term securities at such low rates that would hurt us in future years. Additionally, we needed to stay liquid due to the uncertainty of the pandemic, and with government agencies being closed, our collection of taxes were delayed.

I have attached a chart that shows you the 3 month Treasury Rates (the 6 month chart was identical). I modified the chart to show you the timing of when we invest due to tax collections (March and August, blue arrows) and the rates at the time. The red line is the TTO yield

TOWNSHIP SCHOOL TRUSTEES

TOWNSHIP 39 – RANGE 12 – COOK COUNTY, ILLINOIS
10114 GLADSTONE, WESTCHESTER, IL 60154

KERRY LUCIANO, TRUSTEE
ANTHONY TRAVIS, TRUSTEE
RAYMOND ZAABEL, PRESIDENT

TEL: 708-450-3930
FAX: 708-450-9566

PAUL BELLISARIO, TREASURER

performance in comparison. The green arrow is where we are today and where we are investing for the future. It is a much better position and due to the Fed trying to get inflation under control.

All interest earnings due to your district that have not already been disbursed will be credited to your ledger in April 2022, and reflected in your April reports.

Sincerely

Paul Bellisario
Treasurer/CFO
Proviso Township Schools' Treasures Office
10114 Gladstone
Westchester, IL 60154
708-450-3930 x 226
pbellisario@provisotreasurer.com

CC: Business Manager