



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 21-0409, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF MAY 6, 2021

COMMITTEE ON FINANCE

Mr. Brian A. Perkovich, Executive Director

Report on the investment interest income during February 2021

Dear Sir:

Attached is a report of cash investment interest income received by the District for the month of February 2021 and a comparison of income for the same period in 2020.

The District's inventory of investments at February 28, 2021, consisted of 223 items having a total par value of \$593,461,736.17, an average annual yield of 0.576%, and total interest income to maturity of approximately \$8.8 million. Inventory figures at the same date in 2020 were of 261 items having a total par value of \$637,398,900.19, an average annual yield of 1.786%, and total interest income to maturity of approximately \$12.3 million.

Interest Forecast for 2021:

On March 23, 2020, the Federal Reserve decided to decrease the target range for the federal funds rate to 0.00% to 0.25%. This decision was based upon the increased risk to economic activity posed by the COVID-19 pandemic. There has been no change in these short-term interest rates since that date. The District expects to earn exceptionally low investment yields in 2021 due to the low federal funds rate.

Respectfully Submitted, Mary Ann Boyle, Treasurer, MAB:st

Attachment