



# OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

FOR IMMEDIATE RELEASE:

August 9, 2021

CONTACT:

Paris Ervin 217.685.2584

Greg Rivara 217.685.2380

## FITCH Gives Top AAA Rating to Illinois Funds

### *\$9 Billion Local Government Investment Pool Compliments Local Banking Relationships*

**SPRINGFIELD** – The Illinois Funds, a mutual fund investment used by local governments through the Illinois State Treasurer’s Office, earned the top AAA rating from Fitch Ratings, Illinois State Treasurer Michael Frerichs said today.

The rating mirrors the investment confidence already shown by Morningstar for the Bright Start 529 college savings program.

“When public officials focus on their duties and responsibilities, great things happen,” Frerichs said. “The Illinois Funds is another way we invest in the people of Illinois.”

Established in 1975, more than 1,500 units of government such as cities, counties, libraries and school districts have invested in The Illinois Funds because it is a safe, liquid and competitive investment.

The nearly \$9 billion pool invests in assets focused on safety, preservation of principal, liquidity and income. The investment can be as short as overnight. The weighted average maturity is less than 60 days. No minimum investment is required.

“The rating reflects Fitch’s review of the pool’s investment and credit guidelines, credit quality and diversification and liquidity profile, as well as the capabilities of the Treasurer’s Office to manage the pool’s assets,” Fitch wrote. The rating “indicates an extremely strong capacity to achieve the investment objectives of preserving principal and providing liquidity through limiting credit, market and liquidity risk.”

-MORE-

U.S Bank is the pool's primary service provider and custodian. The fund officially is named Illinois Public Treasurer's Investment Pool (IPTIP).

Fitch's ratings compliments Morningstar's confidence in Bright Start.

Each year, Morningstar independently evaluates college savings plans. Bright Start has earned a Gold rating each year since Frerichs revamped the plan in 2017. Most recently, Morningstar applauded Bright Start for its "focus on fees and continuous improvement." The Gold rating is the firm's highest rating; only three 529 college savings plan earned the distinction last year. Union Bank & Trust is the program manager.

For more information about the Fitch rating, click [here](#).

### **About the Illinois Treasurer**

As Illinois State Treasurer, Michael Frerichs is the state's Chief Investment and Banking Officer and actively manages approximately \$52 billion. The portfolio includes \$27 billion in state funds, \$16 billion in retirement and college savings plans and \$9 billion on behalf of local and state governments. Frerichs' office protects consumers by safeguarding more than \$3.5 billion in unclaimed property, encouraging savings plans for college or trade school, increasing financial education among all ages, assisting people with disabilities save without losing government benefits, and removing barriers to a secure retirement. The Treasurer's Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

-END-