Case Study

City Treasurer of Chicago

INCREASED REVENUE THROUGH THE IMPLEMENTATION OF MODERN TECHNOLOGY

The City Treasurer of Chicago was established in 1837 and now has over $9 billion in assets under management. The Treasurer's office is a revenue generating department in the city, bringing in over $150 million yearly. Its internally managed, broadly progressive, and diversified portfolio includes fixed-income securities, alternative investments such as mortgage-backed securities, and more.

The Treasurer's office has the flexibility to buy down to BBB- credit rated assets and securities. Its portfolio has a combined AA credit rating, with an overall duration of three years and a four-year weighted average life. In hopes of expanding and diversifying its exposure to more complex assets, the Treasurer's office needed a solution that would aggregate, reconcile, and provide comprehensive reports on their investment portfolio daily.

The treasury team needed to expedite the reporting and management of over $9 billion in assets and oversee over $20 billion in annual transactions while maintaining accuracy, transparency, and having precise data for pre- and post-trade decision making.

How Clearwater Helps

The Treasurer's office needed to cut down the time spent closing their books, drastically reduce the number of manual activities their team conducted daily, and find a solution that would facilitate audit compliance while increasing revenue.

Clearwater's automated data aggregation and reconciliation process made it possible for the Treasurer's office to add alternative assets to their portfolio and helped the office increase their revenue by $30 million.

Eliminated Manual Entry and Errors

Improved the Bottom Line

Before Clearwater, reconciliation took days to complete, and with over $20 billion in annual transactions, the reporting errors were hard to manage. Reporting and reconciliation were previously done using legacy software and Excel spreadsheets, with over 12 touchpoints for every security held in the portfolio. Now, books are closed faster, and Clearwater's AI and machine-learning-backed automation helps them avoid reporting errors.

Clearwater's system provided operational efficiencies for the Treasurer's office that helped reduce time spent on manual tasks and improved the accuracy of their reporting. Their team of 14 people, who oversee the entire accounting and investment department for the third-largest city in the country, are now able to focus their attention on core priorities and provide greater insights into their portfolio, helping stakeholders make strategic business decisions.

$9+

Billion in AUM

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Types of Investments

- Mortgage-Backed Securities
- Asset-Backed Securities
- Corporate Bonds

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Benefits of Clearwater

Reduced manual tasks and improved reporting accuracy

$30 million revenue increase assisted by Clearwater's data aggregation and reconciliation process

Reasons for Choosing Clearwater Analytics – Legacy Software Opportunity Cost

The Treasurer's office used Clearwater's platform in parallel with their legacy software over a nine-month period. During this time, they looked for any breaks and worked hand-in-hand with their implementation team.

Once fully implemented with Clearwater, the Treasurer's office found that while the net overall processes in time reduction were greatly reduced, there were still a few processes that were unchanged or took longer, including troubleshooting modified cash accounting entries and annual earnings.

Clearwater's solution provided them with immediate insight into every aspect of their investment portfolio.

The time and money it took the Treasurer's office to manage their previous outdated systems was prohibiting them from being a growth enabler for the city of Chicago. Since leaving the outdated systems behind, the team now knows how specific transactions will affect the portfolio over time, and with access to timely and highly accurate data, they have allocated resources to maximize value.

> "Clearwater's platform is a no-brainer. The platform facilitated the addition of $30 million in revenue in one year."
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> - Craig Slack, Chief Investment Officer
> City of Chicago

Task	Legacy System	Clearwater
Transaction input	1-4 hours per day	0 hours
Recognizing Payments	1 hour per day	0 hours
Monthly Portfolio-Wide Reporting	1-2 days	<5 minutes
Annual Earnings Reporting	2-5 days	<2 hours

See how Clearwater can help your organization.

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Clearwater Analytics is a global industry-leading SaaS solution for automated investment data aggregation, reconciliation, accounting, and reporting. Each day, the Clearwater solution reports on more than $5.9 trillion in assets for clients that include leading insurers, asset managers, corporations, pension plans, governments, and nonprofit organizations – helping them make the most of their investment portfolio data with a world-class product and client-centric servicing. Investment professionals in 50 countries trust Clearwater to deliver timely, validated investment data and in-depth reporting.