

Legislation Update

Paul Bellisario <pbellisario@provisotreasurer.com>

Tue 4/23/2024 12:23 PM

To: Daniel Sullivan <dsullivan@berkeley87.org>; david.negron@Maywood89.org <david.negron@Maywood89.org>; Dr. Edward Condon <condonE@district90.org>; Elizabeth Alvarez <ealvarez@fpsd91.org>; jjackson@lindop92.net <jjackson@lindop92.net>; ksuchinski@hillside93.org <ksuchinski@hillside93.org>; Luke Pavone <lpavone@pths209.org>; Mark Kuzniewski <mkuzniewski@district95.org>; Michael James <mjames@paec803.org>; psalemi@sd925.org <psalemi@sd925.org>; Ryan-Toye, Martha (AC) <ryan-toyem@district96.org>; skinkisk@rbhs208.net <skinkisk@rbhs208.net>; Todd Fitzgerald <tfitzgerald@komarek94.org>; Victoria Hansen, Ph.D. <vhansen@sd88.org>
Cc: TTO Email Distro <TTO@provisotreasurer.com>; Andy Arndt <aarndt@lindop92.net>; 'Anthony Cozzi' <cozzia@district90.org>; 'Dennis Gress' <dgress@sd925.org>; Fitton, James (AC) <fittonj@district96.org>; 'Jan Baptist' <jbaptist@sd88.org>; Kristin Smetana <smetanak@rbhs208.net>; Laura Vince <lvince@berkeley87.org>; Mike Pustelnik <mpustelnik@komarek94.org>; Patrick Hatfield <phatfield@hillside93.org>; Paul Starck-King <pstarckking@paec803.org>; Robert Hubbard <rhubbard@fpsd91.org>; Sarah Johnson-Millon <smillon@hillside93.org>; 'Vreeland, James' <james.vreeland@Maywood89.org>; Watson-Hill, Deborah <dwatson-hill@pths209.org>

All

This is an update to the email below and the state of the legislation to dissolve the Treasurer's office. Since the legislation passe the house, it is now assigned to Don Harmon of the Senate. As stated below, we would like to modify this legislation to make it less confusing and more advantageous to your districts.

The way this bill is written it will cost you to dissolve our office by either having to absorb our function with additional staff or additional workload to existing staff (with or without compensation). You will also lose the leverage of pooling your revenue to access better investment opportunities along with having access to the pooled funds, when necessary, in times when Cook County doesn't pay on time. I can go on about the value of this office, but I hope you already know it.

There is a lot of opposition to this bill by districts in SCOPE, EDRED, and IASBO (who has added it to their Advocacy alert as "opposed as written"). You will be getting contacted today by EDRED (if you are a member) or by Jen Figurelli (rep from SCOPE) to sign a letter to say "YES" on a spreadsheet to modifying the language of this bill. I appreciate the support by signing YES to this letter to Senator Don Harmon.

If you have any questions, please call me as I will be happy to give all the details I know.

Sincerely,

Paul Bellisario
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From: Paul Bellisario

Sent: Monday, April 22, 2024 9:13 AM

To: Andy Arndt <aarndt@lindop92.net>; 'Anthony Cozzi' <cozzia@district90.org>; 'Dennis Gress' <dgress@sd925.org>; 'Fitton, James (DO)' <fittonj@district96.org>; 'Jan Baptist' <jbaptist@sd88.org>; Kristin Smetana <smetanak@rbhs208.net>; Laura Vince <lvince@berkeley87.org>; 'Mark Kuzniewski' <mkuzniewski@district95.org>; Mike Pustelnik <mpustelnik@komarek94.org>; Patrick Hatfield <phatfield@hillside93.org>; Paul Starck-King <pstarckking@paec803.org>; Robert Hubbard <rhubbard@fpsd91.org>; Sarah Johnson-Millon <smillon@hillside93.org>; 'Vreeland, James' <james.vreeland@Maywood89.org>; Watson-Hill, Deborah <dwatson-hill@pths209.org>; CondonE@district90.org; Daniel Sullivan <dsullivan@berkeley87.org>; david.negron@Maywood89.org; Dr. James L. Henderson <jhenderson@pths209.org>; Elizabeth Alvarez <ealvarez@fpsd91.org>; jjackson@lindop92.net; ksuchinski@hillside93.org; Michael James <mjames@paec803.org>; psalemi@sd925.org; ryan-toyem@district96.org; skinkisk@rbhs208.net; Todd Fitzgerald <tfitzgerald@komarek94.org>; Victoria Hansen, Ph.D. <vhansen@sd88.org>

Cc: TTO Email Distro <TTO@provisotreasurer.com>

Subject: Quarterly Board Meeting and Legislation

Importance: High

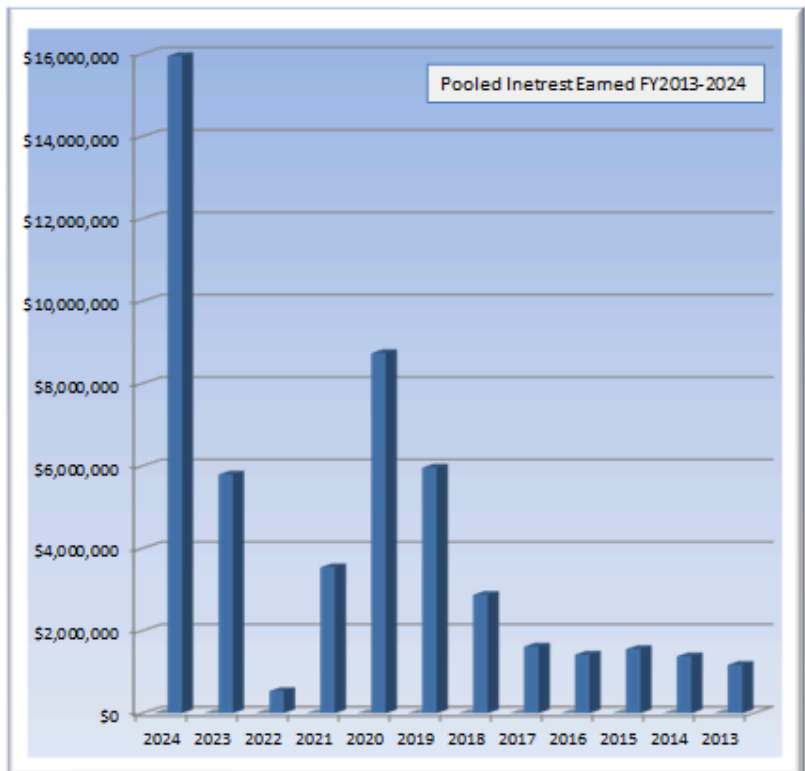
All

We had our Board meeting this week. Typically, I send you the highlights of the financial position for the quarter and what direction my strategy is to get the best earnings while not jeopardizing cash for bills and payroll based on what the economy is doing. This time, I am going to provide you with a different format to talk about the history of performance by the TTO and then let you know about the future of the TTO and what may be happening legislatively. I appreciate your immediate attention to this update.

Earnings and value – Below is a chart of earnings performance over the past eleven years. If you compare the earnings distributed to the cost distributed of running the TTO over this same period, it shows that you get 4.3 times in earnings for what you spent to have our service (if you compared to when I started in 2019 it is 6 times, or just this past year was 12 times). Earnings and investing are just one way to measure the value of the TTO. The other has to do with the services we provide (bank reconciliations, IV training, 941s, W2s, 1099s, payroll AP etc.). These other services that we consolidate would fall on the school districts to manage and probably have to hire staff or outsource as a cost versus leveraging and sharing services that we provide across all districts. I am pressing the value of the TTO because there is legislation in the works (just last week) that is trying to dissolve all Treasurers offices in Illinois.

INTEREST EARNINGS ALL INVESTMENTS April 1, 2023 TO March 31, 2024	
POOLED INTEREST EARNINGS:	
April-June 2023	\$3,995,559
July-September 2023	\$4,437,919
October-December 2023	\$4,175,938
January-March 2024	\$2,990,233
TOTAL POOLED	\$15,599,649
RESTRICTED EARNINGS April 2023- March 2024:	
School District 87	\$370,802
School District 90	\$5,627
School District 94	(\$24,528)
TOTAL RESTRICTED	\$351,900
TOTAL INTEREST EARNED	\$15,951,550

REVIEW OF POOLED AND TOTAL EARNINGS DISTRIBUTED 2013-2024		
YEAR	POOLED	Interest Earned
2024	\$15,599,649	\$15,951,550
2023	\$4,725,381	\$5,793,244
2022	\$463,530	\$536,275
2021	\$3,523,615	\$3,541,856
2020	\$8,726,765	\$8,740,045
2019	\$5,951,902	\$5,962,217
2018	\$2,868,679	\$2,874,480
2017	\$1,612,518	\$1,615,023
2016	\$1,395,486	\$1,420,155
2015	\$1,533,990	\$1,556,082
2014	\$1,353,633	\$1,380,522
2013	\$1,139,706	\$1,173,880
TOTAL	\$48,894,854	\$50,545,328



THE \$15,599,622 HAS BEEN
DISTRIBUTED QUARTERLY IN
AREARS TO THE PARTICIPANTS
AS OF MARCH 31, 2024

REFLECTS A YIELD OF: 4.03%

BASED ON THE MONTH END
BALANCES FROM April 1, 2023
TO March 31, 2024. THE
AVERAGE INVESTMENT
BALANCE FOR THIS TWELVE
MONTH PERIOD WAS: \$387,282,712.05

Legislation – The legislation was submitted in the House last week (HB0305) by a representative from Northbrook, Tracey Katz Muhl. It was *intended* to eliminate layers of government, give the school districts more control over the services, and being able to choose to be a part of a TTO. All of which, all 11 of us treasurers are in full support of. We even provided language to that effect to help the bill make for a good law, we call it the “Bremen Model” as it is how

Bremen Township Treasurer's Office is currently operating. The way the law is written now, is confusing at best, and is not in the best interest of the school districts (especially in poorer communities who can't afford to add staff, let alone get people in this tight labor market, and who need a TTO the most). This legislation has passed the House and is heading for the Senate this week. We intend on continuing to work with the representative in the House and the Senate to get this bill modified to the "Bremen Model" language. Below are the highlights and differences between what is in the bill currently and what the treasurers are recommending with the "Bremen Model":

HB0305 Current language:

1. Dissolve the Treasurer's Office.
2. Let the School Districts vote to opt in to using a treasurer's office through an Intergovernmental Agreement.
3. Transition over a 3-year period.

Because the TTO's are dissolved in point #1, point #2 isn't an option as we are no longer a governmental body to have an IGA with.

Bremen Model language: *History - Bremen Township has been working under a different structure than any other Treasurer's office for 12 years successfully. Legislation and the language used is already proven.*

1. Eliminate the elected Trustees that make up the Board of the TTO— **this accomplishes the Representatives first goal of reducing a governmental body as you will see in point two, TTOs will get transitioned to fall under the school districts.**
2. Replace the Board of the TTO with one Elected School Board member from each district – **so your board is our board, and this gives the schools more control over the services they are getting from the TTO, which also accomplishes what the representative is looking to accomplish with her bill.**
3. Schools opting out of a treasurer's office doesn't change as the language stays the same as always – **schools can opt out through legislation or referendum; this also accomplishes the representatives' goals of giving the schools a choice.**

I don't have next steps for you at this point. I wanted to make you aware of the situation as the entire South Cook County (under SCOPE) schools are taking the lead at this time due to the political issues happening down at Thornton Township. We will be following their lead. Some of the discussion on next steps are calling Senators, supplying witness slips, and writing letters. I will keep you posted and may be making a request of you and your superintendent in the very near future.

I appreciate any support you can provide in the near future. Thanks

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