

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (this "**Agreement**") is made and entered into by and between the Board of Education of Pleasantdale Elementary School District 107, a local school district organized under the laws of the State of Illinois with its principal office located in Cook County, Illinois, ("**SD 107**" or "**District**"), and Lyons Township Trustees of Schools, a local public entity organized under the laws of the State of Illinois with its principal office located in Cook County, Illinois, ("**LTTO**") (collectively, SD 107 and LTTO may, for convenience only, be hereinafter referred to as the "**Parties**" and each individually as a "**Party**").

WHEREAS, Article VII, Section 10 of the Constitution of the State of Illinois, adopted in 1970, expressly permits units of local government and school districts to contract or otherwise associate among themselves to obtain or share services and to exercise, combine or transfer their powers or functions, in any manner not otherwise prohibited by law or ordinance;

WHEREAS, the Intergovernmental Cooperation Act (5 ILCS 220/1, et seq.) (the "**Act**") authorizes public agencies to jointly enjoy and/or exercise powers, privileges, functions or authority with other public agencies, except where specifically and expressly prohibited by law;

WHEREAS, the Act authorizes public agencies to enter into intergovernmental agreements with other public agencies;

WHEREAS, the Parties are both public agencies under the laws of the State of Illinois and are authorized to enter into intergovernmental agreements;

WHEREAS, the LTTO currently provides a wide range of financial services for the school districts within Lyons Township; including, but not limited to: payroll, investment, financial reporting and the like;

WHEREAS, SD 107 is one of the entities that the LTTO currently serves;

WHEREAS, Public Act 103-0790, which became effective on August 9, 2024, provides in part that school districts may withdraw from the jurisdiction and authority of the trustees of schools and of the township treasurer of the township of which such school district is located;

WHEREAS, SD 107, by a resolution adopted by at least 2/3 of the members of its Board of Education, has concluded it is in its best interest to withdraw from the LTTO; and

WHEREAS, based on the foregoing, the LTTO and SD 107 have concluded that it is in their best interest to cooperate and enter into this Agreement to memorialize the mutual agreements of the Parties regarding SD 107's withdrawal, as outlined herein.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual terms, conditions, covenants and promises set forth herein, and in the spirit of intergovernmental cooperation, the Parties hereby agree as follows:

SECTION 1. WITHDRAWAL. SD 107 has elected to withdraw from the LTTO.

SECTION 2. EFFECTIVE DATE. This Agreement shall go into effect upon execution by both parties. The withdrawal of SD 107 shall be official on July 1, 2025.

SECTION 3. NEW TREASURER. SD 107 has appointed Paul Bellisario as its school treasurer pursuant to Section 8-1 of the Illinois School Code. (105 ILCS 5/8-1).

SECTION 4. REQUIRED TRANSFERS. As of July 1, 2025, (1) the LTTO shall no longer have or exercise any power or duties with respect to SD 107 or with respect to the business, operations, or assets of SD 107; (2) all books and records of the LTTO and all moneys, securities, loanable funds, and other assets relating to the school business and affairs of SD 107 shall be transferred and delivered to SD 107, allowing for a reasonable period of time not to exceed sixty (60) days to liquidate any pooled investments, except for those public records required to be retained under the retention laws as a public entity; and (3) all legal title to and all right, title, and interest formerly held by the LTTO in any common lands, buildings, or sites used and occupied by SD 107 and all rights of property and causes of action pertaining to or constituting a part of the common lands, buildings, or sites shall be deemed transferred by operation of law to and shall vest in the SD 107 board. (105 ILCS 5/5-1(d)).

As a result of this withdrawal, SD 107 shall not be responsible for any costs associated with the operation of the LTTO incurred after June 30, 2025. Any operational costs charged to SD 107 for fiscal year 2025 shall be limited to its pro-rata share incurred prior to July 1, 2025.

SECTION 5. TRANSFER OF FUNDS AND INVOICES RECEIVED AFTER EFFECTIVE DATE OF WITHDRAWAL. To the extent assets of SD 107 are received by the LTTO following July 1, 2025, the LTTO shall notify Griffin Sonntag and Paul Bellisario, or the then-appointed treasurer for SD 107, immediately. Said funds shall then be transferred to SD 107 via wire transfer within three (3) business days of the LTTO's receipt of said funds. Failure to transfer such funds within three (3) business days of the LTTO's receipt of said funds shall be considered a breach of this Agreement and will enable SD 107 to pursue the LTTO for any damages or harm caused by the delay in transferring of the funds.

In the event the LTTO receives an invoice or voucher for payment on behalf of SD 107 after July 1, 2025, they shall forward said invoice or voucher to Griffin Sonntag and Paul Bellisario, or the then-appointed treasurer for SD 107 immediately, but in no event later than three (3) business days after receipt of said invoice or voucher.

SECTION 6. UNDISTRIBUTED INTEREST 2025. The fifth (5th) quarter undistributed interest for Fiscal Year 2025 shall be allocated to all LTTO Member Districts during the first or second quarter of Fiscal Year 2026, in accordance with LTTO's past practices, including to those school districts who were LTTO Member Districts during the 24-25 fiscal year. The distribution of FY2025 undistributed interest is expressly exempt from the transfer requirements outlined in Section 5 above.

SECTION 7. PRO-RATA BILLINGS. All pro-rata bills that have been approved by the Board of Trustees must be paid in full or the outstanding balance will be deducted from any transfer made after July 1. SD 107 shall agree to pay the FY2025 pro-rata billing within sixty (60) days of receiving an invoice for such. In the event the LTTO is required to expend funds for administrative, legal or other costs brought about by SD 107 failing to pay its outstanding funds owed to the LTTO, such amounts expended, including attorney's fees, shall be added to the sums due to the LTTO and shall be payable by SD 107.

SECTION 8. HOLD HARMLESS AND INDEMNIFICATION. (a) To the fullest extent allowed by law, SD 107 agrees to release, indemnify, and hold harmless the LTTO, its Board of Trustees, its employees, agents, and contractors, from and against all claims, liability, damages, demands, deficiencies, causes of actions and suits that arise due to any negligence committed by SD 107, its Board, employees, or agents following the LTTO's release of the funds, assets, books, and records of SD 107. In no way shall this Section be read as a waiver of SD 107's rights to pursue any action against the LTTO related to the LTTO's obligations under this Agreement or its release of the funds, assets, books, and records of SD 107. (b) To the fullest extent allowed by law, LTTO agrees to release, indemnify, and hold harmless SD 107, its Board of Education, employees, agents, and contractors, from and against all claims, liability, damages, demands, deficiencies, causes of action and suits that arise due to any negligence committed by LTTO, its Board of Trustees, employees, or agents following SD 107's withdrawal from the jurisdiction of the LTTO.

SECTION 9. RECITALS. The abovementioned recitals, as contained in the paragraphs constituting the preambles to this Agreement, are full, true and correct and are hereby incorporated into this Agreement as if fully restated herein.

SECTION 10. SEVERABILITY. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof so long as the remainder of this Agreement expresses the intent of the Parties. If permitted by applicable law, any invalid, illegal or unenforceable provision may be considered in determining the intent of the Parties with respect to the provisions of this Agreement.

SECTION 11. NOTICES. Any notice, request, demand or other communication provided for by this Agreement shall be in writing and shall be deemed to have been duly received upon: (a) via electronic means with confirmation of receipt; (b) actual receipt if personally delivered and the sender received written confirmation of personal delivery; (c) receipt as indicated by the written or electronic verification of delivery when delivered by overnight courier; or (d) when delivery is refused. Notice shall be sent to the addresses set forth below, or to such other address as either Party may specify in writing.

If to the LTTO, to:

Lyons Township Trustees of Schools and Treasurer's Office
c/o Treasurer
6438 Joliet Road, Unit 103
Countryside, IL 60525
jfitton@lyonstto.net

If to SD 107, to:

Griffin Sonntag
Assistant Superintendent for Finance and Operations
Pleasantdale Elementary School District 107
7450 S. Wolf Road
Burr Ridge, IL 60527
gsonntag@d107.org

With a copy to:

Kriha Boucek, LLC
Attn: Kevin Gordon
1801 S. Meyer Rd, Suite 120
Oakbrook Terrace, IL 60181
kevin@krihaboucek.com

SECTION 12. ENTIRE AGREEMENT AND MODIFICATION. This Agreement embodies the entire agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Agreement supersedes all previous communications, representations or agreements, either verbal or written, between the Parties hereto. No provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is agreed to in writing and signed by each Party or an authorized representative thereof.

SECTION 13. EXECUTION. Each Party to this Agreement represents to the other that it will seek authority and approval of this Agreement within a reasonable period of time after receipt of the same. All provisions of this Agreement shall be carried out and discharged in full compliance with all applicable local, state and federal laws.

SECTION 14. IMMUNITIES. Neither Party, by entering into this Agreement, waives any immunity provided by local, state, or federal law including, but not limited to, the immunities provided by the Local Governmental and Governmental Employees Tort Immunity Act. (745 ILCS 10/1-101, et seq.).

SECTION 15. GOVERNING LAW. Construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of Illinois, without regard to its conflicts of laws principles. All suits, actions, claims, and causes of action relating to the construction, validity, performance, and enforcement of this Agreement shall be brought in the state courts of Cook County or in the federal courts in the Northern District of Illinois.

SECTION 16. COUNTERPARTS AND FACSIMILE. This Agreement may be executed in counterpart originals, each of which shall be deemed to be an original with the same effect as if the signatures thereto were on the same instrument. A signature affixed to this Agreement and transmitted by facsimile or electronic mail shall have the same effect as an original signature.

SECTION 17. REVIEW OF AGREEMENT. The Parties acknowledge that they have had an opportunity to review and revise this Agreement and have it reviewed by legal counsel, if desired and, therefore, the normal rules of construction, to the extent that any ambiguities are to be resolved against the drafting Party, shall not be employed in the interpretation of this Agreement.

SECTION 18. HEADINGS. The headings used herein form no substantive part of this Agreement are for the convenience of the Parties only, and shall not be used to define, enlarge, or limit any term of this Agreement.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT IN ITS ENTIRETY AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date: _____.

LYONS TOWNSHIP TRUSTEES OF SCHOOLS

President Shakana L. Kirksey

Trustee Dr. Catherine A. Hannigan

Trustee Carol A. McGowan

Trustee Griffin L. Sonntag

Trustee Zachary T. Stokes

Trustee Joseph M. Bonomo

Trustee Tonisha Sibley

Trustee Ryan M. Leonard

Trustee William G. Channell

Trustee Dr. Joseph R. Rojek II

Trustee Dr. Troy J. Whalen

Trustee Steven J. Smidl

**BOARD OF EDUCATION, PLEASANTDALE ELEMENTARY
SCHOOL DISTRICT 107**

By: _____
Its President

Attest: _____
Its Secretary

Dated: _____