

Pleasantdale School District 107

Administrative Office • 7450 S. Wolf Road • Burr Ridge, IL 60527
(708) 784-2013 • Fax: (708) 246-0161 • www.d107.org

In 1819, the First General Assembly of Illinois created the Township Trustees of Schools system. The intent is to administer school finances and any other business that may present itself in the financial operations of the school districts within the various townships. The Lyons Township Treasurer's Office (TTO) is a public entity that is supported by 12 member school districts, one special education cooperative (LADSE), and the west suburban intermediate service center (West 40 ISC). These member organizations are required, by law, to participate as members of the TTO. As school finance has grown more complex and as many districts have since brought services (once provided by a TTO) in-house, many of the original 1433 offices have been abolished. In fact, in 1962 the Illinois legislature abolished TTOs in all counties except for Cook. Since then many of the TTOs in Northern Cook County have also been closed. To date, there are 13 Township Treasurer's Offices in operation.

Over the course of time, the services provided to District 107 from the TTO have diminished and we currently only use TTO services for the back-end of Payroll and Accounts Payable processes and investment services. In 2015 the TTO implemented new financial software called Infinite Visions (iVisions) that automated many of the tasks that were once completed by the TTO staff. The members of our business office have embraced this change and have been thoroughly trained in this software. After a careful review of services provided we are confident that our staff can adequately perform the payroll and investment services in-house for little to no additional cost to the district. The district would have to pay a licensing fee of \$16,579 to licence the iVisions software. Additionally, as we adjust to this change, temporary office assistance may be necessary as we begin to assume these new tasks. However, these services would be on an as-needed basis and our goal would be for these services to be fully assumed by our staff.

School districts in Illinois are able to raise revenue yearly through a levy. The revenue increase for a school district must mirror the consumer price index (CPI) and cannot exceed 5%. In the past five years, we have seen double digit increases to our TTO fees while CPI has remained under 1% (see table below).

Year	TTO Increase	CPI
2011	2.8%	3.0%
2012	2.8%	1.7%
2013	12.5%	1.5%
2014	-7.9%	0.8%
2015	52.9%	0.7%

Additionally, after a study of like school districts (size, EAV, spending, etc.) we have found that

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districts in DuPage, Lake, and Northern Cook Counties (where there are not TTOs) complete these tasks in-house with the same level of staff members than we currently employ.

The Lyons Township School Districts (101, 102, 105, 106, and 204) have completed similar analysis of the TTO's services. Based on this analysis the Boards of Education for these school districts are considering passing a resolution which adds their district to legislation that would allow them to modify their relationship with the Lyons Township Treasurer's Office. The District 107 administration recommends passing a similar resolution, based on the fact that District 107 can provide financial services provided by the TTO for little to no additional cost. Additionally, the exit of the other Lyons Township School Districts could create a cost burden untenable for our small school district.

Main takeaways:

- District 107 is mandated by law to be a member of the Lyons Township Treasurer's Office (TTO).
- The services provided by the TTO can be done in-house for little or no expense to the district
- The Lyons Township school districts are all signing on to legislation that would allow a withdrawal from the TTO.
- If the other districts were to withdraw from the TTO the cost of membership would rise to a level untenable for our district.

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