

Working Cash Fund

The Board may by resolution establish a working cash fund which shall be maintained and administered for the purpose of enabling the College to have at all times sufficient money to meet demands for ordinary and necessary expenditures.

In order to create the fund or to increase the fund, the Board may incur an indebtedness in an amount or amounts not exceeding in the aggregate at any one time outstanding 75% of the taxes permitted to be levied for educational purposes and for operation and maintenance of facilities purposes for the then current year to be determined by multiplying the aggregate of the authorized maximum education tax rate and the maximum operation and maintenance tax rate applicable to the district by the last assessed valuation as determined at the time of the issue of the bonds plus 75% of the last known entitlement of such districts to the taxes as by law enacted or amended to replace revenue lost by units of local government as a result of the abolition of the *ad valorem* personal property taxes. The bonds may be issued without submitting the question of issuance to the voters of the Lake Land College district for approval. Before issuing the bonds, however, the Board shall adopt a resolution designating the purpose and fixing the amount of the bonds proposed to be issued, the maturity, the rate of interest, and the amount of taxes to be levied annually for the purpose of paying the principal and interest. The bonds shall be issued in the corporate name of Lake Land College and will be signed by the Chairperson and Secretary of the Lake Land College Board of Trustees.

The Board, by resolution before or at the time of issuing the bonds, shall provide for the levy and collection of a direct annual tax upon the taxable property within Lake Land College's district sufficient to pay the principal at maturity and to pay the interest as it falls due.

All monies derived from this tax, when received by the Lake Land College treasurer, shall be set apart in a fund specified for working cash purposes. The monies in the fund account shall not be regarded as current assets available for appropriations and may not be appropriated by the Board in the annual budget.

Monies may be transferred from the working cash fund to the educational fund or operation and maintenance fund of the College upon the authority of the Board of Trustees, which shall be a resolution directing the Treasurer to make such transfers. The particulars of this resolution are set by State statute.¹

Monies earned as interest from the investment of the working cash fund or any portion thereof may be transferred from the working cash fund to the educational fund or operations and maintenance fund of the College without any requirement of repayment to the working cash fund when authorized by a separate resolution of the Board of Trustees.

¹ 110 ILCS 805/3-33.1 through 33.6