



To: Dr. Mike Riggle
Board of Education

From: Dr. R.J. Gravel

Date: Monday, July 24, 2017

Re: Resolution Abating the Working Cash Fund

Recommendation

It is recommended that the Board of Education approve the Resolution Abating the Working Cash Fund as presented.

Background

During the preparation of the 2017-2018 Tentative Budget, it was identified that the Transportation Fund's balance will be depleted this fiscal year. This situation has been caused as a result of delayed Special Education transportation categorical payments, which have historically been delayed for several years. Additionally, the Board of Education's decisions to subsidize the student transportation program (e.g. bus passes), have further reduced the fund balance of the Transportation Fund.

It should be noted that while the Transportation Fund has been reduced over time, the overall Operating Fund balance remains healthy and well above the Board's 33% fund balance guideline. Additional information about the District's fund balance can be found in the Executive Summary of the 2017-2018 Tentative Budget.

To ensure that the Transportation Fund does not end with a negative balance at the close of the fiscal year, it is recommended that the Board of Education permanently transfer (abate) \$2,000,000 from the Working Cash Fund (70) to the Transportation Fund (40). By formally abating these funds, the Business Services department will be authorized to make an accounting entry to notate the increase of the Transportation Fund, and the decrease of the Working Cashing Fund. This type of permanent transfer is permitted by Illinois School Code, with the approval of the Board of Education.

**A RESOLUTION ABATING THE WORKING CASH FUND OF
NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225,
COOK COUNTY, ILLINOIS**

WHEREAS, this Board of Education has heretofore created and established a working cash fund in and for the District; and

WHEREAS, the Board has determined and does hereby determine that it is necessary and in the best interests of the District that the Working Cash Fund be abated; and

WHEREAS, Section 20-10 of the Illinois School Code authorizes the Board to abate the Working Cash Fund at any time and to make the subject transfer, provided that the District maintains an amount to the credit of the Working Cash Fund, including taxes levied but not yet collected, equal to or greater than 0.05% of the equalized assessed value of the taxable property in the District; and

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Education of Northfield Township High School District No. 225, Cook County, Illinois, as follows:

1. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

2. The Working Cash Fund of the District shall be abated as of the date hereof by the amount (the "Abatement Amount") of \$2,000,000.

3. The School Treasurer of the District is hereby authorized and directed to forthwith permanently transfer the Abatement Amount to the Transportation Fund of the District, this fund being herein found by this Board as being the fund of the District most in need of the moneys being so transferred.

4. With the reduction of the balance of the Working Cash Fund by the Abatement Amount, the District will still maintain an amount to the credit of the Working Cash Fund to permit such transfer under Section 20-10 of the Illinois School Code.

5. If necessary to effectuate such abatement and permanent transfers, outstanding loans from the Working Cash Fund to any other funds of the District in an amount, together with any cash immediately transferred pursuant to Section 3 above, equal in the aggregate to the Abatement Amount shall be paid to the Transportation Fund of the District in the amounts as appropriate, and any remaining outstanding loans shall be paid to the Working Cash Fund at the time and in the manner required by the School Code.

6. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

7. All resolutions or parts thereof in conflict herewith by and the same are hereby repealed and that this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted this _____ day of _____, 2017.

BOARD OF EDUCATION
NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT
NO. 225
COOK COUNTY, ILLINOIS

By: _____
Skip Shein, President

Attest: _____
Rosanne Williamson, Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Education, Northfield Township High School District 225, Cook County, and that as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing is a full, true and complete copy of a Resolution adopted by the Board of Education at a meeting of said Board held on the ____ day of _____, 2017.

I do further certify that the deliberations of the Board of the adoption of said Resolution were conducted openly, that the vote on the adoption of said Resolution were conducted openly, that the vote on the adoption of said Resolution was taken openly, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act and of the School Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board in conduct of said meeting.

IN WITNESS WHEREOF, I have hereunto affixed by official signature this ____ day of _____, 2017.

Rosanne Williamson
Secretary, Board of Education,
Northfield Township High School
District No. 225,
Cook County, Illinois