



To: Dr. Mike Riggle
Board of Education

From: Dr. R.J. Gravel

Date: Monday, May 21, 2018

Re: Resolution Authorizing Permanent Inter-Fund Transfers for Capital Project Purposes

Recommendation

It is recommended that the Board of Education approve the Resolution Authorizing Permanent Inter-Fund Transfers for Capital Project Purposes in the amount of \$5,000,000. Actual use of funds will still be dependent on subsequent project approvals and the awarding of bids by the Board of Education.

Background

Prior to the issuance of limited life safety bonds in 2016 and 2017, the District had utilized operating revenues or existing fund balance to complete annual capital projects. Given the exhaustion of the capital projects fund from the 2006 referendum proceeds, the District had completed permanent inter-fund transfers to fund several enrollment-driven and routine capital projects including classroom renovations, concrete repairs, paving and asphalt services, and other identified projects. The term that had been used with the Board to describe this type of funding situation was “pay as you go”.

As the District’s leadership team evaluates future needs, several projects have been identified:

- Safety and security enhancements
- Learning spaces initiative (approximately 200 classrooms)
- Routine concrete repairs, paving and asphalt services
- Routine roofing repairs and replacement as needed
- Replacement of existing parking lots based on needs and cycle
- Electrical and mechanical upgrades

As the projects would not be funded with life safety funding sources, the District would fund these projects through existing fund balance. In accordance with 23 Ill. Administrative Code 100.50(d), revenue or other sources of funds can be utilized to pay for capital projects, however, a permanent inter-fund transfer must be approved by the Board of Education authorizing the use of funds. This transfer solely represents an accounting adjustment, required by Illinois Administrative Code.

As of April 30, 2018, the following fund balances are recorded:

- Capital Projects Fund (60) - \$318,150
- Operations and Maintenance Fund (20) - \$12,519,815

Taking into consideration the projects identified above, it is recommended that the Board of Education permanently transfer \$5,000,000 from the Operations and Maintenance Fund to the Capital Projects Fund to provide for future capital projects as approved.

**A RESOLUTION AUTHORIZING PERMANENT INTER-FUND TRANSFERS
FOR CAPITAL PROJECTS PURPOSES**
NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT NO. 225,
COOK COUNTY, ILLINOIS

WHEREAS, by regulation (23 Ill. Administrative Code 100.50(d)), the Illinois State Board of Education requires that when revenues or other sources of funds are pledged to pay for a capital project or acquisition, the moneys shall be transferred into the Capital Projects Fund;

WHEREAS, the Board wishes to authorize expenditures to pay for capital projects using revenues from the Operations and Maintenance Fund;

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

1. The School District Treasurer is authorized and directed to permanently transfer from the Operations and Maintenance Fund to the Capital Projects Fund the sum of Five Million Dollars (\$5,000,000), to be used for District capital project expenditures as authorized by this Board, including but not limited to, the following: enrollment-driven projects, safety and security projects, routine physical plant repairs, and learning spaces furniture and equipment.

2. This resolution shall take effect upon its adoption.

Adopted this 25th day of June, 2018.

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 25th day of June, 2018.

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 25th day of June, 2018.

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