

**Sauk Valley Community College
August 28, 2023**

Action Item 5.4

Topic: Working Cash Fund Borrowing

College Health Metric: Financial Stability – The College uses its revenue prudently while pursuing and utilizing alternative revenue streams. Investment in programs, personnel, processes, and infrastructure are carefully considered and supported by College Planning.

Presented By: Dr. David Hellmich and Kent Sorenson

Presentation:

The Public Community College Act allows for the lending of funds from the Working Cash Fund to the Operating Funds, if needed. A Board Resolution is required authorizing an optional loan of \$2,388,545 and indicating the taxes or other funds anticipated to be received by the College to reimburse the Working Cash Fund. The attached resolution meets these statutory requirements.

Recommendation:

The administration recommends the Board approve the accompanying resolution for the borrowing of \$2,388,545 from the Working Fund to the Operating Funds, if needed.

**RESOLUTION AUTHORIZING TRANSFER OF
WORKING CASH FUNDS**

WHEREAS, the Board of Trustees of Community College District No. 506 has issued and sold working cash funds, and the proceeds thereof have been deposited in a Working Cash Fund; and

WHEREAS, the Public Community College Act (Illinois Compiled Statutes, Chapter 110, Section 805/3-33.6) authorizes the transfer of monies from said Working Cash Fund to the Operating Funds; and

WHEREAS, the Board further states:

- A) That the taxes or other funds in anticipation of the collection or receipt of which the Working Cash Fund is to be reimbursed are approximately \$15,411,642.
- B) The entire amount of taxes extended, or which the Board estimates will be extended or received for the year, in anticipation of the collection of all or a part of which this transfer is to be made is \$6,281,154.
- C) The aggregate amount of warrants or notes heretofore issued under the Community College Act in anticipation of the collection of such taxes, together with the amount of interest accrued and which the Board estimates will accrue thereon is \$0.
- D) The amount of monies which the Board estimates will be derived for the year from state, federal, government and other sources in anticipation of the receipt of all or part of which the transfer herein below is to be made is approximately \$3,926,273.
- E) The aggregate amount of monies heretofore transferred from the Working Cash Fund to the Operating Funds in anticipation of the collection of such taxes or the receipt of such other monies from other sources is 0.

NOW, THEREFORE, BE IT RESOLVED, that the Treasurer of the District be and is hereby directed to transfer from the Working Cash Fund up to \$2,388,545 to the Operating Funds.

Adopted: August 28, 2023

Chairman, Board of Trustees

Secretary, Board of Trustees