
Operational Services

Incurring Debt

The Superintendent or designee shall provide early notice to the Board of Education of the District's need to borrow money. The Superintendent or designee shall prepare all documents and notices necessary for the Board of Education, at its discretion, to issue State Aid Anticipation Certificates, tax anticipation warrants, working cash fund bonds, bonds, notes, and other evidence of indebtedness.

Debt Management Policy

The following considerations will be addressed prior to the District issuing debt for any purpose:

- **The debt issued shall be in accordance with applicable State of Illinois And Federal Statues. The Board shall avoid issuing debt for operating expenses unless needed to meet short-term cash flow needs.**
- **In order to access the credit markets at the lowest borrowing cost possible, the District shall maintain operating reserves at a level equal to or greater than 35% of the next fiscal year's operating budget.**
- **Changes in fiscal conditions that would adversely affect the district's credit rating shall be promptly reported to the Board of Education.**
- **The length of maturity of any debt instrument will not exceed the average life of the asset being financed.**

LEGAL REF.: 30 ILCS 305/2.

50 ILCS 420/5.

105 ILCS 5/17-16, 5/18-18, 5/19-1 et seq.

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