

**8-5-16. Bonds, issuance, authorization**

§ 8-5-16. The corporate authorities of any municipality which is not a home rule unit under the Constitution of 1970 are authorized to issue the bonds of such municipality without referendum subject to the limitation contained herein. Such bonds shall be payable from ad valorem tax receipts. The amount of such bonds, together with other bonds issued pursuant to this Section and outstanding, shall not exceed at the time of issue one-half of 1% of the assessed value of all of the taxable property located within the municipality.

Such bonds shall be authorized by a bond ordinance adopted by the corporate authorities of the municipality. The bond ordinance shall make provision for the payment of the principal of and interest on the bonds by the levy of a direct annual irrevocable tax upon all of the taxable property within the municipality. A properly certified copy of the bond ordinance shall be filed in the office of the county clerk of each county in which any portion of the municipality is situated. Such county clerk or clerks shall extend the taxes levied in the bond ordinance for collection against all of the taxable property situated within the municipality. The taxes levied in the bond ordinance shall be extended annually by the county clerk or clerks without limitation as to rate or amount and such taxes shall be in addition to and in excess of all other taxes levied or authorized to be levied by the municipality.

Bonds heretofore or hereafter issued and outstanding which are approved by referendum, bonds issued under this Section which have been paid in full or for which provision for payment has been made by an irrevocable deposit of funds in an amount sufficient to pay the principal and interest on any such bonds to their respective maturity date, non-referendum bonds issued pursuant to other provisions of this Code, and bonded indebtedness assumed from another municipality, shall not operate to limit in any way the right of the municipality to issue its non-referendum bonds in accord with this Section.

Amended by P.A. 79-832, § 1, eff. Oct. 1, 1975.

**DIVISION 6. WORKING CASH FUND IN MUNICIPALITIES OF 500,000 OR MORE**

Par.

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**8-6-1. Creation and maintenance**

§ 8-6-1. In each municipality with a population of more than 500,000, a fund to be known as a working cash fund may be created, set apart, maintained, and administered in the manner prescribed in this Division 6, for the purpose of enabling the municipality to have in its treasury at all times sufficient money to meet demands thereon for ordinary and necessary expenditures for corporate purposes and payment of corporate liabilities.

**8-6-2. Issuance of bonds**

§ 8-6-2. For the purpose of creating a working cash fund, the corporate authorities may incur an indebtedness

and issue bonds therefor in an amount not exceeding in the aggregate \$20,000,000 in addition to all bonded indebtedness authorized for that purpose prior to July 1, 1949.

These bonds shall bear interest at a rate of not more than 7% annually and shall mature within 20 years from the date thereof. The corporate authorities may provide that the ordinance authorizing the issuance of these bonds shall be operative and valid without the submission thereof to the electors of the municipality for approval in accordance with the requirements of Sections 8-4-1 and 8-4-2. The corporate authorities before or at the time of issuing these bonds, shall provide for the collection of a direct annual tax upon all the taxable property in the issuing municipality, sufficient to pay and discharge the principal thereof at maturity and to pay the interest thereon as it falls due.

The amendatory Acts of 1971, 1972 and 1973 are not a limit upon any municipality which is a home rule unit. Amended by P.A. 78-211, § 1, eff. July 18, 1973.

**8-6-3. Tax levy**

§ 8-6-3. For the purpose of providing money for such a working cash fund, the corporate authorities also have the power to levy annually, upon all the taxable property in the municipality, a tax of not to exceed .06% upon the value, as equalized or assessed by the Department of Local Government Affairs, of that property for purposes of taxation for the year in which each such levy is made.

The collection of this tax shall not be anticipated by the issuance of any warrants drawn against the tax. This tax shall be levied and collected, except as otherwise provided in this section, in like manner as are the general taxes of the collecting municipality. It shall be known as the working cash fund tax and shall be in addition to the maximum of all other taxes which that municipality is now, or may be hereafter, authorized by law to levy upon the taxable property within the municipality.

This tax may be levied by a separate ordinance prior to March 28 in each year. This tax may be levied for the purpose specified in this section, without any appropriation thereof being made in the annual or supplemental appropriation ordinance.

No tax shall be levied under this section if the municipality has previously issued the maximum amount of bonds permitted under Section 8-6-2.

Amended by P.A. 77-863, § 1, eff. Aug. 17, 1971.

**8-6-4. Use of fund**

§ 8-6-4. All money received from the issuance of bonds as authorized in Section 8-6-2, or from any tax levied pursuant to the authority granted by Section 8-6-3, shall be set apart in the specified working cash fund by the municipal treasurer and shall be used only for the purposes and in the manner provided in this section. The fund and the money therein shall not be regarded as current assets available for appropriation and shall not be appropriated by the corporate authorities in the annual appropriation ordinance.

In order to provide money with which to meet ordinary and necessary disbursements for salaries and other corporate purposes, the fund may be transferred in whole or in part to the general corporate fund of the municipality and so disbursed therefrom in anticipation of the collection of any taxes lawfully levied for general corporate purposes, or in the anticipation of such taxes, as by law now or hereaf-