

PRELIMINARY TERM SHEET DATED OCTOBER 2, 2020

**Bloomington Park District,
DuPage County, Illinois**

\$723,695* General Obligation Limited Tax Park Bonds, Series 2020

Issuer: Bloomington Park District, DuPage County, Illinois (the "District").

Issue: \$723,695* General Obligation Limited Tax Park Bonds, Series 2020 (the "Bonds").

Pricing Date: October 15, 2020 by 10:15 A.M. C.D.T.

Award Date: October 19, 2020.

Dated/Delivery Date: November 4, 2020.

Purchaser: _____,
("Purchaser").

Interest Payment Date: Interest is due on October 15, 2021. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Principal Due: October 15, 2021.

Maturity, Amount	Maturity	Principal	Interest	
Interest Rate and Yield:	<u>October 15</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>
	2021	\$723,695	_____%	_____%

Purchase Price: No less than par.

Good Faith Deposit: A good faith deposit will **NOT** be required.

Bank Qualification: The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Legal Opinion/Tax Exemption: Ice Miller LLP, Chicago, Illinois, Bond Counsel ("Bond Counsel"), will provide an opinion as to the validity of, and federal tax exemption of the interest on, the Bonds. Interest on the Bonds is **not** exempt from present State of Illinois income taxes.

Registrar/Paying Agent: The Purchaser will act as bond registrar and paying agent on the Bonds, unless an agent is appointed by the Purchaser. However, such appointment will be made at the expense of the Purchaser.

Registered or Book-Entry: The Bonds will be registered in the name of the Purchaser unless otherwise requested by the Purchaser.

Rule G-34, as Amended: Rule G-34, as amended, extends to non-dealer municipal advisors the requirement that a municipal advisor obtain a CUSIP number when advising on a competitive transaction in municipal securities.

Rule G-34, as amended, provides a principles-based exception from the CUSIP number requirements for municipal advisors in competitive sales when selling a new issue of municipal securities in certain circumstances where the municipal advisor reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity is to hold the municipal securities to maturity or earlier redemption or mandatory tender.

*Subject to change

PRELIMINARY TERM SHEET DATED OCTOBER 2, 2020

**Bloomington Park District, DuPage County, Illinois
\$723,695* General Obligation Limited Tax Park Bonds, Series 2020**

Rule G-34, as Amended (cont.): Specifically, Rule G-34(a)(i)(F) provides as follows: “(F) [A] municipal advisor advising the issuer with respect to a competitive sale of a new issue, which is being purchased directly by a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer ... may elect not to apply for assignment of a CUSIP number or numbers if the ... municipal advisor reasonably believes (e.g., by obtaining a written representation) that the present intent of the purchasing entity or entities is to hold the municipal securities to maturity”

Should your bid be the best bid and should this not be relevant in your situation please advise Speer Financial, Inc. immediately.

Authorization: The Bonds are being issued pursuant to the Park District Code of the State of Illinois and the Local Government Debt Reform Act of the State of Illinois, each as supplemented and amended, and an ordinance to be adopted by the Board of Park Commissioners of the District on the Award Date.

Purpose: Proceeds of the Bonds will be used to provide the revenue source for outstanding obligations of the District, as listed below, to fund various capital projects, and to pay the costs of issuance of the Bonds.

<u>Issue</u>	<u>Payment Date</u>	<u>Debt Service</u>
General Obligation Park Bonds (Alternate Revenue Source), Series 2012B	12/15/2020	\$505,300

Security: In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is, however, limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Tax Extension Limitation Law").

PRELIMINARY TERM SHEET DATED OCTOBER 2, 2020

**Bloomington Park District, DuPage County, Illinois
\$723,695* General Obligation Limited Tax Park Bonds, Series 2020**

Security (cont.):

The Debt Reform Act provides that the Bonds are payable from the debt service extension base of the District (the "Base"), which is an amount equal to that portion of the extension for the District for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum, increased each year, commencing with the 2009 levy year, by the lesser of 5% or the percentage increase in the Consumer Price Index (as defined in the Tax Extension Limitation Law) during the 12-month calendar year preceding the levy year. The amount of the Base for the 2020 levy year is \$833,302.31. The Tax Extension Limitation Law further provides that the annual amount of taxes to be extended to pay the Bonds and all other limited bonds heretofore and hereafter issued by the District shall not exceed the Base.

The Bonds constitute one of three series of limited bonds of the District which are payable from the Base. The Bonds are being issued on a parity with the General Obligation Limited Tax Refunding Park Bonds Series 2010B and the General Obligation Limited Tax Park Bonds, Series 2016A. The District is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds.

**Illinois Property Tax
Extension Limitation Law:**

The District, as a non-home rule unit of local government located in DuPage County, Illinois, became subject to the Tax Extension Limitation Law in 1991 pursuant to a legislative action by the General Assembly. The effect of the Tax Extension Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless the obligations first are approved at a direct referendum, are alternate bonds or are for certain refunding purposes.

Public Act 89-385, effective August 18, 1995, permits local governments, including the District, to issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

*Subject to change

PRELIMINARY TERM SHEET DATED OCTOBER 2, 2020

**Bloomington Park District, DuPage County, Illinois
\$723,695* General Obligation Limited Tax Park Bonds, Series 2020**

- Denomination:** \$100,000 and \$5.00 multiples thereafter.
- Municipal Advisor:** Speer Financial, Inc., Chicago, Illinois.
- Expenses:** The District will pay for the legal opinion and municipal advisor's fee. At closing, the District will deliver one typed bond per maturity.
- Optional Redemption:** The Bonds are not subject to redemption prior to maturity.
- Credit Rating:** A credit rating will not be requested for the Bonds.
- Secondary Market Disclosure:** This Bond issue is not subject to the continuing disclosure provisions of Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.
- Investor Letter:** The purchaser will be required to execute an investor letter, in the form attached as Appendix B, wherein the purchaser will certify to the District and Bond Counsel that it (i) is acquiring the Bonds for its own account and solely for investment purposes and not with a view to any distribution of any Bond or any interest therein or a portion thereof or with any present intention of distributing or selling any Bond or any interest therein or portion thereof and (ii) has knowledge and experience in financial and business matters, including the acquisition and holding of tax-exempt obligations, that it is capable of evaluating the merits and risks of purchasing the Bonds and is able to bear such risks.
- Temporary Municipal Advisor
Private Placement Exemption:** The purchaser acknowledges that Speer is soliciting interest in the above-named transaction pursuant to Securities and Exchange Commission Release No. 34-89074 (June 16, 2020) granting a temporary conditional exemption from the broker requirements of Section 15(a) of the Securities Exchange Act of 1934 for certain activities of registered municipal advisors. In connection with such solicitation please be advised of the following: (a) Speer represents solely the interests of the District with respect to the above-referenced transaction and does not represent the interest of the Purchaser, (b) Speer has not conducted any due diligence on behalf of the Purchaser, (c) Neither Speer Financial, Inc. or the District have engaged a broker-dealer to act as a placement agent with respect to this transaction, (d) the Purchaser may choose to engage the services of a broker-dealer to represent your interests.

President, Board of Park Commissioners

Comprehensive Annual Financial Report for the Fiscal Year Ended May 31, 2019

The financial report of the District contained in this **APPENDIX A** (the “2019 Audit”) was approved by formal action of the Board of Park Commissioners of the District. The District has not requested that its auditor update information contained in the 2019 Audit; nor has the District requested that its auditor consent to the use of the 2019 Audit in this Term Sheet. The financial information contained in the 2019 Audit has not been updated since the date of the 2019 Audit. The inclusion of the 2019 Audit in this Term Sheet in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the 2019 Audit. Questions or inquiries relating to financial information of the District since the date of the 2019 Audit should be directed to June Fergus, Director of Finance and Human Resources.

BLOOMINGDALE PARK DISTRICT, DUPAGE COUNTY, ILLINOIS

\$ _____
GENERAL OBLIGATION LIMITED TAX PARK BONDS, SERIES 2020

CERTIFICATE OF PURCHASER
(Investor Letter)

The undersigned, on behalf of _____ (“_____”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by _____ are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by _____ to purchase the Bonds.

(b) _____ was not given the opportunity to review other bids prior to submitting its bid.¹

(c) The bid submitted by _____ constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.***

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is October __, 2020.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

¹ Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ice Miller LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

By: _____

Name: _____

Dated: November 4, 2020

Board of Park Commissioners:

For the \$723,695* General Obligation Limited Tax Park Bonds, Series 2020 (the "Bonds"), of the Bloomington Park District, DuPage County, Illinois (the "District"), as described in the annexed Preliminary Term Sheet, we will pay \$_____ (no less than par) plus any accrued interest from the dated date of the Bonds to the date of delivery for the Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

MATURITY* – OCTOBER 15

2020 \$723,695 _____%

By submitting a bid, any bidder makes the representation that it understands Ice Miller LLP, Chicago, Illinois ("Bond Counsel") represents the District in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Bond Counsel. The purchaser, should it so choose, agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

ACCOUNT MANAGER INFORMATION

Firm Name:			
Name/Title of Firm Representative:		Direct Phone:	
Signature:		FAX #:	
Street Address:		State:	
City:		Zip Code:	
Email:			

The foregoing bid was accepted and the Bonds sold by ordinance of the Board of Park Commissioners of the District on October 19, 2020.

BLOOMINGTON PARK DISTRICT, DUPAGE COUNTY, ILLINOIS

President, Board of Park Commissioners

----- **NOT PART OF THE BID** -----
 (Calculation of net interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	%
TOTAL BOND YEARS DOLLARS	\$669.71	
AVERAGE LIFE	0.947 Years	Years

*Subject to change.