

PRELIMINARY TERM SHEET DATED FEBRUARY 1, 2018

**Kingsbury Park District,
Bond County, Illinois**

\$575,000* General Obligation Park Bonds, Series 2018

Issuer: Kingsbury Park District, Bond County, Illinois (the "District").

Issue: \$575,000* General Obligation Bonds, Series 2018 (the "Bonds").

Bid(s) Due: February 15, 2018 by 10:15 A.M. C.S.T.

Award Date: February 20, 2018.

Dated/Delivery Date: February 27, 2018.

Method of Sale: Competitive.

Purchaser: _____, _____, _____.

Interest Payment Dates: The Bonds will pay interest semi-annually on each December 15 and June 15 commencing on December 15, 2018. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Principal Due: Annually each December 15 as shown below.

Maturities, Amounts Interest Rates and Yields:	<u>Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>
	<u>December 15</u>			
	2018	\$185,000	_____%	_____%
	2019	\$194,000	_____%	_____%
	2020	\$196,000	_____%	_____%

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: Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, will provide an opinion as to the validity 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 or, if requested by the Purchaser, The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. In the event of the latter, the ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC, and no physical delivery of the Bonds will be made to the Purchaser.

*Subject to change

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\$575,000* General Obligation Park Bonds, Series 2018**

- 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 for various capital projects and to pay the costs of issuance of the Bonds.
- 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 or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.
- Illinois Property Tax Extension Limitation Law:** The District is **NOT** currently subject to the Property Tax Extension Limitation Law of the State of Illinois, as amended.
- Denomination:** \$1,000 each and authorized integral multiples thereof.
- 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.

President, Board of Park Commissioners

Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2016

The financial report of the District contained in this **APPENDIX A** (the "2016 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 2016 Audit; nor has the District requested that its auditor consent to the use of the 2016 Audit in this Term Sheet. The financial information contained in the 2016 Audit has not been updated since the date of the 2016 Audit. The inclusion of the 2016 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 2016 Audit. Questions or inquiries relating to financial information of the District since the date of the 2016 Audit should be directed to Jerry Sauerwien.

Board of Park Commissioners:

For the \$575,000* General Obligation Bonds, Series 2018 (the "Bonds"), of the Kingsbury Park District, Bond 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* – DECEMBER 15

\$185,000..... 2018 ____% \$194,000..... 2019 ____% \$196,000..... 2020 ____%

By submitting a bid, any bidder makes the representation that it understands Chapman and Cutler 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 District on February 20, 2018.

KINGSBURY PARK DISTRICT, BOND 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	1,046 Years	Years
AVERAGE LIFE	1.819 Years	Years

*Subject to change.