

PRELIMINARY TERM SHEET DATED OCTOBER 6, 2020

**Skokie Park District, Cook County, Illinois
\$2,899,000* General Obligation Limited Tax Park Bonds, Series 2020**

Issuer: Skokie Park District, Cook County, Illinois (the "District").

Issue: \$2,899,000* General Obligation Limited Tax Park Bonds, Series 2020 (the "2020 Bonds").

Bid(s) Due: October 19, 2020 by 10:15 A.M. C.S.T.

Award Date: October 20, 2020.

Dated/Delivery Date: November 5, 2020.

Method of Sale: Competitive.

Purchaser: _____, _____, _____ (the "Purchaser").

Interest Payment Date: Interest is due on November 1, 2021. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Principal Due: November 1, 2021.

Maturity, Amount, Interest Rate and Yield:

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Yield</u>
<u>November 1</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>
2021	\$2,899,000	_____%	_____%

Purchase Price: No less than par.

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

Bank Qualification: The 2020 Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Legal Opinion/Tax Exemption: Katten Muchin Rosenmann LLP, Chicago, Illinois, Bond Counsel, will provide an opinion as to the validity and federal tax exemption of the interest on the 2020 Bonds. Interest on the 2020 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 2020 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 2020 Bonds will be registered in the name of the Purchaser unless otherwise requested by the Purchaser.

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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 for municipal advisors in competitive sales from the CUSIP number requirements 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. 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 2020 Bonds are being issued pursuant to the Park District Code of the State of Illinois, the Park District Refunding Bond Act 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 2020 Bonds will be used to refund certain outstanding obligations of the District, as listed below, to fund various capital projects and to pay the costs of issuance of the 2020 Bonds.

<u>Issue</u>	<u>Payment Date</u>	<u>Debt Service</u>
General Obligation Park Bonds (Alternate Revenue Source), Series 2001B	12/1/2020	<u>\$2,300,000</u>
	Total Prior Obligations	\$2,300,000

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Security:

In the opinion of Bond Counsel, the 2020 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 2020 Bonds and the enforceability of the 2020 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 2020 Bonds is limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Tax Extension Limitation Law").

The Debt Reform Act provides that the 2020 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 1994 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 \$2,928,035.83. The Tax Extension Limitation Law further provides that the annual amount of taxes to be extended to pay the 2020 Bonds and all other limited bonds hereafter issued by the District shall not exceed the Base.

The 2020 Bonds will be the only series of limited bonds of the District which are payable from the Base for the 2020 levy year. 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 Cook County, Illinois, became subject to the Tax Extension Limitation Law in 1994 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.

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- Denomination:** \$100,000 or integral multiples of \$5.00 in excess thereof.
- Municipal Advisor:** Speer Financial, Inc., Chicago, Illinois (“Speer”).
- Expenses:** The District will pay for the legal opinion and municipal advisor’s fee. At closing, the District will deliver one typed Bond.
- No Prior Redemption:** The 2020 Bonds are not subject to redemption prior to maturity.
- Credit Rating:** A credit rating will not be requested for the 2020 Bonds.
- Secondary Market Disclosure:** The 2020 Bonds are 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, 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 nor the District has 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 its interests.

President, Board of Park Commissioners

Comprehensive Annual Financial Report for the Fiscal Year Ended April 30, 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 William Schmidt, Superintendent of Business Services.

Board of Park Commissioners:

For the \$2,899,000* General Obligation Limited Tax Park Bonds, Series 2020 (the "2020 Bonds"), of the Skokie Park District, Cook 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 2020 Bonds to the date of delivery for the 2020 Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%).

MATURITY* – NOVEMBER 1

\$2,899,000..... 2020 _____%

By submitting a bid, any bidder makes the representation that it understands Katten Muchin Rosenmann 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 2020 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 2020 Bonds with the CUSIP numbers as entered on the 2020 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 2020 Bonds sold by ordinance of the Board of Park Commissioners of the District on October 20, 2020.

SKOKIE PARK DISTRICT, COOK 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 YEAR DOLLARS	2,866.79	
AVERAGE LIFE	0.989 Years	Years

*Subject to change.