



Special Meeting
Board of Commissioners
910 N Gary Ave
Carol Stream, Illinois

July 22, 2019
6:00 pm

**NOTICE OF SPECIAL MEETING OF
THE BOARD OF PARK COMMISSIONERS OF THE
CAROL STREAM PARK DISTRICT, DUPAGE COUNTY, ILLINOIS**

PUBLIC NOTICE IS HEREBY GIVEN that the Board of Park Commissioners of the Carol Stream Park District, DuPage County, Illinois (the "Park Board") will hold a special meeting of the Park Board on the 22nd day of July, 2019, at 6:00 o'clock P.M., at the Fountain View Recreation Center, 910 North Gary Avenue, Carol Stream, Illinois.

The Agenda for the Meeting is as follows:

1. Discussion regarding possible issuance of (a) \$3,000,000 General Obligation Limited Tax Park Bonds for payment of land condemned or purchased for parks, for the building, maintaining, improving and protecting of the same and the existing land and facilities of the District and payment of the expenses incident thereto and/or (b) General Obligation Refunding Park Bonds for the purpose of refunding certain outstanding bonds of the District in order to restructure the debt burden of the District.

DATED the 19th day of July, 2019.

Jim Reuter
Secretary, Board of Park
Commissioners,
Carol Stream Park District,
DuPage County, Illinois



Bond Refinancing and Issuance Options
 July 22, 2019

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From: Jim Reuter
Sent: Friday, July 12, 2019 1:49 PM
Subject: Information for Meeting July 22, 2019 6pm FVRC
Attachments: Commissioners.pdf; 7-12-19 graphs (3).pdf

Commissioners,

Attached is some new information and Graphs for the July 22 meeting as requested by the board.

As this information is sometimes overwhelming we have also decided to print it out for your viewing pleasure and deliver it to your house along with the information we shared on July 8, 2019 (it will be delivered on Monday)

Also available, and I encourage any of you that did not attend the last Finance Committee meeting, to visit the portal and take the time to LISTEN to the taped session of the last Finance Committee Meeting (approx.. 60 minutes)

To access recording:

Go to the Board Portal and Log on using the password IVolunteered!

Scroll down to Committees

Scroll down to the Finance Committee

And then find the recording labeled 2019-07-08 Recording

Thank you all for your patience...have a great weekend!

Jim

Jim

Jim Reuter

Executive Director

849 West Lies Road, Carol Stream, IL 60188

Phone: 630-784-6100 Fax: 630-372-9622

Email: jimr@csparks.org



Please do not print this email unless it is absolutely necessary. Help foster environmental awareness.



Commissioners,

As requested, below are condensed bullet points outlining the question being placed before the Board regarding refinancing existing debt, with the option for issuing additional non-referendum bonds not to exceed \$3,000,000. Graphs are attached to your e-mail and full packet of the documents will be delivered to your house on Monday.

The Board will be asked to discuss and possibly vote on one of these three options at the Special Board Meeting scheduled for July 22 at 6:00 pm.

This information was presented to the Board on July 8 because of recent economic and municipal market conditions including:

- ✓ Interest rates have taken a surprising turn since March 2019
- ✓ Restructuring can only occur with available statutory borrowing margin;
 - Bond repayments and EAV recovery has created that margin.
 - The hypothetical restructuring only uses about half of that margin; retaining the other half for possible future use.
 - Future EAV declines no matter how unlikely, could possible inhibit the District from exploring this option at a later date.

The Board is being asked to vote to:

#1: Do Nothing – Graph #1

- Continue to make existing debt payments.
- No further action required by the Board until other opportunities are available.

#2: Refinance Existing Bonds – Graph #2

- No new money.
- Refinances a portion of existing debt at lower interest rates, and eliminates spikes in bond payments creating more consistent payments through 2037.
- Does not extend repayment; voter approved bonds will still mature in 2037.
- Continue to monitor outstanding bonds for optimal market conditions again.

#2: Next Steps would then be:

- July 22nd – Board gives direction to proceed with refinance/restructuring.
- August 12th – Board adopts Parameters Ordinance for refinance/restructuring only.
- August 13th - 31st – Bond Sale occurs - no board action required.
- September 1st – 15th - Bond issue would close – no board action required.

#3: Refinance Existing Bonds, and Issue up to \$3,000,000 in New Money under Debt Service Extension Base (non-referendum authority) – Graph #3A, #3B

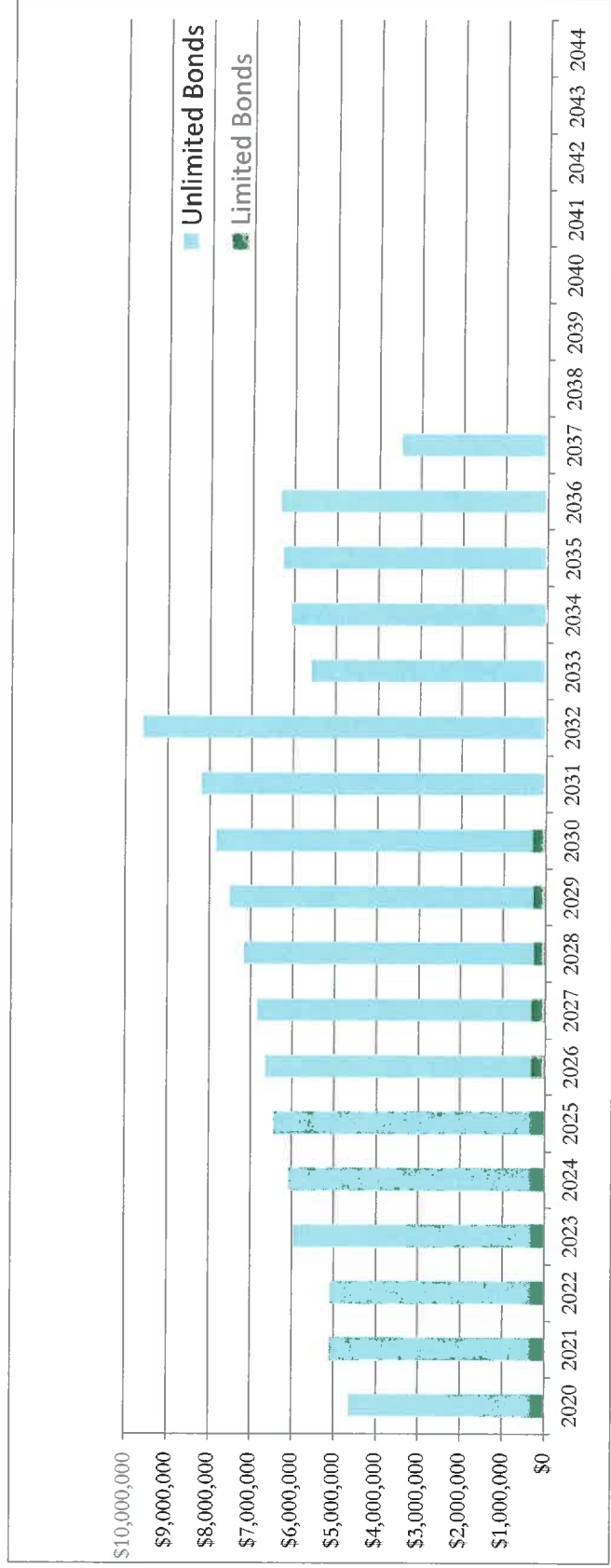
- Provides new capital money (up to \$3,000,000, or any value under that amount) for projects (Graph #3A).
- Refinances a portion of existing debt at lower interest rate, and eliminates spikes in bond payments – creating consistent payment for existing bonds through 2037.
- If we wish to keep payments for Refinanced Bonds and New Money capped at \$7M, we can add another partial payment of restricted bonds in 2038, and \$381,578 payments for years 2031-2044 (Graph #3B).
- Extends bond payments of \$381,578 for years 2031-2044 to cover the non-referendum bonds.

#3: Next Steps would then be:

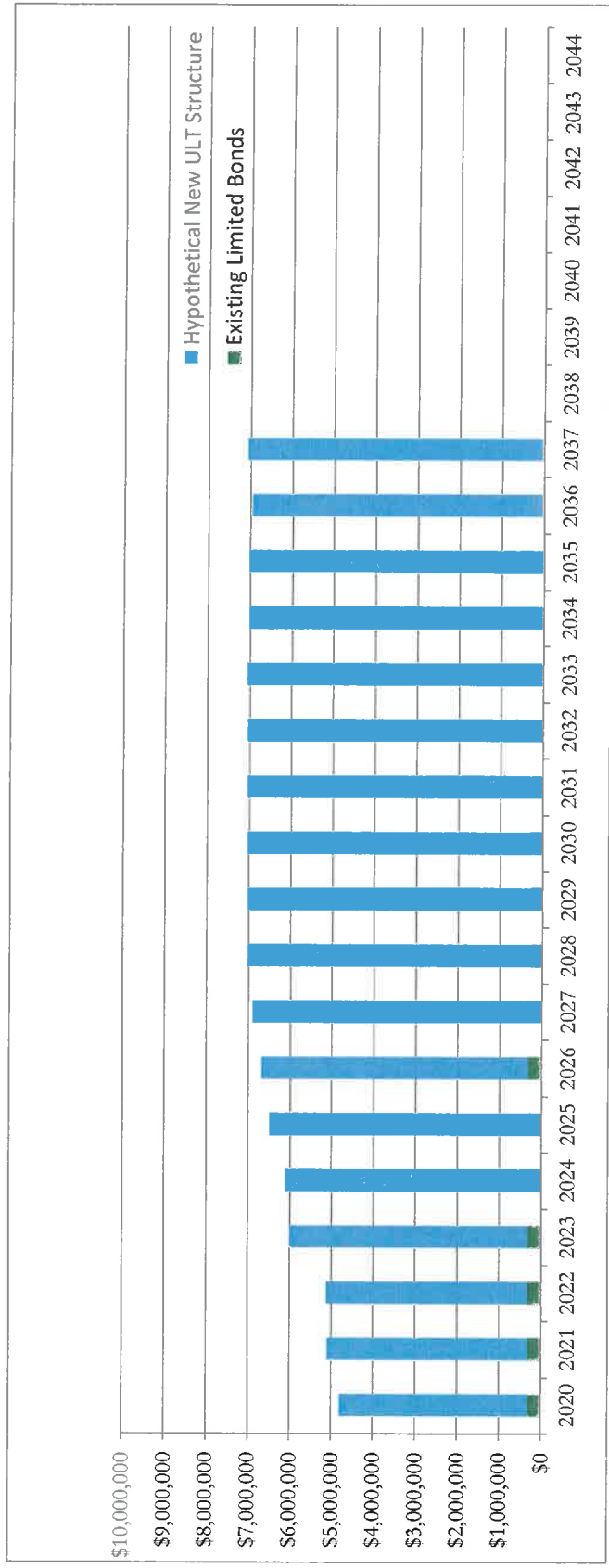
- July 22nd – Board President signs Order Calling a Public Hearing (Bond Issue Notification Act or BINA).
- August 1st – Park District publishes Notice Calling a Public Hearing (drafted by Chapman).
- August 12th – Board conducts BINA Hearing during scheduled Meeting (agenda items from Chapman).
- August 26th – Board adopts Parameters Ordinances for New Money and Restructuring.
- August 28th (approx.) – Bond Sale occurs – no board action required.
- September 20th (approx.) – Bond Closing occurs – Bond proceeds available for projects – no board action required.

None of the options being posed will jeopardize the \$15 million of special legislation. A few years ago, this refinancing for savings would not have been possible; the same is true for the issuance of funding for additional capital repairs. We don't know when, or if these conditions will return. Staff recommends refinancing existing bonds, and the issue of up to \$3,000,000 of new money under the Debt Service Extension Base, and presents this information for a Board decision.

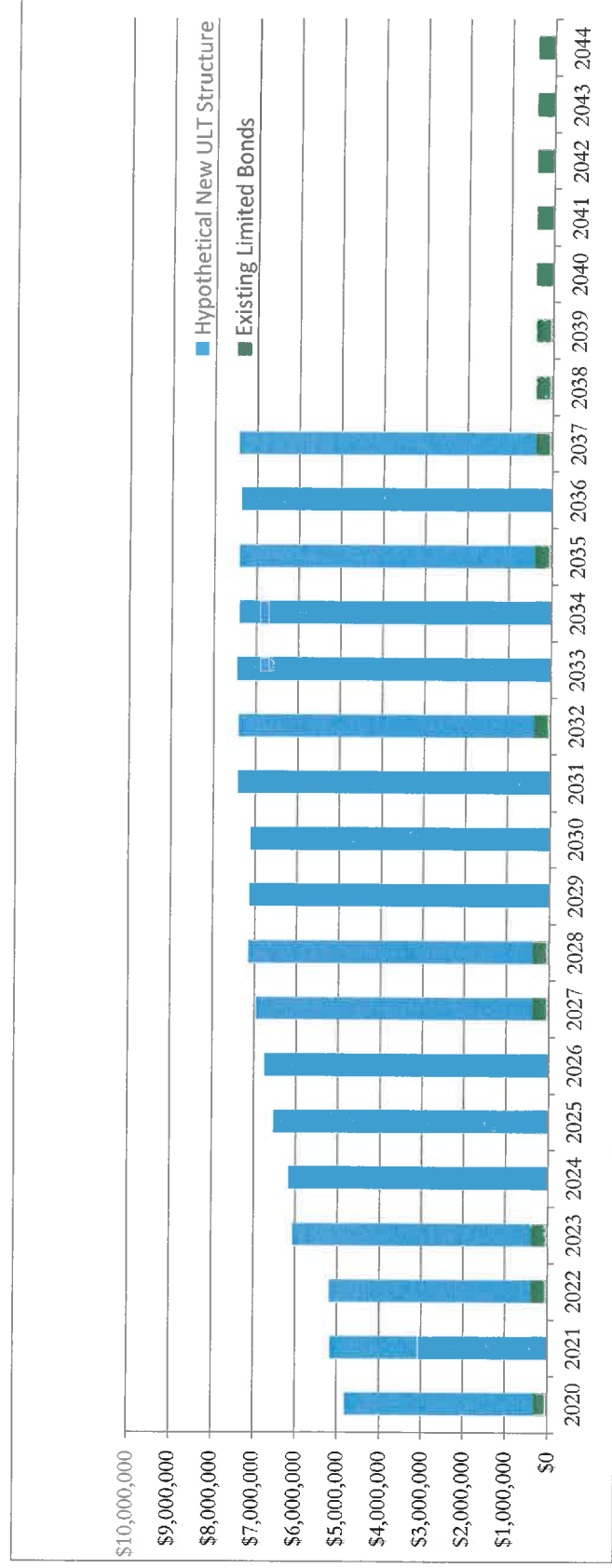
#1: Do Nothing (Existing Debt)



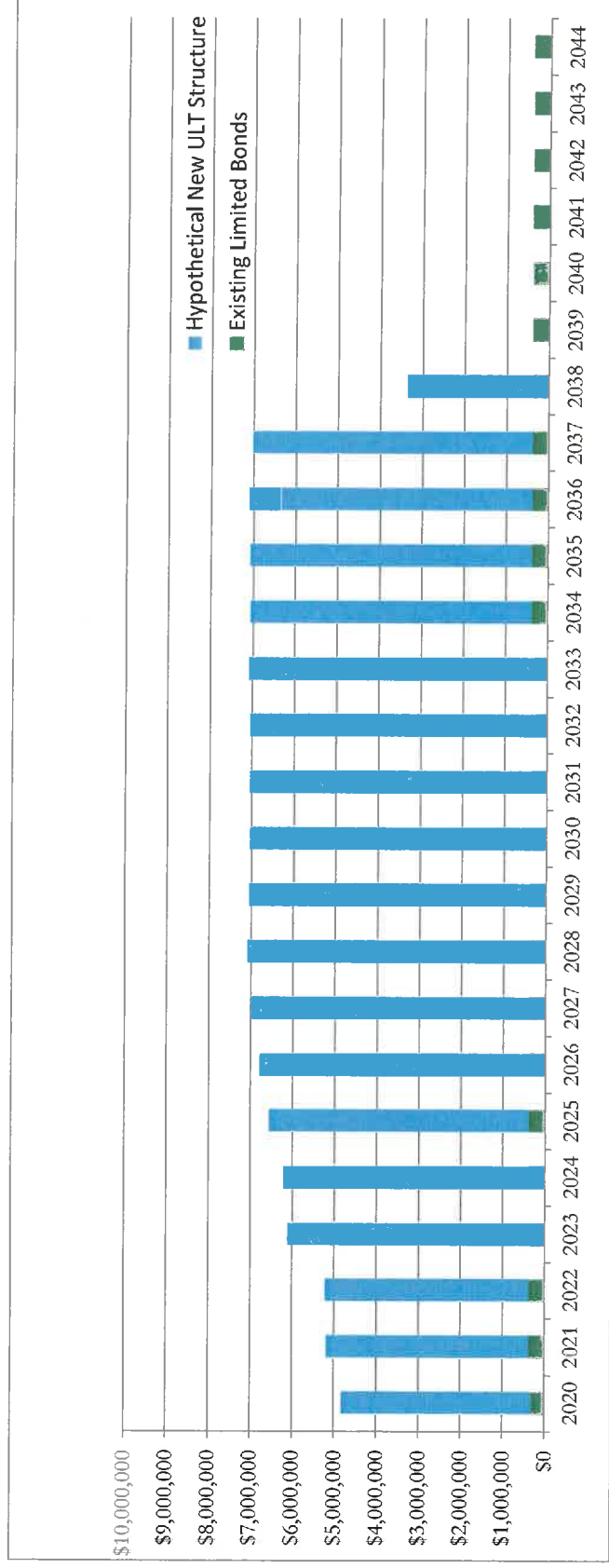
#2: Refinance Existing Bonds/No New Money



#3(A): Refinance Existing Bonds and \$3 Million New Money (\$7.4 Million Max Levy)



#3(B): Refinance Existing Bonds and \$3 Million New Money (\$7.0 Million Max Levy)



ORDER calling a public hearing concerning the intent of the Board of Park Commissioners of the Carol Stream Park District, DuPage County, Illinois, to sell \$3,000,000 General Obligation Limited Tax Park Bonds.

* * *

WHEREAS, the Carol Stream Park District, DuPage County, Illinois (the "*District*"), is a duly organized and existing Park District created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Park District Code of the State of Illinois, and all laws amendatory thereof and supplementary thereto, including the Local Government Debt Reform Act of the State of Illinois, as amended; and

WHEREAS, the Board of Park Commissioners of the District (the "*Board*") intends to sell general obligation limited tax park bonds in the amount of \$3,000,000 for the payment of land condemned or purchased for parks, for the building, maintaining, improving and protecting of the same and the existing land and facilities of the District and for the payment of the expenses incident thereto (the "*Bonds*"); and

WHEREAS, the Bond Issue Notification Act of the State of Illinois, as amended, requires the Board to hold a public hearing concerning the Board's intent to sell the Bonds before adopting an ordinance providing for the sale of the Bonds:

NOW, THEREFORE, Be It and It is Hereby Ordered by the undersigned President of the Board of Park Commissioners of the Carol Stream Park District, DuPage County, Illinois, as follows:

1. I hereby call a public hearing to be held at 6:00 o'clock P.M. on the 12th day of August, 2019, at Walter Park, 970 Highridge Pass, Carol Stream, Illinois, in the District, concerning the Board's intent to sell the Bonds and to receive public comments regarding the proposal to sell the Bonds (the "*Hearing*").

2. I hereby direct that the Secretary of the Board (the "Secretary") shall (i) publish notice of the Hearing at least once in the *Carol Stream Press*, the same being a newspaper of general circulation in the District, not less than 7 nor more than 30 days before the date of the Hearing and (ii) post at least 72 hours before the Hearing a copy of said notice at the principal office of the Board, which notice will be continuously available for public review during the entire 72-hour period preceding the Hearing.

3. Notice of the Hearing shall appear above the name of the Secretary and shall be in substantially the following form:

***NOTICE OF PUBLIC HEARING CONCERNING THE INTENT OF
THE BOARD OF PARK COMMISSIONERS OF
THE CAROL STREAM PARK DISTRICT, DUPAGE COUNTY, ILLINOIS
TO SELL \$3,000,000 GENERAL OBLIGATION LIMITED TAX PARK BONDS***

PUBLIC NOTICE IS HEREBY GIVEN that the Carol Stream Park District, DuPage County, Illinois (the "District"), will hold a public hearing on the 12th day of August, 2019, at 6:00 o'clock P.M. The hearing will be held at Walter Park, 970 Highridge Pass, Carol Stream, Illinois. The purpose of the hearing will be to receive public comments on the proposal to sell bonds of the District in the amount of \$3,000,000 for the payment of land condemned or purchased for parks, for the building, maintaining, improving and protecting of the same and the existing land and facilities of the District and for the payment of the expenses incident thereto.

By order of the President of the Board of Park Commissioners of the Carol Stream Park District, DuPage County, Illinois.

DATED the 22nd day of July, 2019.

*Jim Reuter
Secretary, Board of Park
Commissioners,
Carol Stream Park District, DuPage
County, Illinois*

Note to Publisher: Please be certain that this notice appears above the name of the Secretary of the Board.

4. At the Hearing the Board shall explain the reasons for the proposed bond issue and permit persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits. The Board shall not adopt an ordinance selling the Bonds for a period of seven (7) days after the final adjournment of the Hearing.

Ordered this 22nd day of July, 2019.

President, Board of Park Commissioners,
Carol Stream Park District, DuPage County,
Illinois

– Previously Provided Documents

Current Considerations

- Interest rates have taken a surprising turn, with the 10 year treasury dropping nearly 80 basis points since March 1st, 2019
 - This creates an opportune window to borrow, knowing that rates are lower today than they were a few months ago
- Restructuring can only occur with available statutory borrowing margin which the District currently has available
 - The hypothetical restructuring uses about half of that margin, retaining the other half for possible future use
 - Future EAV declines, however unlikely, could possibly inhibit the District from exploring this option at a later date
- None of the aforementioned ideas jeopardize the \$15 million of special legislation
- We will continue to monitor the 2010 Build America Bonds, which could potentially be refinanced as early as summer of 2020 for true interest savings

Overview of Borrowing Limitations

- The District has approximately \$5.6 million of available borrowing margin under the Non-Referendum Debt Limit and approximately \$9.4 million of margin under the overall debt limit as calculated below:

| | Non-Referendum Debt Limit at 0.575% of EAV | Overall Debt Limit at 2.875% of EAV |
|------------------------------|---|--|
| 2018 EAV | \$1,450,414,707 | \$1,450,414,707 |
| Applicable Debt | \$2,960,000 | \$32,253,535* |
| Debt Limit | \$8,339,885 | \$41,699,423 |
| Available Debt Margin | \$5,649,885 | \$9,445,888 |

*Reduced by \$15,000,000 according to special legislation

- The District is presently rated “A2” (stable outlook) by Moody’s Investors Service.
- The District’s Debt Service Extension Base (“DSEB”) is now **\$381,577**. This means that the District may issue certain types of bonds, without referendum, so long as the total annual tax levies to repay those bonds do not exceed the DSEB. Bonds that are subject to DSEB constraints are commonly referred to as Limited Bonds. The District’s DSEB is calculated as follows:

Overview of Borrowing Capabilities

Limited Bonds for Projects (See Handout marked "LT")

- Based on current market interest rates and the current limitations imposed on the District, it is estimated that the District could borrow approximately \$3 million for projects
 - This would require approximately \$1 million of refunding bonds to restructure existing limited bonds in order to continue to comply with the tax caps
- These Bonds do not require voter approval, but do require publications and the 30 day petition period
- The last time the District borrowed for projects, without going to referendum, was the 2010 issuance

Restructuring of Unlimited/Voter-Approved Bonds (See Handout marked "ULI")

- The current debt repayment structure has payments that climb annually from now until 2032, where the annual payment will rise from \$5 million this year to over \$9 million, with the final payment coming in FYE 2037
- These voter approved bonds can be refinanced without voter approval at any time by the Park Board
- Based on current market conditions, the District can restructure the payments creating a new peak payment of approximately \$7 million, without extending the debt any further than FYE 2037
 - This means that the voter approved debt will still fully mature in 2037 and will not further extend that repayment
- Further restructuring can occur in the future so long as there is available borrowing margin

ULT

Carol Stream Park District, Illinois
 Hypothetical Issuance of Taxable Refunding Park Bonds, Series 2019C

| May 1 Bond Year | Existing Debt Service ⁽¹⁾ | Less Refunded Debt Service ⁽²⁾ | Hypothetical Taxable Park Refunding Bonds, Series 2019C ⁽³⁾ | | | | Hypothetical Aggregate Debt Service | Estimated Difference in Debt Service | |
|-----------------|--------------------------------------|---|--|----------------|---------------|--------------------------------------|-------------------------------------|--------------------------------------|--------------------|
| | | | Principal ^(11/1) | Assumed Coupon | Assumed Yield | Interest ^(5/1 & 11/1) | | | Total Debt Service |
| 2020 | \$4,627,730 | (\$15,750) | | | | \$196,444 | \$196,444 | \$4,808,423 | \$180,694 |
| 2021 | \$5,076,885 | (\$231,500) | | | | \$261,925 | \$261,925 | \$5,107,310 | \$30,425 |
| 2022 | \$5,079,555 | (\$211,500) | | | | \$261,925 | \$261,925 | \$5,129,980 | \$50,425 |
| 2023 | \$5,961,101 | (\$211,500) | | | | \$261,925 | \$261,925 | \$6,011,526 | \$50,425 |
| 2024 | \$6,061,194 | (\$211,500) | | | | \$261,925 | \$261,925 | \$6,111,619 | \$50,425 |
| 2025 | \$6,424,679 | (\$211,500) | | | | \$261,925 | \$261,925 | \$6,475,104 | \$50,425 |
| 2026 | \$6,643,126 | (\$211,500) | | | | \$261,925 | \$261,925 | \$6,693,551 | \$50,425 |
| 2027 | \$6,845,728 | (\$211,500) | | | | \$261,925 | \$261,925 | \$6,896,153 | \$50,425 |
| 2028 | \$7,161,224 | (\$391,500) | | | | \$261,925 | \$261,925 | \$7,031,649 | (\$129,575) |
| 2029 | \$7,501,084 | (\$731,906) | | | | \$261,925 | \$261,925 | \$7,031,103 | (\$469,981) |
| 2030 | \$7,831,663 | (\$1,064,250) | | | | \$261,925 | \$261,925 | \$7,029,338 | (\$802,325) |
| 2031 | \$8,182,538 | (\$1,411,500) | | | | \$261,925 | \$261,925 | \$7,032,963 | (\$1,149,575) |
| 2032 | \$9,579,538 | (\$2,808,500) | | | | \$261,925 | \$261,925 | \$7,032,963 | (\$2,546,575) |
| 2033 | \$5,575,988 | | \$1,250,000 | 3.800% | 3.800% | \$238,175 | \$1,488,175 | \$7,064,163 | \$1,488,175 |
| 2034 | \$6,057,188 | | \$750,000 | 3.850% | 3.850% | \$199,988 | \$949,988 | \$7,007,175 | \$949,988 |
| 2035 | \$6,255,094 | | \$600,000 | 3.900% | 3.900% | \$173,850 | \$773,850 | \$7,028,944 | \$773,850 |
| 2036 | \$6,325,000 | | \$500,000 | 3.950% | 3.950% | \$152,275 | \$652,275 | \$6,977,275 | \$652,275 |
| 2037 | \$3,453,750 | | \$3,560,000 | 4.000% | 4.000% | \$71,200 | \$3,631,200 | \$7,084,950 | \$3,631,200 |
| | <u>\$114,643,062</u> | <u>(\$7,923,906)</u> | <u>\$6,660,000</u> | | | <u>\$4,175,031</u> | <u>\$10,835,031</u> | <u>\$117,554,187</u> | <u>\$2,911,125</u> |

Potential Sources and Uses of Funds

Potential Sources of Funds

| | |
|---------------|-------------|
| Par Amount | \$6,660,000 |
| Total Sources | \$6,660,000 |

Potential Uses of Funds

| | |
|--|-------------|
| Deposit to Escrow Fund | \$6,455,380 |
| Assumed Costs of Issuance ⁽⁴⁾ | \$199,800 |
| Rounding Amount | \$4,820 |
| Total Uses of Funds | \$6,660,000 |

| | |
|--|-------------|
| Potential True Interest Cost ⁽⁵⁾ | 4.069% |
| Potential Present Value Cost of Borrowing ⁽⁶⁾ | \$1,134,531 |
| Potential % Present Value Cost of Borrowing ⁽⁶⁾ | -17.03% |



Carol Stream Park District, Illinois
 Hypothetical Issuance of Taxable Refunding Park Bonds, Series 2019C

(1) Existing debt service includes the District's outstanding Series 2008B, 2008D 2008F, 2010A, 2010B, 2010E, 2011A, 2011B and 2016 Bonds.

(2) Assumed the restructuring of a portion of certain maturities of the Series 2011A and 2016.

vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Preliminary, subject to change.

(4) Assumed costs of issuance of 3.0% of the par amount of the bonds. Preliminary, subject to change.

(5) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.

(6) Calculated using the all-inclusive TIC of 4.226% as the discount rate.

Carol Stream Park District, Illinois

Hypothetical Issuance of General Obligation Limited Refunding Park Bonds, Series 2019A and Taxable Limited Refunding Park Bonds, Series 2019B

| May 1 Bond Year | Existing Debt Service (1) | Less Refunded Debt Service (2) | GO Limited Park Refunding Bonds, Series 2019A (3) | | | | Taxable GO Limited Park Refunding Bonds, Series 2019B (3) | | | | Hypothetical Aggregate Debt Service | Estimated Debt Service Extension Base (6) | Estimated Remaining DSEB (6) | | |
|-----------------|---------------------------|--------------------------------|---|----------------|------------------|--------------------|---|----------------|--------------------|--------------------|-------------------------------------|---|------------------------------|-----------|---------|
| | | | Principal | Assumed Coupon | Interest | Total Debt Service | Principal | Assumed Coupon | Interest | Total Debt Service | | | | | |
| | | | (5/1) | | (5/1 & 11/1) | | (11/1) | | (5/1 & 11/1) | | | | | | |
| 2020 | \$322,598 | (\$225,987) | \$80,000 | 4.000% | \$26,100 | \$106,100 | | | | \$118,274 | \$118,274 | \$320,985 | \$381,578 | - | |
| 2021 | \$323,723 | (\$216,966) | \$80,000 | 4.000% | \$31,600 | \$111,600 | | | | \$157,699 | \$157,699 | \$376,055 | \$381,578 | \$5,523 | |
| 2022 | \$324,143 | (\$200,546) | \$80,000 | 4.000% | \$28,400 | \$108,400 | | | | \$157,699 | \$157,699 | \$389,695 | \$381,578 | -\$8,117 | |
| 2023 | \$323,564 | (\$218,497) | \$90,000 | 4.000% | \$25,200 | \$115,200 | | | | \$157,699 | \$157,699 | \$377,965 | \$381,578 | \$3,613 | |
| 2024 | \$322,107 | (\$215,551) | \$90,000 | 4.000% | \$21,600 | \$111,600 | | | | \$157,699 | \$157,699 | \$375,855 | \$381,578 | \$5,723 | |
| 2025 | \$320,192 | (\$217,276) | \$100,000 | 4.000% | \$18,000 | \$118,000 | | | | \$157,699 | \$157,699 | \$378,615 | \$381,578 | \$2,963 | |
| 2026 | \$322,388 | (\$213,512) | \$100,000 | 4.000% | \$14,000 | \$114,000 | | | | \$157,699 | \$157,699 | \$380,575 | \$381,578 | \$1,003 | |
| 2027 | \$318,490 | (\$180,025) | \$75,000 | 4.000% | \$10,000 | \$85,000 | | | | \$157,699 | \$157,699 | \$381,164 | \$381,578 | \$414 | |
| 2028 | \$265,336 | (\$138,115) | \$85,000 | 4.000% | \$7,000 | \$92,000 | | | | \$157,699 | \$157,699 | \$376,920 | \$381,578 | \$4,658 | |
| 2029 | \$283,547 | (\$156,894) | \$90,000 | 4.000% | \$3,600 | \$93,600 | | | | \$157,699 | \$157,699 | \$377,952 | \$381,578 | \$3,626 | |
| 2030 | \$306,375 | (\$86,806) | | | | | | | | \$157,699 | \$157,699 | \$377,267 | \$381,578 | \$4,311 | |
| 2031 | | | | | | | | | \$220,000 | 3.500% | \$157,699 | \$377,699 | \$377,699 | \$381,578 | \$3,880 |
| 2032 | | | | | | | | | \$230,000 | 3.600% | \$149,999 | \$379,999 | \$379,999 | \$381,578 | \$1,580 |
| 2033 | | | | | | | | | \$235,000 | 3.650% | \$141,719 | \$376,719 | \$376,719 | \$381,578 | \$4,860 |
| 2034 | | | | | | | | | \$245,000 | 3.700% | \$133,141 | \$378,141 | \$378,141 | \$381,578 | \$3,437 |
| 2035 | | | | | | | | | \$255,000 | 3.820% | \$124,076 | \$379,076 | \$379,076 | \$381,578 | \$2,502 |
| 2036 | | | | | | | | | \$265,000 | 3.870% | \$114,335 | \$379,335 | \$379,335 | \$381,578 | \$2,243 |
| 2037 | | | | | | | | | \$275,000 | 3.920% | \$104,080 | \$379,080 | \$379,080 | \$381,578 | \$2,499 |
| 2038 | | | | | | | | | \$285,000 | 3.970% | \$93,300 | \$378,300 | \$378,300 | \$381,578 | \$3,279 |
| 2039 | | | | | | | | | \$295,000 | 4.020% | \$81,985 | \$376,985 | \$376,985 | \$381,578 | \$4,593 |
| 2040 | | | | | | | | | \$310,000 | 4.070% | \$70,126 | \$380,126 | \$380,126 | \$381,578 | \$1,452 |
| 2041 | | | | | | | | | \$320,000 | 4.120% | \$57,509 | \$377,509 | \$377,509 | \$381,578 | \$4,069 |
| 2042 | | | | | | | | | \$335,000 | 4.170% | \$44,325 | \$379,325 | \$379,325 | \$381,578 | \$2,253 |
| 2043 | | | | | | | | | \$350,000 | 4.220% | \$30,356 | \$380,356 | \$380,356 | \$381,578 | \$1,223 |
| 2044 | | | | | | | | | \$365,000 | 4.270% | \$15,586 | \$380,586 | \$380,586 | \$381,578 | \$993 |
| | <u>\$3,432,462</u> | <u>(\$2,070,176)</u> | <u>\$870,000</u> | | <u>\$185,500</u> | <u>\$1,055,500</u> | | | <u>\$3,985,000</u> | | <u>\$3,013,491</u> | <u>\$6,998,491</u> | <u>\$9,416,278</u> | | |

| Potential Sources and Uses of Funds | |
|--|------------------|
| Potential Sources of Funds | |
| Par Amount | \$870,000 |
| Reoffering Premium | \$69,353 |
| Total Sources | \$939,353 |
| Potential Uses of Funds | |
| Deposit to Escrow Fund | \$911,313 |
| Deposit to Project Fund | \$0 |
| Assumed Costs of Issuance (4) | \$26,100 |
| Rounding Amount | \$1,941 |
| Total Uses of Funds | \$939,353 |
| Potential True Interest Cost (5) | 2.666% |
| Potential Present Value Savings (7) | \$54,360 |
| Potential % Present Value Savings (7) | 6.25% |

| Potential Sources and Uses of Funds | |
|--|--------------------|
| Potential Sources of Funds | |
| Par Amount | \$3,985,000 |
| Reoffering Premium | \$0 |
| Total Sources | \$3,985,000 |
| Potential Uses of Funds | |
| Deposit to Escrow Fund | \$799,065 |
| Deposit to Project Fund | \$3,066,385 |
| Assumed Costs of Issuance (4) | \$119,550 |
| Rounding Amount | \$0 |
| Total Uses of Funds | \$3,985,000 |
| Potential True Interest Cost (5) | 4.108% |
| Potential Present Value Cost of Borrowing (7) | \$44,893 |
| Potential % Present Value Cost of Borrowing (7) | -1.13% |



Carol Stream Park District, Illinois

Hypothetical Issuance of General Obligation Limited Refunding Park Bonds, Series 2019A and Taxable Limited Refunding Park Bonds, Series 2019B

- (1) Existing debt service includes the District's outstanding Series 2008B, 2008F, 2010A and 2010B Bonds.
- (2) Assumed the restructuring of a portion of certain maturities of the Series 2008B, 2008F, 2010A, and 2010B Bonds.
- (3) This illustration represents a mathematical calculation of potential interest cost, assuming hypothetical rates for a general obligation limited tax bond rated "A2" with "AA" rated insurance as of July 20, 2019. Actual rates may vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Preliminary. subject to change.
- (4) Assumed costs of issuance of 3.0% of the par amount of the bonds. Preliminary, subject to change.
- (5) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.
- (6) Current debt service extension base of \$381,578 in bond year 2020 and no growth thereafter.
- (7) Calculated using the all-inclusive TICs of 2.965% and 4.226% as the discount rates for the 2019A and 2019B Bonds, respectively.

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