

ELMWOOD DISTRICT #322
REQUEST FOR PROPOSAL

INTRODUCTION

Community Unit School District Number 322, Peoria and Knox Counties, Illinois (the “District”), is in the process of investigating financing options (collectively, the “Bonds”) for the following project (the “Project”):

- \$1,100,000 Gym & Locker Room Remodel Project

The District would like to repay the Bonds from collections distributed to the District from those taxes imposed in The County of Peoria, Illinois, pursuant to the County School Facility Occupation Tax Law (the “Sales Tax Revenues”). The District expects to continue to receive approximately \$200,000 of Sales Tax Revenues annually.

PURPOSE

The District is requesting proposals from investment banking firms and lending institutions to provide underwriting services in connection with the issuance of the Bonds or direct placement of the Bonds. The District expects to select one firm or lending institution to act as underwriter or direct lender. The District expressly reserves the right to reject any or all proposals and to accept that proposal which is in the best interest of the District.

ASSUMPTIONS

1. Current Standard & Poor’s Rating: “A+” (Stable Outlook)
2. Closing date: July 1, 2020.
3. Max annual debt service: \$200,000

FACTS AND CONSTRAINTS

1. The District’s outstanding debt is set forth in Attachment A. None of the District’s outstanding bonds are secured by Sales Tax Revenues.

REQUEST FOR FINANCING PLAN FROM UNDERWRITER OR LENDING INSTITUTION

1. Please describe the services and marketing provided for a similar transaction in Illinois, including the sales and distribution process and how interest rates were set relative to the market.
2. Please provide your proposed underwriting or lending fee for this transaction.

3. Please state your proposed total underwriting or lending fee, as a percent **and** total dollars, as well as a complete estimate of any fees associated with the Bonds (bond and disclosure counsel, underwriter's counsel, book-entry setup, contingency monies, paying agent/registrars, CUSIP, etc.).
4. Please provide a proposed repayment schedule.

PARTIES TO THE TRANSACTION

Chapman and Cutler LLP

Bond Counsel

TIMETABLE

Work on the Project is expected to begin during Summer Break of 2020. The District intends for the sale of the Bonds to coincide with the commencement of work on the Project.

MUNICIPAL ADVISOR RULE EXEMPTION

The District is aware of the "Municipal Advisor Rule" of the Securities and Exchange Commission (effective July 1, 2014) and the exemption from the definition of "municipal advisor" for a person providing "advice". In response to an RFP, the District hereby notifies all investment banking firms that it wishes them to provide advice and recommendations on how to structure a bond issuance to finance the capital project discussed herein. The District intends for such advice and recommendations to qualify for the RFP exemption. The advice and recommendations may be made orally or in writing. The District reserves the right to accept or reject any proposals submitted to it and to conduct a formal procurement process, in each case if deemed by the District to be in its best interests and to comply with applicable laws or procurement policies. This RFP is open from January 10, 2020, to March 2, 2020. The District understands that by responding to this RFP, respondents are not municipal advisors to the District.

SENDING OF RESPONSES

By 12:00 p.m. on Monday, March 2, 2020, please send completed response to the District via *either* method below:

1. Mail two (2) copies to the following address:

Dr. Chad M. Wagner – Superintendent
Elmwood Community Unit District #322
301 W. Butternut
Elmwood, Illinois 61529

2. E-mail one (1) copy to Chad Wagner: cwagner@elmwood322.com

After the District has evaluated the information supplied by the various firms, the District may request additional information from your firm before making a decision on how this transaction should be considered for advancement.

Any questions in regards to this proposal should be directed to the following:

Dr. Chad M. Wagner (309)742-8464 cwagner@elmwood322.com

Attachment A – As based on June 30, 2019 Completed Audit (Balance as of January 6, 2020)

General Obligation Bonds, Series 2011 – Date of Issue: March 1, 2011

	Principal	Interest	Total
2019-20	25,000	563	25,563
Total	25,000	563	25,563 (PAID)

Life Safety Bond – Date of Issue: July 1, 2013

	Principal	Interest	Total
2019-20	165,000	2,929	167,929
Total	165,000	2,929	167,929 (PAID)

Taxing Refunding Bonds, Series 2015A – Date of Issue: May 14, 2015

	Principal	Interest	Total
2019-20	115,000	3,962	118,962 (PAID)
2020-21	125,000	1,406	126,406
Total	125,000	1,406	126,406

Funding Bonds, Series 2015B – Date of Issue: May 14, 2003

	Principal	Interest	Total
2019-20	0	32,788	32,788
2020-21	200,000	30,288	230,288
2021-22	345,000	23,044	368,044
2022-23	365,000	12,825	377,825
2023-24	245,000	3,675	248,675
Total	1,155,000	102,620	1,257,620

General Obligation Bonds, Series 2017 – Date of Issue: February 4, 2017

	Principal	Interest	Total
2018-19	0	313,287	313,287
2019-20	0	313,287	313,287
2020-21	0	313,287	313,287
2021-22	0	313,287	313,287
2022-23	0	313,287	313,287
2023-24	145,000	311,112	456,112
2024-25	410,000	302,788	712,788
2025-26	435,000	290,112	725,112
2026-27	460,000	274,388	734,388
2027-28	485,000	255,488	740,488
2028-29	515,000	235,488	750,488
2029-30	550,000	214,188	764,188
2030-31	585,000	191,488	776,488
2031-32	615,000	167,488	782,488
2032-33	655,000	142,088	797,088
2033-34	695,000	114,219	809,219
2034-35	735,000	83,831	818,831
2035-36	780,000	51,637	831,637
2036-37	825,000	17,531	842,531
Total	7,890,000	3,904,994	11,794,994

TOTAL BOND INDEBTEDNESS

	Principal	Interest	Total
Total	9,170,000	4,009,020	13,179,020

The established legal debt limit as of January 6, 2020, is as follows:

Total EAV (based on 2018 levy)	92,172,896
Debt Limit	12,719,859
Less Qualifying Debt	(9,170,000)
Legal Debt Margin	3,549,859