

November 30, 2010

Mr. Elliott Becker
Wheeling Park District
333 West Dundee Road
Wheeling, Illinois 60090

Re: Wheeling Park District,
Cook and Lake Counties, Illinois (the "*District*")
\$8,800,000 Taxable General Obligation Bonds
(Alternate Revenue Source), Series 2010 (the "*Bonds*")
Post Issuance Compliance Matters

Dear Elliott:

Congratulations on the successful closing of the Bonds. Although the closing of the Bond issue is clearly the major milestone in the transaction process, we want to remind you of certain of your ongoing obligations under the federal tax and securities laws and various Bond-related documents.

To assist you and the District in this regard, we have enclosed a Post Issuance Compliance Checklist (the "*Checklist*"). The ordinance authorizing the Bonds sets forth a Bond Record-Keeping Policy and names you as the Director of Finance and Business Operations of the District as the compliance officer as described therein (the "*Policy*" which, together with the Checklist, are the "*Post Issuance Compliance Materials*"). While the Post Issuance Compliance Materials are not meant to be an exhaustive guide, they may provide you with a helpful methodology for compliance.

As you are aware, the Internal Revenue Service ("*IRS*") regularly audits tax-exempt bond issues. For example, on January 27, 2009 the tax-exempt bond group of the IRS sent out a post issuance compliance survey to approximately 200 governmental bond issuers that issued bonds in 2005 to inquire about their record keeping policies. The IRS demands extensive post issuance records in any bond audit as well as all of the bond transcript documents relating to the issuance of the bonds.

As you know, the Bonds were issued as Build America Bonds that are "qualified bonds" (the "*Qualified Build America Bonds*"). Although the interest on Qualified Build America Bonds is taxable, the District is required to comply with the various federal tax rules applicable to tax-exempt bonds in order to continue receiving the 35% interest subsidy for the Bonds.

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Therefore, you should expect the Bonds to be subject to the same IRS audit scrutiny as if they had been issued as tax-exempt bonds.

Thus, it is important that the District adopt standard procedures and set personal responsibility so you and your successors can find what you need should the IRS contact the District. Since every financing is different, your record-keeping must be tailored to the particulars of the Bonds. Answers to frequently asked questions pertaining to those requirements can be found on the IRS website under frequently asked questions related to tax-exempt bonds at www.irs.gov (click on "Tax Exempt Bond Community", then "Frequently Asked Questions"). It will be your obligation to comply with the record keeping requirements for at least as long as any of the Bonds (or any future bonds issued to refund the Bonds) are outstanding, plus three years. In the event the IRS audits the Bonds, the District (as the taxpayer in the audit) has the burden of proof to demonstrate the entitlement to the Qualified Build America Bond interest subsidy.

As indicated in our engagement letter with the District, our representation of the District and the attorney-client relationship created by the engagement letter concluded upon the issuance of the Bonds. The Post Issuance Compliance Materials have been prepared by us and are provided to you as a courtesy and for informational purposes only. The Post Issuance Compliance Materials are general in nature, are based upon authorities that are subject to change and are not intended as legal advice.

As always, please feel free to call the undersigned with any questions or comments.

Very truly yours,

CHAPMAN AND CUTLER LLP

By  _____
Anjali Vij

AV:jmt
Enclosures

cc: Ms. Lynda Given
Mr. Bob Lewis

**POST ISSUANCE COMPLIANCE CHECKLIST
FOR ILLINOIS GOVERNMENTAL USE BONDS**

**NAME OF BONDS:
TAXABLE GENERAL OBLIGATION BONDS
(ALTERNATE REVENUE SOURCE), SERIES 2010**

Responsible Person for Debt Management Activities	Director of Finance
Bond Counsel	Chapman and Cutler LLP
Financial Advisor	PMA Securities, Inc.
Underwriter	M&I Marshall and Ilsley Bank, Milwaukee, Wisconsin
Paying Agent	Amalgamated Bank of Chicago
Rebate Service	
Other:	

A. TAX LAW REQUIREMENTS	DOCUMENT REFERENCE	RESPONSIBILITY
1. General Matters.		
(a) Proof of filing Form 8038-B.	X	Bond Counsel
(b) Complete bond transcript.	X	Bond Counsel
(c) "Significant modification" to bond documents results in reissuance. Proof of filing new Form 8038-B plus final rebate calculation on pre-modification bonds.		
2. Monitor the Use of Proceeds and Financed Facilities.	Bond Ordinance	Director of Finance
(a) All Sale Proceeds and investment earnings thereon (other than costs of issuance and amounts in a reasonably required reserve fund) used for capital expenditures.		
(b) No private business use arrangement with private entity (includes federal government) beyond permitted <i>de minimis</i> amount.		
(c) Actions Re: Financed Facilities.		

(i) No sale.		
(ii) No leases.		
(iii) No management contract.		
(iv) No research contract.		
(v) No “Special legal entitlement”.		
3. Arbitrage.	Tax Agreement	Director of Finance
(a) Rebate ¹ .	Article IV	
(i) First installment of arbitrage rebate generally due on fifth anniversary of bond issuance plus 60 days.		
(ii) Succeeding installments every five years.		
(iii) Final installment 60 days after retirement of last bonds of issue.		
(iv) Monitor expenditures prior to semi-annual target dates for six-month, 18-month, or 24-month spending exception.		
(b) Monitor expenditures generally against date of issuance expectations for three-year temporary period.		
4. Record Retention.	Bond Ordinance (Section 22), Tax Agreement (Section 7.10)	Director of Finance
(a) Maintain general records relating to issue for life of issue plus any refunding plus three years.		
(b) Maintain special records required by safe harbor for investment contracts or defeasance escrows.		

¹ To calculate rebate one must have at least (i) complete records of all payments of principal and interest made on the bonds and (ii) all investment income received on the investment of bond proceeds.

(c) Maintain record of identification on issuer’s books and records of “qualified hedge” contracts and all payments and receipts thereunder.		
(d) Maintain record of election not to take depreciation on leased property that must be treated as owned by a governmental unit.		
5. 8038-CP Filing.	Tax Agreement (Exhibit H)	Director of Finance
(a) Before each filing, verify obligations remain Qualified Build America Bonds.		
(b) Check IRS website for updated form and updated filing requirements.		
(c) File 8038-CP within required time frame.		
(d) Verify no corrections needed to previously filed Forms 8038-CP.		
B. DISCLOSURE REQUIREMENTS		
1. SEC Rule 15c2-12 Requirements².	Continuing Disclosure Undertaking	Director of Finance
(a) Determine applicability of continuing disclosure undertaking (“CDU”). If you are obligated to provide certain information to the market and fail to do so, subsequent attempts to access the market may be penalized.		
(b) Periodically determine that required CDU filings have been prepared, sent to and received by EMMA.		
(c) Information required to be provided to EMMA:		
(i) Annual Reports.		

² Disclosures must be made via the Municipal Securities Rule Making Board’s Electronic Municipal Market Access (“EMMA”) system. Material filed at EMMA will be open to the public for free.

(1) Quantitative financial information and operating data disclosed in official statement.		
(2) Audited financial statements.		
(ii) Other information.		
(1) Change of fiscal year.		
(2) Other information specified in CDU.		
(d) Material Event Disclosure. Notification by obligated person to EMMA, in timely manner, of any of the following events with respect to bonds, if event is material within the meaning of the federal securities laws:		
(i) Principal and interest payment delinquencies.		
(ii) Non-payment related defaults.		
(iii) Unscheduled draws on debt service reserves reflecting financial difficulties.		
(iv) Unscheduled draws on credit enhancements reflecting financial difficulties.		
(v) Substitution of credit or liquidity providers, or their failure to perform.		
(vi) Adverse tax opinions or events affecting the tax-exempt status of the bonds.		
(vii) Modifications to rights of holders of the bonds.		
(viii) Bond calls.		
(ix) Defeasances.		

(x) Release, substitution or sale of property securing repayment of the bonds.		
(xi) Rating changes.		
(e) Failure of the obligated person to timely file financial information (including audited financial statements) and operating data with EMMA.		
<p>2. Notification to Underwriters of Bonds.</p> <p>Determination of whether bond purchase agreement requires issuer of the bonds to notify underwriters for a specified period of time of any fact or event that might cause the official statement to contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading.</p>		
<p>3. Information Required to be Filed with Other Entities.</p>		
(a) Rating Agency(ies).	S&P	Director of Finance
(b) Bond Insurer.		
(c) Credit Enhancer.		
Examples:		
(i) Financial records.		
(1) Annual.		
(2) Quarterly.		
(ii) Budgets.		
(iii) Issuance of additional bonds.		
(iv) Events of default.		
(v) Notices of redemption.		
(vi) Amendments to bond documents.		

C. MISCELLANEOUS		
1. Financial Covenants. Monitor rate or other covenants.	Tax Agreement, Bond Ordinance	Director of Finance
2. Investments. Monitor permitted investments restrictions.	Tax Agreement	Director of Finance

PLEASE NOTE:

This checklist is by its nature not comprehensive. No checklist can ever be a complete safeguard. Federal tax law compliance depends upon all of the relevant facts and circumstances in the particular transaction. Nonetheless, checklists can help provide a methodology for compliance.

The joint task force between the National Association of Bond Lawyers and the Government Finance Officers Association has prepared a more comprehensive “Tax Compliance Checklist—Post Issuance,” which can be found at [www.http://www.gfoa.org/downloads/PostIssuanceCompliance.pdf](http://www.gfoa.org/downloads/PostIssuanceCompliance.pdf).

January 2010