

NOTICE OF SALE DATED DECEMBER 27, 2019

COUNTY OF CUMBERLAND, MAINE
\$14,500,000
2020 TAX ANTICIPATION NOTES

Notice is hereby given that electronic proposals will be received via **PARITY**[®], in the manner described below, until 11:00 am, local time, on January 8, 2020. Bids must be submitted electronically via **PARITY**[®] pursuant to this Notice of Sale (the "Notice") until 11:00 am, local time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY**[®] conflict with this Notice, the terms of this Notice shall control. For further information about **PARITY**[®], potential bidders may contact Northeast Municipal Advisors LLC at (207) 797-6681 or **PARITY**[®] at (212) 849-5021. Bids will be received in electronic form via Parity until:

11:00 O'CLOCK A.M. WEDNESDAY, JANUARY 8, 2020

at which time all such proposals will be publicly announced for the purchase of \$14,500,000 2019 Tax Anticipation Notes (the "Notes") of the County of Cumberland, Maine (the "County" or the "Issuer"). The Notes will be dated January 24, 2020 and will be payable on November 6, 2020, without option of prior redemption, and will bear interest calculated on the basis of 30 day months in a 360-day year (282 days), at such rate per annum determined upon their sale in accordance with this Notice.

CUMBERLAND COUNTY
PROJECTED CASH FLOW (without TAN proceeds)
FOR THE 12 MONTHS ENDED DECEMBER 31, 2020

<u>Month</u>	<u>Anticipated Revenues</u>	<u>Anticipated Expenditures</u>	<u>Monthly Surplus/(Deficit)</u>	<u>Accumulated Surplus (Deficit)</u>
Estimated Starting Cash 1/1/20				\$6,567,000
JANUARY, 2020	\$1,201,000	\$(3,935,000)	\$(2,734,000)	3,833,000
FEBRUARY	1,161,000	(3,930,000)	(2,769,000)	1,064,000
MARCH	1,251,000	(4,105,000)	(2,854,000)	(1,790,000)
APRIL	1,276,000	(4,655,000)	(3,379,000)	(5,169,000)
MAY	1,248,000	(4,699,000)	(3,451,000)	(8,620,000)
JUNE	1,481,000	(4,075,000)	(2,594,000)	(11,214,000)
JULY	1,487,000	(4,033,000)	(2,546,000)	(13,760,000)
AUGUST	5,574,000	(4,040,000)	1,534,000	(12,226,000)
SEPTEMBER	15,294,000	(4,550,000)	10,744,000	(1,482,000)
OCTOBER	18,844,000	(4,312,000)	14,532,000	13,050,000
NOVEMBER	2,215,000	(6,525,000)	(4,310,000)	8,740,000
DECEMBER	1,451,000	(4,014,000)	(2,563,000)	6,177,000
TOTAL	\$52,483,000	\$52,873,000	\$(390,000)	

The Notes will be issued by means of The Depository Trust Company's Book-Entry-Only System with no physical distribution of Note certificates made to the public. One Note certificate for each interest rate will be issued to The Depository Trust Company, New York City, New York ("DTC") and immobilized in their custody.

The Book-Entry-Only System will be employed, evidencing ownership of the Notes which shall be issued, sold or transferred only in denominations of \$5,000, or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures established by DTC and its Participants.

The winning bidder (the "Purchaser"), as a condition to delivery of the Notes, shall be required to deposit the certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable in Federal Reserve Funds to DTC or its nominee as registered owner of the Notes. Transfer of the principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of the principal and interest payment to Beneficial Owners will be the responsibility of such Participants and other nominees of Beneficial Owners.

The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

The Note certificates, to be immobilized at DTC, will be prepared under the supervision of and authenticated by U.S. Bank National Association, Boston, Massachusetts, Paying Agent, and their legality approved by Bernstein, Shur, Sawyer and Nelson, Bond Counsel of Portland, Maine ("Bond Counsel"), whose opinion will be furnished to the Purchaser without charge.

The opinion of Bond Counsel will state that the Notes are valid general obligations of the County and that under existing law, the interest on the Notes is exempt from the Maine personal income tax on interest and dividends and is excluded from gross income for federal income tax purposes.

The Notes are not guaranteed by the State of Maine.

The Notes WILL NOT be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

There is no litigation, threatened or pending, affecting the validity of the Notes, the corporate existence or the boundaries of the County, or the title of the present officers to their respective offices, and the Purchaser will be furnished with a certificate to this effect.

As between proposals which comply with this Notice, the Notes will be sold to the bidder whose proposal offers to purchase the Notes at the lowest Net Interest Cost ("NIC"), such cost under each proposal to be determined by computing the total amount of interest payable on the Notes, from their date until their maturity date and deducting therefrom the premium, if any, offered in such proposal. If there shall be more than one proposal making said offer at the same lowest Net Interest Cost, the Notes will be sold to the bidder whose proposal is received earliest from among all such proposals.

All bids must be submitted via Parity.

The right is reserved to reject any or all proposals and to reject any proposal not complying with this Notice of Sale, and, so far as permitted by law, to waive any irregularity or informality with respect to any proposal. When the successful bidder(s) has been ascertained, the County will notify such bidder.

As of the date of delivery of the Notes and as a condition precedent to the delivery of the Notes by the County, the successful bidder shall furnish to the County a certificate in a form provided by and acceptable to Bond Counsel (the "Issue Price Certificate"). The Issue Price Certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation. The Issue Price Certificate shall set forth:

- (i) The "issue price" of the Notes as defined in Treasury Regulation §1.148-1(f);
- (ii) The weighted average maturity of the Notes as defined in the Internal Revenue Service's "Instructions for Form 8038-G" for Line 21(d);
- (iii) The yield of the Notes (sometimes referred to as the arbitrage yield) as defined in the Internal Revenue Service's "Instructions for Form 8038-G" for Line 21(e);
- (iv) That the issue price of the Notes does not exceed the fair market value of the Notes as of such date of sale; and

- (v) If a municipal bond insurance policy or similar credit enhancement is obtained with respect to the Notes by the successful bidder, such bidder will also be required to certify as to the net present value savings on the Notes resulting from payment of insurance premiums or other credit enhancement fees.

Further Discussion of Issue Price Certificate.

Competitive Sale Requirements Met. If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) are satisfied, the Issue Price Certificate will establish the issue price of the Notes under Treasury Regulation Section 1.148-1(f)(2)(iii). To that end, the Financial Advisor will certify to the successful bidder that the following conditions are true:

- (1) The County has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) All bidders had an equal opportunity to bid;
- (3) The County received bids from at least three underwriters of municipal Notes who have established industry reputations for underwriting new issuances of municipal Notes; and
- (4) The County awarded the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid and each bidder, by submitting its bid, agrees that it shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal Notes and that it is an “underwriter” that intends to reoffer the Notes to the public.

Competitive Sale Requirements Not Met. If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) are not satisfied, the County shall so advise the winning bidder. If such competitive sale requirements are not met, the Issue Price Certificate will establish the issue price of the Notes under Treasury Regulation Section 1.148-1(f)(2)(i), as follows:

- (i) The County shall treat the first price at which 10% of a maturity of the Notes (the “10% test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the County if any maturity of the Notes satisfies the 10% test as of the date and time of the award of the Notes. The County will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Notes as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Notes will be subject to the 10% test in order to establish the issue price of the Notes.
- (ii) Until the 10% test has been satisfied as to each maturity of the Notes, the winning bidder agrees to promptly report to the County and the Financial Advisor the prices at which the unsold Notes of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to all Notes. The successful bidder shall be obligated to report each sale of Notes to the Financial Advisor until notified in writing by the County or the Financial Advisor that it no longer needs to do so.

It is anticipated that a CUSIP identification number will be printed on the Notes. All expenses in relation to the assignment and printing of a CUSIP number on the Notes will be paid for by the County.

The County has not contracted for the issuance of any policy of municipal bond insurance for the Notes. If the Notes qualify for issuance of any such policy or commitment therefore, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder and any increased costs of issuance or delivery of the Notes resulting by reason of such insurance shall be paid by such bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment and any failure of the Notes to be insured or of any such policy or commitment to be issued shall

not in any way relieve the Purchaser of their contractual obligations arising from the acceptance of their proposal for the purchase of the Notes.

Additional information concerning the County and the Notes is contained in the Preliminary Official Statement dated December 27, 2019 (the "POS") which has been distributed and to which prospective bidder(s) are directed. Such POS is provided for informational purposes only and is not a part of this Notice of Sale. A copy of the POS may be obtained by contacting Northeast Municipal Advisors LLC, 113 Deepwood Drive, Portland, ME 04103 or by telephone at (207) 797-6681. **The Preliminary Official Statement is in a form "Deemed Final" by the Issuer for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a final Official Statement.**

The County agrees to advise the Purchaser, by written notice, of any developments that impact the accuracy and completeness of the key representations (within the meaning of SEC Rule 15c2-12) contained in the final Official Statement, which may occur during the period commencing on the date of the acceptance by the County of its proposal and ending on the 90th day next following such date of acceptance, unless such final Official Statement is available from a "nationally recognized municipal securities information repository", in which event such period shall end on the 25th day.

The Purchaser will be furnished with 10 copies of the final Official Statement prepared for this issue at the County's expense within seven (7) business days of the date of sale of the Notes. Additional copies may be obtained by the Purchaser at its own expense by arrangement with the printer. The County will rely upon the Purchaser to file a completed DTC Eligibility Questionnaire, the MSRB Form G-36(OS) and to affect the electronic filing to <http://emma.msrb.org/submission> as the responsibility of the Purchaser(s). U.S. Bank National Association, Boston, Massachusetts, as Paying Agent, will keep the original opinion and certificates and copies of the supporting documents which may be examined at its principal office in Boston, Massachusetts, upon reasonable notice.

It shall be the responsibility of the Purchaser to certify to the County in writing before the delivery of the Notes, the reoffering price and the arbitrage yield at which a substantial portion of the Notes were sold.

Northeast Municipal Advisors LLC has acted as Financial Advisor to the County of Cumberland, Maine with respect to the issuance of the Notes pursuant to Municipal Securities Rulemaking Board Rule G-23. Northeast Municipal Advisors LLC will not participate in the public bidding of the Notes.

It is expected that the Notes, in definitive form, will be available for delivery on or about January 24, 2020, against payment of the purchase price in Federal Reserve funds payable to the order of the "County of Cumberland, Maine", and will be delivered to The Depository Trust Company, New York, New York.

COUNTY OF CUMBERLAND, MAINE

By: Alex Kimball
Deputy Manager/Treasurer

TERMS

ISSUER: County of Cumberland, Maine

ISSUE: \$14,500,000 2020 Tax Anticipation Notes

RATING: Standard & Poor's: SP-1+ (underlying rating by Standard & Poor's on outstanding Bonds is "AA+")

PRINCIPAL AMOUNT: \$14,500,000

BIDS: Via *Parity* only

SALE DATE: January 8, 2020 at 11:00 A.M.

DATED DATE: January 24, 2020

DUE DATE: November 6, 2020

CALL FEATURES: The Notes are not subject to redemption prior to maturity

INTEREST DUE: At maturity

BASIS: 30-day months/360-day year (282 days)

FUNDS: Federal Funds (Same Day Funds)

TAX STATUS: Federal tax exempt, not subject to AMT

Q&D STATUS: The Notes **WILL NOT** be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code

CUSIP: _____

NOTE FORM: DTC - BEO

CLOSING DATE: On or about January 24, 2020

PAYING AGENT: U.S. Bank National Association, Boston, Massachusetts

LEGAL OPINION: Bernstein, Shur, Sawyer and Nelson, Portland, Maine

FINANCIAL ADVISOR: Northeast Municipal Advisors LLC, Portland, Maine