MONADNOCK BROADBAND GROUP

December 2, 2019

Presented by:
Tammy J. St. Gelais, Executive Director
ABOUT THE BOND BANK

- Created in 1977 by the NH State Legislature
  - RSA 35-A
- Non-Profit agency
  - a political subdivision of the State
- Operated by a five member Board of Directors, including the State Treasurer
- Full-time staff of 3
- Bond sales in January and July
- Issued 1,268 in individual loans equaling $2.66 Billion to NH Towns, Cities, School Districts, Counties & various other Districts
- Refunded (refinanced) bonds 24 times since 1986 returning over $70M in savings to participating communities
- Bond Ratings –
  - AA+ by S&P Global – affirmed in May, 2019
  - Aa2 by Moody’s Investors Service – affirmed in May, 2018
NHMBB SERVICES

- Long term financing through general obligation bonds
  - January
  - July
- Short term financing through bond anticipation notes (BANs)
- Provide estimated debt schedules for planning purposes
- Attend meetings in your community
BENEFITS TO PARTICIPATING COMMUNITIES

- Competitive Interest Rates
- Credit Enhancement and Security
- Reduced Time Requirements
- Low Cost of Issuance
- Fixed Interest Rates
- Administrative Assistance Provided
- Streamlined Borrowing Process
- Disclosure Requirements
PURPOSES FOR FINANCING

- Capital projects allowed by NH Statutes (RSA 33:3) such as:
  - Schools – additions and renovations
  - Town Halls
  - Libraries
  - Police & Fire Stations
  - DPW & other Public Buildings
  - Water and Sewer Systems
  - Landfills
  - Roads
  - Fire Trucks
  - Broadband Infrastructure
  - Conservation Land
  - Capital Improvements/Infrastructure
  - Refinancing of prior loans issued by the community such as: USDA loans, State Revolving Loans, Bank Loans etc.
PLANNING BEFORE THE BOND SALE

- Contact us for estimated debt service schedules
- Contact your bond counsel to review warrant article and request a fee quote
- Prepare cash flow of funds for the project
- Bond counsel fees can be included in the project cost or in your budget
- Coordinate your financing needs with the Bond Bank’s sale schedules
## BOND SALE SCHEDULE HIGHLIGHTS

<table>
<thead>
<tr>
<th>Event</th>
<th>July 2020</th>
<th>January 2021</th>
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</thead>
<tbody>
<tr>
<td>Application Deadline:</td>
<td>May 8, 2020</td>
<td>November 6, 2020</td>
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<tr>
<td>Bonds Priced:</td>
<td>July 14, 2020</td>
<td>January 6, 2021</td>
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<tr>
<td>Participants Receive Funds:</td>
<td>August 12, 2020</td>
<td>February 11, 2021</td>
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<tr>
<td>First Interest Payment Date:</td>
<td>February 15, 2021</td>
<td>August 15, 2021</td>
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<tr>
<td>First Principal Payment Date:</td>
<td>August 15, 2021</td>
<td>February 15, 2022</td>
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BASIC LOAN REQUIREMENT

- Obtain voter approval as required by NH State Statute
- Completed application
- Audit by CPA firm
- Local Bond Counsel opinion
BOND SALE PROCESS

- Bond Bank sells bonds competitively as a pooled issue
- Interest rates are determined for participants
- Approximate true interest cost July 2019 Bond Issue:
  - 5 Year Loan 1.49%
  - 10 Year Loan 1.62%
  - 15 Year Loan 2.13%
  - 20 Year Loan 2.60%
  - 25 Year Loan 2.70%
- Final documents distributed for signatures
- Bond proceeds are wired to participants
MONITORING AFTER BOND SALE

- Expend proceeds per RSA regulations
- Send annual audits to Bond Bank as long as bond is outstanding
- Confirm annually that purpose of project financed by the bond has not changed
PROFESSIONAL ADVISORS

- Financial Advisor
  - Hilltop Securities Inc.
- Bond Counsel
  - Locke Lord, LLP
- Trustee/Paying Agent
  - U.S.
- Auditor
  - Baker Newman Noyes
CONTACT

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QUESTIONS?