

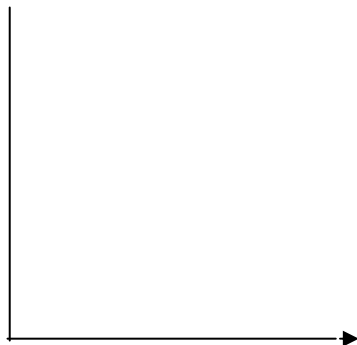


*Making a Difference for Maine Communities*

# FINANCIAL APPLICATION

## for Municipal Borrowers

*Low-Interest Loans for*



Drinking Water

Improvement

Projects

Karen Asselin, Program Officer

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127 Community Drive, P.O. Box 2268, Augusta, Maine 04338-2268  
1-800-821-1113 207-622-9386 Fax: 207-623-5359

**MAINE MUNICIPAL BOND BANK**  
**SRF - DRINKING WATER PROGRAM APPLICATION**  
**FOR MUNICIPAL BORROWERS**

**Borrower Type:** This application is designed for the purpose of obtaining financial information from water districts, municipalities and other governmental units. As a result, different information will be required for each type of unit. In certain cases it may be appropriate to note that a particular section is not applicable to the specific district or town. The following is a brief summary of the sections that are applicable to a specific type of borrower:

**MUNICIPALITIES/GOVERNMENTAL UNITS:** The application should be filled out with information concerning the specific municipality and/or governmental unit. If the system has any stand-alone debt, it should be reflected as part of the debt information. The same would hold true for any stand-alone system financial information. In most instances, the municipal applicant will complete the *Municipal Borrower* "Financial Information" section only.

**WATER DISTRICTS:** If the district or system debt is backed by a General Obligation pledge of the municipality or municipalities in the district, both district and municipal financial information will be required. Each municipality being served by the system must provide their financial information so that the district can complete pages 12, 13 and 14. The district will complete pages 15 and 16. If the district stands on its own (*without a General Obligation pledge*), the district will leave pages 12, 13 and 14 blank, turn to, and complete pages 15 and 16 entitled "District Financial Information". The debt information will be handled in the same manner.

**Repayment Source:** Loan applications and supporting financial information will be reviewed for evidence of a dedicated source of revenue that is sufficient to cover repayment of the proposed loan, plus all existing indebtedness and operating costs of the borrower. Where the dedicated source of repayment is anticipated to be an increase in existing user charges, please note that new rates must be in place prior to the execution of a binding loan agreement. **IT IS RECOMMENDED THAT RATE CASES BE FILED WITH THE MPUC AS SOON AS PRACTICABLE IN ORDER TO FACILITATE THE CLOSING OF THE LOAN IN ACCORDANCE WITH THE BORROWER'S TIMING NEEDS.**

**DHHS Approval:** Attached to the back page of this Application is a Project Authorization form to be signed by the Department of Health and Human Services. This Authorization must be completed and signed by DHHS before the Bond Bank can provide financing to the applicant. Before completing the application, please contact DHHS - Drinking Water Program at 207-287-5295 to determine **tentative** project eligibility.

If DHHS determines the project to be eligible, complete the SRF - Drinking Water Program application and

- 1) Mail a copy of the application and the blank Project Authorization form to: Department of Health and Human Services, Office of Water at 11 State House Station, Augusta, Maine 04333-0011.
- 2) Mail the original application and supporting documentation listed on the "Statement of Default" page of the Application to: Karen Asselin, SRF – Drinking Water Program Officer, Maine Municipal Bond Bank, 127 Community Drive, P.O. 2268, Augusta, Maine 04338-2268.

Once the project is approved, DHHS will forward the signed "Project Authorization" form to the Bond Bank. The Bond Bank will begin its review of the financing request once the Authorization is received.

**Application Instructions:** Line-by-line instructions to help you fill out the SRF - Drinking Water application are available. When completing the application, please use black ink or a typewriter. To obtain the most current version of the SRF - Drinking Water application and line-by-line instructions, please visit our website: [www.mmbb.com](http://www.mmbb.com). The application and instructions can be downloaded to your PC by using the Adobe Acrobat Reader. There is also an Excel fillable application on the website.

Careful completion of the application will contribute to quick processing of your loan request. Please bring to our attention any additional information that is not disclosed in the Application or the supporting documentation. If you have any questions or need help completing the application form, please call Karen Asselin at 1-800-821-1113 or 207-622-9386 (*Augusta*).

The undersigned Governmental Unit hereby requests the Maine Municipal Bond Bank to purchase the following described obligation of the applicant. This application shall not constitute a contract or commitment to enter into a contract.

## GENERAL INFORMATION

Name of Applicant:

Mailing Address:

Physical Address:

Type of Unit:       Municipality                       District                       Other

	Chief Administrative Officer	Contact Person ( <i>if different</i> )	Project Engineer
Name:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Title:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Telephone:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Fax:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Email:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Mailing Address:	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>

Purpose of Borrowing:

Status of the Project:

Are the engineering specifications completed?       Yes     No  
 If no, what date will they be complete?     

Have construction bids been awarded?       Yes     No  
 If no, what is the projected bid date?     

NOTE: Attached to this application is a blank Project Authorization form. Please mail the form and a copy of the completed application to your SRF Project Manager at the Department of Health and Human Services.

Have you obtained all permits and authorizations required for this project? NOTE: DHHS technical staff will provide you with a list of the permits and authorizations needed for your project.

	Yes	No	N/A	Date Obtained	Date Expected
DHHS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
DEP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
U.S. Corp of Engineers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Local Planning Board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Public Utilities Commission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input style="width: 95%; height: 20px;" type="text"/>	<input style="width: 95%; height: 20px;" type="text"/>

Are there additional state or local approvals required?       Yes     No

## GENERAL INFORMATION *(continued)*

What is the expected project completion date? \_\_\_/\_\_\_/\_\_\_

Do you have interim financing?  Yes  No

If no, do you need interim financing?  Yes  No

If you have interim financing please provide the following information:

Amount	Maturity	Rate	Lender
\$ -	___/___/___	%	

How much of the SRF loan, if any, will be used to refinance existing debt? \$ -

If applicable, what is the original issue date of the loan being refinanced? \_\_\_/\_\_\_/\_\_\_

Form of Authorization:  Referendum  Council  Town Meeting  Other

Authorized Amount \$ - Date Authorized \_\_\_/\_\_\_/\_\_\_

NOTE: SRF Program issuance costs, from the table below, must be factored into the authorization amount, in addition to the other costs of construction.

Are you applying as a disadvantaged community system?  Yes  No

NOTE: Requested funds in Box A below should include bond issuance costs, origination fee, and the Bond Bank loan amount, including any anticipated principal forgiveness.

A current listing of approved Bond Counsel can be found on our website under program information.

Bond Counsel:   
 Telephone:  Fax:   
 Mailing Address:

Source of Funds		Project Cost Breakdown	
Amount Requested from Bond Bank (this application)	<b>A</b>	Land	\$
Federal grant or loan- specify	\$	Design	\$
State grant or loan- specify	\$	Engineering	\$
Applicant's share	\$	Contractors	\$
Other Specify	\$	Contingency	\$
	\$	Other Specify	\$
	\$		\$
	\$		\$
<b>Total Source of Funds</b>	<b>B</b> \$ -	<b>Sub-Total of Project Costs</b>	<b>C</b> \$ -

## GENERAL INFORMATION *(continued)*

### Issuance Costs and Origination Fees

Cost of Bond Issuance	Bond Bank Loan Amount		x 2%*	\$ -
Origination Fees	Bond Bank Loan Amount	\$ -	x 1%*	\$ -
Other - Specify				\$
Other - Specify				\$
<b>Total Issuance Costs/Fees</b>				<b>D</b> \$ -

Sub-Total of Project Costs (C)	\$ -
Plus Total Issuance Costs/Fees (D)	\$ -
<b>Total Project and Issuance Costs (B)</b>	<b>\$ -</b>

\*NOTE: The costs of issuance and origination fee are estimates only and they may not apply in all cases. Upon review of your application, the DW-SRF Program Officer will contact you with a more accurate cost estimate associated with your borrowing.

# ISSUANCE INFORMATION

## Since your last Annual Report or Audited Financial Statement

Have you issued/authorized any:

- |  |                          |     |                          |    |
|--|--------------------------|-----|--------------------------|----|
| New long-term debt?                          | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| Notes or loans for operating purposes?       | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| Bond Anticipation Notes?                     | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| Grant Anticipation Notes? (Federal or State) | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |

If you answered yes to any of the above questions, please provide the following information:

Type of Debt	Issue Date	Amount	Maturity	Rate	Lender
	___/___/___		___/___/___	%	
	___/___/___		___/___/___	%	
	___/___/___		___/___/___	%	
	___/___/___		___/___/___	%	

Check off any factors that have occurred since the date of your last Audited Financial Statements or Annual Report that would significantly affect your revenue, expenditures or overall financial condition, such as:

- Pending litigation in excess of \$10,000. *If checked, we will need a statement from your local legal counsel about any such lawsuit.*
  
- In place or pending before the governing body, a limitation on the ability of the governmental unit to raise, through taxes or rates or expend from revenues, funds necessary to pay the costs incurred if you issue the debt called for in this application. *If checked please provide a copy of the ordinance or proposed governmental unit action explaining the possible limitation.*
  
- Other-please explain

Is there any reason that the Bond Bank could not take a mortgage or first lien pledge of the general revenue of the system?

- Yes     No

Type of debt requested:       General Obligation                       Revenue                       Combination

State Dedicated source(s) of revenue for repayment of the Bond Bank loan:

- General Taxes                       User Charges                       Special Assessments

Do you have long-term take out from another source?                       Yes                       No

If yes, please explain:

Do you wish to capitalize interest on the Bond Bank loan, once construction is complete?                       Yes                       No

If yes, how long:  ( a maximum of 12 months )

Are there any limitations (e.g., local ordinance, statutory, or regulation) governing the amount of bonded or general obligation debt that you may incur?                       Yes                       No

If yes, please explain:

How many years do you wish to have to repay this loan?

Payments should commence in what year?

NOTE: The maximum repayment term is twenty (20) years. However, disadvantaged systems are eligible for 30 year loans.

**ISSUANCE INFORMATION (continued)**

**Maturity Schedule of Applicant's Proposed Bond Issue\***

<b>Year</b>	<b>Principal</b>	<b>Year</b>	<b>Principal</b>	<b>Year</b>	<b>Principal</b>

*\* The Bond Bank can provide assistance in completing this.*

# ECONOMIC INFORMATION

Fiscal Year End:     /    /    

When are the charges for services due and payable?

- Monthly     
  Quarterly     
  Semi-Annually     
  Annually

What is the interest rate penalty for late payments?      %

List all the cities and/or towns your system serves:

Town/City	Estimated # of People Being Served ( <i>Customers</i> )

Populations:

2000 Census:                      people  
 Most Recent Estimate:                      people

List any significant users or potential users who utilize more than 5% of the system with approximate percentage

Name of Individual/Business	Annual User Charge	Percentage of Capacity
		%
		%
		%
		%
		%
		%
		%

### Facility and Rate Information for the Current and Past 5 years

	Previous Year	Previous Year	Previous Year	Previous Year	Previous Year	Current Year
<i>Enter Year ==&gt;</i>						
# of Facility Customers <i>(hook-ups)</i>						
# of Employees <i>(operating the facility)</i>						
Rate Schedule <i>(may attach approved schedule for current year)</i>	c.f.	c.f.	c.f.	c.f.	c.f.	c.f.
Planned Rate Increases <i>(during the next 2 years)</i>						

## ECONOMIC INFORMATION *(continued)*

### Ten Largest Taxpayers of Municipality

Taxpayer	Type of Business	Current Year Assessed Value	% of Total Levy <i>(taxpayer assessed value divided by town/city's total assessed value)</i>
			%
			%
			%
			%
			%
			%
			%
			%
			%
			%

Are you anticipating any changes in the largest taxpayer?       Yes     No

If yes, why? \_\_\_\_\_

### Five Largest Employers in your Community

Employer	Type of Business	# of Employees

Are any of these employers expected to make major changes in workforce or operations?       Yes     No

If yes, why? \_\_\_\_\_





# FINANCIAL INFORMATION (Tax Rate & Tax Collections)

NOTE: If the District or system debt is backed by a General Obligation pledge of the Municipality or Municipalities in the District, please complete this page for each municipality. If the District stands on its own, leave pages 12, 13 and 14 blank, turn to and complete pages 15 and 16 entitled "District Financial Information".

## Tax Rate and Tax Collections

Fiscal Year	Tax Rate (Per \$1,000 of Assessed Value)	Total Taxes Billed	Collected by End of Fiscal Year		Collected by End of Second Year	
			Dollar Amount	% of Tax Levy	Dollar Amount	% of Tax Levy
	\$ -	\$ -	\$ -	%	\$ -	%
	\$ -	\$ -	\$ -	%	\$ -	%
	\$ -	\$ -	\$ -	%	\$ -	%
	\$ -	\$ -	\$ -	%	\$ -	%
	\$ -	\$ -	\$ -	%	\$ -	%
	\$ -	\$ -	\$ -	%	\$ -	%

## Property Valuations

Year Ending (Most Recent Year)	Local Assessed Value (Real Estate + Personal Property)	State Assessed Value
___/___/___	\$ -	\$ -

Date of Last Re-evaluation: \_\_\_/\_\_\_/\_\_\_

Composition of Tax Base: Please provide current fiscal year estimates for the following:

% Commercial and Industrial    %                      % Residential    %

Tax Due Dates:                      1st                         2nd   

Penalties and/or interest charged on overdue taxes:

Basis of Accounting (check one)                       Cash                       Modified Accrual                       Full Accrual







# DISTRICT FINANCIAL INFORMATION *(continued)*

## Summary Statement of Revenue and Expenditures for last three years and for two years projected

### REVENUES

	Enter Year	Enter Year	Enter Year	Enter Year	Enter Year
<i>Enter Year==&gt;</i>					
Residential					
Commercial					
Deferred Charges					
Other					

**TOTAL REVENUES**                    \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

### EXPENDITURES

Operations & Maintenance					
Depreciation & Amortization					
Other					

**TOTAL EXPENDITURES**            \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

**TOTAL OPERATING INCOME**        \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

### OTHER INCOME

Interest					
Other					

**TOTAL OTHER INCOME**            \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

### INCOME DEDUCTIONS

Interest on Debt					
Debt Retired					
Other					

**TOTAL INCOME DEDUCTIONS**      \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

**NET OPERATING INCOME**            \$                    -    \$                    -    \$                    -    \$                    -    \$                    -

# STATEMENT OF DEFAULT

We hereby certify that (system name) \_\_\_\_\_ has not defaulted on any payment of matured Principal and/or Interest. If default has occurred, please provide details on a separate page.

Is the system under any regulatory or court compliance order?  Yes  No

If yes, please describe on a separate page, including issuance and compliance requirement date.

The applicant must enclose the following documentation with the completed application. *Please indicate whether it is enclosed or not applicable.*

- | Enclosed                 | N/A                      |   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | One copy of District's Charter, with amendments, if any.  |
| <input type="checkbox"/> | <input type="checkbox"/> | One copy of each of the last three annual Audited Financial Statements. If there is no operational history, please submit an analysis demonstrating financial feasibility.  |
| <input type="checkbox"/> | <input type="checkbox"/> | If the latest Audited Financial Statement is more than 12 months old, please submit the most recent unaudited financial statement ( <i>e.g., trial balance, balance sheets, statement of revenue and expenditures</i> ) . |
| <input type="checkbox"/> | <input type="checkbox"/> | One copy of the latest Budget.  |
| <input type="checkbox"/> | <input type="checkbox"/> | Schedule of current and/or proposed rates required for financing the project under consideration, and a schedule for adopting those rates, if they are not in place.  |
| <input type="checkbox"/> | <input type="checkbox"/> | Most recent copy of proposed construction drawdown schedule.  |

For Land Acquisition Projects:

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | A copy of purchase and sale agreement.           |
| <input type="checkbox"/> | <input type="checkbox"/> | A copy of the appraisal of land to be purchased. |

Any material facts that amplify the financial effect on the community, not requested in this application, should be noted here:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The facts and representations in this application form are from the official records of this unit and are correct in all material aspects to the best of our knowledge.

Chief Administrative Officer: \_\_\_\_\_ (name) \_\_\_\_\_ (title)

Signature: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Date: \_\_\_\_\_

# PROJECT AUTHORIZATION

Attach this Project Authorization form to a copy of the completed Drinking Water Loan Application and mail to:

SRF Project Manager  
State of Maine Department of Health and Human Services  
Division of Health, Office of Water  
11 State House Station  
Augusta, Maine 04333-0011

The State of Maine Department of Health and Human Services hereby certifies the following:

- That the applicant is entitled to immediate financing or assistance through the State Revolving Fund – Drinking Water Program for the amount requested; and
- That the project to be financed is listed on the most current Department of Health and Human Services Project Priority List; and

## FOR DESIGN/CONSTRUCTION PROJECTS

- That the applicant has addressed the capitalization grant requirements and review, as outlined on the

Applicant's Name	Project Number	Total Eligible Costs
		\$ -

\_\_\_\_\_  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Authorized Signature

\_\_\_\_\_

\_\_\_\_\_  
DATE