

Making a Difference for Maine Communities

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**General Resolution Program**

**Financial Application**

|  |
| --- |
| **For Revenue Borrowers – Water, Sewer, Utility Districts, etc.** |
|  |

Program Officer: Program Assistant:

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**MAINE MUNICIPAL BOND BANK**

**GENERAL RESOLUTION PROGRAM APPLICATION**

**Types of Borrowers:** This application is designed for the purpose of obtaining financial information from 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, municipality, or governmental unit. 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 municipality and/or governmental unit. If the municipality has any stand-alone debt, it should be reflected as part of the debt and financial information. An applicant will use General Fund financial information only when completing the Financial Info worksheet of this General Resolution Application.

**SCHOOL DISTRICTS:** If the school district debt is backed by a General Obligation pledge of the municipality or municipalities in the district, both district and municipal information will be required. When completing the Financial Info, Tax Info and Economic Info worksheets of this General Resolution Application, the district must obtain financial information from each city or town served by the school district.

**SCHOOL/MUNICIPAL BORROWER:** If the applicant is not a district, a different application is needed. Please contact the Bond Bank to obtain a copy of the Financial Application for General Obligation Borrowers or visit our website at <https://www.mmbb.com/programs/general-resolution-program/>

**Repayment Source:** Loan applications and supporting financial information will be reviewed for evidence of a dedicated source of revenue (in this case, property taxes) that is sufficient to cover repayment of the proposed loan, plus all existing indebtedness and operating costs of the borrower.

**Local Bond Counsel:** It is strongly recommended that an applicant consult local bond counsel before completing the General Obligation Financial Application. Bond counsel is an attorney with expert knowledge of bond procedures who will issue a bond opinion confirming that the bonds issued by the applicant meet all requirements for tax-exempt status. For a current listing of approved Bond Counsel, please visit the Bond Bank's webpage at <https://www.mmbb.com/programs/general-resolution-program/>

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 or email Toni Reed at 207-622-9386 ext. 213 or Madison Purdy at ext. 221.

**When you are applying for a loan please remember to:**

1. Contact your local bond counsel and advise them of your intentions to borrow. Also, please select from the drop down, the name of the firm and bond counsel on your application.
2. Make sure you have your local authorization to borrow as laid out in your charter, by-laws, or state statute. This needs to be done prior to the sale of your bond.
3. Review our bond issue schedule to ensure you can meet all deadlines.
4. If you are refinancing debt, you will need to receive a payoff balance as of the MMBB closing date and that amount should equal the amount you are borrowing.
5. If you are refinancing debt, describe on your application what the original purpose of the debt was.
6. Bids on projects need to be received prior to pricing to ensure proper bond pricing amounts.
7. Please tell us if you are paying off a temporary BAN on your application.
8. Your loan will be priced as a level principal payment authorization if not otherwise specified.
9. For all water districts: receive PUC approval prior to pricing bond as outlined on our bond issue schedule.

The undersigned Government Unit (the applicant) hereby requests the Maine Municipal Bond Bank (the 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**

|  |  |  |  |
| --- | --- | --- | --- |
|   | Chief Administrative Officer | Contact Person (if different) | Billing Contact Person (if different) |
| Name |   |   |   |
| Title |   |   |   |
| Telephone |   |   |   |
| Fax |   |   |   |
| Email |   |   |   |

|  |  |
| --- | --- |
| Name of Applicant |  |
| Mailing Address |  |
| Physical Address |  |

Purpose of Borrowing: (Please type in a detailed reason for borrowing or attach a separate page with description) *If refinancing debt, please include original purpose of loan amortization schedule.*

How much, if any, of the proposed loan is for the refinance of a BAN: $

If applicable, what is the original issue date of the loan being refinanced:

|  |
| --- |
| Source of Funds |
| Amount Requested from Bond Bank (this application) |  $  |
| Federal grant or loan-*Specify* |  $  |
| State grant or loan-*Specify* |  $  |
| Applicant's share |  $  |
| Other-*Specify* |  $  |
| Other-*Specify* |  $  |
| **Total Source of Funds** |  $  -  |

**Please attach your Project Cost Breakdown**

**Ex: Land, Design, Contractors, Legal, Contingency**

Bond Counsel Information: (see approved list at [*https://www.mmbb.com/programs/general-resolution-program/*](https://www.mmbb.com/programs/general-resolution-program/))

*Dropdown menu*

Bond Counsel: Please Select Firm: Please Select

Telephone: Please Select Email: Please Select

Mailing Address: Please Select

Form of Authorization: [ ]  Referendum [ ]  Council [ ]  Town Meeting [ ]  Trustee Vote [ ]  Other

Amount Authorized: $\_\_\_\_\_\_\_\_\_\_ Date of Authorization: \_\_\_\_/\_\_\_\_/\_\_\_\_

Project Bid Date\*: \_\_\_\_/\_\_\_\_/\_\_\_\_ Expected Completion Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Has bond counsel reached a preliminary determination that the interest on your bond will be exempt from federal income taxes? [ ]  Yes [ ]  No

\* Bids on projects need to be received prior to pricing to ensure proper bond pricing amounts

**MATURITY SCHEDULE OF APPLICANT’S PROPOSED BOND ISSUE**

How many years do you want to borrow for? Choose an item.

Please check one box

Level principal payments[ ]

Level principal and interest payments [ ]

Fiscal Year End Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

If you have more than one project, please indicate how you would like them to be treated:

[ ]  Separate Loans [ ]  Aggregate Loans

*A maturity schedule can be obtained by visiting our website at* <https://www.mmbb.com/programs/general-resolution-program/> *or the Bond Bank can provide one for you.*

Please provide an anticipated spend down schedule of loan proceeds in space below or attach separate sheet.

Have you obtained all necessary approvals from the Maine Public Utilities Commission for this project (if applicable)?

 Approval to Issue Debt?

 Date Obtained:

 Date Expected:

 Approval for rate increase?

 Date Obtained:

 Date Expected:

Are there any additional state or local approvals required?

Do you have interim financing?

 Amount:

 Maturity date:

 Rate:

 Lender:

**FINANCIAL INFORMATION**

*PLEASE INCLUDE 3 MOST RECENT FINANCIAL AUDIT REPORTS WITH APPLICATION. PLEASE ALSO PROVIDE A CURRENT YEAR-TO-DATE BUDGET TO ACTUAL EXPENDITURES.*

Current fiscal year:

Any anticipated financial changes in the current unaudited fiscal year from previous? [ ]  Yes [ ]  No

If so, please explain:

Any anticipated financial changes in the next fiscal year? [ ]  Yes [ ]  No

If so, please explain:

**Please answer and explain the following questions:**

Please discuss the current fiscal year’s budget and the assumptions used. How is the budget tracking so far year-to-date? Are there any expected significant deviations from previous budgets?

Any financial challenges or delays in revenues?

Are you expecting a surplus or deficit in current fiscal year? What factors drove operating results?

Any unplanned or one-time revenues or expenditures in current year?

Do you have any concerns over your ability to pay debt service?

Do you have a five-year capital improvement plan?

If so, please provide a copy.

Do you have a fund balance policy?

If so, please explain or provide a copy.

Has there been any recent changes in leadership or key executive or financial management?

Do you have a cyber security plan or cyber security insurance?

Have you ever had a cyber-attack or been a target of an attack?

**DEBT INFORMATION**

Any new debt secured since your last audit?

If so, please provide explanation and debt schedule if outside of MMBB.

Any approved debt not issued yet?

If so, please briefly explain:

Any anticipated large projects in the next two years?

**OUTSTANDING DEBT NOT WITH THE BOND BANK**

PLEASE ATTACH YOUR DEBT SCHEDULES FOR ALL DEBT NOT WITH MMBB

**ECONOMIC INFORMATION**

List all the municipalities your district serves

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Town/City |  |  |  |  | Estimated # of people being served (customers) |
|   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |

List any significant users or potential users who utilize more than 5% of the system with approximate percentage of capacity attributed to each user.

|  |  |  |
| --- | --- | --- |
| Name of Individual or 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 |
| # of customers |  |  |  |  |  |  |
| # of employees |  |  |  |  |  |  |
| Rate Schedule |  |  |  |  | c.f. | c.f. |
| Planned rate increases next two years |  |
| Date and percentage of last rate increase |  |
| Current annual residential user fees (2,000 cu. ft.) |  |

Please attach current rate schedule

[ ]  Yes [ ]  No Are there any other factors that have occurred since the date of the last annual report or

 financial statements that would significantly affect your revenue, expenditures, or overall

 financial condition?

 If yes, please list:

[ ]  Yes [ ]  No Is there pending litigation, not covered by insurance, that is significant or material that could impact your financial condition? *If yes, please provide a statement explaining any such lawsuit.*

[ ]  Yes [ ]  No Is there a place in your community or pending before the governing body, a limitation on the

 ability of governmental unit to raise, through taxes or rates, or expend from revenue, funds

 necessary to pay the costs incurred if you issue the debt called for in this application. *If yes,*

 *please provide a copy of the ordinance or proposed governmental unit action, explaining the*

 *possible limitation.*

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

 If yes, please explain:

[ ]  Yes [ ]  No Are there any other issues that could materially impact the overall credit strength? If so,

 please explain:

**STATEMENT OF DEFAULT**

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

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

Enclosed N/A

[ ]  [ ]  One copy of each of the last three annual Audited Financial Statements.

[ ]  [ ]  Please include a copy of your charter.

[ ]  [ ]  If the last Audited Financial Statement is more than 12 months old, please submit

the most recent unaudited financial statement. As well as a statement to why audit is not final and when it will become finalize.

***NOTE: THE BOND BANK MAY ASK FOR EXTRA ITEMS SUCH AS A BUDGET, TRIAL BALANCE STATEMENTS, REVENUE & EXPENSE REPORTS, ETC.***

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)*

Signature: Date: