

Making a Difference for Maine Communities

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**Financial Application Instructions**

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| **For General Bond Resolution Borrowers**  |
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Program Officer: Program Assistant:

Toni Reed ext. 213 Madison Purdy ext. 221

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127 Community Drive, Augusta, ME 04330

1-800-821-1113 207-622-9386 Fax: 207-623-5359

General Information

General Instructions

Please provide the municipality’s name and address (A) along with the Chief Administrative Officer’s name and contact information (B). Please provide the name, title, and contact information of the person most knowledgeable about the proposed project detailed in this application (C). This person may be contact by the Bond Bank if there are any question regarding this application.

Please provide the name, title,

and contact information of the

person most knowledgeable

about the billing for the

referenced project (D).

Please describe the overall

Project that will be paid for

With the General Bond

Resolution loan proceeds (E).

Applications are accepted year-round without cost of obligation. To be included in a particular bond issue, the complete application and supporting documents must be submitted by the application deadline on the sale schedule. Applications for the Spring Issue are generally due the first of February and proceeds are wired to the borrower’s designated account by the end of May. Applications for the Fall Issue are generally due the first of August and proceeds are wired by first of November. To obtain a copy of the upcoming Bond Issue Schedule, please visit our website – [www.mmbb.com](http://www.mmbb.com).

For school district applications, where the proposed debt is backed by a general obligation pledge of the municipality or municipalities in the district, both district and municipal financial information are required. Each municipality being served by the school district must provide their most recent audited financial report and fill out the Tax Information and Economic Information pages of the Application. The School District should attach all municipal data and information with the completed Application.

For water or sewer district applications, where the proposed debt will be repaid from user fees (without a General Obligation pledge), the district will need to complete a different application entitled - Financial Application for Revenue Borrowers. Please visit our website <https://www.mmbb.com/programs/general-resolution-program/>

Once the application is complete, email completed application with all required attachments to treed@mmbb.com. If you would prefer to mail the completed application you may do so to the attention of: Toni Reed, Program Officer, Maine Municipal Bond Bank, 127 Community Drive Augusta, ME 04330.

**

A

D

C

B

E

Funding & Project Costs

Please include the total amount of the project to be paid for with the General Bond Resolution loan proceeds request in this application. Then indicate what sources the remaining cost of the project will come from, which include: Federal Grants or Loan, State Grants or Loans, Other Sources, or the Application’s contribution (F).

Please attach a Project Cost Breakdown

for all costs associated with projects,

as applicable to the example following

categories: Land, Design, Contractors,

Legal, Contingency, And Other costs.

Please contact architects, engineers,

contractors, and bond counsel for

estimates of these costs (G).



F

G

Using the drop-down menus, please provide the attorney’s name, firm’s name, address, telephone, and fax number of the local bond counsel that you have hired to provide a legal opinion (H). An applicant will need to hire local bond counsel with expert knowledge of bond procedures and related state and federal regulations. An applicant will work closely with their bond counsel when determining the necessary approval to incur debt under the General Bond Resolution Program. For a list of approved Bond Counsel, please visit the Bond Bank’s website at <https://www.mmbb.com/programs/general-resolution-program/>

Bond Counsel



The Form of Authorization (I) depends on the structure of the governmental entity requesting a General Bond Resolution Program loan. The applicant may begin the approval process before submitting the application to the Bond Bank. However, local authorization must be completed before mid-April for the Spring Issue and mid-September for the Fall issue.

Amount Authorized and Date of Authorization (I) – Indicate the amount that was approved by the authorizing vote. Applicants may apply before local authorization, although Board approval will be contingent upon its receipt. If local authorization is pending, please indicate the expected approval date. Otherwise, indicate the date your governing body approved the amount authorized.



H

Authorization

I



I

J

From the drop-down list, select the loan term (J). Please select the number of years you wish to repay this loan. However, please keep in mind that the loan term cannot exceed the useful life of the project. The minimum loan term is typically 5 years, and the maximum term is 30 years. The Bond Bank could do less than 5 years but no longer than 30 years.



Please check a box for this loan structure (K).

1. Level Principal payments are annual principal payments that remain the same, however interest payments decrease each year creating lower annual debt service payments throughout the life of the loan.
2. Level Principal and interest Payments are annual total debt payments that remain the same each year creating level annual debt service payments throughout the life of the loan.



Multiple Projects (L) – It is possible for an applicant to apply for more than one project using a single application. If applying for multiple projects, please provide a maturity/repayment schedule for each project and indicate whether the projects should be treated as separate loans or an aggregate loan.



Please be sure to provide an anticipated spend down schedule of loan proceeds in the extra space or on an attached sheet.

Maturity Schedule

K

L

M

It is very important to include the 3 most recent financial audit reports with your application.

Please answer the first two questions (M) by checking the yes or no box. These questions are related to the current fiscal year.

If you answer yes, please explain further in the provided boxes.

If you answer no, please move on to the next set of questions. If you answer yes to any question(s), please explain further into detail.



Financial Information



M

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Please answer the first three questions (N) by writing yes or no. These questions are related to any new debt or possible upcoming debt.

If you answer yes, please explain further in the provided boxes.

If you answer no, please move on to the next set of questions.



If you have any outstanding debt outside of MMBB, please attach the debt schedule(s).

P

O

Tax Rate and Collections (O) –

Beginning with the most recent

fiscal year and 4 previous fiscal

years, provide information

regarding the municipality’s tax

rate, taxes billed, dollar and

percentages of taxes collected by

fiscal year end, as well as dollar

and percentage of taxes collected

in the second year.

Property Valuations (P) – Identify

the local assessed value by adding

together real estate and personal

property valuations. If the applicant

does not know the State Assessed

Value, the Bond Bank can obtain

this information, on the applications

behalf. Please include the year of the

municipality’s most recent valuation

assessment.

Date of last re-evaluation, composition of Tax Base, Tax Due Dates, and Basis of Accounting – Please complete with current information.

Tax Information

N

Debt Information



Please provide information regarding the 5 largest taxpayers of the municipality. In the column entitled, “% of Total Assessed Value”,

please calculate the percentage rate of

the taxpayer’s assessed value in relation

to the Town or City’s assessed value (Q).

Please indicate any expected changes in

any of the taxpayer’s operations or

financial condition (R).

Check off any factors that have occurred since the date of the most recent audited financial statements that would significantly affect your revenue, expenditures, or overall financial conditions (S).

If there is a pending litigation in, the

Applicant

should obtain a detailed explanation

from their attorneys.

If there are limitations (i.e. local

ordinance, statutory, or regulation)

governing the amount of debt or

revenues the applicant can incur,

check “yes” and provide a detailed

explanation (T).

Economic Information



Completed financial applications will be reviewed at the next meeting of the Bond Bank’s Board of Commissioners, which typically occurs each month. If approved, the Bond Bank will issue a Letter of Commitment to the applicant. The approval is valid for one year from the date appearing on the approval letter.

Miscellaneous

Please go through the application checklist to make

sure that all the documentation needed to process the

application has been included (U).

*By signing this statement of default, the applicant*

*certifies that they are not in default on any
outstanding loan. If a default has occurred, the
applicant will need to provide a detailed explanation
of the circumstances including the lender name,
amount past due and reason for defaulting on the
loan.*

U

Statement of Default

T

S

Q

R