Municipal Financial Application Instructions

General Resolution Bond Program

This guide is designed to assist you in completing your financial application and gathering the required supporting documentation. References A–U correspond to the applicable sections of the application.

Before You Apply

Applications are accepted year-round without cost or obligation. To be included in a particular bond issue, submit the complete application and supporting documents by the deadline listed in the Bond Issue Schedule.

Bond Issue	General Application Due Dates	Loan Closing (Disbursement of Loan Proceeds)
Spring	First of February	By the end of May
Fall	First of August	By the first of November

For the upcoming Bond Issue Schedule, visit http://www.mmbb.com/programs/general-resolution-program.

School Districts

If 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 served by the district must provide its most recent audited financial report and complete the Tax Information and Economic Information pages. Attach all municipal information to the completed district application.

Water and Sewer Districts

If the debt will be repaid from user fees without a general obligation pledge, use the Financial Application for Revenue Borrowers. The application is available at http://www.mmbb.com/programs/general-resolution-program.

Submit Your Application

Email the completed application and all required attachments to treed@mmbb.com. If you would prefer to submit your completed application by mail please send attention to Toni Reed, Program Officer, Maine Municipal Bond Bank, 127 Community Drive, Augusta, ME 04330.

Questions and Assistance

Call 207-622-9386 or contact a program staff member below.

Contact	Role	Extension	Email
Toni Reed	Program Officer	213	treed@mmbb.com
Madison Purdy	Program Assistant	221	mpurdy@mmbb.com
Jen Lachance	Program Assistant	208	jlachance@mmbb.com

Applicant and Project Information

General Information

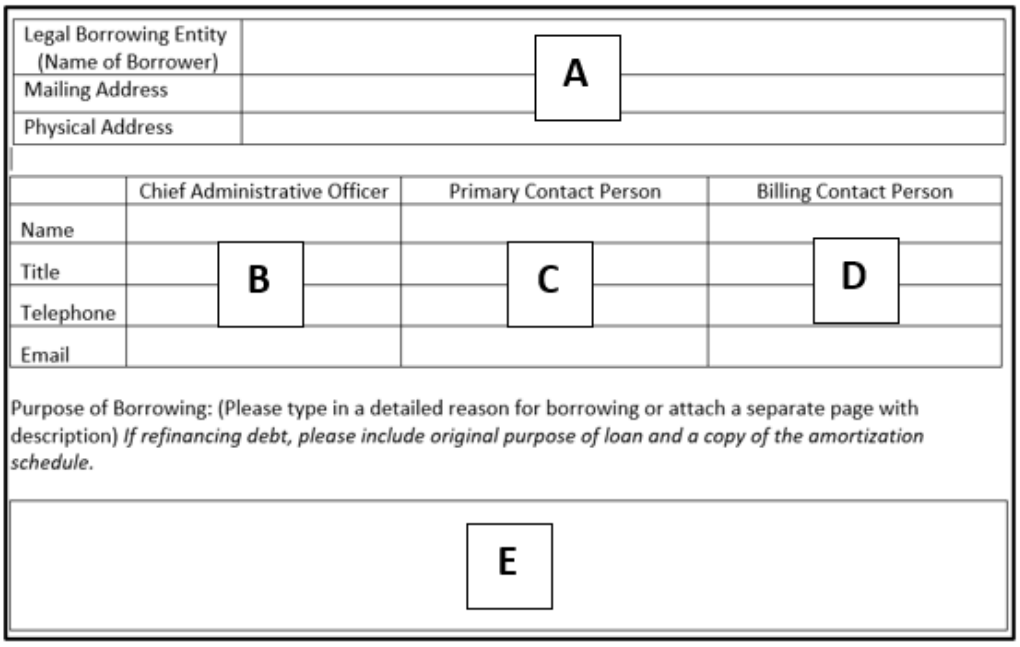
A Municipality/School Administrative District (MSAD, CSD, or RSU)
Provide the municipality's/SAU's name and address.

B Chief Administrative Officer
Provide the Chief Administrative Officer's name and contact information.

C Project contact
Provide the name, title, and contact information of the person most knowledgeable about the proposed project. The Bond Bank may contact this person with questions about the application.

D Billing contact
Provide the name, title, and contact information of the person most knowledgeable about billing for the project.

E Project description
Describe the overall project to be paid for with the loan proceeds.



Funding and Authorization

Funding and Project Costs

F Sources of Funding
Provide the total project cost, the amount requested from the Bond Bank, and the sources of funding for the remaining project costs, including federal grants or loans, state grants or loans, other sources, and the applicant's contribution.

G Project Cost Breakdown
Attach a breakdown of all project costs, as applicable, including land, design, contractors, legal, contingency, and other costs. Contact architects, engineers, contractors, and bond counsel for cost estimates.

Source of Funds	
Amount requested from the Bond Bank (this application)	$
Federal Grant or Loan – *Specify*	$
State Grant or Loan - *Specify*	$
Applicant's Share	$
Other – *Specify*	$
Total Project Source of Funds	$

F

Please attach your Project Cost Form Breakdown. For example, Land, Design, Contractors, Legal, Contingency, etc. G

Bond Counsel

H Bond Counsel Information

Use the drop-down menu to provide the attorney's name, firm, address, and telephone number. Applicants must hire local bond counsel with expertise in bond procedures and related state and federal regulations. Counsel will provide a legal opinion and help determine the approvals needed to incur debt.

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

Bond Counsel: **Please Select:** H

A list of approved bond counsel is available at https://www.mmbb.com/programs/general-resolution-program/.

Authorization

I Form and Amount of Authorization

The required form of authorization depends on the governmental entity's structure. Indicate the amount approved by the authorizing vote and the date of approval. If authorization is pending, provide the expected approval date.

You may apply before obtaining local authorization, but MMBB approval will be contingent upon its receipt. Local authorization must be completed before mid-April for the Spring Issue and mid-September for the Fall Issue.

Form of Authorization: ☐ Referendum ☐ Council ☐ Town Meeting ☐ Trustee ☐ Other: _____

Amount Authorized: $_____ Date of Authorization: ____/____/____

Please provide the minutes of your local governing meeting.

Project Bid Date*: ____/____/____ Expected Completion Date: ____/____/____

I

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

Repayment and Maturity Schedule

J Loan Term

Select the number of years over which you wish to repay the loan from the drop-down list. The term cannot exceed the useful life of the project. Loan terms typically range from 5 to 30 years. A term of less than 5 years may be available; the maximum term is 30 years.

Please select the number of years you would like to borrow. **Please Select:** J

K Loan Structure
Check the box for your requested repayment structure.

K	Please Check One Box:
	Level principal payments ☐
	OR
	Level principal and interest payments ☐

Loan Structure	How Payments Work
Level principal	Annual principal payments remain the same. Interest payments decrease each year, resulting in lower annual debt service payments over the life of the loan.
Level principal and interest	Total annual principal and interest payments remain the same, resulting in level annual debt service payments over the life of the loan.

Please note: If a repayment structure is not selected, the structure will default to level principal.

L Current Fiscal Year
Please confirm your designated fiscal year-end date for tax and reporting alignment.

Your Fiscal Year End Date:	L
☐ 6/30 ☐ 12/31 ☐ 1/31 ☐ 3/31 ☐ Other: ____/____/____	

M Multiple Projects
You may apply for more than one project using a single application. Provide a maturity or repayment schedule for each project and indicate whether the projects should be treated as separate loans or as an aggregate loan.

If this application has multiple projects, please specify how you would like them treated:		
☐ Separate Loans	M	☐ Aggregate Loans

Spend Down Schedule
Provide an anticipated schedule for spending the loan proceeds in the extra space on the application or on an attached sheet.

Financial and Debt Information

Financial Information: Answer the next few questions under the financial section of the application.

Required Attachments: Include your three most recent financial audit reports with this application.

Debt Information

N New or Anticipated Debt
Answer the next few questions by writing Yes or No. These questions relate to new debt or possible upcoming debt. Explain each Yes response in the space provided, then continue to the next set of questions.

Are you expecting a surplus or deficit in the current fiscal year and why?
Please explain:

Are there or have there been any unplanned or one-time revenues or expenditures in the current fiscal year?
☐ Yes ☐ No
If yes, please explain:

Do you have any concerns over your ability to pay debt service? ☐ Yes ☐ No
If yes, please explain:

Do you have any concerns about meeting the loan compliance requirements for the annual audit?
☐ Yes ☐ No
If yes, please explain:

N

Have you experienced delays in audit reporting? ☐ Yes ☐ No
If so, please provide details:

Have there been any recent changes in leadership, key executives, or financial management personnel?
☐ Yes ☐ No
If yes, please explain:

Required Attachments

If you have outstanding debt outside of MMBB, attach the debt schedules.

Tax Information (RSU, MSADs, CSDs, please provide one for each town/city within your district.)

O Tax Rates and Collections

Provide information for the most recent fiscal year and the four preceding fiscal years. Include tax rates, taxes billed, the dollar amount and percentage collected by fiscal year end, and the dollar amount and percentage collected in the second year.

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

O

P Property Valuations

Provide the local assessed value by adding real estate and personal property valuations. If the State Assessed Value is unknown, the Bond Bank can obtain it on your behalf. Include the year of the municipality's most recent valuation assessment.

Also provide current information for the date of the last revaluation, composition of the tax base, tax due dates, and basis of accounting.

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: ____/____/____, ____/____/____

P

Penalties and/or interest charged on overdue taxes: _____

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

Economic Information

Q Five Largest Taxpayers

Identify the municipality's five largest taxpayers. For each taxpayer, calculate the assessed value as a percentage of the town or city's total assessed value.

R Expected Taxpayer Changes

Indicate any expected changes in the taxpayers' operations or financial condition.

Please list the top five taxpayers with more than 10% of total assessed value:

Taxpayer	Percentage

Q

Are you anticipating any changes in the largest taxpayer? ☐ Yes ☐ No
If yes, please explain:

R

Are any of these employers expected to make major changes in workforce or operations? ☐ Yes ☐ No
If yes, please explain:

Financial Condition and Debt Limitations

S Changes Affecting Financial Condition

Identify any factors arising since the most recent audited financial statements that would significantly affect revenues, expenditures, or overall financial condition. If litigation is pending, obtain a detailed explanation from the applicant's attorneys.

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? ☐ Yes ☐ No
If yes, please list:

S

Is there pending litigation that is significant or material that could impact your financial condition?
If yes, please provide a statement explaining any such lawsuit. ☐ Yes ☐ No

T Debt or Revenue Limitations

If a local ordinance, statute, or regulation limits the debt or revenues the applicant can incur, check Yes and provide a detailed explanation.

Are there any legal, regulatory or other governing body restrictions that could limit the governmental unit's ability to raise funds through taxes, rates or other available revenues to pay debt service and related costs associated with the proposed debt in this application? ☐ Yes ☐ No
If yes, please provide a copy of the ordinance or proposed governmental unit action, explaining the possible limitation(s).

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:

T

Are there any other issues that could materially impact your overall credit strength? ☐ Yes ☐ No
If so, please explain.

Final Review and Certification

U Review and Certification

Review the application checklist to confirm that all documentation needed to process the application is included.

By signing the statement of default, the applicant certifies that it is not in default on any outstanding loan. If a default has occurred, provide a detailed explanation, including the lender's name, the amount past due, and the reason for default.

We hereby certify that *(borrower'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 complete application. *Please indicate whether it is enclosed or not applicable.*

U

Enclosed	N/A	
☐	☐	One copy of each of the last three annual Audited Financial Statements, unless already on file with Maine Municipal Bond Bank.
☐	☐	Please include a YTD budget to actual report.
☐	☐	School districts (MSAD's, RSU's & CSD's) should include the most recent audited financial statement from each municipality within the district.
☐	☐	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 the audit is not final and when it will become finalized.
☐	☐	Copy of local additional borrowing authorization. (meeting minutes)

NOTE: THE BOND BANK MAY ASK FOR ADDITIONAL ITEMS SUCH AS A BUDGET, TRIAL BALANCE STATEMENTS, REVENUE AND 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: _____

Application Review and Commitment

Completed financial applications will be reviewed at the next meeting of the Bond Bank's Board of Commissioners, which typically meets monthly. If approved, the Bond Bank will issue a Letter of Commitment. Approval is valid for one year from the date on the approval letter.