Municipal Financial Application Instructions

General Resolution Bond Program – Revenue Borrowers

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 Proceeds Generally Wired)
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.

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

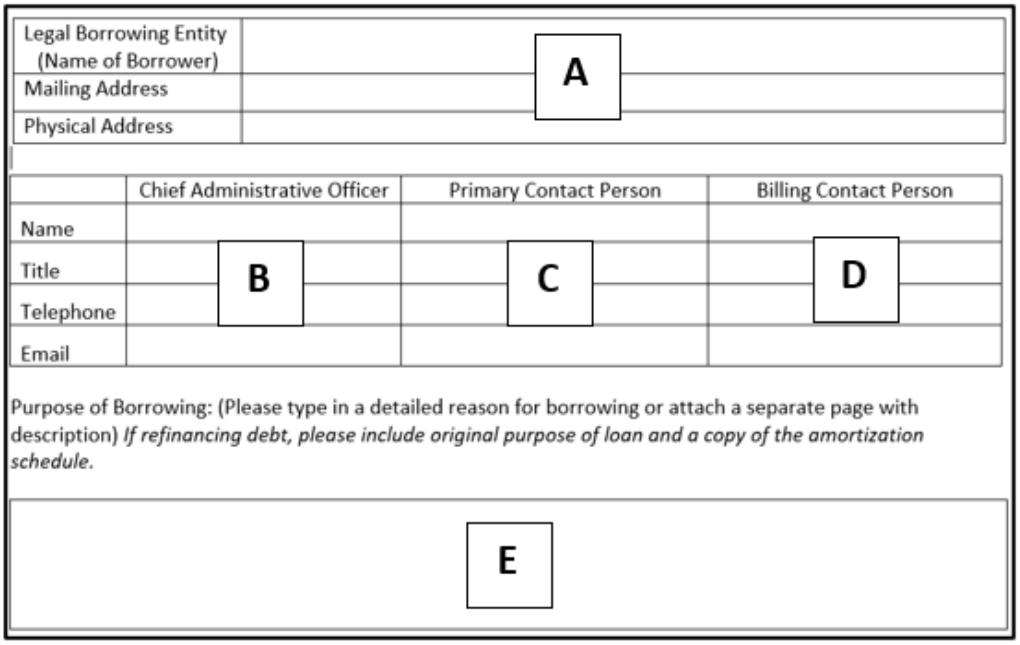
A Municipality/School Administrative District/Water, Sewer, or Utility District
Provide the unit's name and address.

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.

Approvals

N MPUC Approvals

Ensure compliance with the Maine Public Utilities Commission (PUC) by obtaining all relevant project approvals prior to submission.

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

Approval to Issue Debt? ☐ Yes ☐ No ☐ N/A

Date Obtained: ____/____/____

Date Expected: ____/____/____

Approval for rate increase? ☐ Yes ☐ No ☐ N/A

What is the percent of the rate increase? _____

N

Date Obtained: ____/____/____

Date Expected: ____/____/____

Are there any additional state or local approvals required? ☐ Yes ☐ No

If yes, please explain:

_____

_____

_____

Do you have interim financing? ☐ Yes ☐ No

Amount: _____

Maturity date: ____/____/_____

Rate: _____

Lender: _____

Financial and Debt Information

Financial Information

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

O Financial Status

Answer the next few questions by writing Yes or No. These questions relate anticipated changes in your financial status. Explain each Yes response in the space provided, then continue to the next set of questions.

Are there any anticipated financial changes in the current unaudited fiscal year compared to the previous one?

☐ Yes ☐ No

If so, please explain:

O

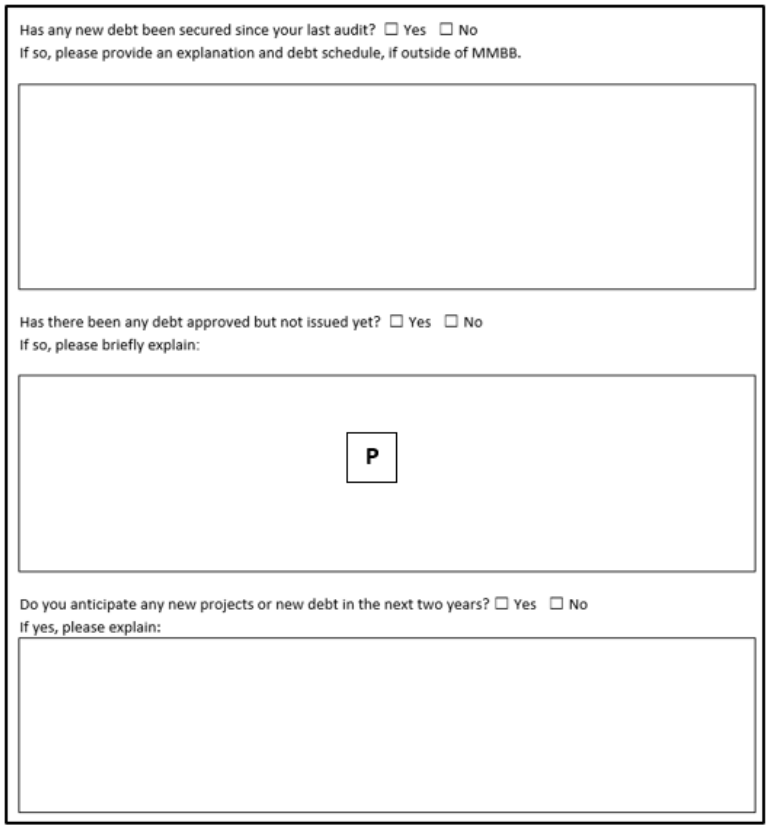
Are there any anticipated financial changes in the next fiscal year? ☐ Yes ☐ No

If so, please explain:

Debt Information

P 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.



Required Attachments

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

Economic Information

Q List All Municipalities In Your District

Identify the municipalities your district serves and estimated number of people in each.

R List District's Rate information

Fill in facility and rate information as well as supply the Bond Bank with your current rate schedule.

Town/City	Estimated number of people being served (customers)

Q

Please 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
Number of Customers						
Number of Employees						
Rate Schedule						
Planned Rate Increases in the Next Two Years						
Date and Percentage of the Last Rate Increase						
Current Annual Residential User Fees (2,000 cu. ft.)						

R

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 the 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 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 unless already on file with Maine Municipal Bond Bank.
☐	☐	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 the audit is not final and when it will become finalized.
☐	☐	Please include your current rate schedule.

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:

U

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.