**State Qualified Bond Authorization Application**

Relative to your request, please provide an electronic copy of the following information as a single pdf document at least 10 business days prior to the scheduled Municipal Finance Oversight Board meeting:

1. A written request for a hearing

2. A cover letter explaining need for approval

3. Completed Qualified Bond Questionnaire

4. A certified copy (sealed by clerk) of the article(s) and vote(s) of the town meeting, city council, district vote (including members’ votes or certifications that no meetings were held). Also, send any special election, override or exemption votes.

4a. For State Qualified Bond Applications from Regional School Districts (including Vocational Districts), the board requires a signed statement from the chief executive officer of each of the member cities (Mayor or City Manager) and towns (Town Administrator, Town Manager, or a majority of the Select Board) in the district, indicating that they understand that the debt service on the state qualified bonds will be assessed to them in the same proportions as other similar expenses under the regional school district agreement.

*(Please use downloadable form on the MFOB application webpage –* [*click here to download*](https://www.mass.gov/doc/acknowledgement-of-municipal-financial-responsibility/download)*.)*

5. Copy of credit report(s)

6. Copy of most recent official statement

7. Debt schedule

8. Coverage analysis

Chapter 44A (“The Qualified Bond Act”), Section 2 states that the board shall “cause an investigation to be made” regarding various items in the Qualified Bond Application, including the amount of state local aid payments likely to be made to the city, town, or regional school district with the payments to be made on the proposed bonds. The coverage analysis required in item 8 satisfies this requirement of the board.

The Division of Local Services (DLS) Data Analytics and Resources Bureau provides an analysis to the board of net state aid to the city, town, or regional school district and deducts the annual debt service on any state qualified bonds already issued, the anticipated annual debt service for the qualified bonds contemplated in this application and provided to DLS by the financial advisor, and any other non-qualified debt service owed by the city, town, or regional school district. It is the policy of the board that there be two times the annual state aid remaining as the total annual debt service owed. The board may choose to deny an application where the ratio of remaining state aid to debt service (coverage ratio) is less than 2:1.

9. Motion from bond counsel

10. Useful life certificate(s) (if applicable)

11. List of any federal grant(s) (if requesting to borrow in anticipation of federal grant(s))

For any questions, please call (857) 242-5470 or write to:

Municipal Finance Oversight Board

Office of the State Auditor

One Winter Street, 9th Floor

Boston, MA 02108

DL.MFOB@MassAuditor.gov

**State Qualified Bond Questionnaire**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Questionnaire for: | | | Insert City/Town/District Name | | | | | | | | | | | | |
|  | | |  | | | | | | | |  | | | | |
| 1. List City/Town/District officials (i.e. mayor, council, selectmen, treasurer, auditor, superintendent) | | | | | | | | | | | | | | | |
| Insert name of official and title | | | | | |  | Insert name of official and title | | | | | | | | |
| Insert name of official and title | | | | | |  | Insert name of official and title | | | | | | | | |
| Insert name of official and title | | | | | |  | Insert name of official and title | | | | | | | | |
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| Insert name of official and title | | | | | |  | Insert name of official and title | | | | | | | | |
|  | | | | | |  |  | | | | | | | | |
| 1. County |  | Select county |  |  | City/Town Population | | | | | | | Enter population | | | |
| 1. Total budget for present fiscal year | | | |  | Enter FY | | | |  | Enter total budget | | | | | |
| 1. Total outstanding debt as of Click here to enter a date | | | |  | Enter total outstanding debt | | | | | | | | | | |
| 1. Authorized, unissued debt as of Click here to enter a date | | | |  | Enter authorized, unissued debt | | | | | | | | | | |
| 1. Current fiscal year debts service | | | |  | Enter FY | | | |  | Enter debt service | | | | | |
|  | | | |  | Principal: | | | Enter amount | | | | | Interest: | | Enter amount |
| 1. Debt service excluded from levy | | | |  | Enter debt service excluded from levy | | | | | | | | | | |
| 1. Bond rating and date received | | | |  | Enter bond rating | | | | | | | | | Click here to enter a date | |
| 1. Bond rating and date received | | | |  | Enter bond rating | | | | | | | | | Click here to enter a date | |
| 1. Equalized valuation | | | |  | Enter equalized valuation | | | | | | | | | | |
| 1. Estimated Cost of Issuance | | | |  | Enter estimated cost of issuance | | | | | | | | | | |
| 1. Estimated savings through use of Qualified Bond Act | | | |  | Enter estimated savings | | | | | | | | | | |

**Qualified Bond Application**

Click here to enter a date

The Enter the name of the City, Town, or Regional District hereby request the Municipal Finance Oversight Board’s authorization, provided under Chapter 44A, M.G.L., to issue bond(s) pursuant to the Qualified Bond Act. Such action has been approved by Enter the name of the Council, City Manager, Mayor, Selectmen or Regional Committeeat their meeting on Click here to enter a date.

We authorize the Board to commence with the prescribed investigation or take any other appropriate action as required by the Act. The cost of such investigation or other related action will be paid by us. We acknowledge that we are familiar with all of the provisions of the Qualified Bond Act and will adhere to all of its provisions.

|  |  |
| --- | --- |
| Amount of Proposed Bond(s) | Insert amount of proposed bond(s) |
| Term Requested | Insert term requested |
| Purpose(s) of Bond Issue | Insert purpose(s) of bond issue |

Submitted by,

Insert Name and Title

**State Qualified Bond informational SUPPLEMENT**

The Municipal Finance Oversight Board requires issuers to set maturity payments only on the first day of the month. This aligns qualified bond debt service payments with the Commonwealth’s standard General Obligation debt service payments and the payment of local aid. Thank you.