

MAINE STATE LEGISLATURE

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Terry Hayes, *Executive Director*
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January 27, 2025

Honorable Matthea Elisabeth Larsen Daughtry
President of the Senate
3 State House Station
Augusta, Maine 04333

Honorable Ryan Michael Fecteau
Speaker of the House
2 State House Station
Augusta, Maine 04333

Dear President Daughtry and Speaker Fecteau:

Pursuant to 5 M.R.S.A., Section 12023, please consider this the letter of transmittal for the required report from the Maine Municipal Bond Bank due by February 1, 2025.

Please feel free to contact me with any questions or if you need additional information. I can be reached at 622-9386 or by email at Terry@mmbb.com.

Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Terry Hayes".

Terry Hayes,
Executive Director



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RE: Quasi-Independent State Entities annual report required under 5 MRSA c.379, sub-c.3, Section 12023

Dear President Daughtry and Speaker Fecteau:

I am pleased to provide the following report concerning the operating activities of the Maine Municipal Bond Bank (the Bond Bank) for our fiscal year ending June 30, 2024.

The Bond Bank has adopted and implemented policies and procedures concerning purchasing, contributions, and travel during fiscal year 2013. All employees of the Bond Bank are familiar with these policies and procedures and are aware that only the Executive Director can waive them. No changes have been made to the policies and procedures since adoption.

The Bond Bank's Board of Commissioners approves an annual operating budget. They are provided a periodic Treasurer's Report that details all expenditures, including a comparison of budget to actual, and includes a summary of checks written during the period of the report, so that they may monitor compliance with all policies and procedures. The Board members are given an opportunity to question the staff concerning the report before they vote to approve it. Backup for any expenditure is provided to the Board or a member, upon request.

General Expenditures:

I have not included expenditure detail to vendors that aggregate more than \$10,000.00 for the fiscal year but were made over the course of the fiscal year in payments that were less than \$10,000.00 each. These expenditures represent payments for items such as computer equipment, software and other miscellaneous expenditures. I have also not included detailed expenditures for employee withholdings, payments to the Treasurer of the State of Maine for property and other insurances and other miscellaneous fees that aggregate more than the \$10,000.00 threshold. In addition, I have not included expenditures that aggregate more than the \$10,000.00 threshold for electricity, utilities and property taxes paid to the City of Augusta. Property taxes are reimbursed to the Bond Bank by our tenant, Bangor Savings Bank.

Bond Issue Related Expenditures:

Because of the mission of the Bond Bank, issuing bonds on behalf of our borrowers, there are payments that the Bond Bank makes to vendors that are bond issue related. These vendors include Standard and Poor's and Moody's Investor Services who provide bond ratings for our issues. These payments totaled approximately \$267,425.00 in fiscal year 2024.

Other bond issue related payments that aggregate more than \$10,000 but may be less than \$10,000 per issue include Anderson Aquino, LLP, who is the counsel of our Trustee, US Bank, totaling \$11,500, Hawkins, Delafield & Wood, the Bond Banks bond counsel, totaling \$229,246 and Hilltop Securities Inc, the Bond Banks financial advisor, totaling \$110,000 in fiscal year 2024.

Expenditures with Competitive Procurement Waived:

The Bond Bank has an ongoing relationship with three vendors that it has not issued an RFP for in more than several years.

The Bond Bank purchases its health and dental insurance through the Maine Municipal Employee's Health Trust (the Health Trust) and also provides the employees an opportunity to purchase long and short-term disability and vision insurance, at their option. The Health Trust is a multi-employer, non-profit aggregator of these employee benefits and the Bond Bank believes that it will not be able to purchase these benefits at a lower cost elsewhere. Therefore, the Bond Bank does not issue an RFP for this purchase. The Bond Bank paid the Health Trust approximately \$694,484 in fiscal year 2024, which included benefits that the employees purchased at their option.

The Bond Bank has a continuing relationship with Bangor Savings Bank, which provides the Bond Bank with investment custodian services. The Bond Bank paid Bangor Savings Bank approximately \$51,674 in fiscal year 2024. The Bond Bank also has a continuing relationship with its bond trustee, US Bank. The Bond Bank paid US Bank approximately \$119,356 in fiscal year 2024.

Other:

The Bond Bank did not make any contributions to any person during fiscal year 2024.

The Bond Bank does not employ any person, other than Bond Bank staff, for the purpose of lobbying.

Please feel free to contact me with any questions or comments that you might have concerning this report. I can be reached at 622-9386 or by e-mail at Terry@mmbb.com

Sincerely yours,



Terry Hayes,
Executive Director