Date

State Treasurer and Chairman John M. Schroder

State Bond Commission

P.O. Box 44154

Baton Rouge, LA, 70804

SUBJECT: Official Request for a $[amount emergency loan, bond or other financing] for the [entity name] during the declared Statewide Emergency via Proclamation Number 25 JBE 2020 on March 11, 2020 in response to the imminent threat posed by the novel coronavirus (“COVID-19”)

Dear Chairman Schroder:

Please accept this letter and certification as a formal request for an emergency [loan, bond or other financing] in the amount of $[amount] for operations and expenses as a result of the COVID-19 pandemic for the continuity of essential government functions. Although the amount and effects of the COVID-19 pandemic and related business closures are not yet known, they are expected to have a serious impact on [entity name].

The following is being provided based on information as of the date of this request related to the COVID-19 pandemic:

|  |  |
| --- | --- |
| Cash Equivalents on Hand as of [date] | $[amount] |
| Total Budgeted Revenues | $[amount] |
| Year-to-date Revenue Loss, if known | $[amount] |
| Projected Revenue Loss for the Next 6-12 Months, schedule attached | $[amount] |
| Projected Expenditure Increase, schedule attached | $[amount} |
|  |  |
| Emergency Funds Needed by | [date] |
|  |  |
| Pledged Revenues | $[amount] |
| Principal Amount of Outstanding Debt | $[amount} |
| Estimated Annual Debt Service on Requested Financing  | $[amount] |
| Current Annual Debt Service | $[amount] |
| Total Annual Debt Service  | $[amount] |
|  |  |
| Dates & Amounts of Debt Service Payments for the next 12 months | [date] $[amount] |
|  |  |
| CARES Act Amount Applied for | $[amount] |
| CARES Act Amount Received | $[amount] |
|  |  |

[Address the estimated impact on revenues and expenses of the COVID-19 pandemic on the entity and in particular the source of security of the requested financing. Quantify the revenue impact of reduced economic activity and/or increased expenditures related to the COVID-19 pandemic, discuss the entity’s ability to absorb such reductions in revenues and increases in expenditures and the plan to offset such reductions in revenues and increases in expenditures in the short and long-term. If the entity does not anticipate reduced revenues and/or increased expenditures related to the COVID-19 pandemic, please explain. Attach pro formas with coverage calculations that reflect the entity’s ability to pay the proposed and existing debt service and meet all debt service covenants in light of the pandemic. Include assumptions for the above and details and disclosure to the lender/investor of the effects of the COVID-19 public health emergency.

If the entity has applied for and/or received CARES Act monies, explain what expenses were applied for reimbursement and distinguish what pot of funds the monies will come from / came from Federal vs State.]

The source of the pledged revenues is [state source].

[Name of bank] has approved [name of entity] for the financing of the requested loan and terms and has been provided a copy of this letter.

The purpose of this loan is to carry on existing essential local government functions and/or to expand such functions as a result of the COVID-19 pandemic. I attest that the COVID-19 public health emergency will not materially affect the [entity name] ability to meet proposed and outstanding debt service requirements and covenants. I certify the information provided herein is true and accurate to the best of my knowledge.

I understand the following: The approval of the State Bond Commission does not constitute a recommendation, approval, or sanction by the Louisiana State Bond Commission or the State of Louisiana of the investment quality of the credit represented by the application. Further, the approval does not constitute any guaranty of repayment of the debt by the State Bond Commission or the State of Louisiana. The approval of the application by the Louisiana State Bond Commission should not be relied upon as advice by any current for potential holders or purchasers of any debt instruments subject to the application, including, but not limited to bonds, notes, and certificates of indebtedness. Nor shall the State Bond Commission or the State of Louisiana have any liability or legal responsibility to third party purchasers or investors arising out of, related to, or connected with the approval.

Sincerely,

Name

Title