

Michigan Finance Authority
State Aid Note Loan Program Application – Spring Bridge
Application Due: February 24, 2012

Issued under authority of Public Act 227 of 1985, as amended.

Date

If you have questions regarding this form, call Dan Mullin at (517) 335-0994.

BORROWER			
Name of Borrower (Applicant)	County(ies)	School Code	
Address	City	State	Zip Code

LOAN AMOUNT
Borrowing Amount

Cash Flow, Form 4385B: Completed Cash Flow (2011-2012) with Weekly Cash Flow (month with greatest deficit) must be attached to this application.

PRIMARY CONTACT INFORMATION			
Name	Title	Telephone Number	
E-mail Address		Fax Number	
Address	City	State	Zip Code

ALTERNATE CONTACT INFORMATION			
Name	Title	Telephone Number	
E-mail Address		Fax Number	
Address	City	State	Zip Code

NOTE COUNSEL FIRM AND ATTORNEY			
Firm	Contact Name	Telephone Number	
E-mail Address		Fax Number	
Address	City	State	Zip Code

FINANCIAL ADVISOR (if applicable)			
Firm	Contact Name	Telephone Number	
E-mail Address		Fax Number	
Address	City	State	Zip Code

BANK WIRE INSTRUCTIONS			
<i>District's account for the deposit of loan proceeds on closing date.</i>			
Bank Name	Bank Contact Name	Telephone Number	
Address	City	State	Zip Code
Account Name (if applicable)	Account Number	Bank Wire/ABA Number (Routing Number)	
		9 digit routing number, must include the leading "0"	
Special Instructions			

OPERATIONS	
1. Estimated Total Operating Expenses, Fiscal Year 2010-2011	2. Estimated Total Operating Expenses, Fiscal Year 2011-12
3. 2010-2011 Enrollment	4. 2011-2012 Enrollment (Estimated)
<input type="checkbox"/> Yes <input type="checkbox"/> No	5. Does the 2011-2012 estimated enrollment represent a percentage decrease/increase of 10% or more compared to the actual 2010-2011 enrollment? If Yes, submit an explanation.
<input type="checkbox"/> Yes <input type="checkbox"/> No	6. Did Applicant have an operating deficit (not cash flow deficit) at end of fiscal year 2010-2011?
<input type="checkbox"/> Yes <input type="checkbox"/> No	6a. If Yes, does Applicant have a deficit elimination plan approved by the Department of Education?

DISTRICT DEBT	<i>Answer the following questions to help determine if Applicant's note will qualify for rebate exemption under federal tax law.</i>
<input type="checkbox"/> Yes <input type="checkbox"/> No	7. Since January 1, 2012, has the Applicant borrowed money or refinanced any debt? 7a. Amount: \$ _____
<input type="checkbox"/> Yes <input type="checkbox"/> No	7b. Is any portion attributable to financing the construction of public school facilities?
<input type="checkbox"/> Yes <input type="checkbox"/> No	7c. Is any portion attributable to purchasing any property or equipment on an installment basis or with a lease with option to purchase?
<input type="checkbox"/> Yes <input type="checkbox"/> No	8. In addition to this State Aid Note and what is listed above, does the Applicant plan to borrow money or refinance any debt this calendar year (through December 31, 2012) such as bonds, notes, installment purchase agreements, leases or other obligations, including any refunding bonds or notes? 8a. Anticipated Amount \$ _____ 8b. Purpose _____
<input type="checkbox"/> Yes <input type="checkbox"/> No	8c. Is any portion attributable to financing the construction of public school facilities?
<input type="checkbox"/> Yes <input type="checkbox"/> No	9. Are there any outstanding State Aid Notes and/or debt with state aid pledges that were not issued through the Authority? 9a. Maturity Date _____ 9b. Amount \$ _____ 9c. Debt Holder _____
<input type="checkbox"/> Yes <input type="checkbox"/> No	10. Do any entities issue obligations on the Applicant's behalf? If Yes, attach a description.
<input type="checkbox"/> Yes <input type="checkbox"/> No	11. Has Applicant ever defaulted in the payment of any debt or security, including State Aid Notes or Tax Anticipation Notes? If Yes, attach an explanation of the circumstances of default.
<input type="checkbox"/> Yes <input type="checkbox"/> No	12. Is there any pending litigation or tax appeals that are material to this State Aid Note or could have an adverse impact on the financial condition of Applicant? If Yes, attach an explanation.

PROCEEDS	<i>Answer the following questions to help determine if Applicant's note will qualify for rebate exemption under federal tax law.</i>
<input type="checkbox"/> Yes <input type="checkbox"/> No	13. Will 10% or more of the proceeds of this State Aid Note be loaned to a private entity or used to finance a project that will be used by a private business or businesses? If Yes, attach a description.
<input type="checkbox"/> Yes <input type="checkbox"/> No	14. Has any private entity given any security for the repayment of more than 10% of this State Aid Note or agreed to repay more than 10% of this State Aid Note? If Yes, attach a description.
<input type="checkbox"/> Yes <input type="checkbox"/> No	15. Will 95% or more of the proceeds of this State Aid Note be used by the Applicant for local government (school) purposes? If No, attach a description.

PRIOR APPROVAL	<i>To participate in this pool, the school district must provide written evidence of their approval to borrow from the Treasury's Local Audit and Finance Division (LAFD).</i>
<input type="checkbox"/> Yes <input type="checkbox"/> No	16. Has the school district obtained qualified status (fiscal year ended June 30, 2011) or prior approval from LAFD? For more information: https://treas-secure.state.mi.us/mfd/StartPS?submit=submit&Choice=view 16a. If Yes, attach written evidence of approval to borrow. 16b. If No, attach proof of application to LAFD.

CERTIFICATION

I, the undersigned, certify that this application and the attachments hereto were authorized by the governing body of the Applicant and are complete and accurate in all respects and do not fail to make any statements necessary to make the information contained in this application not misleading. I understand that information provided in this application, including the attachments hereto, may be used in the Authority's offering document with respect to its Revenue Notes, all or part of the proceeds of which will be used to purchase the note(s) of the Applicant, and I hereby consent, on behalf of the Applicant, to such use of any such information. I further certify that with respect to all obligations subject to the requirements of Act 451, Public Acts of Michigan, 1976, the Revised School Code, as amended, and/or Act 34, Public Acts of Michigan, 2001, the Revised Municipal Finance Act, as amended, the Applicant has complied with all such requirements.

Name of Authorized Officer (print or type)	Title	
Signature of Authorized Officer		Date

DOCUMENTS REQUIRED FOR APPLICATION: Due on or before Friday, February 24, 2012.

1. **State Aid Note Program Application, Form 4384B:** An originally signed and completed copy.
2. **State Aid Note Program Cash Flow, Form 4385B:** Both monthly and weekly (weekly cash flow for month in which greatest deficit is anticipated).
3. **Evidence of LAFD Approval:** Treasury qualifying letter (fiscal year ended June 30, 2011), prior approval if not qualified, or proof of application to LAFD.
4. **Borrowing Resolution:** Approved by the school board.
5. **Proposed Operating Budget (FY2011-2012):** Most recent board approved budget, including any amendments and June 30, 2012, estimated fund balance.
6. **Other** (as required to complete portions of application).

SUBMITTING THIS APPLICATION: Due on or before Friday, February 24, 2012.

Michigan Finance Authority
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