

Section 1

Revolving Loans to School Districts

Pursuant to Arkansas Code Annotated (A. C. A.) § 6-20-802, school districts may borrow from the Revolving Loan Program for any of the following purposes:

- (1) The funding of its legally issued and outstanding postdated warrants;
- (2) The purchase of new or used school buses or the refurbishing of school buses;
- (3) The payment of premiums on insurance policies covering its school buildings, facilities, and equipment in instances where the insurance coverage extends three (3) years or longer;
- (4) The replacement of or payment of the school district's pro rata part of the expense of employing professional appraisers as authorized by § 26-26-601 et seq. [repealed] or other laws providing for the appraisal or reappraisal and assessment of property for ad valorem tax purposes;
- (5) The making of major repairs and the construction of additions to existing school buildings and facilities;
- (6) The purchase of surplus buildings and equipment;
- (7) The purchase of sites for and the cost of construction thereon of school buildings and facilities and the purchase of equipment for the buildings;
- (8) The purchase of its legally issued and outstanding commercial bonds at a discount provided that a substantial savings in gross interest charges can be thus effected;
- (9) The refunding of all or any part of its legally issued and outstanding debt, both funded and unfunded;
- (10) The purchase of equipment;
- (11) The payment of loans secured for settlement resulting from litigation against a school district;
- (12) The purchase of energy conservation measures as defined in § 6-20-401; and
- (13) (A)(i) The maintenance and operation of the school district in an amount equal to delinquent property taxes resulting from bankruptcies or receiverships of taxpayers.
(ii) Loans to school districts in an amount equal to insured facility loss or damage when the insurance claim is being litigated or arbitrated.
(B) For purposes of this subdivision (13), the loans become payable and due when the final settlement is made, and the loan limits prescribed by § 6-20-803 shall not apply.

The maximum amount a school district may borrow is \$500,000 (A. C. A. § 6-20-803). Revolving loans are limited to a term of ten (10) years (A. C. A. § 6-20-806).

STATE BOARD OF EDUCATION MEETING
JULY 11, 2024
APPLICATIONS FOR REVOLVING LOANS

REVOLVING LOAN APPLICATIONS:

1	Construction	\$	300,000.00
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1		\$	300,000.00

STATE BOARD JULY 11, 2024

SCHOOL FINANCIAL TRANSACTIONS
REVOLVING LOAN
RECOMMEND APPROVAL

LEA	COUNTY	DISTRICT	FY23 ADM	TYPE	AMOUNT OF ISSUE	2023 ASSESSED VALUATION	IF APPROVED DISTRICT WILL OWE	DEBT RATIO	PURPOSE
7503	Yell	Danville	758.80	Construction	300,000.00	57,633,397	2,920,000	5.07%	Resurfacing of the Danville High School Track

Section 2

Second Lien Bonds

Arkansas Code Annotated (A. C. A.) § 6-20-1229 states the following:

(a) As used in this section:

(1) "Issue", "issuance", or some variety thereof means the date upon which a second-lien bond is actually sold; and

(2) "Second-lien bond" means a commercial bond issued under the authority set forth in § 26-80-106.

(b) All second-lien bonds issued by school districts shall have semiannual interest payments.

STATE BOARD OF EDUCATION MEETING
JULY 11, 2024
APPLICATIONS FOR COMMERCIAL BONDS

COMMERCIAL BOND APPLICATIONS:

2	Second Lien	\$	34,830,000.00
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2		\$	34,830,000.00

**SCHOOL FINANCIAL TRANSACTIONS
COMMERCIAL BONDS
2ND LIEN
RECOMMEND APPROVAL**

CURRENT MILLAGE	PROPOSED MILLAGE
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Section 3

Voted Bonds

Arkansas Code Annotated (A. C. A.) § 6-20-1201 states the following:

A school district may borrow money and issue negotiable bonds to repay borrowed moneys from school funds for:

- (1) Building and equipping school buildings;
- (2) Making additions and repairs to school buildings;
- (3) Purchasing sites for school buildings;
- (4) Purchasing new or used school buses;
- (5) Refurbishing school buses;
- (6) Providing professional development and training of teachers or other programs authorized under the federally recognized qualified zone academy bond program, 26 U.S.C. § 1397E;
- (7) Paying off outstanding postdated warrants, installment contracts, revolving loans, and lease-purchase agreements, as provided by law;
- (8) In the case of a new school district created under § 6-13-1505;
 - (A) Purchasing school buildings and other structures;
 - (B) Purchasing new or used furniture, fixtures, and equipment;
 - (C) Paying the costs of the allocation of assets to the new school district; and
 - (D) Paying or retiring the outstanding indebtedness of the original school district that the school district has become responsible for under § 6-13-1505.

STATE BOARD OF EDUCATION MEETING
JULY 11, 2024
APPLICATIONS FOR COMMERCIAL BONDS

COMMERCIAL BOND APPLICATIONS:

2 Voted	\$	86,340,000.00
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2	\$	86,340,000.00

SCHOOL FINANCIAL TRANSACTIONS
VOTED
RECOMMEND APPROVAL

CURRENT MILLAGE										PROPOSED MILLAGE													
LEA	COUNTY	DISTRICT	FY23ADM	TYPE	AMOUNT OF ISSUE	M&O	DM&O	DS	TOTAL	M&O	DM&O	DS	TOTAL	ASSESSED VALUATION	IF APPROVED DISTRICT WILL OWE	DEBT RATIO	PURPOSE	Current DS (98% collection)	DS w/proposed millage (98% collection)	FY24 P & I - bonded debt	Excess DS - w/proposed millage	Debt Per ADM	
6002	Pulaski	North Little Rock	7,583.48	Voted	\$ 71,630,000.00	25.00	0.00	23.30	48.30	25.00	0.00	27.30	52.30	\$ 922,250,613.00	\$ 258,340,000.00	28.01%	Constructing and equipping a new middle school building and a new indoor sports and activities center; renovating Ole Main; demolishing certain buildings; and constructing, refurbishing, remodeling and equipping other school facilities (\$70,002,140); underwriter discount (including rating fees) (\$1,432,600); and issuance costs (assumes total amount of bonds is split into two separate issuances) (\$195,260).	\$ 21,058,670.50	\$ 24,673,892.90	\$ 5,267,250.00	\$ 19,406,642.90	\$ 34,066.15	
7301	White	Bald Knob	1,056.64	Voted	\$ 14,710,000.00	25.00	0.00	13.50	38.50	25.00	0.00	13.50	38.50	\$ 118,493,837.00	\$ 16,215,456.00	13.68%	Refunding the November 1, 2007 Bonds (\$180,000), June 1, 2012 Bonds (\$395,000), November 1, 2013 Bonds (\$420,000), December 1, 2014 Bonds (\$2,890,000); and for building and quipping a new elementary school and relocating power lines (\$10,400,000); and paying cost of issuance, underwriter's discount allowance and escrow contingencies (\$425,000).	\$ 1,567,673.46	\$ 1,567,673.46	\$ 908,436.58	\$ 659,236.88	\$ 15,346.24	
					\$ 86,340,000.00																		