



LITTLE ROCK SCHOOL DISTRICT MILLAGE STRUCTURE AND FINANCING OPTIONS

School districts receive local revenues based on the assessed value of property within the District. In Arkansas, property is assessed at 20 percent of its market value. The tax rate is expressed in mills, and the District's patrons determine the number of mills levied in each District.

The total tax assessment for the District is comprised of three categories: Real Property + Personal Property + Utility = Total Assessed Valuation.

A mill equals 0.1 percent of the assessed value, which equals a tax of \$1 per \$1,000 dollars of assessed value. Expressed as a decimal, one mill is equal to .001.

If your real property is valued at	Your property should be assessed at 20%	One mill would cost you annually
\$100,000	\$20,000	\$20.00 (\$20,000 X .001 = \$20.00)

Under Arkansas law, school districts can levy one of the following three millage types with voter consent:

1. **Maintenance and Operation (M&O) Mills**
 - a. Revenue is used to maintain and operate schools.

2. **Debt Service Mills**
 - a. Revenue is used to pay debt service payments on bonded indebtedness.
 - b. A continuing tax levy until the bonds to which the mills are pledged are retired.

3. **Dedicated Maintenance and Operation Mills (capital outlays)**
 - a. Revenues from this millage can only be used for maintenance and operation purposes that voters specifically approved.
 - b. Once approved by voters, the millage must be authorized again each year.
 - c. Maximum of 3 mills may be levied.

LITTLE ROCK SCHOOL DISTRICT MILLAGE STRUCTURE

Maintenance & Operation:	32.00
Dedicated M&O	2.00
Debt Service:	<u>12.40</u>
Total:	46.40

5-YEAR ASSESSMENT HISTORY

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Real	2,635,547,922	2,714,014,579	2,854,506,881	2,943,226,850	3,035,196,357
Personal	793,896,935	747,891,370	742,025,090	770,478,515	764,053,130
Utilities	<u>235,458,205</u>	<u>223,121,905</u>	<u>224,424,355</u>	<u>231,844,985</u>	<u>244,893,275</u>
Total	3,664,903,062	3,685,027,854	3,820,956,326	3,945,550,350	4,044,142,762

For Little Rock School District, 46.40 mills equals \$46.40 per \$1,000 dollars of assessed value.

DEBT SERVICE COVERAGE REVENUE

2019 Assessment	Debt Service Mills	Revenue Generated from Debt Service Mills*	Maximum Annual Bond Payment on Existing Debt	Debt Service Coverage Revenue
\$3,945,550,350	12.40	\$46,478,583	\$21,551,179	\$24,927,404

2020 Assessment	Debt Service Mills	Revenue Generated from Debt Service Mills*	Maximum Annual Bond Payment on Existing Debt	Debt Service Coverage Revenue
\$4,044,142,762	12.40	\$47,640,002	\$21,499,429	\$26,140,572

PROPOSED FINANCING OPTIONS

By asking voters to restructure the December 1, 2015 and December 15, 2015 bond issues and extend the existing 12.40 debt service mills 19 years, funds can be generated as shown below:

Est. Construction Fund	Revenue Generated from Debt Service Mills*	Est. Maximum Annual Bond Payment on Total Debt	Debt Service Coverage Revenue	Est. True Interest Cost
\$222,080,000	\$47,640,002	\$22,685,680	\$24,954,322	3.30%
\$240,837,000	\$47,640,002	\$23,686,720	\$23,953,282	3.30%
\$259,522,000	\$47,640,002	\$24,684,910	\$22,955,092	3.30%
\$300,000,000	\$47,640,002	\$26,846,840	\$20,793,162	3.30%

*Based on a 95% collection rate

Please be advised that there can be no assurance as to the future direction of interest rates. As such, the information provided is preliminary and subject to change.



LITTLE ROCK SCHOOL DISTRICT
2021 ANNUAL SCHOOL ELECTION

PRELIMINARY TIMELINE

AUGUST 2021							SEPTEMBER 2021							OCTOBER 2021							NOVEMBER 2021						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13
8	9	10	11	12	13	14	12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20
15	16	17	18	19	20	21	19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27
22	23	24	25	26	27	28	26	27	28	29	30	24	25	26	27	28	29	30	28	29	30						
29	30	31											31														

Date	Event	Responsible Parties
August 12	Little Rock School District adopts Proposed Budget of Expenditures	District/ Stephens
August 15	Publication of Proposed Budget of Expenditures	Stephens
August 17	Preparation of the ballot	Stephens
August 18	Receive Proof of Publication of the Proposed Budget	Stephens
No later than September 16	Ballots for absentee voting delivered to the county clerk	District/ Stephens
At least 8 days before the beginning of early voting (October 18)	Publish Notice of Annual School Election (first publication)	Pulaski County Election Commission
At least 5 days before the election date (October 28)	Publish Notice of Annual School Election (second publication)	Pulaski County Election Commission
November 2	Annual Election	Voters

LRSD DEBT EXTENSION MILLAGE POTENTIAL PROJECTS - DRAFT

MUST DO	Estimated Cost
New K-8 at McClellan Construction & FFE	\$ 85,000,000
Security Camera Upgrades (Primarily Elementary)	\$ 1,500,000
LED Upgrades (All schools and stadiums)	\$ 10,000,000
Window Replacements	\$ 10,000,000
High School Renovations:	
Central - Fieldhouse & Auditorium	\$ 8,500,000
Parkview - Auditorium & FB Field Turf (JA Fair)	\$ 1,500,000
Hall - 700 Wing (Engineering/EAST) & Wire Coverings	\$ 300,000
LRWSOI - Science Lab & Café Area	\$ 350,000
Roof Replacements:	
Jefferson - 1985 (Partnership Funding Available)	\$ 1,200,000
Baseline - 1995 (Partnership Funding Available)	\$ 1,000,000
Dunbar - 2002	\$ 1,500,000
Metro A & C Buildings - 1990	\$ 750,000
Henderson - 1990	\$ 1,500,000
Washington - 1989	\$ 1,200,000
Romine - 1976-2003	\$ 1,000,000
ML King - 1993	\$ 1,000,000
Fulbright Main - 2002	\$ 500,000
Geyer Springs - 2004	\$ 750,000
Bleacher Replacement	\$ 400,000
TOTALS	\$ 127,950,000
HOPE TO DO	Estimated Cost
Classroom Furnishings Replacements	\$ 8,750,000
Playground Equipment Replacements	\$ 2,500,000
LRWLR High School	\$ -
TOTALS	\$ 11,250,000
MAYBE	Estimated Cost
Flooring Replacements (Carpet and LVT)	\$ 2,500,000
Interior Painting	\$ 1,500,000
Landscaping	\$ 1,300,000
Classroom Expansions at Specific Schools (Portable Removal)	\$ -
Parking Lot Resurfacing	\$ 1,000,000
TOTALS	\$ 6,300,000
GRAND TOTAL	\$ 145,500,000