

Attached are the following two Act 36 reports – i.e., Program Fact Sheets - for ALC's review in accordance with A.C.A. § 15-5-212(b):

- Correctional Facilities Construction Refunding Bonds Series 2016
- Pulaski Academy Project

As previously requested, instructional sheets are attached to both reports. In the event you have any questions, please contact Mr. Robert Arrington at 501-682-5910.

Judy Brummett

ADFA Research Manager
AR Development Finance Authority
P.O. Box 8023, 900 West Capitol, Suite 310
Little Rock, AR 72201
501-682-5917
MA - 2013 - UALR



Program Fact Sheet in Accordance with A.C.A. § 15-5-212(b) For Legislative Council Review

Name of Bond Issue as it Appears on the Official Statement *(Item 1 on Instructional Sheet)*

**Arkansas Department of Corrections
Arkansas Development Finance Authority
Correctional Facilities Construction Refunding Bonds Series 2016**

| | | | |
|--|---------------------|---|---------------------|
| Closing Date: <i>(See Item 2 on Instructional Sheet)</i> | May 26, 2016 | Dated Date: <i>(See Item 3 on Instructional Sheet)</i> | May 26, 2016 |
| Final Maturity Date: <i>(See Item 4 on Instructional Sheet)</i> | May 15, 2039 | | |

Bond Information

| | |
|---|---|
| Total Costs of Issuance <i>(See Item 5 on Instructional Sheet)</i> | \$344,273 |
| Underwriters Discount <i>(See Item 6 on Instructional Sheet)</i> | \$159,685 |
| Average Life: <i>(See Item 7 on Instructional Sheet)</i> | 13.473 years |
| Average Coupon: <i>(See Item 8 on Instructional Sheet)</i> | 3.301% |
| Ratings: <i>(See Item 10 on Instructional Sheet)</i> | “AA” Standard and Poors |
| Use of Funds: <i>(See Item 11 on Instructional Sheet)</i> | Refunding of the Series 2009 Bonds |
| Authority for Bonds: <i>(See Item 12 on Instructional Sheet)</i> | Arkansas Code Annotated 15-5-101 |

Professionals (External and Internal) *(See Item 13 on Instructional Sheet)*

| | |
|-----------------------------|--|
| Trustee: | Simmons National Bank |
| Bond Counsel: | Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C |
| Underwriters: | Crews and Associates |
| Underwriter's Bond Counsel: | N/A |
| Financial Advisor: | N/A |
| ADFA Program Officer(s): | Robert Arrington, Public Finance Officer (501) 682-5910 |
| Issuer: | Arkansas Development Finance Authority |

Other Comments:

Submitted to:
Marty Garrity, Bureau of Legislative Research
Roger Norman, Division of Legislative Audit

Aaron Burkes, ADFA President
Robert Arrington, Public Finance Officer

Prepared by:
Robert Arrington
Public Finance Officer
Arkansas Development Finance Authority

INSTRUCTIONAL SHEET FOR PROGRAM FACT SHEETS

InvestorWords (www.investorwords.com) defines the Official Statement as “A legal statement which serves as the prospectus for a municipal bond. It is a disclosure of the finances surrounding the issue of the municipal bond, and is prepared by the local or state government and its legal counsel. The official statement indicates how investors in the bonds will be repaid.”

Name of Bond Issue as it Appears on the Official Statement (Item 1 on Instructional Sheet)

The information provided here is from the cover page of the Official Statement and it includes: Issuer, Bond Type, Title of Bond Issue and Dollar Amount of the Bond Issue

- Item 2:* The closing date or the date of issue can be found in the Summary Statement of the Official Statement.
- Item 3:* The dated date is provided on the bottom of the Official Statement's cover page.
- Item 4:* The final maturity date is available on the inside cover of the Official Statement and it is called the “Maturity Schedule”. There may be more than one final maturity date if there are both serial and term bonds issued.
- Item 5:* Fees are located in the Official Statement and categorized as “Uses of Funds”. The amount usually entered in this field is the Costs of Issuance including the Underwriter's Discount (see Item 6). Other types of fees might include:
- Escrow Deposit
 - Guarantee Fee
 - Deposit to Debt Service Reserve Fund
 - Deposit to Project Fund
 - Deposit to Refunding Fund
 - Repayment of Principal loan
 - Retirement of Principal
 - Other Costs of Issuance (legal fees, accounting fees, printing costs, rating agency fees)
- Item 6:* Underwriters Discount refers to the Investment Banking fees paid, usually in the form of a discount to par value.
- Item 7:* Investopedia defines average life as “an average period before debt is repaid through amortization or sinking fund payments.” www.investopedia.com/terms/
- Item 8:* Investopedia also provides a definition of average coupon. It is the “annual interest rate paid on a bond, expressed as a percentage of the face value.”
- Item 9:* Gross spread is also defined by Investopedia. “The difference between the underwriting price received by the issuing company and the actual price offered to the investing public.”
- Item 10:* Ratings refer to the creditworthiness of both debt securities and issuers. There are three primary rating agencies in the United States: Standard and Poors, Moody's and Fitch.

- Item 11:* The use of funds field is used to provide a textual description for which the funds will be used.
- Item 12:* Authority of the bonds is the codified section of the Arkansas Code providing legal justification for the bond issuance.
- Item 13:* There are both internal and external professionals that are involved in the issuance of bonds. These are listed in this section of the Program Fact Sheet.



Program Fact Sheet in Accordance with A.C.A. § 15-5-212(b) For Legislative Council Review

Name of Bond Issue as it Appears on the Official Statement *(Item 1 on Instructional Sheet)*

Arkansas Development Finance Authority Educational Facilities Revenue Refunding Bonds (Pulaski Academy Project)

| | | | |
|--|---------------------|---|---------------------|
| Closing Date: <i>(See Item 2 on Instructional Sheet)</i> | June 9, 2016 | Dated Date: <i>(See Item 3 on Instructional Sheet)</i> | June 9, 2016 |
| Final Maturity Date: <i>(See Item 4 on Instructional Sheet)</i> | July 1, 2039 | | |

Bond Information

| | |
|---|---|
| Total Costs of Issuance <i>(See Item 5 on Instructional Sheet)</i> | \$538,244 |
| Underwriters Discount <i>(See Item 6 on Instructional Sheet)</i> | \$410,670 |
| Average Life: <i>(See Item 7 on Instructional Sheet)</i> | 13.646 years |
| Average Coupon: <i>(See Item 8 on Instructional Sheet)</i> | 3.915% |
| | |
| Ratings: <i>(See Item 10 on Instructional Sheet)</i> | Not Rated |
| Use of Funds: <i>(See Item 11 on Instructional Sheet)</i> | Refunding 2007A Bonds |
| Authority for Bonds: <i>(See Item 12 on Instructional Sheet)</i> | Arkansas Code 15-5-101 (Repl 2009 and Supp 2015) |

Professionals (External and Internal) *(See Item 13 on Instructional Sheet)*

| | |
|-----------------------------|--|
| Trustee: | First Security |
| Bond Counsel: | Kutak Rock |
| Underwriters: | Crews and Associates |
| Underwriter's Bond Counsel: | N/A |
| Financial Advisor: | N/A |
| ADFA Program Officer(s): | Robert Arrington, Public Finance Officer Phone No. 501-682-5190 |
| Issuer: | Arkansas Development Finance Authority |

Other Comments:

Submitted to:
Marty Garrity, Bureau of Legislative Research
Roger Norman, Division of Legislative Audit

Aaron Burkes, ADFA President
Robert Arrington, Public Finance Officer

Prepared by:
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Public Finance Officer
Arkansas Development Finance Authority

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- Deposit to Project Fund
- Deposit to Refunding Fund
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- Retirement of Principal
- Other Costs of Issuance (legal fees, accounting fees, printing costs, rating agency fees)

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