

**0395 – DEVELOPMENT FINANCE AUTHORITY
FISCAL YEAR 2020
AS ENACTED BY ACT 122 OF 2019**

The Arkansas Development Finance Authority (ADFA) is a body public and politic as corporate, with corporate succession. It is authorized and empowered to issue revenue bonds and various other debt instruments for the purpose of financing qualified agricultural business and industrial enterprises, capital improvement, educational and health care facilities, and housing developments. Bonds and other debt instruments issued are special obligations payable solely from and secured by a first lien on proceeds, moneys, revenues, rights, interests and collections' pledged therefore under the resolutions authorizing the particular issues. **Per Act 824 of 2017, the Student Loan Authority was transferred to ADFA by a type 2 transfer.** The Authority originates and acquires student loans, and provides financial assistance by purchasing loans made by local lenders to higher education students. This process provides liquidity to banks so additional loans may be made to students in need. It is funded with federal funds, cash funds from bond proceeds and funds generated by ADFA programs

TOTAL APPROPRIATION

Appropriation		2017-2018	2018-2019	2019-2020
		Actual	Authorized	Legislative
A57	ADFA-Cash Operations	\$11,116,358	\$30,200,423	\$32,497,968
C57	AR Housing Trust Advisory Committee	\$0	\$15,475	\$15,475
C91	Student Loan Auth Div of ADFA-Operations	\$2,062,544	\$3,778,952	\$2,392,210
D34	DIS IT	\$0	\$0	\$15,000,000
X15	National Housing Trust Fund Grant	\$5,357	\$0	\$6,000,000
Total		\$13,184,259	\$33,994,850	\$55,905,653

FUNDING SOURCES

Funding Sources		2017-2018 Actual	%
Fund Balance	4000005	\$81,857	0.53
Federal Revenue	4000020	\$6,239,468	40.59
Cash Fund	4000045	\$9,051,701	58.88
Total Funds		\$15,373,026	100.00
Excess Appropriation/(Funding)		(\$2,188,767)	
Grand Total		\$13,184,259	

CHANGE LEVEL REQUESTS

ADFA-Cash Operations (Appropriation A57)

Commitment Item		2018-2019	2019-2020	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$3,520,926	\$3,788,788	\$267,862
5010003	Personal Services Matching	\$1,102,787	\$1,181,185	\$78,398
5020002	Operating Expenses	\$725,458	\$675,458	(\$50,000)
5050009	Conference & Travel Expenses	\$81,715	\$60,000	(\$21,715)
5120011	Capital Outlay	\$0	\$23,000	\$23,000
5900047	Federal Housing Programs	\$1,400,000	\$3,400,000	\$2,000,000
Total		\$6,830,886	\$9,128,431	\$2,297,545

- Regular Salaries and Personal Services Matching increased to reflect the restoration of a pool position (Deputy Director).
- Capital Outlay increased to purchase one replacement and one new vehicle.

- Operating Expenses and Conference and Travel Expenses decreased to better reflect agency's expenditures.
- Federal Housing Programs increased due to HUD allowing a reallocation of funds which now permits monies to be used to stabilize neighborhoods that suffered from foreclosure.

Student Loan Authority Division of ADFA-Operations (Appropriation C91)

Commitment Item		2018-2019	2019-2020	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$205,717	\$110,312	(\$95,405)
5050009	Conference & Travel Expenses	\$22,839	\$13,972	(\$8,867)
5060010	Professional Fees	\$3,113,389	\$1,818,875	(\$1,294,514)
Total		\$3,341,945	\$1,943,159	(\$1,398,786)

- Operating Expenses, Conference and Travel Expenses and Professional Fees decreased to better reflect agency's expenditures.

DIS IT (Appropriation D34)

Commitment Item		2018-2019	2019-2020	
		Authorized	Legislative	Change Level
5900044	Computer Equipment and Related Software	\$0	\$15,000,000	\$15,000,000
Total		\$0	\$15,000,000	\$15,000,000

- New cash appropriation to purchase IT equipment and related software for Department of Information Systems, who will begin to expend funds for the Data Center consolidation.

National Housing Trust Fund Grant (Appropriation X15)

Commitment Item		2018-2019	2019-2020	
		Authorized	Legislative	Change Level
5900046	Federal Housing Program	\$0	\$6,000,000	\$6,000,000
Total		\$0	\$6,000,000	\$6,000,000

- New federal appropriation to construct rental housing for extremely low income Arkansas veterans.

POSITIONS

Total Authorized Positions FY2019: 64

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Increase / (Decrease): 1

Extra Help Positions FY2020: 5

SPECIAL LANGUAGE REVISIONS

HUD HOME Program Disbursements language is deleted.