



Blue Ribbon
Committee
on Highway Finance

BlueRibbonHighways.com

POSSIBLE OPTIONS
for
GENERATING ADDITIONAL REVENUE
for
HIGHWAYS, ROADS, AND STREETS

JUNE 16, 2010

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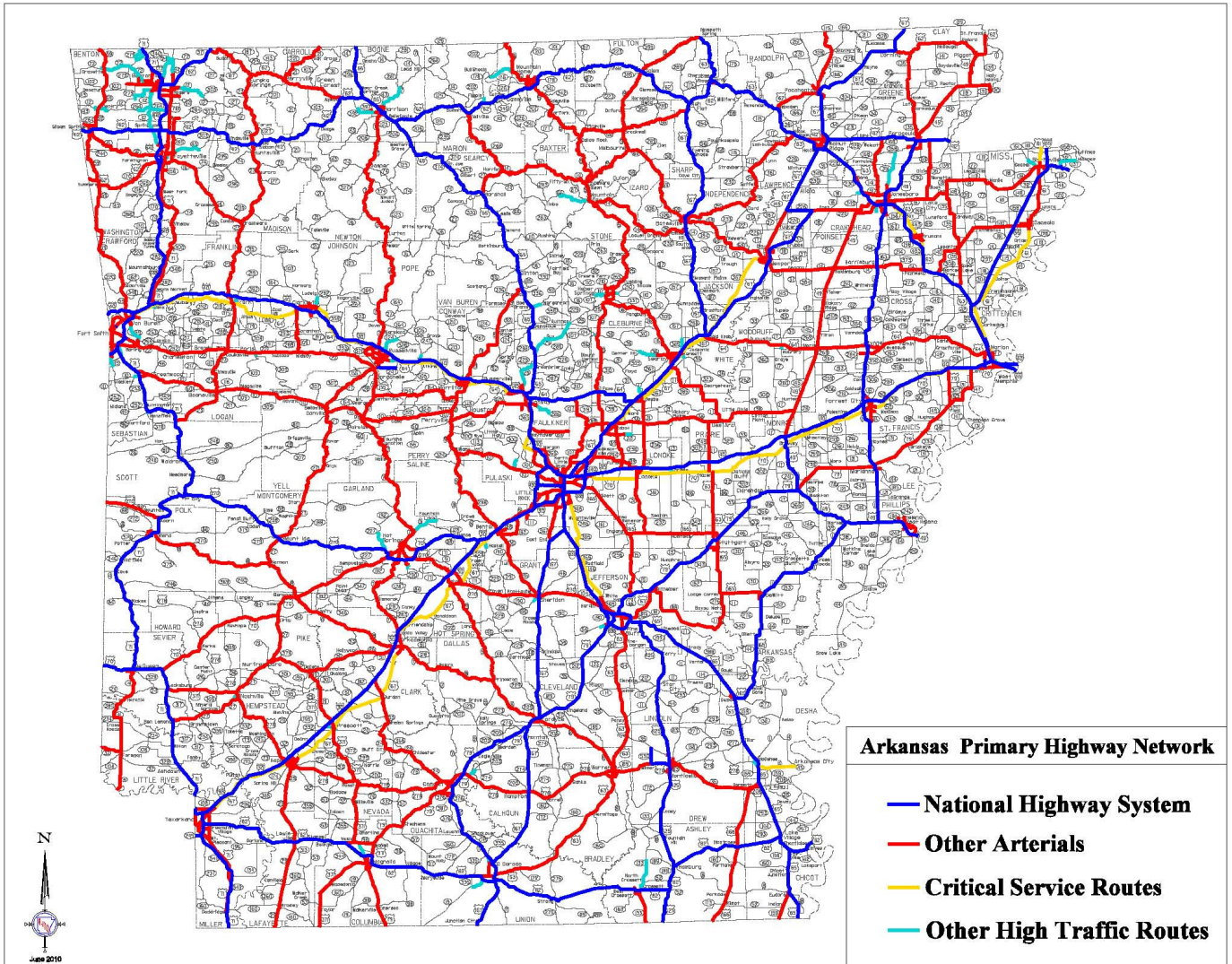
HIGHWAY NEEDS

Background Information

- The 10-year highway needs and anticipated revenue, from the 2009 update of the 2006 Arkansas State Highway Needs Study, are as follows:

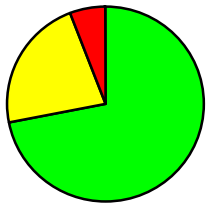
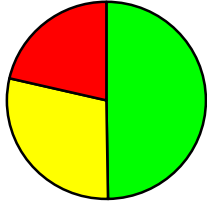

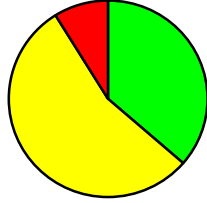
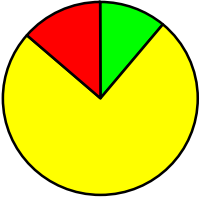
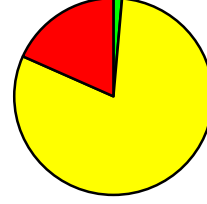
Congestion Relief	707 miles	\$3.7 billion
System Preservation	13,749 miles	\$10.8 billion
Economic Development Connectors	370 miles	\$1.6 billion
Congressionally-Designated High Priority Corridors	577 miles	\$7.5 billion
TOTAL		\$23.6 billion
Anticipated Revenue		\$4.1 billion
SHORTFALL		\$19.5 billion

- It should be noted that the update of the projected needs does not include the damage that has been sustained in the Fayetteville Shale area due to natural gas exploration and production activities. Likewise, the anticipated revenue does not include the projected revenue from the natural gas severance tax.
- It is estimated that an additional \$200 million annually (in current dollars) is needed over the next 10 years for highway congestion, pavement and bridge conditions, maintenance, administration and operations to remain at current levels (cost of maintaining “status quo”).
- The Arkansas Primary Highway Network (APHN) is comprised of significant routes that have been identified as important to the State’s transportation service on the basis of their characteristics and performance. The APHN is a system of 7,740 miles (approximately 50% of the total highway mileage) that carries approximately 90% of all travel on the State Highway System. A map of the APHN may be found on the following page.

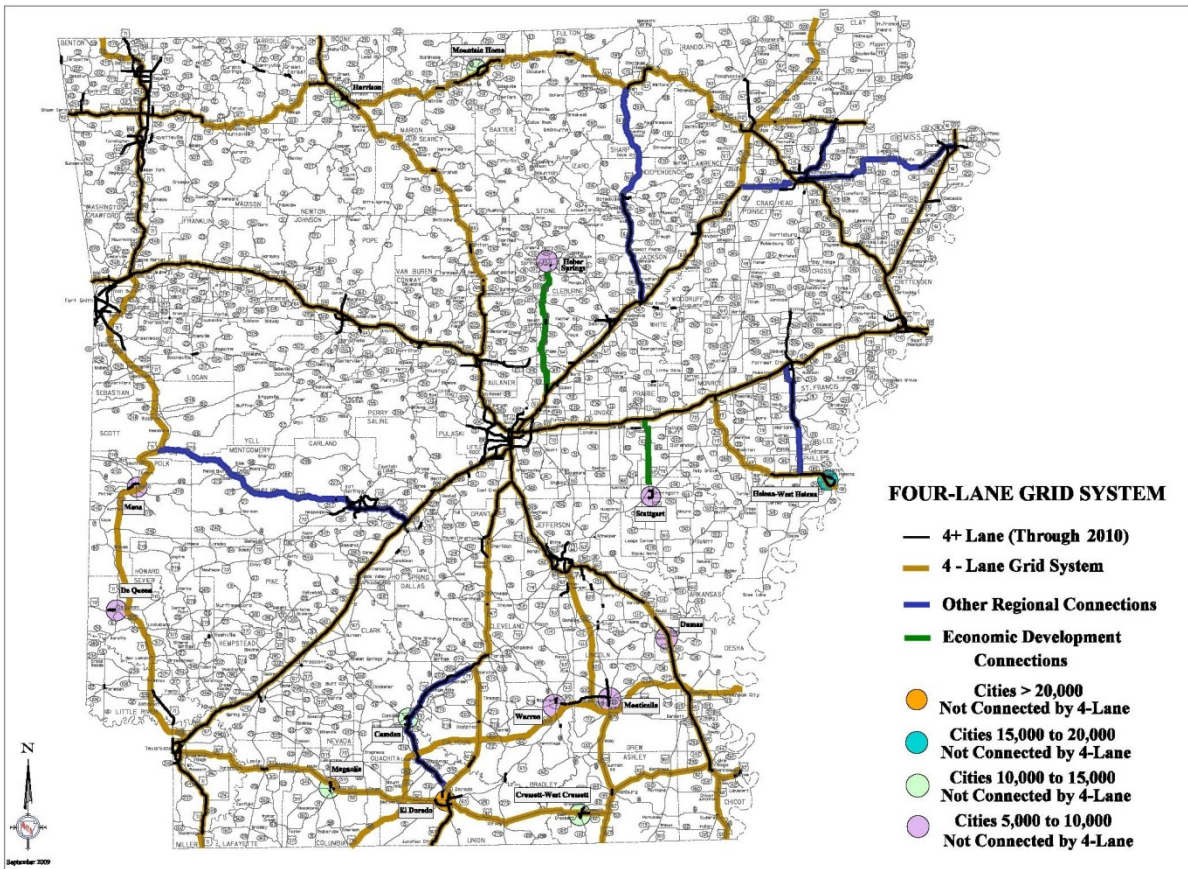


- 67% of the current needs (not including High Priority Corridors) are related to system preservation (reconstruction, rehabilitation, resurfacing, bridge rehabilitation / replacement).
- The chart on the following page shows the projected deterioration of various portions of the state highway system. These projections are based on the anticipated funding available from current sources of highway revenue.

Projected Condition of the State Highway System

	2010			2020		
INTERSTATE						
		MILES	Percent		MILES	Percent
	Good	470.69	71.8%	Good	325.83	49.7%
	Fair	145.96	22.3%	Fair	189.21	28.9%
Poor	38.73	5.9%	Poor	140.33	21.4%	
	TOTAL	655.37	100.0%	TOTAL	655.37	100.0%
HIGH VOLUME ROUTES						
		MILES	Percent		MILES	Percent
	Good	2758.42	39.0%	Good	2576.37	36.4%
	Fair	3902.05	55.1%	Fair	3863.06	54.6%
Poor	415.42	5.9%	Poor	636.46	9.0%	
	TOTAL	7075.89	100.0%	TOTAL	7075.89	100.0%
LOW VOLUME ROUTES						
		MILES	Percent		MILES	Percent
	Good	943.45	11.1%	Good	120.32	1.4%
	Fair	6397.56	75.3%	Fair	6809.13	80.2%
Poor	1153.80	13.6%	Poor	1565.37	18.4%	
	TOTAL	8494.82	100.0%	TOTAL	8494.82	100.0%

- 33% of the current needs (not including High Priority Corridors) are related to congestion relief (widening and new location construction).
- A potential Four-Lane Grid System, as shown on the following page, has been identified to facilitate the movement of people and goods and economic development among all areas of the State. This system includes the High Priority Corridors and other routes that have been identified as regionally significant.



- The estimated cost for developing the Four-Lane Grid System is approximately \$10.4 billion.
 - Four-Lane Grid System \$9.5 billion
 - Other Regional Connections \$0.6 billion
 - Economic Development Connections.... \$0.3 billion

- The following chart displays the current sources of revenue dedicated to Arkansas’ highways, roads and streets, as well as a “menu” of revenue generated from other sources. These revenue amounts are based on State Fiscal Year 2009.

ESTIMATES FOR PLANNING PURPOSES ONLY							
FISCAL YEAR 2009 STATE REVENUE SOURCES							
(in millions of dollars based on SFY 2009)							
	TOTAL STATE REVENUE	NET REVENUE AMOUNT ¹	YEARLY AMOUNT TO AHTD (70%)	YEARLY AMOUNT TO CITIES ² (15%)	YEARLY AMOUNT TO COUNTIES ³ (15%)		NOTES
CURRENT SOURCES TO AHTD, CITIES, AND COUNTIES							
A. Motor Fuels Revenue ⁴	426.64 M	413.84 M	289.69 M	62.08 M	62.08 M		¹ These amounts reflect a 3% deduction for the Central Services Fund. Total net amount is distributed 70% to AHTD, 15% to both Cities and Counties. Exceptions include a 1.5% deduction for Title Transfer Fees and Special Permits for the Central Services Fund, the remainder of which is retained by AHTD.
Gasoline (21.5¢ per gallon)	298.23 M	289.28 M	202.50 M	43.39 M	43.39 M		
Diesel (22.5¢ per gallon)	128.31 M	124.46 M	87.12 M	18.67 M	18.67 M		
LPG (16.5¢ per gallon) / CNG (5.0¢ per gallon)	0.10 M	0.10 M	0.07 M	0.01 M	0.01 M		² Allocation to Cities is based on population.
B. Motor Vehicle Registration Fees	112.05 M	108.69 M	76.08 M	16.30 M	16.30 M		
Automobiles & Pickups	49.90 M	48.41 M	33.88 M	7.26 M	7.26 M		
Heavy Trucks (Includes In-state and Out-of-state IRP fees)	52.45 M	50.88 M	35.62 M	7.63 M	7.63 M		³ Allocation to Counties is based on formula as follows: 31% on area, 17.5% on license fees collected, 17.5% on total population, 13.5% on rural population, and 20.5% distributed equally.
Other Vehicles	9.70 M	9.41 M	6.58 M	1.41 M	1.41 M		
C. Miscellaneous Revenues ⁵	42.34 M	39.70 M	35.09 M	2.31 M	2.31 M		⁴ Excludes \$8.2 M of Motor Fuel Tax Refunds and \$20.4 M to State Aid. Rate excludes underground storage tank fee of 0.3¢ per gallon.
D. Natural Gas Severance Tax ⁶	9.60 M	8.83 M	6.18 M	1.32 M	1.32 M		
E. Total Current Revenues	590.63 M	571.06 M	407.05 M	82.01 M	82.01 M		
OTHER REVENUE SOURCES							
A. Highway-user Sources							
Additional 1 cent Motor Fuel Tax							⁵ Includes OS/OW Permits, Title Transfer Fees, Driver Search Fees, Interest, & Other Fees. Interest & Other Fees are distributed 70/15/15. Title Transfer Fees & Special Permits are distributed 100% to AHTD.
1 cent motor fuel tax ⁷	20.23 M	19.62 M	13.73 M	2.94 M	2.94 M		
1 cent gasoline tax	14.14 M	13.72 M	9.60 M	2.06 M	2.06 M		
1 cent diesel tax	6.08 M	5.90 M	4.13 M	0.89 M	0.89 M		⁶ Natural Gas Severance Tax Revenue for 2009. In addition to the 3% deduction for the Central Services Fund, Net State Revenue reflects a 5% deduction for the State General Revenue Fund.
Increase Registration Fees on:							
Autos and Pickups by \$10	22.59 M	21.91 M	15.34 M	3.29 M	3.29 M		
In-State Trucks by \$150 (except pickups)	12.90 M	12.52 M	8.76 M	1.88 M	1.88 M		⁷ Motor Fuel means the combined amounts for Gasoline and Diesel.
In and Out-of-State Heavy Trucks from \$1,350 to \$1,500 ⁸	4.50 M	4.37 M	3.06 M	0.66 M	0.66 M		
Remove Sales Tax Exemption on Motor Fuels (wholesale price of \$2.00 per gallon) ^{9,10}	182.04 M	176.58 M	123.61 M	26.49 M	26.49 M		⁸ Amounts are 2009 data for International Registration Plan (IRP).
Gasoline	127.28 M	123.46 M	86.42 M	18.52 M	18.52 M		
Diesel	54.76 M	53.12 M	37.18 M	7.97 M	7.97 M		⁹ Assumes no change in point of collection. Price of fuel only. Does not include State and Federal taxes.
Add 1% Sales Tax to Motor Fuels (wholesale price of \$2.00 per gallon) ^{9,10}	40.45 M	39.24 M	27.47 M	5.89 M	5.89 M		
Gasoline	28.28 M	27.44 M	19.21 M	4.12 M	4.12 M		¹⁰ Assumes only the General portion (4.5%) will be available to AHTD while the remainder is dedicated for special purposes.
Diesel	12.17 M	11.80 M	8.26 M	1.77 M	1.77 M		
Transfer 4.50% Sales Tax on: ¹⁰							¹¹ Estimates based on Department of Finance and Administration's (DFA) 2001 data and projected to 2009.
New Vehicles	150.00 M	145.50 M	101.85 M	21.83 M	21.83 M		
Used Vehicles	109.00 M	105.73 M	74.01 M	15.86 M	15.86 M		
Auto Repair Parts and Service ¹¹	156.09 M	151.41 M	105.99 M	22.71 M	22.71 M		
Retail Tire Sales ¹²	13.58 M	13.17 M	9.22 M	1.98 M	1.98 M		
Retail Battery Sales ¹³	0.94 M	0.91 M	0.64 M	0.14 M	0.14 M		
Off Road Diesel Fuel	55.45 M	53.79 M	37.65 M	8.07 M	8.07 M		
Add 1% Surcharge on:							¹² Retail tire sales calculated by AHTD based on information provided by DFA.
New Vehicles	33.33 M	32.33 M	22.63 M	4.85 M	4.85 M		
Used Vehicles	24.22 M	23.50 M	16.45 M	3.52 M	3.52 M		
Auto Repair Parts and Service ¹¹	34.69 M	33.65 M	23.55 M	5.05 M	5.05 M		
Retail Tire Sales ¹²	3.02 M	2.93 M	2.05 M	0.44 M	0.44 M		
Off Road Diesel Fuel	12.32 M	11.95 M	8.37 M	1.79 M	1.79 M		¹³ Assumes annual sales of 360,000 batteries at \$60.00 each.
Weight Distance Tax (1 cent per mile) ¹⁴	35.83 M	34.76 M	24.33 M	5.21 M	5.21 M		
\$1 Battery Fee	0.60 M	0.58 M	0.41 M	0.09 M	0.09 M		¹⁴ Based on 3.6 billion qualifying miles (loaded miles for trucks registered over 73,280 pounds).
\$1 Tire Fee	2.70 M	2.62 M	1.83 M	0.39 M	0.39 M		
B. Non Highway-user Sources							
Increase General Sales and Use Tax - 1%	462.50 M	448.63 M	314.04 M	67.29 M	67.29 M		
Increase Income Tax - 1%	25.60 M	24.83 M	17.38 M	3.72 M	3.72 M		
Individual Income Tax	22.38 M	21.71 M	15.20 M	3.26 M	3.26 M		
Corporate Income Tax	3.22 M	3.12 M	2.19 M	0.47 M	0.47 M		
Totals may not sum due to rounding. Revised 3/15/10							

- The following sections provide information on possible options for generating additional revenue for highways, roads, and streets.
- Option A shows revenue generated from a ½-cent general sales tax increase. Included with this revenue option are three potential bond program scenarios. If used for a bond program, this sales tax could be “sunset” upon the retirement of the bonds.
- Option B shows revenue generated from a 1-cent general sales tax increase. Three potential bond program scenarios are also included with this option. If used for a bond program, this sales tax could be “sunset” upon the retirement of the bonds.
- Option C shows revenue generated from the sales tax on new and used vehicles, auto repair parts and services, tires and batteries being phased into the account for highways, county roads and city streets over a four-year period. Included with this Option is a chart showing the impact of the transfer on both general revenue and highway revenue.
- Option D shows revenue generated from the sales tax on new and used vehicles, auto repair parts and services, tires and batteries being phased into the account for highways, county roads and city streets over a 10-year period. Included with this Option is a chart showing the impact of the transfer on both general revenue and highway revenue.
- Option E is a combination of Option A and Option D. This would allow the expedited implementation of major improvements under a bond program scenario while at the same time provide a consistent, growing source of additional revenue, especially to assist with maintaining “status quo” and with the increased maintenance needs created from improvements implemented under a bond program.

OPTION A

1/2-Cent General Sales Tax (With a “Sunset” Clause)

- **Annual Revenue Generated: \$231.25 M (FY 2009)**
 - Net to AHTD: \$157.02 M
 - Net to Cities*: \$33.6 M
 - Net to Counties*: \$33.6 M

* Distribution Factors included in the Appendix.

- **Options for AHTD’s Use of Funds:**
 - **Option A1 – 5-Year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 10 years – ***tax “sunsets” after bonds are retired***
 - **Total construction program would be \$1.794 B**

 - **Option A2 – 10-Year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 15 years – ***tax “sunsets” after bonds are retired***
 - **Total construction program would be \$2.311 B**

 - **Option A3 – 15-Year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 20 years – ***tax “sunsets” after bonds are retired***
 - **Total construction program would be \$2.752 B**

- It should be noted that this projected revenue is not adequate to maintain “status quo” for highway congestion, pavement and bridge conditions, maintenance, administration, and operations unless used for a 10-year or 15-year bond program.

ONE HALF CENT INCREASE (\$157 M) IN GENERAL SALES TAX														
5 Year Bonds - Five Issues														
(in millions)														
Yr. #	YEAR	REVENUES						EXPENDITURES						CUMULATIVE CASH BALANCE
		FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST	TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	CONSTRUCT & ISSU. COSTS	DEBT SERVICE PRINC.	INT.	TOTAL EXPEND.		
1	2012	\$0.0	\$157.0	\$157.0	\$264.5		\$421.5	\$358.8	\$91.7	\$0.0	\$0.0	\$91.7	\$329.8	
2	2013	\$0.0	\$157.0	\$157.0	\$264.5	\$1.6	\$423.1	\$358.8	\$271.1	\$22.8	\$8.6	\$302.5	\$450.4	
3	2014	\$0.0	\$157.0	\$157.0	\$264.5	\$2.3	\$423.7	\$358.8	\$360.8	\$46.4	\$16.4	\$423.6	\$450.6	
4	2015	\$0.0	\$157.0	\$157.0	\$264.5	\$2.3	\$423.7	\$358.8	\$360.8	\$70.7	\$23.5	\$455.0	\$419.4	
5	2016	\$0.0	\$157.0	\$157.0	\$264.5	\$2.1	\$423.6	\$358.8	\$360.8	\$95.8	\$29.8	\$486.4	\$356.6	
6	2017	\$0.0	\$157.0	\$157.0		\$1.8	\$158.8		\$269.1	\$121.7	\$35.3	\$426.1	\$89.3	
7	2018	\$0.0	\$157.0	\$157.0		\$4.4	\$157.4		\$89.7	\$125.6	\$31.4	\$246.7	\$0.0	
8	2019	\$0.0	\$157.0	\$157.0		\$0.0	\$157.0		\$0.0	\$129.7	\$27.3	\$157.0	\$0.0	
9	2020	\$0.0	\$157.0	\$157.0		\$0.0	\$157.0		\$0.0	\$133.9	\$23.1	\$157.0	\$0.0	
10	2021	\$0.0	\$157.0	\$157.0		\$0.0	\$157.0		\$0.0	\$138.3	\$18.7	\$157.0	\$0.0	
Total		\$0.0	\$1570.0	\$1570.0	\$1322.3	\$10.5	\$2902.8	\$1793.8	\$1803.8	\$884.8	\$214.2	\$2902.8	\$2096.2	
Issuance Cost (0.75%)									\$9.9					
Total available for Construction									\$1,793.8					
Assumptions: Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.														

**ONE HALF CENT INCREASE (\$157 M) IN GENERAL SALES TAX
10 Year Bonds - Five Issues
(in millions)**

Yr. #	REVENUES										EXPENDITURES					CUMULATIVE CASH BALANCE
	FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST	TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	CONSTRUCT & ISSU. COSTS	DEBT SERVICE		TOTAL EXPEND.					
									PRINC.	INT.						
1	\$0	\$157.0	\$157.0	\$368.2		\$525.2	\$462.2	\$118.3	\$0	\$0	\$118.3	\$406.8				
2	\$0	\$157.0	\$157.0	\$368.2	\$2.0	\$527.2	\$462.2	\$349.4	\$19.4	\$12.0	\$380.8	\$553.2				
3	\$0	\$157.0	\$157.0	\$368.2	\$2.8	\$527.9	\$462.2	\$465.0	\$39.5	\$23.3	\$527.8	\$553.4				
4	\$0	\$157.0	\$157.0	\$368.2	\$2.8	\$527.9	\$462.2	\$465.0	\$60.2	\$34.0	\$559.2	\$522.2				
5	\$0	\$157.0	\$157.0	\$368.2	\$2.6	\$527.8	\$462.2	\$465.0	\$81.6	\$44.0	\$590.6	\$459.4				
6	\$0	\$157.0	\$157.0		\$2.3	\$159.3		\$346.7	\$103.7	\$53.3	\$503.7	\$115.0				
7	\$0	\$157.0	\$157.0		\$0.6	\$157.6		\$115.6	\$107.1	\$49.9	\$272.6	\$0.0				
8	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$110.5	\$46.5	\$157.0	\$0.0				
9	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$114.1	\$42.9	\$157.0	\$0.0				
10	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$117.9	\$39.1	\$157.0	\$0.0				
11	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$121.7	\$35.3	\$157.0	\$0.0				
12	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$125.6	\$31.4	\$157.0	\$0.0				
13	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$129.7	\$27.3	\$157.0	\$0.0				
14	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$133.9	\$23.1	\$157.0	\$0.0				
15	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$138.3	\$18.7	\$157.0	\$0.0				
Total	\$0	\$2355.0	\$2355.0	\$1840.8	\$13.1	\$3580.9	\$2311.0	\$2324.8	\$875.8	\$380.2	\$3580.8	\$2610.1				
Issuance Cost (0.75%)												\$13.8				
Total available for Construction												\$2,311.0				
Assumptions: Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.																

OPTION B

1-Cent General Sales Tax (With a “Sunset” Clause)

- **Annual Revenue Generated: \$462.5 M (FY 2009)**
 - Net to AHTD: \$314.04 M
 - Net to Cities*: \$67.3 M
 - Net to Counties*: \$67.3 M

*Distribution Factors included in the Appendix.

- **Options for AHTD’s Use of Funds:**
 - **Option B1 – 5-Year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 10 years – *tax “sunsets” after bonds are retired*
 - **Total construction program would be \$3.591 B**
 - **Option B2 – 10-Year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 15 years – *tax “sunsets” after bonds are retired*
 - **Total construction program would be \$4.622 B**
 - **Option B3 – 15-year Bond Issue**
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-Year period)
 - Total payoff in 20 years – *tax “sunsets” after bonds are retired*
 - **Total construction program would be \$5.504 B**

ONE CENT INCREASE (\$314 M) IN GENERAL SALES TAX													
5 Year Bonds - Five Issues													
(in millions)													
Yr. #	YEAR	REVENUES					EXPENDITURES					CUMULATIVE CASH BALANCE	
		FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST	TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	CONSTRUCT & ISSU. CSTS	DEBT SERVICE PRINC.	INT.		TOTAL EXPEND.
1	2012	\$.0	\$314.0	\$314.0	\$529.6		\$843.6	\$718.2	\$183.5	\$.0	\$.0	\$183.5	\$660.1
2	2013	\$.0	\$314.0	\$314.0	\$529.6	\$3.3	\$846.9	\$718.2	\$542.6	\$45.7	\$17.1	\$605.4	\$901.5
3	2014	\$.0	\$314.0	\$314.0	\$529.6	\$4.5	\$848.1	\$718.2	\$722.2	\$92.9	\$32.7	\$847.8	\$901.8
4	2015	\$.0	\$314.0	\$314.0	\$529.6	\$4.5	\$848.1	\$718.2	\$722.2	\$141.6	\$46.8	\$910.6	\$839.3
5	2016	\$.0	\$314.0	\$314.0	\$529.6	\$4.2	\$847.8	\$718.2	\$722.2	\$191.9	\$59.3	\$973.4	\$713.7
6	2017	\$.0	\$314.0	\$314.0		\$3.6	\$317.6		\$538.7	\$243.8	\$70.2	\$852.7	\$178.6
7	2018	\$.0	\$314.0	\$314.0		\$.9	\$314.9		\$179.6	\$251.7	\$62.3	\$493.6	(\$0.0)
8	2019	\$.0	\$314.0	\$314.0		\$.0	\$314.0		\$.0	\$259.8	\$54.2	\$314.0	(\$0.0)
9	2020	\$.0	\$314.0	\$314.0		\$.0	\$314.0		\$.0	\$268.2	\$45.8	\$314.0	(\$0.0)
10	2021	\$.0	\$314.0	\$314.0		\$.0	\$314.0		\$.0	\$276.8	\$37.2	\$314.0	(\$0.0)
Total		\$.0	\$3140.0	\$3140.0	\$2648.0	\$21.0	\$5809.0	\$3591.2	\$3611.0	\$1772.6	\$425.4	\$5809.0	\$4194.9
Issuance Cost (0.75%)									\$19.9				
Total available for Construction									\$3,591.2				
Assumptions:		Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.											

**ONE CENT INCREASE (\$314 M) IN GENERAL SALES TAX
10 Year Bonds - Five Issues
(in millions)**

Yr. #	REVENUES										EXPENDITURES					CUMULATIVE CASH BALANCE
	FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST	TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	CONSTRUCT & ISSU. COSTS		DEBT SERVICE		TOTAL EXPEND.				
								PRINC.	INT.	PRINC.	INT.					
1	\$0	\$314.0	\$314.0	\$736.3		\$1050.3	\$924.4	\$236.6	\$0	\$0	\$236.6	\$813.7				
2	\$0	\$314.0	\$314.0	\$736.3	\$4.1	\$1054.4	\$924.4	\$698.8	\$38.9	\$23.9	\$761.6	\$1,106.4				
3	\$0	\$314.0	\$314.0	\$736.3	\$5.5	\$1055.9	\$924.4	\$930.0	\$79.0	\$46.6	\$1055.6	\$1,106.7				
4	\$0	\$314.0	\$314.0	\$736.3	\$5.5	\$1055.9	\$924.4	\$930.0	\$120.4	\$68.0	\$1118.4	\$1,044.2				
5	\$0	\$314.0	\$314.0	\$736.3	\$5.2	\$1055.5	\$924.4	\$930.0	\$163.2	\$88.0	\$1181.2	\$918.6				
6	\$0	\$314.0	\$314.0		\$4.6	\$318.6		\$693.3	\$207.4	\$106.6	\$1007.3	\$229.9				
7	\$0	\$314.0	\$314.0		\$1.1	\$315.1		\$231.1	\$214.1	\$99.9	\$545.1	(\$0.0)				
8	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$221.1	\$92.9	\$314.0	(\$0.0)				
9	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$228.3	\$85.7	\$314.0	(\$0.0)				
10	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$235.7	\$78.3	\$314.0	(\$0.0)				
11	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$243.4	\$70.6	\$314.0	(\$0.0)				
12	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$251.3	\$62.7	\$314.0	(\$0.0)				
13	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$259.4	\$54.6	\$314.0	(\$0.0)				
14	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$267.9	\$46.1	\$314.0	(\$0.0)				
15	\$0	\$314.0	\$314.0		\$0	\$314.0		\$0	\$276.6	\$37.4	\$314.0	(\$0.0)				
Total	\$0	\$3454.0	\$4710.0	\$3681.6	\$26.1	\$7161.7	\$4622.2	\$4649.8	\$1751.5	\$760.5	\$7161.8	\$5219.5				
Issuance Cost (0.75%)						\$27.6										
Total available for Construction						\$4,622.2										
Assumptions:																

Assumptions: Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.

ONE CENT INCREASE (\$314 M) IN GENERAL SALES TAX														
15 Year Bonds - Five Issues														
(in millions)														
Yr.	#	YEAR	REVENUES					TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	EXPENDITURES			CUMULATIVE CASH BALANCE	
			FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST			CONSTRUCT & ISSU. COSTS	DEBT SERVICE PRINC.	INT.	TOTAL EXPEND.	TOTAL EXPEND.
	1	2012	\$.0	\$314.0	\$314.0	\$913.1		\$1227.1	\$1100.7	\$282.0	\$.0	\$.0	\$282.0	\$945.0
	2	2013	\$.0	\$314.0	\$314.0	\$913.1	\$4.7	\$1231.8	\$1100.7	\$832.4	\$33.1	\$29.7	\$895.2	\$1,281.7
	3	2014	\$.0	\$314.0	\$314.0	\$913.1	\$6.4	\$1233.5	\$1100.7	\$1107.6	\$67.3	\$58.3	\$1233.2	\$1,282.0
	4	2015	\$.0	\$314.0	\$314.0	\$913.1	\$6.4	\$1233.5	\$1100.7	\$1107.6	\$102.6	\$85.8	\$1296.0	\$1,219.5
	5	2016	\$.0	\$314.0	\$314.0	\$913.1	\$6.1	\$1233.2	\$1100.7	\$1107.6	\$139.1	\$112.1	\$1358.8	\$1,093.9
	6	2017	\$.0	\$314.0	\$314.0	\$913.1	\$5.5	\$319.5		\$825.5	\$176.7	\$137.3	\$1139.5	\$273.8
	7	2018	\$.0	\$314.0	\$314.0	\$913.1	\$1.4	\$315.4		\$275.2	\$182.5	\$131.5	\$589.2	\$.0
	8	2019	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$188.4	\$125.6	\$314.0	\$.0
	9	2020	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$194.5	\$119.5	\$314.0	\$.0
	10	2021	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$200.9	\$113.1	\$314.0	\$.0
	11	2022	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$207.4	\$106.6	\$314.0	\$.0
	12	2023	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$214.1	\$99.9	\$314.0	\$.0
	13	2024	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$221.1	\$92.9	\$314.0	\$.0
	14	2025	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$228.3	\$85.7	\$314.0	\$.0
	15	2026	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$235.7	\$78.3	\$314.0	\$.0
	16	2027	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$243.4	\$70.6	\$314.0	\$.0
	17	2028	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$251.3	\$62.7	\$314.0	\$.0
	18	2029	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$259.4	\$54.6	\$314.0	\$.0
	19	2030	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$267.9	\$46.1	\$314.0	\$.0
	20	2031	\$.0	\$314.0	\$314.0	\$913.1	\$.0	\$314.0		\$.0	\$276.6	\$37.4	\$314.0	\$.0
	Total		\$.0	\$6280.0	\$6280.0	\$4565.4	\$30.5	\$8049.8	\$5503.6	\$537.8	\$1492.7	\$1019.3	\$8049.8	\$1,6095.9
	Issuance Cost (0.75%)									\$34.2				
	Total available for Construction									\$5,503.6				
	Assumptions:		Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.											

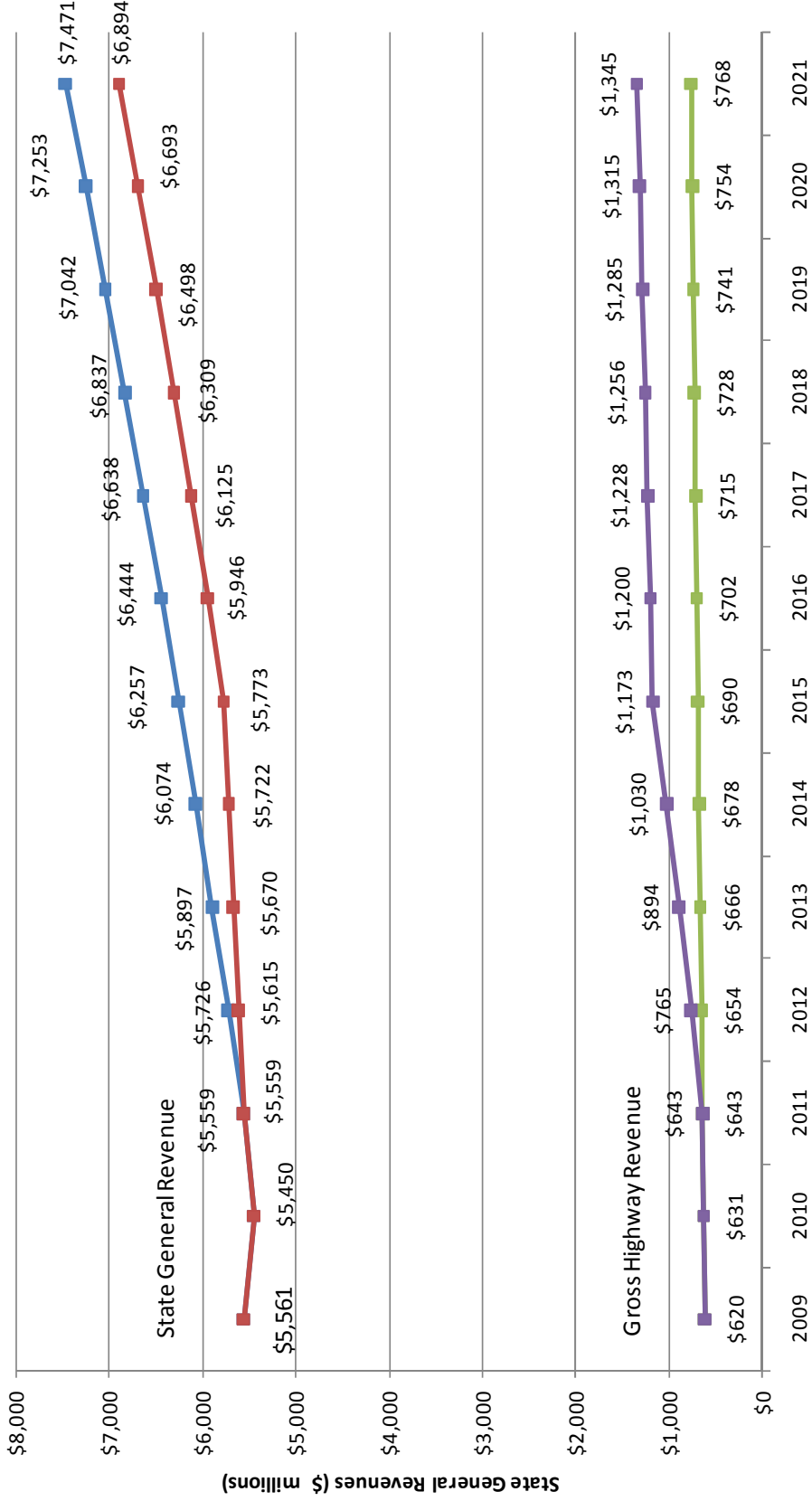
OPTION C

Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries (Phased in over 4 years – 25% each year)

- **Revenue Transfer Subcommittee Recommendation**
- **Annual Revenue Generated: \$429.6 M (FY 2009 Revenue) (7.725% of the General Revenue Available for Distribution)**
 - Net to AHTD: \$72.9 M (25% during the first year)
 - Net to Cities*: \$15.6 M (25% during the first year)
 - Net to Counties*: \$15.6 M (25% during the first year)

* Distribution Factors included in the Appendix.
- **Options for AHTD's Use of Funds:**
 - **Option C1 – Pay As You Go**
 - **\$3.053 B available over 10 years (assuming 4% annual growth)**

**Proposed General Revenue Forecasts with Transfer to Gross Highway Revenue
(Four-Year Phase-In of 4.5% Sales Tax on New and Used Vehicles, Auto Repairs Parts and Services, Tires, and Batteries)**



- Projected Existing General Revenue
- Projected General Revenue with Transfer of Sales Tax on New and Used Vehicles, Auto Repairs Parts and Services, Tires, and Batteries
- Projected Gross Highway Revenue
- Projected Gross Highway Revenue with Transfer of Sales Tax on New and Used Vehicles, Auto Repairs Parts and Services, Tires, and Batteries

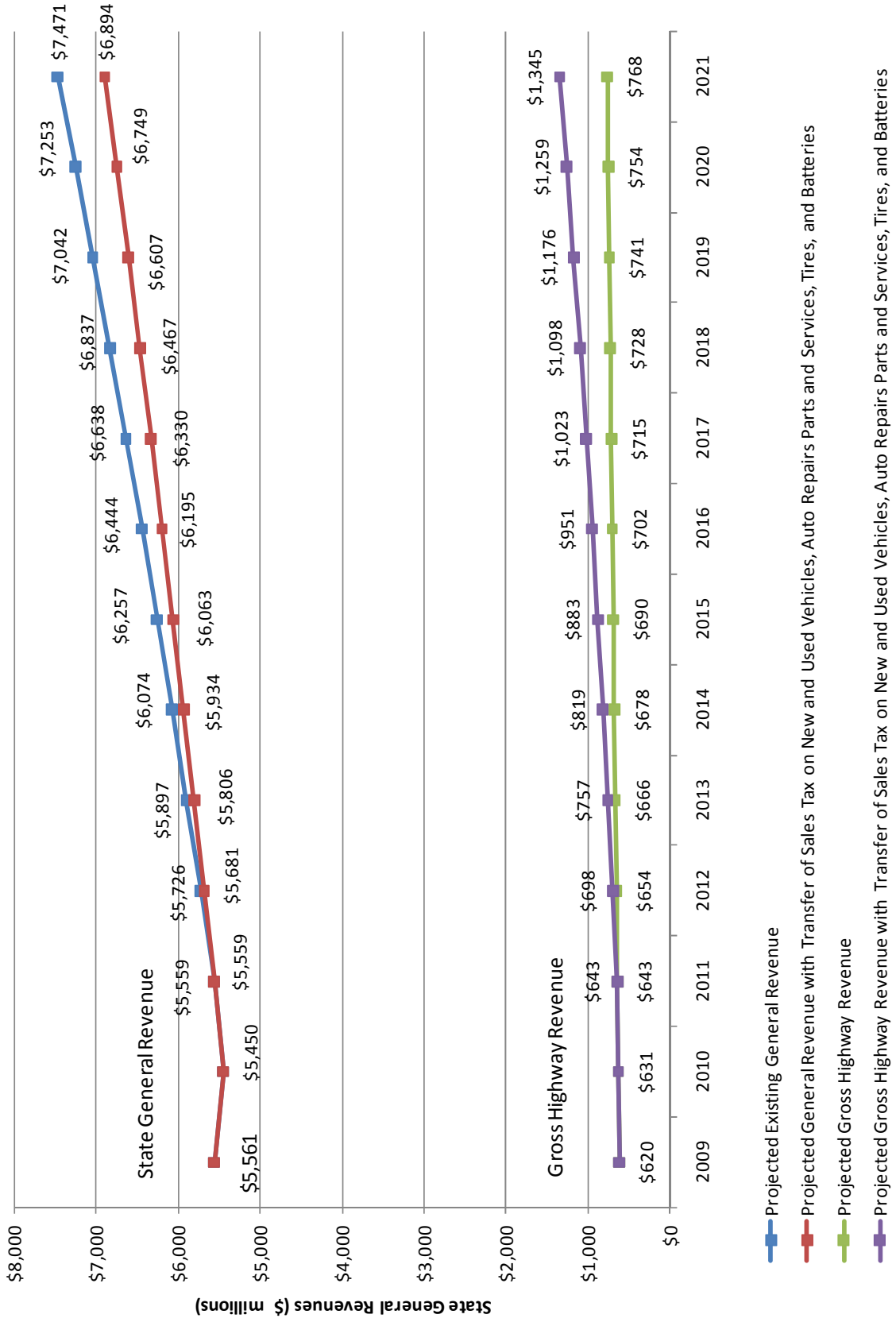
OPTION D

Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries (Phased in over 10 years – 10% each year)

- **Modification of Revenue Transfer Subcommittee Recommendation**
- **Annual Revenue Generated: \$429.6 M (FY 2009 Revenue) (7.725% of the General Revenue available for Distribution)**
 - Net to AHTD: \$29.2 M (10% during the first year)
 - Net to Cities*: \$6.2 M (10% during the first year)
 - Net to Counties*: \$6.2 M (10% during the first year)

* Distribution Factors included in the Appendix.
- **Options for AHTD's Use of Funds:**
 - **Option D1 – Pay As You Go**
 - **\$2.039 B available over 10 years (assuming 4% annual growth)**
- Since the problem of providing adequate funding for highways, roads and streets is long term, extending this proposed transfer over a longer period of time would ameliorate the impact of the transfer from the General Fund and would put in place an ongoing funding stream for highway maintenance and repairs. In addition, the transfer over a longer period of time would allow the Streamlined Sales Tax Agreement to be fully implemented and replace at least a portion, if not all, of the transferred revenue.

**Proposed General Revenue Forecasts with Transfer to Gross Highway Revenue
(Ten-Year Phase-In of 4.5% Sales Tax on New and Used Vehicles, Auto Repairs Parts and Services, Tires, and Batteries)**



OPTION E
½-Cent General Sales Tax (Sunset in 10 Years)
and
Transfer Sales Tax on New and Used Vehicles, Auto Repair
Parts and Services, Tires and Batteries
(Phased in over 10 years – 10% each year)

- **Annual Revenue Generated from the ½-Cent General Sales Tax: \$231.25 M (FY 2009)**
 - Net to AHTD: \$157.02 M
 - Net to Cities*: \$33.6 M
 - Net to Counties*: \$33.6 M

- **Annual Revenue Generated from the Transfer of the Sales Tax on Road User Items: \$429.6 M (FY 2009 Revenue – or 7.725% of the General Revenue available for Distribution)**
 - Net to AHTD: \$29.2 M (10% during the first year)
 - Net to Cities*: \$6.2 M (10% during the first year)
 - Net to Counties*: \$6.2 M (10% during the first year)
 - **Total of \$2.039 B available over 10 years to AHTD (assuming 4% annual growth)**

* Distribution Factors included in the Appendix.

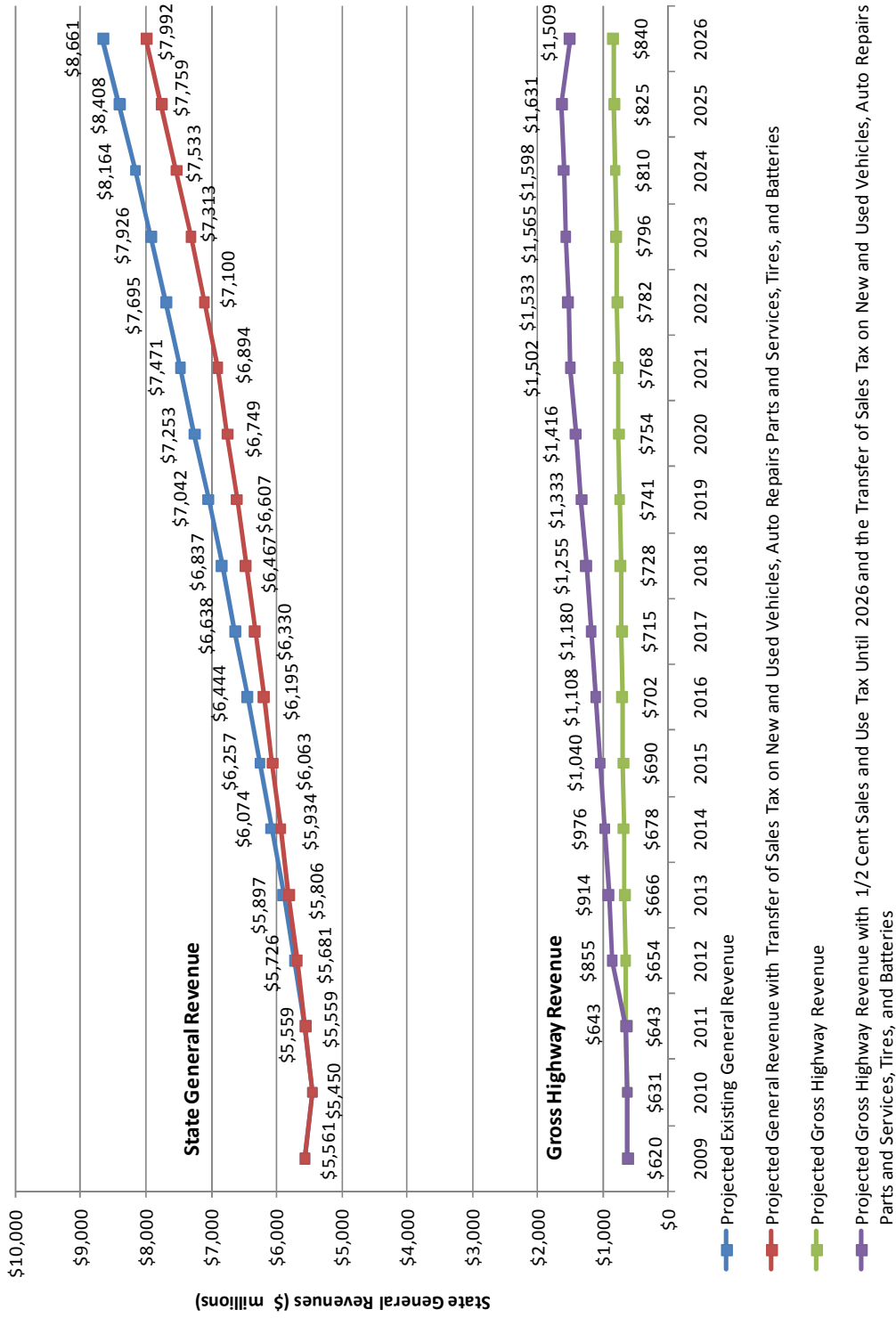
- The revenue generated from the ½-Cent General Sales Tax could be used for a 5-Year Bond Issue with the following details:
 - 5 series (bonds issued over a 5-year period; construction lettings over 5-year period)
 - Total payoff in 10 years – ***tax “sunsets” after bonds are retired***
 - Total construction program would be \$1.794 B

- Under this scenario, the **AHTD would receive an additional \$3.833 B over 10 years** (\$2.039 B from the Transfer of the Sales Tax and \$1.794 B for construction under a bond program). The following is a possible example of the impact of this funding on highway improvements:

- Especially in the early years of the phased-in transfer, a portion of the funds could be used to ensure that at least one system preservation project (e.g., overlay, resurfacing, rehabilitation) would be implemented in each County.
- \$2.0 B could be dedicated toward implementing a portion of the Four-Lane Grid System. This amount would cover approximately 21% of the Four-Lane Grid System, or 80% of the Four-Lane Grid System excluding Interstates 49 and 69.
- Additional funds could be dedicated toward other major, needed improvements, including maintaining “status quo.”
- Since the problem of providing adequate funding for highways, roads and streets is long term, extending this proposed transfer over a longer period of time would ameliorate the impact of the transfer from the General Funds and would put in place an ongoing funding stream for highway maintenance and repairs. In addition, the transfer over a longer period of time would allow the Streamlined Sales Tax Agreement to be fully implemented and replace at least a portion, if not all, of the transferred revenue.

ONE HALF CENT INCREASE (\$157 M) IN GENERAL SALES TAX													
5 Year Bonds - Five Issues													
(in millions)													
Yr. #	YEAR	REVENUES						EXPENDITURES				CUMULATIVE CASH BALANCE	
		FED FUNDS	STATE MATCH	TOTAL FED/STATE FUNDS	BOND ISSUE AMOUNT	EARNED INTEREST	TOTAL FUNDS AVAILABLE	ANNUAL CONSTRUCT PROGRAM	CONSTRUCT & ISSU. COSTS	DEBT SERVICE PRINC.	INT.		TOTAL EXPEND.
1	2012	\$0	\$157.0	\$157.0	\$264.5		\$421.5	\$358.8	\$91.7	\$0	\$0	\$91.7	\$329.8
2	2013	\$0	\$157.0	\$157.0	\$264.5	\$1.6	\$423.1	\$358.8	\$271.1	\$22.8	\$8.6	\$302.5	\$450.4
3	2014	\$0	\$157.0	\$157.0	\$264.5	\$2.3	\$423.7	\$358.8	\$360.8	\$46.4	\$16.4	\$423.6	\$450.6
4	2015	\$0	\$157.0	\$157.0	\$264.5	\$2.3	\$423.7	\$358.8	\$360.8	\$70.7	\$23.5	\$455.0	\$419.4
5	2016	\$0	\$157.0	\$157.0	\$264.5	\$2.1	\$423.6	\$358.8	\$360.8	\$95.8	\$29.8	\$486.4	\$356.6
6	2017	\$0	\$157.0	\$157.0		\$1.8	\$158.8		\$269.1	\$121.7	\$35.3	\$426.1	\$89.3
7	2018	\$0	\$157.0	\$157.0		\$4	\$157.4		\$89.7	\$125.6	\$31.4	\$246.7	\$0.0
8	2019	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$129.7	\$27.3	\$157.0	\$0.0
9	2020	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$133.9	\$23.1	\$157.0	\$0.0
10	2021	\$0	\$157.0	\$157.0		\$0	\$157.0		\$0	\$138.3	\$18.7	\$157.0	\$0.0
Total		\$0	\$1570.0	\$1570.0	\$1322.3	\$10.5	\$2902.8	\$1793.8	\$1803.8	\$884.8	\$214.2	\$2902.8	\$2096.2
Issuance Cost (0.75%)													
Total available for Construction									\$1,793.8				
Assumptions: Full faith and credit guaranty by the State of Arkansas, no coverage, 3.25% bond interest 0.5% earned interest.													

**Proposed General Revenue Forecasts with Transfer to Gross Highway Revenue
(1/2 cent Sales Tax Sunset in 2026 and a Ten-Year Phase-In of 4.5% Sales Tax on New and Used Vehicles, etc.)**



APPENDIX

City and County Distribution (“Turnback”) Factors Under the Highway Revenue Distribution Law

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Arkansas	Almyra	0.01249512835	0.00018110285
	DeWitt		0.00201654338
	Gillett		0.00046496313
	Humphrey		0.00045758276
	St. Charles		0.00014817506
	Stuttgart		0.00553243671
Ashley	Crossett	0.01289416939	0.00346139216
	Fountain Hill		0.00009026757
	Hamburg		0.00172530274
	Montrose		0.00029862101
	Parkdale		0.00021403065
	Portland		0.00031338174
	Wilmot		0.00044622835
Baxter	Big Flat	0.01451526453	0.00005904294
	Briarcliff		0.00013625293
	Cotter		0.00052287062
	Gassville		0.00096853125
	Lakeview		0.00043317078
	Mountain Home		0.00625173864
	Norfolk		0.00027477674
	Salesville		0.00024809388
Benton	Avoca	0.03541885296	0.00024014579
	Bella Vista		0.01433494377
	Bentonville		0.01624872973
	Bethel Heights		0.00102870963
	Cave Springs		0.00062619576
	Centerton		0.00319115718
	Decatur		0.00074598480
	Garfield		0.00027818307
	Gateway		0.00028045395
	Gentry		0.00138296725
	Gravette		0.00107412727
	Highfill		0.00037128924
	Little Flock		0.00146755761
	Lowell		0.00305547197
	Pea Ridge		0.00133187240
	Rogers		0.02762868805
	Siloam Springs		0.00794241043
Springtown	0.00006471765		
Sulphur Springs	0.00038094049		

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Boone	Alpena	0.01359522642	0.00021062432
	Bellefonte		0.00022708822
	Bergman		0.00023106226
	Diamond City		0.00041443600
	Everton		0.00009651249
	Harrison		0.00689894007
	Lead Hill		0.00016293580
	Omaha		0.00009367389
	South Lead Hill		0.00004995941
	Valley Springs		0.00009480933
Zinc	0.00004314676		
Bradley	Banks	0.00885776486	0.00006812647
	Hermitage		0.00043657710
	Warren		0.00365725575
Calhoun	Hampton	0.00766326858	0.00089643074
	Harrell		0.00016634212
	Thornton		0.00029351152
	Tinsman		0.00004257904
Carroll	Beaver	0.01200373993	0.00005393345
	Berryville		0.00251670518
	Blue Eye		0.00002043794
	Eureka Springs		0.00129326740
	Green Forest		0.00154249672
	Oak Grove		0.00021346293
Chicot	Dermott	0.00898569692	0.00211930080
	Eudora		0.00160040422
	Lake Village		0.00160267510
Clark	Amity	0.01178458400	0.00043260306
	Arkadelphia		0.00619496659
	Caddo Valley		0.00031962667
	Gum Springs		0.00011013779
	Gurdon		0.00129213196
	Okolona		0.00009083529
	Whelen Springs		0.00004768853

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Clay	Corning	0.00961928355	0.00208864389
	Datto		0.00005506889
	Greenway		0.00013852381
	Knobel		0.00020324396
	McDougal		0.00011070551
	Nimmons		0.00005677205
	Peach Orchard		0.00011070551
	Piggott		0.00221070380
	Pollard		0.00013625293
	Rector		0.00114509234
	St. Francis		0.00014193014
Success	0.00010218970		
Cleburne	Concord	0.01170592540	0.00014476874
	Greers Ferry		0.00052798011
	Heber Springs		0.00365157855
	Higden		0.00005733978
	Quitman		0.00040535247
Cleveland	Kingsland	0.00821131615	0.00025490652
	Rison		0.00072157281
Columbia	Emerson	0.01169787317	0.00020381168
	Magnolia		0.000667979994
	McNeil		0.00037583100
	Taylor		0.00032132983
	Waldo		0.00090494655
Conway	Menifee	0.01048017670	0.00017656109
	Morrilton		0.00371856957
	Oppelo		0.00041159740
	Plumerville		0.00048483335
Craighead	Bay	0.02012588908	0.00102189698
	Black Oak		0.00016236808
	Bono		0.00085839346
	Brookland		0.00075620377
	Caraway		0.00076585502
	Cash		0.00016690984
	Egypt		0.00005733978
	Jonesboro		0.03151700607
	Lake City		0.00111046139
	Monette		0.00066934252

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Crawford		0.01659209026	
	Alma		0.00236171747
	Cedarville		0.00064322738
	Chester		0.00005620433
	Dyer		0.00033211652
	Kibler		0.00055012121
	Mountainburg		0.00038718824
	Mulberry		0.00092368133
	Rudy		0.00004087588
Van Buren	0.01077874227		
Crittenden		0.01371529321	
	Anthonyville		0.00014193014
	Clarkedale		0.00003519867
	Crawfordsville		0.00029180836
	Earle		0.00172359958
	Edmondson		0.00029124064
	Gilmore		0.00016577440
	Horseshoe Lake		0.00018223830
	Jennette		0.00007039735
	Jericho		0.00010446058
	Marion		0.00591280948
	Sunset		0.00019756675
	Turrell		0.00054330856
West Memphis	0.01570655660		
Cross		0.01007495088	
	Cherry Valley		0.00039967526
	Hickory Ridge		0.00021800469
	Parkin		0.00090948831
	Wynne		0.00489091250
Dallas		0.00821449318	
	Carthage		0.00025093248
	Fordyce		0.00272449090
Sparkman	0.00033268424		
Desha		0.00973260608	
	Arkansas City		0.00033438740
	Dumas		0.00297372022
	McGehee		0.00259448289
	Mitchellville		0.00028215711
	Reed		0.00015612315
Watson	0.00016350352		
Drew		0.01109262969	
	Jerome		0.00002611515
	Monticello		0.00519237211
	Tillar		0.00013625293
	Wilmar		0.00032416843
Winchester	0.00010843462		

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Faulkner		0.02273731236	
	Conway		0.02976558819
	Enola		0.00010673146
	Greenbrier		0.00172700590
	Guy		0.00031167858
	Holland		0.00032757475
	Mayflower		0.00092595221
	Mount Vernon		0.00008175176
	Twin Groves		0.00015669087
	Vilonia		0.00119561947
Wooster	0.00029294380		
Franklin		0.01011260327	
	Altus		0.00046382769
	Branch		0.00020267623
	Charleston		0.00168329142
	Denning		0.00015328455
	Ozark		0.00200121492
	Wiederkehr Village		0.00002611515
Fulton		0.00894172217	
	Mammoth Spring		0.00065117547
	Salem		0.00090324339
	Viola		0.00021630153
Garland		0.02539549333	
	Fountain Lake		0.00023219770
	Hot Springs		0.02029600949
	Lonsdale		0.00006699102
	Mountain Pine		0.00043828026
Grant		0.01011307913	
	Leola		0.00029237608
	Poyen		0.00015441999
	Prattsville		0.00016009719
	Sheridan		0.00219821395
	Tull		0.00020324396
Greene		0.01271759242	
	Delaplaine		0.00007210051
	Lafe		0.00021857241
	Marmaduke		0.00065742039
	Oak Grove Heights		0.00041273284
	Paragould		0.01249950324
Hempstead		0.01141099687	
	Blevins		0.00020721800
	Fulton		0.00013909153
	Hope		0.00602692131
	McCaskill		0.00004768853
	McNab		0.00004257904
	Oakhaven		0.00003065691
	Ozan		0.00004598536
	Patmos		0.00003463095
	Perrytown		0.00014476874
	Washington		0.00008402264

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Hot Spring	Donaldson	0.01278572822	0.00018507690
	Friendship		0.00011695043
	Magnet Cove		0.00025717741
	Malvern		0.00512140704
	Midway		0.00019416043
	Perla		0.00006528786
	Rockport		0.00044963467
Howard	Dierks	0.00894388031	0.00069829627
	Mineral Springs		0.00071759877
	Nashville		0.00276934082
	Tollette		0.00018394146
Independence	Batesville	0.01491601396	0.00536212055
	Cushman		0.00026171917
	Magness		0.00010843462
	Moorefield		0.00009083529
	Newark		0.00069205134
	Oil Trough		0.00012376308
	Pleasant Plains		0.00015158139
	Sulphur Rock		0.00023901035
Izard	Calico Rock	0.00873028087	0.00056261106
	Franklin		0.00010446058
	Guion		0.00005109485
	Horseshoe Bend		0.00129326740
	Melbourne		0.00094979647
	Mount Pleasant		0.00022765594
	Oxford		0.00036447659
	Pineville		0.00013965925
Jackson	Amagon	0.00945957489	0.00005393345
	Beedeville		0.00005961066
	Campbell Station		0.00012944028
	Diaz		0.00072895318
	Grubbs		0.00024866160
	Jacksonport		0.00013341433
	Newport		0.00443446518
	Swifton		0.00049448459
	Tuckerman		0.00099748500
	Tupelo		0.00010048654
	Weldon		0.00005677205
Jefferson	Altheimer	0.02056967364	0.00067672289
	Pine Bluff		0.03130127226
	Redfield		0.00065685267
	Sherrill		0.00007153279
	Wabaseka		0.00018337374
	White Hall		0.00268645362

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Johnson	Clarksville	0.01114000317	0.00438223489
	Coal Hill		0.00056828827
	Hartman		0.00033836144
	Knoxville		0.00029010520
	Lamar		0.00080332457
Lafayette	Bradley	0.00756934178	0.00031962667
	Buckner		0.00022481734
	Lewisville		0.00072952090
	Stamps		0.00120981248
Lawrence	Alicia	0.00945724909	0.00008231948
	Black Rock		0.00040705563
	College City		0.00015271683
	Hoxie		0.00159926878
	Imboden		0.00038832085
	Lynn		0.00017883197
	Minturn		0.00006472014
	Portia		0.00027420902
	Powhatan		0.00002838603
	Ravenden		0.00029010520
	Sedgwick		0.00006358470
	Smithville		0.00004144360
	Strawberry		0.00016066491
Walnut Ridge	0.00279602369		
Lee	Aubrey	0.00863692677	0.00012546624
	Haynes		0.00012149220
	LaGrange		0.00006926191
	Marianna		0.00294136014
	Moro		0.00013682065
	Rondo		0.00013454977
Lincoln	Gould	0.00901932939	0.00074087531
	Grady		0.00029691785
	Star City		0.00140283747
Little River	Ashdown	0.00863066923	0.00271427193
	Foreman		0.00063868561
	Ogden		0.00012149220
	Wilton		0.00024922932
	Winthrop		0.00010559602

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Logan	Blue Mountain	0.01163829873	0.00007493911
	Booneville		0.00233730548
	Caulksville		0.00013227889
	Magazine		0.00051946430
	Morrison Bluff		0.00004201132
	Paris		0.00210454006
	Ratcliff		0.00010843462
	Scranton		0.00012603396
	Subiaco		0.00024922932
Lonoke	Allport	0.01782726889	0.00007210051
	Austin		0.00034347093
	Cabot		0.01254208229
	Carlisle		0.00130802814
	Coy		0.00006585558
	England		0.00171224516
	Humnoke		0.00015896175
	Keo		0.00013341433
	Lonoke		0.00243381798
	Ward		0.00146471901
Madison	Hindsville	0.01127425692	0.00004257904
	Huntsville		0.00116155624
	St. Paul		0.00009253845
Marion	Bull Shoals	0.01003684723	0.00113544109
	Flippin		0.00077039678
	Pyatt		0.00014363330
	Summit		0.00033268424
	Yellville		0.00074484936
Miller	Fouke	0.01315632140	0.00046212452
	Garland		0.00019983763
	Texarkana		0.01501507298
Mississippi	Bassett	0.01552275888	0.00009537705
	Birdsong		0.00002270882
	Blytheville		0.01037338980
	Burdette		0.00007323595
	Dell		0.00014249786
	Dyess		0.00029237608
	Etowah		0.00020778572
	Gosnell		0.00225271512
	Joiner		0.00030656909
	Keiser		0.00045871820
	Leachville		0.00112465440
	Luxora		0.00074768796
	Manila		0.00173438627
	Marie		0.00006131382
	Osceola		0.00503851984
Victoria	0.00003349551		
Wilson	0.00053308959		

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Monroe	Brinkley	0.00812734984	0.00223681895
	Clarendon		0.00111273227
	Fargo		0.00006699102
	Holly Grove		0.00040989423
	Roe		0.00007039735
Montgomery	Black Springs	0.00974921277	0.00006472014
	Mount Ida		0.00055693385
	Norman		0.00024014579
	Oden		0.00012489852
Nevada	Bluff City	0.00818266207	0.00008969985
	Bodcaw		0.00008742896
	Cale		0.00004257904
	Emmet		0.00028726660
	Prescott		0.00209261793
	Rosston		0.00015044594
	Willisville		0.00010673146
Newton	Jasper	0.00974214242	0.00028272483
	Western Grove		0.00023106226
Ouachita	Bearden	0.01206255825	0.00063868561
	Camden		0.00746779605
	Chidester		0.00020437940
	East Camden		0.00051208393
	Louann		0.00011070551
	Stephens		0.00065401407
Perry	Adona	0.00835299189	0.00010616374
	Bigelow		0.00018678006
	Casa		0.00011865359
	Fourche		0.00003349551
	Houston		0.00009026757
	Perry		0.00017826425
	Perryville		0.00082773655
Phillips	Elaine	0.01106676454	0.00049107827
	Helena-West Helena		0.00852262083
	Lake View		0.00030145961
	Lexa		0.00018791550
	Marvell		0.00079197016

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Pike	Antoine	0.00876171214	0.00008856441
	Daisy		0.00006699102
	Delight		0.00017656109
	Glenwood		0.00119618719
	Murfreesboro		0.00100145904
Poinsett	Fisher	0.01176337234	0.00015044594
	Harrisburg		0.00124444344
	Lepanto		0.00121094792
	Marked Tree		0.00158961753
	Trumann		0.00391102684
	Tyronza		0.00052116746
	Waldenburg		0.00004541764
	Weiner		0.00043146761
Polk	Cove	0.01206691444	0.00021743697
	Grannis		0.00032643931
	Hatfield		0.00022822366
	Mena		0.00320024071
	Vandervoort		0.00006812647
	Wickes		0.00038321137
Pope	Atkins	0.01794401249	0.00163389973
	Dover		0.00075450060
	Hector		0.00028726660
	London		0.00052514150
	Pottsville		0.00150275628
	Russellville		0.01344475795
Prairie	Biscoe	0.00864825017	0.00027023498
	Des Arc		0.00109740381
	DeValls Bluff		0.00044452519
	Hazen		0.00092935853
	Ulm		0.00011638271
Pulaski	Alexander	0.06239147551	0.00123252130
	Cammack Village		0.00047177577
	Jacksonville		0.01698392783
	Little Rock		0.10396836661
	Maumelle		0.00858109604
	North Little Rock		0.03430905571
	Sherwood		0.01221223665
	Wrightsville		0.00077664171
Randolph	Biggers	0.01024124509	0.00020154079
	Maynard		0.00021630153
	O'Kean		0.00011411183
	Pocahontas		0.00370040251
	Ravenden Springs		0.00007777771
	Reyno		0.00027477674

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Saline	Bauxite	0.02402742412	0.00024525528
	Benton		0.01573551035
	Bryant		0.00554322340
	Haskell		0.00150162084
	Shannon Hills		0.00113827969
	Traskwood		0.00031111086
Scott	Mansfield	0.01028451088	0.00062278944
	Waldron		0.00199156367
Searcy	Gilbert	0.00858209999	0.00001873478
	Leslie		0.00027364130
	Marshall		0.00074541708
	Pindall		0.00005393345
	St. Joe		0.00007323595
Sebastian	Barling	0.02263128794	0.00237080100
	Bonanza		0.00029180836
	Central City		0.00030145961
	Fort Smith		0.04556979273
	Greenwood		0.00403762852
	Hackett		0.00039399806
	Hartford		0.00043828026
	Huntington		0.00039059174
	Lavaca		0.00103609000
	Midland		0.00014363330
Sevier	Ben Lomond	0.00916926895	0.00007153279
	DeQueen		0.00327290894
	Gillham		0.00010673146
	Horatio		0.00056601738
	Lockesburg		0.00040364931
Sharp	Ash Flat	0.00954633534	0.00055466297
	Cave City		0.00110478418
	Cherokee Village		0.00263876509
	Evening Shade		0.00026399005
	Hardy		0.00042806129
	Highland		0.00055977246
	Sidney		0.00015612315
	Williford		0.00003576639
St. Francis	Caldwell	0.01115161114	0.00026399005
	Colt		0.00020892116
	Forrest City		0.00838750334
	Hughes		0.00105993426
	Madison		0.00056034018
	Palestine		0.00042068092
	Wheatley		0.00021119204
Widener	0.00019018638		

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
Stone	Fifty-Six Mountain View	0.00909129299	0.00009253845 0.00163275294
Union	Calion El Dorado Felsenthal Huttig Junction City Norphlet Smackover Strong	0.01738633174	0.00029294380 0.01222302334 0.00008629352 0.00041500372 0.00040932651 0.00046666629 0.00113827969 0.00036958607
Van Buren	Clinton Damascus Fairfield Bay Shirley	0.01081526039	0.00129610600 0.00017372249 0.00139659254 0.00019132182
Washington	Elkins Elm Springs Farmington Fayetteville Goshen Greenland Johnson Lincoln Prairie Grove Springdale Tontitown West Fork Winslow	0.03545622242	0.00126204277 0.00059270025 0.00273300670 0.03812697638 0.00042692585 0.00051492253 0.00131654394 0.00102416786 0.00193649478 0.03545927059 0.00115247271 0.00115928535 0.00022652050
White	Bald Knob Beebe Bradford Garner Georgetown Griffithville Higginson Judsonia Kensett Letona McRae Pangburn Rose Bud Russell Searcy West Point	0.02225583591	0.00182238295 0.00279886229 0.00045417644 0.00016123263 0.00007153279 0.00014874278 0.00021459837 0.00112522212 0.00101678750 0.00011411183 0.00037526328 0.00037128924 0.00024355211 0.00012944028 0.01074581448 0.00011808587
Woodruff	Augusta Cotton Plant Hunter McCrary Patterson	0.00767427281	0.00151297525 0.00054501172 0.00008629352 0.00105028301 0.00026512549

F.Y. 2010 ESTIMATED COUNTY AND CITY TURNBACK FACTORS

COUNTY	CITY	COUNTY FACTORS	CITY FACTORS
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Yell	Belleville	0.01260813516	0.00021062432
	Danville		0.00135798754
	Dardanelle		0.00240032247
	Havana		0.00022254645
	Ola		0.00068353554
	Plainview		0.00042862901