

PROPOSED BUDGET OF EXPENDITURES
WITH TAX LEVY FOR FISCAL YEAR

BEGINNING JULY 1, 2014 TO AND INCLUDING JUNE 30, 2015

The Board of Directors of Cutter-Morning Star School District No. 21 of Garland County, Arkansas, in compliance with the requirements of Amendments No. 40 and No. 74 to the Constitution of the State of Arkansas and of Ark. Code Ann. § 6-13-622 has prepared, approved and hereby makes public the proposed budget of expenditures, together with the tax rate, as follows:

1. Salary Fund Expenditures	\$3,216,000
2. Instructional Expense	982,000
3. Maintenance & Operation Expense	638,000
4. Dedicated M & O Expense	0
5. Pupil Transportation Expense	281,000
6. Other Operating Expense	916,000
7. Non-Bonded Debt Payment	0
8. Bonded Debt Payment	233,290

To provide for the foregoing proposed budget of expenditures, the Board of Directors proposes a total school tax rate (state and local) of 40.5 mills on the dollar of the assessed value of taxable property located in this School District. The proposed tax includes the uniform rate of tax (the "Statewide Uniform Rate") to be collected on all taxable property in the State and remitted to the State Treasurer pursuant to Amendment No. 74 to the Arkansas Constitution to be used solely for maintenance and operation of schools in the State. As provided in Amendment No. 74, the Statewide Uniform Rate replaces a portion of the existing rate of tax levied by this School District and available for maintenance and operation of schools in this District. The total proposed school tax levy of 40.5 mills includes 25.0 mills specifically voted for general maintenance and operation, 15.5 mills voted for debt service previously voted as a continuing levy pledged for the retirement of existing bonded indebtedness. The surplus revenues produced each year by debt service millage may be used by the District for other school purposes.

The total proposed school tax levy of 40.5 mills represents the same rate presently being levied.

GIVEN this 6th day of June, 2013.

BOARD OF DIRECTORS OF CUTTER-MORNING STAR
SCHOOL DISTRICT NO. 21 OF GARLAND COUNTY, ARKANSAS

Mark Rash, President of Board

Donna Fincher, Secretary of Board