

Manual 1

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TAB 1

SUMMARY BUDGET INFORMATION
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DEPARTMENT OF INFORMATION SYSTEMS

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	109	43	152	83 %
Black Employees	11	11	22	12 %
Other Racial Minorities	4	5	9	5 %
Total Minorities			31	17 %
Total Employees			183	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Broadband Manager's Report	A.C.A. § 25-4-125	Y	Y	40	A.C.A. § 25-4-125 this is distributed electronically by the agency	0	0.00
Quarterly Report to Joint Committee on Advanced Communications and Information Technology	A.C.A. § 25-4-106	Y	Y	40	A.C.A. § 25-4-106 this is distributed electronically by the agency	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation								
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021				
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos	
288 Unanticipated Services	0	0	0	0	20,000,000	0	20,000,000	0	0	0	0	20,000,000	0	0	0
2QX Information Systems-Operations	67,803,947	206	81,810,000	242	103,793,119	263	100,424,622	235	100,424,622	235	102,336,099	235	102,336,099	235	
2QY Equipment Acquisition	800,979	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	
Total	68,604,926	206	85,310,000	242	127,293,119	263	123,924,622	235	103,924,622	235	125,836,099	235	105,836,099	235	

Funding Sources		%		%		%		%		%		%	
Fund Balance 4000005	22,342,067	24.3	23,276,604	23.3		14,466,604	12.6	14,466,604	15.3	0	0.0	0	0.0
Non-Revenue Receipts 4000040	69,539,463	75.7	76,500,000	76.7		99,904,482	87.4	79,904,482	84.7	103,254,482	100.0	83,254,482	100.0
Transfer to Info Tech Reserve 4000645	(2,000,000)	(2.2)	(2,795,500)	(2.8)		(1,000,000)	(0.9)	(1,000,000)	(1.1)	(2,500,000)	(2.4)	(2,500,000)	(3.0)
Transfers / Adjustments 4000683	2,000,000	2.2	2,795,500	2.8		1,000,000	0.9	1,000,000	1.1	2,500,000	2.4	2,500,000	3.0
Total Funds	91,881,530	100.0	99,776,604	100.0		114,371,086	100.0	94,371,086	100.0	103,254,482	100.0	83,254,482	100.0
Excess Appropriation/(Funding)	(23,276,604)		(14,466,604)			9,553,536		9,553,536		22,581,617		22,581,617	
Grand Total	68,604,926		85,310,000			123,924,622		103,924,622		125,836,099		105,836,099	

Analysis of Budget Request

Appropriation: 288 - Unanticipated Services

Funding Sources: MHC - Department of Information Systems Revolving Fund

This appropriation was established for the Department of Information Systems for the provision of unanticipated services to State Agencies, unusual growth in applications, or uncontrollable increases in payments to public utilities necessary for the continuous provision of services. Special language authorizes an appropriation transfer, upon approval of the Governor and prior review by the Joint Committee on Advanced Communications and Information Technology, to appropriation 2QX-Operations.

The Agency requests continuation of this appropriation at \$20,000,000 each year of the 2019-2021 Biennium.

In order to provide sufficient appropriation to cover unanticipated expenditures, the Agency Request exceeds the FY18 Actual Expenditures by more than 10%. Without the flexibility of this Contingency appropriation the Department would not be able to utilize its' significant economies of scale to save the State money on unanticipated services to state agencies.

The Executive Recommendation is to discontinue the appropriation for the 2019-2021 Biennium.

Appropriation Summary

Appropriation: 288 - Unanticipated Services

Funding Sources: MHC - Department of Information Systems Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Contingency-Reserve	5130018	0	0	20,000,000	20,000,000	0	20,000,000	0	
Total		0	0	20,000,000	20,000,000	0	20,000,000	0	
Funding Sources									
Non-Revenue Receipts	4000040	0	0		20,000,000	0	20,000,000	0	
Total Funding		0	0		20,000,000	0	20,000,000	0	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		0	0		20,000,000	0	20,000,000	0	

Analysis of Budget Request

Appropriation: 2QX - Information Systems-Operations

Funding Sources: MHC - Department of Information Systems Revolving Fund

The Department of Information Systems (DIS) provides information technology services to state government and includes a centralized service bureau; a statewide network backbone for data, voice and video; technical guidance and planning for integration with the state architecture; procurement services; and other services for agency and community connectivity. This appropriation is funded by non-revenue receipts derived from services provided to various agencies of the federal, state, city, and county governments.

Previously Authorized appropriation for Fiscal Year 2019 was \$103,793,119.

Agency Request appropriation totaling \$100,424,622 in FY20 and \$102,336,099 in FY21. The Agency's Request contains the following changes:

Reduction of 17 positions and the corresponding Salaries and Personnel Services Matching appropriation of (\$804,165) and (\$271,123) respectively each year of the biennium. This reduction of unutilized positions will better align appropriation with the Agency's needs.

Reallocation of a total of \$2,409,254 in Maintenance and General Operations appropriation to partially offset the Agency's request for appropriation in Capital Outlay and Telecommunications/Technology Delivery Services. Reductions include:

- Operating Expenses reduction of (\$2,320,595) in both years of the biennium.
- Conference & Travel Expenses reduction of (\$32,159) in both years of the biennium.
- Professional Fees reduction of (\$56,500) in both years of the biennium.

Partial restoration of previously authorized of Capital Outlay of \$2,355,000 in FY20 and \$4,855,000 in FY21. This appropriation will allow the Agency to procure upgraded equipment to provide enhanced services to its customers. The FY21 increase provides for the anticipated lease payments for the needed equipment associated with the Data Center Optimization effort.

Increase to Telecommunications/Technology Delivery of \$1,850,100 in FY20 and \$1,251,953 in FY21. This appropriation will be utilized to provide communication technology goods and services to the state agencies, boards and commission as they upgrade to new systems.

The Agency provided the following justification of appropriation requests that exceeds the FY18 Actual Expenditures by more than 10%:

Extra Help, Overtime, Capital Outlay, Data Processing Services, and Telecommunication/Technology Delivery: The Agency requests that appropriation be approved above FY18 Actual expenditure levels to provide for anticipated expenditures associated with the Microsoft 365 Enterprise Agreement, Data Center Optimization effort, and replacement of antiquated phone systems to Voice over Internet

customer base.

Conference and Travel: With the upcoming projects of the agency, staff will need training to support the new initiatives and DIS intends to put an emphasis on its skilled staff maintaining certifications as well as the pursuing additional certifications and training.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QX - Information Systems-Operations
Funding Sources: MHC - Department of Information Systems Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	11,967,659	15,836,339	15,374,053	15,721,219	15,721,219	15,728,519	15,728,519	
#Positions		206	242	263	235	235	235	235	
Extra Help	5010001	101,557	215,000	215,000	215,000	215,000	215,000	215,000	
#Extra Help		11	18	18	18	18	18	18	
Personal Services Matching	5010003	3,875,195	4,894,123	4,851,020	4,839,511	4,839,511	4,841,835	4,841,835	
Overtime	5010006	9	66,000	66,000	66,000	66,000	66,000	66,000	
Operating Expenses	5020002	6,583,268	9,545,591	9,545,591	7,224,996	7,224,996	7,224,996	7,224,996	
Conference & Travel Expenses	5050009	48,401	107,160	107,160	75,001	75,001	75,001	75,001	
Professional Fees	5060010	540,431	631,500	631,500	575,000	575,000	575,000	575,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	11,549	6,145,000	6,145,000	3,000,000	3,000,000	5,500,000	5,500,000	
Data Processing Services	5900044	50,789	8,406,866	8,406,866	8,406,866	8,406,866	8,406,866	8,406,866	
Telecommunication/Technology	5900046	44,625,089	35,962,421	58,450,929	60,301,029	60,301,029	59,702,882	59,702,882	
Total		67,803,947	81,810,000	103,793,119	100,424,622	100,424,622	102,336,099	102,336,099	
Funding Sources									
Fund Balance	4000005	22,315,951	22,051,467		13,945,967	13,945,967	0	0	
Non-Revenue Receipts	4000040	69,539,463	76,500,000		79,904,482	79,904,482	83,254,482	83,254,482	
Transfer to Info Tech Reserve	4000645	(2,000,000)	(2,795,500)		(1,000,000)	(1,000,000)	(2,500,000)	(2,500,000)	
Total Funding		89,855,414	95,755,967		92,850,449	92,850,449	80,754,482	80,754,482	
Excess Appropriation/(Funding)		(22,051,467)	(13,945,967)		7,574,173	7,574,173	21,581,617	21,581,617	
Grand Total		67,803,947	81,810,000		100,424,622	100,424,622	102,336,099	102,336,099	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary adjustments during the 2017-2019 Biennium.
 FY18 Actuals for Data Processing Services does not reflect all expenditures due to refund to expenditure language. Total refunds to expenditures for FY18 exceeded 11,000,000.

Analysis of Budget Request

Appropriation: 2QY - Equipment Acquisition

Funding Sources: MHD - Department of Information Systems Reserve

The Department of Information Systems utilizes this appropriation for major equipment acquisition or information technology improvements as stated in A.C.A §25-4-122. The agency also uses appropriation authorized through their Operations appropriation (2QX) for purchase of equipment.

The Department is authorized to accumulate a reserve for equipment acquisition in an amount not to exceed the Department's depreciation expense per fiscal year. In addition, the Department is authorized to obtain, from the State Board of Finance, loans from the Budget Stabilization Trust Fund to supplement the reserve if the reserve is insufficient to handle the total cost of required equipment acquisitions. These loans and the reserve for equipment acquisition shall be used exclusively for major equipment acquisitions or information technology improvements required in order to fulfill the requirements for one (1) or more user agencies. The loans from the Budget Stabilization Trust Fund to the Information Technology Reserve Fund shall be repaid within five (5) years from revenues derived from charges to users, and the annual loan repayment amount shall be computed as a part of the total yearly expenses of the Department and shall be charged proportionately to users. The State Board of Finance, after obtaining the Governor's written approval, shall also review and may approve the loans the establish terms of repayment and a rate of interest to be paid by the Department of Information Systems Revolving Fund to the Budget Stabilization Trust Fund, which rate shall be approximately equivalent to the rate of interest the State Board of Finance is receiving on other investments at the time of approving the loan request.

The Agency requests continuation of current appropriation at \$3,500,000 each year of the 2019-2021 Biennium.

In order to provide sufficient appropriation to cover unanticipated expenditures, the Agency Request exceeds the FY18 Actual Expenditures by more than 10%. This appropriation is utilized for major purchases only and allows the agency to utilize the reserve authorized in in A.C.A § 25-4-122.

Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QY - Equipment Acquisition
Funding Sources: MHD - Department of Information Systems Reserve

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Equip Acq's & IT Improvements 5900046	800,979	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Total	800,979	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Funding Sources							
Fund Balance 4000005	26,116	1,225,137		520,637	520,637	0	0
Transfers / Adjustments 4000683	2,000,000	2,795,500		1,000,000	1,000,000	2,500,000	2,500,000
Total Funding	2,026,116	4,020,637		1,520,637	1,520,637	2,500,000	2,500,000
Excess Appropriation/(Funding)	(1,225,137)	(520,637)		1,979,363	1,979,363	1,000,000	1,000,000
Grand Total	800,979	3,500,000		3,500,000	3,500,000	3,500,000	3,500,000

TAB 2

SUMMARY BUDGET INFORMATION

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STATE BANK DEPARTMENT

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STATE BANK DEPARTMENT

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	49	13	62	91 %
Black Employees	2	2	4	6 %
Other Racial Minorities	2	0	2	3 %
Total Minorities			6	9 %
Total Employees			68	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Report of the Bank Commissioner	A.C.A. 23-46-210	Y	N	1	Required for Governor by Statute. Report is also available on the Agency's website for public information.	0	0.00

Analysis of Budget Request

Appropriation: 051 - State Bank Department-Operations

Funding Sources: SIB - Bank Department Fund

Arkansas State Bank Department was created to ensure the safety and soundness of state chartered financial institutions. The ASBD has statutory responsibility for the examination and regulation of state chartered banks, bank holding companies, trust companies and other entities. The State Bank Department is funded entirely by special revenue fees assessed and collected on a semi-annual basis, as authorized in Arkansas Code §19-6-412.

The Agency is requesting \$10,277,720 in FY20 and 10,279,888 in FY21.

The Agency Request includes the following changes for both years:

- Operating Expenses - The Agency is requesting a reduction of (\$71,822) each year in Operating Expenses.
- Professional Fees - The Agency is requesting a reduction of (\$73,000) each year in Professional Fees.
- Capital Outlay - Agency is asking for \$65,000 increase in appropriation each year to replace two vehicles and replace some of the obsolete data processing equipment.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses - The Agency reduced authorized level by (\$71,822) and asking to keep this line at \$1,418,371. The Agency is anticipating an increase in out-of-state and in-state travel, increase in cost for replacement and maintenance of IT equipment, increase in maintenance expense for agency vehicles, 3-5% annual rent increase for Springdale office.
- Conference & Travel Expenses - The Agency is asking to keep appropriation at Authorized level - \$332,225. Conference & Travel Expenses are used to pay for lodging and registration fees for required training. Due to rapid growth, the Department is anticipating an increase in training needs and therefore an increase in travel expenses.
- Professional Fees - The Agency reduced authorized level by \$73,000 and requesting to keep Professional Fees at \$87,000. The amount requested represents potential expenses to be incurred for the professional services fees associated with agency technology and contingency fees for legal services.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 051 - State Bank Department-Operations

Funding Sources: SIB - Bank Department Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	5,302,755	6,497,274	5,624,888	6,506,715	6,506,715	6,508,215	6,508,215
#Positions		71	72	72	72	72	72	72
Extra Help	5010001	0	5,000	5,000	5,000	5,000	5,000	5,000
#Extra Help		0	1	1	1	1	1	1
Personal Services Matching	5010003	1,544,453	1,857,572	1,628,365	1,863,409	1,863,409	1,864,077	1,864,077
Operating Expenses	5020002	1,050,522	1,490,193	1,490,193	1,418,371	1,418,371	1,418,371	1,418,371
Conference & Travel Expenses	5050009	244,428	332,225	332,225	332,225	332,225	332,225	332,225
Professional Fees	5060010	24,611	160,000	160,000	87,000	87,000	87,000	87,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	27,616	100,000	100,000	65,000	65,000	65,000	65,000
Total		8,194,385	10,442,264	9,340,671	10,277,720	10,277,720	10,279,888	10,279,888
Funding Sources								
Fund Balance	4000005	9,979,247	13,499,881		15,688,559	15,688,559	18,116,360	18,116,360
Special Revenue	4000030	11,715,019	12,630,942		12,705,521	12,705,521	12,875,351	12,875,351
Total Funding		21,694,266	26,130,823		28,394,080	28,394,080	30,991,711	30,991,711
Excess Appropriation/(Funding)		(13,499,881)	(15,688,559)		(18,116,360)	(18,116,360)	(20,711,823)	(20,711,823)
Grand Total		8,194,385	10,442,264		10,277,720	10,277,720	10,279,888	10,279,888

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

TAB 3

SUMMARY BUDGET INFORMATION
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ARKANSAS DEPARTMENT OF AERONAUTICS

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AR DEPARTMENT OF AERONAUTICS

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	2	3	5	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			5	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
State Aeronautical Chart	N/A	N	N	10,000	Provided as a service to general flying public for safety and informational purposes. Requested by individuals and businesses State and nationwide. (Published biennially)	0	0.00
State Airport Directory	N/A	N	N	5,000	Provides information to the flying public concerning individual Arkansas airports. (Published biennially)	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
665 Aeronautics-State Operations	5,557,506	5	15,624,484	5	15,603,348	5	15,624,031	5	15,624,031	5	15,624,031	5	15,624,031	5
666 Aeronautics-Federal Grants	34,787	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0
Total	5,592,293	5	27,624,484	5	27,603,348	5	27,624,031	5	27,624,031	5	27,624,031	5	27,624,031	5

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	4,654,934	42.6	5,335,345	18.8	681,722	2.9	681,722	2.9	0	0.0	0	0.0
Federal Revenue	4000020	34,787	0.3	12,000,000	42.4	12,000,000	50.7	12,000,000	50.7	12,000,000	52.2	12,000,000	52.2
Special Revenue	4000030	6,237,917	57.1	10,970,861	38.8	10,970,861	46.4	10,970,861	46.4	10,970,861	47.8	10,970,861	47.8
Total Funds		10,927,638	100.0	28,306,206	100.0	23,652,583	100.0	23,652,583	100.0	22,970,861	100.0	22,970,861	100.0
Excess Appropriation/(Funding)		(5,335,345)		(681,722)		3,971,448		3,971,448		4,653,170		4,653,170	
Grand Total		5,592,293		27,624,484		27,624,031		27,624,031		27,624,031		27,624,031	

The FY19 Budget amount exceeds the Authorized amount for State Operations (665) due to salary and matching rate adjustments during the 2017-2019 Biennium. Variance in fund balance is due to unfunded appropriation in State Operations (665).

Analysis of Budget Request

Appropriation: 665 - Aeronautics-State Operations

Funding Sources: SDA - Department of Aeronautics Fund

The Department of Aeronautics' State Operations appropriation is funded entirely by Special Revenues derived from a tax on the sale of aviation fuels and aviation related products sold for use in aircraft weighing less than 12,500 lbs., as authorized in Arkansas Code § 27-115-110.

The appropriation authorization is \$15,624,031 for each year of the biennium.

The agency requests the FY19 Authorized appropriation as follows:

- Operating Expenses includes the operating expenses associated with our agency aircraft. This aircraft is used to facilitate expeditious travel for the purpose of FAA required safety inspections, review airport construction and improvement projects associated with grant applications and airport economic development meetings with airport sponsors. In addition, it is used for government agency staff transportation to various meetings and events, both in and out of state. The expenses for the aircraft vary annually depending on maintenance costs (both scheduled and unscheduled), fuel costs (which vary greatly throughout the year), flying hours and overall usage. This budget line item also covers expenses associated with the printing and publication of our Arkansas Aeronautical Charts and Airport Directories, when needed. The determination to print these items is based on the amount of changes in the airport information. These changes are impossible to predict and, in some cases, are important to aviation safety. Exact reprint frequency is impossible to predict and therefore requires budget flexibility.
- Conference and Travel Expenses due to the varying number of conferences held each year. Some FAA conferences are "short notice" and are impossible to plan for in advance. Additionally, the required staff at these conferences and meetings varies greatly and is often not determined until immediately prior to the event. We have requested a budget amount that allows for the variations in travel expenses, while allowing our agency staff to attend all required conferences and meetings.
- Grants and Aid - The justification for this item is due to the nature of the grant program. The number and cost of airport aid requests is impossible to predict and varies greatly from year to year, often by millions of dollars. It is determined by individual airport needs as well as FAA funding available. We have requested a budget amount that will allow us to operate the grant program in a manner that meets the needs of Arkansas airports to the best of our ability.

The Agency's Change Level Request is as follows:

- Grants and Aid line item reallocated to a Miscellaneous Line item called "Airport Grant Funding and Related Expenses". This will allow us to properly classify all grant and grant related expenditures together.

There were no one-time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 665 - Aeronautics-State Operations
Funding Sources: SDA - Department of Aeronautics Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	296,489	306,380	289,804	305,787	305,787	305,787	305,787	
#Positions		5	5	5	5	5	5	5	
Personal Services Matching	5010003	91,792	95,575	91,015	95,715	95,715	95,715	95,715	
Operating Expenses	5020002	101,840	200,029	200,029	200,029	200,029	200,029	200,029	
Conference & Travel Expenses	5050009	5,526	9,000	9,000	9,000	9,000	9,000	9,000	
Professional Fees	5060010	12,305	13,500	13,500	13,500	13,500	13,500	13,500	
Data Processing	5090012	0	0	0	0	0	0	0	
Grants and Aid	5100004	5,049,554	15,000,000	15,000,000	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Airport Grant Funding and Relat	5900046	0	0	0	15,000,000	15,000,000	15,000,000	15,000,000	
Total		5,557,506	15,624,484	15,603,348	15,624,031	15,624,031	15,624,031	15,624,031	
Funding Sources									
Fund Balance	4000005	4,654,934	5,335,345		681,722	681,722	0	0	
Special Revenue	4000030	6,237,917	10,970,861		10,970,861	10,970,861	10,970,861	10,970,861	
Total Funding		10,892,851	16,306,206		11,652,583	11,652,583	10,970,861	10,970,861	
Excess Appropriation/(Funding)		(5,335,345)	(681,722)		3,971,448	3,971,448	4,653,170	4,653,170	
Grand Total		5,557,506	15,624,484		15,624,031	15,624,031	15,624,031	15,624,031	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 666 - Aeronautics-Federal Grants

Funding Sources: FAA - Aeronautics Department - Federal

The Aeronautics-Federal Grants appropriation is authorized for disbursement of Federal Airport Aid Block Grant Funds when and if those funds are approved by the U.S. Congress for the State of Arkansas.

The FY19 Authorized appropriation level is \$12,000,00 for each year of the biennium.

The agency requests the FY19 authorized appropriation as follows:

- Grants and Aid due to the possibility of the agency receiving Federal Aviation Administration funds for projects at airports across the state. This appropriation has never received funding, but request it in the event that the federal government funds are available.

There were no one-time operating expenses in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 666 - Aeronautics-Federal Grants

Funding Sources: FAA - Aeronautics Department - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	34,787	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total		34,787	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Funding Sources								
Federal Revenue	4000020	34,787	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Total Funding		34,787	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		34,787	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000

TAB 4

SUMMARY BUDGET INFORMATION

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AR DEVELOPMENT FINANCE AUTHORITY

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	20	22	42	79 %
Black Employees	0	8	8	15 %
Other Racial Minorities	2	1	3	6 %
Total Minorities			11	21 %
Total Employees			53	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Audit Report	A.C.A. 15-5-210	N	Y	2	Reporting of audited agency financials.	0	0.00
Bond Issuance Report	Act 36 of 1989	N	Y	1	Provides summary of bond transactions when executed	0	0.00
Bond Issues/Outstanding Report	Act 222 of 1987	N	N	1	Provides comprehensive list of bonds issued and outstanding.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
A57 ADFA-Cash Operations	11,116,358	58	31,856,566	50	30,200,423	61	32,497,968	61	32,497,968	61	32,498,658	61	32,498,658	61
C57 AR Housing Trust Advisory Comm	0	0	15,475	0	15,475	0	15,475	0	15,475	0	15,475	0	15,475	0
C91 Student Loan Auth Div of ADFA-Operations	2,062,544	4	3,794,110	4	3,778,952	4	2,392,210	4	2,392,210	4	2,392,333	4	2,392,333	4
D34 DIS IT	0	0	15,000,000	0	0	0	15,000,000	0	15,000,000	0	15,000,000	0	15,000,000	0
X15 NHTF Grant	5,357	0	6,000,000	0	0	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0
Total	13,184,259	62	56,666,151	54	33,994,850	65	55,905,653	65	55,905,653	65	55,906,466	65	55,906,466	65

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	81,857	0.5	2,188,767	3.7			2,173,609	3.7	2,173,609	3.7	2,173,609	3.7
Federal Revenue	4000020	6,239,468	40.6	32,551,215	55.3			32,551,215	56.0	32,551,215	56.0	32,551,215	56.0
Cash Fund	4000045	9,051,701	58.9	24,099,778	41.0			23,354,438	40.2	23,354,438	40.2	23,355,251	40.2
Total Funds		15,373,026	100.0	58,839,760	100.0			58,079,262	100.0	58,079,262	100.0	58,080,075	100.0
Excess Appropriation/(Funding)		(2,188,767)		(2,173,609)				(2,173,609)		(2,173,609)		(2,173,609)	
Grand Total		13,184,259		56,666,151				55,905,653		55,905,653		55,906,466	

FY19 Budget amount for Appropriations A57 exceeds Authorized amount due to a transfer from the Cash Fund Holding Account.

FY19 Budget amount for Appropriations C91 exceeds Authorized amount due to salary and matching rate adjustments.

FY19 Budget amount for Appropriations D34 and X15 exceed Authorized amount due to a transfer from the Miscellaneous Federal Grant Holding Account.

Analysis of Budget Request

Appropriation: A57 - ADFA-Cash Operations

Funding Sources: 123 - Arkansas Development Finance Authority Cash

A.C.A. §15-5-201 created the Arkansas Development Finance Authority along with a Board of Directors that was created in A.C.A. §15-5-202. The Board of Directors is composed of the Director of the Department Finance and Administration, State Treasurer, President of ADFA and eleven (11) public members appointed by the Governor with the advice and consent of the Senate. Duties and responsibilities of the Board may include but are not limited to, powers to sue; make and issue rules, regulations, and bylaws; appoint officers, agents, and employees; borrow money; issue notes and bonds on behalf of state agencies and political subdivisions; make secured or unsecured loans; sell mortgages and security interests, collect fees and charges in connection with its loans, bond guarantees.

This appropriation reflects all operational costs of the Authority including the Federal Housing Assistance Program, HUD Home Program, and other financial programs. Funding for this appropriation is derived primarily from federal funds with other funding from bond proceeds.

The Agency is requesting \$32,497,968 in FY20 and \$32,498,658 in FY21.

The Agency Request includes the following changes for both years:

- Regular Salaries and Personal Services Matching - The agency requests the restoration a Pool position of Deputy Director and corresponding increase in Regular Salaries and Personal Services Matching.
- Operating Expenses - the Agency requests a reduction of (\$50,000) in each year.
- Conference & Travel Expenses - the Agency requests a reduction of (\$21,715) in each year.
- Capital Outlay - Agency requests \$23,000 increase in appropriation in each year to purchase vehicles.
- Federal Housing Program - Agency is requesting to increase an appropriation by \$2,000,000 to include a cash letter for both fiscal years. This program is funded by U.S. Housing and Urban Development. Funds will be used to stabilize neighborhoods that suffered from foreclosure.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses and Professional Fees - fluctuate from year to year. In 2020 and 2021 expenses will also increase due to implementation of Office 365.
- Conference & Travel Expenses - due to possible additional costs of attending conferences.
- Grants and Aid - budgeted at \$6,600,000 for each year. This line will be used for emergency purposes deemed necessary by the Governor and will be funded thru special purpose federal grants.
- HUD Home Program - expenses fluctuate from year to year.
- Federal Housing Programs - contingency.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: A57 - ADFA-Cash Operations
Funding Sources: 123 - Arkansas Development Finance Authority Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries 5010000	3,055,647	3,275,264	3,520,926	3,788,788	3,788,788	3,789,088	3,789,088
#Positions	58	50	61	61	61	61	61
Extra Help 5010001	24,812	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help	4	5	5	5	5	5	5
Personal Services Matching 5010003	1,026,829	1,004,592	1,102,787	1,181,185	1,181,185	1,181,575	1,181,575
Operating Expenses 5020002	522,746	702,458	725,458	675,458	675,458	675,458	675,458
Conference & Travel Expenses 5050009	33,576	81,715	81,715	60,000	60,000	60,000	60,000
Professional Fees 5060010	111,487	123,810	123,810	123,810	123,810	123,810	123,810
Data Processing 5090012	0	0	0	0	0	0	0
Grants and Aid 5100004	0	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000
Capital Outlay 5120011	0	23,000	0	23,000	23,000	23,000	23,000
Data Processing Services 5900044	264,060	264,512	264,512	264,512	264,512	264,512	264,512
Hud Home Program 5900046	6,059,582	16,341,215	16,341,215	16,341,215	16,341,215	16,341,215	16,341,215
Federal Housing Programs 5900047	17,619	3,400,000	1,400,000	3,400,000	3,400,000	3,400,000	3,400,000
Total	11,116,358	31,856,566	30,200,423	32,497,968	32,497,968	32,498,658	32,498,658
Funding Sources							
Fund Balance 4000005	81,857	239,003		239,003	239,003	239,003	239,003
Federal Revenue 4000020	6,234,111	26,341,215		26,341,215	26,341,215	26,341,215	26,341,215
Cash Fund 4000045	5,039,393	5,515,351		6,156,753	6,156,753	6,157,443	6,157,443
Total Funding	11,355,361	32,095,569		32,736,971	32,736,971	32,737,661	32,737,661
Excess Appropriation/(Funding)	(239,003)	(239,003)		(239,003)	(239,003)	(239,003)	(239,003)
Grand Total	11,116,358	31,856,566		32,497,968	32,497,968	32,498,658	32,498,658

Budget exceeds Authorized Appropriation in Federal Housing Program due to a transfer from the Cash Fund Holding Account.

Analysis of Budget Request

Appropriation: C57 - AR Housing Trust Advisory Comm

Funding Sources: 123 - Arkansas Development Finance Authority Cash

The Arkansas Housing Trust Fund Arkansas Housing Trust Fund Advisory Committee was established by Act 661 of 2009, as amended (A.C.A. §15-5-1701) to provide a source of funds for communities to address affordable housing needs. Act 661 of 2009 also created the Arkansas Housing Trust Fund Advisory Committee to provide advice to the Authority's Board of Directors on matters relating the Housing Trust Fund and its programs. Act 764 of 2012 provided a "one time transfer" from unexpended balances of funds received by the Division of Check Cashing of the State Board of Collections Agencies under the Check-Cashers Act. Program funding is contingent on the Arkansas Housing Trust Fund Advisory Committee securing a dedicated funding source.

The Agency is requesting \$15,475 for each fiscal year within the 2019-2021 Biennium.

The Agency did not have an actual expenses in FY18 but requesting to keep this appropriation for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C57 - AR Housing Trust Advisory Comm

Funding Sources: 123 - Arkansas Development Finance Authority Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Ar Housing Trust Fund	5900046	0	15,475	15,475	15,475	15,475	15,475	15,475
Total		0	15,475	15,475	15,475	15,475	15,475	15,475
Funding Sources								
Cash Fund	4000045	0	15,475		15,475	15,475	15,475	15,475
Total Funding		0	15,475		15,475	15,475	15,475	15,475
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	15,475		15,475	15,475	15,475	15,475

Analysis of Budget Request

Appropriation: C91 - Student Loan Auth Div of ADFA-Operations

Funding Sources: 123 Student Loan Authority Cash

The Arkansas Student Loan Authority was created for the purpose of originating and acquiring student loans and support Arkansas' student financial assistance by purchasing loans made by local lenders to higher education students. The process provides liquidity to banks so additional loans may be made to students in need. Funding is based upon Trust Indentures which allow the Authority to draw the cost of loan servicing plus 80 basis points or 0.8% of the outstanding loan balance on a monthly basis for loan servicing, program administration, and general and administrative costs.

Funding for the Agency is derived from bond issues and participation in loan administration under the Health Care and Education Reconciliation Act of 2010. ASLA is a self-sufficient agency which does not receive any state revenue dollars.

The Agency is requesting \$2,392,210 in FY20 and \$2,392,333 in FY21.

The Agency Request includes the following changes for both years:

- Operational Expenses - The Agency requests a reduction of (\$95,405) for each year.
- Conference & Travel Expenses - The Agency requests a reduction of (\$8,867) for each year.
- Professional Fees - The Agency requests a reduction of (\$1,294,514) for each year.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Professional Fees - expenses fluctuate from year to year. Agency reduced authorized amount by \$1,294,514 and asking to keep this line item at \$1,818,875.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C91 - Student Loan Auth Div of ADFA-Operations

Funding Sources: 123 Student Loan Authority Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	347,139	351,309	340,036	348,521	348,521	348,621	348,621	
#Positions		4	4	4	4	4	4	4	
Personal Services Matching	5010003	97,988	100,856	96,971	100,530	100,530	100,553	100,553	
Operating Expenses	5020002	100,284	205,717	205,717	110,312	110,312	110,312	110,312	
Conference & Travel Expenses	5050009	12,701	22,839	22,839	13,972	13,972	13,972	13,972	
Professional Fees	5060010	1,504,432	3,113,389	3,113,389	1,818,875	1,818,875	1,818,875	1,818,875	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		2,062,544	3,794,110	3,778,952	2,392,210	2,392,210	2,392,333	2,392,333	
Funding Sources									
Fund Balance	4000005	0	1,949,764		1,934,606	1,934,606	1,934,606	1,934,606	
Federal Revenue	4000020	0	210,000		210,000	210,000	210,000	210,000	
Cash Fund	4000045	4,012,308	3,568,952		2,182,210	2,182,210	2,182,333	2,182,333	
Total Funding		4,012,308	5,728,716		4,326,816	4,326,816	4,326,939	4,326,939	
Excess Appropriation/(Funding)		(1,949,764)	(1,934,606)		(1,934,606)	(1,934,606)	(1,934,606)	(1,934,606)	
Grand Total		2,062,544	3,794,110		2,392,210	2,392,210	2,392,333	2,392,333	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: D34 - DIS IT

Funding Sources: 123 DIS IT Cash

Appropriation was established in FY18 by Cash Letter. Agency will use this appropriation to purchase IT equipment for DIS, for the data consolidation center.

The Agency is requesting \$15,000,000 in each year of the 2019-2021 Biennium.

DIS will begin to expend funds for the Data Center consolidation at the beginning of FY19 and will possibly continue through both fiscal years of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: D34 - DIS IT
Funding Sources: 123 DIS IT Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Computer Equipment and Related 5900044	0	15,000,000	0	15,000,000	15,000,000	15,000,000	15,000,000
Total	0	15,000,000	0	15,000,000	15,000,000	15,000,000	15,000,000
Funding Sources							
Cash Fund 4000045	0	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000
Total Funding	0	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	15,000,000		15,000,000	15,000,000	15,000,000	15,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: X15 - NHTF Grant

Funding Sources: FDF-NHTF Federal

Appropriation was established in FY18 by Miscellaneous Federal Grant. Funding will be derived from Federal Grants. Agency will use this appropriation for the construction of rental housing for Extremely Low Income (ELI) AR veterans.

The Agency is requesting \$6,000,000 in each year of the 2019-2021 Biennium.

The Agency had only start-up expenses in FY18, due to receiving the Miscellaneous Federal Grant at the end of FY18, but expecting to continue construction and will use award funds in 2019-2021. Program expenses for this program will fluctuate between fiscal years depending on the project development.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X15 - NHTF Grant

Funding Sources: FDF-NHTF Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Federal Housing Program 5900046	5,357	6,000,000	0	6,000,000	6,000,000	6,000,000	6,000,000
Total	5,357	6,000,000	0	6,000,000	6,000,000	6,000,000	6,000,000

Funding Sources							
Federal Revenue 4000020	5,357	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000
Total Funding	5,357	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	5,357	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000

TAB 5

SUMMARY BUDGET INFORMATION
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WORKERS' COMPENSATION COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	22	44	66	74 %
Black Employees	4	17	21	24 %
Other Racial Minorities	0	2	2	2 %
Total Minorities			23	26 %
Total Employees			89	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	11-9-209	N	N	25	To meet the requirements of ACA 11-9-209 and to have sufficient copies for interested parties.	0	0.00
Biennial Report	11-9-208	Y	Y	50	To meet the requirements of Act 1276 and ACA 11-9-208 and to have sufficient copies for interested parties.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
203 Refunds and Claims	14,498,176	0	21,550,000	0	21,550,000	0	21,550,000	0	21,550,000	0	21,550,000	0	21,550,000	0
355 Administration	8,098,658	96	11,576,443	115	11,106,093	115	11,313,131	115	11,256,520	115	11,315,060	115	11,258,449	115
356 Second Injury Claims	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
866 Seminar-Cash in Treasury	84,380	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0	140,000	0
99T Building Repair	0	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
Total	22,681,214	96	33,916,443	115	33,446,093	115	33,653,131	115	33,596,520	115	33,655,060	115	33,598,449	115

Funding Sources		%		%		%		%		%		%			
Fund Balance	4000005	72,449,646	74.6	74,486,319	80.3			58,889,876	78.6	58,889,876	78.6	41,286,745	72.0	41,343,356	72.0
Cash Fund	4000045	109,756	0.1	90,000	0.1			90,000	0.1	90,000	0.1	90,000	0.2	90,000	0.2
Trust Fund	4000050	24,608,131	25.3	18,230,000	19.6			15,960,000	21.3	15,960,000	21.3	15,960,000	27.8	15,960,000	27.8
Total Funds		97,167,533	100.0	92,806,319	100.0			74,939,876	100.0	74,939,876	100.0	57,336,745	100.0	57,393,356	100.0
Excess Appropriation/(Funding)		(74,486,319)		(58,889,876)				(41,286,745)		(41,343,356)		(23,681,685)		(23,794,907)	
Grand Total		22,681,214		33,916,443				33,653,131		33,596,520		33,655,060		33,598,449	

Budget in FC 355 exceeds authorized appropriation due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

The Workers' Compensation Commission administers the Death and Permanent Disability Claims Program as established by Act 221 of 1973 (ACA §11-9-301 et seq.) An employee or dependent that has received the maximum benefit of \$75,000 from his/her employer under the provisions of Act 221 of 1973 is then eligible to receive benefits payable by the Commission from this appropriation. Funding is derived from the premium taxing authority authorized in Act 393 of 1983. During the Third Extraordinary Session of 2016, Act 5 was enacted by the Arkansas Legislature which provides that no claims shall be made to the Death and Permanent Total Disability Trust Fund after June 30, 2019. Additionally, the current maximum premium tax rate of three percent (3%) will be reduced to one and five-tenths percent (1.5%) upon the final payment of the remaining liabilities in the Trust Fund.

The Agency is requesting the FY19 Authorized Appropriation Level of \$21,550,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures include the following justifications:

- Refunds/Reimbursements-a total of \$550,000 each year due to the uncertainty of the receipt of over-payments of premium tax and is necessary to meet the required reimbursement commitments.
- Claims-a total of \$21,000,000 each year due to the uncertainty of claims and related litigation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 203 - Refunds and Claims

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	643	550,000	550,000	550,000	550,000	550,000	550,000
Claims 5110015	14,497,533	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Total	14,498,176	21,550,000	21,550,000	21,550,000	21,550,000	21,550,000	21,550,000
Funding Sources							
Fund Balance 4000005	60,740,358	61,629,210		51,179,210	51,179,210	38,029,210	38,029,210
Trust Fund 4000050	15,387,028	11,100,000		8,400,000	8,400,000	8,400,000	8,400,000
Total Funding	76,127,386	72,729,210		59,579,210	59,579,210	46,429,210	46,429,210
Excess Appropriation/(Funding)	(61,629,210)	(51,179,210)		(38,029,210)	(38,029,210)	(24,879,210)	(24,879,210)
Grand Total	14,498,176	21,550,000		21,550,000	21,550,000	21,550,000	21,550,000

Analysis of Budget Request

Appropriation: 355 - Administration

Funding Sources: TJW - Workers' Compensation Trust

The Workers' Compensation Commission (WCC) Administration appropriation is comprised of all administrative and judicial functions within the Commission. Funding is derived solely from a premium tax (limited by law to 3%) levied on workers' compensation policies in the State of Arkansas.

The Agency's Change Level Request for appropriation each year of the Biennium includes the following:

- Operating Expenses decrease of (\$240,535) each year. Due to enhanced efficiencies in operations, more streamlined processes, and improved technology, expenses have been reduced for utilities, services contracts, insurance premiums, and some travel items.
- Capital Outlay increase of \$50,000 each year for the replacement of two vehicles.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justifications:

- Operating Expenses is needed due to increased expenses (postage, office supplies, travel) related to the implementation of the new drug formulary rule and the closing to new claims in the Death & Permanent Total Disability fund. Increased data processing maintenance and software related expenses, and potential additional ongoing costs of migrating to Microsoft 365 as mandated by the Governor as the Commission does not currently run an Exchange Server and does not pay Department of Information Systems for domains, active directory or e-mail accounts.
- Conference and Travel in order for the Commission to establish a national presence at conferences and events which may directly impact the Workers' Compensation Commission.
- Professional Fees is necessary to cover engineering and architectural fees required for the repair of the on-site parking deck as well as other professional service fees associated with the installation of fiber to the building.
- Refunds/Reimbursements is necessary to address premium tax over-payments.
- Computer Software/Hardware is necessary to maintain and update the technology requirements of the agency.

The Executive Recommendation provides for the Agency Request, with the exception of Conference and Travel recommended at \$20,000 each year due to the five year actual expenditures.

Appropriation Summary

Appropriation: 355 - Administration
Funding Sources: TJW - Workers' Compensation Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	5,330,470	6,684,262	6,314,948	6,661,185	6,661,185	6,662,285	6,662,285	
#Positions		96	115	115	115	115	115	115	
Extra Help	5010001	2,892	100,000	100,000	100,000	100,000	100,000	100,000	
#Extra Help		1	2	2	2	2	2	2	
Personal Services Matching	5010003	1,773,932	2,124,740	2,023,704	2,125,040	2,125,040	2,125,869	2,125,869	
Overtime	5010006	0	10,000	10,000	10,000	10,000	10,000	10,000	
Operating Expenses	5020002	794,293	1,546,030	1,546,030	1,305,495	1,305,495	1,305,495	1,305,495	
Conference & Travel Expenses	5050009	1,843	76,611	76,611	76,611	20,000	76,611	20,000	
Professional Fees	5060010	19,067	241,000	241,000	241,000	241,000	241,000	241,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Refunds/Reimbursements	5110014	3,106	500,000	500,000	500,000	500,000	500,000	500,000	
Capital Outlay	5120011	1,183	50,000	50,000	50,000	50,000	50,000	50,000	
Computer Software/Hardware	5900044	171,872	243,800	243,800	243,800	243,800	243,800	243,800	
Total		8,098,658	11,576,443	11,106,093	11,313,131	11,256,520	11,315,060	11,258,449	
Funding Sources									
Fund Balance	4000005	10,177,811	11,277,285		6,670,842	6,670,842	2,757,711	2,814,322	
Trust Fund	4000050	9,198,132	6,970,000		7,400,000	7,400,000	7,400,000	7,400,000	
Total Funding		19,375,943	18,247,285		14,070,842	14,070,842	10,157,711	10,214,322	
Excess Appropriation/(Funding)		(11,277,285)	(6,670,842)		(2,757,711)	(2,814,322)	1,157,349	1,044,127	
Grand Total		8,098,658	11,576,443		11,313,131	11,256,520	11,315,060	11,258,449	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

The Workers' Compensation Commission administers a Second Injury Claims Fund A.C.A. 19-5-911 for the purpose of paying claims of permanently disabled persons in accordance with Act 253 of 1979. Funding is derived from the premium taxing authority authorized by Act 393 of 1983. Act 1415 of 2007 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Commission appropriation need for this program is due to claims prior to January 1, 2008. There are twenty-three (23) open files at which any time could be litigated and an award of benefits made.

The Agency is requesting the FY19 Authorized Appropriation level of \$500,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- Due to the uncertainty of claims and related litigation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 356 - Second Injury Claims

Funding Sources: TSW - Second Injury Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims 5110015	0	500,000	500,000	500,000	500,000	500,000	500,000
Total	0	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources							
Fund Balance 4000005	1,437,005	1,459,976		969,976	969,976	479,976	479,976
Trust Fund 4000050	22,971	10,000		10,000	10,000	10,000	10,000
Total Funding	1,459,976	1,469,976		979,976	979,976	489,976	489,976
Excess Appropriation/(Funding)	(1,459,976)	(969,976)		(479,976)	(479,976)	10,024	10,024
Grand Total	0	500,000		500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

The Workers' Compensation Commission (WCC) annually hosts the Arkansas WCC Education Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conference and contribute to "Kids Chance" scholarships. This scholarship program assists the children of employees who died as a result of a job-related accident or children of employees who were permanently and totally disabled in a compensable accident under the state workers' compensation laws. The scholarships allow students to continue their education at a vocational/technical school, college, or a university.

The Agency is requesting the FY19 Authorized Appropriation level of \$140,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- The request is necessary as the Commission hopes to grow the conference and as a result increase the contribution to Kids Chance. The Commission annually hosts the AWCC Educational Conference for interested companies, attorneys, and individuals.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 866 - Seminar-Cash in Treasury

Funding Sources: NWC - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	59,380	85,000	85,000	85,000	85,000	85,000	85,000	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	0	15,000	15,000	15,000	15,000	15,000	15,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Scholarships	5100030	25,000	40,000	40,000	40,000	40,000	40,000	40,000	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		84,380	140,000	140,000	140,000	140,000	140,000	140,000	
Funding Sources									
Fund Balance	4000005	94,472	119,848		69,848	69,848	19,848	19,848	
Cash Fund	4000045	109,756	90,000		90,000	90,000	90,000	90,000	
Total Funding		204,228	209,848		159,848	159,848	109,848	109,848	
Excess Appropriation/(Funding)		(119,848)	(69,848)		(19,848)	(19,848)	30,152	30,152	
Grand Total		84,380	140,000		140,000	140,000	140,000	140,000	

Analysis of Budget Request

Appropriation: 99T - Building Repair

Funding Sources: TJW - Workers' Compensation Trust

This appropriation is for maintenance, renovation, equipping, construction, improvement, upgrade and repair projects for the Workers' Compensation Commission. It is funded from the Workers' Compensation Fund.

The Agency is requesting the FY19 Authorized Appropriation level of \$150,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- Due to several maintenance and repair projects required due to the age and condition of the building. The maintenance and repair projects include upgrading the fire suppression system in the server room from a water based system to a SAFE system, replacing the server room environmental control and cooling system, and installing fiber to the building for improved connectivity in order to enhance the network to accommodate upgraded technology.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99T - Building Repair

Funding Sources: TJW - Workers' Compensation Trust

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Building Repairs and Maintenance 5090005	0	150,000	150,000	150,000	150,000	150,000	150,000
Total	0	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources							
Trust Fund 4000050	0	150,000		150,000	150,000	150,000	150,000
Total Funding	0	150,000		150,000	150,000	150,000	150,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	150,000		150,000	150,000	150,000	150,000

TAB 6

SUMMARY BUDGET INFORMATION
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ARKANSAS PUBLIC DEFENDER COMMISSION

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(530) Public Defender -Trial Office	8

ARKANSAS PUBLIC DEFENDER COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	159	139	298	90 %
Black Employees	12	19	31	9 %
Other Racial Minorities	1	1	2	1 %
Total Minorities			33	10 %
Total Employees			331	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Reports	ACA §16-87-203	Y	Y	40	Required by Law	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1VA Ombudsman Program	53,952	1	72,952	1	89,900	1	74,892	1	74,892	1	74,892	1	74,892	1
337 Public Defender-Operations	2,862,165	19	2,989,328	19	2,863,430	19	2,985,443	19	2,985,443	19	2,986,922	19	2,986,922	19
530 Public Defender -Trial Office	22,551,175	251	24,473,633	252	22,976,489	252	24,513,522	252	24,513,522	252	24,520,791	252	24,520,791	252
Total	25,467,292	271	27,535,913	272	25,929,819	272	27,573,857	272	27,573,857	272	27,582,605	272	27,582,605	272

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	2,553,368	8.7	3,732,109	12.0	3,436,680	10.4	3,436,680	11.2	5,417,181	15.5	2,999,472	10.0
State Central Services	4000035	19,460,443	66.6	20,269,214	65.4	20,271,439	61.4	20,271,439	66.3	20,280,065	58.0	20,280,065	67.3
Bail Bond Fees	4000115	1,158,720	4.0	1,170,000	3.8	1,100,000	3.3	1,100,000	3.6	1,100,000	3.1	1,100,000	3.6
State Administration of Justice	4000470	4,490,218	15.4	4,490,318	14.5	6,908,027	20.9	4,490,318	14.7	6,908,027	19.7	4,490,318	14.9
Transfer from DHS-DYS	4000515	53,952	0.2	72,952	0.2	74,892	0.2	74,892	0.2	74,892	0.2	74,892	0.2
User / Attorney Fees	4000725	1,482,700	5.1	1,238,000	4.0	1,200,000	3.6	1,200,000	3.9	1,200,000	3.4	1,200,000	4.0
Total Funds		29,199,401	100.0	30,972,593	100.0	32,991,038	100.0	30,573,329	100.0	34,980,165	100.0	30,144,747	100.0
Excess Appropriation/(Funding)		(3,732,109)		(3,436,680)		(5,417,181)		(2,999,472)		(7,397,560)		(2,562,142)	
Grand Total		25,467,292		27,535,913		27,573,857		27,573,857		27,582,605		27,582,605	

FY19 Budget amount in Appropriations 337 and 530 exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

FY18 Actual and FY19 Budget Appropriations that receive Administration of Justice Funds have been reduced proportionately based upon available funding in accordance with A.C.A. 16-10-312. Agency Request reflects the maximum allocations authorized by Act 250 of 2018(56).

Analysis of Budget Request

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

The Ombudsman Division of the Arkansas Public Defender Commission was created during the 82nd General Assembly for the purpose of insuring that children placed within the custody of the Department of Human Services (DHS) - Division of Youth Services are receiving necessary services designed to keep them safe both mentally and physically. One position in the Ombudsman Division of the Arkansas Public Defender Commission is funded from funds transferred by the DHS. This transfer is for the benefit of the Juvenile Ombudsman Program of the Public Defender Commission.

The Agency Request is \$74,892 each year of the Biennium, a decrease of (\$15,008) each fiscal year from current FY2019 authorized amounts.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VA - Ombudsman Program

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	40,105	55,137	69,059	56,685	56,685	56,685	56,685
#Positions		1	1	1	1	1	1	1
Personal Services Matching	5010003	13,847	17,815	20,841	18,207	18,207	18,207	18,207
Total		53,952	72,952	89,900	74,892	74,892	74,892	74,892
Funding Sources								
Transfer from DHS-DYS	4000515	53,952	72,952		74,892	74,892	74,892	74,892
Total Funding		53,952	72,952		74,892	74,892	74,892	74,892
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		53,952	72,952		74,892	74,892	74,892	74,892

Analysis of Budget Request

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

The Arkansas Public Defender Commission was established in 1993 to address a variety of problems and concerns related to the representation of indigent criminal defendants in Capital Conflicts and Appeals to the Supreme Court in the State of Arkansas. The State Operations appropriation is funded from the State Central Services Fund.

The Agency Request provides for continuation of current FY2019 Authorized amounts with necessary salary and matching rate adjustments totaling \$2,985,443 in FY20 and \$2,986,922 in FY21.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 337 - Public Defender-Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,392,139	1,370,698	1,271,474	1,366,875	1,366,875	1,368,075	1,368,075
#Positions		19	19	19	19	19	19	19
Extra Help	5010001	5,666	12,000	12,000	12,000	12,000	12,000	12,000
#Extra Help		1	3	3	3	3	3	3
Personal Services Matching	5010003	409,247	414,292	387,618	414,230	414,230	414,509	414,509
Operating Expenses	5020002	247,648	247,648	247,648	247,648	247,648	247,648	247,648
Conference & Travel Expenses	5050009	16,802	19,690	19,690	19,690	19,690	19,690	19,690
Professional Fees	5060010	790,663	925,000	925,000	925,000	925,000	925,000	925,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		2,862,165	2,989,328	2,863,430	2,985,443	2,985,443	2,986,922	2,986,922
Funding Sources								
State Central Services	4000035	2,862,165	2,989,328		2,985,443	2,985,443	2,986,922	2,986,922
Total Funding		2,862,165	2,989,328		2,985,443	2,985,443	2,986,922	2,986,922
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		2,862,165	2,989,328		2,985,443	2,985,443	2,986,922	2,986,922

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

The Trial Public Defender Office of the Arkansas Public Defender Commission was created by Act 1341 of 1997 and provides for the establishment of a statewide public defender system in Arkansas. The Trial Public Defender Office operates under the supervision of the Executive Director of the Arkansas Public Defender Commission. Duties of all public defenders are to provide for competent, effective, and uniform representation of indigent criminal defendants throughout the State. The Commission utilizes over sixty-one (61) job share positions.

The Trial Public Defender Office is funded from a share of those funds remitted by the cities and counties from court costs and filing fees for deposit into the State Administration of Justice Fund. A portion of those funds is then allocated for deposit into the State Central Services Fund for the benefit of the Public Defender Commission per Arkansas Code §16-10-310. Arkansas Code §17-19-301(e) allows for a fee to be charged and collected by all bail bond companies on each bond. The additional revenue helps defray the cost of the public defender system, both statewide and in each individual county.

The Agency Request provides for continuation of current FY19 Authorized amounts with necessary salary and matching rates adjustments during the 2017-2019 Biennium. The Agency Request is \$24,513,522 in FY20 and \$24,520,791 in FY21.

The Agency's Request to maintain appropriation above 10% of FY18 Actual expenditures includes the following justifications:

- Operating Expenses and Professional Fees Line Items to allow for continued operations of the statewide public defender system in Arkansas. A reduction of appropriation could affect the ability to provide competent, effective, and uniform representation of indigent criminal defendants.
- Public Defender Commission Programs and Bail Bond County Public Defender Line Items - to allow the Commission to remit to each County its portion of the bail bond fee collected for state aid to counties pursuant to special language.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 530 - Public Defender -Trial Office

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries 5010000	15,952,787	16,799,643	15,620,905	16,823,828	16,823,828	16,829,728	16,829,728
#Positions	251	252	252	252	252	252	252
Extra Help 5010001	12,437	15,000	15,000	15,000	15,000	15,000	15,000
#Extra Help	1	3	3	3	3	3	3
Personal Services Matching 5010003	4,822,035	5,163,734	4,845,328	5,179,438	5,179,438	5,180,807	5,180,807
Operating Expenses 5020002	429,034	641,256	641,256	641,256	641,256	641,256	641,256
Conference & Travel Expenses 5050009	33,995	34,000	34,000	34,000	34,000	34,000	34,000
Professional Fees 5060010	570,274	750,000	750,000	750,000	750,000	750,000	750,000
Data Processing 5090012	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0
Public Defender Comm. Prgms. 5900046	554,555	770,000	770,000	770,000	770,000	770,000	770,000
Bail Bond Co. Public Def. Prgm. 5900047	176,058	300,000	300,000	300,000	300,000	300,000	300,000
Total	22,551,175	24,473,633	22,976,489	24,513,522	24,513,522	24,520,791	24,520,791

Funding Sources							
Fund Balance 4000005	2,553,368	3,732,109		3,436,680	3,436,680	5,417,181	2,999,472
State Central Services 4000035	16,598,278	17,279,886		17,285,996	17,285,996	17,293,143	17,293,143
Bail Bond Fees 4000115	1,158,720	1,170,000		1,100,000	1,100,000	1,100,000	1,100,000
State Administration of Justice 4000470	4,490,218	4,490,318		6,908,027	4,490,318	6,908,027	4,490,318
User / Attorney Fees 4000725	1,482,700	1,238,000		1,200,000	1,200,000	1,200,000	1,200,000
Total Funding	26,283,284	27,910,313		29,930,703	27,512,994	31,918,351	27,082,933
Excess Appropriation/(Funding)	(3,732,109)	(3,436,680)		(5,417,181)	(2,999,472)	(7,397,560)	(2,562,142)
Grand Total	22,551,175	24,473,633		24,513,522	24,513,522	24,520,791	24,520,791

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium. FY18 Actual and FY19 Budget Appropriations that receive Administration of Justice Funds have been reduced proportionately based upon available funding in accordance with A.C.A. 16-10-312. Agency Request reflects the maximum allocations authorized by Act 250 of 2018(56).

TAB 7

SUMMARY BUDGET INFORMATION

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DISABILITY DETERMINATION FOR SOCIAL SECURITY ADMINISTRATION

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Disability Determination for Social Security Administration	1
Action Required: (2QQ) DDSSA-Operations	4

DISABILITY DETERMINATION

Employment Summary

	Male	Female	Total	%
White Employees	96	163	259	74 %
Black Employees	11	67	78	22 %
Other Racial Minorities	7	7	14	4 %
Total Minorities			92	26 %
Total Employees			351	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES
 Fiscal Year 2018
 Required by A.C.A. 25-36-104

AGENCY: 0311 DISABILITY DETERMINATION

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Rios Psychological Services	\$161,200		X				

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	<u>1</u>
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	<u>\$2,563,304</u>
% OF MINORITY CONTRACTS AWARDED	<u>3.90 %</u>

Analysis of Budget Request

Appropriation: 2QQ - DDSSA-Operations

Funding Sources: FSD - Disability Determination - Federal

Disability Determination for Social Security Administration (DDSSA) is the State Agency responsible for determining the eligibility of Arkansans for disability and other payments in accordance with federal Social Security laws, regulations and instructions. The Agency makes determinations for disability benefits under Titles II and XVI of the Social Security Act and investigates suspected cases of fraud or abuse. Title II claimants are those who have contributed FICA taxes on wages for five of the past ten years prior to the date of alleged disability. Title XVI (Supplemental Security Income) claimants are those who have established the fact that they have low income and resources and are alleging disability.

The appropriation authority level is \$58,441,096 for FY20 and \$58,470,027 for FY21.

The Agency Requests the FY19 Authorized appropriation level as follows:

- Overtime of \$136,000 due to a hiring freeze which necessitates an increase in overtime;
- Operating Expenses of \$3,984,400 to be able to act upon any new workloads and goals;
- Conference and Travel of \$26,500 to be able to act upon any new workloads and goals.

The Agency Change Level Requests are as follows:

- Regular Salaries - reduction of fifty (50) positions and related match of \$3,349,879; which will not be needed for the biennium;
- Extra Help - increase of \$64,722 and related match due to the implementation of the pay plan and performance evaluation systems;
- Professional Fees - reduction of \$2,218,915 to reflect current workloads; and
- Capital Outlay - increase of \$100,000 for anticipated equipment costs and remodel of one (1) adjudication unit.

There were no one-time operating expenses in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QQ - DDSSA-Operations
Funding Sources: FSD - Disability Determination - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	21,022,521	26,201,273	26,201,273	25,756,441	25,756,441	25,773,141	25,773,141
#Positions		398	441	479	429	429	429	429
Extra Help	5010001	390,015	450,000	390,000	450,000	450,000	450,000	450,000
#Extra Help		11	20	20	20	20	20	20
Personal Services Matching	5010003	7,031,424	8,587,266	8,662,288	8,433,398	8,433,398	8,445,629	8,445,629
Overtime	5010006	848,005	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000
Operating Expenses	5020002	3,192,045	4,284,400	3,984,400	3,984,400	3,984,400	3,984,400	3,984,400
Conference & Travel Expenses	5050009	7,570	26,500	26,500	26,500	26,500	26,500	26,500
Professional Fees	5060010	11,751,168	15,145,200	15,145,200	12,926,285	12,926,285	12,926,285	12,926,285
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	100,000	100,000	100,000	100,000	100,000
Total		44,242,748	56,154,639	55,869,661	53,037,024	53,037,024	53,065,955	53,065,955
Funding Sources								
Federal Revenue	4000020	44,242,748	56,154,639		53,037,024	53,037,024	53,065,955	53,065,955
Total Funding		44,242,748	56,154,639		53,037,024	53,037,024	53,065,955	53,065,955
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		44,242,748	56,154,639		53,037,024	53,037,024	53,065,955	53,065,955

Budget exceeds Authorized Appropriation in Extra Help and Operating Expenses due to a transfer from the Miscellaneous Federal Grant Holding Account.

TAB 8

SUMMARY BUDGET INFORMATION

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SECURITIES DEPARTMENT

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STATE SECURITIES DEPARTMENT

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	14	15	29	88 %
Black Employees	1	1	2	6 %
Other Racial Minorities	2	0	2	6 %
Total Minorities			4	12 %
Total Employees			33	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
027 State Operations	3,215,129	37	3,594,628	37	3,209,670	37	3,547,475	37	3,547,475	37	3,548,953	37	3,548,953	37
1MV Investor Education	136,400	0	168,500	0	168,500	0	168,500	0	168,500	0	168,500	0	168,500	0
C67 Refunds and Reimbursements	24,159	0	500,000	0	500,000	0	50,000	0	50,000	0	50,000	0	50,000	0
Total	3,375,688	37	4,263,128	37	3,878,170	37	3,765,975	37	3,765,975	37	3,767,453	37	3,767,453	37

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	5,917,404	69.3	5,158,758	62.1	4,045,630	52.2	4,045,630	60.0	3,979,655	51.8	2,979,655	52.5
Special Revenue	4000030	2,592,883	30.4	2,650,000	31.9	3,650,000	47.1	2,650,000	39.3	3,650,000	47.5	2,650,000	46.7
Cash Fund	4000045	24,159	0.3	500,000	6.0	50,000	0.6	50,000	0.7	50,000	0.7	50,000	0.9
Total Funds		8,534,446	100.0	8,308,758	100.0	7,745,630	100.0	6,745,630	100.0	7,679,655	100.0	5,679,655	100.0
Excess Appropriation/(Funding)		(5,158,758)		(4,045,630)		(3,979,655)		(2,979,655)		(3,912,202)		(1,912,202)	
Grand Total		3,375,688		4,263,128		3,765,975		3,765,975		3,767,453		3,767,453	

FY19 Budget amount in Appropriation 027 exceeds the authorized amount due to salary and matching rate adjustments

Analysis of Budget Request

Appropriation: 027 - State Operations

Funding Sources: SDH - Securities Department Fund

The Arkansas Securities Department was created by The Arkansas Securities Act for implementing rules and regulation regarding investment in securities. Funding derives from Special Revenues that are authorized by A.C.A. §19-6-475, filing fees, fees for application for initial and renewal registration for broker-dealer, agent, investment adviser.

The Agency is requesting \$3,547,475 in FY20 and \$3,548,983 in FY21.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Extra Help - The Agency has two extra help positions. Only one position was filled during FY18.
- Operating Expenses - The Agency is expecting an increase in Operating Expenses due to additional costs that were previously paid by the Cemetery Board, which is now part of the Insurance Department.
- Conference & Travel Expenses - Travel cost will increase in FY20-21 due to number of anticipated retirements, which will result in training of new employees.
- Professional Fees - The Agency is planning to hire an independent hearing officer, which will result in increase in expenditures. During FY18 The Agency didn't have their own judge and invited an administrative law judge from another agency, when needed.
- Examination Travel - covers the costs associated with performing compliance and for cause examinations of registrants. The Agency is expecting an increase in expenditures, since the Agency will need to purchase their own educational materials. In a past, several regulatory agencies donated educational materials used for the exams.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 027 - State Operations
Funding Sources: SDH - Securities Department Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	2,070,506	2,239,798	1,930,704	2,228,277	2,228,277	2,229,477	2,229,477
#Positions		37	37	37	37	37	37	37
Extra Help	5010001	7,827	16,000	16,000	16,000	16,000	16,000	16,000
#Extra Help		1	2	2	2	2	2	2
Personal Services Matching	5010003	655,963	702,186	626,322	701,554	701,554	701,832	701,832
Operating Expenses	5020002	449,067	530,660	530,660	530,660	530,660	530,660	530,660
Conference & Travel Expenses	5050009	17,360	30,000	30,000	30,000	30,000	30,000	30,000
Professional Fees	5060010	0	20,984	20,984	20,984	20,984	20,984	20,984
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	10,914	35,000	35,000	0	0	0	0
Examination Travel	5900046	3,492	20,000	20,000	20,000	20,000	20,000	20,000
Total		3,215,129	3,594,628	3,209,670	3,547,475	3,547,475	3,548,953	3,548,953

Funding Sources								
Fund Balance	4000005	5,052,804	4,314,109		3,219,481	3,219,481	3,172,006	2,172,006
Special Revenue	4000030	2,476,434	2,500,000		3,500,000	2,500,000	3,500,000	2,500,000
Total Funding		7,529,238	6,814,109		6,719,481	5,719,481	6,672,006	4,672,006
Excess Appropriation/(Funding)		(4,314,109)	(3,219,481)		(3,172,006)	(2,172,006)	(3,123,053)	(1,123,053)
Grand Total		3,215,129	3,594,628		3,547,475	3,547,475	3,548,953	3,548,953

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 1MV - Investor Education

Funding Sources: SIE - Investor Education Fund

The Securities Department's Investor Education Program was established by Act 759 of 2003 (A.C.A. §23-42-213) and is funded by administrative fines levied by the Department. The Program is designed to work in conjunction with various non-profit economic education, religious, civic, and community groups to provide economic and financial education primarily to junior high through first year college students and senior citizen groups and to inform the investing public of investment schemes and unlawful, fraudulent conduct.

The Agency is requesting \$168,500 in each year of the 2019-2021 Biennium.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MV - Investor Education

Funding Sources: SIE - Investor Education Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	4,974	36,000	36,000	36,000	36,000	36,000	36,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	6,957	7,500	7,500	7,500	7,500	7,500	7,500
Grants and Aid	5100004	124,469	125,000	125,000	125,000	125,000	125,000	125,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		136,400	168,500	168,500	168,500	168,500	168,500	168,500
Funding Sources								
Fund Balance	4000005	861,600	841,649		823,149	823,149	804,649	804,649
Special Revenue	4000030	116,449	150,000		150,000	150,000	150,000	150,000
Total Funding		978,049	991,649		973,149	973,149	954,649	954,649
Excess Appropriation/(Funding)		(841,649)	(823,149)		(804,649)	(804,649)	(786,149)	(786,149)
Grand Total		136,400	168,500		168,500	168,500	168,500	168,500

Analysis of Budget Request

Appropriation: C67 - Refunds and Reimbursements

Funding Sources: 153 - Securities Department - Cash in Bank

The Securities Department's Refunds and Reimbursements appropriation is a Cash in Bank account that is used for transfer of fee collections to State Treasury fund accounts after necessary refunds have been made. Transfers to the Treasury do not appear as expenditures.

The Agency is requesting an Authorized Appropriation of \$50,000 for each year of the biennium.

The Agency requested a reduction of (\$450,000) of Refunds and Reimbursements by Change Level Request for both years of biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: C67 - Refunds and Reimbursements
Funding Sources: 153 - Securities Department - Cash in Bank

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
				Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	24,159	500,000	500,000	50,000	50,000	50,000	50,000
Total	24,159	500,000	500,000	50,000	50,000	50,000	50,000
Funding Sources							
Fund Balance 4000005	3,000	3,000		3,000	3,000	3,000	3,000
Cash Fund 4000045	24,159	500,000		50,000	50,000	50,000	50,000
Total Funding	27,159	503,000		53,000	53,000	53,000	53,000
Excess Appropriation/(Funding)	(3,000)	(3,000)		(3,000)	(3,000)	(3,000)	(3,000)
Grand Total	24,159	500,000		50,000	50,000	50,000	50,000

TAB 9

SUMMARY BUDGET INFORMATION

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TEACHER RETIREMENT SYSTEM

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ARKANSAS TEACHER RETIREMENT SYSTEM

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	19	37	56	81 %
Black Employees	4	6	10	14 %
Other Racial Minorities	1	2	3	5 %
Total Minorities			13	19 %
Total Employees			69	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Agency Comprehensive Annual Financial Report	24-7-305(e)(1), 24-2-702	Y	Y	25	Reports on the financial health of ATRS; provides necessary information to ATRS board; required by GFOA and other entities	0	0.00
Agency Comprehensive Annual Financial Report	24-7-305(e)(1), 24-2-702	Y	Y	25	Reports on the financial health of ATRS; provides necessary information to ATRS board; required by GFOA and other entities	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
ATRS Annual Comprehensive Annual Financial Report	24-7-305(e)(1), 24-2-702	Y	Y	25	Reports on the financial health of ATRS; provides necessary information to ATRS board; required by GFOA and other entities	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2QV Property Management	0	0	500,000	0	500,000	0	0	0	0	0	0	0	0	0
2QW Teacher Retirement System-Operations	139,715,353	86	453,424,272	92	453,018,079	96	248,681,223	96	247,889,224	82	248,699,031	96	247,905,553	82
C26 Teacher Retirement System-Cash	1,036,190,877	0	1,406,000,000	0	1,406,000,000	0	1,506,000,000	0	1,506,000,000	0	1,606,000,000	0	1,606,000,000	0
Total	1,175,906,230	86	1,859,924,272	92	1,859,518,079	96	1,754,681,223	96	1,753,889,224	82	1,854,699,031	96	1,853,905,553	82

Funding Sources		%		%		%		%		%		%	
Fund Balance 4000005	0	0.0	0	0.0		0	0.0	0	0.0	0	0.0	791,999	0.0
Cash Fund 4000045	1,036,190,877	88.1	1,406,000,000	75.6		1,506,000,000	85.8	1,506,000,000	85.8	1,606,000,000	86.6	1,606,000,000	86.6
Trust Fund 4000050	139,715,353	11.9	453,924,272	24.4		248,681,223	14.2	248,681,223	14.2	248,699,031	13.4	248,699,031	13.4
Total Funds	1,175,906,230	100.0	1,859,924,272	100.0		1,754,681,223	100.0	1,754,681,223	100.0	1,854,699,031	100.0	1,855,491,030	100.0
Excess Appropriation/(Funding)	0		0			0		(791,999)		0		(1,585,477)	
Grand Total	1,175,906,230		1,859,924,272			1,754,681,223		1,753,889,224		1,854,699,031		1,853,905,553	

Analysis of Budget Request

Appropriation: 2QV - Property Management

Funding Sources: TER - Teacher Retirement Fund

The Property Management Program of the Arkansas Teacher Retirement System pays for the necessary expenses to maintain properties that the System holds as investments. These expenses include, but are not limited to, attorney fees, foreclosure expenses, selling expenses, audit costs, appraisal expenses, property management fees, property rehabilitation costs, travel expenses related to property management, property repairs, property maintenance, advertising expenses, and property operating expenses.

The Agency's request includes the following:

- Property Management of (\$500,000) each year due to the agency seldom using the appropriation as any expenses related to the property where ATRS is located would be through the building's property manager.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QV - Property Management

Funding Sources: TER - Teacher Retirement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Property Management	5900046	0	500,000	500,000	0	0	0	0
Total		0	500,000	500,000	0	0	0	0
Funding Sources								
Trust Fund	4000050	0	500,000		0	0	0	0
Total Funding		0	500,000		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	500,000		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM

Analysis of Budget Request

Appropriation: 2QW - Teacher Retirement System-Operations

Funding Sources: TER - Teacher Retirement Fund

The Arkansas Teacher Retirement System provides age, service, survivor, and disability benefits for public school teachers and other covered employees. This appropriation is funded by trust funds of the Teacher Retirement System.

The Agency's request includes the following:

- Pension and Retirement Benefits of (\$144,000,000) both years of the biennium due to the processing of benefit payments mostly going through direct deposit instead of warrants.
- Professional Fees of (\$250,000) both years of the biennium due to no longer needing to pay for external accounting services.
- Data Processing Services of (\$750,000) both years of the biennium due to the need of maintaining budget in other line items to utilize external technology consultants.
- Discount Buyout Plan of (\$60,000,000) both years of the biennium to align the budget with the actual anticipated needs of the program.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Extra Help appropriation due the need of a prior employee returning to work in an extra help position as well as the utilization of extra help appropriation of specialized positions during critical times throughout the fiscal year.
- Overtime appropriation due to the need of additional hours due to operating on a smaller, less experienced staff.
- Operating Expenses appropriation due to unanticipated expenses based on decisions made by the Legislature or the Arkansas Teacher Retirement System Board of Trustees that would require additional work for the Agency's actuaries.
- Conference and Travel appropriation due to staff needing to attend additional training opportunities as part of the Agency's succession planning.
- Professional Fees appropriation due to unanticipated expenses for legal counsel.
- Pension and Retirement Benefits due to unanticipated roll outs on retirement benefits based on future economic or market changes.
- Other Refunds due to potential changes in market, economic, or legislative conditions that could create an increase in refunds.
- Data Processing Services due to unanticipated expenses relating to technological advances or the hiring of outside consultants.
- Investment Counsel appropriation due to unanticipated expenses that would require specialized legal counsel.

The Executive Recommendation provides for the Agency Request with the following additional recommendations:

- Salary and Personal Services Matching of (\$791,999) in FY20 and (\$793,478) in FY21 for the discontinuation of fourteen positions.

Appropriation Summary

Appropriation: 2QW - Teacher Retirement System-Operations

Funding Sources: TER - Teacher Retirement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	4,016,014	4,806,570	4,453,564	4,988,206	4,396,668	4,992,206	4,400,668
#Positions		86	92	96	96	82	96	82
Extra Help	5010001	233,484	400,000	400,000	400,000	400,000	400,000	400,000
#Extra Help		12	1	20	20	20	20	20
Personal Services Matching	5010003	1,382,165	1,542,047	1,488,860	1,617,362	1,416,901	1,631,170	1,429,230
Overtime	5010006	590	50,000	50,000	50,000	50,000	50,000	50,000
Operating Expenses	5020002	1,708,261	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Conference & Travel Expenses	5050009	5,360	30,759	30,759	30,759	30,759	30,759	30,759
Professional Fees	5060010	132,214	558,115	558,115	558,115	558,115	558,115	558,115
Data Processing	5090012	0	0	0	0	0	0	0
Benefits-Non Employee	5100023	112,358,599	344,000,000	344,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Refunds/Reimbursements	5110014	7,785,118	20,086,781	20,086,781	20,086,781	20,086,781	20,086,781	20,086,781
Capital Outlay	5120011	0	0	0	0	0	0	0
Professional Services	5900043	0	250,000	250,000	0	0	0	0
Data Processing Services	5900044	0	1,000,000	1,000,000	250,000	250,000	250,000	250,000
Investment Counsel	5900046	2,677,917	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Discount Buyout Plan	5900047	9,415,631	75,000,000	75,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Total		139,715,353	453,424,272	453,018,079	248,681,223	247,889,224	248,699,031	247,905,553
Funding Sources								
Fund Balance	4000005	0	0		0	0	0	791,999
Trust Fund	4000050	139,715,353	453,424,272		248,681,223	248,681,223	248,699,031	248,699,031
Total Funding		139,715,353	453,424,272		248,681,223	248,681,223	248,699,031	249,491,030
Excess Appropriation/(Funding)		0	0		0	(791,999)	0	(1,585,477)
Grand Total		139,715,353	453,424,272		248,681,223	247,889,224	248,699,031	247,905,553

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: C26 - Teacher Retirement System-Cash

Funding Sources: 375 - Arkansas Teacher Retirement Fund-Cash

The Arkansas Teacher Retirement System cash fund allows the Agency to make payments to beneficiaries by check or direct deposit.

The Agency's request includes the following:

- Pension and Retirement Benefits of \$100,000,000 for FY20 and \$200,000,000 for FY21 to allow for unanticipated instances of additional retirees and the demand for direct deposit of retirement benefits.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Pension and Retirement Benefits appropriation due to the utilization of the amount of benefit pay outs varying from year to year.
- Refunds and Reimbursement appropriation due to the need of proper accounting of pension benefit payments.

The Executive Recommendation provides for the Agency Request.

Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: C26 - Teacher Retirement System-Cash
Funding Sources: 375 - Arkansas Teacher Retirement Fund-Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	1,034,398,459	1,400,000,000	1,400,000,000	1,500,000,000	1,500,000,000	1,600,000,000	1,600,000,000
Refunds/Reimbursements 5110014	1,792,418	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total	1,036,190,877	1,406,000,000	1,406,000,000	1,506,000,000	1,506,000,000	1,606,000,000	1,606,000,000
Funding Sources							
Cash Fund 4000045	1,036,190,877	1,406,000,000		1,506,000,000	1,506,000,000	1,606,000,000	1,606,000,000
Total Funding	1,036,190,877	1,406,000,000		1,506,000,000	1,506,000,000	1,606,000,000	1,606,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	1,036,190,877	1,406,000,000		1,506,000,000	1,506,000,000	1,606,000,000	1,606,000,000

TAB 10

SUMMARY BUDGET INFORMATION
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AR PUBLIC EMPLOYEE RETIREMENT SYSTEM

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	21	16	37	53 %
Black Employees	3	23	26	37 %
Other Racial Minorities	3	4	7	10 %
Total Minorities			33	47 %
Total Employees			70	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Financial Report-AJRS	N	N	N	75	Ordinary prudence requires that financial disclosure be made to participating employers and state officials.	0	0.00
Annual Financial Report-APERS	N	N	N	75	Ordinary prudence requires that financial disclosure be made to participating employers and state officials.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Financial Report-ASPRS	N	N	N	100	Ordinary prudence requires that financial disclosure be made to participating employers and state officials.	0	0.00
APERSpective Newsletter-Active/Retired Members	N	N	N	83,500	Published and mailed quarterly to all active/retired members.	0	0.00
APERSpective Newsletter-Employers	N	N	N	1,000	Published and mailed biannually to all participating employers.	0	0.00
Employer Guide-APERS	N	N	N	500	Published when significant legislative changes to retirement statutes and/or procedures occur.	0	0.00
Member Handbook-AJRS	N	N	N	275	Published when significant legislative changes to retirement statutes occur.	0	0.00
Member Handbook-APERS	N	N	N	3,000	Published when significant legislative changes to retirement statutes occur.	0	0.00
Member Handbook-ASPRS	N	N	N	500	Published when significant legislative changes to retirement statutes occur.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2QR Public Employee Retirement-Operations	66,895,304	75	142,728,632	82	142,040,148	82	141,825,870	82	141,700,870	82	141,802,532	82	141,677,532	82
2QS St Police Retirement-Operations	15,918,374	0	35,343,560	0	35,343,560	0	30,285,950	0	30,285,950	0	30,285,950	0	30,285,950	0
2QT Judicial Retirement-Operations	6,159,924	0	10,663,389	0	10,663,389	0	8,652,879	0	8,652,879	0	8,652,879	0	8,652,879	0
C22 Public Employee Retirement-Cash	487,779,231	0	650,000,000	0	650,000,000	0	825,000,000	0	825,000,000	0	825,000,000	0	825,000,000	0
C23 St Police Retirement-Cash	21,077,903	0	35,000,000	0	35,000,000	0	32,500,000	0	32,500,000	0	32,500,000	0	32,500,000	0
C24 Judicial Retirement-Cash	12,361,429	0	21,000,000	0	21,000,000	0	21,000,000	0	21,000,000	0	21,000,000	0	21,000,000	0
F73 APERS Pension Administration System	1,179,786	0	21,000,000	0	21,000,000	0	0	0	0	0	0	0	0	0
Total	611,371,951	75	915,735,581	82	915,047,097	82	1,059,264,699	82	1,059,139,699	82	1,059,241,361	82	1,059,116,361	82

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	0	0.0	0	0.0			0	0.0	0	0.0	125,000	0.0
Trust Fund	4000050	611,371,951	100.0	915,735,581	100.0			1,059,264,699	100.0	1,059,264,699	100.0	1,059,241,361	100.0
Total Funds		611,371,951	100.0	915,735,581	100.0			1,059,264,699	100.0	1,059,264,699	100.0	1,059,241,361	100.0
Excess Appropriation/(Funding)		0		0				0		(125,000)		0	
Grand Total		611,371,951		915,735,581				1,059,264,699		1,059,139,699		1,059,241,361	

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2QR - Public Employee Retirement-Operations

Funding Sources: TSR - APERS Fund

The Administration Program of the Arkansas Public Employees Retirement System (APERS) administers the Public Employees Retirement System, the State Police Retirement System, the Judicial Retirement System, and the District Judges Retirement System. Each retirement system has a separate Board of Trustees. The Public Employees Retirement System and the State Police Retirement System have both contributory and non-contributory provisions. The Judicial Retirement System is a contributory system.

The main goal of this Program is to provide members and retirees with the highest level of benefits, customer service and accurate, timely information.

The Agency's request includes the following:

- Extra Help of \$125,000 due to the increased amount of allowable hours for extra help employees.
- Professional Fees reallocation of (\$4,500,000) to Operating Expenses and Data Processing each year of the biennium. The \$500,000 to Operating Expenses is to accommodate for the COMPASS annual maintenance agreement. The \$4,000,000 to Data Processing is to cover hosting and programming costs for COMPASS.
- Professional Fees of (\$1,083,645) to align with the Agency's expenditures.
- Capital Outlay of \$41,000 in FY20 and \$15,000 in FY21 to replace a vehicle (FY20) and the purchase of two high capacity scanners (FY20 and FY21).

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Extra Help appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Conference and Travel appropriation to allow staff to provide and attend training. Expenses in this line item were lower in FY18 due to most of the staff reviewing and testing the new pension administration system.
- Professional Fees appropriation due to a change where the Agency is now responsible for any potential litigation costs.
- Pension and Retirement Benefits appropriation due to utilization of the amount of benefit payouts varying from year to year.
- Refunds and Reimbursements appropriation due to utilization of the amount of benefit payouts varying from year to year.

The Executive Recommendation provides for the Agency Request with the following exceptions:

- Extra Help appropriation of \$75,000.
- Data Processing Services appropriation of \$0.

Appropriation Summary

Appropriation: 2QR - Public Employee Retirement-Operations

Funding Sources: TSR - APERS Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	3,380,689	4,048,563	3,492,518	4,072,871	4,072,871	4,074,771	4,074,771	
	#Positions	75	82	82	82	82	82	82	
Extra Help	5010001	42,740	75,000	75,000	200,000	75,000	200,000	75,000	
	#Extra Help	6	6	6	6	6	6	6	
Personal Services Matching	5010003	1,178,998	1,353,951	1,221,512	1,362,026	1,362,026	1,362,788	1,362,788	
Operating Expenses	5020002	1,836,610	1,607,473	1,607,473	2,107,473	2,107,473	2,107,473	2,107,473	
Conference & Travel Expenses	5050009	28,411	42,500	42,500	42,500	42,500	42,500	42,500	
Professional Fees	5060010	2,926,297	10,583,645	10,583,645	5,000,000	9,000,000	5,000,000	9,000,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Benefits-Non Employee	5100023	30,849,009	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	
Refunds/Reimbursements	5110014	26,638,029	85,000,000	85,000,000	85,000,000	85,000,000	85,000,000	85,000,000	
Capital Outlay	5120011	14,521	17,500	17,500	41,000	41,000	15,000	15,000	
Data Processing Services	5900044	0	0	0	4,000,000	0	4,000,000	0	
Total		66,895,304	142,728,632	142,040,148	141,825,870	141,700,870	141,802,532	141,677,532	
Funding Sources									
Fund Balance	4000005	0	0		0	0	0	125,000	
Trust Fund	4000050	66,895,304	142,728,632		141,825,870	141,825,870	141,802,532	141,802,532	
Total Funding		66,895,304	142,728,632		141,825,870	141,825,870	141,802,532	141,927,532	
Excess Appropriation/(Funding)		0	0		0	(125,000)	0	(250,000)	
Grand Total		66,895,304	142,728,632		141,825,870	141,700,870	141,802,532	141,677,532	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 2QS - St Police Retirement-Operations

Funding Sources: TMR - State Police Retirement Fund

The Arkansas Public Employees Retirement System (APERS) administers the Arkansas State Police Retirement System (ASPRS) under the authority of A.C.A. §24-6-204. The administration, management, and control of the System are the responsibility of the Board of Trustees of the State Police Retirement System. The Board meets at least once each quarter and consists of eleven members: the Chairman of the Arkansas State Police Commission, the Director of the Department of Arkansas State Police, the Director of the Arkansas Department of Finance and Administration or the Director's designee from that department, five members of the SPRS to be elected by the members of the system with at least two holding the rank of trooper, trooper first class or corporal, at least one holding a rank higher than the rank of corporal, and at least one whose retirement eligibility is covered under the Tier Two Benefit Plan of the ASPRS.

The Agency's request includes the following:

- Operating Expenses of (\$57,610) to align with the Agency's expenditures.
- Pension and Retirement Benefits of (\$5,000,000) to align with the Agency's expenditures.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Conference and Travel appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Professional Fees appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Pension and Retirement Benefits appropriation due to utilization of the amount of benefit payouts varying from year to year.
- Refunds and Reimbursements appropriation due to utilization of the amount of benefit payouts varying from year to year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QS - St Police Retirement-Operations

Funding Sources: TMR - State Police Retirement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	2,878	77,610	77,610	20,000	20,000	20,000	20,000	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	39,500	265,950	265,950	265,950	265,950	265,950	265,950	
Data Processing	5090012	0	0	0	0	0	0	0	
Benefits-Non Employee	5100023	1,879,173	10,000,000	10,000,000	5,000,000	5,000,000	5,000,000	5,000,000	
Refunds/Reimbursements	5110014	13,996,823	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		15,918,374	35,343,560	35,343,560	30,285,950	30,285,950	30,285,950	30,285,950	
Funding Sources									
Trust Fund	4000050	15,918,374	35,343,560		30,285,950	30,285,950	30,285,950	30,285,950	
Total Funding		15,918,374	35,343,560		30,285,950	30,285,950	30,285,950	30,285,950	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		15,918,374	35,343,560		30,285,950	30,285,950	30,285,950	30,285,950	

Analysis of Budget Request

Appropriation: 2QT - Judicial Retirement-Operations

Funding Sources: TAR - Judges Retirement Fund

The Arkansas Public Employees Retirement System (APERS) administers the Judicial Retirement System (JRS) under the authority of A.C.A. § 24-8-204. The administration and control of the JRS is the responsibility of the Board of Trustees of the Judicial Retirement System. The Board meets at least once each quarter and consists of five members appointed by the Arkansas Judicial Council. These members serve at the pleasure of the Council and one member is elected by the Board to serve as Chairman.

Pursuant to A.C.A. §24-8-207(a), all chancery judges, circuit judges, judges of the Arkansas Court of Appeals, and justices of the Arkansas Supreme Court, whether elected or appointed to office, shall participate in the Arkansas Judicial Retirement System (AJRS).

The Agency's request includes the following:

- Operating Expenses of (\$10,510) to align with the Agency's expenditures.
- Pension and Retirement Benefits of (\$3,000,000) to align with the Agency's expenditures.
- Refunds and Reimbursements of \$1,000,000 to accommodate refunds and transfers of court fees and annual transfers from the state treasury to the custodian bank to be invested.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Operating Expenses appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Professional Fees appropriation due to the need of maintaining some appropriation for operating efficiencies.
- Pension and Retirement Benefits appropriation due to utilization of the amount of benefit payouts varying from year to year.
- Refunds and Reimbursements appropriation due to utilization of the amount of benefit payouts varying from year to year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2QT - Judicial Retirement-Operations

Funding Sources: TAR - Judges Retirement Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	4,144	40,510	40,510	30,000	30,000	30,000	30,000	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	85,969	122,879	122,879	122,879	122,879	122,879	122,879	
Data Processing	5090012	0	0	0	0	0	0	0	
Benefits-Non Employee	5100023	407,746	4,250,000	4,250,000	1,250,000	1,250,000	1,250,000	1,250,000	
Refunds/Reimbursements	5110014	5,662,065	6,250,000	6,250,000	7,250,000	7,250,000	7,250,000	7,250,000	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		6,159,924	10,663,389	10,663,389	8,652,879	8,652,879	8,652,879	8,652,879	
Funding Sources									
Trust Fund	4000050	6,159,924	10,663,389		8,652,879	8,652,879	8,652,879	8,652,879	
Total Funding		6,159,924	10,663,389		8,652,879	8,652,879	8,652,879	8,652,879	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		6,159,924	10,663,389		8,652,879	8,652,879	8,652,879	8,652,879	

Analysis of Budget Request

Appropriation: C22 - Public Employee Retirement-Cash

Funding Sources: 131 - Arkansas Public Employees Retirement System-Cash

The Arkansas Public Employees Retirement System cash fund is utilized for payments to beneficiaries by check or wire transfer.

The Agency's request includes the following:

- Pension and Retirement Benefits of (\$125,000,000) to accommodate payment of benefits via direct deposit.
- Refunds/Reimbursements of (\$50,000,000) to accommodate payment of refunds and lump sum payouts via direct deposit.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Pension and Retirement Benefits appropriation due to the utilization of the amount of benefit payouts varying from year to year.
- Refunds/Reimbursements appropriation due to the utilization of the amount of benefit payouts varying from year to year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C22 - Public Employee Retirement-Cash

Funding Sources: 131 - Arkansas Public Employees Retirement System-Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	467,890,950	650,000,000	650,000,000	775,000,000	775,000,000	775,000,000	775,000,000
Refunds/Reimbursements 5110014	19,888,281	0	0	50,000,000	50,000,000	50,000,000	50,000,000
Total	487,779,231	650,000,000	650,000,000	825,000,000	825,000,000	825,000,000	825,000,000
Funding Sources							
Trust Fund 4000050	487,779,231	650,000,000		825,000,000	825,000,000	825,000,000	825,000,000
Total Funding	487,779,231	650,000,000		825,000,000	825,000,000	825,000,000	825,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	487,779,231	650,000,000		825,000,000	825,000,000	825,000,000	825,000,000

Budget exceeds Authorized Appropriation in Refunds/Reimbursements due to a transfer from the Cash Fund Holding Account.

Analysis of Budget Request

Appropriation: C23 - St Police Retirement-Cash

Funding Sources: 131 - Arkansas State Police Retirement-Cash

The Arkansas State Police Retirement cash fund is utilized for payments to beneficiaries of the State Police Retirement System by wire transfer.

The Agency's request includes the following:

- Pension and Retirement Benefits of (\$2,500,000) to align with the Agency's expenses.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Pension and Retirement Benefits appropriation due to the utilization of the amount of benefit pay outs varying from year to year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C23 - St Police Retirement-Cash

Funding Sources: 131 - Arkansas State Police Retirement-Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	21,077,903	35,000,000	35,000,000	32,500,000	32,500,000	32,500,000	32,500,000
Total	21,077,903	35,000,000	35,000,000	32,500,000	32,500,000	32,500,000	32,500,000
Funding Sources							
Trust Fund 4000050	21,077,903	35,000,000		32,500,000	32,500,000	32,500,000	32,500,000
Total Funding	21,077,903	35,000,000		32,500,000	32,500,000	32,500,000	32,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	21,077,903	35,000,000		32,500,000	32,500,000	32,500,000	32,500,000

Analysis of Budget Request

Appropriation: C24 - Judicial Retirement-Cash

Funding Sources: 131 - Arkansas Judicial Retirement-Cash

The Arkansas Judicial Retirement cash fund is utilized for payments to beneficiaries of the Judicial Retirement System by direct deposit.

The Agency's Request is \$21,000,000 for both years of the biennium.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Pension and Retirement Benefits appropriation due to the utilization of the amount of benefit pay outs varying from year to year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C24 - Judicial Retirement-Cash

Funding Sources: 131 - Arkansas Judicial Retirement-Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	12,361,429	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Total	12,361,429	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Funding Sources							
Trust Fund 4000050	12,361,429	21,000,000		21,000,000	21,000,000	21,000,000	21,000,000
Total Funding	12,361,429	21,000,000		21,000,000	21,000,000	21,000,000	21,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	12,361,429	21,000,000		21,000,000	21,000,000	21,000,000	21,000,000

Analysis of Budget Request

Appropriation: F73 - APERS Pension Administration System

Funding Sources: TSR - Arkansas Public Employees' Retirement System Fund

The APERS Pension Administration System is an ongoing project to overhaul the APERS Customer Relations Management (CRM) software for the first time in several decades.

The Agency's request includes the following:

- APERS Pension Administration System of (\$21,000,000) each year due to completion of all capital costs associated with the project.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F73 - APERS Pension Administration System

Funding Sources: TSR - Arkansas Public Employees' Retirement System Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
APERS Pension Administration S 5900046	1,179,786	21,000,000	21,000,000	0	0	0	0
Total	1,179,786	21,000,000	21,000,000	0	0	0	0
Funding Sources							
Trust Fund 4000050	1,179,786	21,000,000		0	0	0	0
Total Funding	1,179,786	21,000,000		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	1,179,786	21,000,000		0	0	0	0

TAB 11

SUMMARY BUDGET INFORMATION
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CAPITOL ZONING DISTRICT COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	2	1	3	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			3	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Capitol Zoning District Commission Minutes of Meetings	A.C.A. § 25-18-308	N	N	1	Required by the State Library	0	0.00
Monthly Activity Report	A.C.A. § 22-3-311	N	Y	1	Required by Legislative Council	0	0.00

Analysis of Budget Request

Appropriation: 676 - Capitol Zoning District-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Capitol Zoning District Commission was created by Act 267 of 1975 (A.C.A. § 22-3-303). Duties of the nine (9) member Commission include development of a comprehensive zoning plan in the Capitol Zoning District, which encompasses the areas surrounding the State Capitol and the Governor's Mansion. The Commission has exclusive authority over the zoning and regulation of all property within the District. The Commission meets monthly to review applications for development permits. This is the operating appropriation of the Commission and is funded by general revenue.

Regular Salaries appropriation includes board member stipend payments.

The Agency Request includes appropriation and general revenue funding of \$252,357 for each year of the 2019-2021 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 676 - Capitol Zoning District-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	145,188	170,743	162,040	170,421	170,421	170,421	170,421	
#Positions		3	3	3	3	3	3	3	
Extra Help	5010001	815	938	938	938	938	938	938	
#Extra Help		1	1	1	1	1	1	1	
Personal Services Matching	5010003	43,370	53,750	56,054	53,826	53,826	53,826	53,826	
Operating Expenses	5020002	27,153	27,172	27,172	27,172	27,172	27,172	27,172	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	0	0	0	0	0	0	0	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		216,526	252,603	246,204	252,357	252,357	252,357	252,357	
Funding Sources									
General Revenue	4000010	216,526	237,002		252,357	252,357	252,357	252,357	
Performance Fund	4000055	0	15,601		0	0	0	0	
Total Funding		216,526	252,603		252,357	252,357	252,357	252,357	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		216,526	252,603		252,357	252,357	252,357	252,357	

FY19 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2017-2019 Biennium.

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ARKANSAS WATERWAYS COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	1	1	2	67 %
Black Employees	0	1	1	33 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	33 %
Total Employees			3	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Biennial Report	A.C.A §15-23-204	Y	Y	3	To inform state elected officials, colleagues and other interested parties on activities, goals and accomplishments of the Arkansas Waterways Commission. The Commission will also make the report available in PDF format on its website waterways.arkansas.gov .	10	175.49

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
085 Arkansas Waterways Commission	229,222	3	258,508	3	246,508	3	259,799	3	259,799	3	259,799	3	259,799	3
M63 Waterway Development Grants	1,150,323	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
NOT REQUESTED FOR THE BIENNIUM														
N49 Three Rivers Study	270,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,649,545	3	5,258,508	3	5,246,508	3	5,259,799	3	5,259,799	3	5,259,799	3	5,259,799	3

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	1,141,754	43.9	951,720	15.3	951,720	15.3	951,720	15.3	951,720	15.3	951,720	15.3
General Revenue	4000010	229,222	8.8	246,508	4.0	259,799	4.2	258,508	4.2	259,799	4.2	258,508	4.2
Performance Fund	4000055	0	0.0	12,000	0.2	0	0.0	0	0.0	0	0.0	0	0.0
Ad Valorem Tax	4000060	961,641	37.0	5,000,000	80.5	5,000,000	80.5	5,000,000	80.5	5,000,000	80.5	5,000,000	80.5
Inter-agency Fund Transfer	4000316	268,648	10.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		2,601,265	100.0	6,210,228	100.0	6,211,519	100.0	6,210,228	100.0	6,211,519	100.0	6,210,228	100.0
Excess Appropriation/(Funding)		(951,720)		(951,720)		(951,720)		(950,429)		(951,720)		(950,429)	
Grand Total		1,649,545		5,258,508		5,259,799		5,259,799		5,259,799		5,259,799	

The FY19 Budget amount exceeds the Authorized amount for State Operations (085) due to salary and matching rate adjustments during the 2017-2019 biennium. Variance in Fund Balance is due to unfunded appropriation for Waterways Commission (085).

Analysis of Budget Request

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Waterways Commission supports the development of the navigable waterways of Arkansas. The seven (7) member, Governor-appointed Commission was created by Act 242 of 1967. The Commission, which is funded by general revenues, is supported by a three (3) member staff and offers services and advice to the water transportation industry by means of correspondence, participation in seminars, serving on advisory committee and boards, and providing research on specialty subjects. The Commission also supports the efforts of the Mississippi Valley Flood Control, Ouachita River Valley, Red River Valley, Arkansas Waterways, and White River Valley Associations through the State's Contributions line item.

This appropriation is funded by General Revenue.

The appropriation authorization level is \$259,799 for each year of the biennium.

The Agency Requests the appropriation authority of \$259,799 and general revenue funding for each year of the biennium.

There were no one-time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the appropriation authority only for each year; and general revenue funding of \$258,508 for each year.

Appropriation Summary

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	136,630	159,110	148,422	158,806	158,806	158,806	158,806	
#Positions		3	3	3	3	3	3	3	
Personal Services Matching	5010003	44,842	51,337	48,501	51,408	51,408	51,408	51,408	
Operating Expenses	5020002	42,051	42,355	43,879	43,879	43,879	43,879	43,879	
Conference & Travel Expenses	5050009	3,144	3,151	3,151	3,151	3,151	3,151	3,151	
Professional Fees	5060010	0	0	0	0	0	0	0	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
State's Contributions	5900021	2,555	2,555	2,555	2,555	2,555	2,555	2,555	
Total		229,222	258,508	246,508	259,799	259,799	259,799	259,799	
Funding Sources									
General Revenue	4000010	229,222	246,508		259,799	258,508	259,799	258,508	
Performance Fund	4000055	0	12,000		0	0	0	0	
Total Funding		229,222	258,508		259,799	258,508	259,799	258,508	
Excess Appropriation/(Funding)		0	0		0	1,291	0	1,291	
Grand Total		229,222	258,508		259,799	259,799	259,799	259,799	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: M63 - Waterway Development Grants

Funding Sources: MPW - Ad Valorem Tax Fund

Through the Arkansas Port, Intermodal, and Waterway Development Grant Program, the Arkansas Waterways Commission can provide financial assistance to port authorities and intermodal authorities for port development projects. These projects include without limitation, construction, improvement, facility rehabilitation, expansion of a public port facility, and a maritime-related industrial park infrastructure development.

Taxes and penalties collected from water transportation companies under §26-26-1614 in excess of two million five hundred thousand dollars (\$2,500,000) provides funding for the grant program. Grant awards are made once annually and are based upon the available funds at that time; although the tax is collected and distributed monthly.

The Agency requests the FY19 Authorized appropriation level of \$5,000,000 for each year of the biennium due to the Commission encouraging containerized shipping on the Arkansas River. If successful, the Commission anticipates an increase in ad valorem tax collections over the biennium and will ensure sufficient appropriation for the grants program.

The Agency's request is for the FY19 Authorized appropriation level of \$5,000,000 for each year.

There were no one-time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M63 - Waterway Development Grants

Funding Sources: MPW - Ad Valorem Tax Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	1,150,323	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		1,150,323	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources								
Fund Balance	4000005	1,140,402	951,720		951,720	951,720	951,720	951,720
Ad Valorem Tax	4000060	961,641	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		2,102,043	5,951,720		5,951,720	5,951,720	5,951,720	5,951,720
Excess Appropriation/(Funding)		(951,720)	(951,720)		(951,720)	(951,720)	(951,720)	(951,720)
Grand Total		1,150,323	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000

Appropriation Summary

Appropriation: N49 - Three Rivers Study

Funding Sources: NSF- Three Rivers Study Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Grants and Aid	5100004	270,000	0	0	0	0	0	0
Total		270,000	0	0	0	0	0	0
Funding Sources								
Fund Balance	4000005	1,352	0		0	0	0	0
Inter-agency Fund Transfer	4000316	268,648	0		0	0	0	0
Total Funding		270,000	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		270,000	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2019-2021 BIENNIUM.

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ARKANSAS FAIR HOUSING COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	14 %
Black Employees	2	4	6	86 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			6	86 %
Total Employees			7	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	16-123-304(c)	N	Y	1	Statutory Requirement	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1NH State Operations	719,824	9	1,307,920	12	1,209,852	12	1,307,743	12	1,307,743	12	1,307,867	12	1,307,867	12
53L Education-Trust	72,761	0	170,000	0	170,000	0	170,000	0	170,000	0	170,000	0	170,000	0
Total	792,585	9	1,477,920	12	1,379,852	12	1,477,743	12	1,477,743	12	1,477,867	12	1,477,867	12

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	1,758,759	69.3	1,744,217	64.5	1,225,790	56.1	1,225,790	56.1	707,540	42.4	707,540	42.4
General Revenue	4000010	271,565	10.7	271,565	10.0	271,565	12.4	271,565	12.4	271,565	16.3	271,565	16.3
Federal Revenue	4000020	437,666	17.3	637,928	23.6	637,928	29.2	637,928	29.2	637,928	38.3	637,928	38.3
Trust Fund	4000050	68,812	2.7	50,000	1.8	50,000	2.3	50,000	2.3	50,000	3.0	50,000	3.0
Total Funds		2,536,802	100.0	2,703,710	100.0	2,185,283	100.0	2,185,283	100.0	1,667,033	100.0	1,667,033	100.0
Excess Appropriation/(Funding)		(1,744,217)		(1,225,790)		(707,540)		(707,540)		(189,166)		(189,166)	
Grand Total		792,585		1,477,920		1,477,743		1,477,743		1,477,867		1,477,867	

FY19 Budget amount in Appropriation 1NH exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 1NH - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 1785 of 2001, established the Arkansas Fair Housing Act and the Arkansas Fair Housing Commission. The Commission is comprised of 13 Commissioners: seven appointed by the Governor, three by the President Pro Tempore of the Senate, and three by the Speaker of the House of Representatives. Six of the Commissioners are industry representatives and seven are consumer representatives. Commissioners serve four-year terms and may serve no more than two terms. Each congressional district must be represented by a Commissioner.

The Arkansas Fair Housing Commission's mission is to receive, investigate, and/or resolve complaints alleging violations of the Arkansas Fair Housing Act that prohibits discrimination on the basis of race, color, national origin, religion, sex, familial status and disability; to work in conjunction with federal, state, local, public and private entities to prevent or eliminate discriminatory housing practices; and to establish a statewide education and outreach program.

Operations for the Commission are funded from general revenues through the Miscellaneous State Agencies Fund Account and Federal reimbursements received from the HUD's Fair Housing Assistance Program (FHAP) and the Fair Housing Initiatives Program (FHIP).

The Agency Request provides for appropriation authority of \$1,307,743 in FY20 and \$1,307,867 in FY21.

The Agency's Request to maintain appropriation above 10% of FY18 Actual expenditures includes the following justifications:

- Operating Expenses, Conference & Travel, Professional Fees, and Public Education Line Items for use in fair housing and fair lending enforcement. The requested excess appropriation is necessary to meet federal mandates and matching requirements.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1NH - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	395,532	582,222	503,054	581,208	581,208	581,308	581,308	
#Positions		9	12	12	12	12	12	12	
Extra Help	5010001	0	40,000	40,000	40,000	40,000	40,000	40,000	
#Extra Help		0	2	2	2	2	2	2	
Personal Services Matching	5010003	148,534	195,326	175,892	195,629	195,629	195,653	195,653	
Operating Expenses	5020002	156,536	250,000	250,000	250,000	250,000	250,000	250,000	
Conference & Travel Expenses	5050009	13,998	108,000	108,000	108,000	108,000	108,000	108,000	
Professional Fees	5060010	5,224	132,007	132,007	132,007	132,007	132,007	132,007	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Public Education	5900046	0	365	899	899	899	899	899	
Total		719,824	1,307,920	1,209,852	1,307,743	1,307,743	1,307,867	1,307,867	
Funding Sources									
Fund Balance	4000005	1,390,711	1,380,118		981,691	981,691	583,441	583,441	
General Revenue	4000010	271,565	271,565		271,565	271,565	271,565	271,565	
Federal Revenue	4000020	437,666	637,928		637,928	637,928	637,928	637,928	
Total Funding		2,099,942	2,289,611		1,891,184	1,891,184	1,492,934	1,492,934	
Excess Appropriation/(Funding)		(1,380,118)	(981,691)		(583,441)	(583,441)	(185,067)	(185,067)	
Grand Total		719,824	1,307,920		1,307,743	1,307,743	1,307,867	1,307,867	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 53L - Education-Trust

Funding Sources: TFH - Arkansas Fair Housing Commission Trust Fund

The Education - Trust Program was established by Act 1785 of 2001 and provides for the administration and operations of the Commission. Funding is derived from cash funds generated by the receipt of continuing education and training fees, contributions, and administrative and/or civil penalties levied and collected pursuant to §16-123-301.

This appropriation provides for statewide education and outreach programs pursuant to A.C.A. §16-123-301 et seq. and for the annual educational fair housing conference hosted by the Commission.

The Agency Request is \$170,000 each year of the 2019-2021 Biennium.

The Agency's Request to maintain appropriation above 10% of FY18 Actual expenditures includes the following justifications:

- Operating Expenses Line Item - to allow for fair housing education of the public; to provide Industry Training through Continuing Education classes offered to housing providers, industry leaders, lenders, realtors, and developers; and statewide education and outreach initiatives designed to prevent or eliminate discriminatory housing practices.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 53L - Education-Trust

Funding Sources: TFH - Arkansas Fair Housing Commission Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	23,312	115,000	115,000	115,000	115,000	115,000	115,000	
Conference & Travel Expenses	5050009	49,449	55,000	55,000	55,000	55,000	55,000	55,000	
Professional Fees	5060010	0	0	0	0	0	0	0	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		72,761	170,000	170,000	170,000	170,000	170,000	170,000	
Funding Sources									
Fund Balance	4000005	368,048	364,099		244,099	244,099	124,099	124,099	
Trust Fund	4000050	68,812	50,000		50,000	50,000	50,000	50,000	
Total Funding		436,860	414,099		294,099	294,099	174,099	174,099	
Excess Appropriation/(Funding)		(364,099)	(244,099)		(124,099)	(124,099)	(4,099)	(4,099)	
Grand Total		72,761	170,000		170,000	170,000	170,000	170,000	

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HEALTH SERVICES PERMIT AGENCY

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HEALTH SERVICES PERMIT AGENCY

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	0	1	1	25 %
Black Employees	2	1	3	75 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	75 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Arkansas Permit of Approval Rulebook	A.C.A. 2-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the Rules and Regulations regarding Permits of Approval, and of the changes to those rules.	0	0.00
Health Care Facilities and Services Need	A.C.A. 20-8-104	N	N	4	Distributed by request and published on agency web site to keep the public informed of the need for health services in the State.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Health Services Permit Agency Annual Report	A.C.A. 20-8-110	Y	Y	3	Distributed by request, to keep the public, Governor, and General Assembly informed of activities of agency.	0	0.00

Analysis of Budget Request

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

The Agency uses this appropriation to review all applications for permits of approval, for nursing homes, residential care facilities, etc., addressing such issues as need, staffing, and economic feasibility. The State Operations appropriation is funded from general revenue and fees from certificate of need applications as authorized by Arkansas Code Annotated §20-8-108.

The Agency's Change Level Request each year of the Biennium includes the following:

- Regular Salaries and Personal Services Matching-increase of \$24,979 which includes restoration of one (1) Growth Pool position, GS11 HSPA Deputy Administrator. This position was transferred from the Department of Human Services in April of 2016 and oversees the programmatic, fiscal, and personnel duties for the Agency. The Agency is also discontinuing two (2) positions, one (1) GS03 Administrative Specialist II and one (1) GS06 Health Program Specialist I.
- Operating Expenses-decrease of (\$17,292),
- Conference and Travel-decrease of (\$1,000), and
- Professional Fees-decrease of (\$4,000) to align appropriation with historical expenditures.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following:

- Professional Fees-to continue its role in implementing the policies and procedures adopted by the Health Services Permit Commission.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 844 - Health Serv Permit Agency-State

Funding Sources: HUA - General Revenue/Fees

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
					Agency	Executive	Agency	Executive
Regular Salaries	5010000	284,459	321,082	300,275	320,531	320,531	320,531	320,531
#Positions		5	5	6	5	5	5	5
Personal Services Matching	5010003	100,377	108,585	107,350	108,633	108,633	108,633	108,633
Operating Expenses	5020002	61,242	69,285	78,127	60,835	60,835	60,835	60,835
Conference & Travel Expenses	5050009	182	2,274	2,274	1,274	1,274	1,274	1,274
Professional Fees	5060010	0	16,267	20,267	16,267	16,267	16,267	16,267
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		446,260	517,493	508,293	507,540	507,540	507,540	507,540
Funding Sources								
Fund Balance	4000005	159,810	79,761		24,761	24,761	0	0
General Revenue	4000010	322,493	322,493		397,493	397,493	397,493	397,493
Special Revenue	4000030	43,718	65,000		75,000	75,000	75,000	75,000
Performance Fund	4000055	0	75,000		0	0	0	0
Total Funding		526,021	542,254		497,254	497,254	472,493	472,493
Excess Appropriation/(Funding)		(79,761)	(24,761)		10,286	10,286	35,047	35,047
Grand Total		446,260	517,493		507,540	507,540	507,540	507,540

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2018 TO FISCAL YEAR 2019**

Agency: Health Services Permit Agency

Program: Health Serv Permit Agency-State

Act #: 11 of 2017 Section(s) #: 2, 3

Estimated Carry Forward Amount \$ 45,000.00 Funding Source: Special Revenue

Accounting Information:

Business Area: 0665 Funds Center: 844 Fund: HUA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

These funds are necessary for the operations of the agency. The funds are generated from fines and fees collected pursuant to A.C.A. 20-8-108 and deposited into the Miscellaneous Agencies Fund. They will carry forward into FY19.

Actual Funding Carry Forward Amount \$ 79,761.18

Current status of carry forward funding:

These funds are necessary for the operations of the agency.

Tracy Steele
Director

08-02-2018
Date

TAB 15

SUMMARY BUDGET INFORMATION

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STATE CRIME LABORATORY

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	53	66	119	86 %
Black Employees	3	13	16	12 %
Other Racial Minorities	1	3	4	2 %
Total Minorities			20	14 %
Total Employees			139	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Statewide Rape Kit Study	Act 1168 of 2015	N	Y	2	N/A	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1ED Crime Lab-Federal	1,348,320	7	2,773,696	7	2,751,501	7	1,839,400	7	1,839,400	7	1,839,400	7	1,839,400	7
1VM Equipment	850,146	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
498 Crime Lab State	10,917,704	135	11,830,527	137	10,946,592	137	12,790,333	146	12,790,333	146	12,797,627	146	12,797,627	146
788 DNA Special	951,963	0	1,252,270	0	1,252,270	0	1,252,270	0	1,252,270	0	1,252,270	0	1,252,270	0
Total	14,068,133	142	16,856,493	144	15,950,363	144	16,882,003	153	16,882,003	153	16,889,297	153	16,889,297	153

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	2,997,075	17.5	3,019,915	16.2	1,735,019	10.4	1,735,019	10.4	1,165,592	7.2	1,165,592	7.2
General Revenue	4000010	8,764,099	51.3	8,764,099	47.1	9,241,563	55.4	9,241,563	55.4	9,246,613	57.4	9,246,613	57.4
Federal Revenue	4000020	1,348,320	7.9	2,773,696	14.9	1,839,400	11.0	1,839,400	11.0	1,839,400	11.4	1,839,400	11.4
Special Revenue	4000030	3,603,512	21.1	3,183,760	17.1	3,283,264	19.7	3,283,264	19.7	3,275,000	20.3	3,275,000	20.3
Performance Fund	4000055	0	0.0	475,000	2.6	0	0.0	0	0.0	0	0.0	0	0.0
Transfer State Admn of Justice	4000570	375,042	2.2	375,042	2.0	576,988	3.5	576,988	3.5	576,988	3.6	576,988	3.6
Total Funds		17,088,048	100.0	18,591,512	100.0	16,676,234	100.0	16,676,234	100.0	16,103,593	100.0	16,103,593	100.0
Excess Appropriation/(Funding)		(3,019,915)		(1,735,019)		205,769		205,769		785,704		785,704	
Grand Total		14,068,133		16,856,493		16,882,003		16,882,003		16,889,297		16,889,297	

FY19 Budget amount exceeds the authorized amount in (1ED) Crime Lab - Federal and (498) Crime Lab - State due to salary and matching rate adjustments during the 2017-2019 Biennium. Variance in fund balance due to unfunded appropriation in (1VM) Equipment and (498) Crime Lab State.

Analysis of Budget Request

Appropriation: 1ED - Crime Lab-Federal

Funding Sources: FCL - State Crime Lab Federal

This appropriation is funded by grants from the United States Department of Justice. These funds enable the State Crime Lab to out-source backlog DNA casework thus allowing State Crime Lab analysts to process current DNA cases and keep the Lab's backlog at a minimum. These funds are also used to provide the training for analysts and medical examiners necessary for the Lab to maintain its accreditation status.

The Agency is requesting \$1,839,400 each year of the 2019-2021 Biennium.

Their request includes the following changes for both years with an overall increase of \$11,875:

- Overtime and associated Personal Services Matching appropriation reduction of (\$67,125) each fiscal year to eliminate appropriation which has not been used in past years.
- Operating Expenses appropriation reduction of (\$155,000), Conference & Travel reduction of (\$56,000), and Professional Fees reduction of (\$475,000) each fiscal year to offset the requested increase in Capital Outlay and more closely reflect actual expenditures.
- Construction appropriation request of \$165,000 each fiscal year for anticipated federal grants to remodel lab space.
- Capital Outlay appropriation request of \$600,000 each fiscal year for the purchase of new equipment and replacement of outdated equipment.

The Agency had more than 10% remaining appropriation in Maintenance and Operations, Conference & Travel Expenses, and Professional Fees, but has reduced these commitment items to their anticipated need for the upcoming biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1ED - Crime Lab-Federal
Funding Sources: FCL - State Crime Lab Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
				Agency	Executive	Agency	Executive
Regular Salaries 5010000	302,616	324,515	263,197	323,883	323,883	323,883	323,883
#Positions	7	7	7	7	7	7	7
Personal Services Matching 5010003	103,533	123,020	107,650	110,356	110,356	110,356	110,356
Overtime 5010006	0	0	54,493	0	0	0	0
Operating Expenses 5020002	370,517	655,000	655,000	500,000	500,000	500,000	500,000
Conference & Travel Expenses 5050009	8,515	171,161	171,161	115,161	115,161	115,161	115,161
Professional Fees 5060010	12,250	500,000	500,000	25,000	25,000	25,000	25,000
Construction 5090005	0	0	0	165,000	165,000	165,000	165,000
Data Processing 5090012	0	0	0	0	0	0	0
Capital Outlay 5120011	550,889	1,000,000	1,000,000	600,000	600,000	600,000	600,000
Total	1,348,320	2,773,696	2,751,501	1,839,400	1,839,400	1,839,400	1,839,400
Funding Sources							
Federal Revenue 4000020	1,348,320	2,773,696		1,839,400	1,839,400	1,839,400	1,839,400
Total Funding	1,348,320	2,773,696		1,839,400	1,839,400	1,839,400	1,839,400
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	1,348,320	2,773,696		1,839,400	1,839,400	1,839,400	1,839,400

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

This appropriation is funded by Special Revenue generated from forfeitures of funds and property derived through court proceedings taken in cases involving the illegal manufacture and/or distribution of narcotics. The Arkansas State Crime Laboratory receives twenty percent (20%) of all forfeitures over the first \$20,000 of forfeitures per county, per year. This appropriation is utilized to purchase equipment and replacement equipment for the regional drug labs.

The Agency is requesting \$1,000,000 each year of the 2019-2021 Biennium.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures is to purchase equipment for the lab, pay maintenance contracts on all equipment that is used for analysis, purchase vehicles, and pay for most of the Agency's IT-related costs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VM - Equipment

Funding Sources: SCE - Crime Lab Equipment Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Crime Lab Equip/Pur/Replace 5900046	850,146	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	850,146	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources							
Fund Balance 4000005	1,099,877	867,157		417,157	417,157	0	0
Special Revenue 4000030	617,426	550,000		575,000	575,000	575,000	575,000
Total Funding	1,717,303	1,417,157		992,157	992,157	575,000	575,000
Excess Appropriation/(Funding)	(867,157)	(417,157)		7,843	7,843	425,000	425,000
Grand Total	850,146	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000

Analysis of Budget Request

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas State Crime Laboratory was created by Act 517 of 1977, to provide forensic and scientific support to the criminal justice system in Arkansas. The Executive Director of the State Crime Lab is appointed by the Governor. Act 383 of 1991 created the State Crime Laboratory Board, made up of eight (8) members, including the Dean of the UAMS College of Medicine and seven (7) members appointed by the Governor with confirmation of the Senate. The Board members' terms are for seven (7) years. The Board has the authority to employ and remove the State Medical Examiner. The Arkansas State Crime Laboratory provides complete forensic laboratory services and corroborative testimony for the state's law enforcement and criminal justice community to assist in the apprehension and conviction of individuals involved in criminal cases. This appropriation supports primary operations for the Arkansas State Crime Laboratory. It is funded by general revenue through the Miscellaneous Agencies Fund (HUA), a portion of uniform filing fees collected in circuit court (A.C.A. § 16-10-313) and through a fund transfer from the Administration of Justice Fund.

Regular Salaries appropriation includes board member stipend payments.

The Agency is requesting \$12,790,333 for FY20 and \$12,797,627 for FY21.

Their request includes the following changes for both years with an overall increase of \$939,718 for FY20 and \$940,040 for FY21:

- Six (6) new positions for the new Lowell Lab, and three (3) new positions for the Medical Examiners' office to assist with post mortem examinations as over 1,600 are being performed each year. These new positions result in an increase of \$693,718 in Salaries and Personal Services Matching appropriation in FY20, and an increase of \$640,040 in FY21.
- Operating Expenses appropriation increase of \$297,200 each fiscal year for the operations of the new Lowell Lab.
- Professional Fees increase of \$2,800 each fiscal year for proficiency tests that each scientist is required to complete annually.

The Agency's request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Salaries and Personal Services Matching due to intentions of filling positions that were vacant throughout FY18, as well as new positions requested for the Medical Examiners' office and new Lowell Laboratory.
- Professional Fees due to increase in expenses for annual proficiency testing of each scientific position, as well as the need for payment of outside testing samples collected from the Medical Examiners.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 498 - Crime Lab State

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	6,833,202	7,522,996	6,820,875	8,022,791	8,022,791	8,026,891	8,026,891
#Positions		135	137	137	146	146	146	146
Personal Services Matching	5010003	2,205,095	2,404,507	2,222,693	2,564,518	2,564,518	2,567,712	2,567,712
Operating Expenses	5020002	1,782,525	1,782,559	1,782,559	2,079,759	2,079,759	2,079,759	2,079,759
Conference & Travel Expenses	5050009	56,733	56,750	56,750	56,750	56,750	56,750	56,750
Professional Fees	5060010	40,149	63,715	63,715	66,515	66,515	66,515	66,515
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		10,917,704	11,830,527	10,946,592	12,790,333	12,790,333	12,797,627	12,797,627

Funding Sources								
Fund Balance	4000005	579,810	682,626		0	0	0	0
General Revenue	4000010	8,764,099	8,764,099		9,241,563	9,241,563	9,246,613	9,246,613
Special Revenue	4000030	1,881,379	1,533,760		1,608,264	1,608,264	1,600,000	1,600,000
Performance Fund	4000055	0	475,000		0	0	0	0
Transfer State Admn of Justice	4000570	375,042	375,042		576,988	576,988	576,988	576,988
Total Funding		11,600,330	11,830,527		11,426,815	11,426,815	11,423,601	11,423,601
Excess Appropriation/(Funding)		(682,626)	0		1,363,518	1,363,518	1,374,026	1,374,026
Grand Total		10,917,704	11,830,527		12,790,333	12,790,333	12,797,627	12,797,627

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium. FY18 Actual and FY19 Budgeted Appropriations that receive Administration of Justice Funds have been reduced proportionately based on available funding in accordance with A.C.A. 16-10-312. FY20 and FY21 appropriations reflect the maximum allocations authorized by Act 250 (56) of 2018.

Analysis of Budget Request

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

This appropriation provides for personal services and operating expenses to support the DNA database, as authorized by Act 737 of 1997, the "DNA Detection of Sexual and Violent Offenders Act", which is codified at A.C.A. § 12-12-1101 et seq. Funding for this appropriation is Special Revenue generated by a mandatory fine of not less than \$250 for persons required to submit to a DNA sample under the provisions of this legislation. The sentencing court has the discretion to waive the fine if, in its opinion, the imposition of the fine would cause undue hardship.

The Agency is requesting \$1,252,270 each year of the 2019-2021 Biennium.

The Agency had more than 10% remaining appropriation in Maintenance and Operations, Conference and Travel expenses, and Professional Fees. This appropriation is used to operate the DNA section, CODIS section, and parts of Physical Evidence. The Agency was able to utilize federal funds in FY18 for consumables, but those funds will not be available for those purchases in FY19 and forward, because they will be utilized for equipment and technology. Therefore, existing special revenue funding and appropriation will need to be utilized.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 788 - DNA Special

Funding Sources: SDN - DNA Detection Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	919,895	1,183,520	1,183,520	1,183,520	1,183,520	1,183,520	1,183,520	
Conference & Travel Expenses	5050009	13,943	33,750	33,750	33,750	33,750	33,750	33,750	
Professional Fees	5060010	18,125	35,000	35,000	35,000	35,000	35,000	35,000	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		951,963	1,252,270	1,252,270	1,252,270	1,252,270	1,252,270	1,252,270	
Funding Sources									
Fund Balance	4000005	1,317,388	1,470,132		1,317,862	1,317,862	1,165,592	1,165,592	
Special Revenue	4000030	1,104,707	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	
Total Funding		2,422,095	2,570,132		2,417,862	2,417,862	2,265,592	2,265,592	
Excess Appropriation/(Funding)		(1,470,132)	(1,317,862)		(1,165,592)	(1,165,592)	(1,013,322)	(1,013,322)	
Grand Total		951,963	1,252,270		1,252,270	1,252,270	1,252,270	1,252,270	

TAB 16

SUMMARY BUDGET INFORMATION
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DEPARTMENT OF PARKS & TOURISM

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DEPARTMENT OF PARKS AND TOURISM

Employment Summary

	Male	Female	Total	%
White Employees	346	308	654	91 %
Black Employees	18	30	48	7 %
Other Racial Minorities	9	8	17	2 %
Total Minorities			65	9 %
Total Employees			719	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM
STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES
Fiscal Year 2018
Required by A.C.A. 25-36-104

AGENCY: 0900 DEPARTMENT OF PARKS AND TOURISM

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Goddess Products	\$172,765	X					
Jones Consulting	\$1,856,117			X			
NSC Inc.	\$50,440	X					
SC Home	\$196,922		X				

TOTAL NUMBER OF MINORITY CONTRACTS AWARDED	<u>4</u>
TOTAL EXPENDITURES FOR CONTRACTS AWARDED	<u>\$2,276,244</u>
% OF MINORITY CONTRACTS AWARDED	<u>16258885.71 %</u>

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
21J SCORP Program-Federal	891,292	0	3,271,148	0	3,271,148	0	5,771,148	0	5,771,148	0	5,851,148	0	5,851,148	0
433 Museum Natural Res-Spec Rev	36,605	1	82,143	2	77,179	2	82,771	2	82,771	2	82,771	2	82,771	2
499 State Operations	20,620,515	424	20,719,444	405	21,713,829	405	20,775,547	404	20,775,547	404	20,788,347	404	20,788,347	404
500 Conservation Tax	35,436,611	158	47,193,503	165	53,987,676	165	55,136,825	166	55,136,825	166	55,139,932	166	55,139,932	166
502 Keep Arkansas Beautiful-ConsTax	684,790	3	731,878	3	717,789	3	881,617	3	881,617	3	881,617	3	881,617	3
504 Tourism Promotion-Special Rev	14,958,394	6	16,109,635	8	16,072,093	8	18,389,698	8	18,389,698	8	18,389,821	8	18,389,821	8
54L Wildlife Observation Trails	0	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0	1,006,614	0
579 Outdoor Recreation Grants Prg	2,166,144	4	7,802,824	4	7,835,680	4	7,821,469	4	7,821,469	4	7,821,469	4	7,821,469	4
986 Operations & Construction-Cash in Treasu	30,962,876	191	36,804,383	209	34,523,901	209	37,275,722	209	37,275,722	209	37,282,182	209	37,282,182	209
994 Retirement & Relocation Program	901,943	0	924,119	0	928,278	0	968,619	0	968,619	0	968,619	0	968,619	0
995 Tourism - Cash in Treasury	26,602	0	31,155	0	55,010	0	30,028	0	30,028	0	30,028	0	30,028	0
996 Entertainers Hall of Fame-Treas	38,367	0	0	0	37,460	0	0	0	0	0	0	0	0	0
V55 War Memorial Stadium Gen. Rev.	821,749	7	447,647	7	895,294	8	447,647	7	447,647	7	447,647	7	447,647	7
V56 War Memorial Stadium Cash	2,128,015	0	2,244,606	0	2,891,550	0	2,345,924	1	2,345,924	1	2,345,924	1	2,345,924	1
Total	109,673,903	795	137,369,099	803	144,013,501	804	150,933,629	804	150,933,629	804	151,036,119	804	151,036,119	804

Funding Sources		%		%		%		%		%	
Fund Balance	4000005	40,940,265	27.3	40,077,737	26.6	13,304,393	10.4	13,304,393	10.4	685,747	0.6
General Revenue	4000010	21,246,857	14.2	20,872,755	13.9	21,223,194	16.7	21,223,194	16.7	21,235,994	18.2
Federal Revenue	4000020	842,023	0.6	3,324,086	2.2	5,824,086	4.6	5,824,086	4.6	5,624,086	4.8
Special Revenue	4000030	51,625,341	34.5	54,011,738	35.8	55,648,036	43.7	55,648,036	43.7	57,241,147	49.1
Cash Fund	4000045	33,713,882	22.5	32,092,840	21.3	31,391,920	24.6	31,391,920	24.6	31,742,282	27.2
Performance Fund	4000055	195,407	0.1	294,336	0.2	0	0.0	0	0.0	0	0.0
Interest	4000300	741	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers / Adjustments	4000683	1,187,124	0.8	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		149,751,640	100.0	150,673,492	100.0	127,391,629	100.0	127,391,629	100.0	116,529,256	100.0
Excess Appropriation/(Funding)		(40,077,737)		(13,304,393)		23,542,000		23,542,000		34,506,863	
Grand Total		109,673,903		137,369,099		150,933,629		150,933,629		151,036,119	

The FY19 Budget amount exceeds the Authorized amount for Museum of Natural Resources (433) due to salary adjustments during the 2017-2019 Biennium. The FY19 Budget amount exceeds the Authorized amount for Keep Arkansas Beautiful (502), Tourism Promotion (504), and Operations & Construction (986) due to salary and matching rate adjustments during the 2017-2019 Biennium. Pursuant to Act 269 of 2017, the War Memorial Stadium Commission (V55 and V56) were transferred to the Department of Parks and Tourism. Variance in Fund Balance is due to unfunded appropriation for Conservation Tax (500), Tourism Promotion (504), Outdoor Recreation Grants Program (579), Operations-Cash (986), Tourism-Cash (995), and War Memorial Stadium-Cash (V56).

Analysis of Budget Request

Appropriation: 2JJ - SCORP Program-Federal

Funding Sources: FPT - Parks & Tourism Federal

The Department utilizes this appropriation to provide for the Outdoor Recreation Grant Program and the Development of the Statewide Comprehensive Outdoor Recreation Plan (SCORP). This appropriation is funded by the Federal Land and Water Conservation Fund Program (LWCF).

The appropriation authorization level is \$3,271,148 for each year of the biennium.

The agency requests the FY19 Authorized appropriation levels as follows:

- Conference and Travel due to travel costs coded to Operating Expenses. Applicable travel costs need to be changed from Operating Expenses to Conference and Travel. The agency will implement accounting procedures and approval of training/travel immediately. Outdoor Grants staff routinely attend seminars and conferences that involve training.
- Professional Fees due to the SCORP related user survey work for the 2019-2021 biennium.
- Grants and Aid due to the nearly four-fold increase in apportionments from the LWCF, from \$537,466 in FY16 to \$1,959,769 in FY18; the unexpended balance of matching grants awarded is \$2,379,855. Sufficient appropriation is required to commit these awarded but unexpended grants and allow for new grant awards each year. The agency has been awarded an additional \$1.8 million in apportionment for grant awards.

The Agency Change Level requests are as follows:

- Professional Fees increase of \$80,000 in FY21 for SCORP related user survey work to be performed under contract beginning in FY21.
- Grants and Aid increase of \$2,500,000 for each year of the biennium. The agency anticipates an increase of \$1.8 million in the apportionment from the LWCF. Currently the agency has \$1.2 million of grants being completed by state and local governments which reduces the appropriation available for new grants. LWCF rules and regulations allow grantees up to five (5) years to complete and be reimbursed for grant projects. Without the increase, the agency could lose the new funds.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2JJ - SCORP Program-Federal

Funding Sources: FPT - Parks & Tourism Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	65,092	66,950	66,950	66,950	66,950	66,950	66,950
Conference & Travel Expenses	5050009	400	6,100	6,100	6,100	6,100	6,100	6,100
Professional Fees	5060010	800	20,000	20,000	20,000	20,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	825,000	3,178,098	3,178,098	5,678,098	5,678,098	5,678,098	5,678,098
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		891,292	3,271,148	3,271,148	5,771,148	5,771,148	5,851,148	5,851,148
Funding Sources								
Fund Balance	4000005	339,044	289,775		342,713	342,713	395,651	395,651
Federal Revenue	4000020	842,023	3,324,086		5,824,086	5,824,086	5,624,086	5,624,086
Total Funding		1,181,067	3,613,861		6,166,799	6,166,799	6,019,737	6,019,737
Excess Appropriation/(Funding)		(289,775)	(342,713)		(395,651)	(395,651)	(168,589)	(168,589)
Grand Total		891,292	3,271,148		5,771,148	5,771,148	5,851,148	5,851,148

Analysis of Budget Request

Appropriation: 433 - Museum Natural Res-Spec Rev

Funding Sources: SAH - Arkansas Museum of Natural Resources Fund

The Department utilizes this appropriation to provide operating expenses for the Museum of Natural Resources (formerly the Oil and Brine Museum). Pursuant to Arkansas Code §25-58-301, this appropriation receives its income from the 1/2 Cent Tax on each barrel of oil produced in the State.

The appropriation authorization level is \$82,771 for each year of the biennium.

The agency had one (1) vacancy in FY18 which resulted in the salaries and matching not being fully expended. The position has been filled.

The agency requests the appropriation authorization of \$82,771 for each year of the biennium.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 433 - Museum Natural Res-Spec Rev

Funding Sources: SAH - Arkansas Museum of Natural Resources Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	26,223	58,003	50,028	58,494	58,494	58,494	58,494	
#Positions		1	2	2	2	2	2	2	
Personal Services Matching	5010003	10,382	24,140	27,151	24,277	24,277	24,277	24,277	
Total		36,605	82,143	77,179	82,771	82,771	82,771	82,771	
Funding Sources									
Fund Balance	4000005	31,937	68,053		59,441	59,441	51,672	51,672	
Special Revenue	4000030	72,721	73,531		75,002	75,002	75,752	75,752	
Total Funding		104,658	141,584		134,443	134,443	127,424	127,424	
Excess Appropriation/(Funding)		(68,053)	(59,441)		(51,672)	(51,672)	(44,653)	(44,653)	
Grand Total		36,605	82,143		82,771	82,771	82,771	82,771	

FY19 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 499 - State Operations

Funding Sources: HGA - Parks & Tourism Account

This appropriation provides State Funding for the personal services and operating expenses of the Central Administration, Tourism (including Great River Road), and Parks (including Museum Services) Divisions of the Department of Parks and Tourism. The funding source for this appropriation is general revenue.

The appropriation authority is \$21,191,903 for FY20 and \$21,205,020 for FY21.

The agency requests the FY19 authorized appropriation level as follows:

- Conference and Travel due to scheduling conflicts which prevented attendance of the annual CPE conference by several staff members.

The Agency's Change Level Requests are as follows:

- Regular Salaries and Personal Services Matching reduction of \$49,492 through a transfer of one (1) GS04 Skilled Tradesman position to Conservation Tax (500);
- Operating Expenses reallocation of \$7,412 to Grants and Aid. This program has been popular through the state, funding 31 studies in the past 18 years. The maximum grant award per grantee is \$15,000. This will allow the agency to fund up to two (2) projects per year.
- Advertising Expense reductions of \$366,864 in FY20 and \$367,181 in FY21.

The Agency Request is for appropriation authority and general revenue funding of \$20,775,547 in FY20 and \$20,788,347 in FY21.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 499 - State Operations
Funding Sources: HGA - Parks & Tourism Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries 5010000	14,080,450	14,402,765	14,814,425	14,434,112	14,434,112	14,444,412	14,444,412
#Positions	424	405	405	404	404	404	404
Extra Help 5010001	30,476	30,600	30,600	30,600	30,600	30,600	30,600
#Extra Help	5	8	8	8	8	8	8
Personal Services Matching 5010003	5,400,531	5,532,070	5,729,855	5,538,750	5,538,750	5,541,567	5,541,567
Operating Expenses 5020002	498,643	493,423	493,423	486,011	486,011	486,011	486,011
Conference & Travel Expenses 5050009	3,795	4,950	4,950	4,950	4,950	4,950	4,950
Professional Fees 5060010	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0
Grants and Aid 5100004	14,875	22,588	22,588	30,000	30,000	30,000	30,000
Capital Outlay 5120011	0	0	0	0	0	0	0
Tourism Promotion 5900046	0	0	0	0	0	0	0
Advertising Expense 5900047	591,645	232,948	617,888	251,024	251,024	250,707	250,707
Conference-DAC 5900048	100	100	100	100	100	100	100
Total	20,620,515	20,719,444	21,713,829	20,775,547	20,775,547	20,788,347	20,788,347
Funding Sources							
General Revenue 4000010	20,425,108	20,425,108		20,775,547	20,775,547	20,788,347	20,788,347
Performance Fund 4000055	195,407	294,336		0	0	0	0
Total Funding	20,620,515	20,719,444		20,775,547	20,775,547	20,788,347	20,788,347
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	20,620,515	20,719,444		20,775,547	20,775,547	20,788,347	20,788,347

Analysis of Budget Request

Appropriation: 500 - Conservation Tax

Funding Sources: SPT - Parks & Tourism Fund Account

This appropriation provides for the special revenue funding from the 1/8 Cent Sales Tax levied by Amendment 75 (A.C.A.19-6-484). The Department utilizes these funds to supplement existing funding for State Parks and to provide for their repair and further development, consistent with the referendum presented to and approved by the citizens of Arkansas in 1996.

The appropriation authority is \$53,100,413 for FY20 and \$53,100,520 for FY21.

The Agency Requests the FY19 Authorized appropriation for the following:

- Professional Fees due to some expenditures are constant and some fluctuate each fiscal year. The constant portion which was not expended is related to contracts with the Arkansas Press Association and the Arkansas Broadcasters Association. The portion that fluctuates are due to special events and parks that enter into Special Performance Agreements with contractors/vendors/entertainers.
- Construction due to open construction projects statewide. Currently, the agency has 226 continuing projects and 33 open Methods of Financing. State law requires the agency maintain commitments/funding for all open contracts. Failure to maintain the excess appropriation for each fiscal year will result in the loss of subsequent appropriation for carryover balances.
- Special Maintenance to cover plumbing, electrical, and other building materials and address the growing cost of maintaining 1,151 buildings and facilities.

The Agency's Change Level requests are as follows:

- Salaries and Personal Services Matching increase of \$49,492 due to a transfer of one (1) GS04 Skilled Tradesman from State Operations (499);
- Extra Help and Personal Services Matching increase of \$108,920 due to wage increases, hiring difficulties for remote geographic locations, turnover, competitive labor market, and low unemployment; and
- Capital Outlay restoration of \$1,878,000 to continue replacement of capital equipment.

There were no one time operating expenses requested in the previous biennium

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 500 - Conservation Tax

Funding Sources: SPT - Parks & Tourism Fund Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	5,119,602	5,928,169	5,083,636	5,889,506	5,889,506	5,892,006	5,892,006	
#Positions		158	165	165	166	166	166	166	
Extra Help	5010001	1,679,862	2,034,077	2,034,077	2,134,077	2,134,077	2,134,077	2,134,077	
#Extra Help		244	111	111	111	111	111	111	
Personal Services Matching	5010003	2,498,538	2,450,024	2,213,104	2,456,383	2,456,383	2,456,990	2,456,990	
Operating Expenses	5020002	11,336,184	8,300,084	12,122,078	12,122,078	12,122,078	12,122,078	12,122,078	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	408,707	613,894	613,894	613,894	613,894	613,894	613,894	
Construction	5090005	10,056,664	23,398,081	26,874,272	26,874,272	26,874,272	26,874,272	26,874,272	
Data Processing	5090012	0	0	0	0	0	0	0	
Resale (COGS)	5090017	0	0	0	0	0	0	0	
Capital Outlay	5120011	1,421,180	1,353,000	1,878,000	1,878,000	1,878,000	1,878,000	1,878,000	
Special Maintenance	5120032	2,915,874	3,116,174	3,168,615	3,168,615	3,168,615	3,168,615	3,168,615	
Total		35,436,611	47,193,503	53,987,676	55,136,825	55,136,825	55,139,932	55,139,932	
Funding Sources									
Fund Balance	4000005	20,706,583	17,405,505		3,300,369	3,300,369	0	0	
Special Revenue	4000030	32,135,533	33,088,367		34,081,018	34,081,018	35,103,449	35,103,449	
Total Funding		52,842,116	50,493,872		37,381,387	37,381,387	35,103,449	35,103,449	
Excess Appropriation/(Funding)		(17,405,505)	(3,300,369)		17,755,438	17,755,438	20,036,483	20,036,483	
Grand Total		35,436,611	47,193,503		55,136,825	55,136,825	55,139,932	55,139,932	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium. Expenditure of Appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 502 - Keep Arkansas Beautiful-ConsTax

Funding Sources: SBA - Keep Arkansas Beautiful

Act 1278 of 1997 (A.C.A. 15-11-603) established the Keep Arkansas Beautiful Commission to implement a statewide litter prevention program through the voluntary actions of local communities. This appropriation provides for the special revenue funding from the 1/8th Cent Sales Tax levied by Amendment 75 (A.C.A. 19-6-484). This funding will be utilized to support the Keep Arkansas Beautiful Commission and its activities.

The appropriation authority level is \$731,617 for each year of the biennium.

The agency requests the FY19 authorized appropriation level for the following:

- Extra Help is earmarked for the K-5 educational initiative;
- Conference and Travel for opportunities to attend several conferences in FY19 and the biennium;
- Professional Fees to advertise and promote the K-5 educational initiative. Savings were realized by providing professional education to manage social media in-house. Other educational materials for Pre-K will utilize this line item. The agency will work with the Department of Education and the Keep Arkansas Beautiful Foundation to fund this project.

The Agency's Change Level Requests are as follows:

- Professional Fees increase of \$100,000 to create and produce educational material for students K-5 with the Department of Education.
- Advertising Expense increase of \$50,000 to advertise and promote the K-5 educational program.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 502 - Keep Arkansas Beautiful-ConsTax

Funding Sources: SBA - Keep Arkansas Beautiful

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020 Agency	2019-2020 Executive	2020-2021 Agency	2020-2021 Executive
Regular Salaries 5010000	125,043	127,532	116,360	127,292	127,292	127,292	127,292
#Positions	3	3	3	3	3	3	3
Extra Help 5010001	0	2,500	2,500	2,500	2,500	2,500	2,500
#Extra Help	0	1	1	1	1	1	1
Personal Services Matching 5010003	41,329	45,467	42,550	45,446	45,446	45,446	45,446
Operating Expenses 5020002	86,412	89,928	89,928	89,928	89,928	89,928	89,928
Conference & Travel Expenses 5050009	0	1,500	1,500	1,500	1,500	1,500	1,500
Professional Fees 5060010	4,103	25,000	25,000	125,000	125,000	125,000	125,000
Data Processing 5090012	0	0	0	0	0	0	0
Grants and Aid 5100004	1,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Outlay 5120011	31,161	0	0	0	0	0	0
Advertising Expense 5900047	395,742	419,951	419,951	469,951	469,951	469,951	469,951
Total	684,790	731,878	717,789	881,617	881,617	881,617	881,617
Funding Sources							
Fund Balance 4000005	370,010	406,024		386,359	386,359	238,424	238,424
Special Revenue 4000030	720,804	712,213		733,682	733,682	741,019	741,019
Total Funding	1,090,814	1,118,237		1,120,041	1,120,041	979,443	979,443
Excess Appropriation/(Funding)	(406,024)	(386,359)		(238,424)	(238,424)	(97,826)	(97,826)
Grand Total	684,790	731,878		881,617	881,617	881,617	881,617

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 504 - Tourism Promotion-Special Rev

Funding Sources: TDT - Tourism Development Trust Fund

Act 629 of 1989 (A.C.A. §19-5-956) established the Tourism Development Trust Fund to promote tourism in Arkansas. Pursuant to A.C.A. § 26-52-1006, funding is derived from a 2% Gross Receipts Tax on tourist-related business. The Department utilizes this appropriation for operating expenses to promote Arkansas tourism through advertising and website promotion, grassroots campaigns, and printed materials.

The appropriation authority is \$16,117,698 for FY20 and \$16,117,821 for FY21.

The agency requests the FY19 authorized appropriation for the following:

- Extra Help due to the possibility of increasing hours of operations for the Welcome Centers and will require the current appropriation level. The agency is currently down four (4) staff members and intends to fill these positions to improve customer service.
- Conference and Travel due to new hires and strategic planning implementation will increase these expenses.

The Agency's Change Level Requests are as follows:

- Professional Fees increase of \$250,000 for a new fulfillment contract that should result in operational efficiencies, better customer service, and cost savings; and for a workplace assessment to better utilize office space and make work flow more efficiently for employees.
- Capital Outlay increase of \$70,000 to replace aging photographic equipment and vehicles.
- Tourism Promotion increase of \$500,000 to provide an overdue increase in matching for regional tourism organizations to promote their specific areas of the state, promotion of Arkansas and image enhancement via the HBO series "True Detective," and agency promotions such as small event partnerships.
- Advertising Expense increase of \$1,452,000 to continue to promote/market Arkansas by expanding partnerships with key market influencers, international marketing, research projects and general advertising to continue to attract tourist dollars to the state.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 504 - Tourism Promotion-Special Rev
Funding Sources: TDT - Tourism Development Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	238,158	277,361	247,496	283,782	283,782	283,882	283,882
#Positions		6	8	8	8	8	8	8
Extra Help	5010001	13,148	27,502	27,502	27,502	27,502	27,502	27,502
#Extra Help		4	4	8	8	8	8	8
Personal Services Matching	5010003	131,117	110,007	102,330	111,649	111,649	111,672	111,672
Operating Expenses	5020002	1,241,766	1,682,575	1,682,575	1,682,575	1,682,575	1,682,575	1,682,575
Conference & Travel Expenses	5050009	0	5,360	5,360	5,360	5,360	5,360	5,360
Professional Fees	5060010	217,786	365,000	365,000	615,000	615,000	615,000	615,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	27,075	0	0	70,000	70,000	70,000	70,000
Tourist Promotion	5900046	1,228,680	1,272,000	1,272,000	1,772,000	1,772,000	1,772,000	1,772,000
Advertising Expense	5900047	11,839,599	12,219,830	12,219,830	13,671,830	13,671,830	13,671,830	13,671,830
Small Festival Expenses, Advert	5900048	21,065	150,000	150,000	150,000	150,000	150,000	150,000
Total		14,958,394	16,109,635	16,072,093	18,389,698	18,389,698	18,389,821	18,389,821
Funding Sources								
Fund Balance	4000005	2,860,784	2,770,845		1,964,035	1,964,035	0	0
Special Revenue	4000030	14,868,455	15,302,825		15,791,910	15,791,910	16,264,767	16,264,767
Total Funding		17,729,239	18,073,670		17,755,945	17,755,945	16,264,767	16,264,767
Excess Appropriation/(Funding)		(2,770,845)	(1,964,035)		633,753	633,753	2,125,054	2,125,054
Grand Total		14,958,394	16,109,635		18,389,698	18,389,698	18,389,821	18,389,821

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 54L - Wildlife Observation Trails

Funding Sources: SWO - Wildlife Observation Trail Fund

Act 686 of 2009 established that the Arkansas State Game and Fish Commission make available \$1,000,000 in FY2010 and FY2011 for the Wildlife Observation Trails Pilot Program. Wildlife Observation Trail means a trail route designed to promote conservation and management of wildlife resources of the state and to promote tourism and economic development through the enjoyment, use, protection and improvement of the natural resources of Arkansas.

No funding has been received to date.

The FY19 Authorized appropriation level is \$1,006,614 for each year of the biennium.

The Agency Request is for the authorized appropriation level for each year of the biennium. This is directly related to grant program that if funded, is of great benefit to our department. We have pending projects that could be funded through this source. The grants align well with our mission and would have a high probability of receiving funding. In the event this appropriation was taken away, we would still pursue grant funding and would have to request approval through committee for additional appropriation.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 54L - Wildlife Observation Trails

Funding Sources: SWO - Wildlife Observation Trail Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	0	6,614	6,614	6,614	6,614	6,614	6,614	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	0	0	0	0	0	0	0	
Data Processing	5090012	0	0	0	0	0	0	0	
Grants and Aid	5100004	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		0	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	1,006,614	
Funding Sources									
Special Revenue	4000030	0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	
Total Funding		0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		0	1,006,614		1,006,614	1,006,614	1,006,614	1,006,614	

Analysis of Budget Request

Appropriation: 579 - Outdoor Recreation Grants Prg

Funding Sources: MPT - Parks & Tourism Outdoor Recreation

The Agency utilizes this appropriation for operating expenses and outdoor recreational grants to cities and counties. Funding is derived from the State Parks' portion of the proceeds of the Real Estate Transfer Tax increase levied by Act 729 of 1987, and further increased by Act 1181 of 1993 (A.C.A. 26-60-105).

The FY19 Authorized appropriation level is \$7,807,077 for each year of the biennium.

The agency requests the FY19 authorized amount for the following:

- Operating Expenses due to anticipated increases in grant awards. The agency expends the SCORP (2JJ) Federal Grant Operating Expenses as allowable before expending the Outdoor Recreation Grants Program Operating Expenses. The agency anticipates travel, training, office rent and other Operating Expenses will likely increase over the biennium due to the anticipated increases in grant awards.
- Conference and Travel due to due to travel costs coded to Operating Expenses. Applicable travel costs need to be changed from Operating Expenses to Conference and Travel. The agency will implement accounting procedures and approval of training/travel immediately. Outdoor Grants staff routinely attend seminars and conferences that involve training.
- Grants and Aid allotment from the Real Estate Transfer Tax has consistently increased each year. Grantees are allowed up to five (5) years to complete their projects and may request reimbursement any time during that 5 year period. The FY18 unexpended balance of state-funded Matching Grants awarded is \$5,434,827. Sufficient appropriation is required to commit these awarded, but unexpended grants and to allow for new grant awards each fiscal year. Awards for state-funded Matching Grants in FY2018 totaled \$2,877,405.

The Agency's Change Level Requests are as follows:

- Extra Help and Personal Services Matching increase of \$10,892 to hire a park administrative assistant at a competitive market rate or for the 1,800 hours planned for the position;
- Conference and Travel increase of \$3,500 for staff who routinely attend seminars and conferences that involve training.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 579 - Outdoor Recreation Grants Prg
Funding Sources: MPT - Parks & Tourism Outdoor Recreation

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	148,563	147,051	149,563	150,438	150,438	150,438	150,438
#Positions		4	4	4	4	4	4	4
Extra Help	5010001	0	15,210	15,210	25,210	25,210	25,210	25,210
#Extra Help		0	1	1	1	1	1	1
Personal Services Matching	5010003	71,115	57,162	57,506	58,920	58,920	58,920	58,920
Operating Expenses	5020002	9,672	37,020	37,020	37,020	37,020	37,020	37,020
Conference & Travel Expenses	5050009	0	1,500	1,500	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	1,908,828	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881	7,544,881
Capital Outlay	5120011	27,966	0	30,000	0	0	0	0
Total		2,166,144	7,802,824	7,835,680	7,821,469	7,821,469	7,821,469	7,821,469
Funding Sources								
Fund Balance	4000005	5,002,130	5,761,871		863,116	863,116	0	0
Special Revenue	4000030	2,925,885	2,904,069		2,991,191	2,991,191	3,080,927	3,080,927
Total Funding		7,928,015	8,665,940		3,854,307	3,854,307	3,080,927	3,080,927
Excess Appropriation/(Funding)		(5,761,871)	(863,116)		3,967,162	3,967,162	4,740,542	4,740,542
Grand Total		2,166,144	7,802,824		7,821,469	7,821,469	7,821,469	7,821,469

Expenditure of Appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 986 - Operations & Construction-Cash in Treasury

Funding Sources: NPT - Parks Fund

This appropriation is financed by cash receipts and interest income generated by the State Park System. Cash receipts include the fees charged for park facility usage and/or property rentals, the sale of items purchased from gift shops, restaurant operations, and other miscellaneous receipts. The Department utilizes this appropriation to provide staff and operational support to park and museum activities.

The appropriation authority level is \$36,249,902 for FY20 and \$36,256,362 for FY21.

The agency requests the FY19 Authorized appropriation level as follows:

- Operating Expenses - In FY19 and forward projections are to use more cash fund Operating Expenses. Based on the amounts of revenue that is generated each year, this fund source, as well as what is spent from it, changes.
- Debt Service - Bond payments for incurred debt fluctuate annually based on interest rates. This appropriation will be used in total over the next biennium. Depending on when the actual payment is made, has a direct impact on appropriation used.
- Construction - This is for the emergency funding for unplanned expenses related to maintaining 52 State Parks. These funds are important to have available to address any health and safety concerns that may arise. This is also used for the funding of up front costs related to grants that will eventually receive reimbursement. Funding for federal grants changes from year to year.

The Agency's Change Level Requests are as follows:

- Extra Help and Personal Services Matching increase of \$108,920 for additional staff expenses due to minimum wage increases, difficulty hiring in remote geographic locations, turnover, competitive market and low unemployment;
- Professional Fees increase of \$391,900 due to advertising cost increases and to maintain our current level of revenues, and continue to grow;
- Capital Outlay restoration of \$525,000 to continue to replace aging capital equipment.

There were no one time expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 986 - Operations & Construction-Cash in Treasury

Funding Sources: NPT - Parks Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	6,436,248	7,734,440	5,976,318	7,708,847	7,708,847	7,714,047	7,714,047
#Positions		191	209	209	209	209	209	209
Extra Help	5010001	3,857,317	4,519,367	4,519,367	4,619,367	4,619,367	4,619,367	4,619,367
#Extra Help		438	678	679	679	679	679	679
Personal Services Matching	5010003	3,481,512	3,331,314	2,808,954	3,336,346	3,336,346	3,337,606	3,337,606
Operating Expenses	5020002	8,478,091	9,949,525	9,949,525	9,949,525	9,949,525	9,949,525	9,949,525
Conference & Travel Expenses	5050009	5,379	40,500	40,500	40,500	40,500	40,500	40,500
Professional Fees	5060010	1,295,843	1,608,100	1,608,100	2,000,000	2,000,000	2,000,000	2,000,000
Construction	5090005	131,296	500,000	500,000	500,000	500,000	500,000	500,000
Data Processing	5090012	0	0	0	0	0	0	0
Resale (COGS)	5090017	4,331,992	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961	5,058,961
Capital Outlay	5120011	59,844	525,000	525,000	525,000	525,000	525,000	525,000
Debt Service	5120019	2,582,355	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999	3,050,999
Contractual Services	5900043	302,999	486,177	486,177	486,177	486,177	486,177	486,177
Total		30,962,876	36,804,383	34,523,901	37,275,722	37,275,722	37,282,182	37,282,182

Funding Sources								
Fund Balance	4000005	11,560,458	12,580,898		6,097,729	6,097,729	0	0
Cash Fund	4000045	31,983,316	30,321,214		29,563,703	29,563,703	29,859,339	29,859,339
Total Funding		43,543,774	42,902,112		35,661,432	35,661,432	29,859,339	29,859,339
Excess Appropriation/(Funding)		(12,580,898)	(6,097,729)		1,614,290	1,614,290	7,422,843	7,422,843
Grand Total		30,962,876	36,804,383		37,275,722	37,275,722	37,282,182	37,282,182

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 994 - Retirement & Relocation Program

Funding Sources: TDT - Tourism Development Trust Fund

Act 609 of 1997 (A.C.A. §25-13-301) created the Retirement and Relocation Program to promote economic development of the State by encouraging retirees to relocate to Arkansas. Funding is derived from general revenues. The Department utilizes the appropriation for advertising expenses to encourage retirees to relocate to Arkansas.

The FY19 Authorized appropriation level is \$928,278 for each year of the biennium.

The Agency requests the FY19 authorized appropriation as follows:

- Operating Expenses - The Tourism Division has added elements to its Retirement/Relocation program that includes attendance at consumer trade shows. This, along with a redeveloped web site and new digital targeted ads, is expected to generate an increase in information requests thereby driving up our postage expenses and utilizing all.
- Conference and Travel due to the newly added consumer trade show will use the majority of this appropriation.

The Agency's Change Level Requests are as follows:

- Operating Expenses increase of \$23,341;
- Conference and Travel increase of \$10,000 for a newly added trade show; and
- Professional Fees increase of \$7,000

These increases are to continue the agency's growing efforts to attract new residents and businesses to the state.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 994 - Retirement & Relocation Program

Funding Sources: TDT - Tourism Development Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
					Agency	Executive	Agency	Executive
Operating Expenses	5020002	10,684	22,500	26,659	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	0	0	0	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	3,000	3,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Advertising Expense	5900047	891,259	898,619	898,619	898,619	898,619	898,619	898,619
Total		901,943	924,119	928,278	968,619	968,619	968,619	968,619
Funding Sources								
Special Revenue	4000030	901,943	924,119		968,619	968,619	968,619	968,619
Total Funding		901,943	924,119		968,619	968,619	968,619	968,619
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		901,943	924,119		968,619	968,619	968,619	968,619

Analysis of Budget Request

Appropriation: 995 - Tourism - Cash in Treasury

Funding Sources: NPT - Tourism Operations

This appropriation provides for the operation of the Gift Shop in the Central Office. Funding is derived from the sale of merchandise from the Gift Shop. Items for resale are purchased in bulk as necessary.

The FY19 Authorized appropriation level is \$55,010 for each year of the biennium.

The Agency's Change Level Requests are as follows:

- Operating Expenses reduction of \$13,948 and reallocation of \$2,438 to Resale (COGS) and
- Resale (COGS) reduction of \$11,034 and reallocation of \$2,438 from Operating Expenses.

The reductions and reallocation will bring the appropriation in line with actual expenditures.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 995 - Tourism - Cash in Treasury

Funding Sources: NPT - Tourism Operations

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2019-2020		2020-2021	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	3,252	3,062	15,010	3,500	3,500	3,500	3,500
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Resale (COGS)	5090017	23,350	28,093	40,000	26,528	26,528	26,528	26,528
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		26,602	31,155	55,010	30,028	30,028	30,028	30,028
Funding Sources								
Fund Balance	4000005	31,693	17,954		299	299	0	0
Cash Fund	4000045	12,863	13,500		13,905	13,905	14,322	14,322
Total Funding		44,556	31,454		14,204	14,204	14,322	14,322
Excess Appropriation/(Funding)		(17,954)	(299)		15,824	15,824	15,706	15,706
Grand Total		26,602	31,155		30,028	30,028	30,028	30,028

Analysis of Budget Request

Appropriation: 996 - Entertainers Hall of Fame-Treas

Funding Sources: NPT - Parks & Tourism Hall of Fame

Act 671 of 1985 (A.C.A. 13-9-101) as amended created the Arkansas Entertainers Hall of Fame Board to honor individuals who by achievement or service have made outstanding and lasting contributions in entertainment. During the 81st General Assembly, Act 255 of 1997 transferred the authority and responsibility for the administration of the Arkansas Hall of Fame to the Arkansas Department of Parks and Tourism. Additional funding is provided by donations from private sources and the City of Pine Bluff, where the Agency is located. This appropriation provides for the operation of the Arkansas Entertainers Hall of Fame.

The Agency's Change Level Request is as follows:

- Various Expenses-Entertainers Hall of Fame reduction of \$37,460 to discontinue the program. The Entertainers Hall of Fame was transferred to the city of Pine Bluff in 2018.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 996 - Entertainers Hall of Fame-Treas

Funding Sources: NPT - Parks & Tourism Hall of Fame

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Various Exp - Entrtainers Hall of 5900046	38,367	0	37,460	0	0	0	0
Total	38,367	0	37,460	0	0	0	0
Funding Sources							
Fund Balance 4000005	37,626	0		0	0	0	0
Interest 4000300	741	0		0	0	0	0
Total Funding	38,367	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	38,367	0		0	0	0	0

Analysis of Budget Request

Appropriation: V55 - War Memorial Stadium Gen. Rev.

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Operations appropriation funded by general revenue provides for operations and maintenance of War Memorial Stadium. This appropriation in part replaced the general revenue the Stadium was receiving through the City and County Tourist Meeting and Entertainment Facilities Assistance Law, A.C.A. §14-171-215, from fiscal years 1996 to 2004.

The War Memorial Stadium Commission was transferred to the Arkansas Department of Parks and Tourism pursuant to Act 269 of 2017.

The appropriation authority is \$885,656 for each year of the biennium.

Overtime variance to Authorized appropriation, ADPT employees earn compensatory time for overtime hours worked. This appropriation is discontinued for the FY2019 - FY2021 biennium.

The Agency's Change Level Requests are as follows:

- Regular Salaries and Personal Services Matching reduction of \$33,142 through a transfer of one (1) GS01 Maintenance Assistant to War Memorial Stadium - Cash (V56);
- Extra Help and Personal Services Matching reduction of \$43,568 through a transfer to War Memorial Stadium - Cash (V56);
- Overtime and Personal Services Matching reduction of \$1,864; and
- Operating Expenses increase of \$12,198 for Buildings and Ground Maintenance, offset by a reduction of \$371,633.

The Agency's Request is for appropriation authority and general revenue funding of \$447,647 for each year.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V55 - War Memorial Stadium Gen. Rev.

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
					Agency	Executive	Agency	Executive
Regular Salaries	5010000	307,836	301,340	365,493	322,015	322,015	322,015	322,015
#Positions		7	7	8	7	7	7	7
Extra Help	5010001	36,461	29,011	40,000	0	0	0	0
#Extra Help		9	1	15	0	0	0	0
Personal Services Matching	5010003	106,440	117,296	116,668	113,434	113,434	113,434	113,434
Overtime	5010006	0	0	1,500	0	0	0	0
Operating Expenses	5020002	371,012	0	371,633	12,198	12,198	12,198	12,198
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		821,749	447,647	895,294	447,647	447,647	447,647	447,647
Funding Sources								
General Revenue	4000010	821,749	447,647		447,647	447,647	447,647	447,647
Total Funding		821,749	447,647		447,647	447,647	447,647	447,647
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		821,749	447,647		447,647	447,647	447,647	447,647

FY19 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2017-2019 Biennium. Pursuant to Act 269 of 2017, the War Memorial Stadium Commission was transferred to the Department of Parks and Tourism.

Analysis of Budget Request

Appropriation: V56 - War Memorial Stadium Cash

Funding Sources: NPT - War Memorial Stadium - Cash

Created by Act 232 of 1967, the War Memorial Stadium Commission strives to keep the facility in the best possible condition for athletics, entertainment, events and community service events, which are all for the enjoyment of the citizens and visitors of our State. Funding for the cash operations of the Stadium is generated from rental of the Stadium and profits from concession/novelty sales charged pursuant to Arkansas Code Annotated §22-3-1002.

The War Memorial Stadium Commission was transferred to the Arkansas Department of Parks and Tourism pursuant to Act 269 of 2017.

The appropriation authority level is \$2,893,050 for FY20 for each year of the biennium.

The agency requests the FY19 Authorized appropriation levels as follows:

- Conference and Travel due to travel costs coded to Operating Expenses. Applicable travel costs need to be changed from Operating Expenses to Conference and Travel. The agency will implement accounting procedures and approval of training/travel immediately.
- Refunds/Reimbursements is used for reimbursements related to ticket sales and fulfilling contracts (i.e. colleges, universities, high schools, Arkansas Athletic Association, etc.). The amount varies from year to year based on the number of games and attendance at those games. With the signing of the new contract with UA, the agency anticipates the continued need for this appropriation.

The Agency's Change Level Requests are as follows:

- Regular Salaries and Personal Services Matching increase of \$33,142 through a transfer of one (1) GS01 Maintenance Assistant from War Memorial Stadium - Gen. Rev. (V56)
- Extra Help and Personal Services Matching increase of \$43,568 through a transfer of fifteen (15) positions from War Memorial Stadium - Gen. Rev. (V55) and a reduction of \$19,606 of Extra Help and Personal Services Matching and an increase through a reallocation of \$7,625 of Extra Help and Personal Services Matching from Overtime.
- Overtime and Personal Services Matching decrease through a reallocation of \$8,699 to Extra Help.
- Operating Expenses increase of \$1,040,094, which includes a reallocation of \$1,012,000 from Resale (COGS), an increase of \$54,538, and decreases by reallocation of \$26,444.
- Conference and Travel reduction of \$2,000
- Professional Fees decrease by reallocation of \$54,538
- Resale (COGS) reallocation of \$1,012,000 to Operating Expenses
- Refunds/Reimbursements decrease by reallocation of \$30,000

Capital Outlay increase by reallocation of \$25,000

- Debt Service decrease of \$600,000
- Special Maintenance increase of \$30,289

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V56 - War Memorial Stadium Cash

Funding Sources: NPT - War Memorial Stadium - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
	2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020 Agency	2019-2020 Executive	2020-2021 Agency	2020-2021 Executive
Regular Salaries 5010000	0	0	0	22,614	22,614	22,614	22,614
#Positions	0	0	0	1	1	1	1
Extra Help 5010001	165,440	115,000	115,000	144,000	144,000	144,000	144,000
#Extra Help	37	3	135	150	150	150	150
Personal Services Matching 5010003	35,960	10,259	10,457	23,372	23,372	23,372	23,372
Overtime 5010006	0	0	7,000	0	0	0	0
Operating Expenses 5020002	1,400,663	1,699,847	647,555	1,687,649	1,687,649	1,687,649	1,687,649
Conference & Travel Expenses 5050009	35	0	2,000	0	0	0	0
Professional Fees 5060010	1,419	0	54,538	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0
Resale (COGS) 5090017	370,340	213,000	1,225,000	213,000	213,000	213,000	213,000
Refunds/Reimbursements 5110014	154,158	206,500	230,000	200,000	200,000	200,000	200,000
Capital Outlay 5120011	0	0	0	25,000	25,000	25,000	25,000
Debt Service 5120019	0	0	600,000	0	0	0	0
Special Maintenance 5120032	0	0	0	30,289	30,289	30,289	30,289
Total	2,128,015	2,244,606	2,891,550	2,345,924	2,345,924	2,345,924	2,345,924

Funding Sources							
Fund Balance 4000005	0	776,812		290,332	290,332	0	0
Cash Fund 4000045	1,717,703	1,758,126		1,814,312	1,814,312	1,868,621	1,868,621
Transfers / Adjustments 4000683	1,187,124	0		0	0	0	0
Total Funding	2,904,827	2,534,938		2,104,644	2,104,644	1,868,621	1,868,621
Excess Appropriation/(Funding)	(776,812)	(290,332)		241,280	241,280	477,303	477,303
Grand Total	2,128,015	2,244,606		2,345,924	2,345,924	2,345,924	2,345,924

Budget exceeds Authorized Appropriation in Operating Expenses due to a transfer from the Cash Fund Holding Account.

Expenditure of appropriation is contingent upon available funding.

Pursuant to Act 269 of 2017, the War Memorial Stadium Commission was transferred to the Department of Parks and Tourism.

TAB 17

SUMMARY BUDGET INFORMATION
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ASSESSMENT COORDINATION DEPARTMENT

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(258) Assessment Coordination-State Operations	9
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ASSESSMENT COORDINATION DEPARTMENT

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	15	7	22	88 %
Black Employees	2	1	3	12 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	12 %
Total Employees			25	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Agri Land Values	A.C.A. 26-26-407	N	Y	25	Statute requires every county and appraisal company to be provided with listing of agri land values. Also provided electronically.	0	0.00
AR Property Tax Equalization and Appeals System - A Synopsis	None	N	N	75	Annual update of the property tax system intended to aid public understanding and used as a guide by county assessors and county equalization boards. Also provided on Agency website.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
County Board of Equalization Model Uniform Hearing Procedures	A.C.A. 26-27-317	N	N	75	Provided upon request to County Clerks, Equalization Board Members and property owners. Also provided on Agency website.	0	0.00
Millage Report	None	N	N	10	Provided upon request to be used as a source to identify all taxing units and their millage rates. Also provided on the Agency website.	0	0.00
Real Estate Manual	A.C.A. 26-26-1904	N	N	10	Provided upon request as a guide in counties for assessment of real property.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1VC Real Property Reappraisal Program	14,550,819	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0	15,750,000	0
215 County Assessors Continuing Education	0	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0	60,000	0
258 Assessment Coordination-State Operations	3,257,167	33	3,527,608	36	3,456,684	36	3,525,042	36	3,525,042	36	3,528,119	36	3,528,119	36
99Z Cash Operations	113,650	0	55,000	0	55,000	0	55,000	0	55,000	0	55,000	0	55,000	0
Total	17,921,636	33	19,392,608	36	19,321,684	36	19,390,042	36	19,390,042	36	19,393,119	36	19,393,119	36

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	2,851,074	14.0	2,416,408	11.9			863,507	4.6	863,507	4.6	318,173	1.8
General Revenue	4000010	534,449	2.6	534,449	2.6			536,172	2.9	536,172	2.9	539,248	3.0
Cash Fund	4000045	40,019	0.2	30,000	0.1			30,000	0.2	30,000	0.2	30,000	0.2
Ad Valorem Tax	4000060	2,620,441	12.9	2,980,258	14.7			2,980,258	15.9	2,980,258	15.9	2,980,258	16.4
County Assessors Cont Educ	4000170	41,861	0.2	45,000	0.2			45,000	0.2	45,000	0.2	45,000	0.2
Intra-agency Fund Transfer	4000317	200	0.0	0	0.0			0	0.0	0	0.0	0	0.0
Real Property Reappraisal	4000405	14,250,000	70.1	14,250,000	70.3			14,250,000	76.2	14,250,000	76.2	14,250,000	78.5
Total Funds		20,338,044	100.0	20,256,115	100.0			18,704,937	100.0	18,704,937	100.0	18,162,679	100.0
Excess Appropriation/(Funding)		(2,416,408)		(863,507)				685,105		685,105		1,230,440	
Grand Total		17,921,636		19,392,608				19,390,042		19,390,042		19,393,119	

Budget exceeds authorized appropriation in State Operations (258) due to salary and matching rate adjustments during the 2017-2019 biennium. Variance in Fund Balance is due to unfunded appropriation in State Operations (258).

Analysis of Budget Request

Appropriation: 1VC - Real Property Reappraisal Program

Funding Sources: GPR - Real Property Reappraisal Fund

The Assessment Coordination Department administers the Real Property Reappraisal Program in which the market value of real property in all of the State's 75 counties is reappraised every three to five years for taxation purposes, as mandated by A.C.A. §26-26-1902 et seq. Special language provides for funding of this program by proportional transfers from the Public School Fund (76%), the County Aid Fund (16%), and the Municipal Aid Fund (8%) up to a total of \$14,250,000.

The agency requests the FY19 authorized appropriation level of \$15,750,000 for each year of the biennium.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VC - Real Property Reappraisal Program

Funding Sources: GPR - Real Property Reappraisal Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Real Property Reappraisal 5900046	14,550,819	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000
Total	14,550,819	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000	15,750,000
Funding Sources							
Intra-agency Fund Transfer 4000317	300,819	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000
Real Property Reappraisal 4000405	14,250,000	14,250,000		14,250,000	14,250,000	14,250,000	14,250,000
Total Funding	14,550,819	15,750,000		15,750,000	15,750,000	15,750,000	15,750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	14,550,819	15,750,000		15,750,000	15,750,000	15,750,000	15,750,000

Analysis of Budget Request

Appropriation: 215 - County Assessors Continuing Education

Funding Sources: TCA - County Assessors Continuing Education Fund

The Assessment Coordination Department's County Assessors Continuing Education Program is funded by \$600 assessments collected annually from the counties, as authorized by Arkansas Code §19-5-944. These proceeds are used to provide educational courses for local assessment personnel.

The FY19 Authorized appropriation level is \$60,000 for each year of the biennium.

The agency requests Operating Expenses and Professional Fees continue at the authorized appropriation levels of \$51,600 and \$8,400; respectively in the event other funding sources are not available or for unplanned/emergency training needs. The agency has historically funded assessor continuing education programs through the Assessor's School line item in the State Operations appropriation. This will preserve the trust fund and prevent counties from undue hardship in the event of need.

The agency requests the FY19 Authorized appropriation for each year.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 215 - County Assessors Continuing Education
Funding Sources: TCA - County Assessors Continuing Education Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Operating Expenses	5020002	0	51,600	51,600	51,600	51,600	51,600	51,600	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	0	8,400	8,400	8,400	8,400	8,400	8,400	
Data Processing	5090012	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		0	60,000	60,000	60,000	60,000	60,000	60,000	
Funding Sources									
Fund Balance	4000005	257,834	299,695		284,695	284,695	269,695	269,695	
County Assessors Cont Educ	4000170	41,861	45,000		45,000	45,000	45,000	45,000	
Total Funding		299,695	344,695		329,695	329,695	314,695	314,695	
Excess Appropriation/(Funding)		(299,695)	(284,695)		(269,695)	(269,695)	(254,695)	(254,695)	
Grand Total		0	60,000		60,000	60,000	60,000	60,000	

Analysis of Budget Request

Appropriation: 258 - Assessment Coordination-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Assessment Coordination Department's State Operations appropriation is funded by general revenue and Ad Valorem Tax as authorized by A.C.A. §19-5-906.

The appropriation authority is \$3,525,042 for FY20 and \$3,528,119 for FY21.

The agency requests FY19 appropriation levels as follows:

- Operating Expenses of \$622,240 due to the anticipated need to implement any changes to mineral valuation methodologies based upon a review/recommendations on mineral valuations performed in FY18. Additionally, a project from FY18 will be completed in FY19.
- Conference and Travel of \$49,869 for training future staff and maintaining the required continuing education of our auditors. Expenses cannot be projected due to variances in travel expenses, location of the training and number of staff required to attend. In addition, any changes to the mineral valuation methodologies will require new training for staff.
- Assessor's School of \$325,000 due to the increase in the number of classes from six (6) to ten (10) per year to meet the need for training county assessors and reappraisal contractors. The agency pays for class materials, registration, instructor fees and reimburses county employees for travel, lodging and meal expenses incurred for attendance. The personal property instruction manual will be revised during FY19 which will require additional training for county employees. Any changes to mineral valuations will require new training for county assessors. One (1) class held in June 2018 was not expensed in FY18. The cost was approximately \$40,000.
- Education Incentive of \$150,000 for professional development recognition payments to county assessors, full time employees of county assessors, and state employees who actively work in the ad valorem tax area. Annual payments range from \$500 - \$2,000 depending upon the certification level. Due to employee turnover and the success of eligible persons to attain higher certification cannot be predicted.

The agency requests the appropriation authority level of \$3,525,042 for FY20 and \$3,528,119 for FY21.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 258 - Assessment Coordination-State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,625,060	1,777,968	1,711,782	1,774,582	1,774,582	1,777,082	1,777,082
#Positions		33	36	36	36	36	36	36
Extra Help	5010001	13,404	2,500	2,500	2,500	2,500	2,500	2,500
#Extra Help		1	1	3	3	3	3	3
Personal Services Matching	5010003	557,877	590,031	585,293	590,851	590,851	591,428	591,428
Operating Expenses	5020002	505,362	622,240	622,240	622,240	622,240	622,240	622,240
Conference & Travel Expenses	5050009	42,587	49,869	49,869	49,869	49,869	49,869	49,869
Professional Fees	5060010	113,650	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Assessor's School	5900046	272,679	325,000	325,000	325,000	325,000	325,000	325,000
Assessment Educ Incentive	5900047	126,548	150,000	150,000	150,000	150,000	150,000	150,000
Total		3,257,167	3,527,608	3,456,684	3,525,042	3,525,042	3,528,119	3,528,119
Funding Sources								
Fund Balance	4000005	2,421,131	2,018,235		505,334	505,334	0	0
General Revenue	4000010	534,449	534,449		536,172	536,172	539,248	539,248
Ad Valorem Tax	4000060	2,620,441	2,980,258		2,980,258	2,980,258	2,980,258	2,980,258
Intra-agency Fund Transfer	4000317	(300,619)	(1,500,000)		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Total Funding		5,275,402	4,032,942		2,521,764	2,521,764	2,019,506	2,019,506
Excess Appropriation/(Funding)		(2,018,235)	(505,334)		1,003,278	1,003,278	1,508,613	1,508,613
Grand Total		3,257,167	3,527,608		3,525,042	3,525,042	3,528,119	3,528,119

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 99Z - Cash Operations

Funding Sources: NCA - Assessment Coordination - Cash in Treasury

The Assessment Coordination Department's Cash in Treasury appropriation is funded by proceeds from the sales of property assessment and appraisal publications to parties in the private sector. Tuition is also collected from private citizens who enroll in assessment and appraisal courses conducted by the Department. These resources are used to purchase educational materials, defray printing costs, and pay for evaluations of agency methods and procedures to determine their compliance with guidelines of the International Association of Assessing Officers.

The FY19 Authorized appropriation level is \$55,000 for each year of the biennium.

In FY18, an unanticipated study of Arkansas' mineral assessment methodology by a professional consulting firm and partly paid from this appropriation. This cash fund consists of registration fees charged to contractors and other non-county organizations that have ad valorem educational needs through our classes and fall conference. Historically, the department does not use these funds except in the event other funding sources are not available. Having this cash fund available will help assist the department from asking for additional appropriation if all other fund appropriations are spent.

The agency requests the authorized appropriation level for each year in the event other funding sources are not available or for unplanned/emergency agency needs.

There were no one time operating expenses requested in the previous biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 99Z - Cash Operations

Funding Sources: NCA - Assessment Coordination - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Operating Expenses 5020002	0	33,000	33,000	33,000	33,000	33,000	33,000
Conference & Travel Expenses 5050009	0	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees 5060010	113,650	17,000	17,000	17,000	17,000	17,000	17,000
Data Processing 5090012	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0
Total	113,650	55,000	55,000	55,000	55,000	55,000	55,000
Funding Sources							
Fund Balance 4000005	172,109	98,478		73,478	73,478	48,478	48,478
Cash Fund 4000045	40,019	30,000		30,000	30,000	30,000	30,000
Total Funding	212,128	128,478		103,478	103,478	78,478	78,478
Excess Appropriation/(Funding)	(98,478)	(73,478)		(48,478)	(48,478)	(23,478)	(23,478)
Grand Total	113,650	55,000		55,000	55,000	55,000	55,000

TAB 18

SUMMARY BUDGET INFORMATION
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ARKANSAS MINORITY HEALTH COMMISSION

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AR MINORITY HEALTH COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	0	0	0	0 %
Black Employees	0	6	6	86 %
Other Racial Minorities	0	1	1	14 %
Total Minorities			7	100 %
Total Employees			7	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
AMHC Annual Report	A.C.A. §19-12-114, A.C.A. §20-2-101	Y	Y	100	Requests by the Public, Commissioners and Legislators	0	0.00
AMHC Yearly Magazine - Bridge	A.C.A. §19-12-114 (Initiated Act 1 of 2000)	N	N	0	Requests by the Public and Commissioners	0	0.00
Arkansas Racial & Ethnic Health Disparity Study Report	A.C.A. §20-2-101 (Act 912 of 1991)	N	Y	100	Requests by the Public, Institutions, and Agencies	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Minority Health Consortium Directory	A.C.A. §19-12-114, A.C.A. §20-2-101	N	N	0	Requests by the Public, Commissioners and Legislators	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2MF Treasury Cash	0	0	25,949	0	65,000	0	65,000	0	25,949	0	65,000	0	25,949	0
463 Minority Health Initiative	971,538	5	1,686,078	6	1,647,770	6	1,650,775	5	1,650,775	5	1,650,897	5	1,650,897	5
815 Minority Health Operations	192,004	3	217,890	3	198,333	3	219,101	3	219,101	3	219,101	3	219,101	3
Total	1,163,542	8	1,929,917	9	1,911,103	9	1,934,876	8	1,895,825	8	1,934,998	8	1,895,947	8

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	24,199	2.0	26,371	1.4	422	0.0	422	0.0	0	0.0	0	0.0
General Revenue	4000010	192,004	16.1	198,333	10.3	219,101	11.7	219,101	11.7	219,101	11.7	219,101	11.7
Cash Fund	4000045	2,172	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Performance Fund	4000055	0	0.0	19,557	1.0	0	0.0	0	0.0	0	0.0	0	0.0
Tobacco Settlement	4000495	971,538	81.6	1,686,078	87.3	1,650,775	88.3	1,650,775	88.3	1,650,897	88.3	1,650,897	88.3
Total Funds		1,189,913	100.0	1,930,339	100.0	1,870,298	100.0	1,870,298	100.0	1,869,998	100.0	1,869,998	100.0
Excess Appropriation/(Funding)		(26,371)		(422)		64,578		25,527		65,000		25,949	
Grand Total		1,163,542		1,929,917		1,934,876		1,895,825		1,934,998		1,895,947	

Analysis of Budget Request

Appropriation: 2MF - Treasury Cash

Funding Sources: NMH - Cash in Treasury

This cash fund appropriation allows the Agency to expense any grants, donations, or reimbursements that it may receive on reimbursements for expenses of providing seminars or educational activities.

The Agency is requesting the FY19 Authorized Appropriation level of \$65,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- In order to fully implement goals, objectives and programs of the agency for the good of the people.

The Executive Recommendation provides for the appropriation at the FY19 Budgeted Level of \$25,949 each year. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 2MF - Treasury Cash
Funding Sources: NMH - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Personal Svcs & Oprs Exp 5900046	0	25,949	65,000	65,000	25,949	65,000	25,949
Total	0	25,949	65,000	65,000	25,949	65,000	25,949
Funding Sources							
Fund Balance 4000005	24,199	26,371		422	422	0	0
Cash Fund 4000045	2,172	0		0	0	0	0
Total Funding	26,371	26,371		422	422	0	0
Excess Appropriation/(Funding)	(26,371)	(422)		64,578	25,527	65,000	25,949
Grand Total	0	25,949		65,000	25,949	65,000	25,949

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 463 - Minority Health Initiative

Funding Sources: TSE - Targeted State Needs Program Account

The Tobacco Settlement Funded Minority Health Initiative is one of four targeted state needs programs established by Initiated Act 1 of 2000. This Initiative was established and is administered by the Agency to provide screening, monitoring, and treatment of hypertension, stroke, and other disorders disproportionately critical to the State's minorities.

Special Language allows the Agency to transfer from its Operating Expenses and/or Screening, Monitoring, Treating and Outreach appropriation and funds to be used in the acquisition of promotional items.

The Agency's Change Level Request each year of the Biennium includes the following:

- Regular Salaries and Personal Services Matching decrease of (\$33,756) each year due to elimination of one (1) Administrative Analyst GS02 position. The position has not been filled since January 2017.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justifications:

- Operating Expenses in order to fully execute some of the signature programs such as Southern Ain't Fried Sundays (minority healthy eating initiative) and Camp iROCK (adolescent nutrition, physical activity and self-esteem camp).
- Conference and Travel in order for staff to attend out of state conferences and training.
- Professional Fees in order to execute the nurse contract to provide screening services for the mobile health unit.
- Screen/Monitor/Treat and Outreach in order to procure the Commission's newest initiative which is a mobile health unit (MHU) that will provide lifesaving health screening statewide for the chronic illnesses that disproportionately impact minorities such as: Hypertension, Cholesterol, Heart Disease, Stroke, and HIV/AIDS. The MHU will provide an avenue to reach all 75 counties.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 463 - Minority Health Initiative
Funding Sources: TSE - Targeted State Needs Program Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	174,886	240,299	209,589	215,531	215,531	215,631	215,631
#Positions		5	6	6	5	5	5	5
Personal Services Matching	5010003	64,246	85,437	77,839	74,902	74,902	74,924	74,924
Operating Expenses	5020002	359,990	531,788	531,788	531,788	531,788	531,788	531,788
Conference & Travel Expenses	5050009	56,575	20,000	20,000	20,000	20,000	20,000	20,000
Professional Fees	5060010	161,594	250,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Screen/Monitor/Treat & Outreach	5900046	154,247	558,554	558,554	558,554	558,554	558,554	558,554
Total		971,538	1,686,078	1,647,770	1,650,775	1,650,775	1,650,897	1,650,897
Funding Sources								
Tobacco Settlement	4000495	971,538	1,686,078		1,650,775	1,650,775	1,650,897	1,650,897
Total Funding		971,538	1,686,078		1,650,775	1,650,775	1,650,897	1,650,897
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		971,538	1,686,078		1,650,775	1,650,775	1,650,897	1,650,897

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 815 - Minority Health Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The general revenue funded Minority Health Operations appropriation is used to assure equal access of the State's minorities to health care, provide disease education, treatment, screening, and prevention, study health delivery issues, increase awareness, and make agency and legislative recommendations concerning these issues.

Special Language allows the Agency to transfer from its Operating Expenses appropriation and funds to be used in the acquisition of Promotional Items.

The Agency is requesting a total appropriation of \$219,101 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- In order to fully implement goals, objectives, and programs of the Commission for the good of the people. This appropriation provides salaries and associated matching for three (3) positions of the Commission.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 815 - Minority Health Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	144,456	163,488	147,897	164,353	164,353	164,353	164,353	
#Positions		3	3	3	3	3	3	3	
Personal Services Matching	5010003	47,520	52,673	48,707	53,019	53,019	53,019	53,019	
Operating Expenses	5020002	28	1,229	1,229	1,229	1,229	1,229	1,229	
Conference & Travel Expenses	5050009	0	500	500	500	500	500	500	
Professional Fees	5060010	0	0	0	0	0	0	0	
Data Processing	5090012	0	0	0	0	0	0	0	
Promotional Items	5090028	0	0	0	0	0	0	0	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		192,004	217,890	198,333	219,101	219,101	219,101	219,101	
Funding Sources									
General Revenue	4000010	192,004	198,333		219,101	219,101	219,101	219,101	
Performance Fund	4000055	0	19,557		0	0	0	0	
Total Funding		192,004	217,890		219,101	219,101	219,101	219,101	
Excess Appropriation/(Funding)		0	0		0	0	0	0	
Grand Total		192,004	217,890		219,101	219,101	219,101	219,101	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

TAB 19

SUMMARY BUDGET INFORMATION
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ARKANSAS TOBACCO CONTROL BOARD

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ARKANSAS TOBACCO CONTROL

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	16	8	24	86 %
Black Employees	0	4	4	14 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	14 %
Total Employees			28	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2EH Sales to Minors Enforcement - Cash	1,030,045	13	1,027,601	13	992,998	13	935,732	12	935,732	12	935,856	12	935,856	12
85C ATC Cigarette Fire Safety	0	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
85N Tobacco Insp Prog	545,658	7	887,360	8	868,639	8	885,189	8	689,606	8	885,189	8	689,606	8
983 Tobacco Control Board Operations	718,539	9	804,770	10	804,770	10	678,889	8	678,889	8	679,012	8	679,012	8
U68 ATC Revenue Enforcement	105,569	0	16,270	0	16,270	0	311,078	3	311,078	3	311,078	3	311,078	3
Total	2,399,811	29	2,786,001	31	2,732,677	31	2,860,888	31	2,665,305	31	2,861,135	31	2,665,552	31

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	1,803,679	39.6	2,157,434	42.8	2,257,261	45.0	2,257,261	46.8	2,159,149	43.9	2,159,149	45.7
General Revenue	4000010	718,539	15.8	804,770	16.0	678,889	13.5	678,889	14.1	679,012	13.8	679,012	14.4
Federal Revenue	4000020	545,658	12.0	887,360	17.6	885,189	17.6	689,606	14.3	885,189	18.0	689,606	14.6
Special Revenue	4000030	489,421	10.7	300,000	5.9	305,000	6.1	305,000	6.3	305,000	6.2	305,000	6.5
Cash Fund	4000045	999,948	21.9	893,698	17.7	893,698	17.8	893,698	18.5	893,698	18.2	893,698	18.9
Total Funds		4,557,245	100.0	5,043,262	100.0	5,020,037	100.0	4,824,454	100.0	4,922,048	100.0	4,726,465	100.0
Excess Appropriation/(Funding)		(2,157,434)		(2,257,261)		(2,159,149)		(2,159,149)		(2,060,913)		(2,060,913)	
Grand Total		2,399,811		2,786,001		2,860,888		2,665,305		2,861,135		2,665,552	

Analysis of Budget Request

Appropriation: 2EH - Sales to Minors Enforcement - Cash

Funding Sources: NTC - Cash in Treasury

Arkansas Tobacco Control administers the Sales to Minors program. This program is responsible for executing the sales to minors checks and enforcing any violations that result from these checks. Funding for this program is made available through a grant from the Arkansas Department of Health using Master Tobacco Settlement funds.

The Agency's Change Level request is a reduction of (\$86,462) each year of the Biennium and includes:

- Regular Salaries decrease of (\$66,164) each year, and
- Personal Services Matching decrease of (\$20,298) each year to reallocate one (1) position, GS08 Senior Auditor to Appropriation U68-ATC Revenue Enforcement.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures include the following justification:

- To provide enforcement activities throughout the state with a focus on preventing youth access to tobacco and vapor products. A federal mandate, the Synar Amendment, requires each state to do a random sample of inspections across the state each year to determine the state's rate of compliance. Without enforcement, the Board risks losing up to 40% of its Substance Abuse Block Grant funds.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2EH - Sales to Minors Enforcement - Cash

Funding Sources: NTC - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Regular Salaries	5010000	505,309	588,200	561,202	517,212	517,212	517,312	517,312	
#Positions		13	13	13	12	12	12	12	
Personal Services Matching	5010003	177,009	200,629	193,024	179,748	179,748	179,772	179,772	
Operating Expenses	5020002	347,250	232,072	232,072	232,072	232,072	232,072	232,072	
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	
Professional Fees	5060010	477	1,700	1,700	1,700	1,700	1,700	1,700	
Data Processing	5090012	0	0	0	0	0	0	0	
Promotional Items	5090028	0	5,000	5,000	5,000	5,000	5,000	5,000	
Capital Outlay	5120011	0	0	0	0	0	0	0	
Total		1,030,045	1,027,601	992,998	935,732	935,732	935,856	935,856	
Funding Sources									
Fund Balance	4000005	812,609	782,512		648,609	648,609	606,575	606,575	
Cash Fund	4000045	999,948	893,698		893,698	893,698	893,698	893,698	
Total Funding		1,812,557	1,676,210		1,542,307	1,542,307	1,500,273	1,500,273	
Excess Appropriation/(Funding)		(782,512)	(648,609)		(606,575)	(606,575)	(564,417)	(564,417)	
Grand Total		1,030,045	1,027,601		935,732	935,732	935,856	935,856	

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 85C - ATC Cigarette Fire Safety

Funding Sources: SFS - Cigarette Fire Safety Standard Fund

The Arkansas Cigarette Fire Safety Standard Act (A.C.A. 20-27-2101) was established by Act 697 of 2009 to set ignition propensity standards for cigarettes sold in Arkansas to be uniform with other states with enacted reduced cigarette ignition propensity laws. This appropriation is funded by special revenues from cigarette certification fees and civil penalties.

The Agency is requesting the FY19 Authorized Appropriation level of \$50,000 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- To establish a grant process that will allow fire departments and others to receive grants to help with fire prevention and fire safety in their areas.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 85C - ATC Cigarette Fire Safety
Funding Sources: SFS - Cigarette Fire Safety Standard Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Fire Safety & Prevention 5900046	0	50,000	50,000	50,000	50,000	50,000	50,000
Total	0	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources							
Fund Balance 4000005	253,973	268,740		218,740	218,740	168,740	168,740
Special Revenue 4000030	14,767	0		0	0	0	0
Total Funding	268,740	268,740		218,740	218,740	168,740	168,740
Excess Appropriation/(Funding)	(268,740)	(218,740)		(168,740)	(168,740)	(118,740)	(118,740)
Grand Total	0	50,000		50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 85N - Tobacco Insp Prog

Funding Sources: FCT - Tobacco Inspection Program - Federal

Arkansas Tobacco Control was awarded a grant in Fiscal Year 2010 which allowed ATC to assist the U.S. Food and Drug Administration (FDA) in inspecting retail establishments that sell cigarettes and/or smoke less tobacco products and in surveillance of other entities that fall under the scope of the FDA.

The Agency is requesting a total appropriation of \$885,189 each year of the Biennium.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- This appropriation is for the Federal Tobacco Inspection Program which is a Contract for Services with the Federal Food and Drug Administration, Center for Tobacco Products. The Federal guidelines and the terms of the contract with the State of Arkansas and Arkansas Tobacco Control allow the Agency to operate the Federal Tobacco program at zero cost to the state. The Contract for Services with the FDA solely provides funding for all aspects of the operation and the appropriation budget is locked into the said contract.

The Executive Recommendation provides for the Agency Request, with the exception of the Operating Expenses line item, reducing it to \$150,000 each year based on the five year actual expenditures.

Appropriation Summary

Appropriation: 85N - Tobacco Insp Prog
Funding Sources: FCT - Tobacco Inspection Program - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	321,515	361,275	346,790	359,234	359,234	359,234	359,234
#Positions		7	8	8	8	8	8	8
Personal Services Matching	5010003	112,498	127,219	122,983	127,089	127,089	127,089	127,089
Overtime	5010006	0	17,041	17,041	17,041	17,041	17,041	17,041
Operating Expenses	5020002	111,645	345,583	345,583	345,583	150,000	345,583	150,000
Conference & Travel Expenses	5050009	0	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	31,242	31,242	31,242	31,242	31,242	31,242
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		545,658	887,360	868,639	885,189	689,606	885,189	689,606
Funding Sources								
Federal Revenue	4000020	545,658	887,360		885,189	689,606	885,189	689,606
Total Funding		545,658	887,360		885,189	689,606	885,189	689,606
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		545,658	887,360		885,189	689,606	885,189	689,606

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 983 - Tobacco Control Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Arkansas Tobacco Control was established by Act 1337 of 1997 to regulate and issue permits and licenses to any person (except manufacturers) handling, receiving, processing, storing, distributing, taking orders for, soliciting orders of, selling, offering for sale or dealing in, through sale, barter or exchange, any cigarettes or other tobacco products in the State of Arkansas. This appropriation is funded by general revenues.

The Agency's Change Level request is a reduction of (\$208,347) each year of the Biennium and includes the following:

- Regular Salaries and Personal Services Matching decrease of (\$125,300) each year to reallocate two (2) positions, one (1) GS04 Administrative Specialist III and one (1) GS08 Senior Auditor to Appropriation U68- ATC Revenue Enforcement to reduce general revenue appropriation and funding.
- Operating Expenses decrease of (\$78,047) each year to reallocate appropriation to U68-ATC Revenue Enforcement to reduce general revenue appropriation and funding.
- Conference and Travel decrease of (\$5,000) each year to reallocate appropriation to U68-ATC Revenue Enforcement to reduce general revenue appropriation and funding.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- Professional Fees for investigating tobacco smuggling cases and other related criminal activity.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 983 - Tobacco Control Board Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	432,451	514,327	445,952	418,121	418,121	418,221	418,221
#Positions		9	10	10	8	8	8	8
Personal Services Matching	5010003	146,428	167,659	150,853	135,850	135,850	135,873	135,873
Operating Expenses	5020002	139,660	119,918	197,965	119,918	119,918	119,918	119,918
Conference & Travel Expenses	5050009	0	0	5,000	0	0	0	0
Professional Fees	5060010	0	2,866	5,000	5,000	5,000	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		718,539	804,770	804,770	678,889	678,889	679,012	679,012
Funding Sources								
General Revenue	4000010	718,539	804,770		678,889	678,889	679,012	679,012
Total Funding		718,539	804,770		678,889	678,889	679,012	679,012
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		718,539	804,770		678,889	678,889	679,012	679,012

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: U68 - ATC Revenue Enforcement

Funding Sources: STR - ATC Revenue Fund

This appropriation covers operating expenses of the Arkansas Tobacco Control Board Enforcement. The Arkansas Tobacco Control Revenue Fund was established by A.C.A. §19-6-831.

The Agency's Change Level request is a total of \$294,808 each year of the Biennium and includes the following:

- Regular Salaries and Personal Services Matching increase of \$211,761 due to the reallocation of three (3) positions; one (1) position from Appropriation 2EH Sales to Minors Enforcement and two (2) positions from Appropriation 983 Tobacco Control Board Operations,
- Operating Expenses increase of \$78,047 due to reallocation of appropriation from 983 Tobacco Control Board Operations related to the positions, and
- Conference and Travel increase of \$5,000 due to reallocation of appropriation from 983 Tobacco Control Board Operations to cover the cost of attending the annual Federation of Tax Administrators conference and the National Synar Conference and other out-of-state training.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justification:

- Professional Fees for investigating tobacco smuggling cases and other related criminal activity.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U68 - ATC Revenue Enforcement

Funding Sources: STR - ATC Revenue Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
		2017-2018 Actual	2018-2019 Budget	2018-2019 Authorized	2019-2020		2020-2021	
					Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	0	0	159,793	159,793	159,793	159,793
#Positions		0	0	0	3	3	3	3
Personal Services Matching	5010003	0	0	0	51,968	51,968	51,968	51,968
Operating Expenses	5020002	15,735	15,770	15,770	93,817	93,817	93,817	93,817
Conference & Travel Expenses	5050009	0	0	0	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	500	500	500	500	500	500
Capital Outlay	5120011	89,834	0	0	0	0	0	0
Total		105,569	16,270	16,270	311,078	311,078	311,078	311,078
Funding Sources								
Fund Balance	4000005	737,097	1,106,182		1,389,912	1,389,912	1,383,834	1,383,834
Special Revenue	4000030	474,654	300,000		305,000	305,000	305,000	305,000
Total Funding		1,211,751	1,406,182		1,694,912	1,694,912	1,688,834	1,688,834
Excess Appropriation/(Funding)		(1,106,182)	(1,389,912)		(1,383,834)	(1,383,834)	(1,377,756)	(1,377,756)
Grand Total		105,569	16,270		311,078	311,078	311,078	311,078

TAB 20

SUMMARY BUDGET INFORMATION
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ARKANSAS TOBACCO SETTLEMENT COMMISSION

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ARKANSAS TOBACCO SETTLEMENT COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	50 %
Black Employees	0	1	1	50 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	50 %
Total Employees			2	100 %

Analysis of Budget Request

Appropriation: 468 - Operations

Funding Sources: TSC - Tobacco Settlement Commission

The Tobacco Settlement Proceeds Act (Initiated Act 1 of 2000) established funds and accounts for the deposit, investment and management of the State of Arkansas' portion of the Master Settlement Agreement with certain tobacco manufacturers. The Arkansas Tobacco Settlement Commission (ATSC) was created pursuant to Section 17 of this act to monitor and evaluate expenditures made from the four program accounts. Those program accounts are the Prevention and Cessation Program Account, the Targeted State Needs Program Account, the Arkansas Biosciences Institute Program Account and the Medicaid Expansion Program Account.

The Commission is funded from the investment earnings of the Tobacco Settlement Program Fund and Program Accounts, which are deposited as trust funds into the Arkansas Tobacco Settlement Commission Fund. The Commission is authorized to hire an independent third-party to monitor and evaluate program account expenditures and prepare a biennial report for the General Assembly and Governor by each August 1 preceding a regular session of the General Assembly. As funding permits, the Commission is also authorized to make grants in amounts not to exceed \$50,000 to non-profit and community-based organizations.

The Agency's Change Level Request each year of the Biennium includes the following:

- Operating Expenses reduction of (\$42,000) each year to more accurately reflect the operations of the Commission.

The Agency's Request to maintain appropriation above 10% of their FY18 actual expenditures includes the following justifications:

- Conference and Travel due to unexpected issues that may arise that require the Commission and or staff to travel and have need of this appropriation.
- Professional Fees due to the Commission being authorized to hire an independent third party to monitor and evaluate progress in the programs and prepare biennial and quarterly reports for the General Assembly and Governor. The Commission will need to obtain these services again in FY21 when the current evaluation period expires.
- Grants and Aid due to the Commission being authorized to make grants in amounts not to exceed \$50,000 as funding permits to non-profit and community-based health organizations. Due to a decrease in funding, the commission has temporarily suspended issuing grants but plans to issue in the future as it expects funding to increase.

The Executive Recommendation provides for the Agency Request, with the exception of:

- Professional Fees recommended at \$250,000 each year, and
- Grants and Aid reduced to \$0 each year based on the five year actual expenditures.

Appropriation Summary

Appropriation: 468 - Operations

Funding Sources: TSC - Tobacco Settlement Commission

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	85,924	90,352	94,131	90,177	90,177	90,277	90,277
#Positions		2	2	2	2	2	2	2
Personal Services Matching	5010003	29,360	30,834	31,457	30,875	30,875	30,898	30,898
Operating Expenses	5020002	37,958	84,575	84,575	42,575	42,575	42,575	42,575
Conference & Travel Expenses	5050009	195	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	189,583	500,000	500,000	500,000	250,000	500,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	250,000	250,000	250,000	0	250,000	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		343,020	958,761	963,163	916,627	416,627	916,750	416,750
Funding Sources								
Tobacco Settlement	4000495	343,020	958,761		916,627	416,627	916,750	416,750
Total Funding		343,020	958,761		916,627	416,627	916,750	416,750
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		343,020	958,761		916,627	416,627	916,750	416,750

TAB 21

SUMMARY BUDGET INFORMATION
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ARKANSAS PUBLIC SERVICE COMMISSION

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ARKANSAS PUBLIC SERVICE COMMISSION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2018

None

Employment Summary

	Male	Female	Total	%
White Employees	44	37	81	79 %
Black Employees	4	15	19	18 %
Other Racial Minorities	1	2	3	3 %
Total Minorities			22	21 %
Total Employees			103	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
PSC Annual Report	A.C.A. 23-2-315 and A.C.A. 13-2-212	Y	N	31	Required by Statute. One copy provided to the Governor and 30 copies to the State Library.	0	0.00
Tax Division Biennial Report	A.C.A. 26-24-121 and A.C.A. 13-2-212	Y	N	31	Required by Statute. One copy provided to the Governor and 30 copies to the State Library.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Utility Rate Case Report	A.C.A. 23-4-420 and A.C.A. 13-2-212	Y	Y	167	Required by Statute. One copy provided to the Governor, 136 copies to the General Assembly, and 30 copies to the State Library.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2017-2018		2018-2019		2018-2019		2019-2020				2020-2021			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
255 Utilities Division-Operations	8,352,223	88	10,154,312	89	9,944,734	89	10,120,480	89	10,100,480	89	10,144,016	89	10,124,016	89
256 Pipeline Safety Program	952,928	10	1,009,600	10	975,539	10	1,002,302	10	1,002,302	10	1,002,302	10	1,002,302	10
257 Tax Division-Operations	1,090,282	15	1,735,607	15	1,728,692	15	1,755,335	15	1,755,335	15	1,755,458	15	1,755,458	15
2KA Contingency	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
Total	10,395,433	113	13,899,519	114	13,648,965	114	13,878,117	114	13,858,117	114	13,901,776	114	13,881,776	114

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	6,936,635	41.1	6,477,856	36.8			3,722,424	24.8	3,722,424	24.8	1,154,208	9.4
Federal Revenue	4000020	570,306	3.4	563,068	3.2			563,068	3.7	563,068	3.7	563,068	4.6
Special Revenue	4000030	9,366,348	55.5	10,581,019	60.0			10,746,833	71.5	10,746,833	71.5	10,546,833	86.0
Total Funds		16,873,289	100.0	17,621,943	100.0			15,032,325	100.0	15,032,325	100.0	12,264,109	100.0
Excess Appropriation/(Funding)		(6,477,856)		(3,722,424)				(1,154,208)		(1,174,208)		1,637,667	
Grand Total		10,395,433		13,899,519				13,878,117		13,858,117		13,901,776	

FY19 Budget amount for Appropriations 255, 256 and 257 exceed the authorized amount due to salary and matching rate adjustments

Analysis of Budget Request

Appropriation: 255 - Utilities Division-Operations

Funding Sources: SJP - Public Service Commission Fund

The Public Service Commission - Utilities Division is funded entirely by special revenues derived from assessments paid by the utility companies under its jurisdiction, as authorized in A.C.A. § 19-6-406.

The Agency is requesting an Authorized Appropriation of \$10,120,480 for FY20 and \$10,144,014 for FY21.

Change Level request includes an increase in Capital Outlay of \$21,000 for the replacement of one state vehicle in FY21.

The Agency requests to maintain Authorized Appropriation which exceeds the FY18 Actual Expenditures by more than 10% for the following:

- Extra help - Only one out of the six positions was filled in fiscal year 2018, resulting in actual expenditures lower than the Authorized level.
- Overtime - The Agency needs this appropriation for contingency purposes.
- Operational Expenses - The Agency uses this appropriation for expenses including court reporting services and official business travel. Historically court reporting services expenses have been higher than they were in the previous fiscal year.
- Conference & Travel Expenses - The Agency uses this appropriation to attend continuing education sessions. The Agency expects an increase in costs of attending conferences and training sessions in the future.
- Professional Fees - The Agency uses this appropriation for regulatory consulting services, which fluctuate in size from year to year.
- Special Maintenance - This appropriation was used in a past to purchase new sound system for the hearing room and construction of a new office and conference room for the Executive Director.
- Federal Regulatory Services - The Agency is anticipating an increase in expenses, due to two new cases.
- Professional Services - The Agency uses this appropriation to pay for consultant services associated with renewable resources filings cases. Currently the Agency is involved in two new cases.

The Executive Recommendation provides for the Agency Request, except for reduction in appropriation for Overtime Expenses from \$25,000 to \$5,000 for both years.

Appropriation Summary

Appropriation: 255 - Utilities Division-Operations

Funding Sources: SJP - Public Service Commission Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	5,298,072	5,722,603	5,565,686	5,709,538	5,709,538	5,711,338	5,711,338
#Positions		88	89	89	89	89	89	89
Extra Help	5010001	1,021	9,000	9,000	9,000	9,000	9,000	9,000
#Extra Help		1	6	6	6	6	6	6
Personal Services Matching	5010003	1,630,986	1,770,440	1,717,779	1,770,673	1,770,673	1,771,409	1,771,409
Overtime	5010006	0	25,000	25,000	25,000	5,000	25,000	5,000
Operating Expenses	5020002	855,155	1,070,597	1,070,597	1,070,597	1,070,597	1,070,597	1,070,597
Conference & Travel Expenses	5050009	57,326	68,922	68,922	68,922	68,922	68,922	68,922
Professional Fees	5060010	0	15,000	15,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	21,000	21,000	0	0	21,000	21,000
Special Maintenance	5120032	0	24,319	24,319	24,319	24,319	24,319	24,319
Fed Regulatory Services	5900040	196,444	290,575	290,575	290,575	290,575	290,575	290,575
Professional Services	5900043	284,475	998,000	998,000	998,000	998,000	998,000	998,000
Data Processing Services	5900044	28,744	138,856	138,856	138,856	138,856	138,856	138,856
Total		8,352,223	10,154,312	9,944,734	10,120,480	10,100,480	10,144,016	10,124,016

Funding Sources								
Fund Balance	4000005	3,669,536	3,561,820		1,867,316	1,867,316	206,644	226,644
Special Revenue	4000030	8,244,507	8,459,808		8,459,808	8,459,808	8,459,808	8,459,808
Total Funding		11,914,043	12,021,628		10,327,124	10,327,124	8,666,452	8,686,452
Excess Appropriation/(Funding)		(3,561,820)	(1,867,316)		(206,644)	(226,644)	1,477,564	1,437,564
Grand Total		8,352,223	10,154,312		10,120,480	10,100,480	10,144,016	10,124,016

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 256 - Pipeline Safety Program

Funding Sources: SAD - Public Service Utility Safety Fund

The Public Service Commission's Pipeline Safety Program is funded by special revenue inspection fees charged annually to each company according to its pipeline mileage in Arkansas, as authorized in Arkansas Code § 23-15-214 et seq. The Program is also eligible for federal reimbursement for up to 50% of its expenditures. Under this program, the Commission maintains safety jurisdiction and monitors the transmission by pipeline of hazardous materials, such as gasoline, oil, and natural gas.

The Agency is requesting an Authorized Appropriation of \$1,002,302 for FY20 and for FY21.

The Agency requests to maintain Authorized Appropriation which exceeds the FY18 Actual Expenditures by more than 10% for the following:

- Operating Expenses - Inspectors of natural gas pipelines and operators did not experience overnight travel in 2018, but travel cost could potentially increase in the future.
- Conference & Travel Expenses - The Agency did not receive all the requested training slots from the Training and Qualifications Center in 2018. For FY20 and FY21 Travel Expenses will increase.
- Professional Fees - In fiscal year 2018 the Pipeline Safety Office did not experience any incidents requiring the use of outside consultants.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 256 - Pipeline Safety Program
Funding Sources: SAD - Public Service Utility Safety Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	631,493	650,977	624,808	668,580	668,580	668,580	668,580
#Positions		10	10	10	10	10	10	10
Personal Services Matching	5010003	192,899	200,060	192,168	200,159	200,159	200,159	200,159
Operating Expenses	5020002	93,456	105,714	105,714	105,714	105,714	105,714	105,714
Conference & Travel Expenses	5050009	12,914	25,620	25,620	25,620	25,620	25,620	25,620
Professional Fees	5060010	0	2,229	2,229	2,229	2,229	2,229	2,229
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	22,166	25,000	25,000	0	0	0	0
Total		952,928	1,009,600	975,539	1,002,302	1,002,302	1,002,302	1,002,302
Funding Sources								
Fund Balance	4000005	1,517,966	1,135,344		688,812	688,812	673,392	673,392
Federal Revenue	4000020	570,306	563,068		563,068	563,068	563,068	563,068
Special Revenue	4000030	0	0		423,814	423,814	423,814	423,814
Total Funding		2,088,272	1,698,412		1,675,694	1,675,694	1,660,274	1,660,274
Excess Appropriation/(Funding)		(1,135,344)	(688,812)		(673,392)	(673,392)	(657,972)	(657,972)
Grand Total		952,928	1,009,600		1,002,302	1,002,302	1,002,302	1,002,302

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 257 - Tax Division-Operations

Funding Sources: HTD - Tax Division Fund

The Public Service Commission - Tax Division's appropriation is funded by special revenues transferred from the Public Service Commission Fund, the Division's share of ad valorem taxes, as authorized in Arkansas Code §19-5-1024, and general revenues, if needed.

The Agency is requesting an Authorized Appropriation of \$1,755,335 for FY20 and \$1,755,458 for FY21.

The Agency is asking to keep the full amount of appropriation. The Agency's Request to maintain appropriation above 10% of their actual FY18 expenditures includes the following justifications:

- Extra Help - The Tax Division did not hire any Extra Help employees in fiscal year 2018. Appropriation for Extra Help positions allows the Tax Division to find and evaluate college or law students for future employment.
- Overtime - Agency did not have actual expenses in 2018, however there still may be occasions when employees are asked to work overtime.
- Operating Expenses - A large portion of this line item is used for mass mailings which fluctuates every year depending on the number of companies assessed. Each January over 60,000 tax forms are mailed.
- Professional Fees - The Agency utilizes this appropriation to pay an outside consultants for the expert testimony and advises when appeals have been filed by utilities or transportation companies.
- Contingency - The Agency needs the contingency fund to defend assessments of railroads. Agency is asking to keep this Appropriation at Authorized level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 257 - Tax Division-Operations

Funding Sources: HTD - Tax Division Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	703,114	729,908	726,063	749,509	749,509	749,609	749,609
#Positions		15	15	15	15	15	15	15
Extra Help	5010001	0	38,238	38,238	38,238	38,238	38,238	38,238
#Extra Help		0	5	5	5	5	5	5
Personal Services Matching	5010003	234,265	247,489	244,419	247,616	247,616	247,639	247,639
Overtime	5010006	0	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5020002	136,455	202,472	202,472	202,472	202,472	202,472	202,472
Conference & Travel Expenses	5050009	11,448	12,500	12,500	12,500	12,500	12,500	12,500
Professional Fees	5060010	5,000	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Contingency	5130018	0	400,000	400,000	400,000	400,000	400,000	400,000
Total		1,090,282	1,735,607	1,728,692	1,755,335	1,755,335	1,755,458	1,755,458
Funding Sources								
Fund Balance	4000005	1,749,133	1,780,692		1,166,296	1,166,296	274,172	274,172
Special Revenue	4000030	1,121,841	1,121,211		863,211	863,211	663,211	663,211
Total Funding		2,870,974	2,901,903		2,029,507	2,029,507	937,383	937,383
Excess Appropriation/(Funding)		(1,780,692)	(1,166,296)		(274,172)	(274,172)	818,075	818,075
Grand Total		1,090,282	1,735,607		1,755,335	1,755,335	1,755,458	1,755,458

FY19 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2017-2019 Biennium.

Analysis of Budget Request

Appropriation: 2KA - Contingency

Funding Sources: SJP - Public Service Commission Fund

The Public Service Commission - Utilities Division's Contingency appropriation provides additional spending authority that may be transferred to the Division's operating line items in emergency situations that would require additional resources. Funding for this appropriation is from Special Revenue balances held in the Public Service Commission Fund to support any transfers that may be made.

The Agency is requesting an authorized appropriation of \$1,000,000 each year of the Biennium.

The Agency needs this appropriation for contingency purposes.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2KA - Contingency
Funding Sources: SJP - Public Service Commission Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2017-2018	2018-2019	2018-2019	2019-2020		2020-2021	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Overtime Salaries 5130018	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources							
Special Revenue 4000030	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000