

DEPARTMENT OF RURAL SERVICES

Enabling Laws

Act 138 of 2010
Act 136 of 2010
Act 46 of 2010

A.C.A. § 15-6-105 et seq.

History and Organization

The Department of Rural Services (DRS), formerly known as the Office of Rural Advocacy, and the eleven member Arkansas Rural Development Commission (ARDC) were created by Act 302 of 1991, the Arkansas Rural Development Commission Act. The Agency was renamed the Department of Rural Services by Act 935 of 1999. Together, the Agency and the Commission strive to enhance the quality of life for rural Arkansans without sacrificing individual freedoms or responsibilities. The Agency and Commission accomplish this goal by providing rural Arkansans with the resources necessary to help themselves succeed in their community.

The Department of Rural Services serves as a single point of contact for local governments, state and federal agencies, and other public, private and nonprofit sector organizations. The DRS promotes cooperative and integrated efforts among the various entities that are designed to address our rural issues. The Agency attempts to streamline the bureaucratic process for smaller communities of less than 20,000 in population and make government more customer oriented.

The Department of Rural Services' Mission Statement is "To Enhance the Quality of Life in Rural Arkansas."

Vision Statement

We envision an agency that will:

- Serve as the official point of contact for information on rural issues to the Governor, Legislature, and the general public
- Serve the State as the central coordinating agency for rural development
- Serve the State as a source of funding for rural development through grant / community in-kind partnerships
- Develop a human resource network across the State to assist rural communities directly
- Serve as an advocate for the rural communities of Arkansas

Agency Scope

The Department of Rural Services and the Arkansas Rural Development Commission are charged with serving communities with a population of 20,000 or less. Of the 490 incorporated cities and towns in Arkansas, 470 (96%) have a population of 20,000 or less. However, when you speak of rural development, incorporated cities and towns are only a small part of the puzzle. The unincorporated rural areas make up the majority of our Agency's service area. The unincorporated rural areas are often the most needy of adequate fire protection, adequate water and sewer, adequate public facilities, and adequate roadways. The Agency serves these communities by providing matching grants and information on the resources available to assist rural communities.

Agency Function

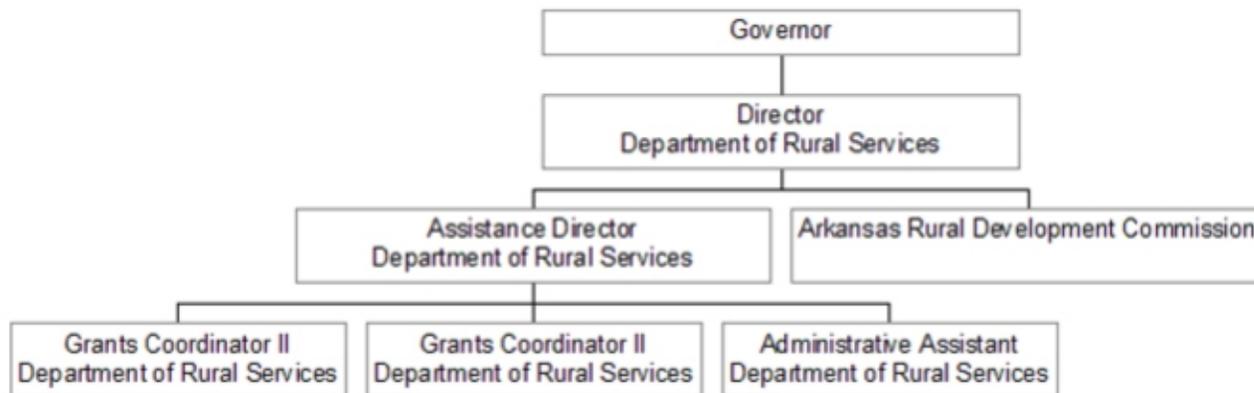
The function of the Department of Rural Services is:

- To serve as a single point of contact for rural communities needing assistance
- To provide rural communities with the assistance needed when possible
- To provide information about alternative sources for assistance when required assistance exceeds agency's means
- To gather information regarding the needs of rural citizens and communities and convey this information to the Governor and Legislature
- To serve the citizens of rural Arkansas as an advocate

Public Benefit Provided By Agency

Words alone are inadequate to describe the benefit our rural communities derive from the services of the Department of Rural Services. Today, due to assistance through the Rural Community Fire Protection Grant Program, the citizens of many rural communities can go to work assured that their homes are better protected because of improved fire communications, new fire safety equipment, new fire trucks, the addition of a sub-station or in many instances the construction of the community's first fire station. Due to assistance through the Rural Community Development Grant Program, the citizens of rural communities are planning events in their new or renovated community center or community park. They are gathering at the community ball field to watch their children play ball, or visiting the new community health clinic or the new community library. And through assistance from the County Fair Building Grant Program, rural county fairs are beginning construction of new concession stands and livestock barns in preparation for the fall fairs.

Most importantly, rural citizens, legislators, mayors, or county judges are able to call seeking assistance and will talk to a real person who will help them get the assistance they require.



Agency Commentary

To choose to reside in Arkansas is a choice to live in rural America. The Federal Government defines rural as a city, town or community with a population of 20,000 or less. Based on this definition, the State of Arkansas is over 95% rural. Even today, a choice to live in some of the more rural areas of Arkansas often means settling for poor drinking water, inadequate public facilities, inadequate or non-existent fire protection, and the absence of accessible local health care.

The Department of Rural Services (DRS) and the Arkansas Rural Development Commission (ARDC) are committed to preserving our way of life while seeking ways to combat these deficiencies. While there is no simple solution to eradicating these deficiencies, it is obvious that Federal and State aid alone will not be sufficient. Instead, some of the solutions must be generated from within our rural communities. To achieve this end, we must strengthen the ability of our citizens to participate in determining our futures. The people of rural Arkansas must be educated and provided the tools necessary to accomplish community goals and objectives. Establishing partnerships throughout the community has enabled DRS to host regional information forums on the services our agency provides. This is one step DRS has taken to reach our communities and leaders.

The philosophy developed by DRS and the ARDC is to establish partnerships with communities to assist them in achieving their goals. This philosophy is incorporated into the Agency's various grant programs through the requirement of a matching portion from the community. Unlike many grant programs which fund a project 100%, the DRS grant programs seek to motivate communities to organize and develop a system of teamwork to bring their projects to fruition. Communities are encouraged to use only the grant funds if absolutely needed to complete the project and to return any unused funds.

BASE LEVEL

The Agency is requesting to continue its Base Level of \$2,139,725 each year for the following:

<u>GR Funded Appropriation</u>	<u>FY12 & FY13</u>
Regular Salaries for 5 positions	\$ 235,477
Personal Services Matching	\$ 70,896
Operating Expenses	\$ 67,704
Conference Fees & Travel	\$ 4,100
Rural Community Development Grants	\$ 200,000
Rural Community Fire Protection Grants	\$ 300,000
Rural County Fair Improvement Grants	\$ 24,000
Total	\$ 902,177

<u>Cash Funded Appropriation</u>	<u>FY12 & FY13</u>
Conference Expenses	\$ 50,000

<u>Wildlife Recreation Facilities</u>	<u>FY12 & FY13</u>
Regular Salaries for 1 position	\$ 32,249
Personal Services Matching	\$ 11,185
Operating Expenses	\$ 6,614
Grants & Aid	\$1,000,000
Total	\$1,050,048

<u>Animal Rescue</u>	<u>FY12 & FY13</u>
Grants & Aid	\$ 100,000

<u>Administrative Fee</u>	<u>FY12 & FY13</u>
Operating Expenses	\$ 37,500

CHANGE LEVEL

The Department is requesting the following Change Levels in addition to Base Level:

- Additional appropriation and general revenue funding of \$476,000 each year of the biennium for the following:

	<u>FY12 & FY13</u>
Rural Community Development Grants:	\$ 200,000
Rural Community Fire Protection Grants:	\$ 200,000
Rural County Fair Improvement Grants:	<u>\$ 76,000</u>
Total	<u>\$ 476,000</u>

The \$476,000 appropriation and funding increase in Grants is requested to restore the level of grant appropriation authorized for the 2009-11 biennium. This request was approved during the 2009-11 biennium for appropriation only. The Agency is requesting to restore this (previously unfunded) appropriation along with general revenue funding.

- Additional appropriation only of \$15,000 each year of the biennium for Conference Expenses in the Cash Funded Appropriation. This additional appropriation will enable the agency to utilize available cash funds for increased costs associated with the Annual Conference.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF RURAL SERVICES

Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2009.

Recommendations

Employment Summary

	Male	Female	Total	%
White Employees	1	3	4	80 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	1	1	20 %
Total Minorities			1	20 %
Total Employees			5	100 %

Cash Fund Balance Description as of June 30, 2010

Fund Account	Balance	Type	Location
1110100	\$51,672	Checking	BancorpSouth

Statutory/Other Restrictions on use:

N/A

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Receipts are derived from the collection of conference registration fees and forum registration fees around the period events are held. Additional receipts are collected from corporate sponsors.

Fund Balance Utilization:

Collection of revenue is irregular throughout the year, centering primarily around hosted events. Revenues are not on day-to-day operations, but are reserved and expended on costs directly related to hosting conference forums.

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Rural Community Grant Program Guidelines and Application	ACA 15-6-107	N	N	6,000	To provide eligible rural communities with grant guidelines and procedures.
Arkansas Rural Development Conference Brochure	N/A	N	N	5,000	To promote the Annual Arkansas Rural Development Conference
Arkansas Rural Development Conference Program	N/A	N	N	1,000	To provide conference attendees with panel and event information.
County Fair Building Grant Program Guidelines and Application	ACA 15-6-107	N	N	1,000	To provide eligible rural communities with grant guidelines and procedures.
GIF 1 Community Enhancement Grant Program Guidelines and Application	ACA 15-6-107	N	N	1,000	To provide eligible rural communities with guidelines and procedures for General Improvement Fund grants.
GIF 2 Fire Protection Grant Program Guidelines and Application	ACA 15-6-107	N	N	1,000	To provide eligible rural communities with guidelines and procedures for General Improvement Fund grants.
GIF 3 County Fair Grant Program Guidelines and Application	ACA 15-6-107	N	N	200	To provide eligible rural communities with guidelines and procedures for General Improvement Fund grants.
Rural Services Block Grant Guidelines and Application	Act 1412 of 1999, Act 122 of 2010	N	N	500	To provide eligible rural communities with grants guidelines and procedures.
The Rural Advocate	Act 302 of 1991	N	N	12,000	To provide information to rural communities in compliance with Act 302 of 1991 establishing the agency as the one contact for rural communities of less than 20,000 in population.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
234 Rural Services-State Operations	876,107	5	896,482	5	1,371,268	5	902,177	5	1,378,177	5	1,378,177	5	902,177	5	1,378,177	5	1,378,177	5
58S Animal Rescue	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
58T Administrative Fee	6,962	0	37,500	0	50,000	0	37,500	0	37,500	0	37,500	0	37,500	0	37,500	0	37,500	0
58Z Wildlife Rec Facilities	0	0	1,050,000	1	1,050,880	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1
B15 Rural Services - Conference	47,267	0	50,000	0	50,000	0	50,000	0	65,000	0	65,000	0	50,000	0	65,000	0	65,000	0
Total	930,336	5	2,133,982	6	2,622,148	6	2,139,725	6	2,630,725	6	2,630,725	6	2,139,725	6	2,630,725	6	2,630,725	6

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	40,049	4.0	82,719	3.8		57,210	2.6	57,210	2.2	57,210	2.6	51,672	2.4	51,672	2.0	51,672	2.4
General Revenue	4000010	876,107	86.5	896,482	40.9		902,177	41.8	1,378,177	52.0	902,177	41.5	902,177	41.9	1,378,177	52.1	902,177	41.6
Special Revenue	4000030	0	0.0	1,050,000	47.9		1,050,048	48.6	1,050,048	39.6	1,050,048	48.3	1,050,048	48.8	1,050,048	39.7	1,050,048	48.4
Cash Fund	4000045	58,890	5.8	50,000	2.3		50,000	2.3	65,000	2.5	65,000	3.0	50,000	2.3	65,000	2.5	65,000	3.0
Trust Fund	4000050	509	0.1	99,491	4.5		100,000	4.6	100,000	3.8	100,000	4.6	100,000	4.6	100,000	3.8	100,000	4.6
Transfer from General Imprv	4000540	37,500	3.7	12,500	0.6		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		1,013,055	100.0	2,191,192	100.0		2,159,435	100.0	2,650,435	100.0	2,174,435	100.0	2,153,897	100.0	2,644,897	100.0	2,168,897	100.0
Excess Appropriation/(Funding)		(82,719)		(57,210)			(19,710)		(19,710)		456,290		(14,172)		(14,172)		461,828	
Grand Total		930,336		2,133,982			2,139,725		2,630,725		2,630,725		2,139,725		2,630,725		2,630,725	

Variance in fund balances due to unfunded appropriation in 234-State Operations and 58T-Administrative Fee.

Agency Position Usage Report

FY2008 - 2009						FY2009 - 2010						FY2010 - 2011					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
5	5	0	5	0	0.00 %	6	4	2	6	0	33.33 %	6	4	2	6	0	33.33 %

Analysis of Budget Request

Appropriation: 234 - Rural Services-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Department of Rural Services serves as a single point of contact for all organizations and individuals with a desire to enhance the quality of life for rural citizens. Working under the guidance of the Arkansas Rural Development Commission (ARDC), the Agency assists citizens of rural Arkansas by providing rural grant programs, information sharing and educational opportunities through regional forums and the annual Arkansas Rural Development Conference. This General Revenue funded appropriation provides for the operations of the agency.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum.

Base Level includes appropriation and general revenue funding of \$902,177 in each year of the biennium with 5 regular positions.

The Agency requests additional appropriation and general revenue funding in the amount of \$476,000 each year of the biennium for the following:

Rural Community Development Grants: Increase of \$200,000 each year to provide for an increase in the number of Community Development grant requests received from rural communities and to cover increased costs for construction and renovation. This line item provides matching grants to rural communities to use for renovations, new construction or additions to publicly owned buildings, parks and recreational facilities.

Rural Fire Protection Grants: Increase of \$200,000 each year to provide for an increase in the number of Fire Protection grant requests received from rural communities and to cover increased costs for construction, renovation and equipment. This line item provides matching grants to rural communities for renovations, new construction or additions to fire facilities, for purchasing fire protection equipment and vehicles and for rehabilitating/retrofitting newly acquired equipment and vehicles.

County Fair Improvement Grants: Increase of \$76,000 each year of the biennium to meet rising labor and material costs. This line item provides incentive matching grants to assist rural county fairs with the construction and improvement of buildings or for the purchase of items shown to directly improve the building or the services that the county fair association may provide.

The Executive Recommendation provides for unfunded appropriation of \$476,000 each year for the following:

- \$200,000 for Rural Community Development Grants
- \$200,000 for Rural Fire Protection Grants
- \$76,000 for County Fair Improvement Grants

Appropriation Summary

Appropriation: 234 - Rural Services-State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	232,251	230,854	230,766	235,477	235,477	235,477	235,477	235,477	235,477
#Positions		5	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	71,375	69,824	68,698	70,896	70,896	70,896	70,896	70,896	70,896
Operating Expenses	5020002	56,892	67,704	67,704	67,704	67,704	67,704	67,704	67,704	67,704
Conference & Travel Expenses	5050009	1,786	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	183,325	200,000	400,000	200,000	400,000	400,000	200,000	400,000	400,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Rural Fire Protection Grants	5900046	300,000	300,000	500,000	300,000	500,000	500,000	300,000	500,000	500,000
County Fair Imprv Grants	5900048	30,478	24,000	100,000	24,000	100,000	100,000	24,000	100,000	100,000
Total		876,107	896,482	1,371,268	902,177	1,378,177	1,378,177	902,177	1,378,177	1,378,177
Funding Sources										
General Revenue	4000010	876,107	896,482		902,177	1,378,177	902,177	902,177	1,378,177	902,177
Total Funding		876,107	896,482		902,177	1,378,177	902,177	902,177	1,378,177	902,177
Excess Appropriation/(Funding)		0	0		0	0	476,000	0	0	476,000
Grand Total		876,107	896,482		902,177	1,378,177	1,378,177	902,177	1,378,177	1,378,177

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments approved during the 2009-11 biennium.

Change Level by Appropriation

Appropriation: 234 - Rural Services-State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	902,177	5	902,177	100.0	902,177	5	902,177	100.0
C01	Existing Program	476,000	0	1,378,177	152.8	476,000	0	1,378,177	152.8

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	902,177	5	902,177	100.0	902,177	5	902,177	100.0
C01	Existing Program	476,000	0	1,378,177	152.8	476,000	0	1,378,177	152.8

Justification

C01	Community Development Grants: \$200,000 requested for both appropriation and funding to restore the level of appropriation to what was authorized in the previous biennium. Fire Protection Grants: \$200,000 requested for both appropriation and funding to restore the level of appropriation to what was authorized in the previous biennium. County Fair Improvement Grants: \$76,000 requested with both appropriation and funding to restore the level of appropriation to what was authorized in the previous biennium.
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Analysis of Budget Request

Appropriation: 58S - Animal Rescue

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

Act 692 of the 87th Regular Session of 2009 amended ACA 27-24-1409 to authorize the Department of Finance and Administration to issue a new special license plate with a \$25 design fee that will be remitted monthly to the Treasurer of the State for deposit into the State Treasury as special revenues for the Animal Rescue and Shelter Trust Fund. The Act further amended ACA 19-5-1136 to create the Animal Rescue and Shelter Trust Fund to be distributed as follows:

- 35% to be distributed and used by the counties for construction, maintenance or operation of registered governmentally owned animal rescue shelters
- 35% to be distributed and used by municipalities for construction, maintenance or operation of registered governmentally owned animal rescue shelters
- 30% to be distributed to the Department of Rural Services to provide grants to a county or municipality based only on the infrastructure needs for any animal rescue or animal shelter (not limited to registered governmentally owned rescue shelters.)

The Agency Base Level request includes Grants and Aid appropriation of \$100,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 58S - Animal Rescue

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Fund Balance 4000005	0	509		0	0	0	0	0	0
Trust Fund 4000050	509	99,491		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	509	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	(509)	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 58T - Administrative Fee

Funding Sources: HUA - Miscellaneous Agencies Fund

The Administrative Fee Appropriation is used to provide maintenance and general operations support for the Agency's General Improvement Grant appropriations. This appropriation is funded by special language that authorizes the transfer of funds from the agency's various General Improvement sub funds to the Agency's Miscellaneous Agencies Fund.

During the 87th Regular Session of 2009, the Department of Rural Services received forty-five (45) General Improvement appropriations for Grants and Aid funded by \$5.7 million in Legislative Division General Improvement Funding. These appropriations supplemented the Department's three existing Grant Programs: Community Enhancement Grants, Fire Protection Grants and County Fair Improvement Grants.

The addition of the General Improvement Grant Appropriations increased the Agency's Funded Budget for Grants and Aid from approximately \$525,000 to over \$6.2 million. To accommodate the administrative requirements associated with this increased grant budget, Act 803 of the 87th Regular Session of 2009 established a new Administrative Fee appropriation, which authorizes Maintenance and General Operation appropriation to provide administrative support for the large number of General Improvement Grants administered by the Agency.

Special Language authorizes the Department to retain and utilize for administrative cost purposes up to 1% of the total amount of any General Improvement moneys received for projects authorized for disbursement through the department by the General Assembly. Special Language further authorizes the Chief Financial Officer of the State to transfer up to 1% of General Improvement Funds from the various General Improvement sub funds to the Miscellaneous Agencies Fund Account to be made available and utilized solely by the Department of Rural Services for maintenance and general operation costs. Finally, Special Language authorizes the carryforward of any unexpended balances of funds that were transferred from the various General Improvement sub funds to the Miscellaneous Agencies Fund to be used for the same purpose the following fiscal year.

The Agency Requests the continuation of Base Level in the amount of \$37,500 each year. Expenditure of appropriation is contingent upon the carryforward of available funding as authorized by Special Language.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 58T - Administrative Fee

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	6,962	37,500	50,000	37,500	37,500	37,500	37,500	37,500	37,500
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	6,962	37,500	50,000	37,500	37,500	37,500	37,500	37,500	37,500
Funding Sources									
Fund Balance 4000005	0	30,538		5,538	5,538	5,538	0	0	0
Transfer from General Imprv 4000540	37,500	12,500		0	0	0	0	0	0
Total Funding	37,500	43,038		5,538	5,538	5,538	0	0	0
Excess Appropriation/(Funding)	(30,538)	(5,538)		31,962	31,962	31,962	37,500	37,500	37,500
Grand Total	6,962	37,500		37,500	37,500	37,500	37,500	37,500	37,500

Analysis of Budget Request

Appropriation: 58Z - Wildlife Rec Facilities

Funding Sources: SWR - Wildlife Recreation Facilities Fund

Act 687 of the 87th Regular Session of 2009 amended the Arkansas Code (ACA 15-47-101 et seq.) to establish the Wildlife Recreation Facilities Pilot Program and the related Wildlife Recreation Facilities Fund (ACA 19-6-811). This pilot program was to be administered by the Department of Rural Services and the Arkansas Rural Development Commission in conjunction with the Arkansas Game and Fish Commission for the purpose of igniting interest in the wildlife resources of Arkansas and to promote economic development in the State.

ACA 15-47-104 states that initial funding for this appropriation was to consist of moneys that the Arkansas Game and Fish Commission has received from oil and gas leases in the Fayetteville Shale. The Department of Rural Services and the commission agree to execute a memorandum of understanding every two (2) years to evaluate the effectiveness and success of the program and to reexamine the need for moneys to be made available to the department to fund the development of wildlife recreation facilities. Future funding for the Wildlife Recreation Facilities Pilot Program shall be determined by and distributed from the availability of royalties from oil and gas leases in the Fayetteville Shale that the Arkansas State Game and Fish Commission receives or from other sources that are not from the Arkansas State Game and Fish Commission.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Agency Base Level request includes appropriation of \$1,050,048 in each year of the biennium with one (1) regular position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 58Z - Wildlife Rec Facilities
Funding Sources: SWR - Wildlife Recreation Facilities Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	32,249	32,990	32,249	32,249	32,249	32,249	32,249	32,249
#Positions	0	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	0	11,137	11,276	11,185	11,185	11,185	11,185	11,185	11,185
Operating Expenses 5020002	0	6,614	6,614	6,614	6,614	6,614	6,614	6,614	6,614
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	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	1,000,000	1,000,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	0	1,050,000	1,050,880	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048
Funding Sources									
Special Revenue 4000030	0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048
Total Funding	0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048

Analysis of Budget Request

Appropriation: B15 - Rural Services - Conference

Funding Sources: 111 - Department of Rural Services - Cash

This appropriation provides for an annual conference and several one-day seminars for local governments. The annual conference attendance numbers range from 400-650 each year with topics of discussion including finance, community marketing strategies, infrastructure and crime. Income is derived from fees charged to participants and donations received through corporate sponsorship.

The Agency Base Level Request includes appropriation in the amount of \$50,000 each year of the biennium.

The Agency Change Level Request includes additional appropriation in the amount of \$15,000 each year of the biennium to cover increased costs associated with the annual conference.

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

Appropriation Summary

Appropriation: B15 - Rural Services - Conference

Funding Sources: 111 - Department of Rural Services - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Conference Expenses 5900046	47,267	50,000	50,000	50,000	65,000	65,000	50,000	65,000	65,000
Total	47,267	50,000	50,000	50,000	65,000	65,000	50,000	65,000	65,000
Funding Sources									
Fund Balance 4000005	40,049	51,672		51,672	51,672	51,672	51,672	51,672	51,672
Cash Fund 4000045	58,890	50,000		50,000	65,000	65,000	50,000	65,000	65,000
Total Funding	98,939	101,672		101,672	116,672	116,672	101,672	116,672	116,672
Excess Appropriation/(Funding)	(51,672)	(51,672)		(51,672)	(51,672)	(51,672)	(51,672)	(51,672)	(51,672)
Grand Total	47,267	50,000		50,000	65,000	65,000	50,000	65,000	65,000

Change Level by Appropriation

Appropriation: B15 - Rural Services - Conference

Funding Sources: 111 - Department of Rural Services - Cash

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	15,000	0	65,000	130.0	15,000	0	65,000	130.0

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	50,000	0	50,000	100.0	50,000	0	50,000	100.0
C01	Existing Program	15,000	0	65,000	130.0	15,000	0	65,000	130.0

Justification

C01	Additional cash appropriation of \$15,000 is requested to provide for increasing costs associated with the Agency's Annual Conference. The agency has sufficient cash funds to expend this additional appropriation.
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