

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1999 - 2001**

The Arkansas Waterways Commission is the state agency with the responsibility for developing, promoting and protecting the five commercially navigable rivers of the state for waterborne transportation and economic development. These natural resources are under developed and under utilized. For these reasons, they represent missed economic development opportunities, forfeited transportation savings, foregone international trade, and the potential loss of federal construction and maintenance funding. Two needs are within the ability of the state to correct. These are construction of port infrastructure and the second is marketing of existing resources. The infrastructure need will be addressed in separate legislation. The marketing efforts are included in the budget of the Waterways Commission. Marketing successes will be measured by port development and waterway utilization that is brought about through shipper awareness of capabilities, direct marketing to targeted industries, education of government leaders at the state and local levels, and education of the general public and students for sustaining efforts.

Currently the Commission has 3 full time authorized positions. The third position was filled in June 1998. In line with the Governor's policy, regular salaries are being listed without salary increase with exception of a 2.8% cost of living adjustment each year of the Biennium.

Professional Fees: A sum of \$47,800 is requested in FY-00 for professional fees to support a number of initiatives such as to: prepare a state-wide port and terminal directory with detailed information on barge shipping procedures with appropriate shipping contacts in each river basin; conduct a state-wide survey of industries having commodities appropriate for shipment by water; develop literature and other materials to be used for Mexican and Latin American shippers for use in trade missions; study port management systems at each public port in the state and prepare a model operating procedure to improve profitability and efficiency of these facilities; develop public service announcements; and develop a web page outlining the state's waterborne transportation capabilities. A sum of \$50,500 is requested in FY-01 to conduct five regional workshops across the state to assist potential shippers; perform limited direct follow-up calls on potential shippers; prepare literature for Mexican trade mission; develop educational materials; and develop public service announcements.

Maintenance and Operations-Printing: A sum of \$20,500 is requested for printing in the Maintenance and Operations account in FY-00. Included in these costs are printing of port directories, printing of educational materials for distribution to class room teachers, student involvement program, printing of Mexican literature and displays, printing of brochures for regional waterside industrial parks, reprinting existing waterway brochures, and a quarterly newsletter to waterway interests and potential shippers

<p>AGENCY</p> <p>Arkansas Waterways Commission (341)</p>	<p>DIRECTOR</p> 	<p>AGENCY PROGRAM COMMENTARY BR21</p>	<p>PAGE</p> <p>268</p>
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Paul N. Revis
Executive Director

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1999 - 2001

cross the state. In FY-01 a sum of \$11,000 is requested to reprint educational materials, brochures, Mexican literature, and the quarterly newsletter.

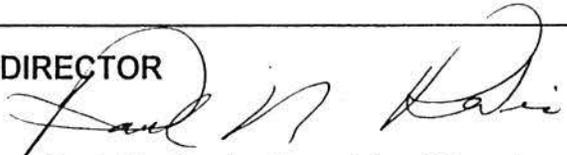
Maintenance and Operations-Office Operations: A sum of \$21,070 is requested in FY-00 in the Maintenance and Operations account for basic office operations for travel and subsistence reimbursement, postage, telephone services, office supplies, conferences, equipment maintenance, office rent (rental rate has increased approximately 50% and floor space requirements are increased from 530 square feet to 860 square feet to relieve chronic overcrowding, to consolidate storage from an off-site location and to provide space for the Assistant Director for Marketing that was hired in June 1998). A sum of \$19,800 is requested for these items in FY-01.

Conference and Education Travel: A sum of \$1525 is requested in FY-00 and FY-01 for staff attendance at conferences and training.

Capital Outlay: A request for \$3,200 in FY-00 for Capital Outlay is made for a Video/digital camera, 35mm camera and supportive equipment, and high resolution printer to be used in preparing brochures, and educational materials related to the marketing program. A sum of \$5,000 is requested in FY-01 for Capital Outlay to replace two existing computers that will become obsolete in that year.

State Contribution: A request of \$964 for each year of the Biennium to restore State Contribution line items to the FY-99 authorized level.

Note: All amounts shown are above the base year funding level.

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ARKANSAS WATERWAYS COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1996

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 0	\$ 35,726	\$ 9,852	\$ 45,578	\$ 586	\$ 5,817	\$ 6,403	\$ 39,175		

Revenues					Expenditures				Other Sources (Uses)	
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 129,863	\$ 0	\$ 0	\$ 0	\$ 129,863	\$ 85,053	\$ 4,000	\$ 12,721	\$ 25,392	\$ 127,166	\$ 586

Findings

COMMISSION MEMBERS ATTENDANCE - Review of the minutes of the Arkansas Waterways Commission revealed that one (1) commission member had been absent for three (3) successive regular meetings. According to Ark. Code Ann. 21-17-211, as amended by Act 219 of 1997, a commission member shall be subject to removal from the commission in the event the member failed to present to the Governor a satisfactory excuse for his absence. Unexcused absences from three (3) successive regular meetings, without attending any intermediary called special meeting, shall constitute sufficient cause for removal.

Recommendations

Notify the commission members of the attendance requirements of Ark. Code Ann 25-17-211, as amended by Act 219 of 1997.

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 341 - ARK WATERWAYS COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>1</u>	<u>1</u>	<u>2</u>	<u>100%</u>
BLACK EMPLOYEES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/08/98			<u>0</u>	<u>0%</u>
<u>DATE</u>			TOTAL MINORITIES	
			<u>2</u>	<u>100%</u>
			TOTAL EMPLOYEES	



 AGENCY DIRECTOR

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1999 - 2001**

The Waterways Commission supports the development of the navigable waterways of Arkansas. The 7 member, Governor-appointed, Commission was created by Act 242 of 1967. The Commission is supported by a three person staff. The Waterways Commission's services and advice are offered to the water transportation industry by means of correspondence, participation in seminars, serving on advisory committees and boards, and providing research on specialty subjects. The 81st General Assembly provided an Assistant Director of Communications position for the current biennium to create an awareness of the waterways and promote the state's waterways through multi-media communications. General Revenue funding constraints did not allow the agency to fill the position until the later part of FY98.

Base Level includes a cost of living increase of 2.8% each year over the FY99 salary levels, related Personal Services Matching costs, Maintenance and General Operations, as well as the States Contribution line item which supports the efforts of the Red River Valley, Arkansas Basin and White River Valley Associations. Additional requests total \$95,059 in FY00 and \$88,789 in FY01. These additions to the various Maintenance and General Operations line items are requested to address costs associated with relocating the office, with purchasing office and video equipment, and with the development and implementation of a marketing and education plan for Arkansas' waterways. Also included in the request is \$964 each year for the States Contribution line item, which will restore the line item to the current authorized level.

The Executive Recommendation provides for Base Level, additional Maintenance and General Operations totaling \$9,300 in FY00 and \$6,300 in FY01 needed for relocation expenses, and \$964 each year for the States Contribution line item.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Ark. Waterways Commission Code: 341	Name: Operations Code: 085	Name: St. General Srvs. Code: HUA	BUDGET REQUEST BR20	272

ARKANSAS BUDGET SYSTEM

01 02 03 04 05 06 07 08 09 10 11 12 13 14

CHARACTER TITLE	-----EXPENDITURES-----			98-99			-----99-00 FISCAL YEAR-----			-----00-01 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	97-98	98-99	98-99	99-00		00-01		00-01		00-01		EXECUTIVE		LEGISLATIVE		
	ACTUAL	BUDGETED	AUTHORIZED	BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	99-00	00-01	99-00	00-01
REGULAR SALARIES	75,841	107,329	104,409	111,521	0	111,521	114,643	0	114,643	111,521	114,643	111,521	114,643			
NUMBER OF POSITIONS	3	3	3	3	0	3	3	0	3	3	3	3	3			
PERSONAL SERV MATCHING	16,069	24,989	27,526	29,433	0	29,433	29,987	0	29,987	29,433	29,987	29,433	29,987			
OPERATING EXPENSES	36,680	36,680	36,680	36,680	41,570	78,250	36,680	30,800	67,480	44,480	42,980	44,480	42,980			
CONF FEES & TRAVEL	3,501	3,975	3,975	3,975	1,525	5,500	3,975	1,525	5,500	3,975	3,975	3,975	3,975			
PROF FEES & SERVICES	0	0	0	0	47,800	47,800	0	50,500	50,500	0	0	0	0			
CAPITAL OUTLAY	7,756	0	0	0	3,200	3,200	0	5,000	5,000	1,500	0	1,500	0			
STATE'S CONTRIBUTION	5,000	6,036	7,000	6,036	964	7,000	6,036	964	7,000	7,000	7,000	7,000	7,000			
TOTAL	142,847	179,009	179,590	187,645	95,059	282,704	191,321	88,789	280,110	197,909	198,585					
PROPOSED FUNDING SOURCES			*****													
FUND BALANCES			*****													
GENERAL REVENUES	142,847	179,009	*****	187,645	95,059	282,704	191,321	88,789	280,110	197,909	198,585					
SPECIAL REVENUES			*****													
FEDERAL FUNDS			*****													
STATE CENTRAL SERVICES FUND			*****													
NON-REVENUE RECEIPTS			*****													
CASH FUNDS			*****													
OTHER			*****													
TOTAL FUNDING	142,847	179,009	*****	187,645	95,059	282,704	191,321	88,789	280,110	197,909	198,585					
EXCESS APPRO/ (FUNDING)			*****													
TOTAL	142,847	179,009	*****	187,645	95,059	282,704	191,321	88,789	280,110	197,909	198,585					

DEPT 009 OTHER BOARDS AND COMMISSIONS
 AGY 341 ARKANSAS WATERWAYS COMMISSION
 APPRO 085 GENERAL REVENUE
 FUND HUA STATE GENERAL SERVICES(000)

The FY99 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1997-99 biennium.

APPROPRIATION SUMMARY

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ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1999 - 01 BIENNIUM REQUESTS-----						-----RECOMMENDATIONS-----					
					ACTUAL	BUDGETED	FY 1999 - 00			FY 2000 - 01			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					97-98	98-99	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1999-00	2000-01	1999-00	2000-01		
000		HUA	341 085	B	142,847 3	179,009 3	187,645 3			191,321 3			187,645 3	191,321 3				
001		HUA	341 085	C01			92,989 0			83,189 0			10,264	7,264				
<p>Additional Maintenance and Operations Professional Fees and Services as well as Capital Outlay are requested to initiate a statewide waterways marketing and education program at a total cost of \$69,730 in FY00 and \$59,400 in FY01. Additional Maintenance and Operation and Conference Fees and Travel are requested to provide daily support for the office staff and commission at a total cost of \$22,295 in FY00 and \$22,825 in FY01. The final part of the request is \$964 each year of the biennium to restore the State Contributions Line Item to the FY99 authorized level.</p>																		
001		HUA	341 085	C08			2,070 0			5,600 0								
<p>Technology changes totaling \$2,070 in FY00 are for the development of a web page as well as the purchase of a laser printer. Continued development of the web page and replacement of two existing personal computers in FY01 will total \$5,600.</p>																		

DEPT 009 OTHER BOARDS AND COMMISSIONS
AGY 341 ARKANSAS WATERWAYS COMMISSION
APPRO 085 GENERAL REVENUE
FUND HUA STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION
BR 264