

# AR DEPARTMENT OF AERONAUTICS

## Enabling Laws

Act 253 of 2012  
A.C.A. §27-115-101 et seq.

## History and Organization

The mission of the Arkansas Department of Aeronautics is to create a safer, more desirable atmosphere for the pilot, and at the same time, create and improve airports to better serve Arkansas communities, industries, and the general public.

The Department was created by Act 457 of 1941, as amended by Act 373 of 1965, and is currently charged with the following duties:

- Provide for the examination and licensing of airports in the State;
- adopt rules and regulations for the issuance, expiration, suspension, or revocation of licenses of airports;
- establish air space reservations within the State;
- designate, establish, and chart civil airways, and publish a map of such;
- investigate accidents in air navigation;
- encourage the establishment of airports, civil airways, and other navigation facilities;
- supervise and regulate the safety of airports;
- adopt rules and regulations for flight instruction;
- adopt rules and regulations for aerial markings;
- adopt rules and regulations for aerial beacon lights;
- exchange with other government agencies information pertaining to civil air navigation;
- enforce the regulations and air traffic rules through local authorities; and
- establish minimum safe altitudes for flight in the State.

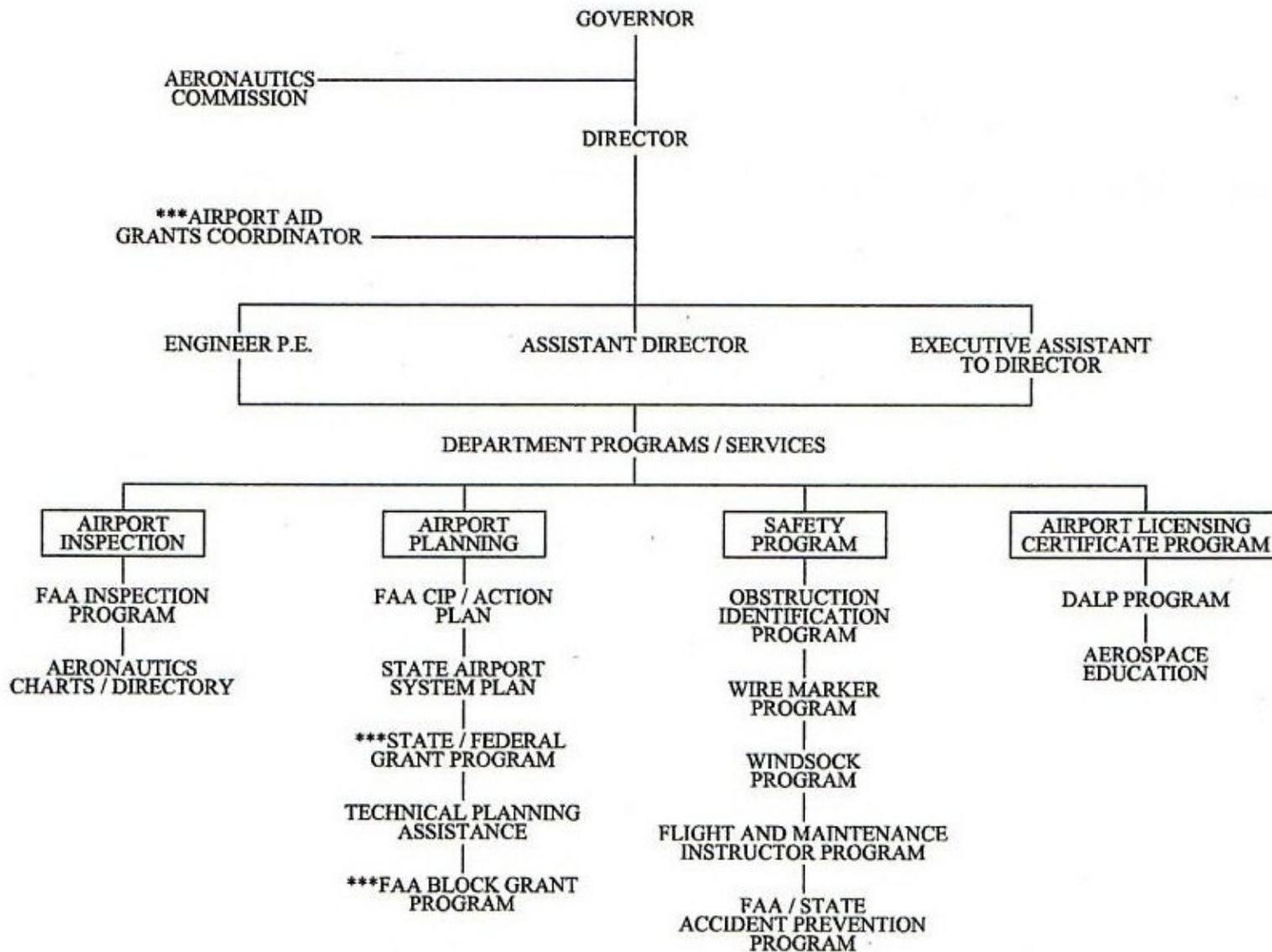
In 1967, Act 499 provided that all revenue derived from the Gross Receipts Tax on aviation fuel shall be deposited in the State Treasury to the credit of the Arkansas Department of Aeronautics Fund to be used solely for constructing airports, civil airways, and other navigational facilities in the State.

Act 38 of 1971 transferred the Arkansas Department of Aeronautics by a Type 2 transfer to the Department of Planning as the Division of Aeronautics. Act 64 of 1973 increased the Aeronautics Commission from five members to seven.

Act 278 of 1975 abolished the Department of Planning and placed the Division of Aeronautics in the Department of Local Services. Act 733 of 1977 provided that all revenues derived from the Arkansas Gross Receipts Tax on aircraft, aviation fuel, aircraft services, and aircraft parts and accessories shall go to the Arkansas Division of Aeronautics Special Fund.

Act 764 of 1981 transferred the Division of Aeronautics to the Arkansas Department of Commerce by a Type 2 transfer. This change placed the Division of Aeronautics under the Director of the Department of Commerce and the Governor, with the seven member Aeronautics Commission continuing in an advisory capacity.

Act 691 of 1983 abolished the Department of Commerce and restored the Arkansas Department of Aeronautics to independent status to function in the same manner as it functioned prior to its transfer to the Department of Local Services and the Department of Commerce. Provided, however, that the administrative head of the Department shall be appointed by the Aeronautics Commission, with the approval of



## **Agency Commentary**

The Arkansas Department of Aeronautics was established to foster and maintain a safer environment for flight and to create and improve airports to better serve communities, industries, and the general public. Base Level for the State Operations Program is \$15,617,181 each year and is the Agency Request.

In the Department's Federal Grant appropriation, the request is for continuation of the current level of authorization for dispensing anticipated federal airport aid block grant funds.

## **Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
DEPARTMENT OF AERONAUTICS  
FOR THE YEAR ENDED JUNE 30, 2011

Findings

Recommendations

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None

None

## **State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012**

None

## Employment Summary

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

## Publications

### A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		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)
State Airport Directory	N/A	N	N	5,000	Provides information to the flying public concerning individual Arkansas airports. (Published biennially)

# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
665 Aeronautics-State Operations	10,813,345	5	15,608,592	5	15,643,993	5	15,617,181	5	15,617,181	5	15,617,181	5	15,617,181	5	15,617,181	5	15,617,181	5
666 Aeronautics-Federal Grants	114,037	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	12,000,000	0	12,000,000	0
Total	10,927,382	5	27,608,592	5	27,643,993	5	27,617,181	5	27,617,181	5	27,617,181	5	27,617,181	5	27,617,181	5	27,617,181	5

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance 4000005	14,979,738	65.6	11,916,143	37.7			4,007,551	16.9	4,007,551	16.9	4,007,551	16.9	0	0.0	0	0.0	0	0.0
Federal Revenue 4000020	114,037	0.5	12,000,000	38.0			12,000,000	50.6	12,000,000	50.6	12,000,000	50.6	12,000,000	60.9	12,000,000	60.9	12,000,000	60.9
Special Revenue 4000030	7,749,750	33.9	7,700,000	24.4			7,700,000	32.5	7,700,000	32.5	7,700,000	32.5	7,700,000	39.1	7,700,000	39.1	7,700,000	39.1
Total Funds	22,843,525	100.0	31,616,143	100.0			23,707,551	100.0	23,707,551	100.0	23,707,551	100.0	19,700,000	100.0	19,700,000	100.0	19,700,000	100.0
Excess Appropriation/(Funding)	(11,916,143)		(4,007,551)				3,909,630		3,909,630		3,909,630		7,917,181		7,917,181		7,917,181	
Grand Total	10,927,382		27,608,592				27,617,181		27,617,181		27,617,181		27,617,181		27,617,181		27,617,181	

## Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
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	
4	4	0	4	0	0.00 %	5	4	1	5	0	20.00 %	5	4	1	5	0	20.00 %

## **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. Base Level for this program is \$15,617,181 each year.

Base Level Regular Salaries and Personal Services Matching include Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of the unclassified Director's position reflects the FY13 line item maximum.

The Agency is requesting Base Level for the 2013-2015 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	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	306,535	297,533	331,682	303,445	303,445	303,445	303,445	303,445	303,445
<b>#Positions</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Personal Services Matching 5010003	85,880	88,530	89,782	91,207	91,207	91,207	91,207	91,207	91,207
Operating Expenses 5020002	88,984	200,029	200,029	200,029	200,029	200,029	200,029	200,029	200,029
Conference & Travel Expenses 5050009	5,020	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Professional Fees 5060010	10,595	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	10,316,331	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,813,345</b>	<b>15,608,592</b>	<b>15,643,993</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>
<b>Funding Sources</b>									
Fund Balance 4000005	14,979,738	11,916,143		4,007,551	4,007,551	4,007,551	0	0	0
Special Revenue 4000030	7,749,750	7,700,000		7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000
Total Funding	22,729,488	19,616,143		11,707,551	11,707,551	11,707,551	7,700,000	7,700,000	7,700,000
Excess Appropriation/(Funding)	(11,916,143)	(4,007,551)		3,909,630	3,909,630	3,909,630	7,917,181	7,917,181	7,917,181
<b>Grand Total</b>	<b>10,813,345</b>	<b>15,608,592</b>		<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>	<b>15,617,181</b>

## **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 Agency requests continuation of this appropriation at the \$12,000,000 level currently authorized to improve airport infrastructures and to upgrade safety features and equipment.

During FY12, \$114,037 was expended to assess and update the State Airport System Plan to determine priorities for repairs and upgrading.

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		Historical Data			2013-2014			2014-2015		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	114,037	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total		114,037	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
<b>Funding Sources</b>										
Federal Revenue	4000020	114,037	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total Funding		114,037	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		114,037	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000