

AR DEPARTMENT OF AERONAUTICS

Enabling Laws

Act 109 of 2010
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.

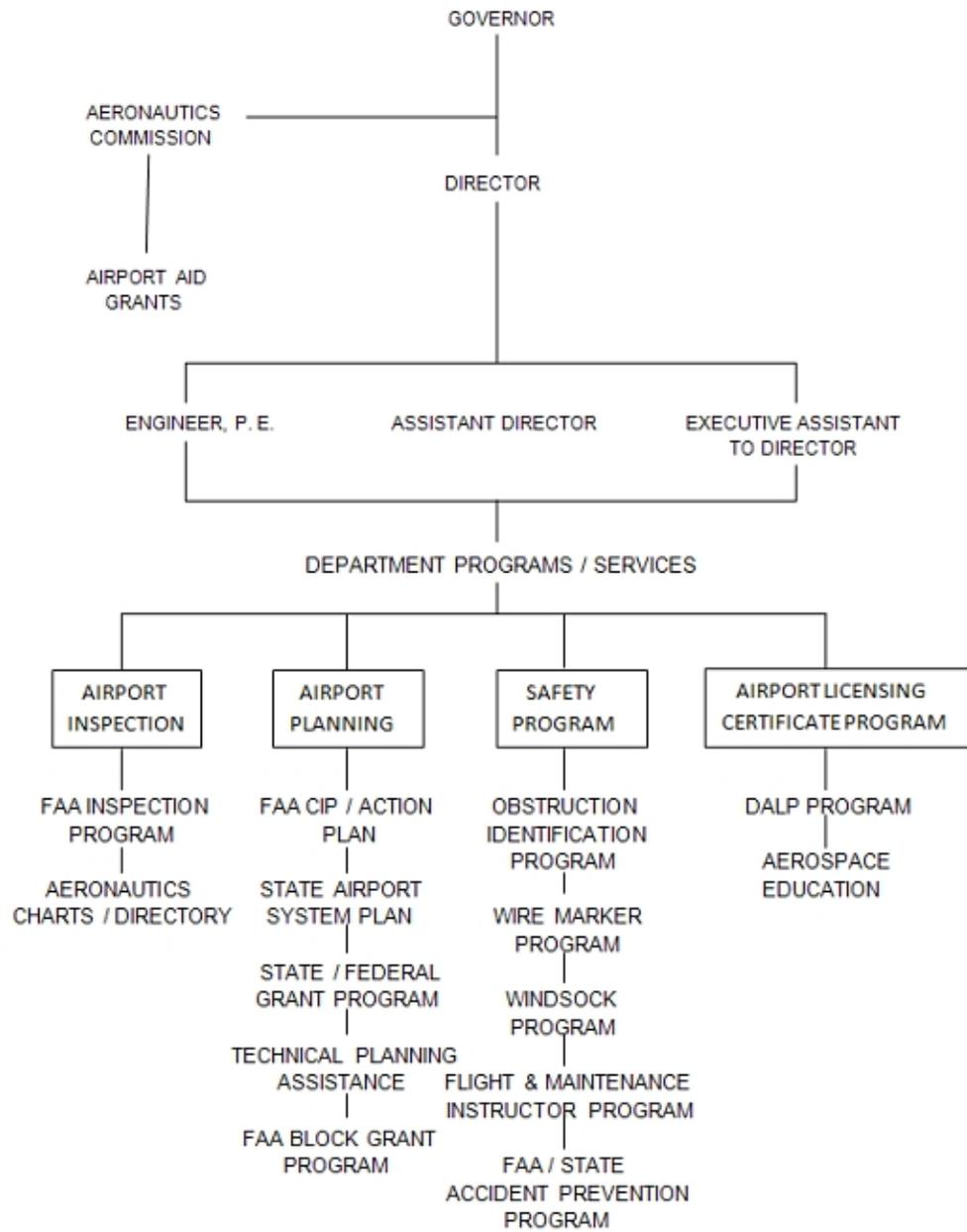
In 1967, Act 499 provided that all revenue derived from the Gross Receipts Tax on aviation fuel shall be deposited in the State Treasury to the credit of the Arkansas Department of Aeronautics Fund to be used solely for constructing airports, civil airways, and other navigational facilities in the State.

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 the Governor, and shall serve at the pleasure of the Governor.



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. In addition to Base Level, the Department is requesting restoration and continuation of one position, Grants Coordinator, that is currently authorized for FY11 from the OPM new growth pool by action of the ALC Personnel Committee in July, 2010.

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, 2008

Findings	Recommendations
None	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	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
665 Aeronautics-State Operations	9,607,076	4	15,556,010	4	15,548,649	4	15,557,323	4	15,623,686	5	15,623,686	5	15,557,323	4	15,623,686	5	15,623,686	5
666 Aeronautics-Federal Grants	153,720	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	9,760,796	4	27,556,010	4	27,548,649	4	27,557,323	4	27,623,686	5	27,623,686	5	27,557,323	4	27,623,686	5	27,623,686	5

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	18,106,779	64.1	18,501,263	46.0	12,695,253	36.9	12,695,253	36.9	12,695,253	36.9	6,887,930	24.1	6,821,567	23.9	6,821,567	23.9
Federal Revenue	4000020	153,720	0.5	12,000,000	29.8	12,000,000	34.8	12,000,000	34.8	12,000,000	34.8	12,000,000	41.9	12,000,000	42.0	12,000,000	42.0
Special Revenue	4000030	10,001,560	35.4	9,750,000	24.2	9,750,000	28.3	9,750,000	28.3	9,750,000	28.3	9,750,000	34.0	9,750,000	34.1	9,750,000	34.1
Total Funds		28,262,059	100.0	40,251,263	100.0	34,445,253	100.0	34,445,253	100.0	34,445,253	100.0	28,637,930	100.0	28,571,567	100.0	28,571,567	100.0
Excess Appropriation/(Funding)		(18,501,263)		(12,695,253)		(6,887,930)		(6,821,567)		(6,821,567)		(1,080,607)		(947,881)		(947,881)	
Grand Total		9,760,796		27,556,010		27,557,323		27,623,686		27,623,686		27,557,323		27,623,686		27,623,686	

The FY11 Budget amount in the State Operations Program (665) exceeds Authorized due to salary and matching adjustments during the 2009-2011 Biennium.

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	
4	4	0	4	0	0.00 %	4	4	0	4	0	0.00 %	4	4	0	4	0	0.00 %

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 \$15,557,323 each year.

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 Department's one unclassified position reflects the FY11 line item maximum.

The only change requested is restoration and continuation of a Grants Coordinator position that is currently authorized for FY11 from the OPM central growth pool by action of the ALC Personnel Committee in July, 2010.

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	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	262,416	262,018	257,514	263,044	314,379	314,379	263,044	314,379	314,379
#Positions	4	4	4	4	5	5	4	5	5
Personal Services Matching 5010003	67,758	71,463	68,606	71,750	86,778	86,778	71,750	86,778	86,778
Operating Expenses 5020002	166,752	200,029	200,029	200,029	200,029	200,029	200,029	200,029	200,029
Conference & Travel Expenses 5050009	6,868	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Professional Fees 5060010	9,950	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	9,093,332	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
Total	9,607,076	15,556,010	15,548,649	15,557,323	15,623,686	15,623,686	15,557,323	15,623,686	15,623,686
Funding Sources									
Fund Balance 4000005	18,106,779	18,501,263		12,695,253	12,695,253	12,695,253	6,887,930	6,821,567	6,821,567
Special Revenue 4000030	10,001,560	9,750,000		9,750,000	9,750,000	9,750,000	9,750,000	9,750,000	9,750,000
Total Funding	28,108,339	28,251,263		22,445,253	22,445,253	22,445,253	16,637,930	16,571,567	16,571,567
Excess Appropriation/(Funding)	(18,501,263)	(12,695,253)		(6,887,930)	(6,821,567)	(6,821,567)	(1,080,607)	(947,881)	(947,881)
Grand Total	9,607,076	15,556,010		15,557,323	15,623,686	15,623,686	15,557,323	15,623,686	15,623,686

The FY11 Budget amounts in Regular Salaries and Personal Services Matching exceed the Authorized amounts due to salary adjustments and matching rate adjustments during the 2009-2011 Biennium.

Change Level by Appropriation

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

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	15,557,323	4	15,557,323	100.0	15,557,323	4	15,557,323	100.0
C06	Restore Position/Approp	66,363	1	15,623,686	100.4	66,363	1	15,623,686	100.4

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	15,557,323	4	15,557,323	100.0	15,557,323	4	15,557,323	100.0
C06	Restore Position/Approp	66,363	1	15,623,686	100.4	66,363	1	15,623,686	100.4

Justification

C06	The Department is requesting restoration of the Grants Coordinator position that is currently authorized for FY11 from the OPM central growth pool by action of the ALC Personnel Committee in July, 2010. The addition of this position provides a specialist to handle the 76% increase in airport aid grants authorized in the current biennium.
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Analysis of Budget Request

Appropriation: 666 - Aeronautics-Federal Grants

Funding Sources: FAA - Aeronautics Department - Federal Funds

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 FY10, \$153,720 was provided by the Federal Aviation Administration and 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 Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			2011-2012			2012-2013		
		2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	153,720	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		153,720	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Funding Sources										
Federal Revenue	4000020	153,720	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total Funding		153,720	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		153,720	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000