

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1995-97

Funding for the Arkansas Public Service Commission (APSC) - Utilities Division comes from special revenues derived from assessments on jurisdictional utility companies' revenues.

Priority funding requests for the 1995-1997 biennium are for additional resources needed to meet existing regulatory requirements. Lack of adequate resources to support the regulatory proceedings will lead to decisions based on inadequate analysis and review, to the detriment of either the utility or its ratepayers.

The APSC's primary budget requests are based on: (1) the need to attract and retain staff with the professional expertise necessary to address complex regulatory issues; and, (2) the need to augment existing programs to ensure that Arkansas ratepayers receive adequate utility services at fair and reasonable rates.

1. RECRUITING AND RETAINING PROFESSIONAL STAFF.

Attracting highly qualified personnel remains a continuing challenge for the APSC. The APSC attempts to attract applicants with education and experience comparable to counterparts in the utility industry and in surrounding regulatory commissions.

The areas of regulatory involvement for the APSC are increasing in both number and complexity. In order to protect the public interest, it has become essential for the APSC to participate in proceedings before various federal agencies, including the Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC), and Securities Exchange Commission (SEC); become involved in national and regional regulatory organizations; and work with our congressional delegation. It is critical that the APSC continue

<u>AGENCY</u> ARKANSAS PUBLIC SERVICE COMMISSION	<u>PSC CHAIRMAN</u> SAM I. BRATTON, JR.	<u>AGENCY PROGRAM COMMENTARY</u> BR21	<u>PAGE</u> 575
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to attract and retain a qualified professional staff with expertise in public utility regulation if it is to effectively regulate the companies that provide utility services to Arkansans. To facilitate this objective, the APSC requests the continuation of special language for market conditions (special rates of pay).

2. AUGMENT EXISTING RESOURCES.

To effectively utilize existing staff will require additional resources to accomplish the agency's objectives and program requirements. The primary focus of the APSC request is to maintain operational funds at the level authorized by the 1993-95 biennium appropriation act. Additional resources are requested in the following areas:

. Maintenance and Operations - to allow for a State Building Services increase in rent for the 1000 Center Street Building;

. Data Processing - to fund needed maintenance, repair and replacement of computer equipment;

. Capital Outlay - to replace, as needed, agency vehicles, office furniture and equipment;

. Professional Services - to authorize contracting for specialized services for APSC rate cases, legal, and federal regulatory proceedings;

. Renovation and Repairs - to provide for required renovations and repairs to the 1000 Center Street Building;

. Overtime and Extra help - to meet the requirements of Federal Fair Labor Standards Act;

. Contingency and Integrated Resource Planning (IRP) - to continue authorization of an existing grant appropriation.

The increase in the data processing appropriation is necessary to provide funding for

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ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1995-97

maintenance and replacement of equipment that has been in service for a considerable period of time. This request would restore the appropriation at the same level as the 1993-95 biennium appropriation act. The PSC General Staff - Data Processing Section provides ongoing operations, application development, training, and user support for the Utilities Division and Tax Division of the APSC.

Professional services are utilized by the agency for specialized rate case, legal and other applications not currently available from staff. In addition, the line item for Federal Regulatory Services provides for specialized services needed in federal regulatory proceedings. Participation by the Arkansas Public Service Commission in proceedings before the Federal Energy Regulatory Commission (FERC), Federal Communications

Commission (FCC), Securities Exchange Commission (SEC), and various committees of the U.S. Congress continues to be a major component of the Commission's regulatory activities. Both of these requests would restore appropriation at the same level as authorized by the 1993-95 appropriation act.

The APSC seeks a continuation of the contingency appropriation in the amount of \$1 million. This appropriation has been of significant benefit to the agency in the past by providing funding for a required level of regulatory activity that could not have been reasonably foreseen when the APSC appropriation was enacted. The APSC is also requesting continuation of the Integrated Resource Planning project. This project was initiated during FY93 with funding from a transfer from the Cash Fund

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AGENCY PROGRAM COMMENTARY
1995-97

Holding Account following Legislative PEER Committee review. Grant funding for the project is from the State Energy Office. This request will allow the agency to fully utilize the available grant funds to complete the project.

Funding is also requested to allow any approved State Building Services renovations to the 1000 Center Street Building to be funded from APSC Special Revenues instead of S.B.S. General Revenues.

The agency will also require an overtime appropriation to meet requirements of the Federal Fair Labor Standards Act. The DFA Office of Personnel Management changed some APSC "exempt positions" to "non-exempt" making them subject to the Federal Fair Labor Standards Act. Some overtime will be necessary during the next biennium to meet rate case processing schedules.

In addition, the APSC is requesting that the extra help appropriation be restored to the same level authorized by the 1993-95 appropriation act.

The Gas and Pipeline Safety Program will require additional resources. Capital outlay is requested for replacement of office furniture and equipment as needed. Additional resources are also requested in maintenance and general operations due to a State Building Services increase in rent allocated to the Pipeline Safety Program. The line item for professional services is requested to be restored to the same level authorized by the 1993-95 appropriation act. This will allow the Pipeline Safety Program to contract for specialized testing/research services for accident investigations.

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ARKANSAS PUBLIC SERVICE COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1992

	<u>Fund Types</u>		<u>Account Groups</u>		<u>Total</u>
	<u>Governmental</u>	<u>Fiduciary</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
	Assets	\$ 3,809,139.66	\$ 422.70	\$ 1,666,204.52	
Liabilities	20,192.97	422.70		254,300.36	274,916.03
Fund Equity	3,788,946.69		1,666,204.52		5,455,151.21
Revenues	5,973,769.37	19,272.88			5,993,042.25
Expenditures	5,776,316.59	19,750.00			5,796,066.59
Other Financing Sources (Uses)	(181,927.44)				(181,927.44)

Findings

None.

Recommendations

None.

ARKANSAS BUDGET SYSTEM
EMPLOYMENT SUMMARY
AS REQUIRED BY ACT 358 OF 1993

AGENCY TITLE 450 - PUBLIC SERVICE COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>71</u>	<u>64</u>	<u>135</u>	<u>90%</u>
BLACK EMPLOYEES	<u>7</u>	<u>8</u>	<u>15</u>	<u>10%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/27/94			<u>15</u>	<u>10%</u>
DATE			TOTAL MINORITIES	<u>15</u>
			<u>150</u>	<u>100%</u>
			TOTAL EMPLOYEES	


AGENCY DIRECTOR

This report includes Employment Summary data for all divisions of the Public Service Commission: The Utilities Division, The Tax Division, and the Assessment Coordination Division.

SUMMARY
STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY
AGENCY: PUBLIC SERVICE COMMISSION – UTILITIES DIVISION (450U)

PROGRAM AUTHORIZED	# POS. AUTH.	AUTHORIZED APPROPRIATION		STATUS
		FY 93-94	FY 94-95	
<u>APPROPRIATION: 2KA – Contingency</u>				
Continuation of the Contingency account to provide extra support in the event special or emergency situations require application of its resources.	0	\$1,000,000	\$1,000,000	No situations have occurred in the current biennium that would require any resources from this account.
<u>APPROPRIATION: 255 – Utilities Division</u>				
Addition of a Rate Case Engineer position to work in the Capital Recovery Program.	1	\$58,058	\$59,443	This position is currently filled and has been utilized since the first quarter of FY94.
Increases in Operating Expenses for additional rent and telephone expenses.	0	\$60,886	\$60,886	Anticipated rent and telephone rate increases have not occurred, so none of the FY94 amount was used. All of the FY95 amount is budgeted in other categories.
Capital Outlay was provided for replacement of vehicles and office equipment.	0	\$65,192	\$45,000	\$31,288 was expended directly from Capital Outlay and another \$3,509 was transferred to the Motor Vehicle Acquisition Fund in FY94. \$20,000 of the FY95 amount is budgeted.
An increase was provided to return the Data Processing-PSC Divisions special line item to the authorized level of \$325,000 for the biennium.	0	\$203,780	\$0	Special language allows the balance of this account to be carried forward to the second year of each biennium. \$55,909 was used in the first year, leaving a \$269,091 balance available in the second year, all of which is budgeted.

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY

AGENCY: PUBLIC SERVICE COMMISSION - UTILITIES DIVISION (450U)

PROGRAM AUTHORIZED	# POS. AUTH.	AUTHORIZED APPROPRIATION		STATUS
		FY 93-94	FY 94-95	
Establishment of a special line item for Building Repair and Maintenance.	0	\$50,000	\$0	The remaining balance of this account can also be carried forward to the second year. \$3,045 was spent in the first year. \$31,093 is budgeted in the second year.
<u>APPROPRIATION: 256 - Pipeline Safety Program</u>				
Addition of 2 positions, DOT Corrosion Program Specialists, to determine and monitor rates of pipeline deterioration.	2	\$85,966	\$88,115	Both position have been active since the first quarter of FY94.
Increases in Operating Expenses for additional rent and telephone expenses.	0	\$3,336	\$3,336	Anticipated rent and telephone rate increases have not occurred. While these amounts have been budgeted in both years, none has been used in either year.
Capital Outlay was provided to purchase one vehicle and equipment for the two new positions in the first year. The second year amount is for equipment replacement.	0	\$17,488	\$2,832	In the first year, \$1,077 was expended directly from this account and \$15,988 was transferred to the Motor Vehicle Acquisition Fund. The second year amount is budgeted for equipment replacement.

**ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY**

AGENCY TITLE Public Service Comm. (450U)		1993-95 Expenditures				1995-97 Biennium Request				1995-97 Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1993-94	Pos.	1994-95	Pos.	1995-96	Pos.	1996-97	Pos.	1995-96	Pos.	1996-97	Pos.
B31	Int. Res. Plan Eval.-Cash	\$59,161	0	\$155,000	0	\$146,000	0	\$71,000	0	\$146,000	0	\$71,000	0
2KA	Contingency	0	0	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
255	Utilities Division	5,694,240	108	7,046,939	108	7,769,111	108	7,524,216	108	7,474,544	108	7,101,568	108
256	Pipeline Safety Program	379,363	9	536,930	9	576,391	9	586,122	9	552,181	9	550,841	9
TOTALS		\$6,132,764	117	\$7,738,869	117	\$9,491,502	117	\$9,181,338	117	\$9,172,725	117	\$8,723,409	117
Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances		\$4,357,291	39.9%	\$4,798,796	46.2%	\$2,649,628	21.8%	\$2,649,628	22.4%	\$2,649,628	22.4%	\$2,649,628	23.3%
General Revenues													
Special Revenues		6,454,700	59.0%	5,166,236	49.7%	9,057,307	74.6%	8,817,277	74.5%	8,750,635	74.0%	8,376,989	73.7%
Federal Funds		60,408	0.6%	268,465	2.6%	288,195	2.4%	293,061	2.5%	276,090	2.3%	275,420	2.4%
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts													
Cash Funds		59,161	0.5%	155,000	1.5%	146,000	1.2%	71,000	0.6%	146,000	1.3%	71,000	0.6%
Other													
Total Funding		10,931,560	100.0%	10,388,497	100.0%	12,141,130	100.0%	11,830,966	100.0%	11,822,353	100.0%	11,373,037	100.0%
Excess Appro./ (Funding)		(4,798,796)		(2,649,628)		(2,649,628)		(2,649,628)		(2,649,628)		(2,649,628)	
TOTAL		\$6,132,764		\$7,738,869		\$9,491,502		\$9,181,338		\$9,172,725		\$8,723,409	
DEPARTMENT PUBLIC SERVICE COMMISSION UTILITIES DIVISION (450U)				DIRECTOR Sam I. Bratton, Jr.					DEPARTMENT APPROPRIATION SUMMARY BR 40				

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995- 1997**

The Public Service Commission-Utilities Division requests authorization to continue its cash fund account for Integrated Resource Plan Evaluation. Amounts requested are \$146,000 in the first year and \$71,000 in the second year. Appropriation for this program was established in the current biennium through the authority of the DFA Cash Fund Holding Account.

The Executive Recommendation is for approval of the Agency Request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>CASH FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svs. Comm. Utilities Division Code: 450U	Name: Integrated Resource Plan Evaluation Code: B31	Name: Public Service Commission - Cash Code: 118	BR20	584

ARKANSAS BUDGET SYSTEM

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

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94	94-95	94-95	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	95-96	96-97	95-96	96-97
CONSULTANT SERVICES	59,161	155,000	0	0	146,000	146,000	0	71,000	71,000	146,000	71,000		
TOTAL	59,161	155,000	0	0	146,000	146,000	0	71,000	71,000	146,000	71,000		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS	59,161	155,000	*****		146,000	146,000		71,000	71,000	146,000	71,000		
OTHER			*****										
TOTAL FUNDING	59,161	155,000	*****		146,000	146,000		71,000	71,000	146,000	71,000		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	59,161	155,000	*****		146,000	146,000		71,000	71,000	146,000	71,000		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO B31 INTEGRATED RESOURCE PLAN EVALUATION -- CASH
 FUND 118 ARK PUBLIC SERV COMM CASH-(1450)

Appropriation was established through the authority of the DFA Cash Fund Holding Account

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

11	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
UNK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1995 - 97 BIENNIIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---	---BUDGETED---	-----FY 1995 - 96-----			-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					93-94	94-95	-----REQUEST-----			-----REQUEST-----			1995-96	1996-97	1995-96	1996-97		
00		118	450 B31	B	59,161 0	155,000 0	0 0				0 0							
01		118	450 B31 120 02 DIRECTOR AND UTILITIES STAFF	P01		0 0	146,000 0				71,000 0			146,000	71,000			
<p>This appropriation request is to continue the integrated resource planning project. This project was initiated during FY 1993 by a transfer from the Cash Fund Holding Account with Legislative PEER Committee review. Funding for the project is from a grant from the State Energy Office. This request will allow the agency to fully utilize the grant funds to complete the project.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGENCY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPROB 031 INTEGRATED RESOURCE PLAN EVALUATION -- CASH
 FUND 118 ARK PUBLIC SERV COMM CASH-(450)

RANK BY APPROPRIATION

BR 264

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

The Public Service Commission - Utilities Division requests that the Contingency appropriation be reappropriated at the current level of \$1,000,000 each year and its special language for emergencies and unforeseen circumstances also be continued for the 1995-97 Biennium.

The Executive Recommendation is for approval of this request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Public Service Comm.- Utilities Div. Code: 450U	Name: Contingency Code: 2KA	Name: Public Service Commission Fund Code: SJP	BR20	587

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14	
CHARACTER TITLE	-----EXPENDITURES-----			94-95			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----	
	93-94 ACTUAL	94-95 BUDGETED	94-95 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE 95-96	EXECUTIVE 96-97	LEGISLATIVE 95-96	LEGISLATIVE 96-97	
CONTINGENCY	0	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000			
TOTAL	0	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000			
PROPOSED FUNDING SOURCES			*****											
UNDEVELOPED BALANCES	1,000,000	1,000,000	*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000			
GENERAL REVENUES			*****											
SPECIAL REVENUES			*****											
FEDERAL FUNDS			*****											
STATE CENTRAL SERVICES FUND			*****											
NON-REVENUE RECEIPTS			*****											
CASH FUNDS			*****											
OTHER			*****											
TOTAL FUNDING	1,000,000	1,000,000	*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000			
EXCESS APPROX (FUNDING)	(1,000,000)	(1,000,000)	*****											
TOTAL			*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000			

DEPT 010 SEPARATE AGENCIES
 AGENCY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPROPRIATION 2KA CONTINGENCY
 FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

APPROPRIATION SUMMARY

BR 215

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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	1995 - 97 BIENNIUM REQUESTS				RECOMMENDATIONS					
					EXPENDITURES		FY 1995 - 96		FY 1996 - 97		EXECUTIVE		LEGISLATIVE	
					ACTUAL 93-94	BUDGETED 94-95	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97		
001		SJP	450 2KA 120 02 DIRECTOR AND UTILITIES STAFF	PO1		0	1,000,000	1,000,000		1,000,000	1,000,000			

The Public Service Commission Contingency Appropriation was established to provide additional appropriation to the Utilities Division in the event of emergencies or unforeseen occurrences. This request is to continue the appropriation.

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 2KA CONTINGENCY
FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

BR 264

589

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

The Public Service Commission - Utilities Division is funded entirely by special revenues derived from assessments paid by the utility companies under its jurisdiction. Base Levels for the Division are \$7,026,939 for FY96 and \$6,726,755 for FY97, with 108 authorized positions. The second year is less because current special language for the Data Processing - PSC Divisions line item provides for that entire appropriation to be placed in the first year and its balance to be carried forward into the second year.

Costs included in the Agency Request under "SALARY/MATCHING COST FOR BASE POSITIONS (P13)" reflect the appropriation needed for personal services above the Base Level and a 2.5% payplan increase on July 1 of each year of the biennium along with the accompanying employee matching requirements. The Executive Recommendation for the State Payplan will be presented for Legislative Recommendation as scheduled on December 7, 1994. Other priorities included in the Agency Request are as follows:

Increases in Extra Help of \$7,000 each year in salaries and \$540 in matching to provide additional clerical assistance in periods of peak workload.

Establishment of an Overtime account at \$25,000 each year plus matching. A federal ruling now requires overtime payment for unused compensatory time for certain positions upon termination. Earning of compensatory time cannot be avoided by some employees working in the field.

Increases in Operating Expenses of \$28,375 each year for additional rent costs.

Capital Outlay of \$43,886 in the first year for replacement of two vehicles and office equipment and \$45,910 in the second year for replacement of two vehicles and engineering equipment.

An increase of \$55,909 in the first year for the Data Processing - PSC Divisions special line item for expenses incurred in maintaining and upgrading data processing systems in the divisions. This amount would increase the account to \$325,000 for the biennial period. Continuation of carry forward special language is also requested.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Utilities Division Code: 450U	Name: Utilities Division Code: 255	Name: Public Service Commission Fund Code: SJP	BR20	590

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

An increase of \$18,907 in the first year to reinstate \$50,000 as the level for the Building Repair and Maintenance account that was established for the current biennium with carry forward special language.

Continuation is requested for the special language clause that provides for special pay rates for professional employees.

The Agency also requests increases in the following line items to reinstate them to current authorized levels:

	<u>FY96</u>	<u>FY97</u>
Professional Fees & Services	\$ 30,000	\$ 30,000
Data Processing	3,521	3,521
Federal Regulatory Services	130,000	130,000
Professional Services	100,000	100,000

The Executive Recommendation is for approval of the Agency Request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Utilities Division Code: 450U	Name: Utilities Division Code: 255	Name: Public Service Commission Fund Code: SJP	BR20	591

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94	94-95	94-95	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	95-96	96-97	95-96	96-97
REGULAR SALARIES	3,710,297	4,130,899	4,188,380	4,130,899	207,167	4,338,066	4,130,899	315,603	4,446,502	4,130,899	4,130,899		
NUMBER OF POSITIONS	108	108	108	108	0	108	108	0	108	108	108		
TRA HELP	1,115	3,000	10,000	3,000	7,000	10,000	3,000	7,000	10,000	10,000	10,000		
NUMBER OF POSITIONS	1	6	6	6	0	6	6	0	6	6	6		
PERSONAL SERV MATCHING	895,761	1,039,271	999,552	1,039,271	92,407	1,131,678	1,039,271	112,052	1,151,323	1,044,278	1,044,278		
VERTIME	0	0	0	0	25,000	25,000	0	25,000	25,000	25,000	25,000		
OPERATING EXPENSES	733,848	820,212	820,212	820,212	28,375	848,587	820,212	28,375	848,587	848,587	848,587		
CONF FEES & TRAVEL	49,366	67,826	67,826	67,826	0	67,826	67,826	0	67,826	67,826	67,826		
CONF FEES & SERVICES	8,429	33,302	63,302	33,302	30,000	63,302	33,302	30,000	63,302	63,302	63,302		
HOSPITAL OUTLAY	31,288	20,000	45,000	0	43,886	43,886	0	45,910	45,910	43,886	45,910		
DATA PROCESSING	3,324	20,000	23,521	20,000	3,521	23,521	20,000	3,521	23,521	23,521	23,521		
FEDERAL REGULATORY SERVICES	108,516	291,251	421,251	291,251	130,000	421,251	291,251	130,000	421,251	421,251	421,251		
PROFESSIONAL SERVICES	93,342	320,994	420,994	320,994	100,000	420,994	320,994	100,000	420,994	420,994	420,994		
DATA PROCESSING-PSC DIVISIONS	55,909	269,091	CARRY FORWARD	269,091	55,909	325,000	0	0	0	325,000			
VEHICLE REPAIR/MAINT	3,045	31,093	CARRY FORWARD	31,093	18,907	50,000	0	0	0	50,000			
TOTAL	5,694,240	7,046,939	7,060,038	7,026,939	742,172	7,769,111	6,726,755	797,461	7,524,216	7,474,544	7,101,568		
PROPOSED FUNDING SOURCES			*****										
UNDO BALANCES	2,749,116	3,449,168	*****	1,300,000		1,300,000	1,300,000		1,300,000	1,300,000	1,300,000		
GENERAL REVENUES			*****										
SPECIAL REVENUES	6,394,292	4,897,771	*****	7,026,939	742,172	7,769,111	6,726,755	797,461	7,524,216	7,474,544	7,101,568		
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
STATE FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	9,143,408	8,346,939	*****	8,326,939	742,172	9,069,111	8,026,755	797,461	8,824,216	8,774,544	8,401,568		
CESS APPRO/ (FUNDING)	(3,449,168)	(1,300,000)	*****	(1,300,000)		(1,300,000)	(1,300,000)		(1,300,000)	(1,300,000)	(1,300,000)		
TOTAL	5,694,240	7,046,939	*****	7,026,939	742,172	7,769,111	6,726,755	797,461	7,524,216	7,474,544	7,101,568		

PT 010 SEPARATE AGENCIES
 Y 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PRO 255 UTILITIES DIVISION
 ND SJP PUBLIC SERVICE COMMISSION FUND (450)

The FY95 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 1993-95 biennium.

APPROPRIATION SUMMARY

BR 215

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		1995 - 97 BIENNIUM REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1995 - 96		FY 1996 - 97				EXECUTIVE		LEGISLATIVE			
					93-94	94-95	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97		
000		SJP	450 255	B	5,694,240 108	7,046,939 108	7,026,939 108					6,726,755 108			7,026,939 108	6,726,755 108		
000		SJP	450 255 SALARY/MATCHING COST FOR BASE POSITIONS	P13			294,567 0					422,648 0						
<p>Additional appropriation required above the Base Level for payment of salaries and anticipated personal services matching requirements for all current positions.</p>																		
001		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P01			0 0	28,375 0				28,375 0			28,375	28,375		
<p>This request is to provide additional appropriation for an increase in the rent of the 1000 Center Street Building. State Building Services notified the Public Service Commission the rent increase will be effective July 1, 1995.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 255 UTILITIES DIVISION
 FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION
 BR 264

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
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1995 - 97 BIENNIAL REQUESTS-----						-----RECOMMENDATIONS-----					
					93-94	94-95	-----FY 1995 - 96-----			-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
							ACTUAL	BUDGETED	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97				
01		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P02		0	55,909				0			55,909				
<p>An increase in the data processing appropriation is necessary to provide for maintenance, repair and replacement of computer equipment as needed due to usage.</p>																		
01		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P03		0	43,886				45,910			43,886	45,910			
<p>This request is to replace two agency vehicles during each fiscal year of the next biennium at a cost of \$30,000 each fiscal year. Vehicle replacement is necessitated by age and condition of the vehicles. The remainder of the request is for replacement and additional office equipment/furniture. This includes replacement of one office copy machine at an estimated bid price of \$5,000 and the replacement of a specialized engineering test equipment device (telecommunications bulk call generator) in the second fiscal year at a cost of \$14,200.</p>																		
01		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P04		0	100,000				100,000			100,000	100,000			
<p>This request is to provide appropriation to authorize contracting for specialized professional services at the same level authorized by the 1993-95 biennium appropriation act.</p> <p>Professional services are utilized by the agency for specialized rate case, legal and other applications not currently available from staff.</p>																		

DEPT 010 SEPARATE AGENCIES
 IGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 255 UTILITIES DIVISION
 FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION
BR 264

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		1995 - 97 BIENNIIUM REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1995 - 96		FY 1996 - 97		EXECUTIVE		LEGISLATIVE					
					93-94	94-95	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97						
001		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P05		0	130,000					130,000			130,000			
<p>This request is to provide appropriation to authorize contracting for specialized services in Federal regulatory proceedings at the same level authorized by the 1993-95 biennium appropriation act. Public Service Commission participation in proceeding before the Federal Regulatory Commission (FERC), Federal Communications Commission (FCC), Securities Exchange Commission (SEC), and various committees of the U.S. Congress continues to be a major component of the Commission's regulatory activities.</p>																		
001		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P06		0	30,000					30,000			30,000			
<p>This request is to provide appropriation to allow continued flexibility in utilizing professional services at the same level authorized by the 1993-95 biennium appropriation act.</p>																		
001		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P07		0	3,521					3,521			3,521			
<p>This request is to provide appropriation to fund data processing services at the same level authorized by the 1993-95 biennium appropriation act.</p>																		

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 255 UTILITIES DIVISION

FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

BR 264

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
PK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1995 - 97 BIENNIUM REQUESTS-----						-----RECOMMENDATIONS-----					
					---ACTUAL---	---BUDGETED---	-----FY 1995 - 96-----			-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					93-94	94-95	-----REQUEST-----			-----REQUEST-----			1995-96	1996-97	1995-96	1996-97		
1		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P08		0	18,907				0			18,907				
<p>This request will continue to allow any approved State Building Services renovations to the 1000 Center Street Building to be funded from Special Revenue instead of General Revenues.</p>																		
1		SJP	450 255 120 02 DIRECTOR AND UTILITIES STAFF	P09		0	37,007				37,007			37,007	37,007			
<p>This request is to provide flexibility in staffing from extra help (\$7,000 each fiscal year) and provide appropriation as needed to pay for unused compensatory time (overtime \$25,000 each fiscal year) when non-exempt employees terminate employment as required by the Federal Fair Labor Standards Act.</p> <p>The request for additional extra help appropriation is at the same level authorized by the 1993-95 biennium appropriation act.</p>																		

PT 010 SEPARATE AGENCIES
 Y 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PRO 255 UTILITIES DIVISION
 ND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997

The Public Service Commission's Pipeline Safety Program is funded by special revenues and receives federal reimbursement for 50% of its expenditures. Base Level for this program is \$534,098 each year, with 9 authorized positions.

Costs included in the Agency Request under "SALARY/MATCHING COST FOR BASE POSITIONS (P13)" reflect the appropriation needed for personal services above the Base Level and a 2.5% payplan increase on July 1 of each year of the biennium along with the accompanying employee matching requirements. The Executive Recommendation for the State Payplan will be presented for Legislative Recommendation as scheduled on December 7, 1994. Other priorities included in the Agency Request are as follows:

Additions in Operating Expenses of \$1,368 each year for increased rent charges.

Capital Outlay amounts of \$3,050 in the first year and \$1,710 in the second year for replacement of office and engineering equipment.

Increases of \$13,665 each year in Professional Fees & Services to reinstate the current authorized level of \$37,000 each year for contracting for outside professional assistance.

The Executive Recommendation is for approval of the Agency Request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Utilities Division Code: 450U	Name: Pipeline Safety Program Code: 256	Name: Public Service Utility Safety Fund Code: SAD	BR20	597

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94	94-95	94-95	95-96		96-97		96-97		EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	95-96	96-97	95-96	96-97
REGULAR SALARIES	279,986	357,524	357,524	357,524	16,751	374,275	357,524	26,105	383,629	357,524	357,524		
NUMBER OF POSITIONS	9	9	9	9	0	9	9	0	9	9	9		
PERSONAL SERV MATCHING	66,785	89,096	85,090	89,096	7,459	96,555	89,096	9,176	98,272	89,096	89,096		
OPERATING EXPENSES	29,582	43,523	43,523	43,523	1,368	44,891	43,523	1,368	44,891	44,891	44,891		
CONF FEES & TRAVEL	1,933	20,620	20,620	20,620	0	20,620	20,620	0	20,620	20,620	20,620		
CONF FEES & SERVICES	0	23,335	37,000	23,335	13,665	37,000	23,335	13,665	37,000	37,000	37,000		
CAPITAL OUTLAY	1,077	2,832	2,832	0	3,050	3,050	0	1,710	1,710	3,050	1,710		
TOTAL	379,363	536,930	546,589	534,098	42,293	576,391	534,098	52,024	586,122	552,181	550,841		
PROPOSED FUNDING SOURCES			*****										
UNDEVELOPED BALANCES	608,175	349,628	*****	349,628		349,628	349,628		349,628	349,628	349,628		
GENERAL REVENUES			*****										
SPECIAL REVENUES	60,408	268,465	*****	267,049	21,147	288,196	267,049	26,012	293,061	276,091	275,421		
FEDERAL FUNDS	60,408	268,465	*****	267,049	21,146	288,195	267,049	26,012	293,061	276,090	275,420		
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
ASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	728,991	886,558	*****	883,726	42,293	926,019	883,726	52,024	935,750	901,809	900,469		
EXCESS APPROX (FUNDING)	(349,628)	(349,628)	*****	(349,628)		(349,628)	(349,628)		(349,628)	(349,628)	(349,628)		
TOTAL	379,363	536,930	*****	534,098	42,293	576,391	534,098	52,024	586,122	552,181	550,841		

EPT 010 SEPARATE AGENCIES
 GY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PPRO 256 PIPELINE SAFETY PROGRAM
 UND SAD PUBLIC SERV UTIL SAFETY FUND (450)

The FY95 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 1993-95 biennium.

APPROPRIATION SUMMARY

BR 215

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		1995 - 97 BIENNIUM REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1995 - 96		FY 1996 - 97		EXECUTIVE		LEGISLATIVE					
					93-94	94-95	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97						
000		SAD 450 256		B	379,363 9	536,930 9	534,098 9					534,098 9		534,098 9				
000		SAD 450 256 SALARY/MATCHING COST FOR BASE POSITIONS		P13			24,210 0					35,281 0						
Additional appropriation required above the Base Level for payment of salaries and anticipated personal services matching requirements for all current positions.																		
001		SAD 450 256 120 02 DIRECTOR AND UTILITIES STAFF		P01		0 0	1,368 0					1,368 0		1,368		1,368		
This request is to provide additional appropriation for an increase in the rent of the 1000 Center Street Building. State Building Services notified the Public Service Commission the rent increase will be effective July 1, 1995.																		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 256 PIPELINE SAFETY PROGRAM

FUND SAD PUBLIC SERV UTIL SAFETY FUND (450)

RANK BY APPROPRIATION

BR 264

593

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		1995 - 97 BIENNIUM REQUESTS						R E C O M M E N D A T I O N S						
					ACTUAL	BUDGETED	FY 1995 - 96		FY 1996 - 97				EXECUTIVE		LEGISLATIVE				
					93-94	94-95	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97			
001		SAD	450 256 120 02 DIRECTOR AND UTILITIES STAFF	P02		0		3,050							3,050		1,710		
<p>This request is for replacement office machines, office equipment and engineering equipment. The engineering equipment is used in the safety inspections of pipelines.</p>																			
001		SAD	450 256 120 02 DIRECTOR AND UTILITIES STAFF	P03		0		13,665							13,665		13,665		
<p>This request is to provide appropriation to authorize contracting for specialized professional services at the same level authorized by the 1993-95 biennium appropriation act.</p>																			

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 256 PIPELINE SAFETY PROGRAM
FUND SAD PUBLIC SERV UTIL SAFETY FUND (450)

RANK BY APPROPRIATION
BR 264

000

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1995 - 1997

The primary purposes of the Assessment Coordination Division are to assist counties in the equalization and appraisal of property for ad valorem tax purposes, provide computer assistance and programs for county government functions, conduct schools and educational seminars, prepare guidelines for valuation, audit assessments through ratio studies, and provide pertinent data necessary for the upkeep of appraisals. Our continuing level budget is necessary to carry out these duties as have been previously done, some below statutory minimums.

Priority 1 is a request in the amount of \$3,000 in both years to cover the inflation index clause in our rent contract.

Priority 2 is a contingency appropriation and funding of \$35,555 both years to cover moving expense and rent increases if our present location is sold to a third party. This consists of \$10,000 for moving and an additional \$25,555 for rent.

Priority 3 is a request for the reinstatement of the five (5) positions we had to leave unfunded in the current fiscal year, at a cost of \$95,574 the first year and \$97,545 in the second.

Priority 4 is a request for capital outlay in the amount of \$10,000 per year to cover office equipment, computer equipment and furniture which become obsolete and to upgrade and expand work stations.

Priority 5 is a request to fund the Assessment Personnel Educational Incentive Program for local assessment employees in the amount of \$65,000 the first year and \$75,000 the second year, as recommended by the Joint Interim Committee on Tax Research and Economic Policy.

Priority 6 is a request for an increase in the Assessor's School fund of \$13,000 the first year and \$18,000 the second year, which would allow five fully funded courses per year.

<u>AGENCY</u>	<u>DIRECTOR</u>	<u>AGENCY PROGRAM COMMENTARY</u>	<u>PAGE</u>
PUBLIC SERVICE COMMISSION ASSESSMENT COORDINATION DIVISION	Larry E. Crane	BR21	601

ARKANSAS PUBLIC SERVICE COMMISSION - ASSESSMENT COORDINATION DIVISION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1992

	Fund Type Governmental	Account Groups		Total
		General Fixed Assets	General Long-Term Debt	
Assets	\$ 38,199.13	\$ 179,064.32	\$ 51,826.92	\$ 269,090.37
Liabilities	2,852.16		51,826.92	54,679.08
Fund Equity	35,346.97	179,064.32		214,411.29
Revenues	1,792,958.09			1,792,958.09
Expenditures	1,421,818.56			1,421,818.56
Other Financing Sources (Uses)	(354,333.88)			(354,333.88)

Findings

1. EQUIPMENT - The Agency purchased computer equipment totaling \$11,203.09 that was not tagged and included in equipment inventory.
2. RECEIPTS - The Agency did not issue receipts for checks deposited into the County Assessor's Continuing Education Fund (TCA).
3. RETIREMENT MATCHING - It was discovered during the audit that the retirement matching for the director amounting to \$4,576.00 had not been paid during the year ended June 30, 1992. Further research found that the director's retirement matching had not been paid since April, 1988.

Recommendations

1. All capital acquisitions be promptly added to the equipment inventory.
2. Apply receipting procedures consistent with the requirements of Section II, page 16.2 of the State Accounting Procedures Manual and an accounting be made for all receipts issued.
3. The Public Employees Retirement System be notified and steps taken to correct this deficiency.

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY

AGENCY: PUBLIC SERVICE COMMISSION - ASSESSMENT COORDINATION DIVISION (450A)

PROGRAM AUTHORIZED	# POS. AUTH.	AUTHORIZED APPROPRIATION		STATUS
		FY 93-94	FY 94-95	
<u>APPROPRIATION: C73 - Assessment Coordination --- Cash</u>				
				No new programs or expansions in the 1993-95 biennium.
<u>APPROPRIATION: 215 - County Assessors Continuing Education Program</u>				
				No new programs or expansions in the 1993-95 biennium.
<u>APPROPRIATION: 258 - Assessment Coordination Division</u>				
Reinstatement of 5 positions that were authorized, but not budgeted due to lack of funds and restrictions imposed by the Governor's Personnel "Cap" Policy.	5	\$93,723	\$96,048	No funding was given to support these positions and they remain subject to "Cap" restrictions, so none of them have been filled in FY94 or FY95.
Capital Outlay was provided for data processing equipment for networking purposes and replacement of office equipment.	0	\$26,000	\$15,000	With additional appropriation from budget classification transfers, \$31,395 was expended in FY94 to accomplish the budgeted plan. All \$15,000 is budgeted in FY95 for replacement of office and data processing equipment.

**ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY**

AGENCY TITLE Public Service Comm. (450A)		1993-95 Expenditures				1995-97 Biennium Request				1995-97 Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1993-94	Pos.	1994-95	Pos.	1995-96	Pos.	1996-97	Pos.	1995-96	Pos.	1996-97	Pos.
C73	PSC - Cash (Manual Resale)	\$5,404	0	\$30,785	0	\$30,785	0	\$30,785	0	\$30,785	0	\$30,785	0
215	Continuing Education Prog.	28,499	0	28,500	0	28,500	0	28,500	0	28,500	0	28,500	0
258	Assessment Coord. Div.	1,578,332	36	1,875,784	40	2,154,007	45	2,203,069	45	1,994,358	45	1,996,329	45
TOTALS		\$1,612,235	36	\$1,935,069	40	\$2,213,292	45	\$2,262,354	45	\$2,053,643	45	\$2,055,614	45
Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances													
General Revenues		850,619	52.8%	1,149,722	59.3%	1,442,945	65.2%	1,492,007	65.9%	1,187,722	60.6%	1,187,722	60.6%
Special Revenues													
Federal Funds													
Const. & Fiscal Agency Fund													
Cty. Assessors Cont. Educ. Fund		28,499	1.8%	28,500	1.5%	28,500	1.3%	28,500	1.3%	28,500	1.5%	28,500	1.5%
Merit Adjustment Fund				97,960	5.1%								
Cash - Manual Resale		5,404	0.3%	30,785	1.6%	30,785	1.4%	30,785	1.4%	30,785	1.6%	30,785	1.6%
Ad Valorem Tax		727,713	45.1%	628,102	32.5%	711,062	32.1%	711,062	31.4%	711,062	36.3%	711,062	36.3%
Total Funding		1,612,235	100.0%	1,935,069	100.0%	2,213,292	100.0%	2,262,354	100.0%	1,958,069	100.0%	1,958,069	100.0%
Excess Appro./ (Funding)										95,574		97,545	
TOTAL		\$1,612,235		\$1,935,069		\$2,213,292		\$2,262,354		\$2,053,643		\$2,055,614	
DEPARTMENT PUBLIC SERVICE COMMISSION ASSESSMENT COORDINATION DIVISION (450A)					DIRECTOR Larry E. Crane					DEPARTMENT APPROPRIATION SUMMARY BR 40			

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

The Assessment Coordination Division's cash account is funded by proceeds from the sales of property assessment and appraisal manuals to parties in the private sector. The Division is requesting that this appropriation be continued at its current level of \$30,785 each year.

The Executive Recommendation is for approval of the Division's request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>CASH FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Assessment Coord. Div. Code: 450A	Name: Assessment Coordination - Cash Code: C73	Name: Public Service Commission - Cash Code: 118	BR20	605

ARKANSAS BUDGET SYSTEM

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

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94 ACTUAL	94-95 BUDGETED	94-95 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
										95-96	96-97	95-96	96-97
OPERATING EXPENSES	2,542	19,549	21,174	19,549	0	19,549	19,549	0	19,549	19,549	19,549		
CONF FEES & TRAVEL	2,862	11,236	11,236	11,236	0	11,236	11,236	0	11,236	11,236	11,236		
TOTAL	5,404	30,785	32,410	30,785	0	30,785	30,785	0	30,785	30,785	30,785		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH-MANUAL RESALE	5,404	30,785	*****	30,785		30,785	30,785		30,785	30,785	30,785		
OTHER			*****										
TOTAL FUNDING	5,404	30,785	*****	30,785		30,785	30,785		30,785	30,785	30,785		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	5,404	30,785	*****	30,785		30,785	30,785		30,785	30,785	30,785		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO C73 ASSESSMENT COORDINATION -- CASH
 FUND 118 ARK PUBLIC SERV COMM CASH-(450)

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997

The Public Service Commission - Assessment Coordination Division's County Assessor Continuing Education Program is funded by \$300 assessments collected annually from the counties. The Base Level of the appropriation through which the Division operates the Program is \$28,500 each year. It is requested for continuation at that level.

The Executive Recommendation is for approval of the Agency Request.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Assessment Coord. Div. Code: 450A	Name: Assessment Coord Continuing Education Code: 215	Name: County Assessors Continuing Educ. Fund Code: TCA	BR20	607

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94 ACTUAL	94-95 BUDGETED	94-95 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
										95-96	96-97	95-96	96-97
OPERATING EXPENSES	28,499	28,500	30,000	28,500	0	28,500	28,500	0	28,500	28,500	28,500		
TOTAL	28,499	28,500	30,000	28,500	0	28,500	28,500	0	28,500	28,500	28,500		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
CTY ASSESSORS CONT EDUC FUND	28,499	28,500	*****	28,500		28,500	28,500		28,500	28,500	28,500		
TOTAL FUNDING	28,499	28,500	*****	28,500		28,500	28,500		28,500	28,500	28,500		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	28,499	28,500	*****	28,500		28,500	28,500		28,500	28,500	28,500		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 215 ASSESSMENT COORDINATION CONTINUING EDUCATION PROGRAM
 FUND TCA COUNTY ASSESSORS CONT EDUC-(450)

APPROPRIATION SUMMARY

BR 215

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

The Public Service Commission - Assessment Coordination Division's main operating appropriation is funded by a mix of general revenues and ad valorem taxes. Base level for the Division is \$1,860,784 each year.

Costs included in the Agency Request under "SALARY/MATCHING COST FOR BASE POSITIONS (P13)" reflect the appropriation needed for personal services above the Base Level and a 2.5% payplan increase on July 1 of each year of the biennium along with the accompanying employee matching requirements. The Executive Recommendation for the State Payplan will be presented for Legislative Recommendation as scheduled on December 7, 1994. Other priorities in the Agency Request are as follows:

Reinstatement of 5 positions that are currently authorized, but were not budgeted. Costs are \$95,574 and \$97,545, respectively, for 2 Statistician I's, 2 Secretary II's, and a Clerk Typist II;

increases in Operating Expenses of \$38,555 each year for increases in rent of office space and printing costs;

Capital Outlay of \$10,000 each year to replace office and data processing equipment and upgrade and expand work stations;

additions of \$13,000 for FY96 and \$18,000 for FY97 in the Assessors' School line item, which would provide for 5 fully funded courses each year; and

establishment of the Assessment Personnel Educational Incentive Program for local assessment employees in amounts of \$65,000 in the first year and \$75,000 in the second year.

The Executive Recommendation is for approval of the position reinstatements, the Capital Outlay request, an additional \$28,000 each year in Operating Expenses for rent, with additional general revenue funding limited to \$38,000 each year.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND</u>	<u>ANALYSIS OF BUDGET REQUEST</u>	<u>PAGE</u>
Name: Pub. Svc. Comm. Assessment Coord. Div. Code: 450A	Name: Assessment Coordination Division Code: 258	Name: State General Services Code: HUA	BR20	609

ARKANSAS BUDGET SYSTEM

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

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----RECOMMENDATIONS-----			
	93-94	94-95	94-95	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							95-96	96-97	95-96	96-97
REGULAR SALARIES	889,731	1,047,600	1,135,240	1,047,600	108,354	1,155,954	1,047,600	137,255	1,184,855	1,114,678	1,116,355		
NUMBER OF POSITIONS	36	40	45	40	5	45	40	5	45	45	45		
EXTRA HELP	0	1,000	1,000	1,000	0	1,000	1,000	0	1,000	1,000	1,000		
NUMBER OF POSITIONS	0	3	3	3	0	3	3	0	3	3	3		
PERSONAL SERV MATCHING	243,924	296,950	307,696	296,950	58,314	355,264	296,950	63,475	360,425	325,446	325,740		
OPERATING EXPENSES	310,472	373,764	378,987	373,764	38,555	412,319	373,764	38,555	412,319	401,764	401,764		
CONF FEES & TRAVEL	34,059	34,470	34,470	34,470	0	34,470	34,470	0	34,470	34,470	34,470		
CAPITAL OUTLAY	31,395	15,000	15,000	0	10,000	10,000	0	10,000	10,000	10,000	10,000		
GRANTS/AIDS	21,818	60,000	60,000	60,000	0	60,000	60,000	0	60,000	60,000	60,000		
ASSESSOR'S SCHOOL	46,933	47,000	47,000	47,000	13,000	60,000	47,000	18,000	65,000	47,000	47,000		
ASSESSMENT EDUCATION INCENTIVE PROG	0	0	0	0	65,000	65,000	0	75,000	75,000				
TOTAL	1,578,332	1,875,784	1,979,393	1,860,784	293,223	2,154,007	1,860,784	342,285	2,203,069	1,994,358	1,996,329		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES	850,619	1,149,722	*****	1,149,722	293,223	1,442,945	1,149,722	342,285	1,492,007	1,187,722	1,187,722		
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
MERIT ADJUSTMENT FUND		97,960	*****										
CASH FUNDS			*****										
AD VALOREM TAX	727,713	628,102	*****	711,062		711,062	711,062		711,062	711,062	711,062		
TOTAL FUNDING	1,578,332	1,875,784	*****	1,860,784	293,223	2,154,007	1,860,784	342,285	2,203,069	1,898,784	1,898,784		
EXCESS APPRO/ (FUNDING)			*****							95,574	97,545		
TOTAL	1,578,332	1,875,784	*****	1,860,784	293,223	2,154,007	1,860,784	342,285	2,203,069	1,994,358	1,996,329		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 258 ASSESSMENT COORDINATION DIVISION
 FUND HUA STATE GENERAL SERVICES(000)

APPROPRIATION SUMMARY

BR 215

610

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-----		-----1995 - 97 BIENNIUM REQUESTS-----						-----R E C O M M E N D A T I O N S-----					
					---ACTUAL---	---BUDGETED---	-----FY 1995 - 96-----			-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					93-94	94-95	REQUEST			REQUEST			1995-96	1996-97	1995-96	1996-97		
000		HUA	450 258	B	1,578,332 36	1,875,784 40	1,860,784 40			1,860,784 40			1,860,784 40	1,860,784 40				
000		HUA	450 258 SALARY/MATCHING COST FOR BASE POSITIONS	P13			71,094 0			103,185 0								
Additional appropriation required above the Base Level for payment of salaries and anticipated personal services matching requirements for all current positions.																		
001		HUA	450 258 140 02 ADMINISTRATION	P01		0 0	3,000 0			3,000 0			3,000	3,000				
Priority 1 is a request in the amount of \$3,000 in both years to cover the inflation index in the Agency's rent contract.																		

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 258 ASSESSMENT COORDINATION DIVISION

RANK BY APPROPRIATION

BR 264

FUND HUA STATE GENERAL SERVICES(000)

611

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	-----1995 - 97 BIENNIUM REQUESTS-----								-----R E C O M M E N D A T I O N S-----						
					-----EXPENDITURES-----		-----FY 1995 - 96-----		-----FY 1996 - 97-----		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					---ACTUAL---	---BUDGETED---	---REQUEST---	---REQUEST---	1995-96	1996-97	1995-96	1996-97							
					93-94	94-95													
001		HUA	450 258 140 02 ADMINISTRATION	P02		0 0	35,555 0			35,555 0				25,000	25,000				
<p>Priority 2 is a request for a contingency appropriation and funding of \$35,555 both years to cover moving expenses and rent increases if the present location is sold to a third party. This consists of \$10,000 for moving costs and an additional \$25,555 for rent.</p>																			
001		HUA	450 258 140 02 ADMINISTRATION	P03		0 0	95,574 5			97,545 5				95,574 5	97,545 5				
<p>Priority 3 is a request for the reinstatement of five (5) positions that were not budgeted in the current fiscal year due to restrictions imposed by the Governor's Personnel "Cap" Policy.</p>																			
001		HUA	450 258 140 02 ADMINISTRATION	P04		0 0	10,000 0			10,000 0				10,000	10,000				
<p>Priority 4 is a request for Capital Outlay in the amount of \$10,000 each year to cover replacement of office equipment, computer equipment, and furniture which becomes obsolete and to upgrade and expand work stations.</p>																			

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 258 ASSESSMENT COORDINATION DIVISION

FUND HUA STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION
BR 264

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	---	---	-----1995 - 97 BIENNIUM REQUESTS-----					-----R E C O M M E N D A T I O N S-----						
					---ACTUAL---	---BUDGETED---	-----FY 1995 - 96-----		-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----				
					93-94	94-95	REQUEST-----		REQUEST-----			1995-96	1996-97	1995-96	1996-97			
001		HUA	450 258 140 04 ASSESSORS SCHOOLS	P05		0	65,000		75,000									
<p>Priority 5 is a request to establish and fund the Assessment Personnel Educational Incentive Program for local assessment employees in the amounts of \$65,000 in the first year and \$75,000 in the second year, as recommended by the Joint Interim Committee on Tax Research and Economic Policy.</p>																		
001		HUA	450 258 140 04 ASSESSORS SCHOOLS	P06		0	13,000		18,000									
<p>Priority 6 is a request for an increase in the Assessors' School fund of \$13,000 the first year and \$18,000 the second year, which would allow five (5) fully funded courses per year.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 258 ASSESSMENT COORDINATION DIVISION

RANK BY APPROPRIATION

BR 264

FUND HUA STATE GENERAL SERVICES(1000)

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1995 - 1997

The 1993 assessment upon utility and carrier property in Arkansas was \$1,708,025,930. This assessed value reflects tax revenue of approximately \$76,000,000 being collected during 1994.

The Tax Division of the Public Service Commission determines the fair market value of all the property of utilities and carriers subject to assessment for ad valorem taxation in Arkansas. (Arkansas Statutes 26-26-1061/26-26-1803)

The Tax Division assesses at twenty percent of the fair market value the property of utilities and carriers. The utilities and carriers consist of electric cooperatives, private electric companies, gas transmission companies, telephone companies, water companies, railroads, cable television systems, pipelines, bridges, motor carriers, airlines, barge lines, private car companies, cellular telephone operations, and reseller telephone companies. The division certifies the assessed valuation to either the respective county assessor or the DF&A Miscellaneous Tax Section. The tax revenue resulting from these assessments represents 11.5% of the total real and personal property taxes collected in Arkansas. This division anticipates the continuation of the valuation and assessment process for ad valorem taxation through the next biennium.

With a staff of eleven employees, the Tax Division assessed 14,923 companies in 1993. The field of utility and carrier valuation is a very dynamic. For example, the Intermodal Surface Transportation Act of 1991 became effective in 1993, and as a result of this federal regulation the number of motor carrier companies to be assessed has increased to 17,200. The technological advances which have spawned new industries such as cellular telephone companies, reseller telephone companies, and wireless cable television companies also contribute to the changes in the field of valuation. The division finds it hard to stay abreast of such changes due to the increased work load and small staff. In this budget, we requested two new positions; a Research Project Analyst and Administrative Assistant I. The RPA is to focus on new industries being spawned through technological advances, motor carrier valuation, software valuation packages, and studies such as replacement cost analysis. The AAI is requested due to new federal legislation and will appraise and maintain the data base of for-hire trucking companies traveling through the state for ad valorem taxation purposes.

We have also requested one reclassification and two upgrades. The reclassification is due to excessive turnover in our document examiner positions and necessary restructuring of senior staff. We are asking that one Document Examiner II position be reclassified to an Executive Secretary. We are also asking that the Assistant Director and Tax Division Financial Analyst be upgraded due to federal legislation and rapid technological changes creating new industries which have in turn created new responsibilities for these positions.

<u>AGENCY</u>	<u>DIRECTOR</u>	<u>AGENCY PROGRAM COMMENTARY</u>	<u>PAGE</u>
PUBLIC SERVICE COMMISSION TAX DIVISION	James H. Poe	BR21	614

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1995 - 1997

This budget reflects the cost associated with assessing the additional motor carrier companies mandated under the new federal legislation, with large increases in postage, printing, centrex, office supplies, and data processing. The one year increase in Capitol Outlay is associated with the requested new positions. The requested increase in travel is needed in order to send our present staff and the requested Research Project Analyst to conferences and seminars in an attempt to maintain a constant level of knowledge and skill within the division.

<u>AGENCY</u>	<u>DIRECTOR</u>	<u>AGENCY PROGRAM COMMENTARY</u>	<u>PAGE</u>
PUBLIC SERVICE COMMISSION TAX DIVISION	James H. Poe	BR21	815

ARKANSAS PUBLIC SERVICE COMMISSION - TAX DIVISION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1992

	<u>Fund Type</u>	<u>Account Groups</u>		<u>Total</u>
	<u>Governmental</u>	<u>General Fixed Assets</u>	<u>General Long- Term Debt</u>	
Assets	\$ 101,210.33	\$ 35,066.00	\$ 14,614.10	\$ 150,890.43
Liabilities			14,614.10	14,614.10
Fund Equity	101,210.33	35,066.00		136,276.33
Revenues	171,982.99			171,982.99
Expenditures	363,286.18			363,286.18
Other Financing Sources (Uses)	182,096.79			182,096.79

Findings

None

Recommendations

None

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 79TH GENERAL ASSEMBLY

AGENCY: PUBLIC SERVICE COMMISSION - TAX DIVISION (450T)

PROGRAM AUTHORIZED	# POS. AUTH.	AUTHORIZED APPROPRIATION		STATUS
		FY 93-94	FY 94-95	
<u>APPROPRIATION: 257 - Tax Division</u>				
An Extra Help position and \$8,000 in salaries for FY94 and \$8,500 for FY95 were provided for assistance with motor carrier records.	1	\$8,617	\$9,155	\$3,164 plus matching was expended during FY94. Already, in the first quarter of FY95, \$3,263 plus matching has been used.
Capital Outlay was provided for replacement of office equipment.	0	\$3,000	\$3,000	\$1,004 was used in FY94. All of the FY95 amount is budgeted for equipment replacement.

**ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY**

AGENCY TITLE Public Service Comm. (450T)		1993-95 Expenditures				1995-97 Biennium Request				1995-97 Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1993-94	Pos.	1994-95	Pos.	1995-96	Pos.	1996-97	Pos.	1995-96	Pos.	1996-97	Pos.
257	Tax Division	\$397,886	11	\$452,940	11	\$588,317	13	\$616,165	13	\$468,140	11	\$468,640	11
TOTALS		\$397,886	11	\$452,940	11	\$588,317	13	\$616,165	13	\$468,140	11	\$468,640	11
Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances		\$123,025	22.6%	\$146,867	26.4%	\$103,130	15.2%	\$88,086	12.6%	\$103,130	18.8%	\$81,716	15.1%
General Revenues						48,432	7.2%	58,179	8.3%				
Special Revenues		200,213	36.8%	200,280	36.0%	315,372	46.6%	343,251	49.2%	237,257	43.1%	251,501	46.4%
Federal Funds													
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts													
Cash Funds													
Ad Valorem Tax		221,515	40.6%	208,923	37.6%	209,469	31.0%	208,815	29.9%	209,469	38.1%	208,815	38.5%
Total Funding		544,753	100.0%	556,070	100.0%	676,403	100.0%	698,331	100.0%	549,856	100.0%	542,032	100.0%
Excess Appro./ (Funding)		(146,867)		(103,130)		(88,086)		(82,166)		(81,716)		(73,392)	
TOTAL		\$397,886		\$452,940		\$588,317		\$616,165		\$468,140		\$468,640	
DEPARTMENT PUBLIC SERVICE COMMISSION TAX DIVISION (450T)			DIRECTOR James H. Poe						DEPARTMENT APPROPRIATION SUMMARY BR 40				
									616				

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1995 - 1997**

The Public Service Commission - Tax Division's appropriation is funded by a mix of special revenues, general revenues if needed, and its share of ad valorem taxes. Base Level for the Division is \$449,940 each year, with 11 authorized positions.

Costs included in the Agency Request under "SALARY/MATCHING COST FOR BASE POSITIONS (P13)" reflect the appropriation needed for personal services above the Base Level and a 2.5% payplan increase on July 1 of each year of the biennium along with the accompanying employee matching requirements. The Executive Recommendation for the State Payplan will be presented for Legislative Recommendation as scheduled on December 7, 1994. Other priorities in the Agency Request are as follows:

Addition of a Research Project Analyst position to specialize in research, motor carrier valuation, new industries, and replacement cost analysis studies and an Administrative Assistant I position to appraise motor carrier companies and maintain the data base of for-hire trucking companies traveling through the State. Costs are \$58,319 for FY96 and \$59,613 for FY97;

position reclass and upgrades are requested at costs of \$1,696 and \$1,738, respectively;

additions in Operating Expenses of \$50,295 in the first year and \$66,570 in the second year for increases in postage, rent, supplies, telephone, insurance, maintenance costs, and other expenses;

increases in Conference Fees & Travel of \$4,700 for FY96 and \$5,700 for FY97 to provide additional training of employees in new assessment practices, identifying new industries to be assessed, and determining structural changes in deregulated industries; and

Capital Outlay of \$5,200 in the first year and \$5,700 in the second year for purchase of office machines and equipment.

The Executive Recommendation is for approval of Base Level plus the Capital Outlay request and the addition of \$13,000 each year in Operating Expenses for rent increases.

<u>AGENCY</u>	<u>APPROPRIATION</u>	<u>TREASURY FUND :</u>	<u>ANALYSIS OF</u>	<u>PAGE</u>
Name: Public Service Commission - Tax Div. Code: 450T	Name: Tax Division Code: 257	Name: Tax Division Fund Code: HTD	<u>BUDGET REQUEST</u> BR20	619

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	-----EXPENDITURES-----			-----95-96 FISCAL YEAR-----			-----96-97 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	93-94	94-95	94-95	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							95-96	96-97	95-96	96-97
REGULAR SALARIES	267,857	286,162	280,778	286,162	55,621	341,783	286,162	64,167	350,329	286,162	286,162		
NUMBER OF POSITIONS	11	11	11	11	2	13	11	2	13	11	11		
XTRA HELP	3,164	8,500	8,500	8,500	0	8,500	8,500	0	8,500	8,500	8,500		
NUMBER OF POSITIONS	1	1	1	1	0	1	1	0	1	1	1		
PERSONAL SERV MATCHING	71,810	82,103	76,435	82,103	22,561	104,664	82,103	24,088	106,191	82,103	82,103		
OPERATING EXPENSES	48,898	67,875	67,875	67,875	50,295	118,170	67,875	66,570	134,445	80,875	80,875		
CONF FEES & TRAVEL	5,153	5,300	5,300	5,300	4,700	10,000	5,300	5,700	11,000	5,300	5,300		
CAPITAL OUTLAY	1,004	3,000	3,000	0	5,200	5,200	0	5,700	5,700	5,200	5,700		
TOTAL	397,886	452,940	441,888	449,940	138,377	588,317	449,940	166,225	616,165	468,140	468,640		
PROPOSED FUNDING SOURCES													
FUND BALANCES	123,025	146,867	*****	103,130		103,130	88,086		88,086	103,130	81,716		
GENERAL REVENUES			*****		48,432	48,432		58,179	58,179				
SPECIAL REVENUES	200,213	200,280	*****	225,427	89,945	315,372	235,205	108,046	343,251	237,257	251,501		
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
AD VALOREM TAX	221,515	208,923	*****	209,459		209,459	208,815		208,815	209,469	208,815		
TOTAL FUNDING	544,753	556,070	*****	538,026	138,377	676,403	532,106	166,225	698,331	549,856	542,032		
EXCESS APPRO/ (FUNDING)	(146,867)	(103,130)	*****	(88,086)		(88,086)	(82,166)		(82,166)	(81,716)	(73,392)		
TOTAL	397,886	452,940	*****	449,940	138,377	588,317	449,940	166,225	616,165	468,140	468,640		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 257 TAX DIVISION

The FY95 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 1993-95 biennium.

APPROPRIATION SUMMARY

BR 215

FUND HTD TAX DIVISION FUND-(450)

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		1995 - 97 BIENNIAL REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1995 - 96			FY 1996 - 97			EXECUTIVE		LEGISLATIVE			
					93-94	94-95	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97		
000		HTD	450 257	B	397,886 11	452,940 11	449,940 11					449,940 11		449,940 11				
000		HTD	450 257 SALARY/MATCHING COST FOR BASE POSITIONS	P13			18,167 0					26,904 0						
<p>Additional appropriation required above the Base Level for payment of salaries and anticipated personal services matching requirements for all current positions.</p>																		
001		HTD	450 257 150 01 ADMINISTRATION	P01		0	38,930 0					55,205 0		13,000	13,000			
<p>Request for additional postage, printing, equipment maintenance, rent, rent of equipment, office supplies, textbooks, and subscriptions are due to new federal legislation, intermodal surface transportation act becoming effective in 1993. Plus, a postal increase is expected in January 1995. The number of companies assessed has risen to over 18,000. This is an increase of over 4,000 companies in six months. We expect additional increases through 1997.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO 257 TAX DIVISION
 FUND HTD TAX DIVISION FUND-(450)

RANK BY APPROPRIATION

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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-----		-----1995 - 97 BIENNIUM REQUESTS-----						-----RECOMMENDATIONS-----					
					---ACTUAL---	---BUDGETED---	-----FY 1995 - 96-----			-----FY 1996 - 97-----			-----EXECUTIVE-----		-----LEGISLATIVE-----			
					93-94	94-95	-----REQUEST-----			-----REQUEST-----			1995-96	1996-97	1995-96	1996-97		
001		HTD	450 257 150 01 ADMINISTRATION	P02		0	58,319							59,613				
<p>A new research position is requested to focus on new industries being spawned through technological advances, motor carrier valuation, software valuation packages, and studies such as replacement cost analysis. Due to new federal legislation, an Administrative Assistant I position is requested to appraise motor carrier companies and maintain the data base of for-hire trucking companies traveling through the State, for ad valorem taxation purposes.</p>																		
001		HTD	450 257 150 01 ADMINISTRATION	P03		0	5,200							5,700	5,200	5,700		
<p>Capital Outlay is requested to furnish offices of the requested positions, and to replace obsolete office equipment, some of which does not meet OSHA standards for handicapped accessibility.</p>																		
001		HTD	450 257 150 01 ADMINISTRATION	P04		0	4,700							5,700				
<p>The travel increase is to raise the knowledge of the staff in areas such as new assessment practices, new industries to be assessed, structural changes in industries assessed due to deregulation.</p> <p>Changes in technology, deregulation, and the restructuring of the utility and carrier industries have made it necessary to increase the knowledge of the staff within these and other areas affecting the statutory obligations of this division.</p>																		

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 257 TAX DIVISION

RANK BY APPROPRIATION

BR 264

FUND HTD TAX DIVISION FUND-(450)

622

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	-----1995 - 97 BIENNIAL REQUESTS-----				-----R E C O M M E N D A T I O N S-----									
					-----EXPENDITURES-----		-----FY 1995 - 96-----		-----FY 1996 - 97-----		-----EXECUTIVE-----		-----LEGISLATIVE-----					
					ACTUAL 93-94	BUDGETED 94-95	REQUEST	REQUEST	1995-96	1996-97	1995-96	1996-97						
001		HTD	450 257 150 01 ADMINISTRATION	P06		0	11,365 0		11,365 0									
<p>An increase is requested in rent expense each year to obtain additional office space to house new employees and equipment. Any unused portion of these amounts will be held in deferment.</p>																		
001		HTD	450 257 150 01 ADMINISTRATION	P11		0	1,696 0		1,738 0									
<p>Federal legislation, rapid technological changes creating new companies, and restructuring have created new responsibilities for the Assistant Director and Tax Financial Analyst positions. Upgrades are requested for each of these positions.</p>																		

DEPT 010 SEPARATE AGENCIES
AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
APPRO 257 TAX DIVISION

FUND HTD TAX DIVISION FUND-(450)

RANK BY APPROPRIATION
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