

ARKANSAS NATURAL RESOURCES COMMISSION

Enabling Laws

Act 2023 of 2005

A.C.A. §15-20-201, et seq.

A.C.A. §15-20-1001, et seq.

A.C.A. §15-20-1101, et seq.

A.C.A. §15-22-601, et seq.

A.C.A. §15-22-701, et seq.

A.C.A. §15-22-801, et seq.

A.C.A. §15-22-901, et seq.

History and Organization

The Mission of the Agency is to manage and protect our water and land resources for the health, safety, and economic benefit of the State of Arkansas.

Upon its formation in 1963 the Arkansas Natural Resources Commission (formerly the Soil and Water Conservation Commission) was assigned duties previously performed by the Water Conservation and Flood Control Commissions, in addition to those functions related to Soil and Water Conservation Districts formerly performed by the Geological Commission. Major duties of the Commission at that time included: water allocation, dam permitting, and interstate water rights.

In 1969 the Commission was assigned the task of developing the Arkansas State Water Plan and overseeing the State's flood plain management program. The Water Development Fund was created as a part of the water planning effort. In 1981 administration of the Water, Sewer and Solid Waste Management Fund was transferred from the Department of Local Services to the Commission. In addition in that year the Water Resources Cost Share Program was created. This program, administered by the Commission provides funds to Arkansas' communities to help meet the local cost share of federal water projects.

The Agency operates the Water, Waste Disposal and Pollution Abatement Facilities General Obligation (GO) Bond Program to provide low interest rate loans to communities. These loans are used for water resources and waste disposal projects.

In 1991 the Governor delegated administration of the Non-point Source Pollution Abatement Program under the Federal Clean Water Act to the Commission. Primary funding to operate the program is from the US Environmental Protection Agency. In addition, Arkansas' General Assembly created the Ground Water Protection and Management Act. Under this act the Commission received additional responsibility for ground water management, collection of water use information, and collection of an annual fee for reporting water use.

The Commission, in conjunction with the Department of Finance and Administration operates two Tax Credit programs to encourage water resources development, water conservation, and protection of wetlands and riparian zones.

The Commission operates a Wetland Mitigation Bank that provides a voluntary, cost effective and environmentally sound alternative for mitigation of unavoidable wetland losses caused by individual, corporate, or state agency projects.

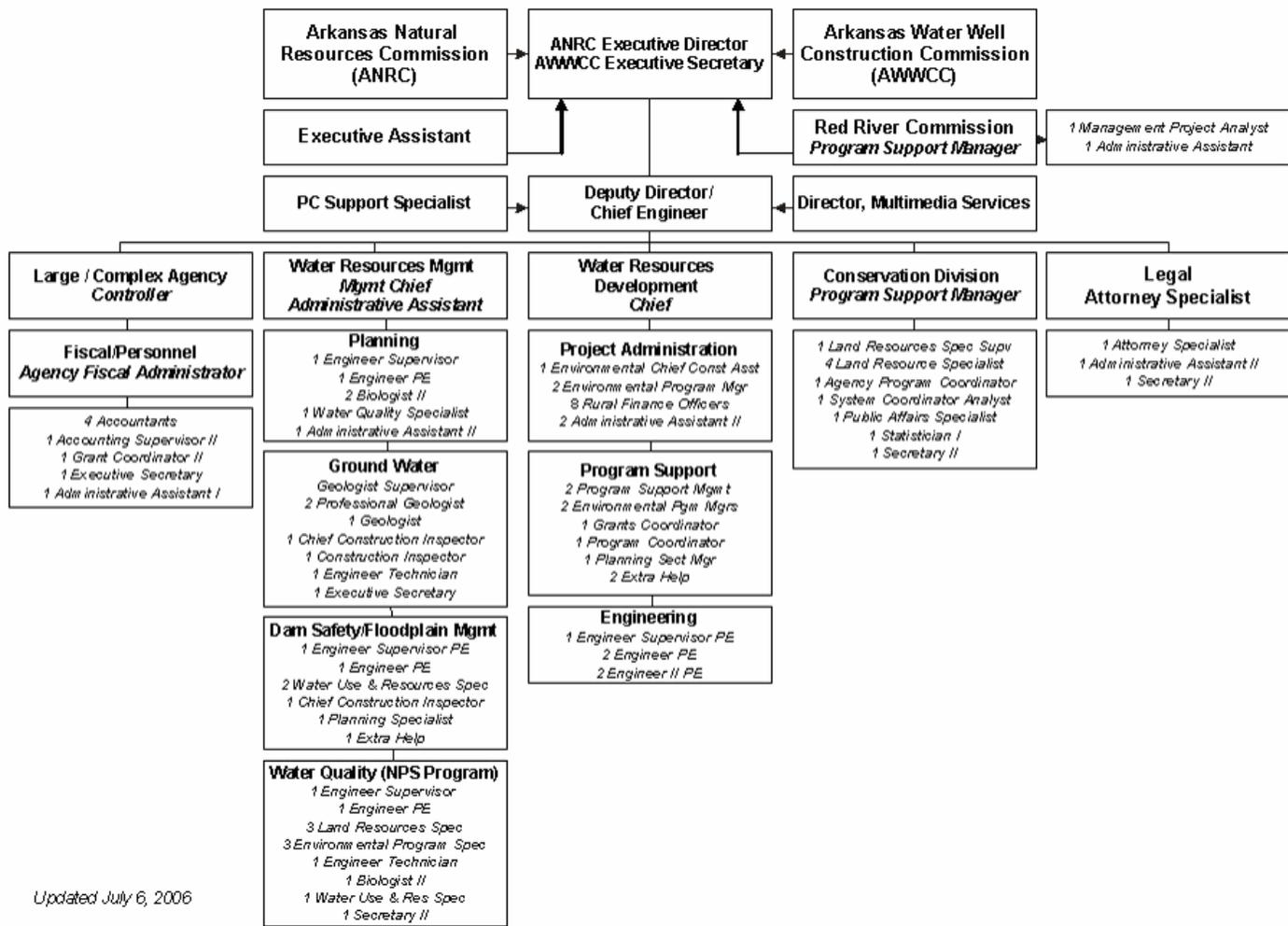
Since 1995 the Commission has provided administrative and field operations for the Water Well Construction Commission.

Act 1060 of 2003 directed the Commission to create and operate the Poultry Feeding Operation Registration Program. The purpose of this program is to assemble and maintain information on the number, composition, and practices of Poultry Feeding Operations in the state including the quantity of nutrients produced and used by those operations.

Act 1059 of 2003 authorized the Commission to institute a Nutrient Management Planner Certification Program for individuals who prepare Nutrient Management Plans. The purpose of this program is to establish criteria for planning and certify that planners have sufficient training to prepare adequate plans.

Act 1061 of 2003 authorized the Commission to institute a Nutrient Applicator Certification Program for individuals who apply agricultural nutrients in certain areas of the State. The purpose of this program is to certify that applicators have sufficient training to effectively apply nutrients in accord with applicable laws, regulations, and technical criteria.

The Arkansas Natural Resources Commission provides technical and financial support for both the Red River Commission and the Ouachita River Commission.



Updated July 6, 2006

Agency Commentary

The Arkansas Natural Resources Commission (formerly Soil and Water Conservation Commission) is organized in four divisions: Administrative, Water Resources Management, Water Resources Development, and Conservation.

Administrative Division

The Administrative Division provides oversight and direction as well as personnel, purchasing, legal and information technology support for the entire agency.

In the Administrative Division, the following is requested:

- Additional \$707,136 per year in unfunded appropriation in funds center 381 - Rural Fire Protection, which will restore this appropriation to the previously authorized level of \$1,100,000 each year. This unfunded appropriation is being requested in the event that savings from the Miscellaneous Agencies Fund Account become available.

Water Resources Management Division

This division is responsible for statewide oversight and planning in the following areas: water systems, water supplies, water rights allocation, flood plain management, non-point source pollution

abatement, dam safety, and wetlands mitigation banking.

Changes requested for this division include:

- Continuation of one Land Resource Specialist position established by a Miscellaneous Federal Grant in funds center 2BU - Flood Insurance Program. This position will plan and present workshops for community officials, realtors, lenders, insurance agents, and the general public on the National Flood Insurance Program. This position is 100 percent federally funded.
- Additional \$24,000 per year in Operating Expenses, \$17,000 per year in Conference and Travel Fees, and \$170,000 in Grants and Aid in funds center 2BU - Flood Insurance Program. This is for the Community Assistance Program Support Services Element of the National Flood Insurance Act of 1968 and the Map Modernization Management Support Program of the Federal Emergency Management Agency. This appropriation is 100 percent federally funded.
- Additional \$25,000 per year in Operating Expenses, \$10,000 per year in Conference and Travel Fees, and \$15,000 in Grants and Aid in funds center 1AA - Dam Inventory. This is for dam safety projects that were started with a Miscellaneous Federal Grant. This appropriation is 100 percent federally funded.
- Additional \$1,700,000 per year in Grants and Aid in funds center 997 - NonPoint Source Pollution Control for nonpoint pollution control and wetland projects. This appropriation is 100 percent federally funded.
- A reallocation of \$6,000 from Operating Expenses to Capital Outlay for sales and use taxes on capital equipment in funds center 997 - NonPoint Source Pollution Control.

Water Resources Development

This division administers programs that provide funding to communities for local water supply and distribution; waste water collection, treatment and disposal; and collection and disposal of solid wastes.

Changes requested for this division include:

- Additional \$420,689 per year in unfunded appropriation in funds center 2GE - Water/Sewer/Solid Waste - State, which will restore this appropriation to the previously authorized level of \$736,219 each year. This unfunded appropriation is being requested in the event that savings from the Miscellaneous Agencies Fund Account become available.
- Additional \$80,000 per year in Operating Expenses in funds center 420 - Natural Resources Commission Cash for the 4 percent set-aside for the Safe Drinking Water Program, which will cover rent for this section.

Conservation Division

Functions of this division include oversight of the 75 Conservation Districts including fiscal management and program planning; registration of surface water and groundwater usage; administration of a tax credit program, creation of surface water storage, reduction of ground water use; and administrative support of the Board of Registration for Soil Classifiers. In addition this division also performs geographic information system analyses and data acquisition. The Nutrient Management Program was implemented in FY04 to oversee the Poultry Feeding Operations Registration Program and the certification of Nutrient Planners and Applicators.

Changes requested for this division include:

- As a result of new programs and refinements in older programs, the Conservation Division has new responsibilities that are time consuming and complex. These additional responsibilities include: Poultry facility registration program, certification of nutrient applicators, certification of nutrient planners, Water Quality Technician program, Technical Service Provider Program, Beaver Program, Grants to Districts Program, and deployment of Quick Books accounting software to all districts. These new programs require extensive support in record keeping, technical assistance, and program administration beyond that which can or should be provided by a Secretary. Therefore, an Administrative Assistant II position is requested to replace a Secretary II. Increased general revenues of \$33,212 per year are requested for Salary and Matching for this position.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
SOIL AND WATER CONSERVATION COMMISSION
FOR THE YEAR ENDED JUNE 30, 2005

Findings	Recommendations
None	None

Performance Audit Findings

Conservation Districts – Arkansas Soil and Water Conservation Commission (ASWCC)

Findings and Conclusions:

- ASWCC recently employed a controller to visit conservation districts and perform reviews of fiscal and personnel records. Prior to the site visits, the Commission's oversight of the district's fiscal activities was limited. Unauthorized disbursements have been reported in districts for Columbia County (\$8,080), Faulkner County (\$41,301), Jefferson County (\$14,583), Bradley County (\$10,747) and Clay County (investigation continuing).
- High scores awarded by the District Review Committee that are relied on in allocating state funding to the local conservation districts, contradict discrepancies noted in the operating plans of the districts.
- ASWCC does not require adequately detailed documentation of local match and does not review match records at the districts.

Recommendations:

- In addition to fiscal review steps to reveal and deter fraud in the conservation districts, the ASWCC should also consider moving all accounting functions relating to payroll and travel reimbursement from the authority of the districts to ASWCC, perform periodic fiscal reviews of the districts financial records, require an annual Agreed Upon Procedures Review (AUP) financial review be conducted for each district by a certified public accountant, and institute uniform

Conservation Districts – Arkansas Soil and Water Conservation Commission (ASWCC)

- policies addressing leave and travel for all districts.
- Require full compliance with ASWCC rules and regulation before awarding funds to the districts.
- ASWCC institute policies and procedures to review match documents to ensure accuracy and reasonableness.

Employment Summary

	Male	Female	Total	%
White Employees	49	26	75	89 %
Black Employees	3	6	9	11 %
Other Racial Minorities	0	0	0	0 %
	Total Minorities		9	11 %
	Total Employees		84	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		
None	N/A	N	N	0	N/A

Department Appropriation

Historical Data

Agency Request and Executive Recommendation

Appropriation	2005-2006		2006-2007		2006-2007		2007-2008				2008-2009			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
129 Beaver Eradication Program	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
1AA Dam Inventory	20,164	0	81,216	0	31,216	0	81,216	0	81,216	0	81,216	0	81,216	0
1EE Water, Waste Disposal, Pollution Abatement	14,155,669	5	90,250,315	5	255,195	5	90,252,118	5	90,252,118	5	252,118	5	252,118	5
262 Natural Resources Comm-Ops	3,150,451	28	3,088,335	28	3,107,775	28	3,143,098	29	3,109,886	28	3,143,098	29	3,109,886	28
263 Grants and Attorney Services	77,595	0	85,291	0	85,291	0	85,291	0	85,291	0	85,291	0	85,291	0
2BU Flood Insurance Program	245,903	2	126,199	2	111,209	2	322,441	2	322,441	2	322,441	2	322,441	2
2GE Water/Sewer/Solid Waste-State	0	0	315,530	0	736,219	0	736,219	0	736,219	0	736,219	0	736,219	0
2RG Water Quality Implementation	1,623,643	5	1,766,234	5	1,794,374	5	1,767,955	5	1,767,955	5	1,767,955	5	1,767,955	5
381 Rural Fire Protection Program	592,864	0	392,864	0	1,100,000	0	1,100,000	0	1,100,000	0	1,100,000	0	1,100,000	0
383 Conservation District Grants	250,000	0	250,000	0	500,000	0	250,000	0	250,000	0	250,000	0	250,000	0
420 Natural Resources Comm-Cash	3,865,590	18	4,594,751	20	4,536,467	20	4,687,997	20	4,687,997	20	4,687,997	20	4,687,997	20
475 Red River Levee Rehab Project	127,462	2	3,481,974	3	2,133,534	3	3,508,921	3	3,508,921	3	2,136,093	3	2,136,093	3
527 Construction Assistance Revolving Loan F	859,799	13	972,080	14	969,216	14	977,052	14	977,052	14	977,052	14	977,052	14
659 Ouachita River Waterways Projects	87,450	0	163,050	0	0	0	163,050	0	163,050	0	0	0	0	0
808 Water Research	38,800	0	38,800	0	38,800	0	38,800	0	38,800	0	38,800	0	38,800	0
822 Conservation District Clerks' Ins	307,200	0	307,200	0	307,200	0	336,000	0	336,000	0	336,000	0	336,000	0
924 Water/Sewer/Solid Waste	1,080,078	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
997 NonPoint Source Pollution Control Progra	4,828,631	13	4,564,743	16	4,564,373	16	6,276,169	16	6,276,169	16	6,276,169	16	6,276,169	16
Total	31,461,299	86	115,628,582	93	25,420,869	93	118,876,327	94	118,843,115	93	27,340,449	94	27,307,237	93

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	34,158,674	56.9	28,547,532	20.3	25,297,706	18.1	25,297,706	18.1	22,047,309	47.6	22,047,309	47.6
General Revenue	4000010	6,073,708	10.1	6,391,277	4.5	6,479,538	4.6	6,446,326	4.6	6,479,538	14.0	6,446,326	13.9
Federal Revenue	4000020	5,954,497	9.9	5,744,238	4.1	7,656,878	5.5	7,656,878	5.5	7,656,878	16.5	7,656,878	16.5
Non-Revenue Receipts	4000040	2,012,383	3.4	3,750,000	2.7	3,750,000	2.7	3,750,000	2.7	3,750,000	8.1	3,750,000	8.1
Cash Fund	4000045	6,214,452	10.4	6,360,264	4.5	6,360,264	4.6	6,360,264	4.6	6,360,264	13.7	6,360,264	13.7
Merit Adjustment Fund	4000055	116,845	0.2	2,977	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Bond Proceeds	4000125	5,349,488	8.9	90,000,000	63.9	90,000,000	64.4	90,000,000	64.5	0	0.0	0	0.0
Interest	4000300	128,784	0.2	130,000	0.0	100,000	0.1	100,000	0.0	70,000	0.1	70,000	0.2

Funding Sources		%		%		%		%		%		%	
Total Funds	60,008,831	100.0	140,926,288	100.0		139,644,386	100.0	139,611,174	100.0	46,363,989	100.0	46,330,777	100.0
Excess Appropriation/(Funding)	(28,547,532)		(25,297,706)			(20,768,059)		(20,768,059)		(19,023,540)		(19,023,540)	
Grand Total	31,461,299		115,628,582			118,876,327		118,843,115		27,340,449		27,307,237	

Budget exceeds authorized amount in 1AA and 2BU due to transfers from the Miscellaneous Federal Grant Holding Account. Actual and/or Budget exceeds authorized amount in 262, 420, and 527 due to salary and/or matching rate adjustments during the 2005-07 biennium. Budget exceeds authorized amount in 1EE, 475, and 659 due to carry forward of appropriation. The ending FY08 balances do not equal the beginning FY09 balances due to unfunded appropriation in appropriations 2GE, 381, and 659.

Agency Position Usage Report

FY2004-2005						FY2005-2006						FY2006-2007					
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	
93	80	13	93	0	13.98%	93	82	11	93	0	11.83%	93	83	10	93	0	10.75%

Analysis of Budget Request

Appropriation: 129 - Beaver Eradication Program

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Beaver Eradication Program provides funding to local governmental agencies for efforts to eliminate beavers. Base Level appropriation is \$150,000 each year. Funding for this program is exclusively from general revenue.

The Commission is requesting continuation of this appropriation at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 129 Beaver Eradication Program
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources									
General Revenue 4000010	150,000	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Total Funding	150,000	150,000		150,000	150,000	150,000	150,000	150,000	150,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	150,000	150,000		150,000	150,000	150,000	150,000	150,000	150,000

Analysis of Budget Request

Appropriation: 1AA - Dam Inventory

Funding Sources: FSC - Natural Resources Commission Federal

The Natural Resources Commission's Dam Inventory appropriation is 100% federally funded and has a Base Level of \$31,216 per year. The Commission conducts periodic inspections to determine the number and current condition of dams within the State's jurisdiction. From a data base maintained by the Agency, reports are made to update records in the Federal Emergency Management Agency.

The Agency Change Level Request is comprised of \$25,000 in Operating Expenses per year, \$10,000 in Conference and Travel Fees per year, and \$15,000 in Grants and Aid per year to continue dam safety projects that were started with a Miscellaneous Federal Grant. These Change Level Requests are 100% federally funded.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 1AA Dam Inventory
Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	4,189	49,216	24,216	24,216	49,216	49,216	24,216	49,216	49,216
Conference & Travel Expenses 5050009	8,053	17,000	7,000	7,000	17,000	17,000	7,000	17,000	17,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	7,922	15,000	0	0	15,000	15,000	0	15,000	15,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	20,164	81,216	31,216	31,216	81,216	81,216	31,216	81,216	81,216
Funding Sources									
Federal Revenue 4000020	20,164	81,216		31,216	81,216	81,216	31,216	81,216	81,216
Total Funding	20,164	81,216		31,216	81,216	81,216	31,216	81,216	81,216
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	20,164	81,216		31,216	81,216	81,216	31,216	81,216	81,216

Budget exceeds Authorized Appropriation in Operating Expenses, Conference & Travel Expenses, and Grants and Aid due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 1AA-Dam Inventory

Funding Sources: FSC - Natural Resources Commission Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	31,216	0	31,216	100.0	31,216	0	31,216	100.0
C06	Restored Position	50,000	0	81,216	260.1	50,000	0	81,216	260.1

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	31,216	0	31,216	100.0	31,216	0	31,216	100.0
C06	Restored Position	50,000	0	81,216	260.1	50,000	0	81,216	260.1

Justification

C06	Agency requests \$25,000 in Operating Expenses, \$10,000 in Conference and Travel Fees, and \$15,000 in Grants and Aid to continue dam safety projects that were started with a Miscellaneous Federal Grant.
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Analysis of Budget Request

Appropriation: 1EE - Water, Waste Disposal, Pollution Abatement

Funding Sources: TPW-Water, Waste Disposal and Pollution Abatement Construction Fund

The Natural Resources Commission's appropriation for disbursement of proceeds from the sales of Water, Waste Disposal and Pollution Abatement General Obligation Bonds has a Base Level of \$90,000,000 in the first year, with a special language provision that authorizes any remaining balance for Project Disbursements to be carried forward to the second year. This program provides low interest rate loans to communities for water resources and waste disposal projects. The Base Level request also includes \$252,118 appropriation per year for Regular Salaries, Personal Services Matching, and Operating Expenses for 5 positions.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Commission's request is for Base Level appropriation. Also requested is the continuation of special language for this program.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 1EE Water, Waste Disposal, Pollution Abatement
Funding Sources: TPW-Water, Waste Disposal and Pollution Abatement Construction Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	173,646	188,571	187,049	188,571	188,571	188,571	188,571	188,571	188,571
#Positions	5	5	5	5	5	5	5	5	5
Personal Services Matching 5010003	53,018	57,344	54,346	59,147	59,147	59,147	59,147	59,147	59,147
Operating Expenses 5020002	1,152	4,400	11,800	4,400	4,400	4,400	4,400	4,400	4,400
Conference & Travel Expenses 5050009	0	0	2,000	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	1,391,700	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Project Disbursements 5900046	12,536,153	90,000,000	0	90,000,000	90,000,000	90,000,000	0	0	0
Total	14,155,669	90,250,315	255,195	90,252,118	90,252,118	90,252,118	252,118	252,118	252,118
Funding Sources									
Fund Balance 4000005	17,757,110	8,950,929		8,700,614	8,700,614	8,700,614	8,448,496	8,448,496	8,448,496
Bond Proceeds 4000125	5,349,488	90,000,000		90,000,000	90,000,000	90,000,000	0	0	0
Total Funding	23,106,598	98,950,929		98,700,614	98,700,614	98,700,614	8,448,496	8,448,496	8,448,496
Excess Appropriation/(Funding)	(8,950,929)	(8,700,614)		(8,448,496)	(8,448,496)	(8,448,496)	(8,196,378)	(8,196,378)	(8,196,378)
Grand Total	14,155,669	90,250,315		90,252,118	90,252,118	90,252,118	252,118	252,118	252,118

The FY07 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2005-07 biennium. The FY06 Actual amount in Grants and Aid and the FY07 Budgeted amount in Project Disbursements exceeds the authorized amount due to special language that provides carry forward of appropriation.

Analysis of Budget Request

Appropriation: 262 - Natural Resources Comm-Ops

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's State Operations appropriation is funded entirely by general revenue. The Base Level appropriation is \$3,109,886 per year.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency is requesting one new Administrative Assistant II position and associated Salary and Personal Services Matching due to increasing responsibilities in the Conservation Division. This requires more extensive support in record keeping, technical assistance and program administration than can be provided by a Secretary II position. The Agency is requesting general revenue funding for this position.

The Executive Recommendation provides for Base Level appropriation and funding. The Executive Recommendation contemplates that the increasing responsibilities for the Secretary II position should be considered after the Classification and Compensation Study is completed.

Appropriation

Appropriation: 262 Natural Resources Comm-Ops
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,325,862	1,265,591	1,287,671	1,265,591	1,289,722	1,265,591	1,265,591	1,289,722	1,265,591
#Positions		28	28	28	28	29	28	28	29	28
Extra Help	5010001	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
#Extra Help		0	1							
Personal Services Matching	5010003	357,622	352,167	349,527	373,718	382,799	373,718	373,718	382,799	373,718
Operating Expenses	5020002	394,330	395,059	395,059	395,059	395,059	395,059	395,059	395,059	395,059
Conference & Travel Expenses	5050009	9,989	10,165	10,165	10,165	10,165	10,165	10,165	10,165	10,165
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	938,485	939,990	939,990	939,990	939,990	939,990	939,990	939,990	939,990
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Surveys & Investigations	5900046	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Water Planning	5900047	118,981	118,981	118,981	118,981	118,981	118,981	118,981	118,981	118,981
Research Project	5900048	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682	1,682
Total		3,150,451	3,088,335	3,107,775	3,109,886	3,143,098	3,109,886	3,109,886	3,143,098	3,109,886
Funding Sources										
General Revenue	4000010	3,051,131	3,085,358		3,109,886	3,143,098	3,109,886	3,109,886	3,143,098	3,109,886
Merit Adjustment Fund	4000055	99,320	2,977		0	0	0	0	0	0
Total Funding		3,150,451	3,088,335		3,109,886	3,143,098	3,109,886	3,109,886	3,143,098	3,109,886
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		3,150,451	3,088,335		3,109,886	3,143,098	3,109,886	3,109,886	3,143,098	3,109,886

The FY06 Actual and/or FY07 Budgeted amounts in Regular Salaries and Personal Services Matching may exceed the authorized amounts due to matching rate adjustments during the 2005-07 biennium.

Change Level by Appropriation

Appropriation: 262-Natural Resources Comm-Ops

Funding Sources: HUA-Miscellaneous Agencies Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,109,886	28	3,109,886	100.0	3,109,886	28	3,109,886	100.0
C01	Existing Program	33,212	1	3,143,098	101.0	33,212	1	3,143,098	101.0

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,109,886	28	3,109,886	100.0	3,109,886	28	3,109,886	100.0
C01	Existing Program	0	0	3,109,886	100.0	0	0	3,109,886	100.0

Justification

C01 Agency requests Regular Salaries and Personal Services Matching appropriation, with general revenue funding, for one new position. As a result of new programs and refinements in older programs, the Conservation Division has new responsibilities that are time consuming and complex. The programs additional responsibilities include: Poultry facility registration program, Certification of nutrient applicators, Certification of nutrient planners, Water Quality Technician Program, Technical Service Provider Program, Beaver Program, Grants to Districts Program, and deployment of Quick Books accounting software to all districts. These new programs require extensive support in record keeping, technical assistance, and program administration beyond that which can or should be provided by a secretary. Therefore an Administrative Assistant II is requested to replace a Secretary II.

Analysis of Budget Request

Appropriation: 263 - Grants and Attorney Services

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Grants and Attorney Services appropriation is funded entirely by general revenue. Base Level appropriation is \$85,291 per year. This program provides Arkansas' share of operating grants to several river and watershed compacts, provides expenses for commission members, supports conservation projects, and provides special legal assistance concerning water rights.

The Commission is requesting the continuation of this appropriation at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 263 Grants and Attorney Services
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	38,820	38,820	38,820	38,820	38,820	38,820	38,820	38,820	38,820
Legal Counsel	5900040	5,871	5,871	5,871	5,871	5,871	5,871	5,871	5,871	5,871
Committee/Commission Exp	5900041	5,804	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Conservation Projects	5900046	0	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Arkansas River Compact	5900047	16,400	16,400	16,400	16,400	16,400	16,400	16,400	16,400	16,400
Red River Compact	5900048	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700
Total		77,595	85,291							
Funding Sources										
General Revenue	4000010	77,595	85,291		85,291	85,291	85,291	85,291	85,291	85,291
Total Funding		77,595	85,291		85,291	85,291	85,291	85,291	85,291	85,291
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		77,595	85,291		85,291	85,291	85,291	85,291	85,291	85,291

Analysis of Budget Request

Appropriation: 2BU - Flood Insurance Program

Funding Sources: FSC - Natural Resources Commission Federal

The Natural Resources Commission's Flood Insurance Program is funded entirely by federal revenues granted to the Commission to administer this program. Base Level appropriation is \$73,127 per year.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The two Budgeted positions in this appropriation are comprised of one regular position and one position established through a Miscellaneous Federal Grant. One regular position was unbudgeted and not requested for the biennium. The Agency is requesting that the position established through the Miscellaneous Federal Grant be continued. The Agency is also requesting \$24,000 per year in Operating Expenses, \$17,000 per year in Conference and Travel Fees, and \$170,000 per year in Grants and Aid for administration and completion of an approved Map Modernization Management Initiative. This Change Level request is 100% federally funded.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 2BU Flood Insurance Program
Funding Sources: FSC - Natural Resources Commission Federal

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	47,861	59,711	60,847	31,338	59,711	59,711	31,338	59,711	59,711
#Positions	2	2	2	1	2	2	1	2	2
Extra Help 5010001	3,460	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
#Extra Help	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	17,959	20,278	19,652	11,079	21,020	21,020	11,079	21,020	21,020
Operating Expenses 5020002	41,923	18,139	18,139	18,139	42,139	42,139	18,139	42,139	42,139
Conference & Travel Expenses 5050009	4,200	5,571	5,571	5,571	22,571	22,571	5,571	22,571	22,571
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	120,500	15,500	0	0	170,000	170,000	0	170,000	170,000
Capital Outlay 5120011	10,000	0	0	0	0	0	0	0	0
Total	245,903	126,199	111,209	73,127	322,441	322,441	73,127	322,441	322,441
Funding Sources									
Federal Revenue 4000020	245,903	126,199		73,127	322,441	322,441	73,127	322,441	322,441
Total Funding	245,903	126,199		73,127	322,441	322,441	73,127	322,441	322,441
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	245,903	126,199		73,127	322,441	322,441	73,127	322,441	322,441

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-07 biennium. Actual and/or Budget amounts exceed Authorized Appropriation in Grants and Aid and Capital Outlay due to transfers from the Miscellaneous Federal Grant Holding Account. Budgeted positions include one Authorized position and one MFG position. Base Level has the budgeted Authorized position, and Change Level has the MFG position.

Change Level by Appropriation

Appropriation: 2BU-Flood Insurance Program

Funding Sources: FSC - Natural Resources Commission Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	73,127	1	73,127	100.0	73,127	1	73,127	100.0
C01	Existing Program	211,000	0	284,127	388.5	211,000	0	284,127	388.5
C06	Restored Position	38,314	1	322,441	440.9	38,314	1	322,441	440.9

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	73,127	1	73,127	100.0	73,127	1	73,127	100.0
C01	Existing Program	211,000	0	284,127	388.5	211,000	0	284,127	388.5
C06	Restored Position	38,314	1	322,441	440.9	38,314	1	322,441	440.9

Justification

C01	Agency requests \$24,000 in Operating Expenses, \$17,000 in Conference and Travel Fees, and \$170,000 in Grants and Aid for the Community Assistance Program State Support Services Element (CAP-SSSE) of the National Flood Insurance Act of 1968 and the Map Modernization Management Support (MMMS) Program from the Federal Emergency Management Agency. This is for the administration and completion of an approved Map Modernization Management Initiative.
C06	Agency requests Salary and Matching appropriation for one position started with a Miscellaneous Federal Grant.

Analysis of Budget Request

Appropriation: 2GE - Water/Sewer/Solid Waste-State

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Water, Sewer, and Solid Waste - State appropriation is funded entirely by general revenue and has a Base Level of \$315,530 per year. This program provides funding for water, sewer, and solid waste projects that improve or provide basic infrastructure for Arkansas' rural communities. Special language provides for any obligated funds in this account that are not expended by the close of each fiscal year to be transferred to the Commission's Water, Sewer, and Solid Waste Revolving Fund account for later expenditure toward obligated projects.

The Agency is requesting \$420,689 per year in unfunded appropriation which will restore this appropriation to its previously authorized level. This unfunded appropriation would be used in the event that savings from the Miscellaneous Agencies Fund Account become available.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 2GE Water/Sewer/Solid Waste-State
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	315,530	736,219	315,530	736,219	736,219	315,530	736,219	736,219
Total	0	315,530	736,219	315,530	736,219	736,219	315,530	736,219	736,219
Funding Sources									
General Revenue 4000010	0	315,530		315,530	315,530	315,530	315,530	315,530	315,530
Total Funding	0	315,530		315,530	315,530	315,530	315,530	315,530	315,530
Excess Appropriation/(Funding)	0	0		0	420,689	420,689	0	420,689	420,689
Grand Total	0	315,530		315,530	736,219	736,219	315,530	736,219	736,219

Change Level by Appropriation

Appropriation: 2GE-Water/Sewer/Solid Waste-State

Funding Sources: HUA-Miscellaneous Agencies Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	315,530	0	315,530	100.0	315,530	0	315,530	100.0
C05	Unfunded Appropriation	420,689	0	736,219	233.3	420,689	0	736,219	233.3

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	315,530	0	315,530	100.0	315,530	0	315,530	100.0
C05	Unfunded Appropriation	420,689	0	736,219	233.3	420,689	0	736,219	233.3

Justification

C05	Agency requests unfunded appropriation in the event that savings from the Miscellaneous Agencies Fund Account become available.
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Analysis of Budget Request

Appropriation: 2RG - Water Quality Implementation

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Water Quality Plan Implementation Program is funded entirely by general revenue. This program provides matching for federal funds in the EPA Section 319 Nonpoint Source Pollution Abatement Program, as well as matching for the EPA Clean Lakes Program and Corps of Engineers projects. Base Level appropriation is \$1,767,955 per year.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Commission is requesting the continuation of this appropriation at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 2RG Water Quality Implementation
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	232,321	225,199	251,682	225,199	225,199	225,199	225,199	225,199	225,199
#Positions	5								
Personal Services Matching 5010003	64,839	64,835	66,492	66,556	66,556	66,556	66,556	66,556	66,556
Operating Expenses 5020002	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Conference & Travel Expenses 5050009	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	581,680	722,000	722,000	722,000	722,000	722,000	722,000	722,000	722,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Water Quality Technician 5900046	741,603	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	1,623,643	1,766,234	1,794,374	1,767,955	1,767,955	1,767,955	1,767,955	1,767,955	1,767,955
Funding Sources									
General Revenue 4000010	1,606,118	1,766,234		1,767,955	1,767,955	1,767,955	1,767,955	1,767,955	1,767,955
Merit Adjustment Fund 4000055	17,525	0		0	0	0	0	0	0
Total Funding	1,623,643	1,766,234		1,767,955	1,767,955	1,767,955	1,767,955	1,767,955	1,767,955
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,623,643	1,766,234		1,767,955	1,767,955	1,767,955	1,767,955	1,767,955	1,767,955

Analysis of Budget Request

Appropriation: 381 - Rural Fire Protection Program

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Rural Fire Protection Program is funded entirely by general revenue and has a Base Level of \$392,864 per year. This program supports the "Dry Hydrant" method of tapping local ponds and providing water supplies for fire departments at strategic intervals in rural areas to enhance local fire fighting capabilities and reduce rural fire insurance premium rates. Funds from this appropriation are disbursed to the State Resource Conservation and Development Council, which determines the local fire departments and political subdivisions that will be assisted in developing water impoundments for firefighting purposes.

The Agency is requesting \$707,136 per year in unfunded appropriation which will restore this appropriation to its previously authorized level. This unfunded appropriation would be used in the event that savings from the Miscellaneous Agencies Fund Account become available.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 381 Rural Fire Protection Program
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	592,864	392,864	1,100,000	392,864	1,100,000	1,100,000	392,864	1,100,000	1,100,000
Total	592,864	392,864	1,100,000	392,864	1,100,000	1,100,000	392,864	1,100,000	1,100,000
Funding Sources									
General Revenue 4000010	592,864	392,864		392,864	392,864	392,864	392,864	392,864	392,864
Total Funding	592,864	392,864		392,864	392,864	392,864	392,864	392,864	392,864
Excess Appropriation/(Funding)	0	0		0	707,136	707,136	0	707,136	707,136
Grand Total	592,864	392,864		392,864	1,100,000	1,100,000	392,864	1,100,000	1,100,000

Change Level by Appropriation

Appropriation: 381-Rural Fire Protection Program

Funding Sources: HUA-Miscellaneous Agencies Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	392,864	0	392,864	100.0	392,864	0	392,864	100.0
C05	Unfunded Appropriation	707,136	0	1,100,000	280.0	707,136	0	1,100,000	280.0

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	392,864	0	392,864	100.0	392,864	0	392,864	100.0
C05	Unfunded Appropriation	707,136	0	1,100,000	280.0	707,136	0	1,100,000	280.0

Justification

C05	Agency requests unfunded appropriation in the event that savings from the Miscellaneous Agencies Fund Account become available.
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Analysis of Budget Request

Appropriation: 383 - Conservation District Grants

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's Conservation District Program provides operating expenses for the various conservation districts around the State. Base Level for this program is \$250,000 per year which is funded entirely from general revenue.

The Commission requests the continuation of this program at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 383 Conservation District Grants
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	250,000	250,000	500,000	250,000	250,000	250,000	250,000	250,000	250,000
Total	250,000	250,000	500,000	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources									
General Revenue 4000010	250,000	250,000		250,000	250,000	250,000	250,000	250,000	250,000
Total Funding	250,000	250,000		250,000	250,000	250,000	250,000	250,000	250,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	250,000	250,000		250,000	250,000	250,000	250,000	250,000	250,000

Analysis of Budget Request

Appropriation: 420 - Natural Resources Comm-Cash

Funding Sources: NSW-Cash in Treasury

This appropriation consists of both the Natural Resources Commission's Safe Drinking Water Program and the Water Grants Program. These programs provide administration for safe drinking water projects that are funded through activities of the Arkansas Development Finance Authority. As authorized in Arkansas Code §15-22-1102, funds are transferred from Arkansas Development Finance Authority to the Natural Resources Commission Cash Account for maintenance and support of this program. Additional water development loans are provided through the Water Grants Program using repayment of previous loans as funding.

The Base Level appropriation is \$4,607,997 per year. A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency is requesting an additional \$80,000 per year in Operating Expenses appropriation for rent payments.

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

Appropriation

Appropriation: 420 Natural Resources Comm-Cash
Funding Sources: NSW-Cash in Treasury

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	656,752	705,961	659,272	705,961	705,961	705,961	705,961	705,961	705,961
#Positions	18	20	20	20	20	20	20	20	20
Extra Help 5010001	14,661	30,800	32,000	30,800	30,800	30,800	30,800	30,800	30,800
#Extra Help	3	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	200,409	215,940	203,145	229,186	229,186	229,186	229,186	229,186	229,186
Operating Expenses 5020002	164,672	235,031	235,031	235,031	315,031	315,031	235,031	315,031	315,031
Conference & Travel Expenses 5050009	8,286	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Professional Fees 5060010	5,224	110,002	110,002	110,002	110,002	110,002	110,002	110,002	110,002
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	2,730,586	3,190,017	3,190,017	3,190,017	3,190,017	3,190,017	3,190,017	3,190,017	3,190,017
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Training/Contract Services 5900043	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Total	3,865,590	4,594,751	4,536,467	4,607,997	4,687,997	4,687,997	4,607,997	4,687,997	4,687,997
Funding Sources									
Fund Balance 4000005	2,086,688	4,435,550		6,201,063	6,201,063	6,201,063	7,873,330	7,873,330	7,873,330
Cash Fund 4000045	6,214,452	6,360,264		6,280,264	6,360,264	6,360,264	6,280,264	6,360,264	6,360,264
Total Funding	8,301,140	10,795,814		12,481,327	12,561,327	12,561,327	14,153,594	14,233,594	14,233,594
Excess Appropriation/(Funding)	(4,435,550)	(6,201,063)		(7,873,330)	(7,873,330)	(7,873,330)	(9,545,597)	(9,545,597)	(9,545,597)
Grand Total	3,865,590	4,594,751		4,607,997	4,687,997	4,687,997	4,607,997	4,687,997	4,687,997

The FY07 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2005-07 biennium.

Change Level by Appropriation

Appropriation: 420-Natural Resources Comm-Cash

Funding Sources: NSW-Cash in Treasury

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	4,607,997	20	4,607,997	100.0	4,607,997	20	4,607,997	100.0
C01	Existing Program	80,000	0	4,687,997	101.7	80,000	0	4,687,997	101.7

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	4,607,997	20	4,607,997	100.0	4,607,997	20	4,607,997	100.0
C01	Existing Program	80,000	0	4,687,997	101.7	80,000	0	4,687,997	101.7

Justification

C01	Agency requests appropriation for the 4% set-aside for the Safe Drinking Water Program, which will cover rent for this section
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Analysis of Budget Request

Appropriation: 475 - Red River Levee Rehab Project

Funding Sources: TWP-Red River Waterways Project Trust Fund

The Natural Resources Commission administers the appropriation for study expenses and bank stabilization work on the Red River in Southwest Arkansas. Funding is from trust funds that have accumulated in the Red River Waterways Project Trust Fund. The current focus of this program is completion of a study to determine the probable volume of commerce that would be conducted via the Red River as a navigable waterway.

The Base Level request is \$3,508,921 in FY08 and \$2,136,093 in FY09. A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency is requesting a continuation of the Base Level and of special language that authorizes carry forward to the second year of the remaining balance in the Study Expenses special line item.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 475 Red River Levee Rehab Project
Funding Sources: TWP-Red River Waterways Project Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	75,384	102,714	102,713	102,714	102,714	102,714	102,714	102,714	102,714
#Positions		2	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	26,242	32,268	30,821	33,379	33,379	33,379	33,379	33,379	33,379
Grants and Aid	5100004	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Study Expenses	5900046	25,836	1,346,992	0	1,372,828	1,372,828	1,372,828	0	0	0
Total		127,462	3,481,974	2,133,534	3,508,921	3,508,921	3,508,921	2,136,093	2,136,093	2,136,093
Funding Sources										
Fund Balance	4000005	10,672,835	10,674,157		7,322,183	7,322,183	7,322,183	3,913,262	3,913,262	3,913,262
Interest	4000300	128,784	130,000		100,000	100,000	100,000	70,000	70,000	70,000
Total Funding		10,801,619	10,804,157		7,422,183	7,422,183	7,422,183	3,983,262	3,983,262	3,983,262
Excess Appropriation/(Funding)		(10,674,157)	(7,322,183)		(3,913,262)	(3,913,262)	(3,913,262)	(1,847,169)	(1,847,169)	(1,847,169)
Grand Total		127,462	3,481,974		3,508,921	3,508,921	3,508,921	2,136,093	2,136,093	2,136,093

The FY07 Budgeted amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2005-07 biennium. The FY07 Budgeted amount in Study Expenses exceeds the authorized amount due to special language that provides for carry forward of appropriation. The actual amount carried forward into FY07 was \$1,346,992.

Analysis of Budget Request

Appropriation: 527 - Construction Assistance Revolving Loan Fund Program

Funding Sources: FSC - Natural Resources Commission Federal

The Construction Assistance Revolving Loan Fund Program monitors and approves the progress of projects employing low interest loans from the Natural Resources Commission that provide clean water by reducing or eliminating elements of water borne pollution. Funding for this appropriation is 100% federal.

The Base Level appropriation is \$977,052 per year. A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency is requesting a continuation of the Base Level appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 527 Construction Assistance Revolving Loan Fund Program
Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	547,234	594,802	599,658	594,802	594,802	594,802	594,802	594,802	594,802
#Positions	13	14							
Personal Services Matching 5010003	159,166	174,155	166,435	179,127	179,127	179,127	179,127	179,127	179,127
Operating Expenses 5020002	146,284	182,404	182,404	182,404	182,404	182,404	182,404	182,404	182,404
Conference & Travel Expenses 5050009	7,115	7,219	7,219	7,219	7,219	7,219	7,219	7,219	7,219
Professional Fees 5060010	0	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
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	859,799	972,080	969,216	977,052	977,052	977,052	977,052	977,052	977,052
Funding Sources									
Federal Revenue 4000020	859,799	972,080		977,052	977,052	977,052	977,052	977,052	977,052
Total Funding	859,799	972,080		977,052	977,052	977,052	977,052	977,052	977,052
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	859,799	972,080		977,052	977,052	977,052	977,052	977,052	977,052

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-07 biennium.

Analysis of Budget Request

Appropriation: 659 - Ouachita River Waterways Projects

Funding Sources: TWO-Ouachita River Waterways Project Trust Fund

The Natural Resources Commission's Ouachita River Waterways Projects Program is concerned with development of recreational facilities, parks, and services along the banks of the Ouachita River across South Arkansas. It is funded from the Ouachita River Waterways Project Trust Fund.

The Base Level for this biennial appropriation is \$163,050. The Commission requests the continuation of this appropriation at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 659 Ouachita River Waterways Projects
Funding Sources: TWO-Ouachita River Waterways Project Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	87,450	163,050	0	163,050	163,050	163,050	0	0	0
Total	87,450	163,050	0	163,050	163,050	163,050	0	0	0
Funding Sources									
Fund Balance 4000005	262,125	174,675		11,625	11,625	11,625	0	0	0
Total Funding	262,125	174,675		11,625	11,625	11,625	0	0	0
Excess Appropriation/(Funding)	(174,675)	(11,625)		151,425	151,425	151,425	0	0	0
Grand Total	87,450	163,050		163,050	163,050	163,050	0	0	0

This is a biennial appropriation. The FY07 Budgeted amount has been adjusted to reflect the carry forward balance of appropriation between fiscal years.

Analysis of Budget Request

Appropriation: 808 - Water Research

Funding Sources: HUA-Miscellaneous Agencies Fund

The Natural Resources Commission's appropriation for Water Research is funded entirely by general revenue and has a Base Level of \$38,800 each year. Contracts are made in this program with various colleges and universities in the State for research using data collected and compiled in the Commission's water management and water quality programs.

The Commission is requesting continuation of this appropriation at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 808 Water Research
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	38,800	38,800	38,800	38,800	38,800	38,800	38,800	38,800	38,800
Total	38,800								
Funding Sources									
General Revenue 4000010	38,800	38,800		38,800	38,800	38,800	38,800	38,800	38,800
Total Funding	38,800	38,800		38,800	38,800	38,800	38,800	38,800	38,800
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	38,800	38,800		38,800	38,800	38,800	38,800	38,800	38,800

Analysis of Budget Request

Appropriation: 822 - Conservation District Clerks' Ins

Funding Sources: HUA-Miscellaneous Agencies Fund

Conservation district clerks are authorized by Arkansas Code §14-125-312 to take part in the State Employees Group Insurance Plan. This appropriation provides the State's matching portion of premiums for the health insurance coverage. Base Level for this appropriation is \$336,000 per year which is funded entirely by general revenue. Included in Base Level is a \$30 per month increase in the monthly contribution for district clerk's insurance for a total State contribution of \$350 per month for the current budgeted level of 80 eligible district clerks.

The Commission is requesting continuation of this program at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 822 Conservation District Clerks' Ins
Funding Sources: HUA-Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Personal Services Matching 5010003	307,200	307,200	307,200	336,000	336,000	336,000	336,000	336,000	336,000
Total	307,200	307,200	307,200	336,000	336,000	336,000	336,000	336,000	336,000
Funding Sources									
General Revenue 4000010	307,200	307,200		336,000	336,000	336,000	336,000	336,000	336,000
Total Funding	307,200	307,200		336,000	336,000	336,000	336,000	336,000	336,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	307,200	307,200		336,000	336,000	336,000	336,000	336,000	336,000

Analysis of Budget Request

Appropriation: 924 - Water/Sewer/Solid Waste

Funding Sources: MAC-Water, Sewer, and Solid Waste Revolving Fund

The Natural Resources Commission's Water, Sewer, and Solid Waste Revolving Fund Account is funded by repayments of previous loans. Funds are then used to make new Water, Sewer, and Solid Waste loans, as authorized in Arkansas Code §19-5-310. Base Level for this appropriation is \$5,000,000 each year.

The Commission is requesting continuation of this program at Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 924 Water/Sewer/Solid Waste
Funding Sources: MAC-Water, Sewer, and Solid Waste Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	1,080,078	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		1,080,078	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources										
Fund Balance	4000005	3,379,916	4,312,221		3,062,221	3,062,221	3,062,221	1,812,221	1,812,221	1,812,221
Non-Revenue Receipts	4000040	2,012,383	3,750,000		3,750,000	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Total Funding		5,392,299	8,062,221		6,812,221	6,812,221	6,812,221	5,562,221	5,562,221	5,562,221
Excess Appropriation/(Funding)		(4,312,221)	(3,062,221)		(1,812,221)	(1,812,221)	(1,812,221)	(562,221)	(562,221)	(562,221)
Grand Total		1,080,078	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Analysis of Budget Request

Appropriation: 997 - NonPoint Source Pollution Control Program

Funding Sources: FSC - Natural Resources Commission Federal

This program reflects the federal side of the Natural Resources Commission's role in conducting the EPA Section 319 Program of nonpoint source pollution abatement in Arkansas. This program is 100% federally funded with a Base Level appropriation of \$4,576,169 per year.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Agency requests an additional \$1,700,000 per year in the Grants and Aid line item, which is supported by federal funds. These funds will be used to establish and maintain adequate measures for prevention and control of surface and groundwater pollution. The Agency also requests a reallocation of \$6,000 appropriation per year from Operating Expenses to Capital Outlay for sales and use taxes on capital equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation

Appropriation: 997 NonPoint Source Pollution Control Program
Funding Sources: FSC - Natural Resources Commission Federal

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	405,105	532,696	534,071	532,696	532,696	532,696	532,696	532,696	532,696
#Positions	13	16	16	16	16	16	16	16	16
Extra Help 5010001	2,265	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help	1	2	2	2	2	2	2	2	2
Personal Services Matching 5010003	137,486	164,308	162,563	175,734	175,734	175,734	175,734	175,734	175,734
Operating Expenses 5020002	214,088	300,334	300,334	300,334	294,334	294,334	300,334	294,334	294,334
Conference & Travel Expenses 5050009	18,498	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees 5060010	5,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Grants and Aid 5100004	3,970,560	3,407,405	3,407,405	3,407,405	5,107,405	5,107,405	3,407,405	5,107,405	5,107,405
Capital Outlay 5120011	75,629	0	0	0	6,000	6,000	0	6,000	6,000
Total	4,828,631	4,564,743	4,564,373	4,576,169	6,276,169	6,276,169	4,576,169	6,276,169	6,276,169
Funding Sources									
Federal Revenue 4000020	4,828,631	4,564,743		4,576,169	6,276,169	6,276,169	4,576,169	6,276,169	6,276,169
Total Funding	4,828,631	4,564,743		4,576,169	6,276,169	6,276,169	4,576,169	6,276,169	6,276,169
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	4,828,631	4,564,743		4,576,169	6,276,169	6,276,169	4,576,169	6,276,169	6,276,169

The FY07 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2005-07 biennium. The FY06 Actual amount in Capital Outlay exceeds the authorized amount due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 997-NonPoint Source Pollution Control Program

Funding Sources: FSC - Natural Resources Commission Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	4,576,169	16	4,576,169	100.0	4,576,169	16	4,576,169	100.0
C01	Existing Program	1,700,000	0	6,276,169	137.1	1,700,000	0	6,276,169	137.1
C04	Reallocation	0	0	6,276,169	137.1	0	0	6,276,169	137.1

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	4,576,169	16	4,576,169	100.0	4,576,169	16	4,576,169	100.0
C01	Existing Program	1,700,000	0	6,276,169	137.1	1,700,000	0	6,276,169	137.1
C04	Reallocation	0	0	6,276,169	137.1	0	0	6,276,169	137.1

Justification

C01	Agency requests Grants and Aid appropriation for Nonpoint 319 program and Wetland projects.
C04	Agency requests reallocation of appropriation from Operating Expenses to Capital Outlay for sales and use taxes on capital equipment.