

ARKANSAS NATURAL RESOURCES COMMISSION

Enabling Laws

Act 35 of 2010

A.C.A. §14-230-101 et seq.

A.C.A. §15-20-201 et seq.

A.C.A. §15-20-801 - §15-20-1301

A.C.A. §15-22-201 - §15-22-1301

A.C.A. §15-24-102 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. Also in 1981, the Water Resources Cost Share Program was created to provide funds to Arkansas' communities to help meet the local cost share of federal water projects.

The Commission 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.

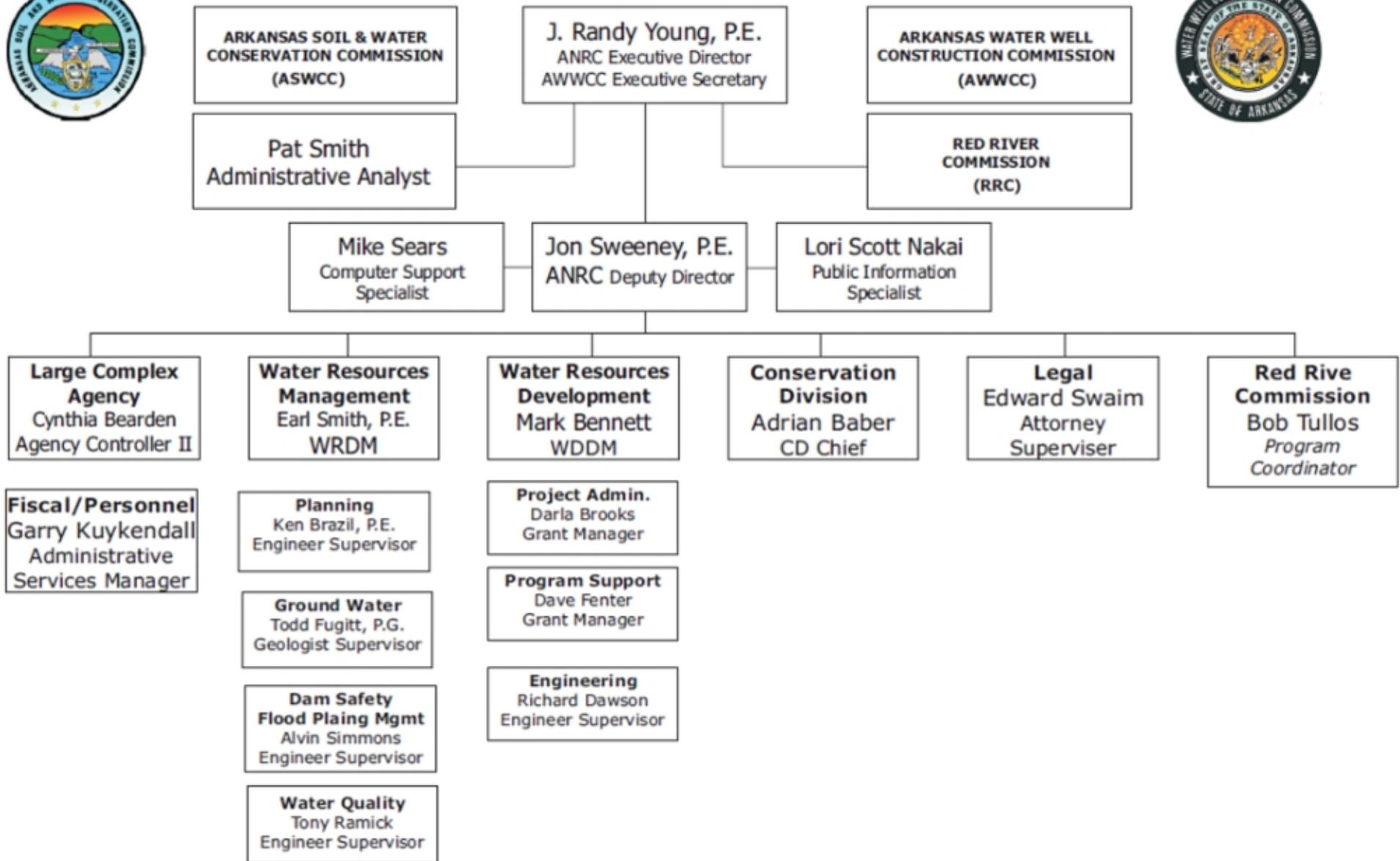
Since 1995 the Commission has provided administrative and field operations for the Water Well Construction Commission.

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.



Agency Commentary

The Arkansas Natural Resources 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.

Changes requested for this division include:

- Additional \$971,376 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 becomes available.
- Additional \$686,414 each year of the biennium for the Study Expenses line item in Funds Center 475 - Red River Levee Rehabilitation Project. This request will restore the full amount of \$1,372,828 each year for the Study Expenses line item. This level is necessary to ensure that the agency has enough appropriation if the U. S. Army Corps of Engineers moves forward with the navigation feasibility study during any particular fiscal year.
- Additional appropriation of \$43,150 each year of the biennium for the Grants and Aid line item in Funds Center 659 - Ouachita River Waterways Projects. This request will ensure that the agency has enough appropriation to support these projects during any particular fiscal year and the agency has adequate cash to pay for this project.
- The two (2) ANRC Program Coordinator positions are requested to be crossgraded in Funds Center 527 - Construction Assistance Revolving Loan Program to ensure that the job titles accurately reflect the job duties.

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:

- Additional unfunded appropriation in the amount of \$400,000 each year of the biennium. This request will provide additional appropriation of \$200,000 to both the Grants and Aid Line Item and the Water Quality Technician Line Item in Funds Center 2RG - Water Quality Implementation. This request will enable the agency to utilize any funds carried forward to support the amount of obligated grants are certified for Water Match Grants and Water Quality Technician.
- Additional \$51,000 each year of the biennium for the Capital Outlay Line Item in Funds Center 997 - NonPoint Source Pollution Control Program. This request will enable the agency to replace existing field equipment for Water Quality Projects. This appropriation is 100 percent federally funded.
- Additional \$46,500 each year of the biennium for Grants and Aid Line Item in Funds Center 1AA - Dam Inventory Program. This appropriation is 100 percent federally funded.

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 appropriation of \$45 million each year of the biennium for the Project Disbursements Line Item in Funds Center 1EE - Water, Waste Disposal, Pollution Abatement. During the previous budget session, the agency was authorized at a level of \$90 million for the first year and special language authorized any remaining balance for the Project Disbursement Line Item to be carried forward in the second year of the biennium. This level is necessary to ensure that the agency has enough appropriation if there is a large sale of Water, Water Disposal and Pollution Abatement General Obligation Bonds during any particular fiscal year.
- Additional \$611,219 per year in unfunded appropriation in Funds Center 2GE - Water/Sewer/Solid Waste - State, which will restore this appropriation to the previous authorized level of \$736,219 each year. This unfunded appropriation is being requested in the event that savings from Miscellaneous Agencies Fund Account become available.
- Additional \$2 million each year year of the biennium in Grants and Aid in Funds Center 924 - Waste/Sewer/Solid Waste. This level is necessary to provide for an increase of waste/sewer/solid water loans. This appropriation is 100 percent funded from loan repayments. The Waste/Sewer/Solid Waste fund has seen a dramatic increase in it use the last two biennial as a result of its increased use in funding

- emergency projects in the form of disaster recovery. This increased level of use means it is necessary to ensure all funds available in the fund can be spent at a moments notice. The new appropriation level is based on the amount of funds on hand plus the projected repayments of existing loans.
- Drinking Water Program for ARRA - Restoration of ARRA appropriation in the amount of \$10 million each year in Funds Center 420 - Natural Resources Commission Cash Appropriation because the Grant Agreement Budget Period is January 17, 2009 thru February 17, 2013.
- Clean Water Program for ARRA - Restoration of ARRA appropriation in the amount of \$12 million each year in Funds Center 527 - Construction Assistance Revolving Loan Program because the Grant Agreement Budget Period is August 19, 2009 thru June 30, 2013

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS NATURAL RESOURCES COMMISSION
FOR THE YEAR ENDED JUNE 30, 2007

Findings

Our review of internal controls revealed a weakness in maintaining supporting documentation as required by the State's Financial Management Guide. Employee travel reimbursements for 21 hotel charges totaling \$932 and credit card transactions totaling \$1,229 were not supported by adequate documentation. Failure to maintain supporting documentation could place assets at risk.

Recommendations

The Agency comply with policies and procedures set forth in the State's Financial Management Guide by maintaining supporting documentation for all travel reimbursements and credit card charges.

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS NATURAL RESOURCES COMMISSION
ARKANSAS SAFE DRINKING WATER
REVOLVING LOAN FUND PROGRAM
FOR THE YEAR ENDED JUNE 30, 2009

Findings

Recommendations

None

None

Performance Audit Findings

Levee District Oversight
Arkansas Natural Resources Commission (ANRC)
(July 1, 2007 – June 30, 2008) - Issued 02-13-2009

Findings and Conclusions:

- The number and location of levee districts with the State could not be determined. A central inventory of levees is not maintained, in part, because Ark. Code Ann. § 15-24-102(c) prohibits ANRC from requiring reports from levee districts.
- City/County officials have no authority over levee districts and the Arkansas Code expressly prohibits the ANRC from taking oversight of unmaintained levees.
- Although public funding is provided to levee districts, requirements for annual audits or accountability for the expenditures of funds vary or are nonexistent depending on the Acts under which the districts were created.
- 7 of 11 levees reviewed currently have proper accreditation and certification for national flood insurance participation. However, 1 of the 7 certified levees was rated by the Army Corps of Engineers as “unacceptable” and their continued certification is in jeopardy.

Recommendations:

- The General Assembly consider revising Ark. Code Ann. § 15-24-102 to require ANRC to create and maintain a listing of all levees in the State, and develop procedures to approve the construction of and register new levees over a determined size.
- The General Assembly consider legislation designating a standard structure for levee district boards and uniform appointment or election of members; directing ANRC to develop standards for levee maintenance and inspection procedures; requiring levee districts to report to ANRC the maintenance and inspection status of all levees; and revising Ark. Code Ann. § 14-120-704 to authorize ANRC to notify the Arkansas Attorney General when levees are not properly maintained in accordance with prescribed standards.
- The General Assembly consider legislation authorizing ANRC to develop regulations specifying uniform financial reporting and audit requirements
- The General Assembly consider authorizing ANRC to develop rules and procedures prompting the annexation or merging of districts for noncompliance with accreditation requirements.

Employment Summary

| | Male | Female | Total | % |
|-------------------------|------|--------|-------|-------|
| White Employees | 45 | 26 | 71 | 90 % |
| Black Employees | 3 | 5 | 8 | 10 % |
| Other Racial Minorities | 0 | 0 | 0 | 0 % |
| Total Minorities | | | 8 | 10 % |
| Total Employees | | | 79 | 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 Summary

Historical Data

Agency Request and Executive Recommendation

| Appropriation | 2009-2010 | | 2010-2011 | | 2010-2011 | | 2011-2012 | | | | | | 2012-2013 | | | | | |
|---|-------------------|-----------|--------------------|-----------|--------------------|-----------|-------------------|-----------|--------------------|-----------|--------------------|-----------|-------------------|-----------|--------------------|-----------|--------------------|-----------|
| | Actual | Pos | Budget | Pos | Authorized | Pos | Base Level | Pos | Agency | Pos | Executive | Pos | Base Level | Pos | Agency | Pos | Executive | Pos |
| 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 | 150,000 | 0 | 150,000 | 0 |
| 1AA Dam Inventory | 64,964 | 1 | 148,553 | 1 | 148,488 | 1 | 148,577 | 1 | 195,077 | 1 | 195,077 | 1 | 148,577 | 1 | 195,077 | 1 | 195,077 | 1 |
| 1EE Water, Waste Disposal, Pollution Abatement | 45,290,821 | 5 | 45,302,792 | 5 | 45,293,194 | 5 | 45,301,130 | 5 | 90,301,130 | 5 | 90,301,130 | 5 | 45,301,130 | 5 | 90,301,130 | 5 | 90,301,130 | 5 |
| 262 Natural Resources Commission-Operations | 3,278,925 | 27 | 3,363,831 | 27 | 3,357,151 | 27 | 3,355,842 | 27 | 3,355,842 | 27 | 3,355,842 | 27 | 3,355,842 | 27 | 3,355,842 | 27 | 3,355,842 | 27 |
| 263 Grants and Attorney Services | 82,179 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 | 91,711 | 0 |
| 2BU Flood Insurance Program | 207,014 | 2 | 350,638 | 2 | 338,553 | 2 | 349,850 | 2 | 349,850 | 2 | 349,850 | 2 | 349,850 | 2 | 349,850 | 2 | 349,850 | 2 |
| 2GE Water/Sewer/Solid Waste-State | 89,415 | 0 | 125,000 | 0 | 736,219 | 0 | 125,000 | 0 | 736,219 | 0 | 736,219 | 0 | 125,000 | 0 | 736,219 | 0 | 736,219 | 0 |
| 2RG Water Quality Implementation | 1,800,107 | 5 | 1,822,848 | 5 | 1,826,912 | 5 | 1,831,534 | 5 | 2,231,534 | 5 | 2,231,534 | 5 | 1,831,534 | 5 | 2,231,534 | 5 | 2,231,534 | 5 |
| 381 Rural Fire Protection Program | 143,437 | 0 | 128,624 | 0 | 1,100,000 | 0 | 128,624 | 0 | 1,100,000 | 0 | 1,100,000 | 0 | 128,624 | 0 | 1,100,000 | 0 | 1,100,000 | 0 |
| 383 Conservation District Grants | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 | 250,000 | 0 |
| 420 Natural Resources Comm-Cash | 16,732,829 | 20 | 42,667,266 | 22 | 42,654,500 | 22 | 7,850,566 | 22 | 17,850,566 | 22 | 7,850,566 | 22 | 7,850,566 | 22 | 17,850,566 | 22 | 7,850,566 | 22 |
| 475 Red River Levee Rehabilitation Project | 150,940 | 2 | 2,841,380 | 3 | 2,837,009 | 3 | 2,840,009 | 3 | 3,526,423 | 3 | 3,526,423 | 3 | 2,840,009 | 3 | 3,526,423 | 3 | 3,526,423 | 3 |
| 527 Construction Asst Revolving Loan Fund Program | 13,699,877 | 15 | 26,978,361 | 15 | 26,923,069 | 15 | 1,138,174 | 15 | 13,138,174 | 15 | 1,138,174 | 15 | 1,138,174 | 15 | 13,138,174 | 15 | 1,138,174 | 15 |
| 659 Ouachita River Waterways Projects | 0 | 0 | 81,525 | 0 | 81,525 | 0 | 81,525 | 0 | 124,675 | 0 | 124,675 | 0 | 81,525 | 0 | 124,675 | 0 | 124,675 | 0 |
| 808 Water Research | 40,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 | 42,800 | 0 |
| 822 Conservation District Clerks' Insurance | 374,400 | 0 | 374,400 | 0 | 408,000 | 0 | 374,400 | 0 | 374,400 | 0 | 374,400 | 0 | 374,400 | 0 | 374,400 | 0 | 374,400 | 0 |
| 924 Water/Sewer/Solid Waste | 231,750 | 0 | 5,000,000 | 0 | 5,000,000 | 0 | 5,000,000 | 0 | 7,000,000 | 0 | 5,000,000 | 0 | 5,000,000 | 0 | 7,000,000 | 0 | 5,000,000 | 0 |
| 997 NonPoint Source Pollution Control Program | 3,704,973 | 9 | 6,856,336 | 14 | 6,983,488 | 15 | 6,803,387 | 14 | 6,854,387 | 14 | 6,854,387 | 14 | 6,803,387 | 14 | 6,854,387 | 14 | 6,854,387 | 14 |
| Total | 86,292,431 | 86 | 136,576,065 | 93 | 138,222,619 | 94 | 75,863,129 | 93 | 147,672,788 | 93 | 123,672,788 | 93 | 75,863,129 | 93 | 147,672,788 | 93 | 123,672,788 | 93 |

| Funding Sources | | % | | % | | % | | % | | % | | % | | % | | % | | % |
|--------------------------------|---------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|---|
| Fund Balance | 4000005 | 53,068,077 | 31.5 | 81,979,047 | 37.0 | 85,225,484 | 51.1 | 85,225,484 | 35.8 | 85,225,484 | 39.8 | 91,010,629 | 52.7 | 90,324,215 | 37.2 | 90,324,215 | 41.2 | |
| General Revenue | 4000010 | 6,209,263 | 3.7 | 6,349,214 | 2.9 | 6,349,911 | 3.8 | 6,349,911 | 2.7 | 6,349,911 | 3.0 | 6,349,911 | 3.7 | 6,349,911 | 2.6 | 6,349,911 | 2.9 | |
| Federal Revenue | 4000020 | 4,945,353 | 2.9 | 8,497,888 | 3.8 | 8,439,988 | 5.1 | 8,537,488 | 3.6 | 8,537,488 | 4.0 | 8,439,988 | 4.9 | 8,537,488 | 3.5 | 8,537,488 | 3.9 | |
| Cash Fund | 4000045 | 4,701,153 | 2.8 | 5,500,000 | 2.5 | 8,000,000 | 4.8 | 8,000,000 | 3.4 | 8,000,000 | 3.7 | 8,000,000 | 4.6 | 8,000,000 | 3.3 | 8,000,000 | 3.7 | |
| Bond Proceeds | 4000125 | 57,328,733 | 34.1 | 45,000,000 | 20.3 | 45,000,000 | 27.0 | 90,000,000 | 37.8 | 90,000,000 | 42.1 | 45,000,000 | 26.1 | 90,000,000 | 37.0 | 90,000,000 | 41.1 | |
| Federal Funds-ARRA | 4000244 | 26,604,762 | 15.8 | 60,655,400 | 27.3 | 0 | 0.0 | 22,000,000 | 9.2 | 0 | 0.0 | 0 | 0.0 | 22,000,000 | 9.1 | 0 | 0.0 | |
| Interest | 4000300 | 172,654 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | 170,000 | 0.1 | |
| Loan Repayment | 4000330 | 15,098,461 | 9.0 | 13,500,000 | 6.1 | 13,500,000 | 8.1 | 15,500,000 | 6.5 | 13,500,000 | 6.3 | 13,500,000 | 7.8 | 15,500,000 | 6.4 | 13,500,000 | 6.2 | |
| Trust Fund Interest | 4000705 | 143,022 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | 150,000 | 0.1 | |
| Unfunded Appropriation | 4000715 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 1,982,595 | 0.8 | 1,982,595 | 0.9 | 0 | 0.0 | 1,982,595 | 0.8 | 1,982,595 | 0.9 | |
| Total Funds | | 168,271,478 | 100.0 | 221,801,549 | 100.0 | 166,835,383 | 100.0 | 237,915,478 | 100.0 | 213,915,478 | 100.0 | 172,620,528 | 100.0 | 243,014,209 | 100.0 | 219,014,209 | 100.0 | |
| Excess Appropriation/(Funding) | | (81,979,047) | | (85,225,484) | | (90,972,254) | | (90,242,690) | | (90,242,690) | | (96,757,399) | | (95,341,421) | | (95,341,421) | | |
| Grand Total | | 86,292,431 | | 136,576,065 | | 75,863,129 | | 147,672,788 | | 123,672,788 | | 75,863,129 | | 147,672,788 | | 123,672,788 | | |

The FY11 Budget amount exceeds the Authorized amount in 1AA, 1EE, 262, 2BU, 420, 475 and 527 due to salary and/or matching rate adjustments during the 2009-11 biennium.
 The FY12 ending fund balance does not equal the FY13 beginning fund balance due to unfunded appropriation in 659.

Agency Position Usage Report

| FY2008 - 2009 | | | | | | FY2009 - 2010 | | | | | | FY2010 - 2011 | | | | | |
|-------------------------|----------|----------|-------|------------|------------------------------|-------------------------|----------|----------|-------|------------|------------------------------|-------------------------|----------|----------|-------|------------|------------------------------|
| Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused |
| | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | |
| 93 | 82 | 11 | 93 | 0 | 11.83 % | 94 | 79 | 14 | 93 | 1 | 15.96 % | 94 | 79 | 14 | 93 | 1 | 15.96 % |

Analysis of Budget Request

Appropriation: 129 - Beaver Eradication Program

Funding Sources: HUA - Miscellaneous Agencies Fund

The "Beaver Eradication Program" created under Act 630 of 1993 and coordinated by the Department of Finance and Administration and county governments is now called the "Conservation District Beaver Control Program," and is administered by the Arkansas Natural Resources Commission through Arkansas' conservation districts. This program reimburses conservation districts \$5 per beaver for payments they make to certified beaver harvesters. To receive grant funding through this program, conservation districts must submit a district beaver control plan to the Commission, who will allocate the available funding to districts according to their projected harvest, past participation, and other factors to ensure fairness. This program is funded entirely by general revenue.

The Agency Base Level request includes appropriation and general revenue funding of \$150,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

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

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|------------|---------|-----------|------------|---------|-----------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid 5100004 | 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 used to conduct periodic inspections to determine the number and current condition of dams within the State's jurisdiction. The Commission maintains this information in a database and provides updated records to the Federal Emergency Management Agency. This appropriation is 100% federally funded.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation of \$148,577 each year of the biennium with one regular position.

The Agency Change Level request includes additional Grants and Aid appropriation of \$46,500 each year for Dam Safety Projects.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1AA - Dam Inventory

Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 39,348 | 39,264 | 39,199 | 39,264 | 39,264 | 39,264 | 39,264 | 39,264 | 39,264 |
| #Positions | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Personal Services Matching | 5010003 | 12,044 | 12,576 | 12,576 | 12,600 | 12,600 | 12,600 | 12,600 | 12,600 | 12,600 |
| Operating Expenses | 5020002 | 9,271 | 49,216 | 49,216 | 49,216 | 49,216 | 49,216 | 49,216 | 49,216 | 49,216 |
| Conference & Travel Expenses | 5050009 | 4,301 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 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 | 0 | 30,497 | 30,497 | 30,497 | 76,997 | 76,997 | 30,497 | 76,997 | 76,997 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 64,964 | 148,553 | 148,488 | 148,577 | 195,077 | 195,077 | 148,577 | 195,077 | 195,077 |
| Funding Sources | | | | | | | | | | |
| Federal Revenue | 4000020 | 64,964 | 148,553 | | 148,577 | 195,077 | 195,077 | 148,577 | 195,077 | 195,077 |
| Total Funding | | 64,964 | 148,553 | | 148,577 | 195,077 | 195,077 | 148,577 | 195,077 | 195,077 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 64,964 | 148,553 | | 148,577 | 195,077 | 195,077 | 148,577 | 195,077 | 195,077 |

The FY11 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 148,577 | 1 | 148,577 | 100.0 | 148,577 | 1 | 148,577 | 100.0 |
| C01 | Existing Program | 46,500 | 0 | 195,077 | 131.3 | 46,500 | 0 | 195,077 | 131.3 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 148,577 | 1 | 148,577 | 100.0 | 148,577 | 1 | 148,577 | 100.0 |
| C01 | Existing Program | 46,500 | 0 | 195,077 | 131.3 | 46,500 | 0 | 195,077 | 131.3 |

Justification

| | |
|-----|---|
| C01 | To cover expense for Grants and Aid for Dam Safety Grants |
|-----|---|

Analysis of Budget Request

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

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

The Water, Waste Disposal and Pollution Abatement Program provides low interest rate loans to communities for water resources and waste disposal projects. The program is funded from the sale of Water, Waste Disposal and Pollution Abatement General Obligation Bonds, loan repayments, and interest income.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation of \$45,301,130 in each year of the biennium with 5 regular positions. This Base Level request includes \$45 million authorized for Project Disbursements.

Prior to the 87th Regular Session of 2009, the Projects Disbursements line item was authorized at a level of \$90 million in the first year of the biennium, with special language that authorized any remaining balance be carried forward to the second year of the biennium and used for the same purpose. However, due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation during the 87th Regular Session of 2009 authorized one-half (1/2) of the total Projects Disbursements line item amount each fiscal year and discontinued the carry forward of appropriation provision.

The Agency Change Level Request includes an additional \$45 million each year of the biennium to restore the full \$90 million each year for the Project Disbursements line item. This level is necessary to ensure that the agency has sufficient appropriation in the event there is a large sale of Water, Waste Disposal and Pollution Abatement General Obligation Bonds during any particular fiscal year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

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 | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|------------------------------|---------|---------------------|---------------------|-------------------------|---|-------------------|-------------------|---|-------------------|-------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 227,198 | 228,951 | 221,127 | 227,451 | 227,451 | 227,451 | 227,451 | 227,451 | 227,451 |
| #Positions | | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Personal Services Matching | 5010003 | 66,013 | 69,441 | 67,667 | 69,279 | 69,279 | 69,279 | 69,279 | 69,279 | 69,279 |
| Operating Expenses | 5020002 | 741 | 4,400 | 4,400 | 4,400 | 4,400 | 4,400 | 4,400 | 4,400 | 4,400 |
| Conference & Travel Expenses | 5050009 | 0 | 0 | 0 | 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 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Project Disbursements | 5900046 | 44,996,869 | 45,000,000 | 45,000,000 | 45,000,000 | 90,000,000 | 90,000,000 | 45,000,000 | 90,000,000 | 90,000,000 |
| Total | | 45,290,821 | 45,302,792 | 45,293,194 | 45,301,130 | 90,301,130 | 90,301,130 | 45,301,130 | 90,301,130 | 90,301,130 |

| Funding Sources | | | | | | | | | | |
|--------------------------------|---------|--------------------|--------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Fund Balance | 4000005 | 32,570,387 | 57,081,460 | | 66,928,668 | 66,928,668 | 66,928,668 | 76,777,538 | 76,777,538 | 76,777,538 |
| Bond Proceeds | 4000125 | 57,328,733 | 45,000,000 | | 45,000,000 | 90,000,000 | 90,000,000 | 45,000,000 | 90,000,000 | 90,000,000 |
| Loan Repayment | 4000330 | 12,330,139 | 10,000,000 | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Trust Fund Interest | 4000705 | 143,022 | 150,000 | | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Total Funding | | 102,372,281 | 112,231,460 | | 122,078,668 | 167,078,668 | 167,078,668 | 131,927,538 | 176,927,538 | 176,927,538 |
| Excess Appropriation/(Funding) | | (57,081,460) | (66,928,668) | | (76,777,538) | (76,777,538) | (76,777,538) | (86,626,408) | (86,626,408) | (86,626,408) |
| Grand Total | | 45,290,821 | 45,302,792 | | 45,301,130 | 90,301,130 | 90,301,130 | 45,301,130 | 90,301,130 | 90,301,130 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

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

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|-------------------|----------|-------------------|--------------|-------------------|----------|-------------------|--------------|
| BL | Base Level | 45,301,130 | 5 | 45,301,130 | 100.0 | 45,301,130 | 5 | 45,301,130 | 100.0 |
| C01 | Existing Program | 45,000,000 | 0 | 90,301,130 | 199.3 | 45,000,000 | 0 | 90,301,130 | 199.3 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|-------------------|----------|-------------------|--------------|-------------------|----------|-------------------|--------------|
| BL | Base Level | 45,301,130 | 5 | 45,301,130 | 100.0 | 45,301,130 | 5 | 45,301,130 | 100.0 |
| C01 | Existing Program | 45,000,000 | 0 | 90,301,130 | 199.3 | 45,000,000 | 0 | 90,301,130 | 199.3 |

Justification

| | |
|-----|---|
| C01 | The Agency Request includes additional appropriation of \$45 million each year of the biennium for the Project Disbursements line item to ensure that the agency has enough appropriation if there is a large sale of Water, Waste Disposal and Pollution Abatement General Obligation Bonds during any particular fiscal year. |
|-----|---|

Analysis of Budget Request

Appropriation: 262 - Natural Resources Commission-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Operations appropriation provides administrative support for the Arkansas Natural Resources Commission and is funded entirely by general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency Base Level request includes appropriation and general revenue funding of \$3,355,842 in each year of the biennium with 27 regular positions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 262 - Natural Resources Commission-Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------------|---------------------|---------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 1,432,052 | 1,477,330 | 1,453,647 | 1,449,767 | 1,449,767 | 1,449,767 | 1,449,767 | 1,449,767 | 1,449,767 |
| #Positions | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 |
| Extra Help 5010001 | 0 | 0 | 1,200 | 0 | 0 | 0 | 0 | 0 | 0 |
| #Extra Help | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Personal Services Matching 5010003 | 371,862 | 399,204 | 415,007 | 418,778 | 418,778 | 418,778 | 418,778 | 418,778 | 418,778 |
| Operating Expenses 5020002 | 396,171 | 400,379 | 400,379 | 400,379 | 400,379 | 400,379 | 400,379 | 400,379 | 400,379 |
| Conference & Travel Expenses 5050009 | 8,387 | 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 | 939,990 | 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 | 3,700 | 3,900 | 3,900 | 3,900 | 3,900 | 3,900 | 3,900 | 3,900 | 3,900 |
| Water Planning 5900047 | 124,981 | 130,981 | 130,981 | 130,981 | 130,981 | 130,981 | 130,981 | 130,981 | 130,981 |
| Research Project 5900048 | 1,782 | 1,882 | 1,882 | 1,882 | 1,882 | 1,882 | 1,882 | 1,882 | 1,882 |
| Total | 3,278,925 | 3,363,831 | 3,357,151 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 |
| Funding Sources | | | | | | | | | |
| General Revenue 4000010 | 3,278,925 | 3,363,831 | | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 |
| Total Funding | 3,278,925 | 3,363,831 | | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 3,278,925 | 3,363,831 | | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 | 3,355,842 |

The FY11 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2009-2011 biennium.

Due to the flexibility inherent in having one Extra Help Salary section in the Act, the Agency moved an Authorized Extra Help position from Funds Center 262 to Funds Center 420 during the FY11 Annual Budget.

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 provides for Arkansas' share of operating grants for three river and watershed compacts (the River Basin Compact, the Arkansas River Compact and the Red River Compact), provides for travel and stipend expenses for commission members, supports conservation projects, and provides for special legal assistance concerning water rights. This program is funded entirely by general revenue.

The Agency Base Level request includes appropriation and general revenue funding of \$91,711 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 263 - Grants and Attorney Services

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|---------------|---------------|---|---------------|---------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid | 5100004 | 40,820 | 42,820 | 42,820 | 42,820 | 42,820 | 42,820 | 42,820 | 42,820 | 42,820 |
| Legal Counsel | 5900040 | 5,028 | 5,871 | 5,871 | 5,871 | 5,871 | 5,871 | 5,871 | 5,871 | 5,871 |
| Committee/Commission Exp | 5900041 | 4,521 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Conservation Projects | 5900046 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| Arkansas River Compact | 5900047 | 17,100 | 17,800 | 17,800 | 17,800 | 17,800 | 17,800 | 17,800 | 17,800 | 17,800 |
| Red River Compact | 5900048 | 11,210 | 11,720 | 11,720 | 11,720 | 11,720 | 11,720 | 11,720 | 11,720 | 11,720 |
| Total | | 82,179 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 |
| Funding Sources | | | | | | | | | | |
| General Revenue | 4000010 | 82,179 | 91,711 | | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 |
| Total Funding | | 82,179 | 91,711 | | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 82,179 | 91,711 | | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 | 91,711 |

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 by the Federal Emergency Management Agency (FEMA) within the U.S. Department of Homeland Security. The Commission uses this appropriation to provide a community flood insurance assistance program and to provide grant funding to Arkansas Geographic Information Office (GIS) to support the FEMA Flood Map Modernization Program.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Base Level request includes appropriation in the amount of \$349,850 in each year of the biennium with 2 regular positions and 1 extra help position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2BU - Flood Insurance Program

Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|----------------|----------------|---|----------------|----------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 74,260 | 76,516 | 66,294 | 75,816 | 75,816 | 75,816 | 75,816 | 75,816 | 75,816 |
| #Positions | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Extra Help | 5010001 | 0 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| #Extra Help | | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Personal Services Matching | 5010003 | 23,288 | 25,512 | 23,649 | 25,424 | 25,424 | 25,424 | 25,424 | 25,424 | 25,424 |
| Operating Expenses | 5020002 | 42,665 | 46,039 | 46,039 | 46,039 | 46,039 | 46,039 | 46,039 | 46,039 | 46,039 |
| Conference & Travel Expenses | 5050009 | 6,801 | 22,571 | 22,571 | 22,571 | 22,571 | 22,571 | 22,571 | 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 | 60,000 | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 207,014 | 350,638 | 338,553 | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 |
| Funding Sources | | | | | | | | | | |
| Federal Revenue | 4000020 | 207,014 | 350,638 | | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 |
| Total Funding | | 207,014 | 350,638 | | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 207,014 | 350,638 | | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 | 349,850 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceed the Authorized amount due to salary adjustments during the 2009-2011 biennium.

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 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. This program is funded entirely by general revenue.

The Agency Base Level request includes Grants and Aid appropriation only of \$125,000 each year of the biennium.

The Agency Change Level request includes unfunded Grants and Aid appropriation of \$611,219 each year of the biennium to restore the Water, Sewer and Solid Waste Grants appropriation to its previously authorized level. This additional 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 Summary

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

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid 5100004 | 89,415 | 125,000 | 736,219 | 125,000 | 736,219 | 736,219 | 125,000 | 736,219 | 736,219 |
| Total | 89,415 | 125,000 | 736,219 | 125,000 | 736,219 | 736,219 | 125,000 | 736,219 | 736,219 |
| Funding Sources | | | | | | | | | |
| General Revenue 4000010 | 89,415 | 125,000 | | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 |
| Unfunded Appropriation 4000715 | 0 | 0 | | 0 | 611,219 | 611,219 | 0 | 611,219 | 611,219 |
| Total Funding | 89,415 | 125,000 | | 125,000 | 736,219 | 736,219 | 125,000 | 736,219 | 736,219 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 89,415 | 125,000 | | 125,000 | 736,219 | 736,219 | 125,000 | 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 | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 125,000 | 0 | 125,000 | 100.0 | 125,000 | 0 | 125,000 | 100.0 |
| C05 | Unfunded Appropriation | 611,219 | 0 | 736,219 | 589.0 | 611,219 | 0 | 736,219 | 589.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 125,000 | 0 | 125,000 | 100.0 | 125,000 | 0 | 125,000 | 100.0 |
| C05 | Unfunded Appropriation | 611,219 | 0 | 736,219 | 589.0 | 611,219 | 0 | 736,219 | 589.0 |

Justification

| | |
|-----|---|
| C05 | Grants and Aid: Unfunded appropriation of \$611,219 each year to use in the event that savings from the Miscellaneous Agencies fund Account become available. |
|-----|---|

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 provides matching for federal funds in the U.S. Environmental Protection Agency (EPA) Section 319 Nonpoint Source Pollution Abatement Program, as well as matching for the EPA Clean Lakes Program and Corps of Engineers projects. This program is funded entirely by general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation and general revenue funding of \$1,831,534 each year of the biennium with 5 regular positions. This Base Level request includes \$750,000 authorized for Water Quality Technician line item.

Prior to the 87th Regular Session of 2009, the Agency had special language that authorized the carry forward of appropriation and funds from the first fiscal year of the biennium to the second year of the biennium to support the amount of obligated grants that are certified for Water Quality Match Grants and Water Quality Technicians. However, due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation during the 87th Regular Session eliminated language that provided for the carry forward of appropriation.

The Agency Change Level Request includes unfunded appropriation of \$400,000 each year of the biennium. This will provide additional appropriation of \$200,000 each for the Grants and Aid line item and the Water Quality Technician line item. This request will enable the Agency to utilize any funds carried forward to support the amount of obligated grants that are certified for Water Quality Match Grants and Water Quality Technicians.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2RG - Water Quality Implementation

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------------|---------------------|---------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 241,310 | 245,232 | 239,533 | 242,932 | 242,932 | 242,932 | 242,932 | 242,932 | 242,932 |
| #Positions | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Personal Services Matching 5010003 | 65,108 | 61,416 | 71,179 | 72,402 | 72,402 | 72,402 | 72,402 | 72,402 | 72,402 |
| Operating Expenses 5020002 | 1,689 | 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 | 742,000 | 762,000 | 762,000 | 762,000 | 962,000 | 962,000 | 762,000 | 962,000 | 962,000 |
| Capital Outlay 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Water Quality Technician 5900046 | 750,000 | 750,000 | 750,000 | 750,000 | 950,000 | 950,000 | 750,000 | 950,000 | 950,000 |
| Total | 1,800,107 | 1,822,848 | 1,826,912 | 1,831,534 | 2,231,534 | 2,231,534 | 1,831,534 | 2,231,534 | 2,231,534 |
| Funding Sources | | | | | | | | | |
| General Revenue 4000010 | 1,800,107 | 1,822,848 | | 1,831,534 | 1,831,534 | 1,831,534 | 1,831,534 | 1,831,534 | 1,831,534 |
| Unfunded Appropriation 4000715 | 0 | 0 | | 0 | 400,000 | 400,000 | 0 | 400,000 | 400,000 |
| Total Funding | 1,800,107 | 1,822,848 | | 1,831,534 | 2,231,534 | 2,231,534 | 1,831,534 | 2,231,534 | 2,231,534 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 1,800,107 | 1,822,848 | | 1,831,534 | 2,231,534 | 2,231,534 | 1,831,534 | 2,231,534 | 2,231,534 |

The FY11 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2009-2011 biennium.

Special Language (Sections 22 & 23 of Act 35 of 2010) provides for the carryforward of funds from the 1st year of the biennium to the 2nd year to support the amount of obligated grants certified for Matching grants and for Water Quality Technicians. No fund balance remained at the end of FY2010 for these grants.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 1,831,534 | 5 | 1,831,534 | 100.0 | 1,831,534 | 5 | 1,831,534 | 100.0 |
| C05 | Unfunded Appropriation | 400,000 | 0 | 2,231,534 | 121.8 | 400,000 | 0 | 2,231,534 | 121.8 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 1,831,534 | 5 | 1,831,534 | 100.0 | 1,831,534 | 5 | 1,831,534 | 100.0 |
| C05 | Unfunded Appropriation | 400,000 | 0 | 2,231,534 | 121.8 | 400,000 | 0 | 2,231,534 | 121.8 |

Justification

| | |
|-----|---|
| C05 | The Agency Request includes additional unfunded appropriation in the amount of \$400,000 each year of the biennium to enable the Agency to utilize any funds carried forward to support the amount of obligated grants that are certified for Water Quality Match Grants and Water Quality Technicians. |
|-----|---|

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Natural Resources Commission

Program: Water Quality Implementation

Act #: 35 Section(s) #: 7, 22 & 23

Estimated Carry Forward Amount \$ 0.00 Funding Source: Miscellaneous Agencies

Accounting Information:

Business Area: 0455 Funds Center: 2RG Fund: HUA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Special Language authorizes the carryforward of funds to support the amount of obligated grants that are certified by the Natural Resources Commission for Matching Grants and Water Quality Technicians in the Water Quality Plan Implementation appropriation. The agency does not estimate that any funds will carryforward from FY2010 to FY2011.

Actual Funding Carry Forward Amount \$ 0.00

Current status of carry forward funding:

All funding was expensed in FY2010.

Note from DFA – Office of Budget: The portion of Special Language that requires this report is no longer necessary.

Randy Young
Director

08-26-2010
Date

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 provides assistance to rural communities to develop rural water impoundments and to improve firefighting capabilities. The agency disburses the entire allotment to the Arkansas Association of Resource Conservation and Development Council (AARCDC) located in Roland, Arkansas, which is an organization designed to assist rural communities solve problems and develop new opportunities. The AARCDC determines which local fire departments and political subdivisions will be assisted. This program is funded entirely by general revenue.

The Agency Base Level request includes Grants and Aid appropriation for the Rural Fire Protection Program and general revenue funding of \$128,624 each year of the biennium.

The Agency Change Level request includes unfunded Grants and Aid appropriation of \$971,376 each year of the biennium to restore this appropriation to the 2011 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 Summary

Appropriation: 381 - Rural Fire Protection Program

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|----------------|------------------|------------------|----------------|------------------|------------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid 5100004 | 143,437 | 128,624 | 1,100,000 | 128,624 | 1,100,000 | 1,100,000 | 128,624 | 1,100,000 | 1,100,000 |
| Total | 143,437 | 128,624 | 1,100,000 | 128,624 | 1,100,000 | 1,100,000 | 128,624 | 1,100,000 | 1,100,000 |
| Funding Sources | | | | | | | | | |
| General Revenue 4000010 | 143,437 | 128,624 | | 128,624 | 128,624 | 128,624 | 128,624 | 128,624 | 128,624 |
| Unfunded Appropriation 4000715 | 0 | 0 | | 0 | 971,376 | 971,376 | 0 | 971,376 | 971,376 |
| Total Funding | 143,437 | 128,624 | | 128,624 | 1,100,000 | 1,100,000 | 128,624 | 1,100,000 | 1,100,000 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 143,437 | 128,624 | | 128,624 | 1,100,000 | 1,100,000 | 128,624 | 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 | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 128,624 | 0 | 128,624 | 100.0 | 128,624 | 0 | 128,624 | 100.0 |
| C05 | Unfunded Appropriation | 971,376 | 0 | 1,100,000 | 855.2 | 971,376 | 0 | 1,100,000 | 855.2 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 128,624 | 0 | 128,624 | 100.0 | 128,624 | 0 | 128,624 | 100.0 |
| C05 | Unfunded Appropriation | 971,376 | 0 | 1,100,000 | 855.2 | 971,376 | 0 | 1,100,000 | 855.2 |

Justification

| | | | | | | | | | |
|-----|---|--|--|--|--|--|--|--|--|
| C05 | Grants and Aid: Unfunded appropriation of \$971,376 each year to use in the event that savings from the Miscellaneous Agencies fund Account become available. | | | | | | | | |
|-----|---|--|--|--|--|--|--|--|--|

Analysis of Budget Request

Appropriation: 383 - Conservation District Grants

Funding Sources: HUA - Miscellaneous Agencies Fund

The Natural Resources Commission's Conservation District Program provides grants to conservation districts throughout the State for the purpose of enhancing the capability of conservation districts to carry out conservation within their respective district. Projects eligible for grant funds must carry out resource enhancement, restoration or protection and must be new or in addition to those projects in which a district is currently involved. Projects intended to replace existing programs are not eligible for grant funding. The maximum total grant per district is \$25,000 per year, and grant funds must be matched by local cash funds on a ratio of \$1 local to \$2 grant. This grant program is funded entirely from general revenue.

The Agency Base Level request includes appropriation for Grants and Aid and general revenue funding of \$250,000 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 383 - Conservation District Grants

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|------------|---------|-----------|------------|---------|-----------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid 5100004 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 |
| Total | 250,000 | 250,000 | 250,000 | 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

The Natural Resources Commission - Cash appropriation provides for the 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 funding primarily consists of fees, principal and interest payments on previous loans and interest income earned on investments.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation of \$7,850,566 in each year of the biennium with 22 regular positions and 5 extra help positions.

The Agency Change Level request includes the following:

- American Recovery and Reinvestment Act: Additional appropriation of \$10 million each year to restore a portion of the ARRA appropriation authorized by the 87th Regular Session of 2009. This appropriation supports the Drinking Water Program.

The Executive Recommendation provides for Base Level. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 420 - Natural Resources Comm-Cash

Funding Sources: NSW - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|-------------------|-------------------|---|-------------------|-------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 761,272 | 871,481 | 862,826 | 873,275 | 873,275 | 873,275 | 873,275 | 873,275 | 873,275 |
| #Positions | | 20 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Extra Help | 5010001 | 6,362 | 30,800 | 30,800 | 30,800 | 30,800 | 30,800 | 30,800 | 30,800 | 30,800 |
| #Extra Help | | 1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Personal Services Matching | 5010003 | 243,414 | 278,235 | 274,124 | 279,141 | 279,141 | 279,141 | 279,141 | 279,141 | 279,141 |
| Operating Expenses | 5020002 | 246,250 | 333,331 | 333,331 | 333,331 | 333,331 | 333,331 | 333,331 | 333,331 | 333,331 |
| Conference & Travel Expenses | 5050009 | 8,727 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 |
| Professional Fees | 5060010 | 11,956 | 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 | 1,476,561 | 6,097,017 | 6,097,017 | 6,097,017 | 6,097,017 | 6,097,017 | 6,097,017 | 6,097,017 | 6,097,017 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Training/Contract Services | 5900043 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 |
| ARRA 2009 | 5900052 | 13,873,287 | 34,819,400 | 34,819,400 | 0 | 10,000,000 | 0 | 0 | 10,000,000 | 0 |
| Total | | 16,732,829 | 42,667,266 | 42,654,500 | 7,850,566 | 17,850,566 | 7,850,566 | 7,850,566 | 17,850,566 | 7,850,566 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 4,812,854 | 6,654,465 | | 4,306,599 | 4,306,599 | 4,306,599 | 4,456,033 | 4,456,033 | 4,456,033 |
| Cash Fund | 4000045 | 4,701,153 | 5,500,000 | | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 |
| Federal Funds-ARRA | 4000244 | 13,873,287 | 34,819,400 | | 0 | 10,000,000 | 0 | 0 | 10,000,000 | 0 |
| Total Funding | | 23,387,294 | 46,973,865 | | 12,306,599 | 22,306,599 | 12,306,599 | 12,456,033 | 22,456,033 | 12,456,033 |
| Excess Appropriation/(Funding) | | (6,654,465) | (4,306,599) | | (4,456,033) | (4,456,033) | (4,456,033) | (4,605,467) | (4,605,467) | (4,605,467) |
| Grand Total | | 16,732,829 | 42,667,266 | | 7,850,566 | 17,850,566 | 7,850,566 | 7,850,566 | 17,850,566 | 7,850,566 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 7,850,566 | 22 | 7,850,566 | 100.0 | 7,850,566 | 22 | 7,850,566 | 100.0 |
| C03 | Discontinue Program | (24,819,400) | 0 | (16,968,834) | -216.1 | (24,819,400) | 0 | (16,968,834) | -216.1 |
| C16 | ARRA | 34,819,400 | 0 | 17,850,566 | 227.4 | 34,819,400 | 0 | 17,850,566 | 227.4 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 7,850,566 | 22 | 7,850,566 | 100.0 | 7,850,566 | 22 | 7,850,566 | 100.0 |
| C03 | Discontinue Program | 0 | 0 | 7,850,566 | 100.0 | 0 | 0 | 7,850,566 | 100.0 |
| C16 | ARRA | 0 | 0 | 7,850,566 | 100.0 | 0 | 0 | 7,850,566 | 100.0 |

Justification

| | |
|-----|--|
| C03 | Discontinue portion of ARRA appropriation not needed next biennium for the Drinking Water Program. |
| C16 | The Agency Requests includes the continuation of ARRA Appropriation in the amount of \$10 million each year to support the Drinking Water Program. |

Analysis of Budget Request

Appropriation: 475 - Red River Levee Rehabilitation Project

Funding Sources: TWP - Red River Waterways Project Trust Fund

The Red River Levee Rehabilitation Project appropriation is used for navigation feasibility study expenses and bank stabilization work on the Red River in Southwest Arkansas. The focus of this program is to determine the probable volume of commerce that would be conducted via the Red River as a navigable waterway. The study is performed in conjunction with the U.S. Army Corps of Engineers on a cost sharing basis. Funding for this program consists of interest income earned on trust funds that have accumulated in the Red River Waterways Project Trust Fund.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation in the amount of \$2,840,009 each year of the biennium with 3 regular positions.

Prior to the 87th Regular Session of 2009, the Study Expenses line item was authorized at a level of \$1,372,828 in the first year of the biennium, with special language that authorized any remaining balance be carried forward to the second year of the biennium and used for the same purpose. However, due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation during the 87th Regular Session of 2009 authorized one-half (1/2) of the total Study Expenses line item each fiscal year and discontinued the carry forward of appropriation provision.

The Agency Change Level Request includes additional appropriation of \$686,414 each year of the biennium to restore the Study Expenses line item to the 2009 authorized amount of \$1,372,828 each year. This level is necessary to ensure that the agency has sufficient appropriation should the U.S. Army Corps of Engineers move forward with the navigation feasibility study during a fiscal year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

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

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|---------------------------------------|---------|---------------------|---------------------|-------------------------|---|--------------------|--------------------|---|--------------------|--------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 86,844 | 117,331 | 113,627 | 116,131 | 116,131 | 116,131 | 116,131 | 116,131 | 116,131 |
| #Positions | | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Personal Services Matching | 5010003 | 30,342 | 37,635 | 36,968 | 37,464 | 37,464 | 37,464 | 37,464 | 37,464 | 37,464 |
| 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 | 33,754 | 686,414 | 686,414 | 686,414 | 1,372,828 | 1,372,828 | 686,414 | 1,372,828 | 1,372,828 |
| Total | | 150,940 | 2,841,380 | 2,837,009 | 2,840,009 | 3,526,423 | 3,526,423 | 2,840,009 | 3,526,423 | 3,526,423 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 11,455,844 | 11,477,558 | | 8,806,178 | 8,806,178 | 8,806,178 | 6,136,169 | 5,449,755 | 5,449,755 |
| Interest | 4000300 | 172,654 | 170,000 | | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 | 170,000 |
| Total Funding | | 11,628,498 | 11,647,558 | | 8,976,178 | 8,976,178 | 8,976,178 | 6,306,169 | 5,619,755 | 5,619,755 |
| Excess Appropriation/(Funding) | | (11,477,558) | (8,806,178) | | (6,136,169) | (5,449,755) | (5,449,755) | (3,466,160) | (2,093,332) | (2,093,332) |
| Grand Total | | 150,940 | 2,841,380 | | 2,840,009 | 3,526,423 | 3,526,423 | 2,840,009 | 3,526,423 | 3,526,423 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 2,840,009 | 3 | 2,840,009 | 100.0 | 2,840,009 | 3 | 2,840,009 | 100.0 |
| C01 | Existing Program | 686,414 | 0 | 3,526,423 | 124.2 | 686,414 | 0 | 3,526,423 | 124.2 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 2,840,009 | 3 | 2,840,009 | 100.0 | 2,840,009 | 3 | 2,840,009 | 100.0 |
| C01 | Existing Program | 686,414 | 0 | 3,526,423 | 124.2 | 686,414 | 0 | 3,526,423 | 124.2 |

Justification

| | | | | | | | | | |
|-----|--|--|--|--|--|--|--|--|--|
| C01 | The Agency Request includes additional appropriation of \$686,414 each year of the biennium for the Study Expenses line item to ensure that the agency has enough appropriation if the U.S. Army Corps of Engineers moves forward with the navigation feasibility study during any particular fiscal year. | | | | | | | | |
|-----|--|--|--|--|--|--|--|--|--|

Analysis of Budget Request

Appropriation: 527 - Construction Asst 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 are used to provide clean water by reducing or eliminating elements of water borne pollution. Funding for this appropriation is 100% federal.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation in the amount of \$1,138,174 in each year of the biennium with 15 regular positions.

The Agency Change Level requests include the following:

- **Position Reclassifications:** The Agency requests that two ANRC Program Coordinator positions (grade C119) be crossgraded to a Rural Construction Grant/Financial Officer position and a Grants Coordinator position. This request is necessary to ensure that the position job titles accurately reflect the job duties associated with the jobs.
- **American Recovery and Reinvestment Act:** Additional appropriation of \$12 million each year to restore a portion of the ARRA appropriation authorized by the 87th Regular Session of 2009. This appropriation supports the Clean Water Program.

The Executive Recommendation provides for Base Level as well as agency requested position reclassifications.

Appropriation Summary

Appropriation: 527 - Construction Asst Revolving Loan Fund Program

Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|-------------------|------------------|---|-------------------|------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 663,432 | 728,190 | 682,411 | 719,690 | 719,690 | 719,690 | 719,690 | 719,690 | 719,690 |
| #Positions | | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Personal Services Matching | 5010003 | 185,709 | 211,048 | 201,535 | 215,361 | 215,361 | 215,361 | 215,361 | 215,361 | 215,361 |
| Operating Expenses | 5020002 | 113,674 | 182,404 | 182,404 | 182,404 | 182,404 | 182,404 | 182,404 | 182,404 | 182,404 |
| Conference & Travel Expenses | 5050009 | 4,537 | 7,219 | 7,219 | 7,219 | 7,219 | 7,219 | 7,219 | 7,219 | 7,219 |
| Professional Fees | 5060010 | 1,050 | 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 |
| ARRA 2009 | 5900052 | 12,731,475 | 25,836,000 | 25,836,000 | 0 | 12,000,000 | 0 | 0 | 12,000,000 | 0 |
| Total | | 13,699,877 | 26,978,361 | 26,923,069 | 1,138,174 | 13,138,174 | 1,138,174 | 1,138,174 | 13,138,174 | 1,138,174 |
| Funding Sources | | | | | | | | | | |
| Federal Revenue | 4000020 | 968,402 | 1,142,361 | | 1,138,174 | 1,138,174 | 1,138,174 | 1,138,174 | 1,138,174 | 1,138,174 |
| Federal Funds-ARRA | 4000244 | 12,731,475 | 25,836,000 | | 0 | 12,000,000 | 0 | 0 | 12,000,000 | 0 |
| Total Funding | | 13,699,877 | 26,978,361 | | 1,138,174 | 13,138,174 | 1,138,174 | 1,138,174 | 13,138,174 | 1,138,174 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 13,699,877 | 26,978,361 | | 1,138,174 | 13,138,174 | 1,138,174 | 1,138,174 | 13,138,174 | 1,138,174 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary adjustments during the 2009-2011 biennium.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 1,138,174 | 15 | 1,138,174 | 100.0 | 1,138,174 | 15 | 1,138,174 | 100.0 |
| C03 | Discontinue Program | (13,836,000) | 0 | (12,697,826) | -1,115.6 | (13,836,000) | 0 | (12,697,826) | -1,115.6 |
| C10 | Reclass | 0 | 0 | (12,697,826) | -1,115.6 | 0 | 0 | (12,697,826) | -1,115.6 |
| C16 | ARRA | 25,836,000 | 0 | 13,138,174 | 1,154.3 | 25,836,000 | 0 | 13,138,174 | 1,154.3 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 1,138,174 | 15 | 1,138,174 | 100.0 | 1,138,174 | 15 | 1,138,174 | 100.0 |
| C03 | Discontinue Program | 0 | 0 | 1,138,174 | 100.0 | 0 | 0 | 1,138,174 | 100.0 |
| C10 | Reclass | 0 | 0 | 1,138,174 | 100.0 | 0 | 0 | 1,138,174 | 100.0 |
| C16 | ARRA | 0 | 0 | 1,138,174 | 100.0 | 0 | 0 | 1,138,174 | 100.0 |

Justification

| | |
|-----|--|
| C03 | Discontinue portion of ARRA appropriation not needed next biennium for the Clean Water Program. |
| C10 | The Agency Request includes the reclassification of two B059C ANRC Program Coordinator Positions (grade C119). One position is requested to be reclassified as a G145C Rural Construction Grant/Financial Officer (grade C119) and one position is requested to be reclassified as a G147C Grants Coordinator (grade C119). Because the position grades are not changing, no additional appropriation is necessary to implement these reclassifications. These reclassifications are necessary to ensure that the position job titles accurately reflect the job duties associated with the job. |
| C16 | The Agency Request includes the continuation of ARRA Appropriation in the amount of \$12 million each year to support the Clean Water Program. |

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 provides grant funding to the Ouachita River Park Commission to support the development of recreational facilities, parks, and services along the banks of the Ouachita River across South Arkansas. This appropriation is funded from the Ouachita River Waterways Project Trust Fund (A.C.A. 19-5-1109).

The Agency Base Level request includes grants and aid appropriation in the amount of \$81,525 for the 2011-2013 biennium.

Prior to the 87th Regular Session of 2009, this was a biennial appropriation authorized at \$163,050 for the biennium. Any remaining balance was carried forward from the first year of the biennium to the second year to be used for the same purpose. However, due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation during the 87th Regular Session of 2009 authorized one-half (1/2) of the total biennial appropriation each fiscal year.

The Agency Change Level Request includes additional grants and aid appropriation of \$43,150 each year of the biennium. This request will restore the total appropriation amount to a level that is equal to the total current funding level remaining for this project. This request will ensure that the agency has sufficient appropriation to support the Ouachita River Waterways Projects Program during a fiscal year. Expenditure of appropriation in Fiscal Years 2012 and 2013 is contingent upon the carry forward of available funding from the previous fiscal year.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 659 - Ouachita River Waterways Projects

Funding Sources: TWO - Ouachita River Waterways Project Trust Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|---------|-----------|---|---------|-----------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid | 5100004 | 0 | 81,525 | 81,525 | 81,525 | 124,675 | 124,675 | 81,525 | 124,675 | 124,675 |
| Total | | 0 | 81,525 | 81,525 | 81,525 | 124,675 | 124,675 | 81,525 | 124,675 | 124,675 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 124,675 | 124,675 | | 43,150 | 43,150 | 43,150 | 0 | 0 | 0 |
| Total Funding | | 124,675 | 124,675 | | 43,150 | 43,150 | 43,150 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | | (124,675) | (43,150) | | 38,375 | 81,525 | 81,525 | 81,525 | 124,675 | 124,675 |
| Grand Total | | 0 | 81,525 | | 81,525 | 124,675 | 124,675 | 81,525 | 124,675 | 124,675 |

This appropriation is funded from the current fund balance maintained in the Ouachita River Waterways Project Trust Fund (A.C.A. 19-5-1109). Expenditure of appropriation in FY12 and FY13 is contingent upon the carryforward of available funding each fiscal year.

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|---------------|----------|---------------|--------------|---------------|----------|---------------|--------------|
| BL | Base Level | 81,525 | 0 | 81,525 | 100.0 | 81,525 | 0 | 81,525 | 100.0 |
| C01 | Existing Program | 43,150 | 0 | 124,675 | 152.9 | 43,150 | 0 | 124,675 | 152.9 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|---------------|----------|---------------|--------------|---------------|----------|---------------|--------------|
| BL | Base Level | 81,525 | 0 | 81,525 | 100.0 | 81,525 | 0 | 81,525 | 100.0 |
| C01 | Existing Program | 43,150 | 0 | 124,675 | 152.9 | 43,150 | 0 | 124,675 | 152.9 |

Justification

| | |
|-----|--|
| C01 | The Agency Request includes additional appropriation of \$43,150 each year of the biennium for the Grants and Aid line item to ensure that the agency has enough appropriation to support the Ouachita River Waterways Projects Program during any particular fiscal year. |
|-----|--|

Analysis of Budget Request

Appropriation: 808 - Water Research

Funding Sources: HUA - Miscellaneous Agencies Fund

The Natural Resources Commission's appropriation for Water Research is used to provide grant funding to the U.S. Geological Survey to enable research using data collected and compiled in the Commission's water management and water quality programs. The appropriation is funded entirely by general revenue.

The Agency Base Level request includes appropriation and general revenue funding of \$42,800 each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 808 - Water Research

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|--------|-----------|---|--------|-----------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid | 5100004 | 40,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 |
| Total | | 40,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 |
| Funding Sources | | | | | | | | | | |
| General Revenue | 4000010 | 40,800 | 42,800 | | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 |
| Total Funding | | 40,800 | 42,800 | | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 40,800 | 42,800 | | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 | 42,800 |

Analysis of Budget Request

Appropriation: 822 - Conservation District Clerks' Insurance

Funding Sources: HUA - Miscellaneous Agencies Fund

Conservation district clerks are authorized by Arkansas Code Annotated §14-125-312 to take part in the State Employees Group Insurance Plan. This appropriation provides the State's matching portion of health insurance premiums and is funded entirely by general revenue.

The Agency Base Level request includes Personal Services Matching appropriation and general revenue funding of \$374,400 each year of the biennium. This amount is sufficient to provide the State's contribution of \$390 per month for the 80 eligible district clerks budgeted in FY2011.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 822 - Conservation District Clerks' Insurance

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|------------------------------------|---------------------|---------------------|-------------------------|---|----------------|----------------|---|----------------|----------------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Personal Services Matching 5010003 | 374,400 | 374,400 | 408,000 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 |
| Total | 374,400 | 374,400 | 408,000 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 |
| Funding Sources | | | | | | | | | |
| General Revenue 4000010 | 374,400 | 374,400 | | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 |
| Total Funding | 374,400 | 374,400 | | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 374,400 | 374,400 | | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 | 374,400 |

Analysis of Budget Request

Appropriation: 924 - Water/Sewer/Solid Waste

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

The Water, Sewer, and Solid Waste-Revolving appropriation is used to provide grants, low interest loans and deferred loans to eligible entities to use for water, sewer, or solid waste management (§14-230-105). Eligible entities include cities, towns, counties, regional water districts, special improvement districts, public facilities boards, rural development authorities, rural waterworks facilities boards, other public entities and nonprofit corporations which provide water, sewer, or solid waste services to one or more cities, towns, or counties. The Maximum assistance is 50% of the total project cost. Funding for this appropriation consists of loan principal and interest repayments that are deposited into the Water, Sewer and Solid Waste Revolving Fund (§19-5-310).

The Agency Base Level request includes Sewer and Solid Waste Grants and Aid appropriation of \$5 million each year of the biennium.

The Agency Change Level request includes additional Sewer and Solid Waste Grants and Aid appropriation of \$2 million each year of the biennium to provide for anticipated increases in the number of Water, Sewer and Solid Waste Projects.

The Executive Recommendation provides for Base Level.

Appropriation Summary

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 | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|-------------|-------------|---|-------------|-------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Grants and Aid | 5100004 | 231,750 | 5,000,000 | 5,000,000 | 5,000,000 | 7,000,000 | 5,000,000 | 5,000,000 | 7,000,000 | 5,000,000 |
| Total | | 231,750 | 5,000,000 | 5,000,000 | 5,000,000 | 7,000,000 | 5,000,000 | 5,000,000 | 7,000,000 | 5,000,000 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 4,104,317 | 6,640,889 | | 5,140,889 | 5,140,889 | 5,140,889 | 3,640,889 | 3,640,889 | 3,640,889 |
| Loan Repayment | 4000330 | 2,768,322 | 3,500,000 | | 3,500,000 | 5,500,000 | 3,500,000 | 3,500,000 | 5,500,000 | 3,500,000 |
| Total Funding | | 6,872,639 | 10,140,889 | | 8,640,889 | 10,640,889 | 8,640,889 | 7,140,889 | 9,140,889 | 7,140,889 |
| Excess Appropriation/(Funding) | | (6,640,889) | (5,140,889) | | (3,640,889) | (3,640,889) | (3,640,889) | (2,140,889) | (2,140,889) | (2,140,889) |
| Grand Total | | 231,750 | 5,000,000 | | 5,000,000 | 7,000,000 | 5,000,000 | 5,000,000 | 7,000,000 | 5,000,000 |

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 5,000,000 | 0 | 5,000,000 | 100.0 | 5,000,000 | 0 | 5,000,000 | 100.0 |
| C01 | Existing Program | 2,000,000 | 0 | 7,000,000 | 140.0 | 2,000,000 | 0 | 7,000,000 | 140.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 5,000,000 | 0 | 5,000,000 | 100.0 | 5,000,000 | 0 | 5,000,000 | 100.0 |
| C01 | Existing Program | 0 | 0 | 5,000,000 | 100.0 | 0 | 0 | 5,000,000 | 100.0 |

Justification

| | |
|-----|---|
| C01 | The Agency Request provides for a potential increase in number of loan requests for Water, Sewer and Solid Waste projects . |
|-----|---|

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 U.S. Environmental Protection Agency (EPA) Section 319 grant program to fund nonpoint source pollution management strategies. This appropriation is funded from federal funding from the EPA (the state match portion of this program is expensed in the Water Quality Plan Implementation Appropriation-2RG). The Arkansas Natural Resources Commission administers this program with an emphasis on funding best management practices in priority watersheds.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency Base Level request includes appropriation in the amount of \$6,803,387 each year of the biennium with 14 regular positions and 2 extra help positions.

The Agency Change Level request restores the Capital Outlay appropriation to the FY11 authorized amount of \$51,000 each fiscal year to provide for new field equipment for Water Quality Projects.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 997 - NonPoint Source Pollution Control Program

Funding Sources: FSC - Natural Resources Commission Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|------------------|------------------|---|------------------|------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 299,040 | 523,383 | 620,539 | 521,484 | 521,484 | 521,484 | 521,484 | 521,484 | 521,484 |
| #Positions | | 9 | 14 | 15 | 14 | 14 | 14 | 14 | 14 | 14 |
| Extra Help | 5010001 | 1,124 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| #Extra Help | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Personal Services Matching | 5010003 | 122,274 | 170,343 | 200,339 | 170,293 | 170,293 | 170,293 | 170,293 | 170,293 | 170,293 |
| Operating Expenses | 5020002 | 160,744 | 294,334 | 294,334 | 294,334 | 294,334 | 294,334 | 294,334 | 294,334 | 294,334 |
| Conference & Travel Expenses | 5050009 | 19,969 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Professional Fees | 5060010 | 70,000 | 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 | 2,941,449 | 5,642,276 | 5,642,276 | 5,642,276 | 5,642,276 | 5,642,276 | 5,642,276 | 5,642,276 | 5,642,276 |
| Capital Outlay | 5120011 | 90,373 | 51,000 | 51,000 | 0 | 51,000 | 51,000 | 0 | 51,000 | 51,000 |
| Total | | 3,704,973 | 6,856,336 | 6,983,488 | 6,803,387 | 6,854,387 | 6,854,387 | 6,803,387 | 6,854,387 | 6,854,387 |
| Funding Sources | | | | | | | | | | |
| Federal Revenue | 4000020 | 3,704,973 | 6,856,336 | | 6,803,387 | 6,854,387 | 6,854,387 | 6,803,387 | 6,854,387 | 6,854,387 |
| Total Funding | | 3,704,973 | 6,856,336 | | 6,803,387 | 6,854,387 | 6,854,387 | 6,803,387 | 6,854,387 | 6,854,387 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 3,704,973 | 6,856,336 | | 6,803,387 | 6,854,387 | 6,854,387 | 6,803,387 | 6,854,387 | 6,854,387 |

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 6,803,387 | 14 | 6,803,387 | 100.0 | 6,803,387 | 14 | 6,803,387 | 100.0 |
| C01 | Existing Program | 51,000 | 0 | 6,854,387 | 100.7 | 51,000 | 0 | 6,854,387 | 100.7 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 6,803,387 | 14 | 6,803,387 | 100.0 | 6,803,387 | 14 | 6,803,387 | 100.0 |
| C01 | Existing Program | 51,000 | 0 | 6,854,387 | 100.7 | 51,000 | 0 | 6,854,387 | 100.7 |

Justification

| | |
|-----|---|
| C01 | The Agency Request includes the restoration of Capital Outlay appropriation in the amount of \$51,000 each year to enable the agency to replace existing equipment. |
|-----|---|