

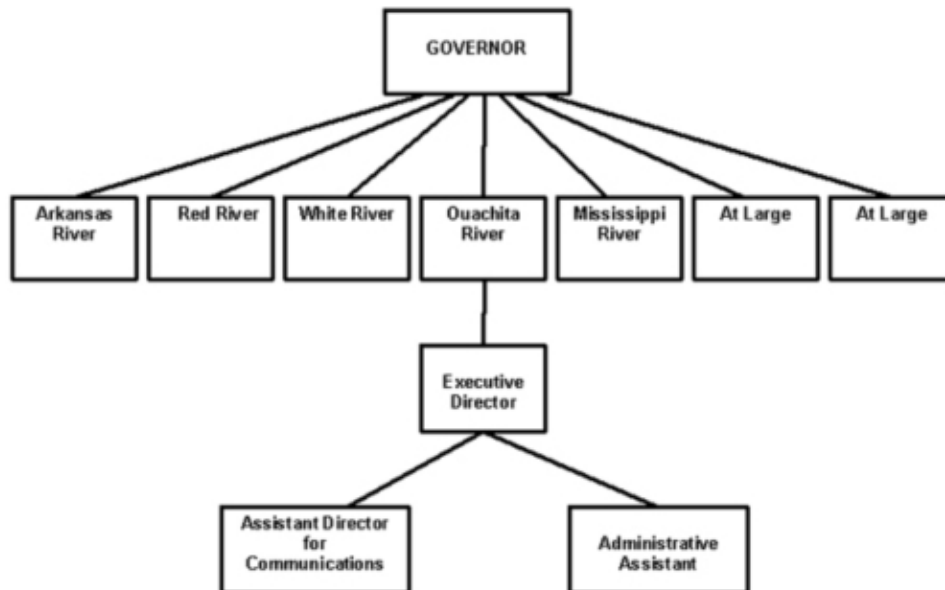
ARKANSAS WATERWAYS COMMISSION

Enabling Laws

Act 775 of 2007
A.C.A. §15-23-201 et seq.
A.C.A. §15-23-901 et seq.

History and Organization

The Arkansas Waterways Commission supports the development of the navigable waterways of Arkansas. The 7 member, Governor-appointed, Commission was created by Act 242 of 1967. The Commission, which is funded by general revenues, is supported by a three person staff and offers services and advice to the water transportation industry by means of correspondence, participation in seminars, serving on advisory committees and boards, and providing research on specialty subjects. The Commission also supports the efforts of the Red River Valley, Arkansas Basin and White River Valley Associations through its States Contribution line item. The 81st General Assembly provided an Assistant Director of Communications position for the 1997-99 biennium to create an awareness of the waterways and promote the State's waterways through multi-media communications.



Agency Commentary

The Arkansas Waterways Commission is the sole state agency responsible for developing, promoting and protecting for waterborne transportation and economic development the five commercially navigable rivers of the state: The Arkansas, Mississippi, Ouachita, Red, and White Rivers. These natural resources are under-developed and consequently, under-used, especially in comparison to the investments made by other states with which we share waterways and with which we compete for economic development. Opportunities lost for lack of funding include local economic development, transportation savings,

international trade, and potential loss of federal construction and maintenance funding of navigable waterways. Competition for federal maintenance and construction funds is intense, putting at risk our rivers' annual \$800 million dollar contribution to the economy of Arkansas.

Two needs are within the state's ability to correct: 1) port infrastructure, and 2) marketing of existing resources. The infrastructure needs are addressed in Act 1546, the Arkansas Port Priorities Development Program of 2001, which has never been funded. The marketing efforts are included in the operating and maintenance budget of the Waterways Commission. Marketing successes will be measured by port development and waterways utilization brought about through shipper awareness of capabilities, direct marketing to target industries, education of government leaders at local, state and federal levels, and education of general public.

Due to budget constraints the agency's position of Communication Director is vacant and the agency relies in part on salary savings from that position to meet its budget. Agency personnel now consist of the Director and one Administrative Assistant.

Maintenance and Operations: The 2009-2011 budget represents an increase of \$8,875 for FY10 and \$12,375 for FY11 for Operating Expenses, Conference & Travel Expenses, and an increase in State's Contributions. The Operating Expenses increases of \$4,200 for FY10 and \$7,550 for FY11 are primarily for increases in board member travel and related expenses, and for replacement computers. Conference & Travel Expenses increases of \$275 for FY10 and \$425 in FY11 are due to anticipated increases in the cost of staff travel. State's Contributions increase of \$4,400 each year is requested to fulfill the Agency's obligation of Act 1585 of 2001 to its original amount of \$7,000.

Audit Findings

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

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	50 %
Black Employees	0	1	1	50 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	50 %
Total Employees			2	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		
Biennial Report	A.C.A §15-23-204	Y	N	200	To inform state elected officials, colleagues and other interested parties on activities, goals and accomplishments of the Arkansas Waterways Commission.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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	
3	2	1	3	0	33.33 %	3	2	1	3	0	33.33 %	3	2	1	3	0	33.33 %

Analysis of Budget Request

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Waterways Commission supports the development of the navigable waterways of Arkansas. The seven (7) member, Governor-appointed Commission was created by Act 242 of 1967. The Commission, which is funded by general revenues, is supported by a three (3) member staff and offers services and advice to the water transportation industry by means of correspondence, participation in seminars, serving on advisory committee and boards, and providing research on specialty subjects. The Commission also supports the efforts of the Red River Valley, Arkansas Basin and White River Valley Associations through the State's Contributions line item.

The Base Level unclassified position was changed to classified and the current classified positions reflect the recommendations of the Pay Plan Study. Salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Commission requests a Change Level of \$8,875 for FY10 and \$12,375 for FY11. An increase in Operating Expenses of \$4,200 for FY10 and \$7,550 for FY11 is primarily for board member travel and other travel related expenses, and replacement computers. An increase in Conference & Travel Expenses of \$275 for FY10 and \$425 for FY11 is for anticipated increases in airfare for staff travel to educate the public about Arkansas' five navigable rivers. An increase of \$4,400 for each year of the biennium is requested for restoration of the State's Contributions line item to the authorized level reflected in Act 1585 of 2001.

Executive Recommendation provides for Base Level and to discontinue the Assistant Director of Communications position, unfilled since February 2006.

Appropriation Summary

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	105,287	136,953	134,626	139,810	139,810	109,097	142,247	142,247	111,534
#Positions	2	3	3	3	3	2	3	3	2
Personal Services Matching 5010003	33,847	37,918	39,575	41,235	41,235	30,385	41,689	41,689	30,839
Operating Expenses 5020002	34,214	41,985	41,985	41,985	46,185	41,985	41,985	49,535	41,985
Conference & Travel Expenses 5050009	2,874	2,876	2,876	2,876	3,151	2,876	2,876	3,301	2,876
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
State's Contributions 5900021	2,600	2,600	2,600	2,600	7,000	2,600	2,600	7,000	2,600
Total	178,822	222,332	221,662	228,506	237,381	186,943	231,397	243,772	189,834
Funding Sources									
General Revenue 4000010	178,795	221,662		228,506	237,381	186,943	231,397	243,772	189,834
Merit Adjustment Fund 4000055	0	670		0	0	0	0	0	0
M & R Sales 4000340	27	0		0	0	0	0	0	0
Total Funding	178,822	222,332		228,506	237,381	186,943	231,397	243,772	189,834
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	178,822	222,332		228,506	237,381	186,943	231,397	243,772	189,834

FY09 Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

Change Level by Appropriation

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	228,506	3	228,506	100.0	231,397	3	231,397	100.0
C01	Existing Program	7,275	0	235,781	103.2	9,175	0	240,572	104.0
C08	Technology	1,600	0	237,381	103.9	3,200	0	243,772	105.3

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	228,506	3	228,506	100.0	231,397	3	231,397	100.0
C01	Existing Program	0	0	228,506	100.0	0	0	231,397	100.0
C08	Technology	0	0	228,506	100.0	0	0	231,397	100.0
C19	Executive Changes	(41,563)	(1)	186,943	81.8	(41,563)	(1)	189,834	82.0

Justification

C01	The Commission requests an increase in Operating Expenses for FY10 of \$2,600 and \$4,350 for FY11. The increase for both years is for board member travel and other travel related expenses. Also requested is an increase for Travel of \$275 for FY10 and \$425 for FY11, for increases in staff travel for the Executive Director to educate the country about Arkansas' five navigable rivers. The Commission requests an increase of \$4,400 for FY10 and FY11 for State's Contribution line item to restore the appropriation to the 2001-2003 amount of \$7,000.
C08	The agency requests \$1,600 in FY10 and \$3,200 in FY11 for replacement of outdated computers. This is referenced in the agency's IT Plan on the Hardware tab under Operations.
C19	Executive Recommendation provides for discontinuation of the Base Level Assistant Director of Communications position, unfilled since February 2006.