

ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999

The more than 1000 miles of navigable waterways in the State include the Mississippi, White, Arkansas, Ouachita, and Red rivers. This places Arkansas among the top States in the country with regard to length of navigable waterways. Of the 75 counties in the State, more than half are bounded by a navigable waterway and the others are within easy access. Inland waterborne transportation is an integral part of the nation's transportation system moving approximately fifteen percent of the nation's cargo. Of the three major modes of transport--truck, rail, and barge--barges are the most fuel efficient, least polluting, least intrusive into daily life with noise and congestion, and enjoy the best safety record. Often unrecognized as a benefit is the competitive influence of this mode on the other modes. Where there is water competition, rail rates will move downward to be competitive with water, and where there is no water competition, rail rates will tend to rise to be competitive with truck rates. This resource represents a valuable marketing tool for industrial development and a commercial transportation artery for competitive movement of bulk commodities such as grain, fertilizer, petroleum products, chemical, stone, steel, paper, and forest products (all common to the state of Arkansas) in the world market.

The role of the Commission is to support the development of the waterways of Arkansas in initial construction and to ensure the maintenance of the existing infrastructure is continued, to protect the waterways for commercial transportation, and to create an awareness of the current benefits being realized by the citizens of the State and the potential it holds for the future of the state's economy.

In order for the Commission to fulfill this role, continual contact must be maintained with river communities and port authorities to stay abreast of local needs and to keep them inform of changes and new opportunities. Extensive coordination and constant communications by the Commission must be maintained with members of Congress, waterways organizations, Corps of Engineers, U.S. Coast Guard, adjoining states, several state agencies, the Arkansas Legislature, and State and National Administrations to preserve federal funding and continued development of the state's existing infrastructure.

To insure that the needs of Arkansas' waterways are made known and developed to the maximum extent possible, the Commission must further establish communications with its constituents and other state agencies as well as the citizens of Arkansas through promotional materials such as brochures for industrial prospects and economic developers, new releases , quarterly newsletters, a public education program reaching schools and communities across the state, and the development of a resource database and media library on waterways related topics.

We are therefore requesting an additional support staff position, grade 20, Assistant Director for Communications, whose primary responsibility will be to promote the state's waterways through multi-media communications, and by participating in and conducting workshops and seminars, and will be in constant contact with community and industry leaders, port authorities, state legislators, congressional

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**ARKANSAS BUDGET SYSTEM
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1997 - 1999**

delegation, state and federal agencies, and the general public responding to inquiries, staying informed of local, regional, and national waterways concerns, and providing technical assistance.

Associated with an additional support staff position, a sum of \$11,820 is requested for Maintenance and Operation expenses in FY 98 to prepare and maintain a directory of waterway assets, publish and distribute a quarterly information newsletter, prepare regular news releases, establish an on-going waterways education program, acquire additional office space, telephone service, office supplies, and travel reimbursements associated with attendance at seminars and conferences to make presentations on status, economic benefits, and potential of the waterways; and in FY 99, \$8,820 is requested to continue newsletter, news releases, educational program, and to cover travel reimbursements associated with purposes mentioned (FY 98) and general office expenses previously listed.

A request for Capital Outlay of approximately \$7,800 in FY 98 is needed to provide desk, chair, credenza, and computer equipment for requested support staff position.

Aside from expenses associated with additional staff position request, the following base level funding increases are also requested:

A sum of \$ 1,500 is requested for Maintenance and Operation expenses in FY 98 to cover cost of rent increase scheduled for 97-99 Biennium and educational supplies and materials which will be used to promote the state's waterways and in FY 99 \$4,500 for reprint and distribution of Arkansas Waterways Commission brochure, scheduled rent increase and educational supplies and materials to continue promotional program.

A sum of \$30,000 for Professional Fees and Services will be needed in FY 98 to conduct a statewide waterway study to document the value and contributions of the waterways to the economy of the State which will be used to support continued operation and maintenance of waterways by the federal government and as a basis for investment of State resources in waterway infrastructure projects.

A request of \$2,400 in FY 99 for Capital Outlay is requested to replace deteriorated chairs and office fixtures.

A sum of \$3,000 is requested for State Contributions to support the efforts of the Red River Valley Association, Arkansas Basin Association, and the White River Valley Association in developing these basins and their resources.

The Arkansas Waterways Commission is the only state agency having as its primary purpose the protection, development, and enhancement of the waterways of the state. Without this Commission the state has no representation at the national and regional levels. Increases requested to the base level funding represent a small investment compared to the benefits currently being enjoyed by the citizens of the state of Arkansas.

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ARKANSAS WATERWAYS COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1995

Assets					Liabilities			Total Equity	
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total			
\$ 0	\$ 25,217	\$ 4,269	\$ 29,486	\$ 0	\$ 4,103	\$ 4,103		\$ 25,383	

Revenues					Expenditures					Other Source (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 110,670	\$ 0	\$ 0	\$ 0	\$ 110,670	\$ 89,064	\$ 4,000	\$ 778	\$ 14,906	\$ 108,748	\$ (2,4

Findings	Recommendations
None	None

ARKANSAS BUDGET SYSTEM
EMPLOYMENT SUMMARY
AS REQUIRED BY ACT 358 OF 1993
(A.C.A 19-4-307)

AGENCY TITLE 341 - ARK WATERWAYS COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>1</u>	<u>1</u>	<u>2</u>	<u>100%</u>
BLACK EMPLOYEES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/10/96			<u>0</u>	<u>0%</u>
DATE			TOTAL MINORITIES	
			<u>2</u>	<u>100%</u>
			TOTAL EMPLOYEES	



AGENCY DIRECTOR

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY

AGENCY: WATERWAYS COMMISSION

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>Appropriation 085: Waterways Commission - General Revenue</u>				
Operating Expenses		\$26,670	\$26,670	The additional amount authorized for Operating Expenses was sufficient to allow for the transfer of appropriation and funding to other Line Items by Budget Classification Transfer. Expenditures for Conference Fees & Travel exceeded the original authorization by \$331, and the Budget Classification Transfer for FY97 totals \$1,445. The expenditures for FY96 for Capital Outlay totaled \$12,722. The Capital Outlay Line Item is fully budgeted for FY97.
Conference Fees & Travel		\$1,030	\$1,030	
Capital Outlay		\$7,500	\$7,500	

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The 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 is supported by a two person staff. The Waterways Commission's services and advice are offered 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 Waterways Commission's Biennial Budget Request consists of a Base Level of \$142,075 for FY98 and \$145,916 for FY99. This amount includes a request to increase the Director's Salary above the 2.8% Cost of Living Allowance calculated in Base Level. The additional amount for Salary and Matching totals \$1,283 in FY98 and \$2,664 in FY99. Priority Requests total \$76,841 in FY98 and \$45,194 in FY99. Funding is provided entirely by General Revenues.

Priority Requests include one additional position to serve as an Assistant Director for Communications. The total cost for the position, including salary, matching, equipment, and operating expenses is \$42,341 in FY98 and \$35,294 in FY99.

Other priority requests include \$30,000 in FY98 to perform a Statewide Waterway Study. Anticipated increases in operating expenses such as rent and postage require \$1,500 in FY98 and \$4,500 in FY99, which includes the additional cost of reprinting the Commission's Informational Brochure. An additional \$3,000 each year would allow for the State to contribute \$1,000 each to the Red River Valley, Arkansas Basin, and White River Valley Associations. A request to replace office equipment requires \$2,400 in FY99.

The Executive Recommendation provides for Base Level, which includes appropriation for a 2.8% Cost of Living Allowance for positions on July 1 of each year of the biennium along with accompanying employee matching requirements. The Executive Recommendation does not reflect the extraordinary increase requested for the Director's position at this time.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Ark. Waterways Commission	Name: General Revenue	Name: State General Services	BUDGET REQUEST	556
Code: 341	Code: 085	Code: HUA	BR20	

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	-----EXPENDITURES-----			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----R E C O M M E N D A T I O N S-----			
	95-96	96-97	96-97	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PROGRAMS		BASE	PROGRAMS		97-98	98-99	97-98	98-99
REGULAR SALARIES	69,943	73,100	74,506	77,645	22,860	100,505	80,909	23,500	104,409	76,556	78,645		
NUMBER OF POSITIONS	2	2	2	2	1	3	2	1	3	2	2		
PERSONAL SERV MATCHING	15,189	15,783	15,880	19,775	7,061	26,836	20,352	7,174	27,526	19,581	19,952		
OPERATING EXPENSES	25,119	36,680	39,501	36,680	6,120	42,800	36,680	9,120	45,800	36,680	36,680		
CONF FEES & TRAVEL	2,861	3,975	2,530	3,975	0	3,975	3,975	0	3,975	3,975	3,975		
PROF FEES & SERVICES	0	0	0	0	30,000	30,000	0	0	0				
CAPITAL OUTLAY	12,722	7,500	7,500	0	7,800	7,800	0	2,400	2,400				
STATE'S CONTRIBUTION	4,000	4,000	4,000	4,000	3,000	7,000	4,000	3,000	7,000	4,000	4,000		
TOTAL	129,834	141,038	143,917	142,075	76,841	218,916	145,916	45,194	191,110	140,792	143,252		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES	129,834	141,038	*****	142,075	76,841	218,916	145,916	45,194	191,110	140,792	143,252		
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	129,834	141,038	*****	142,075	76,841	218,916	145,916	45,194	191,110	140,792	143,252		
EXCESS APPRO/ (FUNDING)			*****										
TOTAL	129,834	141,038	*****	142,075	76,841	218,916	145,916	45,194	191,110	140,792	143,252		

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

PT	009	OTHER BOARDS AND COMMISSIONS
Y	341	ARKANSAS WATERWAYS COMMISSION
PRO	085	GENERAL REVENUE
JND	HUA	STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION

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ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIAL REQUESTS-----							-----R E C O M M E N D A T I O N S-----				
					-----ACTUAL-----	-----BUDGETED-----	-----FY 1997 - 98-----			-----FY 1998 - 99-----				-----EXECUTIVE-----		-----LEGISLATIVE-----		
					95-96	96-97	REQUEST			REQUEST				1997-98		1998-99		1997-98
003		HUA	341 085	P02		0	1,500			4,500								
						0	0			0								
A sum of \$ 1,500 is requested for Maintenance and Operation expenses in FY 98 to cover cost of rent increase scheduled for 97-99 Biennium and educational supplies and materials which will be used to promote the state's waterways, and in FY 99, \$4,500 for reprint and distribution of AWC brochure, scheduled rent increase and educational supplies and materials to continue promotional program.																		
004		HUA	341 085	P05		0	3,000			3,000								
						0	0			0								
A sum of \$3,000 is requested for State Contributions each fiscal year to support the efforts of the Red River Valley Association, Arkansas Basin Association, and the White River Valley Association in developing these basins and their resources.																		
005		HUA	341 085	P04		0	0			2,400								
						0	0			0								
A request of \$2,400 in FY 99 for Capital Outlay is requested to replace deteriorated chairs and office fixtures.																		

DEPT 009 OTHER BOARDS AND COMMISSIONS
AGY 341 ARKANSAS WATERWAYS COMMISSION
APPRO 085 GENERAL REVENUE
FUND HUA STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION

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