

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997-1999**

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

Priority funding requests for the 1997-1999 biennium are for additional resources needed to meet existing regulatory requirements. Lack of adequate resources to support the regulatory proceedings will lead to decisions based on inadequate analysis and review, to the detriment of either the utility or its ratepayers.

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

RECRUITING AND RETAINING PROFESSIONAL STAFF

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

At both the state and federal level the regulation of public utilities continues to become increasingly more complex. In order to protect the public interest, it is essential for the APSC to participate in proceedings before various federal agencies, including the Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC), and Securities Exchange Commission (SEC), to participate in national and regional regulatory organizations and work with our congressional delegation. It is critical that the APSC continue to attract and retain a qualified professional staff with expertise in public utility regulation if it is to effectively regulate the companies that provide utility services in Arkansas. To facilitate this mission, the APSC requests the continuation of special language for market conditions (special rates of pay).

AUGMENT EXISTING RESOURCES

To effectively utilize existing staff will require additional resources to accomplish the agency's objectives and program requirements. The primary focus of the APSC request is to maintain operational funds at the level authorized by the 1995-97 biennium

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appropriation act. Additional resources are requested in the following areas:

- Maintenance and Operations - to cover a State Building Services increase in rent for the 1000 Center Street Building;
- Capital Outlay - to replace, as needed, agency vehicles, office furniture and equipment;
- Data Processing - to fund at the 1995-97 biennium appropriation act level for needed maintenance, repair and replacement of computer equipment;
- Professional Services - to authorize contracting at the 1995-97 biennium appropriation act level for specialized services needed for APSC rate cases, legal, and federal regulatory proceedings;
- Contingency - to provide funding at the 1995-97 biennium appropriation act level for regulatory activity that could not have been reasonably foreseen.
- Conference Fees and Travel - to provide at the 1995-97 biennium appropriation act level for professional, technical and management training as needed for agency staff.
- Repairs and Renovations - to provide at the 1995-97 biennium appropriation act level for required repairs and renovations to the 1000 Center Street Building;
- Extra Help - to provide at the 1995-97 biennium appropriation act level for staffing flexibility.

The increase in the data processing appropriation is necessary to provide funding for maintenance and replacement of equipment that has been in service for a considerable period of time. This request would restore the appropriation at the same level as the 1995-97 biennium appropriation act. The PSC General Staff - Data Processing Section provides ongoing operations, application development, training, and user support for the Utilities Division and Tax Division of the APSC.

Professional services are utilized by the agency for specialized rate case, legal and other applications not currently available from staff. In addition, the line item for Federal Regulatory Services provides for specialized services needed in federal regulatory proceedings. Participation by the Arkansas Public Service Commission in proceedings before the Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC), Securities Exchange Commission (SEC), and various committees of the U.S. Congress continues to be a major component of the Commission's regulatory activities. Both of these requests would restore appropriation at the same level as authorized by the 1995-97 appropriation act.

The APSC seeks a continuation of the Contingency appropriation

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in the amount of \$1 million. This appropriation has been of significant benefit to the agency in the past by providing funding for a required level of regulatory activity that could not have been reasonably foreseen when the APSC appropriation was enacted.

Funding is also requested to allow any approved State Building Services (SBS) renovations to the 1000 Center Street Building to be funded from APSC Special Revenues instead of SBS General Revenues. In addition, the APSC is requesting that the line items for Conference Fees/Travel and Extra Help appropriation be restored to the same level authorized by the 1995-97 appropriation act.

The Pipeline Safety Program will require additional resources. Capital Outlay is requested for replacement of one Pipeline Safety vehicle during each fiscal year of the next biennium. Vehicle replacement is necessitated by age and condition of the vehicles. The remainder of the request is for replacement of specialized engineering testing equipment. The engineering equipment is used in the safety inspections of gas pipelines. Additional resources are also requested in maintenance and general operations due to a State Building Services increase in rent allocated to the Pipeline Safety Program. The line item

for professional services is requested to be restored to the same level authorized by the 1995-97 appropriation act. This will allow the Pipeline Safety Program to contract for specialized testing/research services for natural gas related accident investigations.

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ARKANSAS PUBLIC SERVICE 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	Total Equity			
\$ 2,974,567		\$ 1,819,601		\$ 609,467		\$ 5,403,635	\$ 187,973		\$ 359,605	\$ 547,578	\$ 4,856,057			

Revenues					Expenditures					Other Source (Uses)
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	Other Source (Uses)
\$ 0	\$ 133,261	\$ 5,832,588	\$ 80,039	\$ 6,045,888	\$ 5,270,092	\$ 0	\$ 102,190	\$ 1,359,873	\$ 6,732,155	\$ (320,6)

Findings										Recommendations									
None										None									

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

AGENCY TITLE 450 - PUBLIC SERVICE COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>74</u>	<u>59</u>	<u>133</u>	<u>89%</u>
BLACK EMPLOYEES	<u>9</u>	<u>7</u>	<u>16</u>	<u>11%</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>16</u>	<u>11%</u>
DATE			TOTAL MINORITIES	
			<u>149</u>	<u>100%</u>
			TOTAL EMPLOYEES	


AGENCY DIRECTOR

SUMMARY

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

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

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: 2KA - Contingency</u>				
Continuation of the Contingency account to provide extra support in the event special or emergency situations require transfer of its resources to operating accounts.	0	\$1,000,000	\$1,000,000	No situations have occurred in the current biennium that would require any resources from this account.
<u>APPROPRIATION: 255 - Utilities Division</u>				
Restoration of Extra Help to the level authorized for the 1993-95 Biennium.	0	\$7,000	\$7,000	The full amounts have been budgeted in both years, but none of these additions has been used.
An Overtime account was established for payment of compensatory time for terminating employees.	0	\$25,000	\$25,000	No payments were required in the first year. The second year is budgeted in case it is needed.
Additions in Operating Expenses were provided for increased rent.	0	\$28,375	\$28,375	The full amount was applied to rent in FY96. The FY97 amount will also be expended for rent of office space.
Capital Outlay was provided for replacement of 2 vehicles and office equipment each year.	0	\$43,886	\$45,910	\$15,760 was used in the first year to replace one vehicle and some office equipment. The full amount is budgeted in the second year.

SUMMARY
STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY
 AGENCY: PUBLIC SERVICE COMMISSION - UTILITIES DIVISION (450U)

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
Additions were provided in several accounts to restore them to previously authorized levels. These are itemized as follows:				
Professional Fees & Services		\$30,000	\$30,000	None of the additional amounts in these accounts was used in the first year. In each account, the second year amounts are budgeted, but will likely not be used.
Data Processing		\$3,521	\$3,521	
Federal Regulatory Services		\$130,000	\$130,000	
Professional Services		\$100,000	\$100,000	
Data Processing - PSC Divisions		\$55,909	\$0	
Building Repairs/Maintenance		\$18,907	\$0	
<u>APPROPRIATION: 256 - Pipeline Safety Program</u>				
Additions in Operating Expenses were provided for increased rent.	0	\$1,368	\$1,368	The full amount was applied to rent in FY96. The FY97 amount will also be expended for rent of office space.
Capital Outlay was provided for purchase of office machines, office equipment, and engineering equipment.	0	\$3,050	\$1,710	\$2,538 was used in the first year and the second year amount is budgeted for equipment purchases.
Increases were provided in Professional Fees & Services to contract for outside assistance in accident investigations.	0	\$13,665	\$13,665	Although these increases have been budgeted in both years, low accident experience has negated the need for its expenditure to date.

ARKANSAS BUDGET SYSTEM

DEPARTMENT APPROPRIATION SUMMARY

AGENCY TITLE		1995-97				1997-99				1997-99			
Public Service Comm.-Utilities Div. (450U)		Expenditures				Biennium Request				Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1995-96	Pos.	1996-97	Pos.	1997-98	Pos.	1998-99	Pos.	1997-98	Pos.	1998-99	Pos.
2KA	Contingency	\$0	0	\$0	0	\$1,000,000	0	\$1,000,000	0	\$1,000,000	0	\$1,000,000	0
255	Utilities Division	6,082,571	105	7,271,801	108	7,980,217	108	7,754,110	108	7,576,007	108	7,398,368	108
256	Pipeline Safety Program	440,961	9	545,169	9	602,300	9	613,204	9	587,705	9	598,587	9
B31	Integrated Res. Plan Evaluation-Cash	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS		\$6,523,532	114	\$7,816,970	117	\$9,582,517	117	\$9,367,314	117	\$9,163,712	117	\$8,996,955	117
Funding Sources			% of		% of		% of		% of		% of		% of
			Total		Total		Total		Total		Total		Total
Fund Balances		\$2,954,273	28.8%	\$3,751,229	35.3%	\$2,800,000	22.6%	\$2,800,000	23.0%	\$2,800,000	23.4%	\$2,800,000	23.7%
General Revenues													
Special Revenues		7,094,643	69.0%	6,704,566	63.2%	9,281,368	75.0%	9,060,713	74.5%	8,869,860	74.1%	8,697,662	73.8%
Federal Funds		225,845	2.2%	161,175	1.5%	301,149	2.4%	306,601	2.5%	293,852	2.5%	299,293	2.5%
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts													
Cash Funds													
Other													
Total Funding		10,274,761	100.0%	10,616,970	100.0%	12,382,517	100.0%	12,167,314	100.0%	11,963,712	100.0%	11,796,955	100.0%
Excess Appro. / (Funding)		(3,751,229)		(2,800,000)		(2,800,000)		(2,800,000)		(2,800,000)		(2,800,000)	
TOTAL		\$6,523,532		\$7,816,970		\$9,582,517		\$9,367,314		\$9,163,712		\$8,996,955	
DEPARTMENT				DIRECTOR					DEPARTMENT APPROPRIATION SUMMARY				
PUBLIC SERVICE COMMISSION - UTILITIES DIVISION (450U)				Sam I. Bratton, Jr.					BR 40				

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

The Public Service Commission - Utilities Division's Contingency account provides additional appropriation that may be transferred to the Division's operating line items in emergency situations that would require additional resources. The Agency requests that the appropriation be reappropriated at the current level of \$1,000,000 each year and special language for emergencies and unforeseen circumstances also be continued for the 1997-99 Biennium.

The Executive Recommendation is for approval of this request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Utilities Division	Name: Contingency	Name: Public Service Commission Fund		
Code: 450U	Code: 2KA	Code: SJP	BR20	330

ARKANSAS BUDGET SYSTEM

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 ACTUAL	96-97 BUDGETED	96-97 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
										97-98	98-99	97-98	98-99
CONTINGENCY	0	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000		
TOTAL	0	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	1,000,000	1,000,000	*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000		
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	1,000,000	1,000,000	*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000		
EXCESS APPRO/ (FUNDING)	(1,000,000)	(1,000,000)	*****										
TOTAL			*****		1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000		

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

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		-----1997 - 99 BIENNIIUM 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-----					
					95-96	96-97	-----REQUEST-----						1997-98				1998-99	
													1997-98				1998-99	
001		SJP	450 2KA 120 02 UTILITIES DIVISION	P01		0 0	1,000,000 0				1,000,000 0		1,000,000		1,000,000			
<p>The Public Service Commission Contingency appropriation was established to provide additional appropriation to the Utilities Division in the event of emergencies or unforeseen occurrences. This request is to continue the appropriation.</p>																		

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

RANK BY APPROPRIATION

BR 264

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

The Public Service Commission - Utilities Division is funded entirely by special revenues derived from assessments paid by the utility companies under its jurisdiction. Base Level for the Division totals \$7,503,299 for FY98 and \$7,324,924 for FY99, with 108 authorized positions. Included in Base Level is 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 second year Base Level is less than the first year because current special language for the Data Processing - PSC Divisions line item provides for the entire appropriation to be placed in the first year and its balance to be carried forward into the second year. Priorities requested by the Commission are as follows:

Increases in Extra Help of \$8,675 each year in salaries and \$664 in matching to provide additional clerical assistance in periods of peak workload.

Increases in Operating Expenses of \$27,544 each year for additional rent costs.

Capital Outlay of \$45,164 in the first year for replacement of two vehicles and office equipment and \$45,900 in the second year for replacement of two vehicles and engineering equipment.

An increase of \$47,287 in the first year for the Data Processing - PSC Divisions special line item for expenses incurred in maintaining and upgrading data processing systems in the divisions. This amount would increase the account to \$325,000 for the biennial period. Continuation of carry forward special language is also requested.

An increase of \$1,181 in the first year to reinstate \$50,000 as the biennial level for the Building Repair and Maintenance account. Continuation of special language carry forward authority is also requested.

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

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Public Service Commission - Utilities Division	Name: Utilities Division	Name: Public Service Commission Fund	BUDGET REQUEST	333
Code: 450U	Code: 255	Code: SJP	BR20	

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999

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

	<u>FY98</u>	<u>FY99</u>
Conference Fees & Travel	\$ 8,904	\$ 8,904
Professional Fees & Services	48,302	48,302
Data Processing	8,521	8,521
Federal Regulatory Services	130,676	130,676
Professional Services	150,000	150,000

The Executive Recommendation provides for Base Level, plus the requests for Capital Outlay and Operating Expenses.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF	PAGE
Name: Public Service Commission - Utilities Division	Name: Utilities Division	Name: Public Service Commission Fund	BUDGET REQUEST	334
Code: 450U	Code: 255	Code: SJP	BR20	

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14	
CHARACTER TITLE	-----EXPENDITURES-----			96-97			-----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	AUTHORIZED	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE		
	ACTUAL	BUDGETED	APPRO	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-	
REGULAR SALARIES	3,920,311	4,308,527	4,130,899	4,522,918	0	4,522,918	4,647,815	0	4,647,815	4,522,918	4,647,815			
NUMBER OF POSITIONS	105	108	108	108	0	108	108	0	108	108	108			
EXTRA HELP	774	1,325	10,000	1,325	8,675	10,000	1,325	8,675	10,000	1,325	1,325			
NUMBER OF POSITIONS	1	6	6	6	0	6	6	0	6	6	6			
PERSONAL SERV MATCHING	947,192	1,065,429	1,044,278	1,128,446	664	1,129,110	1,151,706	664	1,152,370	1,128,446	1,151,706			
OVERTIME	0	25,000	25,000	25,000	0	25,000	25,000	0	25,000	25,000	25,000			
OPERATING EXPENSES	800,974	848,587	848,587	848,587	27,544	876,131	848,587	27,544	876,131	876,131	876,131			
CONF FEES & TRAVEL	51,871	58,922	67,826	58,922	8,904	67,826	58,922	8,904	67,826	58,922	58,922			
PROF FEES & SERVICES	0	15,000	63,302	15,000	48,302	63,302	15,000	48,302	63,302	15,000	15,000			
CAPITAL OUTLAY	15,760	45,910	45,910	0	45,164	45,164	0	45,900	45,900	45,164	45,900			
DATA PROCESSING	5,650	15,000	23,521	15,000	8,521	23,521	15,000	8,521	23,521	15,000	15,000			
BLDG REPAIR/MAINT	1,181	48,819	CARRY FORWARD	48,819	1,181	50,000	0	0	0	48,819				
FEDERAL REGULATORY SERVIC	95,408	290,575	421,251	290,575	130,676	421,251	290,575	130,676	421,251	290,575	290,575			
PROFESSIONAL SERVICES	173,402	270,994	420,994	270,994	150,000	420,994	270,994	150,000	420,994	270,994	270,994			
DATA PROCESSING SERVICES	70,048	277,713	CARRY FORWARD	277,713	47,287	325,000	0	0	0	277,713				
TOTAL	6,082,571	7,271,801	7,101,568	7,503,299	476,918	7,980,217	7,324,924	429,186	7,754,110	7,576,007	7,398,368			
PROPOSED FUNDING SOURCES			*****											
FUND BALANCES	1,392,185	2,178,411	*****	1,450,000		1,450,000	1,450,000		1,450,000	1,450,000	1,450,000			
GENERAL REVENUES			*****											
SPECIAL REVENUES	6,868,797	6,543,390	*****	7,503,299	476,918	7,980,217	7,324,924	429,186	7,754,110	7,576,007	7,398,368			
FEDERAL FUNDS			*****											
STATE CENTRAL SERVICES FUND			*****											
NON-REVENUE RECEIPTS			*****											
CASH FUNDS			*****											
OTHER			*****											
TOTAL FUNDING	8,260,982	8,721,801	*****	8,953,299	476,918	9,430,217	8,774,924	429,186	9,204,110	9,026,007	8,848,368			
EXCESS APPRO/ (FUNDING)	(2,178,411)	(1,450,000)	*****	(1,450,000)		(1,450,000)	(1,450,000)		(1,450,000)	(1,450,000)	(1,450,000)			
TOTAL	6,082,571	7,271,801	*****	7,503,299	476,918	7,980,217	7,324,924	429,186	7,754,110	7,576,007	7,398,368			

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

APPROPRIATION SUMMARY

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The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

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 BIENNIIUM 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	
000		SJP	450 255	B	6,082,571 105	7,271,801 108	7,503,299 108			7,324,924 108			7,503,299 108		7,324,924 108			
001		SJP	450 255 120 02 UTILITIES DIVISION	P01		0 0	27,544 0			27,544 0			27,544		27,544			
This request is to provide additional appropriation for an increase in the rent of the 1000 Center Street Building. State Building Services notified the Arkansas Public Service Commission that the rent increase will be effective July 1, 1997.																		
001		SJP	450 255 120 02 UTILITIES DIVISION	P02		0 0	47,287 0			0 0								
The increase in the data processing appropriation is necessary to provide funding for maintenance and replacement of equipment that has been in service for a considerable period of time. This request would restore the appropriation at the same level as the 1995-97 biennium appropriation act. The APSC General Staff - Data Processing Section provides ongoing operations, application development, training, and user support for the Utilities Division and Tax Division of the Arkansas Public Service Commission.																		

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

FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIIUM 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
001		SJP	450 255 120 02 UTILITIES DIVISION	P03		0	45,164 0					45,900 0			45,164	45,900		
<p>This request is to replace two agency vehicles during each fiscal year of the next biennium at a cost of \$30,000 each fiscal year. Vehicle replacement is necessitated by age and condition of the vehicles. The remainder of the request is for replacement and additional office equipment/furniture and the replacement of a specialized engineering test equipment device (telecommunications bulk call generator) in the second fiscal year at a cost of \$14,140.</p>																		
001		SJP	450 255 120 02 UTILITIES DIVISION	P04		0	150,000 0					150,000 0						
<p>This request is to provide appropriation to authorize contracting for specialized professional services at the same level authorized by the 1995-97 biennium appropriation act.</p> <p>Professional services are utilized by the agency for specialized rate case, legal and other applications not currently available from staff.</p>																		
001		SJP	450 255 120 02 UTILITIES DIVISION	P05		0	130,676 0					130,676 0						
<p>This request is to provide appropriation to authorize contracting for specialized services in Federal regulatory proceedings at the same level authorized by the 1995-97 biennium appropriation act. Arkansas Public Service Commission participation in proceeding before the Federal Regulatory Commission (FERC), Federal Communications Commission (FCC), Securities Exchange Commission (SEC), and various committees of the U. S. Congress continues to be a major component of the Commission's regulatory activities.</p>																		

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

FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

BR 264

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIAL REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1997 - 98			FY 1998 - 99			EXECUTIVE		LEGISLATIVE			
					95-96	96-97	REQUEST			REQUEST			1997-98	1998-99	1997-98	1998-99		
01		SJP	450 255 120 02 UTILITIES DIVISION	P06		0 0	48,302 0			48,302 0								
This request is to provide appropriation to allow continued flexibility in utilizing professional services at the same level authorized by the 1995-97 biennium appropriation act.																		
11		SJP	450 255 120 02 UTILITIES DIVISION	P07		0 0	8,904 0			8,904 0								
This request is to provide appropriation to allow continued flexibility in training agency staff at the same level authorized by the 1995-97 biennium appropriation act.																		
11		SJP	450 255 120 02 UTILITIES DIVISION	P08		0 0	8,521 0			8,521 0								
This request is to provide appropriation to fund data processing services at the same level authorized by the 1995-97 biennium appropriation act. These services include access to a computerized research service (WESTLAW).																		

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

RANK BY APPROPRIATION
BR 264

ARKANSAS BUDGET SYSTEM

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----- ---ACTUAL--- --BUDGETED-- 95-96 96-97													
001		SJP	450 255 120 02 UTILITIES DIVISION	P09		0 0	10,520 0					9,339 0						
<p>This request will continue to allow any approved State Building Services repairs/ renovations to the 1000 Center Street Building to be funded from Special Revenue instead of General Revenues.</p> <p>This request is also to continue flexibility in staffing from extra help (\$8,675 each fiscal year). The request for additional building repairs/renovation and extra help appropriation is at the same level authorized by the 1995-97 biennium appropriation act.</p>																		

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

FUND SJP PUBLIC SERVICE COMMISSION FUND (450)

RANK BY APPROPRIATION

BR 264

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

The Public Service Commission's Pipeline Safety Program is funded by special revenues and receives federal reimbursement for 50% of its expenditures. Under this program, the Commission maintains safety jurisdiction and monitors the transmission by pipeline of hazardous materials, such as gasoline, oil, and natural gas. Base Level for this program is \$562,627 for FY98 and \$575,089 for FY99, with 9 authorized positions. Included in Base Level is 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. Priorities requested are as follows:

Reclassification of an Engineer Technician Supervisor, Grade 17, to DOT Corrosion Program Specialist, Grade 18. Costs are \$824 and \$846, respectively.

Additions in Operating Expenses of \$1,498 each year for increased rent charges.

Capital Outlay amounts of \$23,580 in the first year and \$22,000 in the second year for replacement of vehicles, office equipment, and engineering equipment.

Increases of \$13,771 each year in Professional Fees & Services to reinstate the current authorized level of \$37,000 each year for contracting for outside professional assistance.

The Executive Recommendation provides for Base Level, plus the requests for Capital Outlay and Operating Expenses. The position reclassification request is not addressed at this time.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Utilities Division	Name: Pipeline Safety Program	Name: Public Service Utility Safety Fund		
Code: 450U	Code: 256	Code: SAD	BR20	340

ARKANSAS BUDGET SYSTEM

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 ACTUAL	96-97 BUDGETED	96-97 AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE 97-98 98-99		LEGISLATIVE 97-98 98-99	
REGULAR SALARIES NUMBER OF POSITIONS	300,116 9	362,887 9	357,524 9	379,387 9	699 0	380,086 9	389,861 9	719 0	390,580 9	379,387 9	389,861 9		
PERSONAL SERV MATCHING	79,385	91,832	89,096	94,500	125	94,625	96,488	127	96,615	94,500	96,488		
OPERATING EXPENSES	46,430	44,891	44,891	44,891	1,498	46,389	44,891	1,498	46,389	46,389	46,389		
CONF FEES & TRAVEL	12,492	20,620	20,620	20,620	0	20,620	20,620	0	20,620	20,620	20,620		
PROF FEES & SERVICES	0	23,229	37,000	23,229	13,771	37,000	23,229	13,771	37,000	23,229	23,229		
CAPITAL OUTLAY	2,538	1,710	1,710	0	23,580	23,580	0	22,000	22,000	23,580	22,000		
TOTAL	440,961	545,169	550,841	562,627	39,673	602,300	575,089	38,115	613,204	587,705	598,587		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	562,088	572,818	*****	350,000		350,000	350,000		350,000	350,000	350,000		
GENERAL REVENUES			*****										
SPECIAL REVENUES	225,846	161,176	*****	281,314	19,837	301,151	287,545	19,058	306,603	293,853	299,294		
FEDERAL FUNDS	225,845	161,175	*****	281,313	19,836	301,149	287,544	19,057	306,601	293,852	299,293		
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING	1,013,779	895,169	*****	912,627	39,673	952,300	925,089	38,115	963,204	937,705	948,587		
EXCESS APPRO/ (FUNDING)	(572,818)	(350,000)	*****	(350,000)		(350,000)	(350,000)		(350,000)	(350,000)	(350,000)		
TOTAL	440,961	545,169	*****	562,627	39,673	602,300	575,089	38,115	613,204	587,705	598,587		

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

The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19		
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIIUM 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		1998-99	
00		SAD	450 256	B	440,961 9	545,169 9	562,627 9			575,089 9			562,627 9		575,089 9					
01		SAD	450 256 120 02 UTILITIES DIVISION	P01		0 0	1,498 0			1,498 0			1,498		1,498					
<p>This request is to provide additional appropriation for an increase in the rent of the 1000 Center Street Building. State Building Services notified the Arkansas Public Service Commission that the rent increase will be effective July 1, 1997.</p>																				
01		SAD	450 256 120 02 UTILITIES DIVISION	P02		0 0	23,580 0			22,000 0			23,580		22,000					
<p>This request is for replacement of one Pipeline Safety vehicle during each fiscal year of the next biennium. Vehicle replacement is necessitated by age and condition of the vehicles. The remainder of the request is for replacement of specialized engineering testing equipment. The engineering equipment is used in the safety inspections of gas pipelines.</p>																				

EPT 010 SEPARATE AGENCIES
BY 450 ARKANSAS PUBLIC SERVICE COMMISSION
PRO 256 PIPELINE SAFETY PROGRAM
JND SAD PUBLIC SERV UTIL SAFETY FUND (450)

RANK BY APPROPRIATION
BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIAL REQUESTS						RECOMMENDATIONS					
					ACTUAL	BUDGETED	FY 1997 - 98			FY 1998 - 99			EXECUTIVE		LEGISLATIVE			
					95-96	96-97	REQUEST			REQUEST			1997-98	1998-99	1997-98	1998-99		
001		SAD	450 256 120 02 UTILITIES DIVISION	P03		0	13,771			13,771								
						0	0			0								
This request will provide appropriation to authorize contracting for specialized professional services at the same level by the 1995-97 biennium appropriation act. This will allow the Pipeline Safety Program to contract for specialized testing/research services for accident investigations.																		
001		SAD	450 256 120 02 UTILITIES DIVISION	P10		0	824			846								
						0	0			0								
This request is to provide for the reclassification of one position in our Pipeline Safety Program to DOT Corrosion Program Specialist. Reclassification of this position is needed to provide correct classification. Request includes regular salary and personal services matching in the amount of \$824 for the first fiscal year and \$846 for the second fiscal year.																		

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

RANK BY APPROPRIATION

BR 264

[illegible]

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ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999

The primary purposes of the Assessment Coordination Division are to assist counties in the equalization and appraisal of property for ad valorem tax purposes, provide computer assistance and programs for county government functions, conduct schools and educational seminars, prepare guidelines for valuation, audit assessments through ratio studies, and provide pertinent data necessary for the upkeep of appraisals. The continuing level budget, including the 5% deferment required by Act 494 of 1993, is necessary to carry out these duties as have been previously done, some below statutory minimums.

Priority 1 is a request for the reinstatement of five (5) positions that were not budgeted in the current fiscal year due to the Governor's Personnel "Cap" Policy. Costs for Salaries and Matching are \$101,236 in the first year and \$103,652 in the second year.

Priority 2 is a request for Capital Outlay in the amount of \$10,000 each year to replace office equipment, computer equipment, and furniture which becomes obsolete or irreparable, and for upgrading and expanding work stations.

Priority 3 is a request for an increase in the Assessors' School special line item of \$6,914 each year to retain the current level of educational offerings as required by Act 48 of 1980.

Priority 4 is a request for increases of \$61,562 each year in Operating Expenses to maintain the current level of operations.

Priority 5 is a request to reinstate \$30,000 each year in the Grants/Aids line item used to assist counties in computerizing their records management systems.

Priority 6 is a request for additional funds for the Assessment Personnel Educational Incentive Program for local assessment employees (as recommended by the Joint Interim Committee on Tax Research and Economic Policy) in the amount of \$19,000 each year to cover the increasing number of assessor personnel enrolling in the education incentive program.

Also requested is funds from the State General Services Fund to establish a CAMA (Computer Assisted Mass Appraisal) Grant Program to assist 24 county assessors' offices in Arkansas that currently have no computerization of their records. The estimated cost of computer hardware and software is \$300,000 each year and would provide the resources to cover the 24 counties in a 2 year period.

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
PUBLIC SERVICE COMMISSION ASSESSMENT COORDINATION DIVISION	Dale Langston	BR21	345

ARKANSAS PUBLIC SERVICE COMMISSION
ASSESSMENT COORDINATION DIVISION
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								
\$ 13,511		\$ 203,894		\$ 84,762		\$ 302,167		\$ 796		\$ 74,282		\$ 75,078								
Revenues					Expenditures							Other Sources (Uses)								
Inter-governmental		Federal		Licenses and Fees		Other		Total		Salaries and Matching			Grants and Aid		Capital		Other Operating		Total	
\$ 1,979,393		\$ 0		\$ 27,470		\$ 1,390		\$ 2,008,253		\$ 1,240,480			\$ 50,404		\$ 12,225		\$ 437,769		\$ 1,740,878	
Findings										Recommendations										
None										None										

SUMMARY

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

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

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	

APPROPRIATION: C73 - Assessment Coordination -- Cash

No new programs or expansions in the 1995-97 biennium.

APPROPRIATION: 215 - County Assessors Continuing Education Program

No new programs or expansions in the 1995-97 biennium.

APPROPRIATION: 258 - Assessment Coordination Division

Reinstatement of 5 positions that were authorized, but not budgeted due to restrictions imposed by the Governor's Personnel "Cap" Policy.	5	\$95,574	\$97,545	No funding was given to support these positions and they remain subject to "Cap" restrictions, so none have been filled in either year.
Additions were provided in Operating Expenses for anticipated relocation expenses and increased rent.	0	\$28,000	\$28,000	Relocation has not yet occurred, so none of these increases have been employed.
Capital Outlay was provided for equipment replacement and upgrading of work stations.	0	\$10,000	\$10,000	\$8,671 was spent in FY96. The full amount is budgeted in FY97.
Increases were made in the Assessor School special line item to provide additional education for county assessors' employees.	0	\$60,000	\$100,000	The entire FY96 amount was employed in providing additional education opportunities for local assessment employees. The full amount is budgeted in FY97 for the same purpose.
A new line item was provided for the Assessment Personnel Educational Incentive Program.	0	\$69,000	\$80,000	\$45,000 of the first year amount was used. \$76,000 of the second year amount is budgeted.

ARKANSAS BUDGET SYSTEM

DEPARTMENT APPROPRIATION SUMMARY

AGENCY TITLE		1995-97				1997-99				1997-99			
Pub. Serv. Comm.-Assessment Coord. Div.		Expenditures				Biennium Request				Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1995-96	Pos.	1996-97	Pos.	1997-98	Pos.	1998-99	Pos.	1997-98	Pos.	1998-99	Pos.
C73	PSC - Cash (Manual Resale)	\$9,707	0	\$29,246	0	\$29,246	0	\$29,246	0	\$29,246	0	\$29,246	0
215	Continuing Education Program	7,312	0	28,500	0	28,500	0	28,500	0	28,500	0	28,500	0
258	Assessment Coordination Division	1,751,939	38	2,083,531	40	2,358,720	45	2,398,884	45	2,140,008	40	2,177,756	40
CMA	Computerized Mass Appraisal Prog.	0	0	0	0	300,000	0	300,000	0	0	0	0	0
TOTALS		\$1,768,958	38	\$2,141,277	40	\$2,716,466	45	\$2,756,630	45	\$2,197,754	40	\$2,235,502	40
Funding Sources			% of		% of		% of		% of		% of		% of
			Total		Total		Total		Total		Total		Total
Fund Balances		\$12,521	0.7%	\$34,835	1.6%	\$25,589	0.9%	\$16,343	0.6%	\$25,589	1.1%	\$16,343	0.7%
General Revenues		967,000	53.7%	1,367,722	63.2%	1,942,911	71.1%	1,983,075	71.8%	1,414,199	64.2%	1,451,947	65.0%
Special Revenues													
Federal Funds													
Const. & Fiscal Agency Fund													
Cty. Assessors Cont. Education Fund		22,200	1.2%	22,500	1.0%	22,500	0.8%	22,500	0.8%	22,500	1.0%	22,500	1.0%
Non-Revenue Receipts													
Cash - Manual Resale		17,134	0.9%	26,000	1.2%	26,000	1.0%	26,000	0.9%	26,000	1.2%	26,000	1.2%
Ad Valorem Tax		784,939	43.5%	715,809	33.0%	715,809	26.2%	715,809	25.9%	715,809	32.5%	715,809	32.1%
Total Funding		1,803,794	100.0%	2,166,866	100.0%	2,732,809	100.0%	2,763,727	100.0%	2,204,097	100.0%	2,232,599	100.0%
Excess Appro. / (Funding)										(6,343)		2,903	
TOTAL		\$1,803,794		\$2,166,866		\$2,732,809		\$2,763,727		\$2,197,754		\$2,235,502	
DEPARTMENT				DIRECTOR						DEPARTMENT APPROPRIATION SUMMARY			
PUBLIC SERVICE COMMISSION				Dale Langston						BR 40			
ASSESSMENT COORDINATION DIVISION (450A)													

The Executive Recommendation includes \$16,343 in excess funding and \$10,000 is unfunded appropriation in FY98. In FY99, \$7,097 is excess funding and \$10,000 is unfunded appropriation.

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

The Assessment Coordination Division's cash account is funded by proceeds from the sales of property assessment and appraisal publications to parties in the private sector. Tuition is also collected from private citizens who enroll in assessment and appraisal courses conducted by the Division. These resources are used to purchase educational materials and defray printing costs. The Division is requesting that this appropriation be continued at its current level of \$29,246 each year.

The Executive Recommendation is the Agency Request.

AGENCY	APPROPRIATION	CASH FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Assessment Coordination Div. Code: 450A	Name: Assessment Coordination - Cash Code: C73	Name: Public Service Commission - Cash Code: 118	BR20	349

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	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99
OPERATING EXPENSES	272	18,010	19,549	18,010	0	18,010	18,010	0	18,010	18,010	18,010		
CONF FEES & TRAVEL	9,435	11,236	11,236	11,236	0	11,236	11,236	0	11,236	11,236	11,236		

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

APPROPRIATION SUMMARY
BR 215

ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999

The Public Service Commission - Assessment Coordination Division's County Assessors Continuing Education Program is funded by \$300 assessments collected annually from the counties. These proceeds are used to provide educational courses for local assessment personnel. The Base Level of the appropriation through which the Division operates the Program is \$28,500 each year. It is requested for continuation at that level.

The Executive Recommendation is the Agency Request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Assessment Coordination Div.	Name: Assessment Coordination Continuing Education Program	Name: County Assessors Continuing Education Fund		351
Code: 450A	Code: 215	Code: TCA	BR20	

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14	
CHARACTER TITLE	-----EXPENDITURES-----			96-97			-----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 ACTUAL	96-97 BUDGETED	AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE 97-98 98-99		LEGISLATIVE 97-98 98-99		
PERATING EXPENSES	7,312	28,500	28,500	28,500	0	28,500	28,500	0	28,500	28,500	28,500			
DNF FEES & TRAVEL	0	0	0	0	0	0	0	0	0					
ROF FEES & SERVICES	0	0	0	0	0	0	0	0	0					
APITAL OUTLAY	0	0	0	0	0	0	0	0	0					
ATA PROCESSING	0	0	0	0	0	0	0	0	0					
									</					

EPT 010 SEPARATE AGENCIES
 GY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PPRO 215 ASSESSMENT COORDINATION CONTINUING EDUCATION PROGRAM

APPROPRIATION SUMMARY

BR 215

UND TCA COUNTY ASSESSORS CONT EDUC FUND (450)

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

The Public Service Commission - Assessment Coordination Division's main operating appropriation is funded by a mix of general revenues and ad valorem taxes. Base Level for the Division totals \$2,130,008 for FY98 and \$2,167,756 for FY99. Included in Base Level is 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. Priorities in the Agency Request are itemized as follows:

Reinstatement of 5 positions that are currently authorized, but not budgeted. Costs are \$101,236 and \$103,652, respectively, for a Statistician I, 2 Secretary II's, a Clerk Typist II, and a Programmer Trainee.

Increases in Operating Expenses of \$61,562 each year for increases in rent of office space, printing, travel expenses, postage, subscriptions, and data processing supplies.

Capital Outlay of \$10,000 each year to replace office and data processing equipment.

Increases of \$30,000 each year for the Grants/Aids line item used to assist counties to defray costs of computerizing assessment records.

Additions of \$6,914 each year in the Assessors' School line item, which would return it to the current authorized level.

Increases of \$19,000 each year in the Assessment Personnel Educational Incentive Program for local assessment employees.

The Executive Recommendation provides for Base Level, plus the Capital Outlay request. No additional General Revenue above the Base Level is recommended for this appropriation.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Assessment Coordination Div.	Name: Assessment Coordination Div.	Name: State General Services		353
Code: 450A	Code: 258	Code: HUA	BR20	

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14	
CHARACTER TITLE	-----EXPENDITURES-----			96-97			-----97-98 FISCAL YEAR-----			-----98-99 FISCAL YEAR-----			-----RECOMMENDATIONS-----	
	95-96	96-97	96-97	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE		
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99	
REGULAR SALARIES	969,056	1,132,985	1,116,355	1,177,801	73,142	1,250,943	1,209,842	75,191	1,285,033	1,177,801	1,209,842			
NUMBER OF POSITIONS	38	40	45	40	5	45	40	5	45	40	40			
OTRA HELP	0	1,000	1,000	1,000	0	1,000	1,000	0	1,000	1,000	1,000			
NUMBER OF POSITIONS	0	3	3	3	0	3	3	0	3	3	3			
PERSONAL SERV MATCHING	262,302	318,788	325,740	330,449	28,094	358,543	336,156	28,461	364,617	330,449	336,156			
PERATING EXPENSES	289,817	340,202	401,764	340,202	61,562	401,764	340,202	61,562	401,764	340,202	340,202			
INF FEES & TRAVEL	33,294	34,470	34,470	34,470	0	34,470	34,470	0	34,470	34,470	34,470			
IPITAL OUTLAY	8,671	10,000	10,000	0	10,000	10,000	0	10,000	10,000	10,000	10,000			
IANIS/AIDS	36,799	30,000	60,000	30,000	30,000	60,000	30,000	30,000	60,000	30,000	30,000			
ASSESSOR'S SCHOOL	107,000	140,086	147,000	140,086	6,914	147,000	140,086	6,914	147,000	140,086	140,086			
ASSESSMENT EDUCATION INCE	45,000	76,000	80,000	76,000	19,000	95,000	76,000	19,000	95,000	76,000	76,000			
TOTAL	1,751,939	2,083,531	2,176,329	2,130,008	228,712	2,358,720	2,167,756	231,128	2,398,884	2,140,008	2,177,756			
PROPOSED FUNDING SOURCES			*****											
IND BALANCES			*****											
GENERAL REVENUES	967,000	1,367,722	*****	1,414,199	228,712	1,642,911	1,451,947	231,128	1,683,075	1,414,199	1,451,947			
SPECIAL REVENUES			*****											
FEDERAL FUNDS			*****											
STATE CENTRAL SERVICES FUND			*****											
IN-REVENUE RECEIPTS			*****											
ISH FUNDS			*****											
D VALOREM TAX	784,939	715,809	*****	715,809		715,809	715,809		715,809	715,809	715,809			
TOTAL FUNDING	1,751,939	2,083,531	*****	2,130,008	228,712	2,358,720	2,167,756	231,128	2,398,884	2,130,008	2,167,756			
CESS APPRO/ (FUNDING)			*****							10,000	10,000			
TOTAL	1,751,939	2,083,531	*****	2,130,008	228,712	2,358,720	2,167,756	231,128	2,398,884	2,140,008	2,177,756			

PT 010 SEPARATE AGENCIES
 Y 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PRO 258 ASSESSMENT COORDINATION DIVISION

The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

BR 215

IND HUA STATE GENERAL SERVICES(000)

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-----							-----RECOMMENDATIONS-----					
					---ACTUAL---	---BUDGETED---	-----FY 1997 - 98-----			-----FY 1998 - 99-----				-----EXECUTIVE-----		-----LEGISLATIVE-----			
					95-96	96-97	-----REQUEST-----			-----REQUEST-----				1997-98	1998-99	1997-98	1998-99		
000		HUA	450 258	B	1,751,939 38	2,083,531 40	2,130,008 40		2,167,756 40					2,130,008 40	2,167,756 40				
001		HUA	450 258 140 02 ADMINISTRATION	P01		0 0	101,236 5		103,652 5										
	This is a request for the reinstatement of five (5) positions that were not budgeted in the current fiscal year due to the Governor's Personnel "Cap" Policy. Costs for Salaries and Matching are \$101,236 in the first year and \$103,652 in the second year.																		
002		HUA	450 258 140 02 ADMINISTRATION	P02		0 0	10,000 0		10,000 0					10,000	10,000				
	This is a request for Capital Outlay in the amount of \$10,000 each year to replace office equipment, computer equipment, and furniture which becomes obsolete or irreparable, and for upgrading and expanding work stations.																		

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

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
ANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIAL REQUESTS							RECOMMENDATIONS				
					ACTUAL 95-96	BUDGETED 96-97	FY 1997 - 98		FY 1998 - 99					EXECUTIVE		LEGISLATIVE		
							REQUEST		REQUEST					1997-98	1998-99	1997-98	1998-99	
03		HUA	450 258 140 04 ASSESSORS SCHOOLS	P03		0	6,914 0		6,914 0									
This is a request for an increase in the Assessors' School special line item of \$6,914 each year to retain the current level of educational offerings as required by Act 48 of 1980.																		
04		HUA	450 258 140 02 ADMINISTRATION	P04		0	41,600 0		41,600 0									
This is a request for increases of \$41,600 each year in Operating Expenses to maintain the current level of operations.																		
05		HUA	450 258 140 03 FIELD OPERATIONS	P04		0	19,962 0		19,962 0									
This is a request for increases of \$19,962 each year in Operating Expenses to maintain the current level of operations.																		

DEPT 010 SEPARATE AGENCIES
 AGENCY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 PROGRAM 258 ASSESSMENT COORDINATION DIVISION

FUND HUA STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES ACTUAL 95-96	BUDGETED 96-97	1997 - 99 BIENNIAL REQUESTS		FY 1997 - 98		FY 1998 - 99		RECOMMENDATIONS		EXECUTIVE		LEGISLATIVE	
							REQUEST		REQUEST				1997-98	1998-99	1997-98	1998-99		
006		HUA	450 258 140 02 ADMINISTRATION	P05		0	30,000		30,000									
	This is a request to reinstate \$30,000 each year in the Grants/Aids line item used to assist counties in computerizing their records management systems.																	
007		HUA	450 258 140 04 ASSESSORS SCHOOLS	P06		0	19,000		19,000									
	This is a request for additional funds for the Assessment Personnel Educational Incentive Program for local assessment employees (as recommended by the Joint Interim Committee on Tax Research and Economic Policy) in the amount of \$19,000 each year to cover the increasing number of assessor personnel enrolling in the education incentive program.																	

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

RANK BY APPROPRIATION

BR 264

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

The Public Service Commission - Assessment Coordination Division requests the establishment of an appropriation to provide computer hardware and software to county offices that currently do not have mechanized systems for property appraisal and assessment. This priority request is for \$300,000 of appropriation and general revenue funding each year which would provide assistance to 24 counties during the biennium.

The Governor does not recommend this program.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Assessment Coordination Div.	Name: Assessment Coordination Computerized Mass Appraisal Program	Name: State General Services		358
Code: 450A	Code: CMA	Code: HUA	BR20	

[illegible]

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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	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	AUTHORIZED APPRO							97-98	98-99	97-98	98-99
DP ASSISTANCE TO COUNTIES	0	0	0	0	300,000	300,000	0	300,000	300,000				
TOTAL	0	0	0	0	300,000	300,000	0	300,000	300,000				
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES			*****										
GENERAL REVENUES			*****		300,000	300,000		300,000	300,000				
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
OTHER			*****										
TOTAL FUNDING			*****		300,000	300,000		300,000	300,000				
EXCESS APPRO/ (FUNDING)			*****										
TOTAL			*****		300,000	300,000		300,000	300,000				

DEPT	010	SEPARATE AGENCIES
AGY	450	ARKANSAS PUBLIC SERVICE COMMISSION
APPRO	CHA	ASSESSMENT COORDINATION COMPUTERIZED MASS APPRAISAL PROGRAM
FUND	HUA	STATE GENERAL SERVICES(000)

APPROPRIATION SUMMARY

BR 215

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIIUM 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			
001		HUA	450 CMA 140 02 ADMINISTRATION	P01		0 0	300,000 0			300,000 0								
<p>This is a request for funds from the State General Services Fund to establish a CAMA (Computer Assisted Mass Appraisal) Grant Program to assist 24 county assessors' offices in Arkansas that currently have no computerization of their records. The estimated cost of computer hardware and software is \$300,000 each year and would provide the resources to cover the 24 counties in a 2 year period.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPRO CMA ASSESSMENT COORDINATION COMPUTERIZED MASS APPRAISAL PROGRAM
 FUND HUA STATE GENERAL SERVICES(000)

RANK BY APPROPRIATION

BR 264

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**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997-1999**

The 1995 assessments upon utility and carrier property in Arkansas was \$1,857,157,540. This assessed value reflects tax revenue of approximately \$80,000,000 being collected during 1996.

The Tax Division of the Arkansas Public Service Commission determines the fair market value of all utility and carrier companies subject to assessment for property tax purposes in Arkansas. (Arkansas Codes 26-26-1061/26-26-1803) The utility and carrier companies consist of electric cooperatives, private electric companies, gas transmission companies, telephone companies, water companies, railroads, cable television systems, pipelines, bridges, motor carriers, airlines, barge lines, private car companies, cellular telephone operators, and reseller telephone companies. The Division certifies the Commission approved assessed valuations to either the respective county assessors or the Department of Finance and Administration, Miscellaneous Tax Section. The tax revenue resulting from these assessments represents approximately 10% of the total real and personal property taxes collected in Arkansas.

With a staff of eleven employees, the Tax Division assessed

22,409 companies in 1995. The field of utility and carrier valuation is very dynamic. For example, technological advances which have spawned new industries such as: cellular telephone companies, competitive access providers, reseller telephone companies and in the near future personal communications services (PCS). The Intermodal Surface Transportation act of 1991 as well as deregulation has resulted in a burgeoning number of motor carrier companies which are at a record level in 1996. The Division finds it hard to stay abreast of such changes due to the increased workload upon our small staff.

In this budget, we have again requested two new positions; a Research Project Analyst and a Administrative Assistant I. **The Research Project Analyst would focus on new industries being spawned through technological advances and deregulation.** This position would provide us with the capacity to research methods and available software for developing replacement cost values on utilities and carriers, as well as, researching and verifying motor carrier mileage data. It is probable that additional revenues would be generated if mileage data was verified. Tax revenues which are certified to the Department of Finance and Administration Miscellaneous Tax Section

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
ARKANSAS PUBLIC SERVICE COMMISSION TAX DIVISION	JAMES H. POE	BR21	361

<p style="text-align: center;">ARKANSAS BUDGET SYSTEM AGENCY PROGRAM COMMENTARY 1997-1999</p>
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total approximately \$8,500,000 and are a funding source for Legislative Audits, Assessment Coordination Division and the Tax Division. **The Administrative Assistant I** - due to the federal legislation in 1993 and deregulation of the motor carrier industry the division has been **inundated with additional companies** and new programs with no increase in staff. **The loss of the central data base** has now made the division responsible for maintaining a complete list of for-hire motor carrier companies traveling through the State. **This new agenda for the division, coupled with an increased assessment workload which has exceeded our manpower**, caused excessive turnover, and is compromising the division's ability to complete it's mission. **This position is desperately needed to ensure statutory deadlines are met** providing the division with the additional depth required for processing motor carrier companies.

This budget reflects expenses which are beyond our control associated with assessing additional motor carrier companies mandated under the new federal legislation, with increases in postage, printing, centrex and office supplies (See attachment #1). The increase in

Capitol Outlay is associated with the requested new positions.

The Tax Division is interested in joining the Multistates Tax Commission joint audit program which works in conjunction with other States in obtaining required audited information necessary for appraisals. The cost is commensurate with staff involvement. The requested increase in travel is required to send our present staff to conferences and training seminars in order to maintain a constant level of knowledge and skills within the Division.

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
ARKANSAS PUBLIC SERVICE COMMISSION TAX DIVISION	JAMES H. POE	BR21	362

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997-1999**

**MOTOR CARRIER COMPARISON
1983-1996**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Year	Total Number of Companies	Number of Regular Positions	Tax Dollars State Funding Source*	Number of Companies per Position	Tax Dollars Generated per Position	% Increase Total Number of Companies	% Increase Number of Positions	% Increase Reports per Position	% Increase Tax Dollars
1996	24,767	6		4,128		14.59%	0.00%	14.59%	
1995	21,613	6	\$7,231,523	3,602	1,205,254	28.66%	0.00%	28.66%	21.09%
1994	16,798	6	\$5,971,910	2,800	995,318	18.65%	0.00%	18.65%	18.21%
1993	14,158	6	\$5,051,875	2,360	841,979	8.76%	0.00%	8.76%	10.88%
1992	13,018	6	\$4,555,963	2,170	759,327	6.93%	0.00%	6.93%	12.72%
1991	12,174	6	\$4,041,698	2,029	673,616	11.94%	0.00%	11.94%	8.24%
1990	10,875	6	\$3,734,053	1,813	622,342	10.55%	20.00%	-7.87%	14.20%
1989	9,837	5	\$3,269,620	1,967	653,924	11.04%	0.00%	11.04%	13.19%
1988	8,859	5	\$2,888,664	1,772	577,733	20.58%	0.00%	20.58%	21.32%
1987	7,347	5	\$2,381,035	1,469	476,207	9.61%	0.00%	9.61%	13.63%
1986	6,703	5	\$2,095,391	1,341	419,078	5.03%	25.00%	-15.98%	23.34%
1985	6,382	4	\$1,698,885	1,596	424,721	7.50%	0.00%	7.50%	2.70%
1984	5,937	4	\$1,654,154	1,484	413,539	19.48%	0.00%	19.48%	-8.56%
1983	4,969	4	\$1,809,099	1,242	452,275				

10 YEAR COMPARISON - STAFF & COMPANIES		(K)	(L)	(M)	(N)	(O)
			Estimated Future Companies	% Increase Total Number of Companies	No Position Changes Number of Co's per Position	2 Additional Positions Number of Co's per Position
		Year				
% Increase Total Number of Companies	% Increase Motor Carrier Staff	1999	37,596	10.00%	6,266	4,700
1996-1986	1996-1986	1998	34,178	15.00%	5,696	4,272
269.49%	20.00%	1997	29,720	20.00%	4,953	3,715
		1996	24,767			

*Source of Funding For: Legislative Audits, Tax Division, A.P.S.C. and Assessment Coordination Division, A.P.S.C.

AGENCY	DIRECTOR	AGENCY PROGRAM COMMENTARY	PAGE
ARKANSAS PUBLIC SERVICE COMMISSION TAX DIVISION	JAMES H. POE	BR21	363

ARKANSAS PUBLIC SERVICE COMMISSION - TAX DIVISION
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		Total	
\$ 129,482	\$ 35,294	\$ 29,724	\$ 194,500		\$ 277	\$ 21,063	\$ 21,340		\$ 173,160	

Revenues					Expenditures				Other Sources (Uses)	
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 0	\$ 232,100	\$ 232,100	\$ 374,807	\$ 0	\$ 2,649	\$ 69,805	\$ 447,261	\$ 200,277

Findings	Recommendations
----------	-----------------

None.

None.

SUMMARY

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

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

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: 257 - Tax Division</u>				
Additional Operating Expenses were provided for increased rent.	0	\$13,000	\$13,000	\$11,365 was expended in the first year for rent of office space. The full amount for FY97 is budgeted for rent expense.
Capital Outlay was provided to replace office equipment.	0	\$5,200	\$5,700	Of the first year amount, \$3,684 was spent for equipment replacement. The entire \$5,700 for FY97 is budgeted for replacement of office equipment.

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

The Public Service Commission - Tax Division's appropriation is funded by a mix of special revenues, general revenues if needed, and its share of ad valorem taxes. Base Level for the Division is \$515,061 for FY98 and \$525,604 for FY99, with 11 authorized positions. Included in Base Level is 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. Priorities in the Agency Request are as follows:

Addition of a Research Project Analyst position to specialize in research, mileage data verification, motor carrier and new industries valuations, and replacement cost analysis studies and an Administrative Assistant I position to appraise motor carrier companies and maintain the data base of for-hire trucking companies traveling through the State. Costs are \$61,771 for FY98 and \$64,937 for FY99.

Additions in Operating Expenses of \$32,824 in the first year and \$43,589 in the second year for increases in postage, rent, printing, supplies, and telephone expenses.

Increases in Conference Fees & Travel of \$2,250 each year to provide additional training of employees in new assessment practices, identifying new industries to be assessed, and determining structural changes in deregulated industries.

Capital Outlay of \$7,200 each year for purchase of office machines and equipment.

The Executive Recommendation provides for Base Level, plus an additional \$2,740 in Operating Expenses for increased rent of office space and \$5,700 each year in Capital Outlay.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Public Service Commission - Tax Division	Name: Tax Division	Name: Tax Division Fund		
Code: 450T	Code: 257	Code: HTD	BR20	366

ARKANSAS BUDGET SYSTEM

01	02	03	04	05	06	07	08	09	10	11	12	13	14
CHARACTER TITLE	-----EXPENDITURES-----		96-97	-----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	AUTHORIZED	PRIORITY		TOTAL	PRIORITY		TOTAL	EXECUTIVE		LEGISLATIVE	
	ACTUAL	BUDGETED	APPRO	BASE	PROGRAMS	REQUEST	BASE	PROGRAMS	REQUEST	97-98	98-99	97-98	98-99
REGULAR SALARIES	287,558	313,337	286,162	328,134	47,315	375,449	337,081	50,002	387,083	328,134	337,081		
NUMBER OF POSITIONS	11	11	11	11	2	13	11	2	13	11	11		
EXTRA HELP	7,490	8,500	8,500	8,500	0	8,500	8,500	0	8,500	8,500	8,500		
NUMBER OF POSITIONS	1	1	1	1	0	1	1	0	1	1	1		
PERSONAL SERV MATCHING	79,343	89,936	82,103	92,252	14,456	106,708	93,848	14,935	108,783	92,252	93,848		
OPERATING EXPENSES	78,334	80,875	80,875	80,875	32,824	113,699	80,875	43,589	124,464	83,615	83,615		
CONF FEES & TRAVEL	4,365	5,300	5,300	5,300	2,250	7,550	5,300	2,250	7,550	5,300	5,300		
CAPITAL OUTLAY	3,684	5,700	5,700	0	7,200	7,200	0	7,200	7,200	5,700	5,700		
TOTAL	460,774	503,648	460,640	515,061	104,045	619,106	525,604	117,976	643,580	523,501	534,044		
PROPOSED FUNDING SOURCES			*****										
FUND BALANCES	129,483	197,428	*****	173,373		173,373	107,490		107,490	173,373	107,490		
GENERAL REVENUES			*****										
SPECIAL REVENUES	231,352	200,723	*****	178,674	104,045	282,719	215,229	117,976	333,205	187,114	223,669		
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
CASH FUNDS			*****										
AD VALOREM TAX	297,367	278,870	*****	270,504		270,504	262,388		262,388	270,504	262,388		
TOTAL FUNDING	658,202	677,021	*****	622,551	104,045	726,596	585,107	117,976	703,083	630,991	593,547		
EXCESS APPRO/ (FUNDING)	(197,428)	(173,373)	*****	(107,490)		(107,490)	(59,503)		(59,503)	(107,490)	(59,503)		
TOTAL	460,774	503,648	*****	515,061	104,045	619,106	525,604	117,976	643,580	523,501	534,044		

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

The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

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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						RECOMMENDATIONS					
					ACTUAL		BUDGETED		FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE			
					95-96	96-97	REQUEST		REQUEST		REQUEST		1997-98	1998-99	1997-98	1998-99		
100		HTD	450 257	B	460,774 11	503,648 11	515,061 11		525,604 11				515,061 11	525,604 11				
101		HTD	450 257 150 01 ADMINISTRATION	P01	0 0	0	32,824 0		43,589 0				2,740	2,740				
<p>Request is for postage, printing, centrex and office supplies which are beyond our control. The continued increase in the number of motor carrier companies our office must assess has made this request necessary due to deregulation and the Intermodal Surface Transportation act of 1993. The total number of motor carrier companies has risen from 16,798 in 1994, 21,613 in 1995, and 24,767 in 1996. We anticipate having approximately 30,000 motor carrier companies in year one and approximately 34,000 in year two of this new biennium. Due to recent changes in personnel the Division requests additional funds totaling \$2,250 for each year of the biennium to aid in the training of personnel. The Division has also included additional funds for starting an audit program by joining the Multistate Tax Commission. The funds for this program total \$4,730 for each year in the biennium. This organization works in conjunction with other States in obtaining required auditing information which would be of benefit to the State. Finally, the Division has included additional subscription funds due to their increased costs and the need for additional publications due to the rapid restructuring of the utility and carrier industry. The amounts requested for each year of the biennium are \$4,000 and \$6,000 respectively.</p>																		
101		HTD	450 257 150 01 ADMINISTRATION	P02	0 0	0	61,771 2		64,937 2									
<p>The Division has been inundated with additional motor carrier companies with no increase in staff since 1989. The Intermodal Surface Transportation Act and deregulation has resulted in a record number of motor carrier companies in 1996 and we are expecting this growth to continue. The loss of the central data base has now made the Division responsible for maintaining a complete list of for-hire motor carrier companies traveling through the State. This coupled with the increased assessment workload has exceeded our manpower, caused excessive turnover, and is compromising the Divisions ability to complete its mission. For these reasons, we are requesting two new positions; an Administrative Assistant I and a Research Project Analyst. The Administrative Assistant I position is requested to appraise motor carrier companies and maintain the data base of for-hire trucking companies. A Research Project Analyst would focus on new industries being spawned through technological advances providing the Division with the capability of researching methods and available software for developing replacement costs upon utility and carrier companies, as well as, researching and verifying motor carrier mileage data. In 1995 the Division assessed approximately 21,600 motor carriers of which 23% reported no mileage traveled in Arkansas and 25% reported a minimal amount of mileage. It is anticipated that additional revenues would be generated if this position was approved.</p>																		

DEPT 010 SEPARATE AGENCIES
 AGENCY 450 ARKANSAS PUBLIC SERVICE COMMISSION
 APPROPRIATION 257 TAX DIVISION
 FUND HTD TAX DIVISION FUND (450)

RANK BY APPROPRIATION

BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	1
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES ACTUAL 95-96	BUDGETED 96-97	1997 - 99 BIENNIAL REQUESTS		FY 1997 - 98 REQUEST		FY 1998 - 99 REQUEST		RECOMMENDATIONS		EXECUTIVE 1997-98 1998-99		LEGISLATIVE 1997-98 1998-99	
001		HTD	450 257 150 01 ADMINISTRATION	P03		0	2,250		2,250									
Due to recent changes in personnel the Division requests additional travel funds to aid in the training of these personnel. These funds are necessary to ensure staff is adequately trained in the area of utility and carrier assessment practices. Changes in technology, deregulation, and the restructuring of the utility and carrier industries have made this request necessary, as well as recent personnel replacements, have made this action necessary. It is important for the Division to maintain the educational needs of its staff to ensure our statutory goals and obligations of the Division is met.																		
001		HTD	450 257 150 01 ADMINISTRATION	P04		0	7,200		7,200				5,700		5,700			
Due to the volume of the motor carrier report forms and the extreme pressure these form cause to file cabinet drawers, we need to begin replacing nine file cabinets which exceed 20 - 25 years in age. Based on current state purchasing contracts, replacement costs will exceed \$2,200. Also, we have three executive office chairs which were purchased in 1984 and need to be replaced. Total replacement costs of the chairs is expected to be \$1,200 which will be phased-in over the two year biennium. In anticipation of the approval of our request for new positions, we are requesting funds based on current furniture prices of \$1,600. In order to keep up with the continued increases in the number of motor carrier companies it will be necessary to purchase seven additional file cabinets at an approximate cost of \$1,700.																		

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

RANK BY APPROPRIATION

BR 264