

AR PUBLIC SERVICE COMMISSION

Enabling Laws

Act 1321 of 2003

AR Code § 23-2-101 to 112, Arkansas Public Service Commission

AR Code § 23-15-201 to 217, Pipeline Safety Program

AR Code § 26-24-101 to 123, Tax Division

History and Organization

Utilities Division of the Public Service Commission

The Arkansas Public Service Commission (Commission or APSC) has general regulatory authority over electric¹, gas, telecommunications, water and sewer services which are provided to the public for compensation. The Commission does not have regulatory authority over municipally-owned or operated utilities. Additionally, the Commission has limited jurisdiction over small water and sewer utilities and most telecommunications utilities². More specifically, small water and sewer utilities are not subject to Commission jurisdiction unless either the utility or its customers petition the Commission to exercise its regulatory jurisdiction over that utility.

The Commission is charged with the duty of ensuring that a public utility's authorized rates will allow it the opportunity to earn a fair return on invested capital and that the customer does not pay more than necessary to produce a fair return to the utility for its service. In addition the Commission has the responsibility to ensure that utility service is provided in a safe and adequate manner consistent with the Commission's rules and regulations.

The utilities under the Commission's jurisdiction are listed below:

Investor-Owned Electric Utilities	4
Electric Cooperatives.	18
Investor-Owned Gas Utilities	3
Natural Gas Operators	18
Master Meter Gas Operators	192
Water and Sewer Utilities	4
Incumbent Local Exchange Carriers.	30
Competitive Local Exchange Carriers	122
Interexchange Carriers and Private Pay Telephone Providers	<u>275</u>
TOTAL	666

These utilities generate annual revenues in Arkansas of approximately \$5.0 billion, of which \$3.8 billion are jurisdictional revenues.

The APSC consists of three Commissioners appointed by the Governor for overlapping six-year terms. The agency has 114 regular staff positions divided into two Divisions: the Utilities Division and the Tax Division.

The Commissioners have oversight responsibility for both Divisions. The Tax Division submits a separate budget request.

The Utilities Division, including the federally reimbursed Pipeline Safety Office, has 99 authorized regular positions. This total includes the Commissioners and their immediate staff, which encompasses their Administrative Law Judges and Legal Section, Research and Policy Development Section, the Office of the Secretary of the Commission, the Administrative Services Section, the Information Technology Section, and the Executive Director including the seven General Staff Sections.

¹ The General Assembly enacted The Electric Utility Regulatory Reform Act of 2003 (Act 204) which provided for the repeal of retail electric competition as originally authorized by Act 1556 of 1999 (Act 1556). In addition, Act 204 authorized the Commission to adopt rules for transactions among or between regulated electric public utilities and their unregulated divisions, components, and affiliates; to provide for recovery of transition costs incurred as part of preparation for retail open access; and to adopt rules for comprehensive electric utility resource planning. Act 204 also required the Commission to study the feasibility of a large user access program for electric service choice and report to the General Assembly by September 30, 2004.

² In response to the Federal Telecommunications Act of 1996 which opened telecommunications markets to competition, the General Assembly enacted Act 77 of 1977 which significantly altered the regulation of the telecommunications industry in the state. The rates of most of the Incumbent Local Exchange Carriers (ILECs) in the state are not subject to regulation, however, the Commission continues to regulate the quality of service of all ILECs and Competitive Local Exchange Carriers. Competitive Local Exchange Carriers and Interexchange Carriers must obtain a Certificate of Public Convenience and Necessity from the Commission to provide service in Arkansas and all telecommunications providers must comply with the Telecommunications Provider Rules adopted by the Commission in response to Act 77.

Tax Division of the Public Service Commission

The Tax Division of the Arkansas Public Service Commission is responsible for performing all functions and duties regarding the annual assessment, for property taxation purposes, of public utilities and carriers operating in Arkansas.

The Tax Division had its beginning in the creation by the General Assembly of the Board of Railroad Commissioners in 1883. Under the authority of Ark. Const. Art. 16, § 5, the General Assembly vested the Board with the power of original assessment of certain railroad property for the purpose of taxation. Through the years, the Tax Division's responsibilities have been broadened to include assessment of public utility property and the administration and enforcement of the tax laws related to public utilities and carriers has been placed under the direction and supervision of the Arkansas Public Service Commission.

For the purpose of assessment, the Tax Division determines the fair market value of the property of

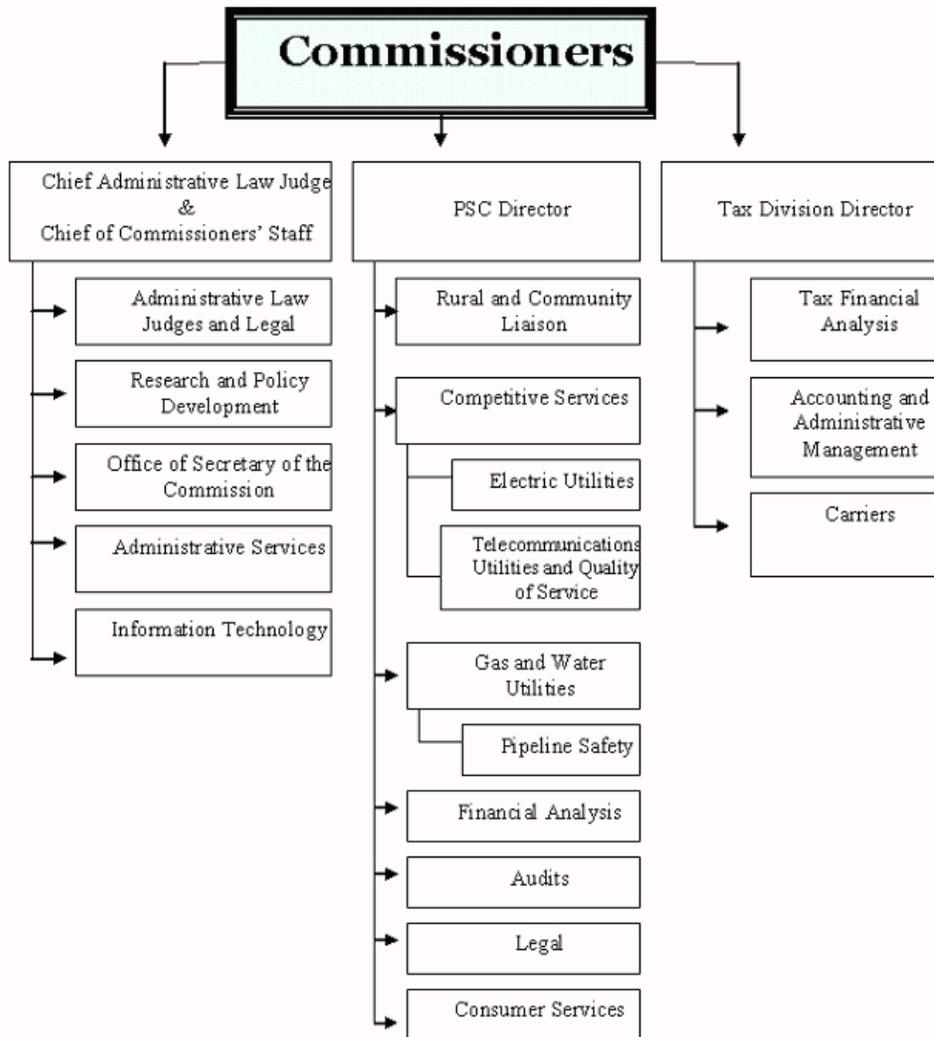
all public utilities and carriers doing business in Arkansas. The property tax revenue which results from the assessments made by the Division is a significant source of monetary support for the schools, cities, and counties of Arkansas.

Annually, the Tax Division determines the property tax assessments for public utilities and carriers in accordance with Title 26 of Arkansas Code Annotated (1997). Once determined, the assessments placed on the property of public utilities are approved by the Arkansas Public Service Commission. The assessments placed on the property of carriers are approved by the Arkansas State Highway Commission.

With certain exceptions, the Tax Division certifies the approved assessments upon utility and carrier property to the counties in which the property is located by the fifteenth of July each year. The various county assessors then place these assessment amounts on the property tax rolls. The exceptions are the assessments on the personal property of bus lines, motor carriers, airlines, barge lines, and private car companies, which are certified to the Department of Finance and Administration after the average state millage rate has been determined and applied to the assessments.

In 2003, the Tax Division assessed over 35,000 companies, with assessments rendered by the Tax Division totaling \$2,453,037,797. Revenue generated from these assessments provides approximately \$90,000,000 annually for the support of schools, cities, and counties. Annual tax revenue of approximately \$13,000,000 resulting from these assessments is used to partially fund the Tax Division, the Assessment Coordination Department, and the Division of Local Affairs and Audits of the Division of Legislative Audits.

The Tax Division is one of the two divisions of the Arkansas Public Service Commission, the other being the Utilities Division. The Tax Division has an authorized staff of 15 full-time positions and five extra-help position. The Division, for functional purposes, is organized into three smaller sections: the Utility and Carrier Valuation Section, which determines assessments for public utilities and carriers and determines financial inputs necessary for such assessments; the Motor Carrier Section, which determines assessments for all motor carrier companies and certain other types of carriers; and the Accounting Section, which distributes and prepares the certification of the assessments, assists the other sections in determining utility and carrier assessments, and assists in Division administration.



Agency Commentary

Utilities Division of the Public Service Commission

The Arkansas Public Service Commission (Commission or APSC) has general regulatory authority over electric, gas, telecommunications, water and sewer services which are provided to the public for compensation. The Commission is charged with the duty of ensuring that a public utility charges rates that will allow it the opportunity to earn a fair rate of return on invested capital and that the customer does not pay more than necessary to produce a fair return to the utility for its service.

Funding for the Arkansas Public Service Commission - Utilities Division comes from Special Revenues derived from assessments on jurisdictional utility companies' revenues.

Total Base Level for the Utilities Division is \$9,324,839 in FY06 and \$9,167,686 in FY07, with 90 positions authorized for each fiscal year. The Contingency appropriation has a Total Base Level of \$1,000,000 for each fiscal year. Utilization of the Contingency appropriation is only in the case of unforeseen events with the approval of the Governor and review by the Arkansas Legislative Council.

The Pipeline Safety Office (PSO) of the Arkansas Public Service Commission has primary safety jurisdiction and authority to ensure that natural gas operators are in compliance with the Arkansas Gas Pipeline Code. Compliance is determined through periodic inspections of safety, corrosion, and leakage control which are performed on 21 intra-state natural gas operators and 192 operators covering 353 master - metered gas systems. Funding for the Pipeline Safety Office comes from Special Revenues derived from assessments on jurisdictional natural gas operators. In addition, the Pipeline Safety Office receives a partial federal reimbursement. The Federal Department of Transportation - Office of Pipeline Safety provides reimbursement funding up to fifty percent of actual expenditures for salaries, equipment and related pipeline safety expenses.

The Pipeline Safety Office Total Base Level is \$756,341 in FY06 and \$773,500 in FY07, with nine positions authorized for each fiscal year.

Total Base Level for both the Utilities Division and Pipeline Safety Office includes a pay plan increase each year over FY05 budgeted levels with corresponding increases in personal services matching amounts.

Budget requests for the Utilities Division include Capital Outlay for the replacement of three state vehicles used in our quality of service program. Capital Outlay requests total \$44,000 in FY06 and \$21,000 in FY07 for the replacement of state vehicles. The agency also requests that special language provisions be continued.

Budget requests for the Pipeline Safety Office include specialized testing and field equipment, and replacement of state vehicles. This request includes the replacement of a four wheel drive vehicle each fiscal year. Change Level for equipment and state vehicle replacement for the Pipeline Safety Program totals \$35,880 for FY06 and \$32,250 FY07.

Tax Division of the Public Service Commission

The Tax Division of the Arkansas Public Service Commission is responsible for performing all functions and duties regarding the annual assessment, for property taxation purposes, of public utilities and carriers operating in Arkansas. The property tax revenue which results from the assessments made by the Tax Division is a significant source of monetary support for the schools, cities, and counties of Arkansas.

In 2003, the Tax Division assessed over 35,000 companies. Revenue generated from these assessments provides approximately \$90,000,000 annually for the support of schools, cities, and counties. In addition, a portion of ad valorem revenues is used to partially fund the Tax Division, the Assessment Coordination Department and the Division of Legislative Audit.

The Tax Division is funded from a combination of ad valorem tax revenues, and a transfer of special revenues from the Public Service Commission Fund as authorized by Act 352 of 1985.

Total Base Level for the Tax Division is \$1,447,543 in FY06 and \$1,465,751 in FY07, with 15 positions full-time and five Extra Help positions authorized. Base Level includes a pay plan increase over FY05 budgeted levels, with a corresponding increase in Personal Services Matching amounts.

The Tax Division is requesting Base Level for each fiscal year and continuation of special language governing its Contingency line item.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS PUBLIC SERVICE COMMISSION
FOR THE YEAR ENDED JUNE 30, 2003

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	41	49	90	86 %
Black Employees	3	12	15	14 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			15	14 %
Total Employees			105	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		
PSC Annual Report	A.C.A. 23-2-315 and A.C.A. 13-2-212	Y	N	31	Required by Statute. One copy provided to the Governor and 30 copies to the State Library.
Tax Division Biennial Report	A.C.A. 26-24-121 and A.C.A. 13-2-212	Y	N	31	Required by Statute. One copy provided to the Governor and 30 copies to the State Library.
Utility Rate Case Report	A.C.A. 23-4-420 and A.C.A. 13-2-212	Y	Y	167	Required by Statute. One copy provided to the Governor, 136 copies to the General Assembly, and 30 copies to the State Library.

Department Appropriation / Program Summary

Historical Data						Agency Request and Executive Recommendation									
Appropriation / Program	2003-2004		2004-2005		2004-2005		2005-2006				2006-2007				
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos	
255 Utilities Division-Operations	7,209,823	90	9,160,616	90	8,949,388	90	9,368,839	90	9,368,839	90	9,188,686	90	9,188,686	90	
256 Pipeline Safety Program	618,106	9	735,102	9	732,146	9	792,221	9	792,221	9	805,750	9	805,750	9	
257 Tax Division-Operations	774,354	14	1,424,045	15	1,420,458	15	1,447,543	15	1,447,543	15	1,465,751	15	1,465,751	15	
2KA Contingency	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	
Total	8,602,283	113	12,319,763	114	12,101,992	114	12,608,603	114	12,608,603	114	12,460,187	114	12,460,187	114	

Funding Sources			%		%		%		%		%		%	
Fund Balance	4000005	5,781,532	40.0	5,843,174	36.4		3,750,151	23.2	3,750,151	23.2	3,538,413	22.2	3,538,413	22.2
Federal Revenue	4000020	126,286	0.9	282,005	1.8		396,110	2.5	396,110	2.5	402,875	2.5	402,875	2.5
Special Revenue	4000030	7,791,358	53.9	9,190,135	57.2		11,250,755	69.7	11,250,755	69.7	11,226,831	70.5	11,226,831	70.5
Ad Valorem Tax	4000060	746,281	5.2	754,600	4.6		750,000	4.6	750,000	4.6	750,000	4.8	750,000	4.8
Total Funds		14,445,457	100.0	16,069,914	100.0		16,147,016	100.0	16,147,016	100.0	15,918,119	100.0	15,918,119	100.0
Excess Appropriation/(Funding)		(5,843,174)		(3,750,151)			(3,538,413)		(3,538,413)		(3,457,932)		(3,457,932)	
Grand Total		8,602,283		12,319,763			12,608,603		12,608,603		12,460,187		12,460,187	

The FY05 Budgeted amount in the Utilities Div-Oprs Prgm exceeds the authorized amount because Special Maintenance & Data Processing Services line items are authorized for first year only. Special language provides that the unexpended amounts remaining in the first year shall be carried forward & made available in the second year. The FY05 Budgeted amounts in the Pipeline Safety Prgm & the Tax Div-Oprs Prgm exceed the Authorized amounts due to matching rate adjustments during the 2003-05 Biennium

Analysis of Budget Request

Appropriation / Program: 255 - Utilities Division-Operations

Funding Sources: SJP - Public Service Commission Fund

The Public Service Commission - Utilities Division is funded entirely by Special Revenues derived from assessments paid by the utility companies under its jurisdiction, as authorized in A.C.A. § 19-6-406. Base Level for the Division totals \$9,324,839 for FY06 and \$9,167,686 for FY07, with 90 budgeted positions, and graduated salary increases of 3% to 1.5% each year over the FY05 salary levels, along with related Personal Services Matching costs. This includes a \$600 minimum increase for employees earning \$20,000 or below. Also included in Personal Services Matching is a \$40 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$320 per month. The second year Base Level is less than the first year because current special language for the Data Processing Services and Special Maintenance line items provide for the entire appropriation to be placed in the first year and its balance to be carried forward into the second year of the biennium.

Requested changes include Capital Outlay of \$44,000 in the first year and \$21,000 in the second year for replacement of vehicles. Also requested is continuation of special language that provides special pay rates for professional employees, contingency transfers, and carry forward of first year balances for the Data Processing Services and Special Maintenance line items.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 255 Utilities Division-Operations
Funding Sources: SJP - Public Service Commission Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	4,666,823	5,181,814	5,242,968	5,216,865	5,216,865	5,216,865	5,359,553	5,359,553	5,359,553
#Positions		90	90	90	90	90	90	90	90	90
Extra Help	5010001	0	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
#Extra Help		0	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	1,083,315	1,229,601	1,229,601	1,326,804	1,326,804	1,326,804	1,353,314	1,353,314	1,353,314
Overtime	5010006	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Operating Expenses	5020002	942,078	1,040,997	1,040,997	1,040,997	1,040,997	1,040,997	1,040,997	1,040,997	1,040,997
Travel-Conference Fees	5050009	33,407	68,922	68,922	68,922	68,922	68,922	68,922	68,922	68,922
Professional Fees and Services	5060010	5,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Capital Outlay	5120011	6,593	22,000	22,000	0	44,000	44,000	0	21,000	21,000
Special Maintenance	5120032	7,886	40,752	0	48,638	48,638	48,638	0	0	0
Fed Regulatory Services	5900040	282,779	290,575	290,575	290,575	290,575	290,575	290,575	290,575	290,575
Professional Services	5900043	135,859	998,000	998,000	998,000	998,000	998,000	998,000	998,000	998,000
Data Processing Services	5900044	46,083	231,630	0	277,713	277,713	277,713	0	0	0
Total		7,209,823	9,160,616	8,949,388	9,324,839	9,368,839	9,368,839	9,167,686	9,188,686	9,188,686
Funding Sources										
Fund Balance	4000005	2,715,220	2,958,063		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Special Revenue	4000030	7,452,666	7,802,553		9,324,839	9,368,839	9,368,839	9,167,686	9,188,686	9,188,686
Total Funding		10,167,886	10,760,616		10,924,839	10,968,839	10,968,839	10,767,686	10,788,686	10,788,686
Excess Appropriation/(Funding)		(2,958,063)	(1,600,000)		(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)
Grand Total		7,209,823	9,160,616		9,324,839	9,368,839	9,368,839	9,167,686	9,188,686	9,188,686

Special Maintenance and Data Processing Services commitment items are authorized with appropriations in the first year only. These amounts are \$48,638 and \$277,713, respectively. Special language provides that the unexpended amounts remaining in the first year shall be carried forward and made available in the second year. The Special Maintenance amount carried forward into FY05 is \$40,752. The Data Processing Services amount carried forward into FY05 is \$231,630.

Change Level by Appropriation

Appropriation / Program: 255-Utilities Division-Operations
Funding Sources: SJP - Public Service Commission Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,324,839	90	9,324,839	100.0	9,167,686	90	9,167,686	100.0
C01	Existing Program	44,000	0	9,368,839	100.4	21,000	0	9,188,686	100.2

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	9,324,839	90	9,324,839	100.0	9,167,686	90	9,167,686	100.0
C01	Existing Program	44,000	0	9,368,839	100.4	21,000	0	9,188,686	100.2

Justification

C01	Capital Outlay is requested for replacement of 2 vehicles in the first year and replacement of a single vehicle in the second year.
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Analysis of Budget Request

Appropriation / Program: 256 - Pipeline Safety Program

Funding Sources: SAD - Public Service Utility Safety Fund

The Public Service Commission's Pipeline Safety Program is funded by Special Revenue inspection fees charged annually to each company according to its pipeline mileage in Arkansas, as authorized in Arkansas Code § 23-15-214 et seq. The Program is also eligible for federal reimbursement for up to 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 provides a graduated salary increase of 3% to 1.5% each year over FY05 salary levels for 9 continuing positions plus associated increases in Personal Services Matching. This includes a \$600 minimum increase for employees earning \$20,000 or below. Also included in Personal Services Matching is a \$40 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$320 per month.

For this program, the Commission requests increases in Operating Expenses of \$11,880 in the first year and \$8,250 in the second year for replacement of special pipeline testing equipment as well as worn and obsolete field equipment. Capital Outlay of \$24,000 each year is requested for replacement of a four-wheel drive vehicle in each year.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 256 Pipeline Safety Program
Funding Sources: SAD - Public Service Utility Safety Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	412,079	500,651	502,651	514,769	514,769	514,769	529,211	529,211	529,211
#Positions	9	9	9	9	9	9	9	9	9
Personal Services Matching 5010003	101,835	124,215	119,259	131,336	131,336	131,336	134,053	134,053	134,053
Operating Expenses 5020002	72,205	81,387	66,387	81,387	93,267	93,267	81,387	89,637	89,637
Travel-Conference Fees 5050009	9,263	20,620	20,620	20,620	20,620	20,620	20,620	20,620	20,620
Professional Fees and Services 5060010	0	8,229	23,229	8,229	8,229	8,229	8,229	8,229	8,229
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	22,724	0	0	0	24,000	24,000	0	24,000	24,000
Total	618,106	735,102	732,146	756,341	792,221	792,221	773,500	805,750	805,750
Funding Sources									
Fund Balance 4000005	986,626	621,092		450,000	450,000	450,000	450,000	450,000	450,000
Federal Revenue 4000020	126,286	282,005		378,170	396,110	396,110	386,750	402,875	402,875
Special Revenue 4000030	126,286	282,005		378,171	396,111	396,111	386,750	402,875	402,875
Total Funding	1,239,198	1,185,102		1,206,341	1,242,221	1,242,221	1,223,500	1,255,750	1,255,750
Excess Appropriation/(Funding)	(621,092)	(450,000)		(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
Grand Total	618,106	735,102		756,341	792,221	792,221	773,500	805,750	805,750

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-05 biennium.

FY04 Actual Expenditures and FY05 Budgeted exceeds Authorized Appropriation in Operating Expenses by authority of Budget Classification Transfers.

Capital Outlay was authorized at \$24,000 in FY04 only. Of that amount, \$22,724 was expended.

FY04 and FY05 Special Revenue and Federal Revenue are lower, so that excess fund balances will be reduced.

Change Level by Appropriation

Appropriation / Program: 256-Pipeline Safety Program

Funding Sources: SAD - Public Service Utility Safety Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	756,341	9	756,341	100.0	773,500	9	773,500	100.0
C01	Existing Program	35,880	0	792,221	104.7	32,250	0	805,750	104.1

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	756,341	9	756,341	100.0	773,500	9	773,500	100.0
C01	Existing Program	35,880	0	792,221	104.7	32,250	0	805,750	104.1

Justification

C01	Additions in Operating Expenses of \$11,880 in FY06 and \$8,250 in FY07 are requested for replacement of specialized pipeline testing equipment and worn and obsolete field equipment. Capital Outlay of \$24,000 each year is also requested for replacement of one four wheel drive vehicle each year.
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Analysis of Budget Request

Appropriation / Program: 257 - Tax Division-Operations

Funding Sources: HTD - Tax Division Fund

The Public Service Commission - Tax Division's appropriation is funded by Special Revenues transferred from the Public Service Commission Fund, the Division's share of ad valorem taxes, as authorized in Arkansas Code § 19-5-1024, and General Revenues, if needed. Base Level is \$1,447,543 for FY06 and \$1,465,751 for FY07, with 15 positions authorized and budgeted. Provided in Base Level is a graduated salary increase of 3% to 1.5% each year over the FY05 salary levels plus associated increases in Personal Services Matching. This includes a \$600 minimum increase for employees earning \$20,000 and below. Also included in Personal Services Matching is a \$40 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$320 per month per budgeted employee. The Division is requesting continuation of Base Level only and continuation of special language that governs transfers from the Contingency line item.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 257 Tax Division-Operations
Funding Sources: HTD - Tax Division Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	475,041	515,834	518,234	529,427	529,427	529,427	544,751	544,751	544,751
#Positions	14	15	15	15	15	15	15	15	15
Extra Help 5010001	0	38,238	38,238	38,238	38,238	38,238	38,238	38,238	38,238
#Extra Help	0	5	5	5	5	5	5	5	5
Personal Services Matching 5010003	133,096	151,114	145,127	161,019	161,019	161,019	163,903	163,903	163,903
Overtime 5010006	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses 5020002	147,032	201,359	201,359	201,359	201,359	201,359	201,359	201,359	201,359
Travel-Conference Fees 5050009	10,173	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Professional Fees and Services 5060010	9,012	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Contingency 5130018	0	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total	774,354	1,424,045	1,420,458	1,447,543	1,447,543	1,447,543	1,465,751	1,465,751	1,465,751
Funding Sources									
Fund Balance 4000005	1,079,686	1,264,019		700,151	700,151	700,151	488,413	488,413	488,413
Special Revenue 4000030	212,406	105,577		485,805	485,805	485,805	635,270	635,270	635,270
Ad Valorem Tax 4000060	746,281	754,600		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	2,038,373	2,124,196		1,935,956	1,935,956	1,935,956	1,873,683	1,873,683	1,873,683
Excess Appropriation/(Funding)	(1,264,019)	(700,151)		(488,413)	(488,413)	(488,413)	(407,932)	(407,932)	(407,932)
Grand Total	774,354	1,424,045		1,447,543	1,447,543	1,447,543	1,465,751	1,465,751	1,465,751

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-05 biennium.

Special Revenue for this Program is provided by transfer from the Public Service Commission Fund. A.C.A. § 19-5-1024(d) states that the amount of this transfer is to equal 65% of the difference between the total appropriation for the Tax Division and the remaining balance in the Tax Division Fund on the immediately preceding June 30.

Analysis of Budget Request

Appropriation / Program: 2KA - Contingency

Funding Sources: SJP - Public Service Commission Fund

The Public Service Commission - Utilities Division's Contingency appropriation provides additional spending authority that may be transferred to the Division's operating line items in emergency situations that would require additional resources. Funding for this appropriation is from Special Revenue balances held in the Public Service Commission Fund to support any transfers that may be made. The Agency requests that this appropriation be continued at its current authorized level of \$1,000,000 each year and that special language governing transfers during emergencies and unforeseen circumstances also be continued for the 2005-2007 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 2KA Contingency
Funding Sources: SJP - Public Service Commission Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Contingency 5130018	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources									
Fund Balance 4000005	1,000,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Special Revenue 4000030	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	1,000,000	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Excess Appropriation/(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)
Grand Total	0	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000