

# DFA - RACING DIVISION

## Enabling Laws

Act 943 of 2003

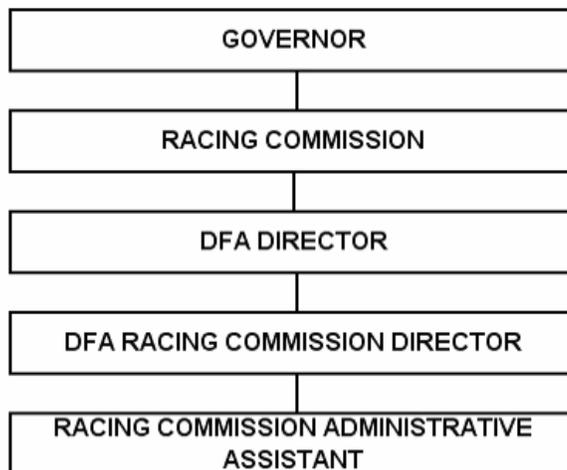
AR Code §23-110-101 - §23-110-415

AR Code §23-111-101 - §23-111-516

## History and Organization

The mission of the Racing Commission is to regulate thoroughbred and greyhound racing in the State of Arkansas as provided in the enabling legislation; whereby, the best interests of the State and its citizens are preserved and protected.

Amendment 46 to the Arkansas Constitution authorizes horse and pari-mutual betting in Hot Springs. Act 46 of 1935 established the Arkansas Racing Commission. The Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has the sole jurisdiction over thoroughbred horse and greyhound dog racing. Acts 339 of 1935 and 191 of 1957 stipulate the rules and regulations concerning greyhound racing. The Commission is authorized to grant franchises; approve racing dates; issue permits and licenses; hold hearings and take other action as necessary to supervise, regulate and effectively control the sport of racing in the State of Arkansas.



## Agency Commentary

The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission has sole jurisdiction over thoroughbred horse and greyhound dog racing. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of racing in the State of Arkansas.

The Agency is requesting an increase of \$28,282 each year of the biennium in Extra Help Salaries and related Personal Services Matching to allow for a cola increase for employees at the horse and dog track. Special language is requested to increase the veterinarian salary at the dog track and if approved, Overtime Salaries will no longer be necessary to supplement the veterinarian salary therefore a reduction of \$10,000 in Overtime Salaries and related Personal Services Matching is requested.

## **Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
RACING COMMISSION  
FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
None	None

## **Employment Summary**

	Male	Female	Total	%
White Employees	1	1	2	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			2	100 %

## **Publications**

**A.C.A 25-1-204**

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
AR Racing Commission Medication Rules and Regulations	24-15-04	N	N	300	As rules and regulations change there are requirements to print and send approximately 40 to the State Library, Secretary of State and Legislative Research. Remainder are for dissemination to the public. Printed every 3 to 4 years.

Greyhound Rules and Regulations	24-15-04	N	N	500	As rules and regulations change there are requirements to print and send approximately 40 to the State Library, Secretary of State and Legislative Research. Remainder are for dissemination to the public.
Thoroughbred Rules and Regulations	24-15-04	N	N	500	As rules and regulations change there are requirements to print and send approximately 40 to the State Library, Secretary of State and Legislative Research. Remainder are for dissemination to the public.

## Analysis of Budget Request

**Appropriation / Program:** 146 - Division of Racing - Operations

**Funding Sources:** HUA - Miscellaneous Agencies Fund

This General Revenue funded appropriation provides for the operations of the Arkansas Racing Commission. The Arkansas Racing Commission is composed of five members, one from each congressional district and one at large, appointed by the Governor for terms of five years. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of pari-mutuel horse and dog racing in the State of Arkansas.

The FY05 budgeted amount of \$1,022,614 consists of Regular Salaries and Personal Services Matching for two regular positions (DFA Racing Commission Manager - grade 24 and Management Project Analyst II - grade 20), 48 Extra Help positions, Overtime, Operating Expenses, Conference Fees and Travel, Capital Outlay and Professional Fees and Services.

Base Level request of \$1,044,637 for FY06 and \$1,048,698 for FY07 includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for two (2) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting an increase of \$33,599 each year of the biennium in Extra Help salaries and related Personal Services Matching. This increase will allow for graduated salary increases for employees at the horse and dog track. If the Special Language request to increase the veterinarian salary at the dog track is approved, overtime salaries will no longer be necessary to supplement the veterinarian salary therefore a reduction of \$11,880 is requested in Overtime Salaries and related Personal Services Matching. The net requested increase for the Agency is \$21,719 each year of the biennium.

<b>Change Level 1</b>	<b>2006</b>	<b>2007</b>
Additional Extra Help Salaries	\$ 28,282	\$ 28,282
Additional Matching	<u>5,317</u>	<u>5,317</u>
	\$ 33,599	\$ 33,599
<b>Change Level 3</b>		
Decrease in Overtime Salaries	\$ (10,000)	\$ (10,000)
Decrease in Matching	<u>(1,880)</u>	<u>(1,880)</u>
	\$ (11,880)	\$ (11,880)
<b>Total of all Change Levels</b>	<b>\$ 21,719</b>	<b>\$ 21,719</b>

The Executive Recommendation provides for the Agency Request for appropriation and additional General Revenue funding.

## Appropriation / Program Summary

**Appropriation / Program:** 146 Division of Racing - Operations  
**Funding Sources:** HUA - Miscellaneous Agencies 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
Regular Salaries 5010000	76,490	77,537	77,032	85,601	85,601	85,601	88,091	88,091	88,091
<b>#Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Extra Help 5010001	425,965	471,718	491,600	471,718	500,000	500,000	471,718	500,000	500,000
<b>#Extra Help</b>	<b>30</b>	<b>48</b>							
Personal Services Matching 5010003	119,902	129,635	125,497	143,594	147,031	147,031	145,165	148,602	148,602
Overtime 5010006	57,697	67,000	67,000	67,000	57,000	57,000	67,000	57,000	57,000
Operating Expenses 5020002	76,559	91,813	104,813	91,813	91,813	91,813	91,813	91,813	91,813
Travel-Conference Fees 5050009	1,440	5,950	5,950	5,950	5,950	5,950	5,950	5,950	5,950
Professional Fees and Services 5060010	147,211	178,961	178,961	178,961	178,961	178,961	178,961	178,961	178,961
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	18,000	0	0	0	0	0	0
<b>Total</b>	<b>905,264</b>	<b>1,022,614</b>	<b>1,068,853</b>	<b>1,044,637</b>	<b>1,066,356</b>	<b>1,066,356</b>	<b>1,048,698</b>	<b>1,070,417</b>	<b>1,070,417</b>
<b>Funding Sources</b>									
General Revenue 4000010	905,204	1,017,971		1,044,637	1,066,356	1,066,356	1,048,698	1,070,417	1,070,417
Merit Adjustment Fund 4000055	0	4,643		0	0	0	0	0	0
M & R Sales 4000340	60	0		0	0	0	0	0	0
<b>Total Funding</b>	<b>905,264</b>	<b>1,022,614</b>		<b>1,044,637</b>	<b>1,066,356</b>	<b>1,066,356</b>	<b>1,048,698</b>	<b>1,070,417</b>	<b>1,070,417</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>905,264</b>	<b>1,022,614</b>		<b>1,044,637</b>	<b>1,066,356</b>	<b>1,066,356</b>	<b>1,048,698</b>	<b>1,070,417</b>	<b>1,070,417</b>

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

## Change Level by Appropriation

**Appropriation / Program:** 146-Division of Racing - Operations

**Funding Sources:** HUA - Miscellaneous Agencies Fund

### Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,044,637</b>	<b>2</b>	<b>1,044,637</b>	<b>100.0</b>	<b>1,048,698</b>	<b>2</b>	<b>1,048,698</b>	<b>100.0</b>
C01	Existing Program	33,599	0	1,078,236	103.2	33,599	0	1,082,297	103.2
C03	Discontinue Program	(11,880)	0	1,066,356	102.0	(11,880)	0	1,070,417	102.0

### Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,044,637</b>	<b>2</b>	<b>1,044,637</b>	<b>100.0</b>	<b>1,048,698</b>	<b>2</b>	<b>1,048,698</b>	<b>100.0</b>
C01	Existing Program	33,599	0	1,078,236	103.2	33,599	0	1,082,297	103.2
C03	Discontinue Program	(11,880)	0	1,066,356	102.0	(11,880)	0	1,070,417	102.0

### Justification

C01	Additional appropriation in extra help salaries commitment item (01) would allow for a cola increase for each year of the biennium for employees at the horse and dog track.
C03	If the special language request to increase the veterinarian salary at the dog track is approved, overtime salaries will no longer be necessary to supplement the veterinarian salary. A reduction is requested in the overtime salaries commitment item (06).