

## Department Appropriation Summary

### Historical Data

### Agency Request and Executive/Legislative Recommendation

Appropriation	2009-2010		2010-2011		2010-2011		2011-2012						2012-2013					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
234 Rural Services-State Operations	876,107	5	896,482	5	1,371,268	5	1,378,177	5	1,387,145	5	1,387,145	5	1,378,177	5	1,394,690	5	1,394,690	5
58S Animal Rescue	0	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
58T Administrative Fee	6,962	0	37,500	0	50,000	0	37,500	0	37,500	0	37,500	0	37,500	0	37,500	0	37,500	0
58Z Wildlife Rec Facilities	0	0	1,050,000	1	1,050,880	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1	1,050,048	1
B15 Rural Services - Conference	47,267	0	50,000	0	50,000	0	65,000	0	65,000	0	65,000	0	65,000	0	65,000	0	65,000	0
<b>Total</b>	<b>930,336</b>	<b>5</b>	<b>2,133,982</b>	<b>6</b>	<b>2,622,148</b>	<b>6</b>	<b>2,630,725</b>	<b>6</b>	<b>2,639,693</b>	<b>6</b>	<b>2,639,693</b>	<b>6</b>	<b>2,630,725</b>	<b>6</b>	<b>2,647,238</b>	<b>6</b>	<b>2,647,238</b>	<b>6</b>

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	40,049	4.0	82,719	3.8			57,210	2.2	57,210	2.6	57,210	2.6	51,672	2.0	51,672	2.4
General Revenue	4000010	876,107	86.5	896,482	40.9			1,378,177	52.0	911,145	41.7	911,145	41.7	1,378,177	52.1	918,690	42.0
Special Revenue	4000030	0	0.0	1,050,000	47.9			1,050,048	39.6	1,050,048	48.1	1,050,048	48.1	1,050,048	39.7	1,050,048	48.0
Cash Fund	4000045	58,890	5.8	50,000	2.3			65,000	2.5	65,000	3.0	65,000	3.0	65,000	2.5	65,000	3.0
Trust Fund	4000050	509	0.1	99,491	4.5			100,000	3.8	100,000	4.6	100,000	4.6	100,000	3.8	100,000	4.6
Transfer from General Imprv	4000540	37,500	3.7	12,500	0.6			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Funds</b>		<b>1,013,055</b>	<b>100.0</b>	<b>2,191,192</b>	<b>100.0</b>			<b>2,650,435</b>	<b>100.0</b>	<b>2,183,403</b>	<b>100.0</b>	<b>2,183,403</b>	<b>100.0</b>	<b>2,644,897</b>	<b>100.0</b>	<b>2,185,410</b>	<b>100.0</b>
Excess Appropriation/(Funding)		(82,719)		(57,210)				(19,710)		456,290		456,290		(14,172)		461,828	
<b>Grand Total</b>		<b>930,336</b>		<b>2,133,982</b>				<b>2,630,725</b>		<b>2,639,693</b>		<b>2,639,693</b>		<b>2,630,725</b>		<b>2,647,238</b>	

Variance in fund balances due to unfunded appropriation in 234-State Operations and 58T-Administrative Fee.

## **Analysis of Budget Request**

**Appropriation:** 234 - Rural Services-State Operations

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

The Arkansas Department of Rural Services serves as a single point of contact for all organizations and individuals with a desire to enhance the quality of life for rural citizens. Working under the guidance of the Arkansas Rural Development Commission (ARDC), the Agency assists citizens of rural Arkansas by providing rural grant programs, information sharing and educational opportunities through regional forums and the annual Arkansas Rural Development Conference. This General Revenue funded appropriation provides for the operations of the agency.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of the unclassified position reflects the FY11 line item maximum. Base Level includes appropriation and general revenue funding of \$902,177 in each year of the biennium with 5 regular positions.

The Agency requests additional appropriation and general revenue funding of \$476,000 each year of the biennium for the following:

Rural Community Development Grants: Increase of \$200,000 each year to provide for an increase in the number of Community Development grant requests received from rural communities and to cover increased costs for construction and renovation. This line item provides matching grants to rural communities to use for renovations, new construction or additions to publicly owned buildings, parks and recreational facilities.

Rural Fire Protection Grants: Increase of \$200,000 each year to provide for an increase in the number of Fire Protection grant requests received from rural communities and to cover increased costs for construction, renovation and equipment. This line item provides matching grants to rural communities for renovations, new construction or additions to fire facilities, for purchasing fire protection equipment and vehicles and for rehabilitating/retrofitting newly acquired equipment and vehicles.

County Fair Improvement Grants: Increase of \$76,000 each year of the biennium to meet rising labor and material costs. This line item provides incentive matching grants to assist rural county fairs with the construction and improvement of buildings or for the purchase of items shown to directly improve the building or the services that the county fair association may provide.

The Executive Recommendation provides for unfunded appropriation of \$476,000 each year for the following:

- \$200,000 for Rural Community Development Grants
- \$200,000 for Rural Fire Protection Grants
- \$76,000 for County Fair Improvement Grants

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 234 - Rural Services-State Operations

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

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	232,251	230,854	230,766	235,477	242,940	242,940	235,477	249,319	249,319
<b>#Positions</b>		<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Personal Services Matching	5010003	71,375	69,824	68,698	70,896	72,401	72,401	70,896	73,567	73,567
Operating Expenses	5020002	56,892	67,704	67,704	67,704	67,704	67,704	67,704	67,704	67,704
Conference & Travel Expenses	5050009	1,786	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	183,325	200,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Rural Fire Protection Grants	5900046	300,000	300,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
County Fair Imprv Grants	5900048	30,478	24,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>Total</b>		<b>876,107</b>	<b>896,482</b>	<b>1,371,268</b>	<b>1,378,177</b>	<b>1,387,145</b>	<b>1,387,145</b>	<b>1,378,177</b>	<b>1,394,690</b>	<b>1,394,690</b>
<b>Funding Sources</b>										
General Revenue	4000010	876,107	896,482		1,378,177	911,145	911,145	1,378,177	918,690	918,690
Total Funding		876,107	896,482		1,378,177	911,145	911,145	1,378,177	918,690	918,690
Excess Appropriation/(Funding)		0	0		0	476,000	476,000	0	476,000	476,000
Grand Total		876,107	896,482		1,378,177	1,387,145	1,387,145	1,378,177	1,394,690	1,394,690

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments approved during the 2009-11 biennium.

## **Analysis of Budget Request**

**Appropriation:** 58S - Animal Rescue

**Funding Sources:** TRS - Animal Rescue and Shelter Trust Fund

Act 692 of the 87th Regular Session of 2009 amended ACA 27-24-1409 to authorize the Department of Finance and Administration to issue a new special license plate with a \$25 design fee that will be remitted monthly to the Treasurer of the State for deposit into the State Treasury as special revenues for the Animal Rescue and Shelter Trust Fund. The Act further amended ACA 19-5-1136 to create the Animal Rescue and Shelter Trust Fund to be distributed as follows:

- 35% to be distributed and used by the counties for construction, maintenance or operation of registered governmentally owned animal rescue shelters
- 35% to be distributed and used by municipalities for construction, maintenance or operation of registered governmentally owned animal rescue shelters
- 30% to be distributed to the Department of Rural Services to provide grants to a county or municipality based only on the infrastructure needs for any animal rescue or animal shelter (not limited to registered governmentally owned rescue shelters.)

The Agency Base Level request includes Grants and Aid appropriation of \$100,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 58S - Animal Rescue

**Funding Sources:** TRS - Animal Rescue and Shelter Trust Fund

Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid 5100004	0	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>Total</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>Funding Sources</b>									
Fund Balance 4000005	0	509		0	0	0	0	0	0
Trust Fund 4000050	509	99,491		100,000	100,000	100,000	100,000	100,000	100,000
<b>Total Funding</b>	<b>509</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
Excess Appropriation/(Funding)	(509)	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>0</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

## **Analysis of Budget Request**

**Appropriation:** 58T - Administrative Fee

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

The Administrative Fee Appropriation is used to provide maintenance and general operations support for the Agency's General Improvement Grant appropriations. This appropriation is funded by special language that authorizes the transfer of funds from the agency's various General Improvement sub funds to the Agency's Miscellaneous Agencies Fund.

During the 87th Regular Session of 2009, the Department of Rural Services received forty-five (45) General Improvement appropriations for Grants and Aid funded by \$5.7 million in Legislative Division General Improvement Funding. These appropriations supplemented the Department's three existing Grant Programs: Community Enhancement Grants, Fire Protection Grants and County Fair Improvement Grants.

The addition of the General Improvement Grant Appropriations increased the Agency's Funded Budget for Grants and Aid from approximately \$525,000 to over \$6.2 million. To accommodate the administrative requirements associated with this increased grant budget, Act 803 of the 87th Regular Session of 2009 established a new Administrative Fee appropriation, which authorizes Maintenance and General Operation appropriation to provide administrative support for the large number of General Improvement Grants administered by the Agency.

Special Language authorizes the Department to retain and utilize for administrative cost purposes up to 1% of the total amount of any General Improvement moneys received for projects authorized for disbursement through the department by the General Assembly. Special Language further authorizes the Chief Financial Officer of the State to transfer up to 1% of General Improvement Funds from the various General Improvement sub funds to the Miscellaneous Agencies Fund Account to be made available and utilized solely by the Department of Rural Services for maintenance and general operation costs. Finally, Special Language authorizes the carryforward of any unexpended balances of funds that were transferred from the various General Improvement sub funds to the Miscellaneous Agencies Fund to be used for the same purpose the following fiscal year.

The Agency Requests the continuation of Base Level in the amount of \$37,500 each year. Expenditure of appropriation is contingent upon the carryforward of available funding as authorized by Special Language.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 58T - Administrative Fee

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

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	6,962	37,500	50,000	37,500	37,500	37,500	37,500	37,500	37,500
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>6,962</b>	<b>37,500</b>	<b>50,000</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>
<b>Funding Sources</b>										
Fund Balance	4000005	0	30,538		5,538	5,538	5,538	0	0	0
Transfer from General Imprv	4000540	37,500	12,500		0	0	0	0	0	0
<b>Total Funding</b>		<b>37,500</b>	<b>43,038</b>		<b>5,538</b>	<b>5,538</b>	<b>5,538</b>	<b>0</b>	<b>0</b>	<b>0</b>
Excess Appropriation/(Funding)		(30,538)	(5,538)		31,962	31,962	31,962	37,500	37,500	37,500
<b>Grand Total</b>		<b>6,962</b>	<b>37,500</b>		<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>	<b>37,500</b>

## **Analysis of Budget Request**

**Appropriation:** 58Z - Wildlife Rec Facilities

**Funding Sources:** SWR - Wildlife Recreation Facilities Fund

Act 687 of the 87th Regular Session of 2009 amended the Arkansas Code (ACA 15-47-101 et seq.) to establish the Wildlife Recreation Facilities Pilot Program and the related Wildlife Recreation Facilities Fund (ACA 19-6-811). This pilot program was to be administered by the Department of Rural Services and the Arkansas Rural Development Commission in conjunction with the Arkansas Game and Fish Commission for the purpose of igniting interest in the wildlife resources of Arkansas and to promote economic development in the State.

ACA 15-47-104 states that initial funding for this appropriation was to consist of moneys that the Arkansas Game and Fish Commission has received from oil and gas leases in the Fayetteville Shale. The Department of Rural Services and the commission agree to execute a memorandum of understanding every two (2) years to evaluate the effectiveness and success of the program and to reexamine the need for moneys to be made available to the department to fund the development of wildlife recreation facilities. Future funding for the Wildlife Recreation Facilities Pilot Program shall be determined by and distributed from the availability of royalties from oil and gas leases in the Fayetteville Shale that the Arkansas State Game and Fish Commission receives or from other sources that are not from the Arkansas State Game and Fish Commission.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Agency Base Level request includes appropriation of \$1,050,048 in each year of the biennium with one (1) regular position.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 58Z - Wildlife Rec Facilities

**Funding Sources:** SWR - Wildlife Recreation Facilities Fund

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	0	32,249	32,990	32,249	32,249	32,249	32,249	32,249	32,249
<b>#Positions</b>		<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	0	11,137	11,276	11,185	11,185	11,185	11,185	11,185	11,185
Operating Expenses	5020002	0	6,614	6,614	6,614	6,614	6,614	6,614	6,614	6,614
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	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
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>0</b>	<b>1,050,000</b>	<b>1,050,880</b>	<b>1,050,048</b>	<b>1,050,048</b>	<b>1,050,048</b>	<b>1,050,048</b>	<b>1,050,048</b>	<b>1,050,048</b>
<b>Funding Sources</b>										
Special Revenue	4000030	0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048
Total Funding		0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		0	1,050,000		1,050,048	1,050,048	1,050,048	1,050,048	1,050,048	1,050,048

## **Analysis of Budget Request**

**Appropriation:** B15 - Rural Services - Conference

**Funding Sources:** 111 - Department of Rural Services - Cash

This appropriation provides for an annual conference and several one-day seminars for local governments. The annual conference attendance numbers range from 400-650 each year with topics of discussion including finance, community marketing strategies, infrastructure and crime. Income is derived from fees charged to participants and donations received through corporate sponsorship.

The Agency Base Level Request includes appropriation in the amount of \$50,000 each year of the biennium.

The Agency Change Level Request includes additional appropriation in the amount of \$15,000 each year of the biennium to cover increased costs associated with the annual conference.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** B15 - Rural Services - Conference

**Funding Sources:** 111 - Department of Rural Services - Cash

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Conference Expenses	5900046	47,267	50,000	50,000	65,000	65,000	65,000	65,000	65,000	65,000
<b>Total</b>		47,267	50,000	50,000	65,000	65,000	65,000	65,000	65,000	65,000
<b>Funding Sources</b>										
Fund Balance	4000005	40,049	51,672		51,672	51,672	51,672	51,672	51,672	51,672
Cash Fund	4000045	58,890	50,000		65,000	65,000	65,000	65,000	65,000	65,000
<b>Total Funding</b>		98,939	101,672		116,672	116,672	116,672	116,672	116,672	116,672
Excess Appropriation/(Funding)		(51,672)	(51,672)		(51,672)	(51,672)	(51,672)	(51,672)	(51,672)	(51,672)
<b>Grand Total</b>		47,267	50,000		65,000	65,000	65,000	65,000	65,000	65,000