

Analysis of Budget Request

Appropriation: A28 - Cash Operations

Funding Sources: 360 - Towing & Recovery - Cash

The Towing & Recovery Board was established under Arkansas Code Annotated §27-50-1203 to regulate Arkansas' towing industry. The Board is responsible for promulgating and administering rules and regulations for the industry, establishing licensing, insurance and safety equipment requirements for towing and related services and establishing tow truck safety requirements for vehicles utilized for commercial purposes. The Board issues towing business licenses and tow vehicle safety permits, assesses late filing fees, and investigates allegations of violations.

Funding is derived from fees levied on towing businesses.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level request for Regular Salaries includes board member stipend payments.

The Change Level Request of \$10,783 for FY12 and FY13 is for an Extra Help position and Personal Services Matching, to assist with the administrative processing of applications and assist with resolving the backlog of administrative complaints. In June 2005, the board had approximately 787 tow companies on record and as of May 2010 it increased to 1,052, an increase of approximately 33%.

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

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

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Commitment Item	2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries 5010000	84,250	86,599	84,795	85,999	89,695	89,695	85,999	91,660	91,660
#Positions	3	3	3	3	3	3	3	3	3
Extra Help 5010001	0	0	0	10,000	10,000	10,000	10,000	10,000	10,000
#Extra Help	0	0	0	1	1	1	1	1	1
Personal Services Matching 5010003	29,759	30,768	30,457	31,453	32,082	32,082	31,453	32,480	32,480
Operating Expenses 5020002	37,551	42,840	42,840	42,840	42,840	42,840	42,840	42,840	42,840
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	6,000	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	157,560	167,407	165,292	177,492	181,817	181,817	177,492	184,180	184,180
Funding Sources									
Fund Balance 4000005	90,548	153,269		144,976	144,976	144,976	132,815	128,490	128,490
Cash Fund 4000045	220,281	159,114		165,331	165,331	165,331	165,331	165,331	165,331
Total Funding	310,829	312,383		310,307	310,307	310,307	298,146	293,821	293,821
Excess Appropriation/(Funding)	(153,269)	(144,976)		(132,815)	(128,490)	(128,490)	(120,654)	(109,641)	(109,641)
Grand Total	157,560	167,407		177,492	181,817	181,817	177,492	184,180	184,180

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.