

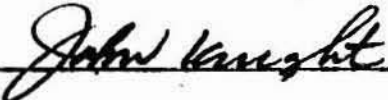
ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
AGENCY PROGRAM COMMENTARY
2003 - 2005

The Arkansas Department of Aeronautics was established to foster and maintain a safer environment for flight and to create and improve airports to better serve communities, industries, and the general public. To insure that the efficient provision of services may be continued for current programs and for airport aid projects, the Department requests additions in Operating Expenses each year for increases in rent, insurance, and the cost of providing safety wire markers for airports. A special increase in the first year of the Biennium in Operating Expenses is requested to update and replace the State Aeronautical Chart and to update and replace the State Airport Directory. The Chart is renewed every other year. The Directory should be replaced every five years.

Capital Outlay for replacement of the Department's special engineering and designing computer is requested in the second year of the Biennium.

Also requested is a substantial increase each year in the line item for disbursement of state airport aid grants.

In the Department's Federal Grant appropriation, the request is for continuation of the current level of authorization for dispensing anticipated federal airport aid block grant funds.

AGENCY ARKANSAS DEPARTMENT OF AERONAUTICS	DIRECTOR John K. Knight 	AGENCY PROGRAM COMMENTARY	PAGE 10
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DIVISION OF LEGISLATIVE AUDIT
AUDIT OF:
DEPARTMENT OF AERONAUTICS
FOR THE YEAR ENDED JUNE 30, 2001

None	Findings	None	Recommendations
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SA1040201

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
STATE AGENCY PUBLICATIONS

Fiscal Year 2002-2003

Required by: A.C.A. 25-1-204

AGENCY: AR DEPARTMENT OF AERONAUTICS (402)

NAME OF PUBLICATION	STATUTORY AUTHORIZATION	PUBLICATION REQUIRED FOR GOVERNOR AND/OR GENERAL ASSEMBLY ONLY	NUMBER OF COPIES PUBLISHED	REASON(S) FOR CONTINUED PUBLICATION AND DISTRIBUTION
State Aeronautical Chart		No	10,000	The Department publishes the chart once every two years as a service to the general flying public for safety and informational purposes. The chart is requested on a state and nation-wide basis.
State Airport Directory		No	15,000	Updated and published every five years. Provides information on individual Arkansas airports for the flying public. Demand for this item is high.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Department Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
Agency Code 402

Code	Appropriation Name	2001-02		2002-03		Agency Request			Executive Recommendation				
		Actual		Budget	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
665	State Operations	5,392,382		5,378,950	4	6,441,915	4	6,409,582	4	6,441,915	4	6,409,582	4
666	Federal Grant	24,386		12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0
Grand Total		5,416,768		17,378,950	4	18,441,915	4	18,409,582	4	18,441,915	4	18,409,582	4

Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Name	Code												
Fund Balance	4000005	8,420,212	56.5	9,494,192	34.5	10,115,242	36.0	9,673,327	35.0	10,115,242	36.0	9,673,327	35.0
Federal Revenue	4000020	24,386	0.1	12,000,000	43.7	12,000,000	42.7	12,000,000	43.3	12,000,000	42.7	12,000,000	43.3
Special Revenue	4000030	6,466,362	43.4	6,000,000	21.8	6,000,000	21.3	6,000,000	21.7	6,000,000	21.3	6,000,000	21.7
Total Funding		14,910,960	100.0	27,494,192	100.0	28,115,242	100.0	27,673,327	100.0	28,115,242	100.0	27,673,327	100.0
Excess Appro(Funding)		(9,494,192)		(10,115,242)		(9,673,327)		(9,263,745)		(9,673,327)		(9,263,745)	
Grand Total		5,416,768		17,378,950		18,441,915		18,409,582		18,441,915		18,409,582	

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
ANALYSIS OF BUDGET REQUEST
2003 - 2005

The Department of Aeronautics' State Operations appropriation is funded entirely by special revenues derived from a tax on the sale of aviation fuels and aviation related products sold for use in aircraft weighing less than 12,500 lbs., as authorized in Arkansas Code § 27-115-110. Base Level for this appropriation includes salary increases of 2.7% each year over the FY03 salary levels for the 4 positions authorized, along with related Personal Services Matching costs. Included in Personal Services Matching is a \$33 per month increase in the monthly contribution for State employee's health insurance for a total state contribution of \$280 per month per budgeted employee. Changes requested are as follows:

Increases of \$1,000,000 each year in the Grants to Cities and Counties line item for the purpose of distributing additional state airport aid grants.

Additions in Operating Expenses of \$7,100 for FY04 and \$9,300 for FY05 for increases in rent, insurance, and the cost of providing wire markers for airports.

A first year addition of \$7,500 in Operating Expenses for additional costs associated with the biennial publication and distribution of the State Aeronautical Chart. Also requested in the first year is \$40,000 for updating and publication of the State Airport Directory, to be renewed on a five-year basis.

Capital Outlay of \$6,000 in the second year for replacement of the Department's special computer that employs engineering and designing software.

The Executive Recommendation provides for the Agency Request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Department of Aeronautics Code: 402	Name: State Operations Code: 665	Name: Department of Aeronautics Fund Code: SDA		15

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
Agency Code 402
Appropriation Name State Operations
Appropriation Code 665
Fund Name Department of Aeronautics Fund
Fund Code SDA

Character Name	Expenditures					Agency Request										Recommendations					
	2001-02		2002-03		2002-03		2003-04				2004-05						Executive				
	Actual	Budget	Pos.	Authorized	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	2003-04	Pos.	2004-05	Pos.
Regular Salaries	217,823	213,442	4	213,443	4	219,205	4	0	0	219,205	4	225,123	4	0	0	225,123	4	219,205	4	225,123	4
Personal Serv Match	49,373	49,659	0	49,658	0	52,261	0	0	0	52,261	0	53,310	0	0	0	53,310	0	52,261	0	53,310	0
Operating Expenses	91,046	94,849	0	89,849	0	94,849	0	54,600	0	149,449	0	94,849	0	9,300	0	104,149	0	149,449	0	104,149	0
Travel-Conferences	2,378	9,000	0	9,000	0	9,000	0	0	0	9,000	0	9,000	0	0	0	9,000	0	9,000	0	9,000	0
Capital Outlay	23,312	0	0	5,000	0	0	0	0	0	0	0	0	0	6,000	0	6,000	0	0	0	6,000	0
Prof. Fees & Serv.	8,450	12,000	0	12,000	0	12,000	0	0	0	12,000	0	12,000	0	0	0	12,000	0	12,000	0	12,000	0
Grants/Aid	5,000,000	5,000,000	0	5,000,000	0	5,000,000	0	1,000,000	0	6,000,000	0	5,000,000	0	1,000,000	0	6,000,000	0	5,000,000	0	6,000,000	0
Grand Total	5,392,382	5,378,950	4	5,378,950	4	5,387,315	4	1,054,600	0	6,441,915	4	5,394,282	4	1,015,300	0	6,409,582	4	6,441,915	4	6,409,582	4

Funding Sources Name	2001-02	2002-03	2002-03	2003-04	2003-04	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	2004-05	
	Actual	Budget	Pos.	Authorized	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	2003-04	Pos.	2004-05	Pos.
Fund Balance	8,420,212	9,494,192	*****	*****	*****	10,115,242	*****	0	*****	10,115,242	*****	9,673,327	*****	0	*****	9,673,327	*****	10,115,242	*****	9,673,327	*****
Special Revenue	6,466,362	6,000,000	*****	*****	*****	4,945,400	*****	1,054,600	*****	6,000,000	*****	4,984,700	*****	1,015,300	*****	6,000,000	*****	6,000,000	*****	6,000,000	*****
Total Funding	14,886,574	15,494,192	*****	*****	*****	15,060,642	*****	1,054,600	*****	16,115,242	*****	14,658,027	*****	1,015,300	*****	15,673,327	*****	16,115,242	*****	15,673,327	*****
Excess Appro(Funding)	(9,494,192)	(10,115,242)	*****	*****	*****	(9,673,327)	*****	0	*****	(9,673,327)	*****	(9,263,745)	*****	0	*****	(9,263,745)	*****	(9,673,327)	*****	(9,263,745)	*****
Grand Total	5,392,382	5,378,950	*****	*****	*****	5,387,315	*****	1,054,600	*****	6,441,915	*****	5,394,282	*****	1,015,300	*****	6,409,582	*****	6,441,915	*****	6,409,582	*****

The Budgeted amount for Operating Expenses is greater than the Authorized appropriation amount due to a reclassification transfer processed in FY03.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name State Operations
 Appropriation Code 665
 Fund Name Department of Aeronautics Fund
 Fund Code SDA

Character		Expenditures				
		2001-02	2002-03		2002-03	
Name	Code	Actual	Budget	Pos.	Authorized	Pos.
Regular Salaries	5010000	217,823	213,443	4	213,443	4
Personal Serv Match	5010003	49,373	49,658	0	49,658	0
Operating Expenses	5020002	91,046	94,849	0	89,849	0
Travel-Conferences	5050009	2,378	9,000	0	9,000	0
Capital Outlay	5120011	23,312	0	0	5,000	0
Prof. Fees & Serv.	5060010	8,450	12,000	0	12,000	0
Grants/Aid	5100004	5,000,000	5,000,000	0	5,000,000	0
Grand Total		5,392,382	5,378,950	4	5,378,950	4

Funding Sources						
Name	Code					
Fund Balance	4000005	8,420,212	9,494,192	*****	*****	*****
Special Revenue	4000030	6,466,362	6,000,000	*****	*****	*****
Total Funding		14,886,574	15,494,192	*****	*****	*****
Excess Appro/(Funding)		(9,494,192)	(10,115,242)	*****	*****	*****
Grand Total		5,392,382	5,378,950	*****	*****	*****

The Budgeted amount for Operating Expenses is greater than the Authorized appropriation amount due to a reclassification transfer processed in FY03.

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name State Operations
 Appropriation Code 665
 Fund Name Department of Aeronautics Fund
 Fund Code SDA

Character		Agency Request											
		2003-04						2004-05					
		Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.
Regular Salaries	5010000	219,205	4	0	0	219,205	4	225,123	4	0	0	225,123	4
Personal Serv Match	5010003	52,261	0	0	0	52,261	0	53,310	0	0	0	53,310	0
Operating Expenses	5020002	94,849	0	54,600	0	149,449	0	94,849	0	9,300	0	104,149	0
Travel-Conferences	5050009	9,000	0	0	0	9,000	0	9,000	0	0	0	9,000	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	6,000	0	6,000	0
Prof. Fees & Serv.	5060010	12,000	0	0	0	12,000	0	12,000	0	0	0	12,000	0
Grants/Aid	5100004	5,000,000	0	1,000,000	0	6,000,000	0	5,000,000	0	1,000,000	0	6,000,000	0
Grand Total		5,387,315	4	1,054,600	0	6,441,915	4	5,394,282	4	1,015,300	0	6,409,582	4

Funding Sources													
Name	Code												
Fund Balance	4000005	10,115,242	*****	0	*****	10,115,242	*****	9,673,327	*****	0	*****	9,673,327	*****
Special Revenue	4000030	4,945,400	*****	1,054,600	*****	6,000,000	*****	4,984,700	*****	1,015,300	*****	6,000,000	*****
Total Funding		15,060,642	*****	1,054,600	*****	16,115,242	*****	14,658,027	*****	1,015,300	*****	15,673,327	*****
Excess Appro/(Funding)		(9,673,327)	*****	0	*****	(9,673,327)	*****	(9,263,745)	*****	0	*****	(9,263,745)	*****
Grand Total		5,387,315	*****	1,054,600	*****	6,441,915	*****	5,394,282	*****	1,015,300	*****	6,409,582	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name State Operations
 Appropriation Code 665
 Fund Name Department of Aeronautics Fund
 Fund Code SDA

Character		Recommendations							
		Executive				Legislative			
Name	Code	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
Regular Salaries	5010000	219,205	4	225,123	4	0	0	0	0
Personal Serv Match	5010003	52,261	0	53,310	0	0	0	0	0
Operating Expenses	5020002	149,449	0	104,149	0	0	0	0	0
Travel-Conferences	5050009	9,000	0	9,000	0	0	0	0	0
Capital Outlay	5120011	0	0	6,000	0	0	0	0	0
Prof. Fees & Serv.	5060010	12,000	0	12,000	0	0	0	0	0
Grants/Aid	5100004	6,000,000	0	6,000,000	0	0	0	0	0
Grand Total		6,441,915	4	6,409,582	4	0	0	0	0

Funding Sources									
Name	Code								
Fund Balance	4000005	10,115,242	*****	9,673,327	*****	0	*****	0	*****
Special Revenue	4000030	6,000,000	*****	6,000,000	*****	0	*****	0	*****
Total Funding		16,115,242	*****	15,673,327	*****	0	*****	0	*****
Excess Appro/(Funding)		(9,673,327)	*****	(9,263,745)	*****	0	*****	0	*****
Grand Total		6,441,915	*****	6,409,582	*****	0	*****	0	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Rank by Appropriation

Agency Name AR DEPARTMENT OF AERONAUTICS
Agency Code 402
Appropriation Name State Operations
Appropriation Code 555
Fund Name Department of Aeronautics Fund
Fund Code SDA

Rank	Justification	Designation		Cost Center	2001-02	2002-03		Agency Request				Executive Recommendation				Legislative Recommendation			
		BL	Base Level		Actual	Budget	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.	2003-04	Pos.	2004-05	Pos.
1	Request is for an addition each year in the Grants to Cities & Counties line item with which to dispense additional State airport aid grants.	C01		316201 Operations	0	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	0	0	0	0
		C01		Total	0	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	0	0	0	0
1	Request is for increases in Operating Expenses for additional rent, insurance expenses, and costs of providing wire markers for airports. Also requested in the first year is \$7,500 for increases in the cost of printing and distributing the State Aeronautical Chart, a biennial publication.	C02		316201 Operations	0	0	0	14,600	0	9,300	0	14,600	0	9,300	0	0	0	0	0
		C02		Total	0	0	0	14,600	0	9,300	0	14,600	0	9,300	0	0	0	0	0
1	Request is for an addition of \$40,000 in the first year of the Biennium to update the State Airport Directory. The Directory should be renewed at least every five years. The current edition is almost nine years old.	C03		316201 Operations	0	0	0	40,000	0	0	0	40,000	0	0	0	0	0	0	0
		C03		Total	0	0	0	40,000	0	0	0	40,000	0	0	0	0	0	0	0
1	Capital Outlay is requested in FY05 to replace the Department's special computer that runs engineering and design software to maintain compatibility with FAA guidelines.	C04		316201 Operations	0	0	0	0	0	6,000	0	0	0	6,000	0	0	0	0	0
		C04		Total	0	0	0	0	0	6,000	0	0	0	6,000	0	0	0	0	0
		Grand Total		Total	5,392,382	5,378,950	4	6,441,015	4	6,409,582	4	6,441,915	4	6,409,582	4	0	0	0	0

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
ANALYSIS OF BUDGET REQUEST
2003 - 2005

This appropriation is funded entirely by federal funds. Base level is \$12,000,000 each year. The Agency requests continuation of this appropriation at the level currently authorized to provide for disbursement of anticipated federal airport aid block grant funds. These grants will be used to make improvements to airport infrastructures and upgrade safety features and equipment. FY02 expenditures reflect costs of preliminary planning and assessment projects conducted to prioritize the order of disbursements to airports when and if funds are received.

The Executive Recommendation provides for the Agency Request.

AGENCY	APPROPRIATION	TREASURY FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Department of Aeronautics Code: 402	Name: Aeronautics - Federal Grants Code: 666	Name: Aeronautics - Federal Code: FAA		20

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name Federal Grant
 Appropriation Code 666
 Fund Name Aeronautics - Federal
 Fund Code FAA

Character Name	Expenditures					Agency Request										Recommendations					
	2001-02		2002-03		2002-03		2003-04					2004-05					Executive				
	Actual	Budget	Pos.	Authorized	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.	2003-04	Pos.	2004-05	Pos.
Grants to Cities & Counties	24,386	12,000,000	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0	12,000,000	0	12,000,000	0
Grand Total	24,386	12,000,000	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0	12,000,000	0	12,000,000	0

Funding Sources Name	2001-02 Actual	2002-03 Budget	2002-03 Pos.	2002-03 Authorized	2002-03 Pos.	2003-04 Base Level	2003-04 Pos.	2003-04 Change Level	2003-04 Pos.	2003-04 Total	2003-04 Pos.	2004-05 Base Level	2004-05 Pos.	2004-05 Change Level	2004-05 Pos.	2004-05 Total	2004-05 Pos.	2003-04	2004-05		
Federal Revenue	24,386	12,000,000	*****	*****	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	12,000,000	*****
Total Funding	24,386	12,000,000	*****	*****	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	12,000,000	*****
Excess Appro(Funding)	0	0	*****	*****	*****	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Grand Total	24,386	12,000,000	*****	*****	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	12,000,000	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name Federal Grant
 Appropriation Code 666
 Fund Name Aeronautics - Federal
 Fund Code FAA

Character Name Code		Expenditures				
		2001-02 Actual	2002-03 Budget	2002-03 Pos.	2002-03 Authorized	2002-03 Pos.
Grants to Cities & Counties	5100004	24,386	12,000,000	0	12,000,000	0
Grand Total		24,386	12,000,000	0	12,000,000	0

Funding Sources Name Code						
Federal Revenue	4000020	24,386	12,000,000	*****	*****	*****
Total Funding		24,386	12,000,000	*****	*****	*****
Excess Appro/(Funding)		0	0	*****	*****	*****
Grand Total		24,386	12,000,000	*****	*****	*****

ARKANSAS PERFORMANCE BUDGETING & ACCOUNTABILITY SYSTEM
Biennial Appropriation Summary

Agency Name AR DEPARTMENT OF AERONAUTICS
 Agency Code 402
 Appropriation Name Federal Grant
 Appropriation Code 666
 Fund Name Aeronautics - Federal
 Fund Code FAA

Character Name Code		Agency Request											
		2003-04						2004-05					
		Base Level	Pos.	Change Level	Pos.	Total	Pos.	Base Level	Pos.	Change Level	Pos.	Total	Pos.
Grants to Cities & Counties	5100004	12,000,000	0	0	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0
Grand Total		12,000,000	0	0	0	12,000,000	0	12,000,000	0	0	0	12,000,000	0

Funding Sources													
Name	Code												
Federal Revenue	4000020	12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****
Total Funding		12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****
Excess Appr/(Funding)		0	*****	0	*****	0	*****	0	*****	0	*****	0	*****
Grand Total		12,000,000	*****	0	*****	12,000,000	*****	12,000,000	*****	0	*****	12,000,000	*****

