

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
853 Real Estate – Operations	1,136,554	15	1,211,023	15	1,181,383	15	1,291,979	15	1,315,802	15	1,315,802	15	1,306,979	15	1,344,608	15	1,344,608	15
952 Real Estate Recovery	47,738	0	352,500	0	352,500	0	352,500	0	352,500	0	352,500	0	352,500	0	352,500	0	352,500	0
Total	1,184,292	15	1,563,523	15	1,533,883	15	1,644,479	15	1,668,302	15	1,668,302	15	1,659,479	15	1,697,108	15	1,697,108	15

Funding Sources		%		%		%		%		%		%		%		%
Fund Balance 4000005	2,899,974	72.4	2,823,498	71.2			2,399,975	67.8	2,399,975	67.8	2,399,975	67.8	1,895,496	62.4	1,871,673	62.1
Cash Fund 4000045	1,107,816	27.6	1,140,000	28.8			1,140,000	32.2	1,140,000	32.2	1,140,000	32.2	1,140,000	37.6	1,140,000	37.9
Total Funds	4,007,790	100.0	3,963,498	100.0			3,539,975	100.0	3,539,975	100.0	3,539,975	100.0	3,035,496	100.0	3,011,673	100.0
Excess Appropriation/(Funding)	(2,823,498)		(2,399,975)				(1,895,496)		(1,871,673)		(1,871,673)		(1,376,017)		(1,314,565)	
Grand Total	1,184,292		1,563,523				1,644,479		1,668,302		1,668,302		1,659,479		1,697,108	

The FY11 Budget amount in the Real Estate Operations Program exceeds Authorized due to salary and matching adjustments during the 2009-2011 Biennium.

Analysis of Budget Request

Appropriation: 853 - Real Estate – Operations

Funding Sources: NRE - Cash in Treasury

The Arkansas Real Estate Commission is funded from the receipt of fees it charges for originating and renewing the licenses of real estate brokers and salespersons. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salaries of unclassified positions reflect the FY11 line item maximum. The Base Level request for Regular Salaries also includes board member stipend payments.

Base Level for the Cash Operations Program is \$1,206,979 each year, with 15 positions budgeted. Requested changes for this program are as follows:

- A \$15,000 increase each year in Operating Expenses for additional line charges payable to the Department of Information Systems for wired communications support, \$25,000 each year for additional expenses for on-line renewals processed by the Information Network of Arkansas, and \$45,000 each year for the updating and maintenance of GL Suites, the Agency's licensing database.
- For the second year only, \$15,000 is requested for replacement of computers that will lack the capacity to process transactions in the enhanced GL Suites program and will no longer have Microsoft support for XP operating software.
- Also requested is a title change for the AREC Licensing Supervisor position to AREC Chief Investigator.

The Executive Recommendation provides for the Agency Request, with title of the AREC Licensing Supervisor position changed to AREC Supervisor. Expenditure of appropriation is contingent upon available funding.

The Legislative Recommendation concurs with the Executive Recommendation.

Appropriation Summary

Appropriation: 853 - Real Estate – Operations

Funding Sources: NRE - Cash in Treasury

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	600,150	642,216	616,184	634,415	654,923	654,923	634,415	666,395	666,395
#Positions		15	15	15	15	15	15	15	15	15
Extra Help	5010001	1,736	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
#Extra Help		1	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	166,823	195,442	191,834	199,199	202,514	202,514	199,199	204,848	204,848
Operating Expenses	5020002	348,837	300,774	300,774	385,774	385,774	385,774	400,774	400,774	400,774
Conference & Travel Expenses	5050009	9,733	13,662	13,662	13,662	13,662	13,662	13,662	13,662	13,662
Professional Fees	5060010	8,230	32,929	32,929	32,929	32,929	32,929	32,929	32,929	32,929
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	1,045	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,136,554	1,211,023	1,181,383	1,291,979	1,315,802	1,315,802	1,306,979	1,344,608	1,344,608
Funding Sources										
Fund Balance	4000005	1,884,555	1,813,793		1,702,770	1,702,770	1,702,770	1,510,791	1,486,968	1,486,968
Cash Fund	4000045	1,065,792	1,100,000		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Total Funding		2,950,347	2,913,793		2,802,770	2,802,770	2,802,770	2,610,791	2,586,968	2,586,968
Excess Appropriation/(Funding)		(1,813,793)	(1,702,770)		(1,510,791)	(1,486,968)	(1,486,968)	(1,303,812)	(1,242,360)	(1,242,360)
Grand Total		1,136,554	1,211,023		1,291,979	1,315,802	1,315,802	1,306,979	1,344,608	1,344,608

The FY11 Budget amounts in Regular Salaries and Personal Services Matching exceed the Authorized amounts due to salary adjustments and matching rate adjustments during the 2009-2011 Biennium.

Analysis of Budget Request

Appropriation: 952 - Real Estate Recovery

Funding Sources: NRE - Cash in Treasury

The Arkansas Real Estate Commission's Recovery Fund cash appropriation is supported by a one-time fee of \$25 charged to each new license applicant and also includes interest earned from investing the Fund's balances. If damages are assessed against any licensee who is insolvent, the Commission covers the claim from fees collected in this fund. Earned interest is applied toward support of the Commission's educational efforts to keep its licensees and the general public informed of changes in regulations, market conditions, and illegal practices. Base Level is \$352,500 each year and is the Agency Request.

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: 952 - Real Estate Recovery

Funding Sources: NRE - Cash in Treasury

Commitment Item		2009-2010	2010-2011	2010-2011	2011-2012			2012-2013		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Damage Payment	5900046	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Education	5900047	47,738	102,500	102,500	102,500	102,500	102,500	102,500	102,500	102,500
Total		47,738	352,500	352,500	352,500	352,500	352,500	352,500	352,500	352,500
Funding Sources										
Fund Balance	4000005	1,015,419	1,009,705		697,205	697,205	697,205	384,705	384,705	384,705
Cash Fund	4000045	42,024	40,000		40,000	40,000	40,000	40,000	40,000	40,000
Total Funding		1,057,443	1,049,705		737,205	737,205	737,205	424,705	424,705	424,705
Excess Appropriation/(Funding)		(1,009,705)	(697,205)		(384,705)	(384,705)	(384,705)	(72,205)	(72,205)	(72,205)
Grand Total		47,738	352,500		352,500	352,500	352,500	352,500	352,500	352,500