

Analysis of Budget Request

Appropriation: A86 - Cash Operations

Funding Sources: 345 - Appraiser Licensing & Certification - Cash

The mission of the Arkansas Appraiser Licensing & Certification Board is to maintain a system for licensing and regulating real estate appraisers in compliance with federal guidelines and results in license holders who have verified adequate education, experience, and have demonstrated a competency to provide quality service consistent with their specific credentials.

The Appraiser Licensing Board is funded from the receipt of application fees and annual license renewals.

Base Level positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Board requests a Change Level of \$55,799 for each year of the biennium. The increase includes a request to continue as a Regular Position, the Supplemental Emergency Position approved during the 2007-2009 biennium for a Deputy Director. The position is responsible for daily operations of the agency, including training and supervision of the Administrative Assistant position, monitoring the status of disciplinary actions and ensuring Board compliance with federal criteria.

The Board also requests an increase in the Operating Expenses line item of \$6,500 for each year of the biennium and an increase in the Travel line item of \$4,000 each year of the biennium. The Operating Expenses increase is primarily for postage, board member travel expenses, office rent, and cash fund service charge. The Travel increase is for staff travel to the Appraiser Association of Regulatory Officials (AARO) to network with other state agencies and to keep current with the many federal changes. This also includes an increase for out of state conferences and training sessions for the individuals who will replace the retiring investigator and executive director.

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		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	187,558	188,833	187,433	227,420	227,420	227,420	231,631	231,631	231,631
#Positions		3	3	3	4	4	4	4	4	4
Personal Services Matching	5010003	51,527	59,039	49,423	61,975	61,975	61,975	62,765	62,765	62,765
Supplemental Emerg Positions	5010007	8,885	42,840	0	0	0	0	0	0	0
Operating Expenses	5020002	109,562	140,578	140,578	147,078	147,078	147,078	147,078	147,078	147,078
Conference & Travel Expenses	5050009	6,933	5,700	5,700	9,700	9,700	9,700	9,700	9,700	9,700
Professional Fees	5060010	5,748	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
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		370,213	448,490	394,634	457,673	457,673	457,673	462,674	462,674	462,674

Funding Sources										
Fund Balance	4000005	876,434	943,834		843,344	843,344	843,344	729,671	729,671	729,671
Cash Fund	4000045	437,613	348,000		344,000	344,000	344,000	344,000	344,000	344,000
Total Funding		1,314,047	1,291,834		1,187,344	1,187,344	1,187,344	1,073,671	1,073,671	1,073,671
Excess Appropriation/(Funding)		(943,834)	(843,344)		(729,671)	(729,671)	(729,671)	(610,997)	(610,997)	(610,997)
Grand Total		370,213	448,490		457,673	457,673	457,673	462,674	462,674	462,674

Budget amount in Personal Services Matching and Supplemental Emergency Positions exceeds the authorized amount due to a transfer from the Cash Fund Holding Account and an authorized Supplemental Emergency Position.

Actual amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to a transfer from the Salary Holding Account.

Conference & Travel Actual Expenses exceeds authorized appropriation by authority of a Budget Classification Transfer.

The Actual amount of Cash funding in FY08 is significantly higher than FY09 and biennial estimates due to fewer licensees and applicants because of the real estate market and increased requirements to maintain appraiser status.