

Department Appropriation Summary

Historical Data

Agency Request and Executive/Legislative Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
853 Real Estate – Operations	1,150,483	15	1,272,106	15	1,344,608	15	1,298,772	15	1,312,681	15	1,312,681	15	1,298,894	15	1,312,803	15	1,312,803	15
952 Real Estate Recovery	346,526	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	1,497,009	15	1,624,606	15	1,697,108	15	1,651,272	15	1,665,181	15	1,665,181	15	1,651,394	15	1,665,303	15	1,665,303	15

Funding Sources		%		%		%		%		%		%		%		%
Fund Balance 4000005	2,787,187	73.5	2,294,658	68.7			1,715,052	61.5	1,715,052	61.5	1,715,052	61.5	1,138,780	51.4	1,124,871	51.1
Cash Fund 4000045	1,004,480	26.5	1,045,000	31.3			1,075,000	38.5	1,075,000	38.5	1,075,000	38.5	1,075,000	48.6	1,075,000	48.9
Total Funds	3,791,667	100.0	3,339,658	100.0			2,790,052	100.0	2,790,052	100.0	2,790,052	100.0	2,213,780	100.0	2,199,871	100.0
Excess Appropriation/(Funding)	(2,294,658)		(1,715,052)				(1,138,780)		(1,124,871)		(1,124,871)		(562,386)		(534,568)	
Grand Total	1,497,009		1,624,606				1,651,272		1,665,181		1,665,181		1,651,394		1,665,303	

Analysis of Budget Request

Appropriation: 853 - Real Estate – Operations

Funding Sources: NRE - Real Estate - Cash in Treasury

The Arkansas Real Estate Commission (AREC) is funded from the receipt of fees it charges for originating and renewing the licenses of real estate brokers and salespersons.

Base Level Regular Salaries and Personal Services Matching include board member stipend payments and Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level salary of the unclassified Director's position reflects the FY13 line item maximum.

Base Level for the Cash Operations Program is \$1,286,887 in the first each year and \$1,287,009 in the second year, with 15 positions budgeted. The only change requested for this program is the reclassification of an Administrative Specialist I position to an AREC Education Coordinator to conduct a program of licensing and training for providers who offer training in various real estate courses for AREC licensees.

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: 853 - Real Estate – Operations

Funding Sources: NRE - Real Estate - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	614,858	597,863	666,395	616,372	627,778	627,778	616,472	627,878	627,878
#Positions		15	15	15	15	15	15	15	15	15
Extra Help	5010001	6,441	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
#Extra Help		2	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	198,049	200,908	204,848	209,065	211,568	211,568	209,087	211,590	211,590
Operating Expenses	5020002	303,897	397,744	400,774	397,744	397,744	397,744	397,744	397,744	397,744
Conference & Travel Expenses	5050009	13,656	16,662	13,662	16,662	16,662	16,662	16,662	16,662	16,662
Professional Fees	5060010	12,212	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	1,370	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		1,150,483	1,272,106	1,344,608	1,298,772	1,312,681	1,312,681	1,298,894	1,312,803	1,312,803

Funding Sources										
Fund Balance	4000005	1,793,606	1,622,974		1,350,868	1,350,868	1,350,868	1,082,096	1,068,187	1,068,187
Cash Fund	4000045	979,851	1,000,000		1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
Total Funding		2,773,457	2,622,974		2,380,868	2,380,868	2,380,868	2,112,096	2,098,187	2,098,187
Excess Appropriation/(Funding)		(1,622,974)	(1,350,868)		(1,082,096)	(1,068,187)	(1,068,187)	(813,202)	(785,384)	(785,384)
Grand Total		1,150,483	1,272,106		1,298,772	1,312,681	1,312,681	1,298,894	1,312,803	1,312,803

Budget exceeds Authorized Appropriation in Conference & Travel Expenses by authority of a Budget Classification Transfer.

Analysis of Budget Request

Appropriation: 952 - Real Estate Recovery

Funding Sources: NRE - Real Estate - 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 - Real Estate - Cash in Treasury

Commitment Item		2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Damage Payment	5900046	216,878	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Education	5900047	129,648	102,500	102,500	102,500	102,500	102,500	102,500	102,500	102,500
Total		346,526	352,500	352,500	352,500	352,500	352,500	352,500	352,500	352,500
Funding Sources										
Fund Balance	4000005	993,581	671,684		364,184	364,184	364,184	56,684	56,684	56,684
Cash Fund	4000045	24,629	45,000		45,000	45,000	45,000	45,000	45,000	45,000
Total Funding		1,018,210	716,684		409,184	409,184	409,184	101,684	101,684	101,684
Excess Appropriation/(Funding)		(671,684)	(364,184)		(56,684)	(56,684)	(56,684)	250,816	250,816	250,816
Grand Total		346,526	352,500		352,500	352,500	352,500	352,500	352,500	352,500