

Analysis of Budget Request

Appropriation: 96Z - Treasury Cash

Funding Sources: NLC - Contractor's Licensing Board - Cash in Treasury

The Contractor's Licensing Board is responsible for determining qualifications of applicants for contractor's licenses and authorizing the issuance of new and renewal licenses. The Board investigates all alleged and factual violations of the contractor's licensing law and contractor's bond law as well as holds hearings and assesses penalties to ensure compliance. The Contractor's Licensing Board is funded from the receipt of fees charged for examination, issuance, and renewal of commercial contractor's licenses and penalties associated with violations of regulations pursuant to A.C.A. §17-25-101 et seq. Expenditures from the cash funds are solely dependent on the availability of funds.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

Base Level for the biennium is \$2,617,010 in FY16 and \$2,617,991 in FY17.

Due to a declining fund balance the Board's Change Level reduction request of (\$643,670) for both years reflects the following:

- Regular Salaries and Personal Services Matching decrease of (\$97,166) in both years for the elimination of two (2) Contractor's Board Investigator positions.
- Refunds/Reimbursement decrease of (\$40,000) in both years due to the reduction of cash bonds on file with the Board.
- Investment decrease of (\$156,504) in both years due to all Board funds being placed in the State Treasury therefore the commitment item no longer being needed.
- Construction Trades Training Grants decrease of (\$150,000) in both years due to decreases in revenue flow and the Board's ability to give out these grants based on their funding levels.
- Construction Industry Training Grants decrease of (\$200,000) in both years due to decreases in revenue flow and the Board's ability to give out these grants based on their funding levels.

The 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		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	923,700	1,012,515	1,025,205	951,039	951,039	951,039	951,839	951,839	951,839
#Positions		19	22	22	20	20	20	20	20	20
Personal Services Matching	5010003	314,745	334,072	332,235	313,420	313,420	313,420	313,601	313,601	313,601
Operating Expenses	5020002	275,684	345,481	345,481	345,481	345,481	345,481	345,481	345,481	345,481
Conference & Travel Expenses	5050009	7,334	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400
Professional Fees	5060010	24,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	129,870	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Refunds/Reimbursements	5110014	48,581	100,000	100,000	60,000	60,000	60,000	60,000	60,000	60,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Investments	5120013	0	156,504	156,504	0	0	0	0	0	0
Construction Trades Training Grants	5900046	0	150,000	150,000	0	0	0	0	0	0
Construction Industry Training Gran	5900047	0	300,000	300,000	100,000	100,000	100,000	100,000	100,000	100,000
Total		1,723,914	2,601,972	2,612,825	1,973,340	1,973,340	1,973,340	1,974,321	1,974,321	1,974,321

Funding Sources										
Fund Balance	4000005	1,992,668	1,687,725		735,753	735,753	735,753	412,413	412,413	412,413
Cash Fund	4000045	1,418,971	1,650,000		1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Total Funding		3,411,639	3,337,725		2,385,753	2,385,753	2,385,753	2,062,413	2,062,413	2,062,413
Excess Appropriation/(Funding)		(1,687,725)	(735,753)		(412,413)	(412,413)	(412,413)	(88,092)	(88,092)	(88,092)
Grand Total		1,723,914	2,601,972		1,973,340	1,973,340	1,973,340	1,974,321	1,974,321	1,974,321

FY15 Budget amount in Personal Service Matching exceeds the authorized amount due to the matching rate adjustments during the 2013 - 2015 Biennium. Expenditure of appropriation is contingent upon available funding.