

## Department Appropriation Summary

### Historical Data

### Agency Request and Executive/Legislative Recommendation

| Appropriation                | 2013-2014        |           | 2014-2015        |           | 2014-2015        |           | 2015-2016        |           |                  |           |                  |           | 2016-2017        |           |                  |           |                  |           |
|------------------------------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|
|                              | Actual           | Pos       | Budget           | Pos       | Authorized       | Pos       | Agency           | Pos       | Executive        | Pos       | Legislative      | Pos       | Agency           | Pos       | Executive        | Pos       | Legislative      | Pos       |
| 853 Real Estate – Operations | 1,119,169        | 15        | 1,272,375        | 15        | 1,312,803        | 15        | 1,280,137        | 15        | 1,280,137        | 15        | 1,280,137        | 15        | 1,280,872        | 15        | 1,280,872        | 15        | 1,280,872        | 15        |
| 952 Real Estate Recovery     | 30,254           | 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         |
| <b>Total</b>                 | <b>1,149,423</b> | <b>15</b> | <b>1,624,875</b> | <b>15</b> | <b>1,665,303</b> | <b>15</b> | <b>1,632,637</b> | <b>15</b> | <b>1,632,637</b> | <b>15</b> | <b>1,632,637</b> | <b>15</b> | <b>1,633,372</b> | <b>15</b> | <b>1,633,372</b> | <b>15</b> | <b>1,633,372</b> | <b>15</b> |

| Funding Sources                |                  | %            |                  | %            |  | % |                  | %            |                  | %            |                  | %            |                  | %            |                  | %            |
|--------------------------------|------------------|--------------|------------------|--------------|--|---|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|
| Fund Balance 4000005           | 1,532,544        | 56.4         | 1,566,089        | 58.0         |  |   | 1,075,214        | 48.7         | 1,075,214        | 48.7         | 1,075,214        | 48.7         | 625,501          | 35.5         | 625,501          | 35.5         |
| Cash Fund 4000045              | 1,182,968        | 43.6         | 1,134,000        | 42.0         |  |   | 1,134,000        | 51.3         | 1,134,000        | 51.3         | 1,134,000        | 51.3         | 1,134,000        | 64.5         | 1,134,000        | 64.5         |
| <b>Total Funds</b>             | <b>2,715,512</b> | <b>100.0</b> | <b>2,700,089</b> | <b>100.0</b> |  |   | <b>2,209,214</b> | <b>100.0</b> | <b>2,209,214</b> | <b>100.0</b> | <b>2,209,214</b> | <b>100.0</b> | <b>1,759,501</b> | <b>100.0</b> | <b>1,759,501</b> | <b>100.0</b> |
| Excess Appropriation/(Funding) | (1,566,089)      |              | (1,075,214)      |              |  |   | (576,577)        |              | (576,577)        |              | (576,577)        |              | (126,129)        |              | (126,129)        |              |
| <b>Grand Total</b>             | <b>1,149,423</b> |              | <b>1,624,875</b> |              |  |   | <b>1,632,637</b> |              | <b>1,632,637</b> |              | <b>1,632,637</b> |              | <b>1,633,372</b> |              | <b>1,633,372</b> |              |

Variances in fund balance due to unfunded appropriation in (952) Real Estate Recovery.

## **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 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. The Base Level salary of unclassified positions reflects the FY2015 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency Request provides for Base Level of \$1,280,137 in FY2016 and \$1,280,872 in FY2017.

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              |         | 2013-2014        | 2014-2015        | 2014-2015        | 2015-2016        |                  |                  | 2016-2017        |                  |                  |
|------------------------------|---------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                              |         | Actual           | Budget           | Authorized       | Agency           | Executive        | Legislative      | Agency           | Executive        | Legislative      |
| Regular Salaries             | 5010000 | 572,769          | 592,644          | 627,878          | 597,219          | 597,219          | 597,219          | 597,819          | 597,819          | 597,819          |
| <b>#Positions</b>            |         | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        | <b>15</b>        |
| Extra Help                   | 5010001 | 0                | 16,000           | 16,000           | 16,000           | 16,000           | 16,000           | 16,000           | 16,000           | 16,000           |
| <b>#Extra Help</b>           |         | <b>0</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         |
| Personal Services Matching   | 5010003 | 202,219          | 206,396          | 211,590          | 209,583          | 209,583          | 209,583          | 209,718          | 209,718          | 209,718          |
| Operating Expenses           | 5020002 | 314,011          | 397,744          | 397,744          | 397,744          | 397,744          | 397,744          | 397,744          | 397,744          | 397,744          |
| Conference & Travel Expenses | 5050009 | 15,167           | 16,662           | 16,662           | 16,662           | 16,662           | 16,662           | 16,662           | 16,662           | 16,662           |
| Professional Fees            | 5060010 | 13,824           | 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 | 1,179            | 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                |
| <b>Total</b>                 |         | <b>1,119,169</b> | <b>1,272,375</b> | <b>1,312,803</b> | <b>1,280,137</b> | <b>1,280,137</b> | <b>1,280,137</b> | <b>1,280,872</b> | <b>1,280,872</b> | <b>1,280,872</b> |

| Funding Sources                |         |                  |                  |  |                  |                  |                  |                  |                  |                  |
|--------------------------------|---------|------------------|------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Fund Balance                   | 4000005 | 952,031          | 978,013          |  | 805,638          | 805,638          | 805,638          | 625,501          | 625,501          | 625,501          |
| Cash Fund                      | 4000045 | 1,145,151        | 1,100,000        |  | 1,100,000        | 1,100,000        | 1,100,000        | 1,100,000        | 1,100,000        | 1,100,000        |
| <b>Total Funding</b>           |         | <b>2,097,182</b> | <b>2,078,013</b> |  | <b>1,905,638</b> | <b>1,905,638</b> | <b>1,905,638</b> | <b>1,725,501</b> | <b>1,725,501</b> | <b>1,725,501</b> |
| Excess Appropriation/(Funding) |         | (978,013)        | (805,638)        |  | (625,501)        | (625,501)        | (625,501)        | (444,629)        | (444,629)        | (444,629)        |
| <b>Grand Total</b>             |         | <b>1,119,169</b> | <b>1,272,375</b> |  | <b>1,280,137</b> | <b>1,280,137</b> | <b>1,280,137</b> | <b>1,280,872</b> | <b>1,280,872</b> | <b>1,280,872</b> |

Expenditure of appropriation is contingent upon available funding.

## **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.

The Agency Request provides for Base Level of \$352,500 each year of the biennium.

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 |         | 2013-2014     | 2014-2015      | 2014-2015      | 2015-2016      |                |                | 2016-2017      |                |                |
|-----------------|---------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                 |         | Actual        | Budget         | Authorized     | Agency         | Executive      | Legislative    | Agency         | Executive      | Legislative    |
| Damage Payment  | 5900046 | 4,010         | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        |
| Education       | 5900047 | 26,244        | 102,500        | 102,500        | 102,500        | 102,500        | 102,500        | 102,500        | 102,500        | 102,500        |
| <b>Total</b>    |         | <b>30,254</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> |

  

| Funding Sources                |         |                |                |  |                |                |                |                |                |                |
|--------------------------------|---------|----------------|----------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Fund Balance                   | 4000005 | 580,513        | 588,076        |  | 269,576        | 269,576        | 269,576        | 0              | 0              | 0              |
| Cash Fund                      | 4000045 | 37,817         | 34,000         |  | 34,000         | 34,000         | 34,000         | 34,000         | 34,000         | 34,000         |
| <b>Total Funding</b>           |         | <b>618,330</b> | <b>622,076</b> |  | <b>303,576</b> | <b>303,576</b> | <b>303,576</b> | <b>34,000</b>  | <b>34,000</b>  | <b>34,000</b>  |
| Excess Appropriation/(Funding) |         | (588,076)      | (269,576)      |  | 48,924         | 48,924         | 48,924         | 318,500        | 318,500        | 318,500        |
| <b>Grand Total</b>             |         | <b>30,254</b>  | <b>352,500</b> |  | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> | <b>352,500</b> |

Expenditure of appropriation is contingent upon available funding.