

REAL ESTATE APPRAISAL BOARD

FY 2022 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2022 – FY 2025

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-	-	-
All Other Funds	333,621	353,175	353,175	357,227	357,227	362,805	362,805
<i>Subtotal</i>	<u>\$ 333,621</u>	<u>\$ 353,175</u>	<u>\$ 353,175</u>	<u>\$ 357,227</u>	<u>\$ 357,227</u>	<u>\$ 362,805</u>	<u>\$ 362,805</u>
Capital Improvements:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-	-	-
All Other Funds	-	-	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 333,621</u>	<u>\$ 353,175</u>	<u>\$ 353,175</u>	<u>\$ 357,227</u>	<u>\$ 357,227</u>	<u>\$ 362,805</u>	<u>\$ 362,805</u>
Percentage Change:							
State General Fund	-- %	-- %	-- %	-- %	-- %	-- %	-- %
All Funds	24.1 %	5.9 %	5.9 %	1.1 %	1.1 %	1.6 %	1.6 %
FTE Positions	2.0	2.0	2.0	2.0	2.0	2.0	2.0

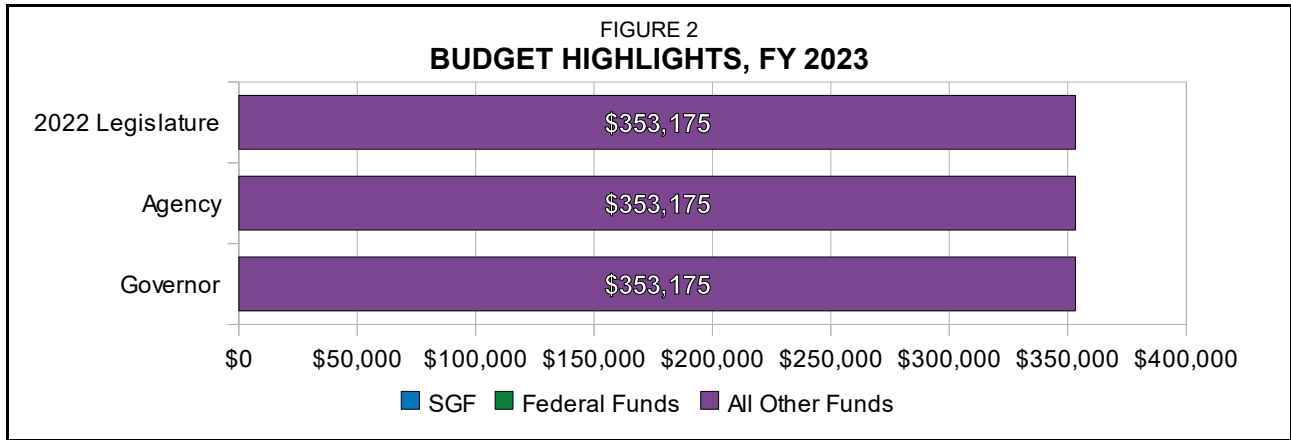
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Real Estate Appraisal Board's mission is to protect consumers of real estate services provided by its licensees by assuring that the licensees are sufficiently trained and tested to assure competency and independent judgment. In addition, the Board protects the public interest by enforcing both federal and state laws to assure that its licensees act in accordance with professional standards and ethics. These responsibilities are accomplished through a variety of efforts including testing of potential licensees, pre-license and continuing education requirements, investigation of complaints, and disciplinary action taken against licensees as warranted.

The Board, governed by KSA 58-4101 *et seq.* and KSA 58-4701 *et seq.*, is composed of seven members who are appointed to staggered three-year terms by the Governor. At least one member must represent the general public, at least two members must represent financial institutions, and at least three members must be licensed real estate appraisers.

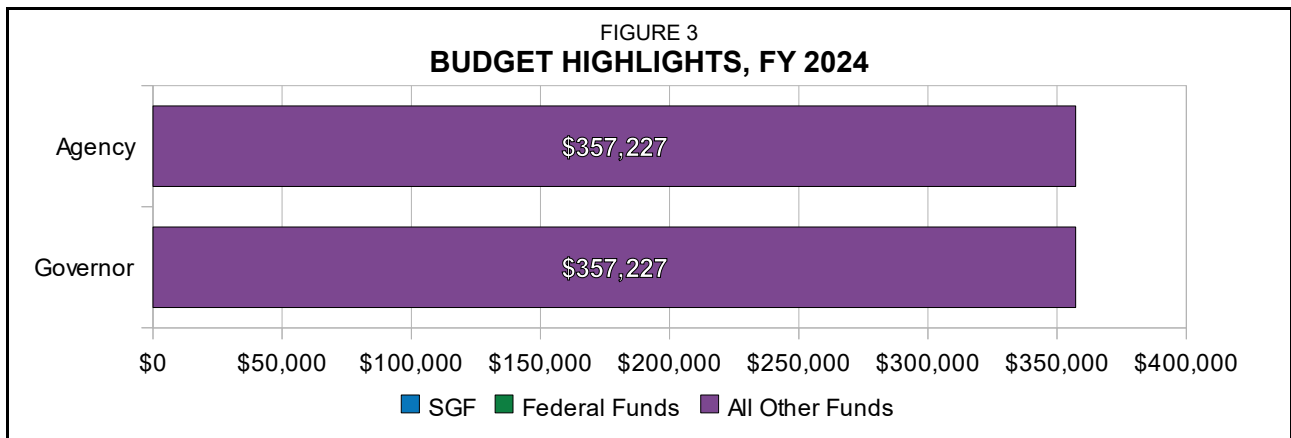
EXECUTIVE SUMMARY

The 2022 Legislature approved a budget of \$353,175 all from special revenue funds, in expenditures and 2.0 FTE positions for the Real Estate Appraisal Board in FY 2023.



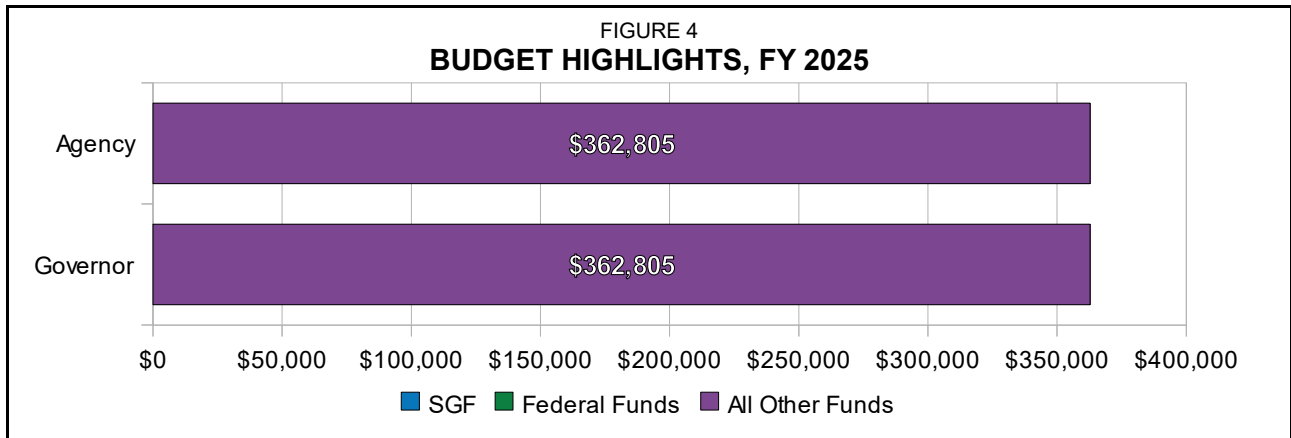
The **agency** submits a revised estimate of \$353,175, all from special revenue funds, in expenditures and 2.0 FTE positions in FY 2023. This is the same as the approved amount from the 2022 Legislature.

The **Governor** concurs with the agency's FY 2023 revised estimate.



The **agency** requests \$357,227, all from special revenue funds, and 2.0 FTE positions for FY 2024. This is an increase of \$4,052, or 1.1 percent, above the FY 2023 revised estimate. There is an increase of \$1,038, or 0.5 percent, in salaries and wages mainly due to employer contributions for group health insurance and an increase of \$2,514, or 1.6 percent, in contractual services for increased expenditures for travel, rent, and computer expenditures.

The **Governor** concurs with the agency's FY 2024 request.



The **agency** requests \$362,805, all from special revenue funds, and 2.0 FTE positions for FY 2025. This is an increase of \$5,578, or 1.6 percent, above the FY 2024 request. The request includes a decrease of \$372, or 0.2 percent, in salaries and wages and an increase of \$5,950, or 3.8 percent, in contractual services for increased expenditures for travel, rent, and computer expenditures.

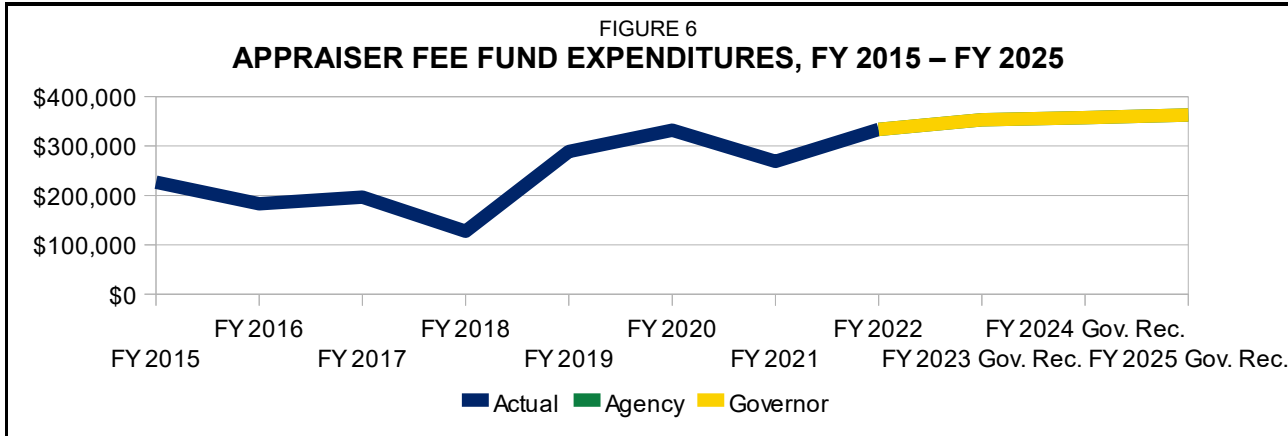
The **Governor** concurs with the agency's FY 2025 request.

EXPENDITURES AND FINANCING

FIGURE 5
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2025

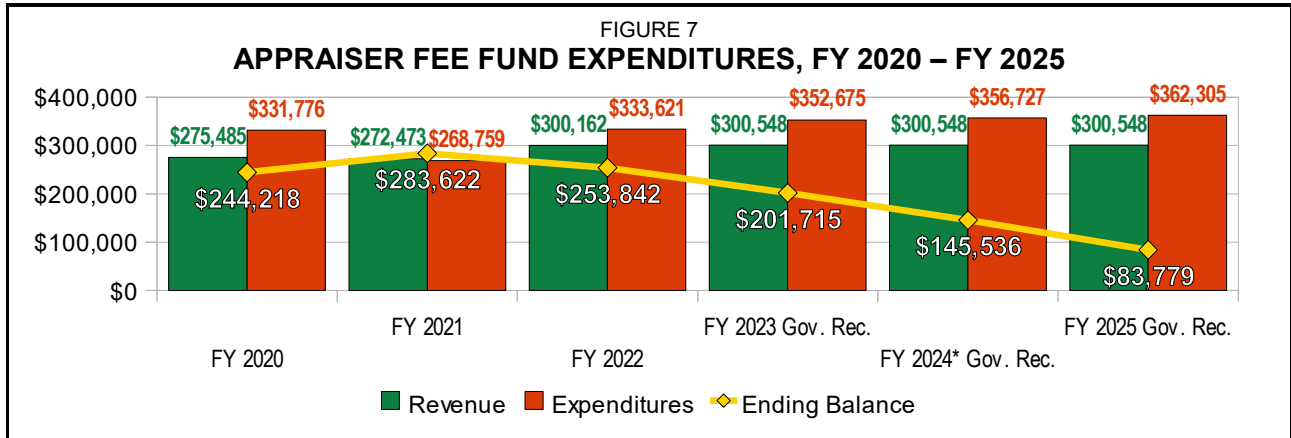
Category of Expenditure:	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 190,650	\$ 194,839	\$ 194,839	\$ 195,877	\$ 195,877	\$ 195,505	\$ 195,505
Contractual Services	139,972	154,836	154,836	157,350	157,350	163,300	163,300
Commodities	2,999	3,500	3,500	4,000	4,000	4,000	4,000
Capital Outlay	-	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-	-
Subtotal	\$ 333,621	\$ 353,175	\$ 353,175	\$ 357,227	\$ 357,227	\$ 362,805	\$ 362,805
Aid to Local Units	-	-	-	-	-	-	-
Other Assistance	-	-	-	-	-	-	-
Subtotal—Operating	\$ 333,621	\$ 353,175	\$ 353,175	\$ 357,227	\$ 357,227	\$ 362,805	\$ 362,805
Capital Improvements	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	-	-	-	-
TOTAL	\$ 333,621	\$ 353,175	\$ 353,175	\$ 357,227	\$ 357,227	\$ 362,805	\$ 362,805
Financing:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Fund	333,621	353,175	353,175	357,227	357,227	362,805	362,805
Federal Funds	-	-	-	-	-	-	-
All Other Funds	-	-	-	-	-	-	-
TOTAL	\$ 333,621	\$ 353,175	\$ 353,175	\$ 357,227	\$ 357,227	\$ 362,805	\$ 362,805
FTE Positions	2.0	2.0	2.0	2.0	2.0	2.0	2.0

APPRAISER FEE FUND



The Appraiser Fee Fund is the primary receipting and expenditure fund of the commission. The fund is where all license, application, and other fees are deposited (per KSA 58-4107). The revenue received provides financing for all agency operations, with 90.0 percent being retained by the agency and 10.0 percent being deposited into the State General Fund (SGF).

APPRAISER FEE FUND



* For FY 2024, the lowest month ending balance for the Appraiser Fee Fund will occur in September with a balance of \$177,288.

The Appraiser Fee Fund receives fees in the amounts noted within the following fee table.

FIGURE 8
LICENSE FEES, FY 2023

License	Current Fee	Statutory Limit	Authority
Application for Certification and Licensure	\$ 50	\$ 50	KSA 58-4107
Original Certification and Licensure	225	300	KSA 58-4107
Annual Renewal	150	300	KSA 58-4107
Late Renewal Fee	50	50	KSA 58-4107
Certification Letter	10	25	KSA 58-4107
New Continuing Education Course Approval	50	100	KSA 58-4107
New Pre-licensing Course Approval	100	100	KSA 58-4107
Renewal of Courses	25	25	KSA 58-4107
Approval and Renewal of all Appraisal Qualifications	10	25	KSA 58-4107
Reinstatement of License Fee	50	50	KSA 58-4107
Temporary Practice Permit	50	50	KSA 58-4107
Appraisal Management Company Registration	1,500	3,500	KSA 58-4708
Appraisal Management Company Renewal Fee	900	3,500	KSA 58-4708
Appraisal Management Company Late Fee	100	500	KSA 58-4708

FY 2023 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF		Special Revenue Funds	All Funds	FTE
Legislative Approved:					
Amount Approved by 2022 Legislature	\$	-	\$ 353,175	\$ 353,175	2.0
1. No Changes		-	-	-	--
<i>Subtotal—Legislative Approved</i>	\$	-	\$ 353,175	\$ 353,175	2.0
Agency Revised Estimate:					
2. No Changes	\$	-	-	-	--
<i>Subtotal—Agency Revised Estimate</i>	\$	-	\$ 353,175	\$ 353,175	2.0
Governor's Recommendation:					
3. No Changes		-	-	-	--
<i>Subtotal—Agency Revised Estimate</i>		-	353,175	353,175	--
TOTAL	\$	-	\$ 353,175	\$ 353,175	2.0

LEGISLATIVE APPROVED

Subsequent to the 2022 Session, no adjustments were made to the \$353,175 appropriated to the Real Estate Appraisal Board for FY 2023.

1. **NO CHANGES.** There were no changes to the approved amount.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$353,175, all from special revenue funds, and 2.0 FTE positions in FY 2023. This is the same as the approved amount from the 2022 Legislature.

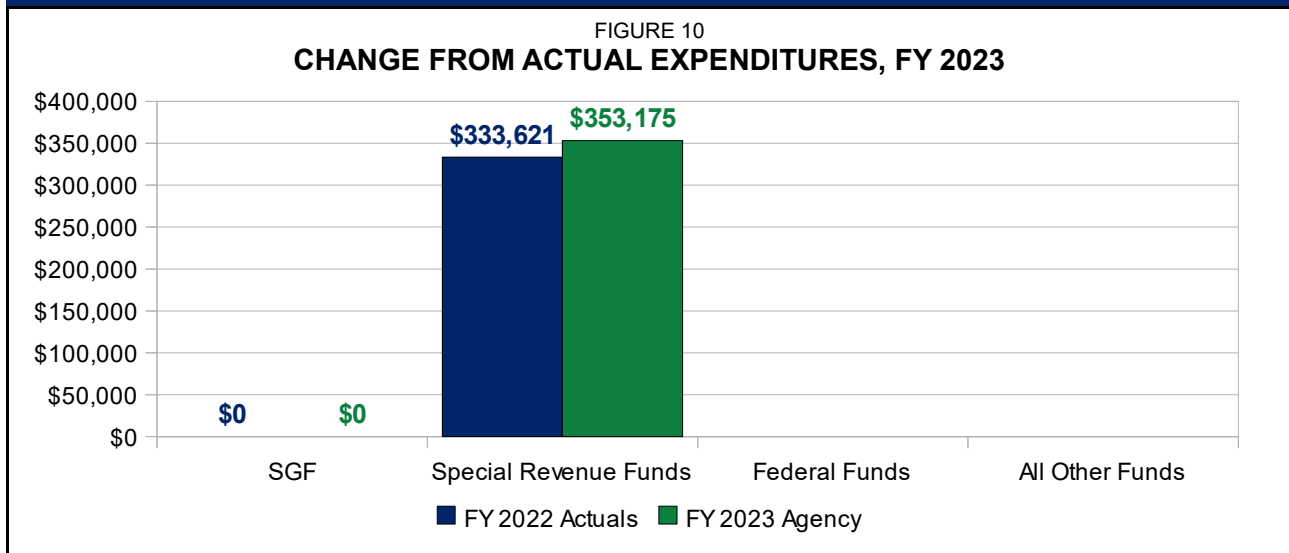
2. **NO CHANGES.** There were no changes to the approved amount.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's FY 2023 revised estimate.

3. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2023 revised estimate.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$353,175, all from special revenue funds, in FY 2023. This is an increase of \$19,554, or 5.9 percent, above the FY 2022 actual amount. The increase is mainly due to an increase in salaries and wages of \$4,189 for fringe benefits and in contractual services of \$14,864 for increased costs associated with travel, attorneys fees, and other fees.

FY 2024 ANALYSIS

FIGURE 11
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023:	\$ -	\$ 353,175	\$ 353,175	2.0
Agency Request:				
1. All Other Adjustments	-	4,052	4,052	--
<i>Subtotal—Agency Request</i>	<i>\$ -</i>	<i>\$ 357,227</i>	<i>\$ 357,227</i>	<i>2.0</i>
Governor’s Recommendation:				
2. No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Revised Estimate</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>--</i>
TOTAL	\$ -	\$ 357,227	\$ 357,227	2.0

AGENCY REQUEST

The **agency** requests \$357,227, all from special revenue funds, in expenditures and 2.0 FTE positions for FY 2024. This is an increase of \$4,052, or 1.1 percent, above the FY 2023 revised estimate.

1. **ALL OTHER ADJUSTMENTS.** The request includes an increase of \$1,038, or 0.5 percent, in salaries and wages mainly due to employer contributions for group health insurance and \$2,514, or 1.6 percent, in contractual services for increased expenditures for travel, rent, and computer expenditures.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's FY 2024 request.

2. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 request.

FY 2025 ANALYSIS

FIGURE 12
SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	Special Revenue Funds	All Funds	FTE
Agency Request, FY 2024:	\$ -	\$ 357,227	\$ 357,227	2.0
Agency Request:				
1. All Other Adjustments	-	5,578	5,578	--
<i>Subtotal—Agency Request</i>	<i>\$ -</i>	<i>\$ 362,805</i>	<i>\$ 362,805</i>	<i>2.0</i>
Governor’s Recommendation:				
2. No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Revised Estimate</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>--</i>
TOTAL	\$ -	\$ 362,805	\$ 362,805	2.0

AGENCY REQUEST

The **agency** requests \$362,805, all from special revenue funds, in expenditures and 2.0 FTE positions for FY 2025. This is an increase of \$5,578, or 1.6 percent, above the FY 2024 request.

1. **ALL OTHER ADJUSTMENTS.** The request includes a decrease of \$372, or 0.2 percent, in salaries and wages and an increase of \$5,950, or 3.8 percent, in contractual services for increased expenditures for travel, rent, and computer expenditures.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's FY 2025 request.

2. **NO CHANGES.** The Governor does not recommend any changes to the FY 2025 request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

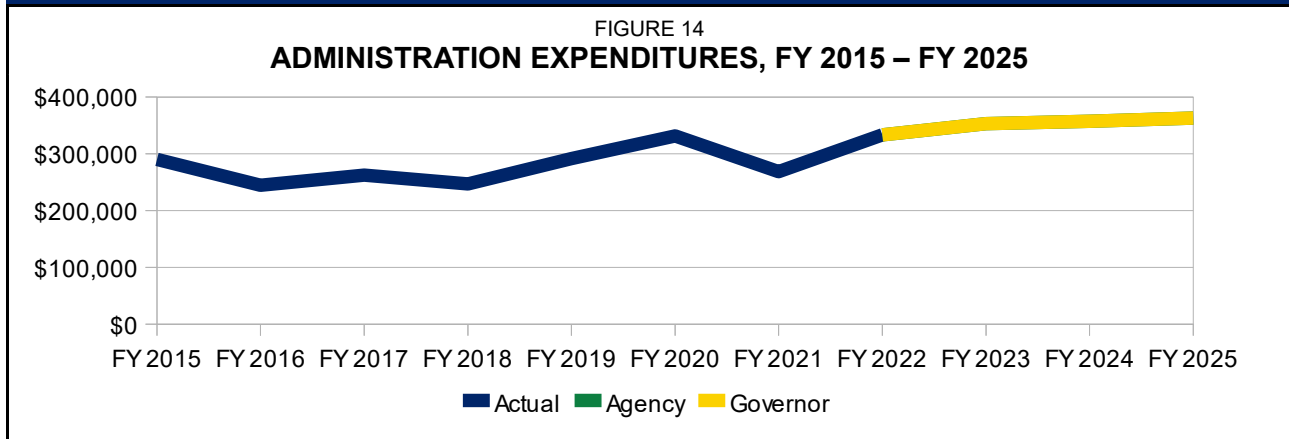
FIGURE 13
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2025

Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:							
Administration	\$ 333,621	\$ 353,175	\$ 353,175	\$ 357,227	\$ 357,227	\$ 362,805	\$ 362,805
FTE Positions:							
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION



STATUTORY BASIS: • KSA 58-4101 *et seq.* and 58-4701 *et seq.*

PROGRAM GOALS:

- Maintain and/or process any changes to statutes or regulations to ensure that the Kansas Appraisal Program is in compliance with the Appraisal Subcommittee (ASC) requirements.
- Continue to work diligently to get complaints processed in the one-year time frame mandated by the Appraisal Subcommittee (ASC) of The Appraisal Foundation.
- Complete the transition to the new database and work with appraisers, appraisal management companies (AMCs), and education providers to assist them in using it.
- Continue to maintain excellent reviews conducted by the ASC.

The Administration program is the agency's only budgetary program. It is responsible for the licensure, education, and compliance of the certified and licensed persons who conduct real property appraisals in Kansas.

FIGURE 15
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. AARO Meetings and Webinars*	-	8	--	12	8
2. Number of Staff and Board Members Attending Conferences and Webinars*	-	6	--	6	7
3. Regulations Changed or New Statutes*	-	100 %	--	100 %	100 %
4. Complaints Received	20	19	20	24	24
5. Complaints Settled in 3-6 Months*	9	6	--	9	9
6. Complaints Settled in 6-9 Months*	7	10	--	11	11
7. Complaints Settled in 9-12 Months*	4	3	--	4	4
8. Number of AMC Renewals Mailed Out*	-	116	--	116	116
Output Measure:					
9. Statutes and Regulation Compliance*	100 %	100 %	100 %	100 %	100 %
10. Complaints Processed Timely*	100 %	100 %	100 %	100 %	100 %
11. All Renewals Sent Out by Mail*	--	100 %	--	100 %	100 %
12. ASC Reviews Compliance*	--	100 %	--	100 %	100 %

Financing	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	268,759	333,621		353,175	357,227
TOTAL	\$ 268,759	\$ 333,618		\$ 353,175	\$ 357,227
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(19.0) %	24.1 %		5.9 %	1.1 %
FTE Positions	2.0	2.0		2.0	2.0

*The Governor's Office does not utilize this measure for evaluation purposes.