

**ARKANSAS BUDGET SYSTEM
AGENCY PROGRAM COMMENTARY
1997 - 1999**

The following budget requests, information, and explanation of priorities affect Appropriation A18 which authorizes expenditures from this Commission's General Fund, and Appropriation B48 which authorizes expenditures from this Commission's Recovery Fund. The base level budget is satisfactory for anticipated FY98 & FY99 expenditure needs except for priorities listed below. Funding for the FY98 & FY99 budget will be provided from funds on hand and from fees to be collected.

Priority requests for Appropriation A18

- PO1: The request is for purchase of office equipment, machines, and furniture that need replacement, and purchase of computer equipment for networking in AREC office and for electronic imaging. The computer equipment will be used for increased efficiency in administrative, licensing and accounting functions, for archiving license records, investigative files, administrative files and accounting records, for desktop publishing AREC newsletter, for AREC staff use by Administrative, Investigative and Licensing Departments, and to make information more accessible to the public.
- PO2: Increased amounts requested for payment of official Hearing Officer employed under Professional Services Contract.
- PO3: Increased amount requested for routine building maintenance and repairs.
- PO4: Increased amount requested to allow for investment of funds.

Priority Requests for Appropriation B48

- PO1: Increased amounts requested for publication of AREC newsletters and other educational materials sent to real estate licensees.
- PO2: Increased amount requested to allow for investment of funds.

AGENCY Arkansas Real Estate Commission	DIRECTOR Bill J. Williamson	AGENCY PROGRAM COMMENTARY BR21	PAGE 256
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ARKANSAS REAL ESTATE COMMISSION
SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 1994

Assets				Liabilities			Total Equity
Cash and Investments	Fixed	Other	Total	Current	Long-Term	Total	
\$ 1,778,890	\$ 1,302,878	\$ 194,144	\$ 3,275,912	\$ 6,796	\$ 44,631	\$ 51,427	\$ 3,224,485

Revenues				Expenditures				Other Sources (Uses)		
Inter-governmental	Federal	Licenses and Fees	Other	Total	Salaries and Matching	Grants and Aid	Capital	Other Operating	Total	
\$ 0	\$ 0	\$ 887,479	\$ 91,498	\$ 978,977	\$ 640,334	\$ 0	\$ 19,678	\$ 226,936	\$ 886,948	\$ (31,531)

Findings

None.

Recommendations

None.

ARKANSAS BUDGET SYSTEM
 EMPLOYMENT SUMMARY
 AS REQUIRED BY ACT 358 OF 1993
 (A.C.A 19-4-307)

AGENCY TITLE 248 - ARK REAL ESTATE COMM

	MALE	FEMALE	TOTAL	PERCENTAGE OF TOTAL
WHITE EMPLOYEES	<u>4</u>	<u>12</u>	<u>16</u>	<u>84%</u>
BLACK EMPLOYEES	<u>0</u>	<u>3</u>	<u>3</u>	<u>16%</u>
EMPLOYEES OF OTHER RACIAL MINORITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL EMPLOYED AS OF 08/10/96			<u>3</u>	<u>16%</u>
DATE			TOTAL MINORITIES	
			<u>19</u>	<u>100%</u>
			TOTAL EMPLOYEES	



 AGENCY DIRECTOR 8/26/96

SUMMARY

STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY

AGENCY: ARKANSAS REAL ESTATE COMMISSION (248)

PROGRAM AUTHORIZED	# POS. AUTH.	ADDITIONAL AUTHORIZED APPROPRIATION		STATUS
		FY 95-96	FY 96-97	
<u>APPROPRIATION: A18 - Cash Operations</u>				
Increases in Operating Expenses for building maintenance and repairs.	0	\$5,000	\$5,000	The entire first year amount was expended for maintenance and repairs. The full amount is budgeted for FY97.
The Conference Fees & Travel line item was increased for additional training expenses	0	\$4,000	\$4,000	Expenditures for educational and training seminars increased by \$1,991 in FY96. The entire addition of \$4,000 is budgeted for FY97.
Additions in Professional Fees & Services for court reporter and hearing officer costs.	0	\$2,000	\$2,000	In the first year, an additional \$220 was expended for court reporter costs. Hearing officer expenses did not increase. All of the additional \$2,000 is budgeted for the second year.
Capital Outlay for replacement of office equipment.	0	\$7,500	\$7,500	\$4,630 was expended in the first year. The entire second year amount is budgeted.
Additional appropriation to invest the Commission's fund balances.	0	\$42,306	\$42,306	The FY96 amount was budgeted, but not used. The FY97 amount is also budgeted.

APPROPRIATION: B48 - Real Estate Recovery -- Cash

No new programs or expansions in the 1995-97 Biennium.

SUMMARY
STATUS OF NEW PROGRAMS/EXPANSIONS AUTHORIZED BY THE 80TH GENERAL ASSEMBLY

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The Conference Fees & Travel line item was increased for additional training expenses	0	\$4,000	\$4,000	Expenditures for educational and training seminars increased by \$1,991 in FY96. The entire addition of \$4,000 is budgeted for FY97.
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Additional appropriation to invest in the Commission's fund balances.	0	\$42,306	\$42,306	The FY96 amount was budgeted, but not used. The FY97 amount is also budgeted.
<u>APPROPRIATION: B48 - Real Estate Recovery -- Cash</u>				

No new programs or expansions in the 1995-97 Biennium.

**ARKANSAS BUDGET SYSTEM
DEPARTMENT APPROPRIATION SUMMARY**

AGENCY TITLE AR REAL ESTATE COMMISSION (248)		1995-97				1997-99				1997-99			
		Expenditures				Biennium Request				Executive Recommendation			
Appropriations		Actual	No. of	Budgeted	No. of	Year 1	No. of	Year 2	No. of	Year 1	No. of	Year 2	No. of
Code	Name	1995-96	Pos.	1996-97	Pos.	1997-98	Pos.	1998-99	Pos.	1997-98	Pos.	1998-99	Pos.
A18	Cash Operations	\$908,714	20	\$1,183,360	20	\$1,333,389	20	\$1,321,518	20	\$1,326,389	20	\$1,297,018	20
B48	Real Estate Recovery - Cash	64,819	0	444,481	0	475,375	0	475,375	0	475,375	0	475,375	0
TOTALS		\$973,533	20	\$1,627,841	20	\$1,808,764	20	\$1,796,893	20	\$1,801,764	20	\$1,772,393	20
Funding Sources			% of Total		% of Total		% of Total		% of Total		% of Total		% of Total
Fund Balances		\$1,841,729	64.4%	\$1,887,054	60.0%	\$1,516,650	54.4%	\$980,323	43.2%	\$1,516,650	54.4%	\$987,323	43.4%
General Revenues													
Special Revenues													
Federal Funds													
Const. & Fiscal Agency Fund													
State Central Services Fund													
Non-Revenue Receipts													
Cash Funds		1,018,858	35.6%	1,015,000	32.3%	1,030,000	36.9%	1,045,000	46.1%	1,030,000	36.9%	1,045,000	45.9%
Investments				242,437	7.7%	242,437	8.7%	242,437	10.7%	242,437	8.7%	242,437	10.7%
Total Funding		2,860,587	100.0%	3,144,491	100.0%	2,789,087	100.0%	2,267,760	100.0%	2,789,087	100.0%	2,274,760	100.0%
Excess Appro./ (Funding)		(1,887,054)		(1,516,650)		(980,323)		(470,867)		(987,323)		(502,367)	
TOTAL		\$973,533		\$1,627,841		\$1,808,764		\$1,796,893		\$1,801,764		\$1,772,393	
DEPARTMENT ARKANSAS REAL ESTATE COMMISSION (248)				DIRECTOR Bill J. Williamson					DEPARTMENT APPROPRIATION SUMMARY BR 40				

**ARKANSAS BUDGET SYSTEM
ANALYSIS OF BUDGET REQUEST
1997 - 1999**

The Arkansas Real Estate Commission is funded from the receipt of fees it charges for real estate licenses. The Commission is not requesting any fee increases for the 1997-99 Biennium. Base Levels for the Commission's operating appropriation are \$1,209,845 for FY98 and \$1,229,974 for FY99, with 20 positions authorized. Priorities included in the Agency Request for the main operating appropriation (A18) are as follows:

Increases of \$5,000 each year in Operating Expenses for building maintenance and repairs.

Additions in Professional Fees & Services of \$2,000 each year for hearing officer expenses.

Capital Outlay of \$57,500 in the first year and \$25,000 in the second year for replacement of office equipment and purchase of data processing equipment for office networking and electronic imaging.

Increases of \$59,544 each year for investment of excess license fees.

Base Level for the Real Estate Recovery Fund appropriation (B48) is \$444,481 each year. Additions requested for the Recovery account are as follows:

Increases of \$23,394 each year for investment of additional funds held in the Recovery account.

Additions of \$7,500 each year in the Education line item for publication of newsletters and other educational material sent to real estate licensees.

The Executive Recommendation for the main operating appropriation (A18) is for the additions requested for investment and Capital Outlay of \$57,000 for FY98 and \$7,500 for FY99.

The Executive Recommendation for the Real Estate Recovery Fund (B48) is Agency Request.

AGENCY	APPROPRIATION	CASH FUND	ANALYSIS OF BUDGET REQUEST	PAGE
Name: Arkansas Real Estate Commission Code: 248	Name: Real Estate - Cash & Real Estate Recovery - Cash Code: A18 & B48	Name: Real Estate - Cash & Real Estate Recovery Fund - Cash Code: 324 & 335	BR20	262

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	EXPENDITURES			96-97			97-98 FISCAL YEAR			98-99 FISCAL YEAR			RECOMMENDATIONS			
	95-96	96-97	96-97	97-98		TOTAL	98-99		TOTAL	EXECUTIVE		LEGISLATIVE				
	ACTUAL	BUDGETED	AUTHORIZED APPRO	BASE	PRIORITY PROGRAMS	REQUEST	BASE	PRIORITY PROGRAMS	REQUEST	97-98	98-99	97-98	98-99			
REGULAR SALARIES	548,443	500,542	549,396	608,732	0	608,732	625,768	0	625,768	608,732	625,768					
NUMBER OF POSITIONS	20	20	20	20	0	20	20	0	20	20	20					
EXTRA HELP	985	16,000	16,000	16,000	0	16,000	16,000	0	16,000	16,000	16,000					
NUMBER OF POSITIONS	1	4	4	4	0	4	4	0	4	4	4					
PERSONAL SERV MATCHING	147,193	166,097	145,211	171,892	0	171,892	174,985	0	174,985	171,892	174,985					
OPERATING EXPENSES	168,634	211,174	211,174	211,174	5,000	216,174	211,174	5,000	216,174	211,174	211,174					
CONF FEES & TRAVEL	10,967	13,662	13,662	13,662	0	13,662	13,662	0	13,662	13,662	13,662					
PROF FEES & SERVICES	27,862	32,929	32,929	32,929	2,000	34,929	32,929	2,000	34,929	32,929	32,929					
CAPITAL OUTLAY	4,630	7,500	7,500	0	57,000	57,000	0	25,000	25,000	57,000	7,500					
INVESTMENTS	0	90,456	150,000	90,456	59,544	150,000	90,456	59,544	150,000	150,000	150,000					
REFUNDS/REIMBURSEMENTS	0	65,000	65,000	65,000	0	65,000	65,000	0	65,000	65,000	65,000					
TOTAL	908,714	1,183,360	1,190,872	1,209,845	123,544	1,333,389	1,229,974	91,544	1,321,518	1,326,389	1,297,018					
PROPOSED FUNDING SOURCES			*****													
FUND BALANCES	766,574	779,274	*****	611,370		611,370	308,437		308,437	611,370	315,437					
GENERAL REVENUES			*****													
SPECIAL REVENUES			*****													
FEDERAL FUNDS			*****													
STATE CENTRAL SERVICES FUND			*****													
NON-REVENUE RECEIPTS			*****													
CASH FUNDS	921,414	925,000	*****	816,456	123,544	940,000	863,456	91,544	955,000	940,000	955,000					
INVESTMENTS		90,456	*****	90,456		90,456	90,456		90,456	90,456	90,456					
TOTAL FUNDING	1,687,988	1,794,730	*****	1,518,282	123,544	1,641,826	1,262,349	91,544	1,353,893	1,641,826	1,360,893					
EXCESS APPRO/ (FUNDING)	(779,274)	(611,370)	*****	(308,437)		(308,437)	(32,375)		(32,375)	(315,437)	(63,875)					
TOTAL	908,714	1,183,360	*****	1,209,845	123,544	1,333,389	1,229,974	91,544	1,321,518	1,326,389	1,297,018					

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 248 ARKANSAS REAL ESTATE COMMISSION
 APPRO A18 CASH OPERATIONS
 FUND 324 REAL ESTATE-CASH (248)

The FY97 Budgeted amounts in Regular Salaries and/or Personal Services Matching may exceed the Authorized amounts due to the implementation of the pay plan during the 1995-97 biennium.

APPROPRIATION SUMMARY

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ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	-----EXPENDITURES-----		-----1997 - 99 BIENNIUM REQUESTS-----				-----R E C O M M E N D A T I O N S-----								
					-----ACTUAL-----BUDGETED-----		-----FY 1997 - 98-----		-----FY 1998 - 99-----		-----EXECUTIVE-----		-----LEGISLATIVE-----						
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
100		324	248 A18	B	908,714 20	1,183,360 20	1,209,845 20				1,229,974 20			1,209,845 20	1,229,974 20				
101		324	248 A18	P01			57,000 0				25,000 0			57,000	7,500				
					<p>The request is for purchase of office equipment, machines, and furniture that need replacement, and purchase of computer equipment for networking in AREC office and for electronic imaging. The computer equipment will be used for increased efficiency in administrative, licensing and accounting functions, for archiving license records, investigative files, administrative files and accounting records, for desktop publishing AREC newsletter, for AREC staff use by Administrative, Investigative and Licensing Departments, and to make information more accessible to the public.</p>														
102		324	248 A18	P02			2,000 0				2,000 0								
					<p>Increased amounts requested for payment of official Hearing Officer employed under Professional Services Contract.</p>														

EPT 007 REGULATORY BOARDS AND COMMISSIONS
 GY 248 ARKANSAS REAL ESTATE COMMISSION
 PPRO A18 CASH OPERATIONS
 UND 324 REAL ESTATE-CASH (248)

RANK BY APPROPRIATION
 BR 264

ARKANSAS BUDGET SYSTEM

PROGRAM/SERVICE INFORMATION LIST

RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS							
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE					
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99						
003		324	248 A18	P03		0	5,000			5,000								
Increased amount requested for routine building maintenance and repairs.																		
004		324	248 A18	P04		0	59,544			59,544				59,544	59,544			
Increased amount requested to allow for investment of funds.																		

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
 AGY 248 ARKANSAS REAL ESTATE COMMISSION
 APPRO A18 CASH OPERATIONS
 FUND 324 REAL ESTATE-CASH (248)

RANK BY APPROPRIATION
 BR 264

ARKANSAS BUDGET SYSTEM

CHARACTER TITLE	EXPENDITURES		96-97 AUTHORIZED APPRO	97-98 FISCAL YEAR			98-99 FISCAL YEAR			RECOMMENDATIONS			
	95-96 ACTUAL	96-97 BUDGETED		BASE	PRIORITY PROGRAMS	TOTAL REQUEST	BASE	PRIORITY PROGRAMS	TOTAL REQUEST	EXECUTIVE		LEGISLATIVE	
			97-98							98-99	97-98	98-99	
INVESTMENTS	0	151,981	175,375	151,981	23,394	175,375	151,981	23,394	175,375	175,375	175,375		
IMAGE PAYMENT	30,070	250,000	250,000	250,000	0	250,000	250,000	0	250,000	250,000	250,000		
EDUCATION	34,749	42,500	42,500	42,500	7,500	50,000	42,500	7,500	50,000	50,000	50,000		
TOTAL	64,819	444,481	467,875	444,481	30,894	475,375	444,481	30,894	475,375	475,375	475,375		
PROPOSED FUNDING SOURCES			*****										
UNDEVELOPED BALANCES	1,075,155	1,107,780	*****	905,280		905,280	671,886		671,886	905,280	671,886		
GENERAL REVENUES			*****										
SPECIAL REVENUES			*****										
FEDERAL FUNDS			*****										
STATE CENTRAL SERVICES FUND			*****										
NON-REVENUE RECEIPTS			*****										
TRUST FUNDS	97,444	90,000	*****	59,106	30,894	90,000	59,106	30,894	90,000	90,000	90,000		
INVESTMENTS		151,981	*****	151,981		151,981	151,981		151,981	151,981	151,981		
TOTAL FUNDING	1,172,599	1,349,761	*****	1,116,367	30,894	1,147,261	882,973	30,894	913,867	1,147,261	913,867		
UNDEVELOPED APPRO/ (FUNDING)	(1,107,780)	(905,280)	*****	(671,886)		(671,886)	(438,492)		(438,492)	(671,886)	(438,492)		
TOTAL	64,819	444,481	*****	444,481	30,894	475,375	444,481	30,894	475,375	475,375	475,375		

PT 007 REGULATORY BOARDS AND COMMISSIONS
 FY 248 ARKANSAS REAL ESTATE COMMISSION
 PRO B48 REAL ESTATE RECOVERY -- CASH
 ND 335 REAL ESTATE RECOVERY-CASH (248)

APPROPRIATION SUMMARY

BR 215

ARKANSAS BUDGET SYSTEM
PROGRAM/SERVICE INFORMATION LIST
RANK BY APPROPRIATION

01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
RANK	PROGRAM DESCRIPTION	FUND	ACCOUNTING INFORMATION	D E S	EXPENDITURES		1997 - 99 BIENNIUM REQUESTS				RECOMMENDATIONS								
					ACTUAL	BUDGETED	FY 1997 - 98		FY 1998 - 99		EXECUTIVE		LEGISLATIVE						
					95-96	96-97	REQUEST	REQUEST	1997-98	1998-99	1997-98	1998-99							
000		335	248 B48	B	64,819 0	444,481 0	444,481 0			444,481 0				444,481	444,481				
001		335	248 B48	P01		0 0	7,500 0			7,500 0				7,500	7,500				
Increased amounts requested for publication of AREC newsletters and other educational material sent to real estate licensees.																			
002		335	248 B48	P02		0 0	23,394 0			23,394 0				23,394	23,394				
Increased amount requested to allow for investment of funds.																			

DEPT 007 REGULATORY BOARDS AND COMMISSIONS
AGY 248 ARKANSAS REAL ESTATE COMMISSION
APPRO B48 REAL ESTATE RECOVERY -- CASH
FUND 335 REAL ESTATE RECOVERY-CASH (248)

RANK BY APPROPRIATION
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