

Approved: 2-24-99  
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE.

The meeting was called to order by Chairperson Phill Kline at 9:00 a.m. on February 10, 1999 in Room 514-S of the Capitol.

All members were present except: Rep. Dean  
Rep. Landwehr

Committee staff present: Legislative Research - Alan Conroy, Stuart Little, Audrey Nogle, Tom Severn,  
Paul West  
Revisor of Statutes - Jim Wilson  
Secretary - Ann McMorris

Conferees appearing before the committee: None

Others attending: (See attached list)

Budget Committee reports (continued)

The following reports were presented by Chairman Powell of the Tax, Judicial and Transportation Budget Committee:

Homestead Property Tax Refunds

Chair Powell reported the Budget Committee concurs with the Governor's recommendation on the Homestead Property Tax Refunds for both FY1999 and FY2000. (Attachment 1)

Moved by Representative Powell, seconded by Representative Nichols, adoption of the reports for FY1999 and FY2000 for the Homestead Property Tax Refunds. Motion carried.

Department of Revenue

Chair Powell reported the Budget committee concurs with the Governor's recommendations with observations regarding the agency accounts receivable and the transition of the agency from ten bureaus to four core processes. The agency is to provide the following information prior to the consideration of Omnibus: (1) expenditures for computers and software for the last five years; and (2) expenditures for temporary employees for the last four years, including the number of person hours purchased and the average cost per person hour. (Attachment 2)

Moved by Representative Powell, seconded by Representative Nichols, adoption of the reports for FY1999 and FY2000 for the Department of Revenue. Motion carried.

Real Estate Commission

Chair Powell reported the Budget Committee concurs with the Governor on Real Estate Commission budgets for fiscal years 1999, 2000, and 2001. (Attachment 3)

Moved by Representative Powell, seconded by Representative Nichols, adoption of the reports for Real Estate Commission budgets for fiscal years 1999, 2000, and 2001. Motion carried.

Real Estate Appraisal Board

Chair Powell reported the Budget Committee concurs with the Governor on Real Estate Appraisal Board budgets for fiscal years 1999, 2000, and 2001. (Attachment 4)

Moved by Representative Powell, seconded by Representative Nichols, adoption of the reports for Real Estate Appraisal Board budgets for fiscal years 1999, 2000, and 2001. Motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE, Room 514-S Statehouse, at 9:00 a.m. on February 10, 1999.

Moved by Representative Feuerbaum, seconded by Representative McKechnie, approval of minutes for January 12, 13, 14, 19, 20, 21 and 26. Motion carried.

Next meeting will be held on February 11, 1999.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 4

**HOUSE APPROPRIATIONS COMMITTEE  
GUEST LIST**

**DATE: FEBRUARY 10, 1999**

NAME	REPRESENTING
Erik Sartorius	Johnson Co. Board of Realtors
Harry Tiffany	KDOR

## House Budget Committee Report

**Agency:** Homestead Property Tax Refunds

**Bill No.**

**Bill Sec.**

**Analyst:** Nogle

**Analysis Pg. No.** 545

**Budget Page No.** 377

Expenditure	Agency Est. FY 99	Gov. Rec. FY 99	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund:	\$ 13,776,554	\$ 13,776,554	\$ 0
Special Revenue Funds	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u><u>\$ 13,776,554</u></u>	<u><u>\$ 13,776,554</u></u>	<u><u>\$ 0</u></u>
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>0.0</u></u>	<u><u>0.0</u></u>	<u><u>0.0</u></u>

### Agency Request/Governor's Recommendations

The agency requests \$13,776,554 for Homestead Property Tax refunds in FY 1999, representing an increase of \$1,776,554 (14.8 percent) from the amount approved by the 1998 Legislature. The Governor concurs with the agency request.

### House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

*Toy Powell*

Representative Powell, Budget Committee Chairman

*Rocky Nichols*

Representative Nichols

*Peggy Palmer*

Representative Palmer

*J.P. Peterson*

Representative Peterson

*Eler Phelps*

Representative Phelps

**House Budget Committee Report**

**Agency:** Homestead Property Tax Refunds

**Bill No.**

**Bill Sec.**

**Analyst:** Nogle

**Analysis Pg. No.** 545

**Budget Page No.** 377

Expenditure	Agency Req. FY 00	Gov. Rec. FY 00	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 13,776,554	\$ 13,776,554	\$ 0
Special Revenue Funds	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 13,776,554</u>	<u>\$ 13,776,554</u>	<u>\$ 0</u>
FTE Positions	0.0	0.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>

**Agency Request/Governor's Recommendations**

The agency requests \$13,776,554 for Homestead Property Tax refunds in FY 2000, representing an estimated increase of 1,089, or 1.6 percent, in the number of refunds claimed. The estimated average refund is \$197, the same as the actual refund for FY 1998. The \$13,776,554 request includes approximately \$13,276,554 for the refund program and \$500,000 for accounts receivables and set-offs.

The Governor concurs.

**House Budget Committee Recommendation**

The Budget Committee concurs with the Governor's recommendation.

**Note:** The 1996 Legislature enacted legislation (K.S.A. 79-4530) requiring a tax refund when the appraisal of a single family residence increases by 75 percent or more from the previous year, to begin after December 1996. The Department of Revenue estimates that 100 residences will be eligible for a refund with a total cost of \$20,000. 1999 S.B. 43 proposes an amendment that will allow the Department of Revenue to pay these refunds from the Homestead Property Tax Refund appropriation. The Governor's budget bill contains a proviso that would allow the Department of Revenue to pay these refunds from the Homestead Property Tax Refund appropriation. The Committee concurs with these proposals.

*Tay Powell*

Representative Powell, Budget Committee Chairman

*Rocky Nichols*

Representative Nichols

*Peggy Palmer*

Representative Palmer

*Jill Peterson*

Representative Peterson

*Eler Phelps*

Representative Phelps

## House Budget Committee Report

**Agency:** Department of Revenue

**Bill No. ???**

**Bill Sec. ???**

**Analyst:** West

**Analysis Pg. No.** 1,308

**Budget Page No.** 363

Expenditure Summary	Agency Est. FY 99	Gov. Rec. FY 99	House Budget Committee Adjustments
<b>All Funds:</b>			
State Operations	\$ 75,396,881	\$ 75,569,081	\$ 0
Aid to Local Units	6,704,000	6,704,000	0
Other Assistance	2,500,000	2,500,000	0
<b>TOTAL</b>	<b>\$ 84,600,881</b>	<b>\$ 84,773,081</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	\$ 29,005,627	\$ 28,977,710	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b>\$ 29,005,627</b>	<b>\$ 28,977,710</b>	<b>\$ 0</b>
FTE Positions	1,185.5	1,185.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b>1,185.5</b>	<b>1,185.5</b>	<b>0.0</b>

### Agency Est./Governor's Recommendation

The agency's current year estimate of \$84.6 million is a net increase of \$2.8 million from the approved budget. This results from:

- Greater than budgeted FY 1998 State General Fund expenditures, which reduced funding available for FY 1999 by \$143,380;
- Increased expenditures from the Automated Tax Systems Fund (\$1.7 million) and the Electronic Databases Fee Fund (\$1.1 million) associated with Project 2000 and improvements to the Computer Assisted Mass Appraisal (CAMA) System and Vehicle Information Processing System (VIPS). The majority of the increase is associated with expenditures deferred from FY 1998;
- An increase of \$74,000 in estimated Sand Royalty payments to local units of government;
- A net increase of \$64,395 in other special revenue fund expenditures.

Attachment 2-1  
House Appropriations Committee  
February 10, 1999



The Governor recommends a current year budget of \$84.8 million, a net increase of \$172,769 from the agency's estimate.

- State General Fund expenditures of \$29.0 million reflect a reduction of \$27,917 due to a retirement;
- A net increase of \$201,597 in Division of Vehicles Operating Fund expenditures is recommended due to:
  - An increase of \$250,000 for Year 2000 repairs to the driver's license issuing system;
  - A retirement reduction of \$29,047;
  - A \$19,356 reduction in other operating expenses.
- Expenditures from the Electronic Databases Fee Fund are reduced from the agency's estimate by \$911.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation, with the following observations:

- The Budget Committee learned that the agency currently has accounts receivable of \$147.1 million. Of this amount, \$77.4 million are 180 days or less past due and \$69.7 million are more than 180 days past due. The agency reports that approximately 60 percent of these amounts are attributable to businesses and 40 percent to individuals. The Budget Committee believes that as the agency re-engineers itself to a more customer friendly organization that future legislatures should continue to track the agency's accounts receivable as a measure of their performance.
- The Budget Committee notes that the agency is going through an exhaustive re-interviewing process of agency personnel as the agency re-engineers itself from ten bureaus to four core processes. The agency is confident that this process will increase their productivity and make the Department of Revenue more customer friendly. The agency cited studies where other organizations have increased their productivity by as much as 70 percent using these methods. The Budget Committee agrees that the Department of Revenue needs to make strides in productivity and become more customer friendly. The Budget Committee looks forward to receiving a detailed report before Omnibus regarding what impact these changes will have on performance measures and productivity. The agency will report back how these changes will improve performance measures with a specific time line for their goals and objectives. The Budget Committee also requests that the agency provide the costs associated with this re-engineering and re-interviewing process, including the

number of person hours devoted to re-interviewing, salary costs and production costs.

- The Budget Committee notes that the agency is to provide the following information prior to the consideration of Omnibus:
- Expenditures for computers and software for the last five years; and
- Expenditures for temporary employees for the last four years, including the number of person hours purchased and the average cost per person hour.

The Budget Committee looks forward to sharing this information with the Appropriations Committee and other interested legislators.

  
\_\_\_\_\_  
Representative Anthony J. Powell  
Budget Committee Chairperson

  
\_\_\_\_\_  
Representative Rocky Nichols

  
\_\_\_\_\_  
Representative Peggy R. Palmer

  
\_\_\_\_\_  
Representative Jeff Peterson

  
\_\_\_\_\_  
Representative Eber Phelps

## House Budget Committee Report

**Agency:** Department of Revenue

**Bill No. ???**

**Bill Sec. ???**

**Analyst:** West

**Analysis Pg. No.** 1,308

**Budget Page No.** 393

<u>Expenditure Summary</u>	<u>Agency Req. FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>House Budget Committee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 79,270,081	\$ 74,138,769	\$ 0
Aid to Local Units	6,419,000	6,419,000	0
Other Assistance	2,500,000	2,500,000	0
<b>TOTAL</b>	<b><u>\$ 88,189,081</u></b>	<b><u>\$ 83,057,769</u></b>	<b><u>\$ 0</u></b>
<b>State General Fund:</b>			
State Operations	\$ 30,155,896	\$ 31,952,443	\$ (1,700,000)
Aid to Local Units	0	0	0
Other Assistance	0	0	0
<b>TOTAL</b>	<b><u>\$ 30,155,896</u></b>	<b><u>\$ 31,952,443</u></b>	<b><u>\$ (1,700,000)</u></b>
FTE Positions	1,188.5	1,182.5	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b><u>1,188.5</u></b>	<b><u>1,182.5</u></b>	<b><u>0.0</u></b>

### Agency Req./Governor's Recommendation

The agency requests an FY 2000 budget of \$88.2 million, a net increase of \$3.6 million (4.2 percent) from the current year. The request includes:

- \$30.2 million from the State General Fund, an increase of \$1.2 million (4.0 percent) from the current year;
- \$9.2 million, including \$1.1 million from the State General Fund and 3.0 FTE positions, for eight program enhancement packages;
- A reduction of \$4.3 million in expenditures from the Automated Tax Systems Fund as Project 2000 approaches completion.
- Absent the requested increases, the request would represent a decrease of \$5.6 million (6.6 percent) from the current year.

The Governor recommends an FY 2000 budget of \$83.1 million, a net decrease of \$1.7 million (2.0 percent) from the current year. The recommendation includes:

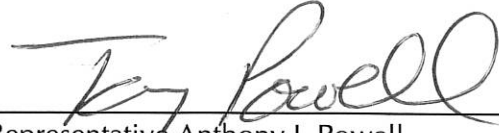
- State General Fund financing of \$32.0 million, an increase of \$3.0 million (10.3 percent) from the current year.
  - Project 2000 operations and support funding of \$4.1 million is shifted from the Automated Tax Systems to the State General Fund. There is also a reduction of \$10.2 million from the agency's estimate of transfers from the State General Fund to the Automated Tax Systems Fund;
  - Other operating expenditure funding of \$840,000 is shifted from the State General Fund to the Electronic Databases Fee Fund.
  - Absent these shifts the Governor's recommendation would be a decrease of \$294,472 (1.0 percent) from the current year.
- The Governor includes \$5.3 million from the Division of Vehicles Operating Fund to begin the production of license plates for reissue in CY 2001 as requested by the agency.
- FY 2000 FTE positions of 1,182.5 reflects a reduction of 3.0 FTE positions due to retirements. No new FTE positions are recommended.

### **House Budget Committee Recommendations**

The House Budget Committee concurs with the Governor's recommendations, with the following adjustments:

- The Budget Committee notes that the Electronic Databases Fee Fund was created to finance capital outlay, operations and maintenance of the databases operated by the agency for which access fees are charged or a charge is collected for copies of records. Until FY 2000, the fund has not been utilized to finance program operations. The Governor's FY 2000 recommendation shifts \$840,000 from the State General Fund to the Electronic Databases Fee Fund to finance a portion of the agency's operations. The Governor's recommendation leaves an ending balance of \$1.9 million in the fund compared to the agency's budget request which reflects an ending balance of \$256,602. The Budget Committee recommends the shift of \$1,700,000 of operating expenditures from the State General Fund to the Electronic Databases Fee Fund. This will result in an FY 2000 ending balance of \$240,660.
- The Budget Committee received information that the Governor's Tax Committee recommends that the agency develop a model to analyze the impact of all Kansas taxes on different types of households. This recommendation apparently was not received in time for inclusion in the agency's budget request or the Governor's recommendation. The agency estimates the cost to acquire a sales tax model and update the income tax model to be \$500,000, which could be financed from the

Electronic Databases Fee Fund. The Budget Committee is uncertain if funding for this system would be required in FY 2000 or FY 2001. The Budget Committee recommends that the agency request a Governor's budget amendment for this item and that consideration of project funding be deferred until such an amendment is received. Should the Governor recommend funding from the Electronic Databases Fee Fund, then the Budget Committee may revisit the amount of funding shifted in recommendation number 1.



Representative Anthony J. Powell  
Budget Committee Chairperson



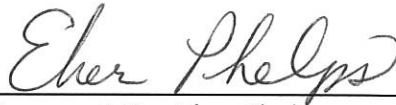
Representative Rocky Nichols



Representative Peggy R. Palmer



Representative Jeff Peterson



Representative Eber Phelps

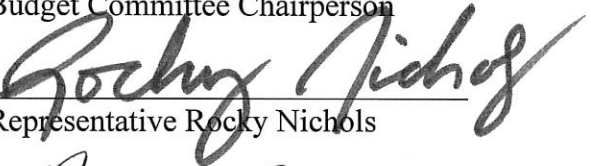
TAX JUDICIAL AND TRANSPORTATION BUDGET COMMITTEE REPORT ON

Real Estate Commission  
Real Estate Appraisal Board

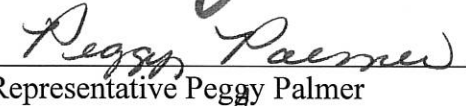
Fiscal Years 1999, 2000, and 2001



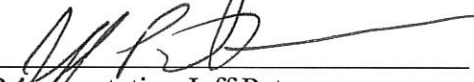
Representative Anthony J. Powell,  
Budget Committee Chairperson




Representative Rocky Nichols



Representative Peggy Palmer



Representative Jeff Peterson



Representative Eber Phelps

## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Real Estate Commission

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1788

**Budget Page No.** 533

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 615,104	\$ 614,833	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 632,104</u>	<u>\$ 631,833</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

### Agency Estimate/Governor's Recommendation

The agency's estimate of \$632,104 for FY 1999 is a decrease of \$5,822 from the approved budget. The agency experienced two vacancies for part of the current fiscal year.

The Governor concurs in the agency estimate but makes a minor reduction (\$271) due to recalculating fringe benefits.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

### Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	<u>628,234</u>	<u>628,692</u>	<u>628,692</u>	<u>775,148*</u>	<u>675,148</u>	<u>574,764</u>	<u>574,764</u>
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	<u>556,402</u>	<u>615,104</u>	<u>614,833</u>	<u>635,089</u>	<u>638,926</u>	<u>649,394</u>	<u>653,293</u>
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>
Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%

\* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.



## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Real Estate Commission

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1788

**Budget Page No.** 533

<u>Expenditure Summary</u>	<u>Agency Req. FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Fund:			
State Operations	\$ 635,089	\$ 638,926	\$ 0
Other Assistance	17,000	17,000	0
TOTAL	<u>\$ 652,089</u>	<u>\$ 655,926</u>	<u>\$ 0</u>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
TOTAL	<u>14.0</u>	<u>14.0</u>	<u>0.0</u>

### Agency Req./Governor's Recommendation

**The agency's request** of \$652,089 for FY 2000 would maintain its operations at the current level. An increase over the estimate for salaries and wages for FY 1999 of \$796 would allow for normal step movement, longevity bonus payments, and an unclassified merit pool. The agency experienced two vacancies for part of FY 1999.

The Governor recommends expenditures of \$655,926 for FY 2000, an increase of \$3,837 from the agency request. The Governor includes \$14,364 for his employee salary adjustment, partially offset by a minor reduction due to recalculating fringe benefits.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

### Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	<u>628,234</u>	<u>628,692</u>	<u>628,692</u>	<u>775,148*</u>	<u>675,148</u>	<u>574,764</u>	<u>574,764</u>
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	<u>556,402</u>	<u>615,104</u>	<u>614,833</u>	<u>635,089</u>	<u>638,926</u>	<u>649,394</u>	<u>653,293</u>
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>
Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%

\* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Real Estate Commission

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1788

**Budget Page No.** 533

<u>Expenditure Summary</u>	<u>Agency Req. FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>House Budget Committee Adjustments</u>
<b>Special Revenue Funds:</b>			
State Operations	\$ 649,395	\$ 653,293	\$ 0
Other Assistance	17,000	17,000	0
<b>TOTAL</b>	<b><u>\$ 666,395</u></b>	<b><u>\$ 670,293</u></b>	<b><u>\$ 0</u></b>
FTE Positions	14.0	14.0	0.0
Unclassified Temp. Positions	0.0	0.0	0.0
<b>TOTAL</b>	<b><u>14.0</u></b>	<b><u>14.0</u></b>	<b><u>0.0</u></b>

### **Agency Req./Governor's Recommendation**

The agency's request of \$666,395 for FY 2001 would maintain its operations at the current level. An increase of \$11,653 over the FY 2000 request for salaries and wages allow for normal step movement, longevity bonus payments, and 2.5 percent unclassified merit pool.

The Governor recommends expenditures of \$670,293, an increase of \$3,898 from the agency request. The Governor includes \$12,909 for his employee salary adjustment, partially offset by a minor reduction due to recalculating fringe benefits.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor.

## Fee Fund Analysis

The following table reflects the status of the agency's Real Estate Fee Fund under the Budget Committee's recommendation and excludes data for the Real Estate Recovery Revolving Fund.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 405,562	\$ 477,395	\$ 477,395	\$ 490,983	\$ 491,254	\$ 631,042	\$ 527,476
Projected Receipts	<u>628,234</u>	<u>628,692</u>	<u>628,692</u>	<u>775,148*</u>	<u>675,148</u>	<u>574,764</u>	<u>574,764</u>
Total Available	\$ 1,033,796	\$ 1,106,087	\$ 1,106,087	\$ 1,266,131	\$ 1,166,402	\$ 1,205,806	\$ 1,102,240
Less: Expenditures	<u>556,402</u>	<u>615,104</u>	<u>614,833</u>	<u>635,089</u>	<u>638,926</u>	<u>649,394</u>	<u>653,293</u>
Ending Balance	<u>\$ 477,395</u>	<u>\$ 490,983</u>	<u>\$ 491,254</u>	<u>\$ 631,042</u>	<u>\$ 527,476</u>	<u>\$ 556,411</u>	<u>\$ 448,947</u>
Ending Balance as a Percentage of Expend.	85.8%	79.8%	79.9%	99.4%	82.6%	85.7%	68.7%

\* FY 2000 receipts reflect the requested transfer of \$100,000 from the Real Estate Recovery Revolving Fund, which the Governor has not recommended.

## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Real Estate Appraisal Board

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1777

**Budget Page No.** 531

<u>Expenditure Summary</u>	<u>Agency Estimate FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Budget Committee Adjustments</u>
Special Revenue Funds:			
State Operations	\$ 184,323	\$ 184,197	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$ 184,323</u>	<u>\$ 184,197</u>	<u>\$ 0</u>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

### Agency Estimate/Governor's Recommendation

The agency's estimate of \$184,323 for FY 1999 is an increase of \$9,630 from the approved budget. The salary for a new position and fringe benefits were higher than previously estimated, and the agency is having its newsletter professionally printed.

The Governor concurs with the estimated expenditures but reduces the amount slightly, to \$184,197, after recalculating fringe benefits.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

### Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	<u>164,296</u>	<u>184,323</u>	<u>184,197</u>	<u>199,838</u>	<u>193,445</u>	<u>204,920</u>	<u>197,953</u>
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%

**HOUSE BUDGET COMMITTEE REPORT**

**Agency:** Real Estate Appraisal Board

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1777

**Budget Page No.** 531

<u>Expenditure Summary</u>	<u>Agency Request FY 00</u>	<u>Gov. Rec. FY 00</u>	<u>House Budget Committee Adjustments</u>
<b>Special Revenue Funds:</b>			
State Operations	\$ 199,838	\$ 193,445	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$ 199,838</u></b>	<b><u>\$ 193,445</u></b>	<b><u>\$ 0</u></b>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>TOTAL</b>	<b><u>3.0</u></b>	<b><u>3.0</u></b>	<b><u>0.0</u></b>

**Agency Request/Governor's Recommendation**

The agency's request of \$199,838 for FY 2000 would maintain its operations at the current level and includes funding of \$7,600 for travel and subsistence to audit additional appraisal courses and to provide additional informational mailings. An increase of \$2,508 from the FY 1999 estimate for salaries and wages allows for normal step movement and 2.5 percent unclassified merit pool. The agency was formed in 1990 and no current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$193,445, an decrease of \$6,393 from the agency request. The Governor includes \$4,310 for his employee salary adjustment. The Governor did not recommend the requested enhancement.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor.

### Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

<u>Resource Estimate</u>	<u>Actual FY 1998</u>	<u>Agency Estimate FY 1999</u>	<u>Gov. Rec. FY 1999</u>	<u>Agency Request FY 2000</u>	<u>Gov. Rec. FY 2000</u>	<u>Agency Request FY 2001</u>	<u>Gov. Rec. FY 2001</u>
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	<u>164,296</u>	<u>184,323</u>	<u>184,197</u>	<u>199,838</u>	<u>193,445</u>	<u>204,920</u>	<u>197,953</u>
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%



## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Real Estate Appraisal Board

**Bill No. -**

**Bill Sec. -**

**Analyst:** Severn

**Analysis Pg. No.** 1777

**Budget Page No.** 531

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>House Budget Committee Adjustments</u>
<b>Special Revenue Funds:</b>			
State Operations	\$ 204,920	\$ 197,953	\$ 0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$ 204,920</u></b>	<b><u>\$ 197,953</u></b>	<b><u>\$ 0</u></b>
FTE Positions	3.0	3.0	0.0
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>TOTAL</b>	<b><u>3.0</u></b>	<b><u>3.0</u></b>	<b><u>0.0</u></b>

### Agency Request/Governor's Recommendation

The agency's request of \$204,920 for FY 2001 would maintain its operations at the current level and would continue funding for the enhancements requested in FY 2000: travel and subsistence to audit additional appraisal courses and to provide additional informational mailings. An increase of \$3,792 from the FY 2000 request for salaries and wages allows for normal step movement and 2.5 percent unclassified merit pool. The agency was formed in 1990 and no current employees qualify for longevity bonus payments.

The Governor recommends expenditures of \$197,953, an decrease of \$6,664 from the agency request. The Governor includes \$4,380 for his employee salary adjustment. The Governor did not recommend the requested enhancements.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor.

### Fee Fund Analysis

The following table reflects the status of the Board's fee fund under the Budget Committee's recommendation.

Resource Estimate	Actual FY 1998	Agency Estimate FY 1999	Gov. Rec. FY 1999	Agency Request FY 2000	Gov. Rec. FY 2000	Agency Request FY 2001	Gov. Rec. FY 2001
Beginning Balance	\$ 334,654	\$ 318,454	\$ 318,454	\$ 282,227	\$ 282,353	\$ 230,485	\$ 237,004
Projected Receipts	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>	<u>148,096</u>
Total Available	\$ 482,750	\$ 466,550	\$ 466,550	\$ 430,323	\$ 430,449	\$ 378,581	\$ 385,100
Less: Expenditures	<u>164,296</u>	<u>184,323</u>	<u>184,197</u>	<u>199,838</u>	<u>193,445</u>	<u>204,920</u>	<u>197,953</u>
Ending Balance	<u>\$ 318,454</u>	<u>\$ 282,227</u>	<u>\$ 282,353</u>	<u>\$ 230,485</u>	<u>\$ 237,004</u>	<u>\$ 173,661</u>	<u>\$ 187,147</u>
Ending Balance as a Percentage of Expend.	193.8%	153.1%	153.3%	115.3%	122.5%	84.7%	94.5%