

ABSTRACTERS' BOARD OF EXAMINERS

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	21,665	25,717	25,717	25,711	25,711	25,723	25,723
<i>Subtotal</i>	<u>\$ 21,665</u>	<u>\$ 25,717</u>	<u>\$ 25,717</u>	<u>\$ 25,711</u>	<u>\$ 25,711</u>	<u>\$ 25,723</u>	<u>\$ 25,723</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>\$ 21,665</u>	<u>\$ 25,717</u>	<u>\$ 25,717</u>	<u>\$ 25,711</u>	<u>\$ 25,711</u>	<u>\$ 25,723</u>	<u>\$ 25,723</u>
Percentage Change:							
State General Fund	-- %	-- %	-- %	-- %	-- %	-- %	-- %
All Funds	99.0 %	18.7 %	18.7 %	-- %	(0.0) %	-- %	-- %
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0

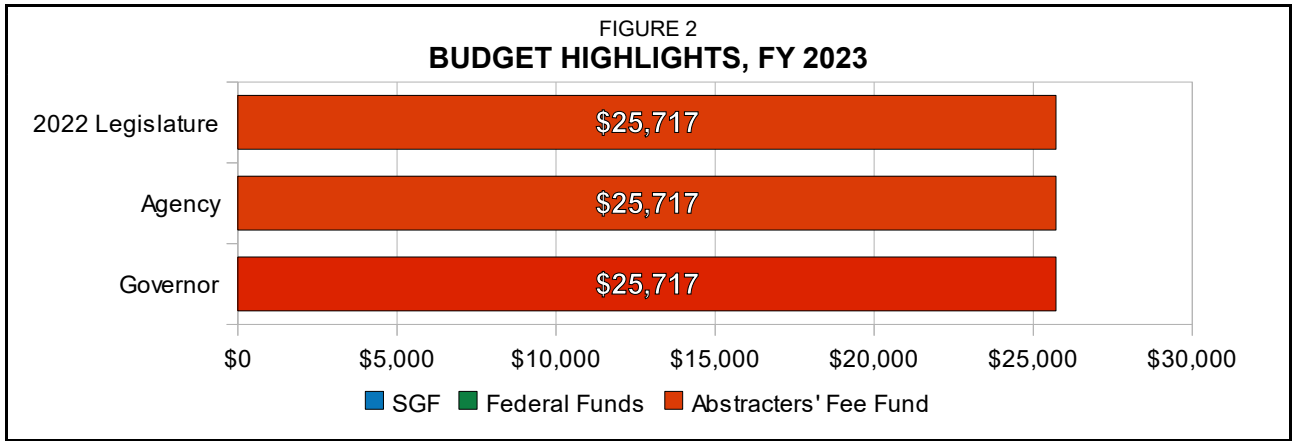
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Abstracters' Board of Examiners is composed of three individuals who are appointed by the Governor and who are tasked with licensing and regulating individuals and firms that compile and sell abstracts of Kansas real estate. Abstracters search county and court records for all transactions and legal issues involving the legal description of a property in order to verify whether the title to the property is free and clear of all restrictions and encumbrances. In order to obtain a license to sell land abstracts, individuals and businesses must pass an examination that is prepared and administered by the agency. In addition to passing the examination, licensees must file a bond with the agency to protect against the loss or destruction of public records, as well as file a policy of errors and omissions insurance.

The stated mission of the Abstracters' Board of Examiners is to protect the citizens of Kansas against fraudulent and improper land title transfers by ensuring that practicing abstracters are professional and reliable in their work products.

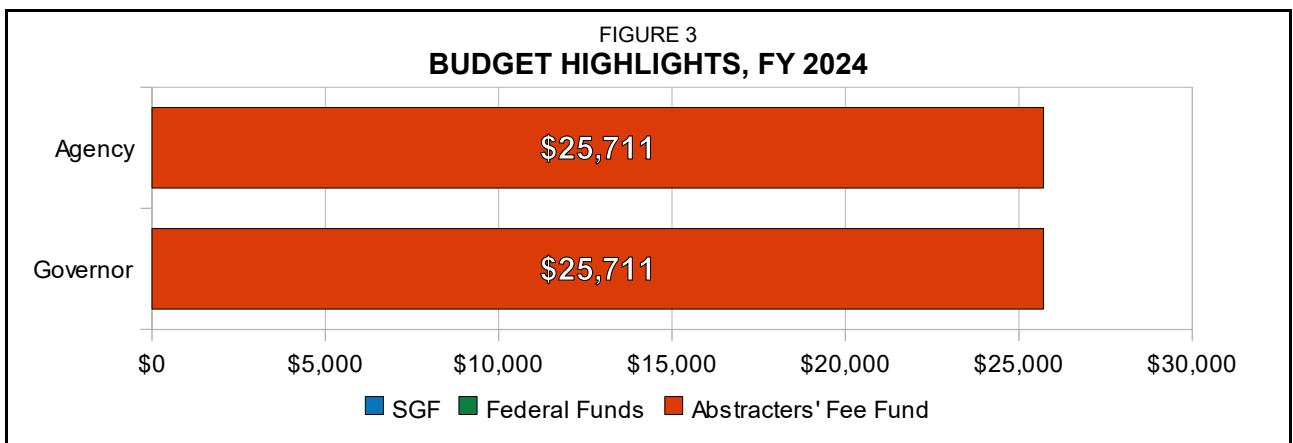
EXECUTIVE SUMMARY

The 2022 Kansas Legislature approved a budget of \$25,717, all from the Abstracters' Fee Fund, for the Abstracters' Board of Examiners in FY 2023.



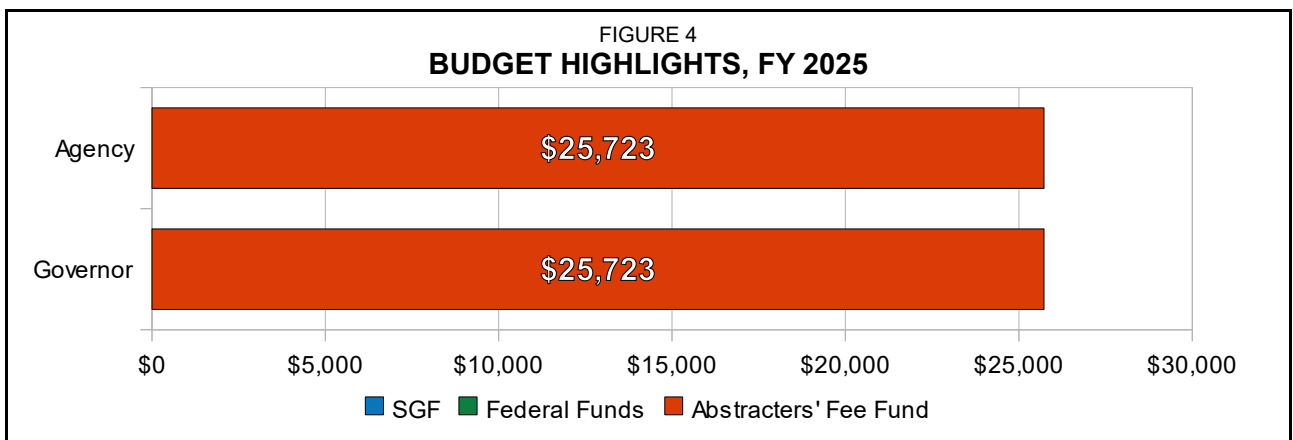
The **agency** submits a revised estimate of \$25,717, all from the Abstracters' Fee Fund, in expenditures in FY 2023. This is the same as the amount approved by the 2022 Legislature.

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



The **agency** requests \$25,711, all from the Abstracters' Fee Fund, in expenditures for FY 2024. This is a decrease of \$6, or less than 0.1 percent, below the revised estimate for FY 2023.

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



The **agency** requests \$25,723, all from the Abstracters' Fee Fund, in expenditures for FY 2025. This is an increase of \$12, or less than 0.1 percent, above the amount requested for FY 2024.

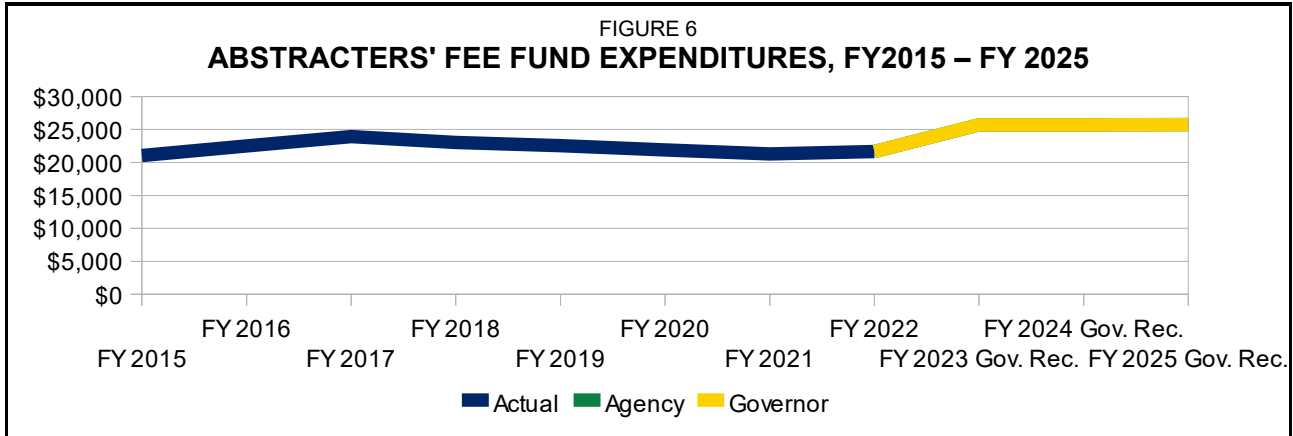
The **Governor** concurs with the agency's request for FY 2025.

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	\$ 21,107	\$ 21,438	\$ 21,438	\$ 21,432	\$ 21,432	\$ 21,444	\$ 21,444
Contractual Services	510	3,980	3,980	3,980	3,980	3,980	3,980
Commodities	48	299	299	299	299	299	299
Capital Outlay	-	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-	-
Subtotal	\$ 21,665	\$ 25,717	\$ 25,717	\$ 25,711	\$ 25,711	\$ 25,723	\$ 25,723
Aid to Local Units	-	-	-	-	-	-	-
Other Assistance	-	-	-	-	-	-	-
Subtotal—Operating	\$ 21,665	\$ 25,717	\$ 25,717	\$ 25,711	\$ 25,711	\$ 25,723	\$ 25,723
Capital Improvements	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	-	-	-	-
TOTAL	\$ 21,665	\$ 25,717	\$ 25,717	\$ 25,711	\$ 25,711	\$ 25,723	\$ 25,723
Financing:							
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Fund	21,665	25,717	25,717	25,711	25,711	25,723	25,723
Federal Funds	-	-	-	-	-	-	-
All Other Funds	-	-	-	-	-	-	-
TOTAL	\$ 21,665	\$ 25,717	\$ 25,717	\$ 25,711	\$ 25,711	\$ 25,723	\$ 25,723
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ABSTRACTERS' FEE FUND

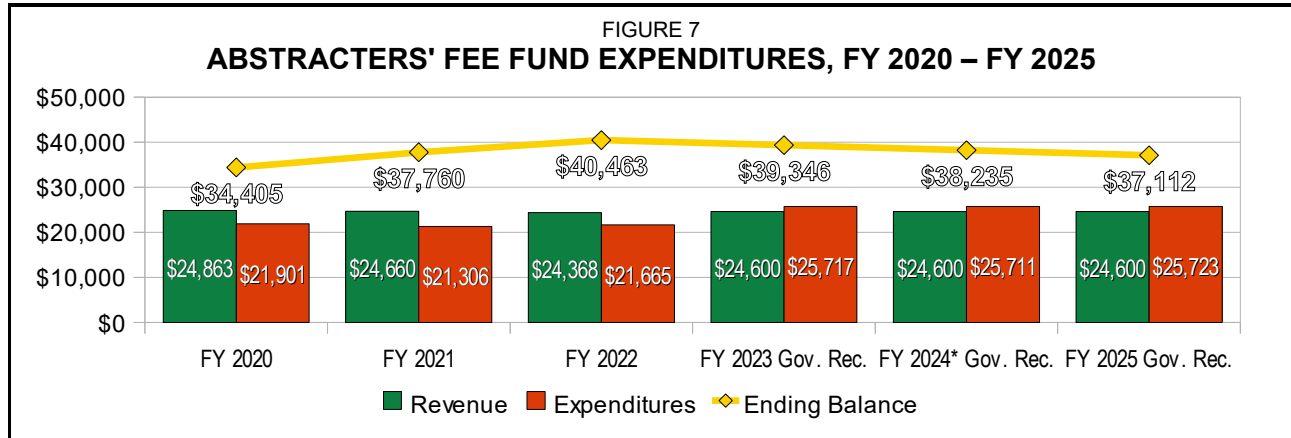


The Abstracters' Board of Examiners is a fee-funded agency. The only source of funds for the agency is the Abstracters' Fee Fund. The revenue deposited into the fee fund provides financing for all agency operations. The agency generates revenue from three sources of fees:

- Annual license fees: \$75 per license (KSA 58-2801);
- Examination fees for first-time examinees: \$75 per exam (KSA 58-2805); and
- Examination fees for repeat examinees: \$50 per retake (KSA 58-2805).

Per KSA 75-3170a, 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are remitted to, or deposited into, the State General Fund (SGF), up to a maximum of \$100,000 per fiscal year per fund.

ABSTRACTERS' FEE FUND



* For FY 2024, the lowest month ending balance for the Abstracters' Fee Fund will occur in June, with a balance of \$38,235.

Abstracters' Fee Fund expenditures decreased slightly in FY 2020 and FY 2021 due to the COVID-19 pandemic. However, the agency's expenditures in FY 2023 increased by \$4,052, or 18.7 percent, above the agency's actual expenditures in FY 2022. This is primarily due to increased travel by board members in order to attend meetings and examinations within the state. The agency does not anticipate that the amount spent on contractual services of this type, which accounts for approximately 15.5 percent of the agency's budget each year, will change for FY 2024 or FY 2025. Additionally, the agency expects expenditures for salaries and wages, which account for approximately 83.3 percent of the agency's budget each year, to remain relatively unchanged for FY 2024 and FY 2025.

The agency expends approximately \$72.04 per licensee. The agency anticipates that the number of licensees in FY 2023, 357, will remain the same for FY 2024 and FY 2025. The agency collects a fee of \$75 for individual licenses and for operational licenses. Likewise, the agency charges a registration fee of \$75 for the initial examination, and a fee of \$50 for each additional examination. As such, the agency has been able to maintain an ending balance that is more than expenditures for the past several years, and this trend is anticipated to continue.

FIGURE 8
LICENSURE FEES, FY 2023

License	Current Fee	Statutory Limit	Authority
Employee License Fee	\$ 75	\$ 75	KSA 58-2801
Business/Operative License Fee	75	75	KSA 58-2801
Employee License Fee (renewal)	75	75	KSA 58-2801
Business/Operative License Fee (renewal)	75	75	KSA 58-2801
Examination Fee (first-time examinee)	75	*	KSA 58-2805(a)
Examination Fee (non-first-time examinee)	50	*	KSA 58-2805(a)

* KSA 58-2805(a) provides that examination fees shall be fixed by the Board by rules and regulations in an amount adequate to cover the cost of the examination.

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	\$ -	\$ 25,717	\$ 25,717	0.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 25,717</i>	<i>\$ 25,717</i>	<i>0.0</i>
Agency Revised Estimate:				
2. No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 25,717</i>	<i>\$ 25,717</i>	<i>0.0</i>
Governor's Recommendation:				
3. No Changes	-	-	-	--
TOTAL	\$ -	\$ 25,717	\$ 25,717	0.0

LEGISLATIVE APPROVED

Subsequent to the 2022 Session, no adjustments were made to the \$25,717 approved by the 2022 Legislature for the Abstracters' Board of Examiners for FY 2023.

1. **NO CHANGES.** Subsequent to the 2022 Session, no adjustments were made to the \$25,717 approved for the Abstracters' Board of Examiners in FY 2023.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$25,717, all from the Abstracters' Fee Fund, in expenditures for FY 2023. This is the same amount approved by the 2022 Legislature.

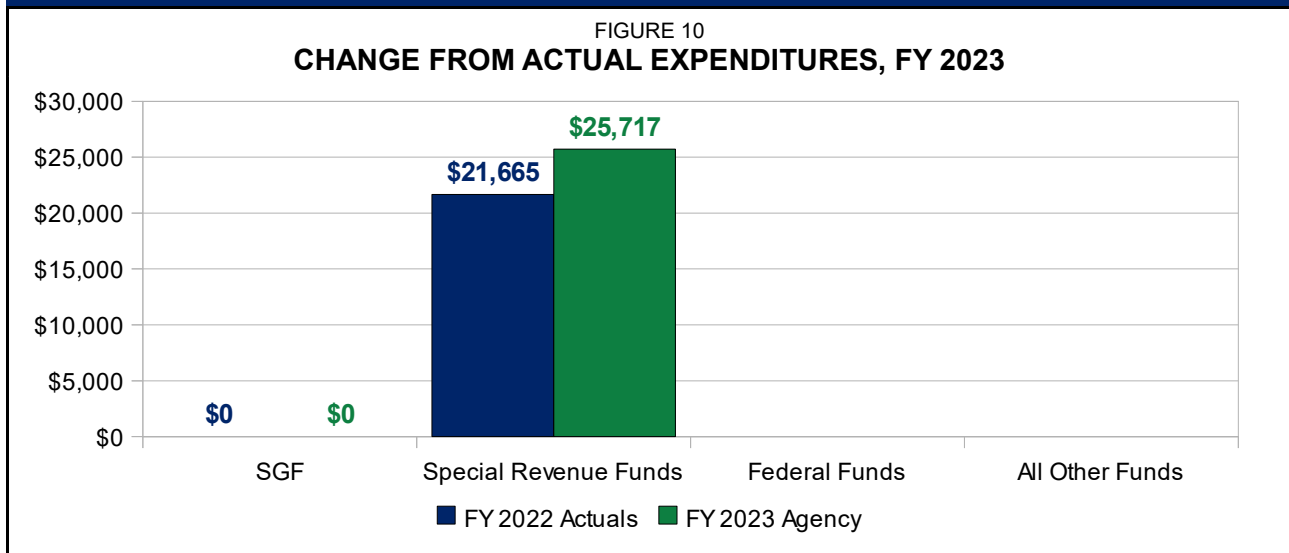
2. **NO CHANGES.** The agency estimates revised expenditures of \$25,717, all from the Abstracters' Fee Fund, in FY 2023. This is the same amount approved by the 2022 Legislature. Notable adjustments include an increase of \$21 for contractual services, which is offset by a decrease of \$21 in other expenditure categories.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate of \$25,717 in FY 2023.

3. **NO CHANGES.** The **Governor** concurs with the agency's revised estimate of \$25,717 in FY 2023.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates expenditures of \$25,717, all from the Abstracters' Fee Fund, in FY 2023. This is an increase of \$4,052, or 18.7 percent, above the agency's actual expenditures for FY 2022. The increase from FY 2022 to FY 2023 is primarily due to increased contractual services expenditures caused by Board members traveling more often to attend meetings and license examinations following the COVID-19 pandemic.

FY 2024 ANALYSIS

FIGURE 11
SUMMARY OF BUDGET REQUEST, FY 2024

		SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023:		\$ -	\$ 25,717	\$ 25,717	0.0
Agency Request:					
1. Salaries and Wages	1	\$ -	\$ (6)	\$ (6)	0.0
<i>Subtotal—Agency Request</i>		\$ -	\$ 25,711	\$ 25,711	0.0
Governor’s Recommendation:					
2. No Changes		-	-	-	--
TOTAL		<u>\$ -</u>	<u>\$ 25,711</u>	<u>\$ 25,711</u>	<u>0.0</u>

AGENCY REQUEST

The **agency** requests \$25,711, all from the Abstracters’ Fee Fund, in expenditures for FY 2024. This is a decrease of \$6, or less than 0.1 percent, below the FY 2023 revised estimate.

The **agency** request includes the following adjustment:

1. **SALARIES AND WAGES.** For FY 2024, the agency estimates that salaries and wages expenditures will decrease by \$6, or less than 0.1 percent, for a total of \$21,432. This is due to changes in employer contributions for fringe benefits, such as workers’ compensation.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency’s request of \$25,711 for FY 2024.

2. **NO CHANGES.** The **Governor** concurs with the agency’s request of \$25,711 for FY 2024.

FY 2025 ANALYSIS

FIGURE 12
SUMMARY OF BUDGET REQUEST, FY 2025

		SGF	Special Revenue Funds	All Funds	FTE	
Agency Request, FY 2024:		\$	-	\$ 25,711	\$ 25,711	0.0
Agency Request:						
1. Salaries and Wages	1	\$	-	\$ 12	\$ 12	0.0
<i>Subtotal—Agency Request</i>		\$	-	\$ 25,723	\$ 25,723	0.0
Governor’s Recommendation:						
2. No Changes			-	-	-	--
TOTAL		\$	-	\$ 25,723	\$ 25,723	--

AGENCY REQUEST

The **agency** requests \$25,723, all from the Abstracters’ Fee Fund, in expenditures for FY 2025. This is an increase of \$12, or less than 0.1 percent, above the amount requested for FY 2024.

The **agency** request includes the following adjustment:

1. **SALARIES AND WAGES.** For FY 2025, the agency estimates salaries and wages expenditures will increase by \$12, or less than 0.1 percent, above the FY 2024 request, for a total of \$21,444. This is due to changes in employer contributions for fringe benefits, including unemployment compensation.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency’s request of \$25,723 for FY 2025.

2. **NO CHANGES.** The **Governor** concurs with the agency’s request of \$25,723 for FY 2025.

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	\$ 21,665	\$ 25,717	\$ 25,717	\$ 25,711	\$ 25,711	\$ 25,723	\$ 25,723
FTE Positions:							
Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0

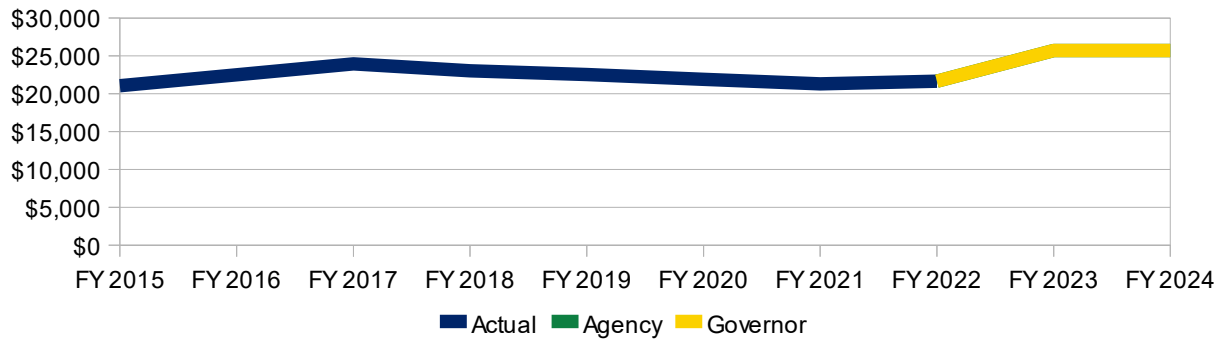
PERFORMANCE MEASURES

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 PROGRAM

FIGURE 14

ADMINISTRATION PROGRAM EXPENDITURES, FY 2015– FY 2024



STATUTORY BASIS: • KSA 58-2801, *et seq.*; KSA 74-3901, *et seq.*

- PROGRAM GOALS:**
- Continue to keep the active businesses licensed.
 - Promote getting new individuals licensed as Abstracters in Kansas.
 - Improve awareness of the value of an Abstract.

FIGURE 15

ADMINISTRATION PROGRAM, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Number of Employee Licenses Issued	196	181	190	185	185
2. Number of Business Licenses Issued	172	172	174	172	172
3. Cost per Employee/Business License	\$ 58.53	\$ 61.37	\$ 60.02	\$ 72.04	\$ 72.02
Output Measure:					
4. Employee License Revenue*	\$ 14,700	\$ 13,575	\$ 14,225	\$ 13,875	\$ 13,875
5. Business License Revenue*	\$ 12,900	\$ 12,900	\$ 13,050	\$ 12,900	\$ 12,900
Financing					
	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	25,703	25,716		25,717	25,711
TOTAL	\$ 25,703	\$ 25,716		\$ 25,717	\$ 25,711
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(87.1) %	0.1 %		0.0 %	(0.0) %
FTE Positions	0.0	0.0		0.0	0.0

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

PERFORMANCE AND BUDGET ANALYSIS

The Abstracters' Board of Examiners is a single-program agency. All of its expenditures are located in its Administration Program and are paid for entirely by the Abstracters' Fee Fund. The Board itself is composed of three members, none of whom receive a per diem

compensation. The agency employs one part-time position, the Executive Secretary, who is appointed by the Board.

The board members administer between five and ten licensing examinations per year.

Additionally, both individuals and firms must pay a fee of \$75 annually in order to renew their licenses. Prior to the issuance of a license, each applicant must file with the Executive Secretary proof of errors and omissions insurance.

The Board anticipates that it will issue 357 abstracter licenses in FY 2023, and it expects that this number will not change for FY 2024 or FY 2025. As such, the agency's revenue will likely remain stationary at \$24,600 per fiscal year.