



# **TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD FY 2024 ANNUAL BUDGET**

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Presented :  
**August 18, 2023**

2nd Draft



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# EXECUTIVE SUMMARY

The following summary of the 2024-2026 budget proposal for the Texas Appraiser Licensing and Certification Board is respectfully submitted for review and input. Thorough analysis has been performed in order to reasonably project revenue and expenditures of the agency.

This budget proposal is presented as a three-year budget. It is important to note that due to fluctuating circumstances from year to year such as anticipated number of licensees, the second and third year of the budget is intended to be informative and indicative of planned activity levels and will be refined as necessary during subsequent budget cycles. The first year of the budget, labeled “proposed 2024” is the only year intended to be adopted, while “projected 2025 and 2026” are to be considered as a forecast using a constant active license holder count. The first draft of the 2024 budget proposal is presented to the Governing Body of the Texas Appraiser Licensing and Certification Board (TALCB) for consideration.

# HIGHLIGHTS

*The Texas Appraiser Licensing and Certification Board operates on a lean budget, and there are not many categories where reductions in the budget are feasible. Staff thoroughly reviewed operational costs and have incorporated such costs in the FY24 Budget. The highlights are as follows:*

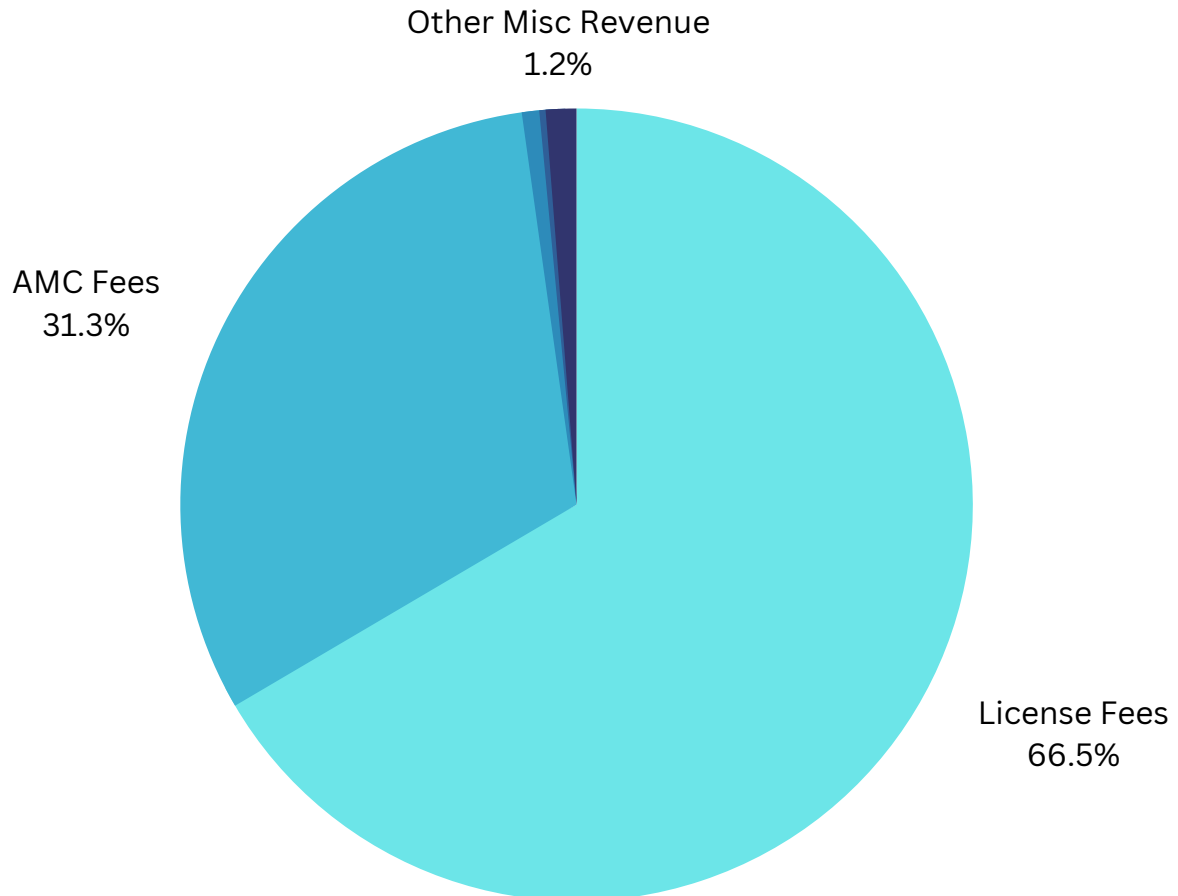
- As a reminder revenue projections fluctuate heavily in the even-numbered years due to the number of AMCs that are scheduled to renew during those years.
- An increase in salary and wages; a 3.5% across the board salary increase is factored into the salary and wage requirement along with a 3% performance-based merit.
- Other personnel cost category increased due to the increase in the salary and wages.
- Professional fees and services decreased due to the original grant funded contractor term expiring as of 31 August 2023. The agency will explore opportunities to apply for another grant through the Appraisal Sub-Committee and could potentially see an increase in this category.
- Other Operating Expenses increased slightly to account for software that is being requested by the program and for the interagency contract for criminal history and background checks through DPS.





# BUDGET OVERVIEW- REVENUE

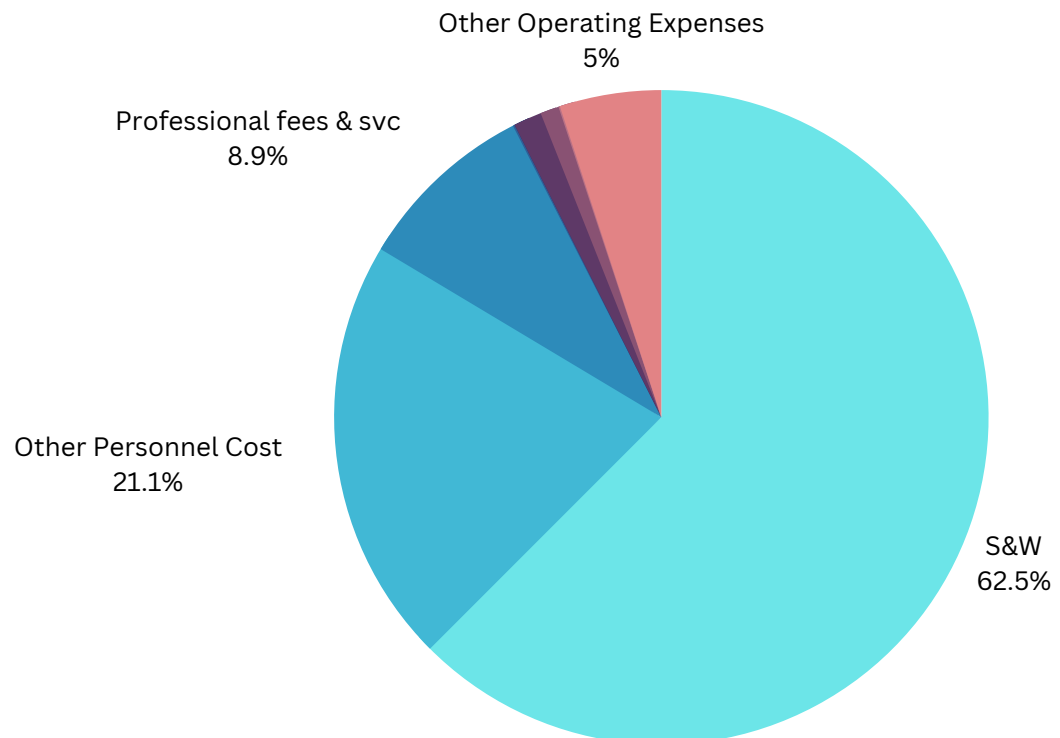
REVENUE OVERVIEW							
Revenue	Actual 2021	Actual 2022	Approved 2023	Projected Actual 2023	Proposed 2024	Projected	
						2025	2026
License Fees	\$1,540,308	\$1,824,920	\$1,973,845	\$1,976,374	\$1,813,645	\$1,904,900	\$1,897,795
AMC Fees	\$288,005	\$941,575	\$279,380	\$301,060	\$851,960	\$257,215	\$863,140
ACE Program	\$15,370	\$19,190	\$15,155	\$16,940	\$19,310	\$18,505	\$18,195
Examination Fees	\$4,710	\$5,480	\$4,340	\$7,200	\$6,990	\$6,560	\$6,920
Other Miscellaneous Revenue	\$30,586	\$51,102	\$40,127	\$34,000	\$34,000	\$35,000	\$35,000
ASC Grant	\$80,784	\$236,055	\$120,000	\$120,000	\$0	\$0	\$0
<b>Total:</b>	<b>\$1,878,979</b>	<b>\$2,842,267</b>	<b>\$2,312,847</b>	<b>\$2,335,574</b>	<b>\$2,725,905</b>	<b>\$2,222,180</b>	<b>\$2,821,050</b>



# BUDGET OVERVIEW

## EXPENSES

EXPENSE OVERVIEW							
Expenses	Actual	Actual	Approved	Projected Actual	Proposed	Projected	
	2021	2022	2023	2023	2024	2025	2026
Salary & Wages	\$1,131,262	\$1,086,532	\$1,433,518	\$1,358,580	\$1,442,627	\$1,487,555	\$1,532,181
Other Personnel Costs	\$442,420	\$390,063	\$484,921	\$445,640	\$486,946	\$493,209	\$488,586
Professional Fees & Services	\$126,418	\$247,169	\$426,859	\$213,108	\$205,751	\$155,751	\$155,751
Consumables	\$1,426	\$193	\$2,000	\$152	\$2,000	\$2,000	\$2,000
Utilities	\$86	\$0	\$109	\$0	\$201	\$201	\$201
Travel	\$5,261	\$24,456	\$32,000	\$10,000	\$32,000	\$32,000	\$32,000
Office & Space Rent	\$26,696	\$21,323	\$21,892	\$21,892	\$21,276	\$21,276	\$21,276
Equipment Rental	\$2,890	\$6,679	\$10,464	\$2,000	\$1,643	\$1,643	\$1,643
Other Operating Expenses	\$70,807	\$70,091	\$97,748	\$62,070	\$115,884	\$106,717	\$113,847
Statewide Cost Allocation Plan (SWCAP)	\$23,754	\$31,209	\$31,209	\$31,209	\$30,928	\$30,928	\$90,928
Annual General Revenue Contribution	\$23,760	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500
<b>Total:</b>	<b>\$1,854,780</b>	<b>\$1,900,215</b>	<b>\$2,563,220</b>	<b>\$2,167,151</b>	<b>\$2,361,756</b>	<b>\$2,353,780</b>	<b>\$2,460,913</b>



# FY2024

## LINE ITEM BUDGET

2nd BUDGET DRAFT, AS OF JULY 18, 2023

	Actual 2021	Actual 2022	Budget 2023	Estimated Expenditures 2023	Budget 2024	Budget Variance FY23 to	Budget 2025	Budget 2026
<b>Beginning Balance</b>	<b>\$2,259,588</b>	<b>\$2,373,564</b>	<b>3,465,390</b>	<b>3,465,390</b>	<b>3,624,637</b>		<b>3,988,846</b>	<b>3,858,895</b>
<b>Operating Reserves</b>	<b>(\$738,002)</b>	<b>(\$652,638)</b>	<b>(889,252)</b>	<b>(889,252)</b>	<b>(826,615)</b>		<b>(823,246)</b>	<b>(839,725)</b>
<b>Available fund balance within Texas Treasury Safekeeping Trust account</b>	<b>\$1,521,586</b>	<b>\$1,720,926</b>	<b>2,576,138</b>	<b>\$2,576,138</b>	<b>2,798,083</b>		<b>3,165,600</b>	<b>3,019,170</b>
<b>Revenues</b>								
License Fees	1,540,308	1,824,920	1,973,845	1,976,374	1,813,645	-8.12%	1,904,900	1,897,795
AMC Fees	288,005	941,575	279,380	301,060	851,960	204.95%	257,215	863,140
ACE Program Revenue	15,370	19,190	15,155	16,940	19,310	0.00%	18,505	18,195
Examination Fees	4,710	5,480	4,340	7,200	6,990	61.06%	6,560	6,920
Other Miscellaneous Revenue	30,586	51,102	40,127	34,000	34,000	-15.27%	35,000	35,000
ASC Grant	80,784	236,055	120,000	\$120,000	0	0		
<b>Total Revenues</b>	<b>1,878,979</b>	<b>2,842,267</b>	<b>2,312,847</b>	<b>2,335,574</b>	<b>2,725,905</b>	<b>17.86%</b>	<b>2,222,180</b>	<b>2,821,050</b>
<b>Education Reserve</b>	<b>37,538</b>	<b>22,914</b>	<b>22,914</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Reallocation from Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Expenditures</b>								
Salaries & Wages	1,133,209	1,086,532	1,433,518	1,358,580	1,442,627	0.64%	1,485,906	1,530,483
Other Personnel Costs	462,625	390,063	484,921	445,640	486,946	0.42%	493,209	488,586
Professional Fees & Services	126,418	247,169	426,859	213,108	205,751	-51.80%	155,751	155,751
Consumables	1,426	193	2,000	152	2,000	0.00%	2,000	2,000
Utilities	86	-	109	-	201	84.40%	201	201
Travel	5,261	24,456	32,000	10,000	32,000	0	32,000	32,000
Office and Space Rent	26,694	21,323	21,892	21,892	21,276	-2.81%	21,276	21,276
Equipment Rental	2,890	6,679	10,464	2,000	1,643	-84.30%	1,643	1,643
Other Expenses								
GAA Mandated Payroll Contributions	16,866	16,091	19,710	19,551	21,276		22,659	23,339
Registration & Membership	1,432	2,757	9,515	6,668	15,115	58.85%	9,515	15,115
Maintenance & Repairs		1,751	0	270	1,500	0.00%	1,500	1,500
Reproduction & Printing	64	50	350	100	350	0.00%	350	350
Contract Services	7,631	7,610	21,590	5,333	23,569	9.17%	23,569	23,569
Postage	-	200	2,017	500	1,961	-2.78%	1,961	1,961
Supplies & Equipment	2,693	8,807	750	1,307	750	0.00%	750	750
Communication Services	34,855	30,243	37,084	32,523	40,485	9.17%	40,485	41,385
Other Operating	1,983	1,586	4,732	4,215	8,378	77.05%	3,428	3,378
DPS Criminal History Checks	-	995	2,000	1,000	2,500	25.00%	2,500	2,500
Statewide Cost Allocation Plan (SWCAP)	23,754	31,209	31,209	30,928	30,928	-0.90%	30,928	30,928
<b>Total Expenditures</b>	<b>1,847,886</b>	<b>1,877,715</b>	<b>2,540,720</b>	<b>2,153,767</b>	<b>2,339,256</b>	<b>-7.93%</b>	<b>2,329,631</b>	<b>2,376,715</b>
Contribution to General Revenue	23,760	22,500	22,500	22,500	22,500	0.00%	22,500	22,500
<b>Total Expenditures and GR Contribution</b>	<b>\$1,871,646</b>	<b>\$1,900,215</b>	<b>\$2,563,220</b>	<b>\$2,176,267</b>	<b>\$2,361,756</b>	<b>-7.86%</b>	<b>\$2,352,131</b>	<b>\$2,399,215</b>
<b>Operating Gain/Loss</b>	<b>7,333</b>	<b>942,052</b>	<b>(250,373)</b>	<b>159,307</b>	<b>364,149</b>		<b>(129,951)</b>	<b>421,835</b>
<b>Estimated Carryover Balance</b>	<b>44,871</b>	<b>964,966</b>	<b>2,325,765</b>	<b>2,735,445</b>	<b>3,162,232</b>	<b>36%</b>	<b>3,035,649</b>	<b>3,441,005</b>

FTEs

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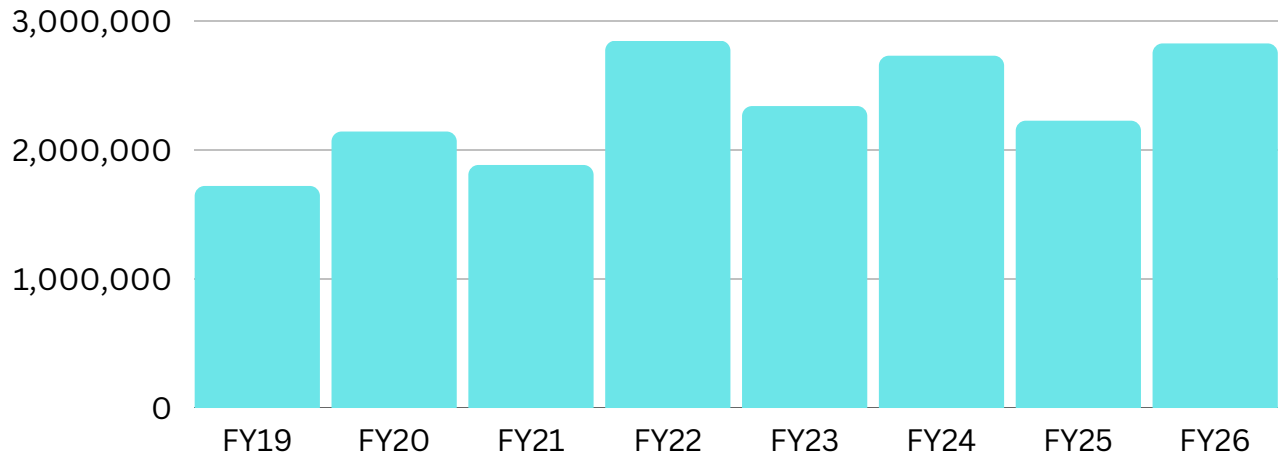
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# FY 2019-2026

## REVENUE ANALYSIS

TALCB Revenue	Projected	Actual as of August 31 of each year	Actual (under) over Projected
FY19	1,633,496.00	1,716,338.00	5.07%
FY20	2,022,262.00	2,138,219.97	5.73%
FY21	1,598,525.00	1,878,979.00	17.54%
FY22	2,335,820.00	2,842,267.00	21.68%
Projected FY23*	2,312,847.00	2,335,574.00	0.98%
Projected FY24*	2,761,425.00	2,725,905.00	-1.29%
Projected FY25*	2,241,875.00	2,222,180.00	-0.88%
Projected FY26*	2,830,355.00	2,821,050.00	-0.33%



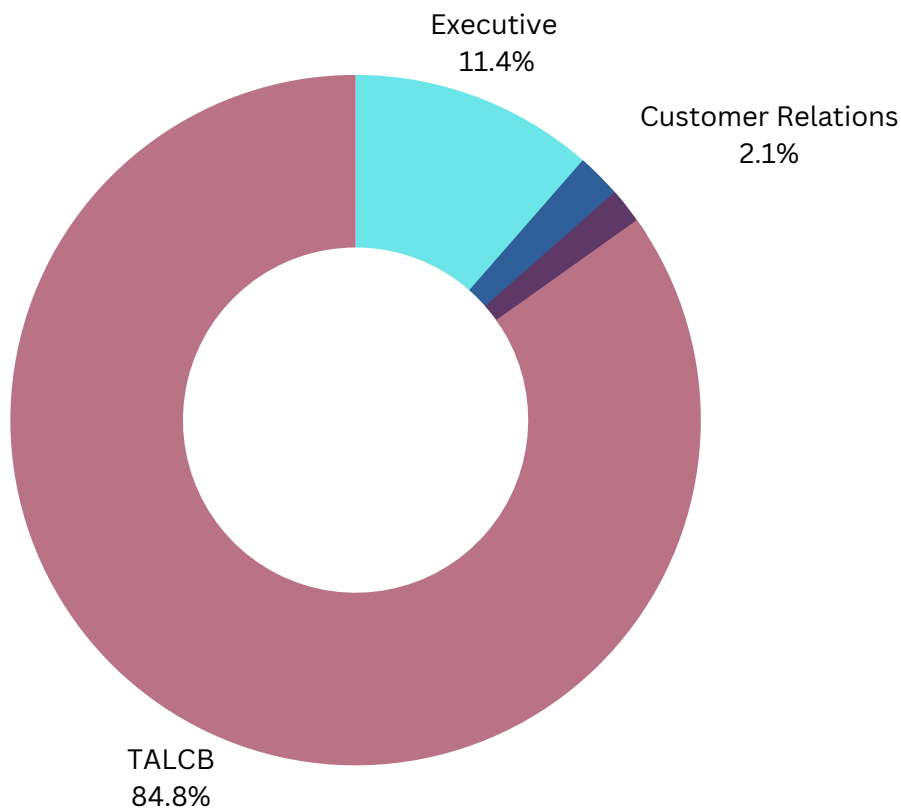
Apps & Renewal Counts	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Projected	FY24 Projected	FY25 Projected	FY26 Projected	Trends
Certified General Appraiser App	68	64	71	78	91	89	86	89	
Certified Residential App	112	117	130	186	230	223	213	222	
Residential App	42	66	96	183	157	155	165	159	
Trainee App	250	400	646	906	378	418	567	454	
Reciprocal Apps	80	99	131	182	145	146	158	150	
Non-Resident Apps	235	196	226	267	265	263	265	264	
AMC App	8	15	16	20	16	16	13	17	
Certified General Appraiser Renewal	1,195	998	1,249	1,055	1,278	1,076	1,136	1,163	
Certified Residential Renewal	1,117	1,122	1,246	1,196	1,315	1,204	1,238	1,252	
Residential Renewal	180	164	213	192	232	195	206	211	
Trainee Renewal	227	301	276	308	317	307	311	312	
AMC Renewal	25	115	34	113	33	105	31	111	

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected	FY2025 Projected	FY2026 Projected	Revenue Trend
Certified General Appraiser App	27,200	27,640	31,740	42,080	50,960	49,840	48,160	49,840	
Certified Residential App	39,200	43,887	48,895	81,060	105,800	102,580	97,980	102,120	
Residential App	13,650	22,270	32,770	70,945	62,800	62,000	66,000	63,600	
Trainee App	74,998	105,550	169,800	226,505	94,500	104,500	141,750	113,500	
Reciprocal Apps	30,950	40,580	52,915	84,715	74,880	75,080	79,440	76,300	
Non-Resident Apps	58,750	49,000	56,500	66,750	66,250	65,750	66,250	70,500	
AMC App	26,400	49,619	52,800	66,000	52,800	52,800	42,900	56,100	
Certified General Appraiser Renewal	430,132	427,012	529,000	553,880	715,680	602,560	636,160	651,280	
Certified Residential Renewal	346,270	404,194	444,290	519,655	604,900	553,840	569,480	575,920	
Residential Renewal	52,200	53,280	67,965	72,785	92,800	78,000	82,400	84,400	
Trainee Renewal	56,748	75,300	69,000	77,000	79,250	76,750	77,750	78,000	
AMC Renewal	75,000	345,110	102,000	339,000	99,000	315,000	93,000	333,000	
AMC Panelists Revenue	81,780	407,377	132,255	519,825	102,250	404,100	72,550	400,120	
Test Administration Fee	3,590	2,806	4,710	5,480	7,200	6,990	6,560	6,920	

# AGENCY STAFFING

BUDGETED FULL-TIME EQUIVALENT (FTEs)						
Functional Divisions	Authorized	Currently Filled	Vacant FTE	Contractors	Proposed	New FTEs
	2023	2023	2023	2023	2024	2024
Executive	1.200	1.200	0.000	0.000	1.200	0.00
Customer Relations Division	0.700	0.700	0.000	0.000	0.700	0.00
Education	0.500	0.500	0.000	0.000	0.500	0.00
TALCB	15.000	15.000	0.000	0.000	15.000	0.00
<b>Total TALCB Funded Employees</b>	<b>17.400</b>	<b>17.400</b>	<b>0.000</b>	<b>0.000</b>	<b>17.400</b>	<b>0.00</b>

BUDGETED BASE SALARY REQUIREMENT						
Functional Divisions	Authorized	Currently Filled	Vacant FTE	Contractors	Proposed	New FTEs
	2023	2023	2023	2023	2024	2024
Executive	\$ 150,729	\$ 150,729	\$ -	\$ -	\$ 162,154	\$ -
Customer Relations Division	\$ 27,300	\$ 27,300	\$ -	\$ -	\$ 29,484	\$ -
Education	\$ 21,000	\$ 21,000	\$ -	\$ -	\$ 23,360	\$ -
TALCB	\$ 1,121,045	\$ 1,121,045	\$ -	\$ -	\$ 1,203,410	\$ -
<b>Total Base Salary Requirement:</b>	<b>\$ 1,320,074</b>	<b>\$ 1,320,074</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,418,408</b>	<b>\$ -</b>





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