



Pete Ricketts
Governor

EXHIBIT

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STATE OF NEBRASKA

NEBRASKA REAL ESTATE COMMISSION

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TO: Nebraska Real Estate Commission

FROM: Greg Lemon, Director

RE: Fiscal Year 2017-18, 2018-19 Budget request

DATE: August 17, 2016

The Fiscal Year 2017-2018 Budget Request is not yet entirely entered into the state budget system, so we cannot present all the detailed expenditure sheets we usually do with the budget exhibit this time of year. However, we do have revenue and expenditures for the next biennial budget request included in the attached sheets, as well as more detailed explanation of the budget below.

What we do not yet have entered into the system are the "issues" or changes that will be requested in the budget. Those issues are not reflected in the attached sheets, and are summarized below:

I. Salaries and Benefits

The Commission request will not make any requested changes to staffing, salary or benefit levels from the Commission, the Budget office Budget instructions do ask us to create an issue for health insurance adjustments and salary increases for staff (historically about 1.4%-3%), both of which are negotiated on statewide basis and adjusted after determined.

II. Operations

There are two issues on the operation side that the Commission which we would like to include in the budget request.

1. Changes due to GL Solutions Database

The GL Solutions Licensee Database will include integrated online filing functions for renewals and other filings and applications. Such functions are currently handled by Nebraska.gov, who we have a contractual obligation to pay a 3% transaction fee to for all online payments. This 3% fee averages roughly \$30,000 dollars per year, and that expenditure is anticipated to go away at or near the start of FY2017-18 as we migrate to the GL Solutions system. However, the GL Solutions database support contract will begin at the same time, and run slightly under \$72,000 per year. Staff recommends the Commission budget request reflects a \$42,000 a year net increase to cover these costs.

REAL ESTATE COMMISSION MEMBERS

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Andy Alloway

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A MEMBER OF THE ASSOCIATION OF REAL ESTATE LICENSE LAW OFFICIALS

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2. Increased Exam Administration

The number of exams applicants take has nearly doubled in the last five years, and never exceeded 1000 a year before Fiscal Year 2013-2104, the last two years the number of exams administered have exceeded 1,660. The Commission collects a fee of \$150.00 for each exam administered, this is, of

course, revenue. However, the Commission also pays AMP, the exam administration company, \$72 for each sales exam administered, and \$82 for each broker exam. These exam fees are an expenditure coming out of our budget authority. Staff recommends the Commission is request a \$30,000 budget increase to cover these additional costs due to the increased number of exams being administered.

RECEIPTS BUDGET FY 17/18 & 18/19

	FY16/17	FY17/18	NEW FY18/19
472200 Reprod & Publications	\$800.00	\$800.00	\$800.00
474120 Salesperson Transfer Fees	\$15,000.00	\$15,000.00	\$15,000.00
474130 Broker Transfer Fees	\$4,500.00	\$5,000.00	\$5,000.00
474140 Professional Corp	\$9,000.00	\$9,000.00	\$9,000.00
474150 Ltd. Liability Co.	\$7,800.00	\$7,800.00	\$7,800.00
474160 Certification of licensure	\$3,000.00	\$3,000.00	\$3,000.00
475120 New Br License Fees	\$11,600.00	\$11,600.00	\$11,600.00
475130 New Salesprsn Lic Fees	\$40,250.00	\$40,250.00	\$40,250.00
475150 New Brch Office Fees	\$1,500.00	\$1,500.00	\$1,500.00
475160 Broker Renewal Fees	\$232,000.00	\$435,000.00	\$232,000.00
475170 Salesprsn Renewal Fees	\$448,500.00	\$515,430.00	\$515,430.00
475190 Brch Office Renewal Fees	\$5,500.00	\$5,500.00	\$5,500.00
475210 Retirement Home Fees	\$3,600.00	\$3,600.00	\$3,600.00
475220 Promotional Land Reg	\$32,045.00	\$32,045.00	\$32,045.00
475230 Original Campground	\$0.00	\$0.00	\$0.00
475240 Renewal Memb Camp Reg	\$600.00	\$600.00	\$600.00
475250 Amend Memb Camp Reg	\$0.00	\$0.00	\$0.00
475260 Campground Salesperson	\$0.00	\$0.00	\$0.00
475270 Renewal Camp Salesprsn	\$200.00	\$200.00	\$200.00
475320 Examination Fees	\$150,000.00	\$150,000.00	\$150,000.00
475340 Application Fee	\$71,280.00	\$71,280.00	\$71,280.00
481100 Investment Interest	\$15,759.00	\$15,759.00	\$15,759.00
484500 Reimb Non-Govt Source	\$0.00	\$0.00	\$0.00
485100 LicPer&Fee Fine-Fort	\$0.00	\$0.00	\$0.00
485910 Other Fines, Fort & Penalty	\$15,000.00	\$15,000.00	\$15,000.00
486500 Miscellaneous Adjustment	\$0.00	\$0.00	\$0.00
486600 Credit Card Clearing	\$0.00	\$0.00	\$0.00
491300 Sale of Surplus Property	\$0.00	\$0.00	\$0.00
493100 Operating Trans In	\$0.00	\$0.00	\$0.00
493200 Operating Transfers Out	\$0.00	\$0.00	\$0.00
TOTALS	\$1,067,934.00	\$1,338,364.00	\$1,135,364.00

EXPENDITURES BUDGET FY 17/18 & 18/19

	FY16/17	FY17/18	FY18/19
510000 Personal Services	\$575,568.00	\$575,568.00	\$575,568.00
515100 Retirement Plans Exp	\$40,390.00	\$40,390.00	\$40,390.00
515200 OASDI Expense	\$39,170.00	\$39,170.00	\$39,170.00
515400 Life & Accident Ins	\$127.00	\$127.00	\$127.00
515500 Health Insurance Exp	\$100,980.00	\$100,980.00	\$100,980.00
516300 Employee Assist Prog	\$127.00	\$127.00	\$127.00
516500 Workers Comp Premium	\$5,296.00	\$5,296.00	\$5,296.00
519100 Other Personal Serv Exp	\$0.00	\$0.00	\$0.00
521100 Postage Expense	\$28,179.00	\$28,179.00	\$28,179.00
521400 Data Processing Exp	\$10,000.00	\$10,000.00	\$10,000.00
521420 Communication V/D Exp	\$14,640.00	\$14,640.00	\$14,640.00
521500 Publication & Printing	\$28,000.00	\$28,000.00	\$28,000.00
521900 Awards Expense	\$300.00	\$300.00	\$300.00
522100 Dues & Subscriptions	\$2,400.00	\$2,400.00	\$2,400.00
522200 Conference Reg. Fee	\$6,110.00	\$6,110.00	\$6,110.00
523600 Interest Expense	\$0.00	\$0.00	\$0.00
524600 Rent - Buildings	\$29,842.00	\$29,842.00	\$29,842.00
524700 Rent-Other Real Property	\$2,000.00	\$2,000.00	\$2,000.00
524900 Rent-Depreciation Expense	\$12,206.00	\$12,206.00	\$12,206.00
525100 Rent - Office Equipment	\$0.00	\$0.00	\$0.00
527100 Rep & Maint-Office Equip	\$0.00	\$0.00	\$0.00
527200 Rep & Maint-Motor Vehicle	\$500.00	\$500.00	\$500.00
527400 Rep & Maint-DP Equip	\$0.00	\$0.00	\$0.00
531100 Office Supplies Exp	\$5,300.00	\$5,300.00	\$5,300.00
532100 Non-Capitalized Equip	\$0.00	\$0.00	\$0.00
533900 Food Expense	\$650.00	\$650.00	\$650.00
538100 Vehicle & Equip Sup Exp	\$0.00	\$0.00	\$0.00
539300 Third Party Reimburse	\$0.00	\$0.00	\$0.00
539500 Purchasing Card Suspense	\$0.00	\$0.00	\$0.00
541100 Acct & Aud Service	\$1,734.00	\$1,734.00	\$1,734.00
541200 Purchasing Assessment	\$361.00	\$361.00	\$361.00
541400 HRMS Assessment	\$659.00	\$659.00	\$659.00
541500 Legal Services Expense	\$126,000.00	\$126,000.00	\$126,000.00
541700 Legal Related Exp	\$2,000.00	\$2,000.00	\$2,000.00
542100 SOS Temp Serv	\$0.00	\$0.00	\$0.00
543100 IT Consulting-Application	\$0.00	\$0.00	\$0.00
547100 Educational Services	\$72,000.00	\$72,000.00	\$72,000.00
554900 Other Contract Serv	\$60,000.00	\$60,000.00	\$60,000.00
555100 Software Renwl/Maintenan	\$0.00	\$0.00	\$0.00
555200 Software-New Purchases	\$1,663.00	\$1,663.00	\$1,663.00
556100 Insurance Expense	\$95.00	\$95.00	\$95.00
556300 Surety & Notary Bond	\$40.00	\$40.00	\$40.00
559100 Other Operating Exp	\$3,000.00	\$3,000.00	\$3,000.00
571100 Board & Lodging	\$21,875.00	\$21,875.00	\$21,875.00
571900 Meals-One Day Travel	\$0.00	\$0.00	\$0.00
572100 Commercial Transport	\$5,350.00	\$5,350.00	\$5,350.00
573100 State-Owned Transprtn	\$24,460.00	\$24,460.00	\$24,460.00
574500 Personal Vehicle Mileage	\$6,600.00	\$6,600.00	\$6,600.00
574600 Cont Services Travel	\$0.00	\$0.00	\$0.00
575100 Misc Travel Expense	\$750.00	\$750.00	\$750.00
583000 Furniture & Office Equip	\$865.00	\$865.00	\$865.00
583300 Computer Hardware Equip	\$3,010.00	\$3,010.00	\$3,010.00
TOTALS	\$1,232,247.00	\$1,232,247.00	\$1,232,247.00