

KANSAS STATE BOARD OF MORTUARY ARTS

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

| | Actual FY 2023 | Agency FY 2024 | Governor FY 2024 | Agency FY 2025 | Governor FY 2025 |
|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Operating Expenditures: | | | | | |
| State General Fund | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Funds | - | - | - | - | - |
| All Other Funds | 292,397 | 332,594 | 332,594 | 334,154 | 334,154 |
| <i>Subtotal</i> | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| Capital Improvements: | | | | | |
| State General Fund | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Funds | - | - | - | - | - |
| All Other Funds | - | - | - | - | - |
| <i>Subtotal</i> | <u>\$ -</u> |
| TOTAL | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| Percentage Change: | | | | | |
| State General Fund | -- % | -- % | -- % | -- % | -- % |
| All Funds | 21.7 % | 13.7 % | 13.7 % | 0.5 % | 0.5 % |
| FTE Positions | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

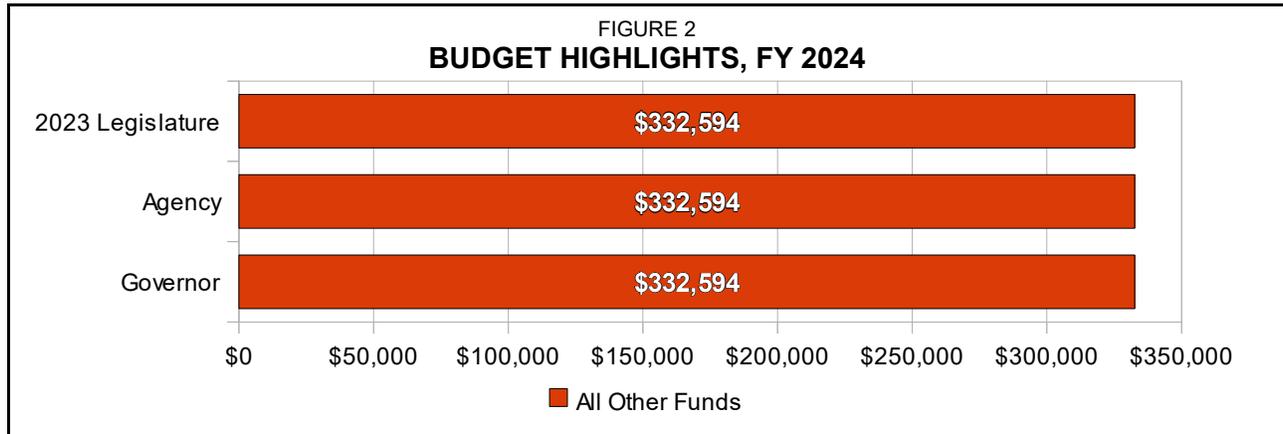
The Kansas State Board of Embalming has been in existence since 1907. The name was changed to the Kansas State Board of Mortuary Arts in 1985. The Board regulates embalmers, funeral directors, assistant funeral directors, apprentice embalmers, crematory operators, funeral establishments, branch funeral establishments, and crematories. To accomplish the agency's stated goals as listed below, the Board provides information detailing the Kansas licensing process; provides assistance to potential licensees who may not understand or meet licensing requirements; maintains information on all individuals who seek and maintain licenses; inspects funeral homes and crematory facilities one to two times per year; investigates complaints regarding the practice of the mortuary arts profession; and takes appropriate disciplinary measures, if warranted. The Board also informs Kansas consumers about laws relating to the death process, funeral pre-arrangements, and the funeral process.

STATUTORY BASIS: • KSA 65-1701 and 74-1701

- AGENCY GOALS:**
- Ensure that all funeral homes, crematories, licensees, apprentices, and student embalmers operate according to state law.
 - Ensure that all funeral homes, crematories, licensees, apprentices, and student embalmers operate to serve in the best interest of the consumer by meeting and maintaining licensing and regulatory requirements.
 - Educate and inform the public of their options when conducting business with licensees.

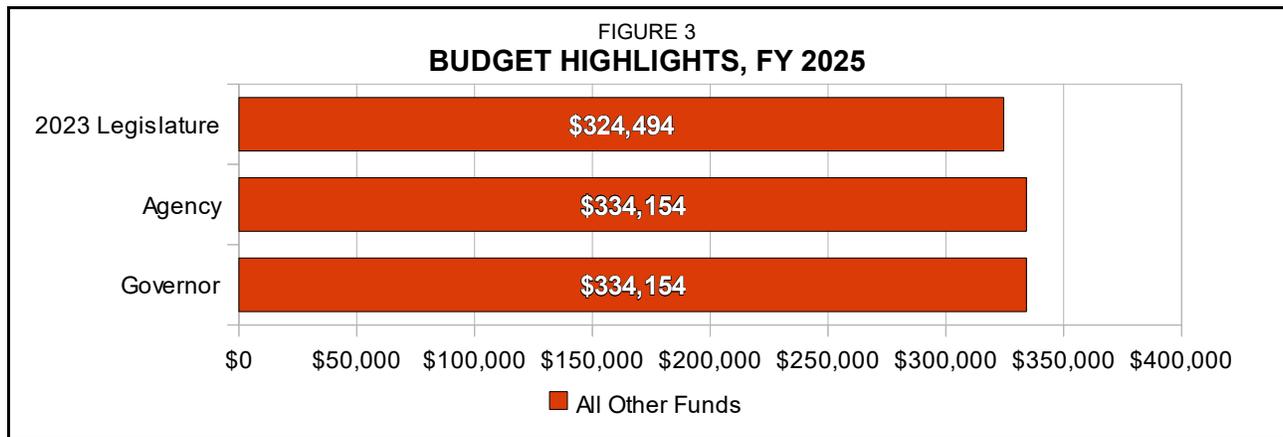
EXECUTIVE SUMMARY

The 2023 Legislature approved expenditures of \$332,594, all from special revenue funds, and 3.0 FTE positions for the Kansas State Board of Mortuary Arts for FY 2024.



The **agency** submits a revised estimate of \$332,594 in expenditures, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions in FY 2024. This revised estimate is the same amount as the 2023 Legislature approved amount.

The **Governor** concurs with the agency's revised estimate of expenditures in FY 2024.



The **agency** submits a revised estimate of \$334,154 in expenditures, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions in FY 2025. The increase of the revised estimate includes an enhancement request of \$9,660 from the Mortuary Arts Fee Fund for FY 2025 to account for an increase in expenditure limitations that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25. This adjustment would achieve the intended effect of the pay plan and does not represent a substantive change from the salary adjustments approved by the 2023 Legislature.

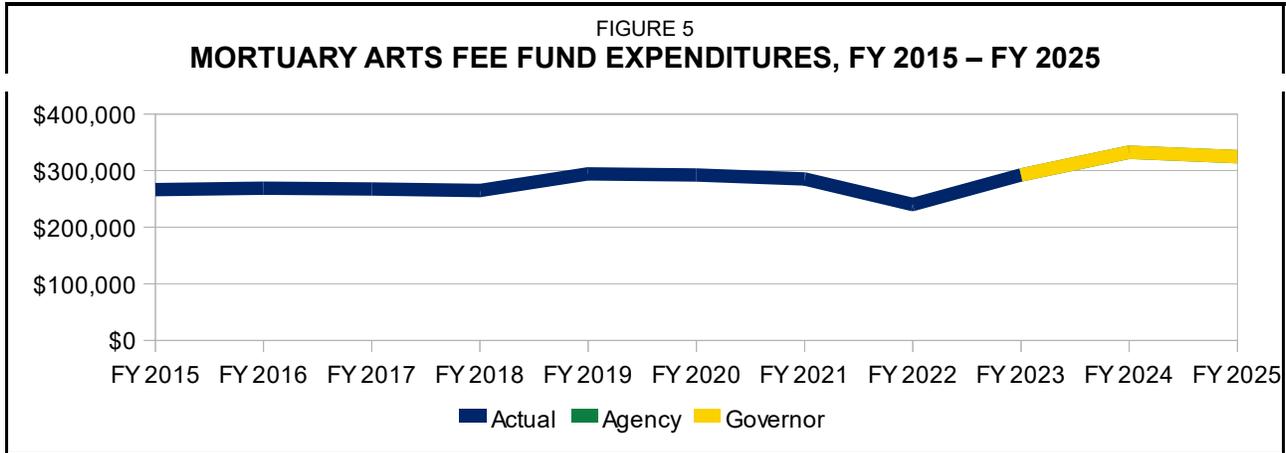
The **Governor** concurs with the agency's revised estimate of expenditures for FY 2025.

EXPENDITURES AND FINANCING

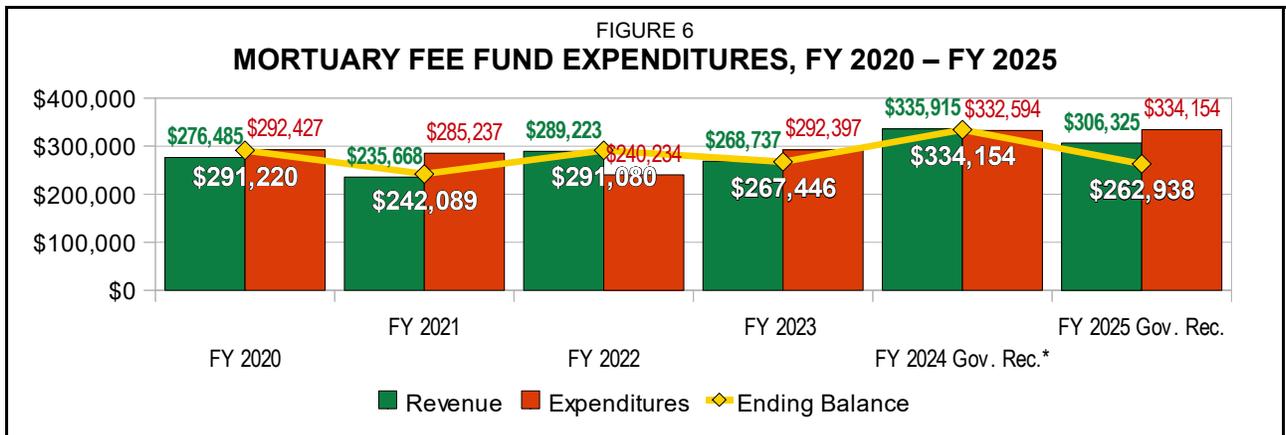
FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

| | Actual FY 2023 | Agency FY 2024 | Governor FY 2024 | Agency FY 2025 | Governor FY 2025 |
|---------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Category of Expenditure: | | | | | |
| Salaries and Wages | \$ 225,684 | \$ 236,225 | \$ 236,225 | \$ 241,065 | \$ 241,065 |
| Contractual Services | 63,932 | 88,869 | 88,869 | 84,590 | 84,590 |
| Commodities | 2,057 | 6,500 | 6,500 | 7,499 | 7,499 |
| Capital Outlay | 724 | 1,000 | 1,000 | 1,000 | 1,000 |
| Debt Service Interest | - | - | - | - | - |
| <i>Subtotal</i> | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| Aid to Local Units | - | - | - | - | - |
| Other Assistance | - | - | - | - | - |
| <i>Subtotal—Operating</i> | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| Capital Improvements | - | - | - | - | - |
| Debt Service Principal | - | - | - | - | - |
| TOTAL | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| Financing: | | | | | |
| State General Fund | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Funds | - | - | - | - | - |
| Mortuary Arts FF | 292,397 | 332,594 | 332,594 | 334,154 | 334,154 |
| TOTAL | <u>\$ 292,397</u> | <u>\$ 332,594</u> | <u>\$ 332,594</u> | <u>\$ 334,154</u> | <u>\$ 334,154</u> |
| FTE Positions | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

MORTUARY ARTS FEE FUND



The Mortuary Arts Fee Fund is statutorily fee-funded through revenues from (1) issuance and renewal of licenses; (2) administration of exams for funeral directors and assistant funeral directors; (3) sales of rulebooks, lists, and duplicate licenses; and (4) continuing education programming. KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent are deposited into the State General Fund (SGF).



* The FY 2025 lowest month ending balance will occur in May, with a balance of \$296,696. Absent the proposed fee increase, the agency anticipates a FY 2025 year end balance of \$110,820

Individuals renew on a biennial basis, according to the first letter of the licensee surname. Establishment licenses are renewed annually. Because of this, the agency typically requires a larger ending balance in even-numbered years to cover the following year's expenditures when revenues are lower.

Over the last decade, the agency reports spending more funds than it receives in revenues. For FY 2025, the agency initially projected a low ending balance that would not sustain the agency for another biennium. Because of this, the agency is pursuing fee increases in FY 2024. These will be the first fee increases since 2011. The agency projects that this will increase its revenue by approximately \$67,000 in FY 2024 and \$58,000 in FY 2025. The proposed fee increases are within their statutory limit and are highlighted in the following table.

FIGURE 7
LICENSURE FEES, FY 2024

| License | Current Fee | Proposed Increase | Statutory Limit | Authority |
|---|-------------|-------------------|-----------------|-------------|
| Embalmer endorsement application fee | \$ 350 | \$ | \$ 500 | KSA 65-1727 |
| Embalmer reciprocity application fee | 350 | | 500 | KSA 65-1727 |
| Funeral director examination fee | 200 | | 400 | KSA 65-1727 |
| Funeral director reciprocity application fee | 350 | | 500 | KSA 65-1727 |
| Embalmer/funeral director reciprocity application fee | 350 | | 500 | KSA 65-1727 |
| Assistant funeral director application fee | 150 | | 300 | KSA 65-1727 |
| Assistant funeral director examination fee | 50 | | 300 | KSA 65-1727 |
| Embalmer license and renewal fee | 168 | 228 | 350 | KSA 65-1727 |
| Funeral director license and renewal fee | 228 | 288 | 450 | KSA 65-1727 |
| Crematory operator license and renewal fee | 50 | 72 | 200 | KSA 65-1727 |
| Assistant funeral director license and renewal fee | 180 | 204 | 400 | KSA 65-1727 |
| Apprentice embalmer registration fee | 100 | | 250 | KSA 65-1727 |
| Funeral establishment license fee | 650 | 775 | 1,000 | KSA 65-1727 |
| Branch establishment license fee | 650 | 775 | 1,000 | KSA 65-1727 |
| Crematory license fee | 650 | 775 | 1,000 | KSA 65-1727 |
| Crematory renewal fee | 650 | 775 | 1,000 | KSA 65-1727 |
| Funeral establishment/crematory license fee | 950 | 1,200 | 1,500 | KSA 65-1727 |
| Funeral establishment/crematory renewal fee | 950 | 1,200 | 1,500 | KSA 65-1727 |
| Branch establishment/crematory license fee | 950 | 1,200 | 1,500 | KSA 65-1727 |
| Branch establishment/crematory renewal fee | 950 | 1,200 | 1,500 | KSA 65-1727 |
| Duplicate license | 15 | | 30 | KSA 65-1727 |
| Rulebook | 5 | | 20 | KSA 65-1727 |
| Continuing education program sponsor application | 0 | | 25 | KSA 65-1727 |
| Continuing education program license application | 0 | | 25 | KSA 65-1727 |
| List of licensees | 10 | | None | KSA 65-1727 |
| List of funeral homes | 5 | | None | KSA 65-1727 |
| Informational brochures | 0 | | None | KSA 65-1727 |

FY 2024 ANALYSIS

FIGURE 8

SUMMARY OF BUDGET REQUEST, FY 2024

| | SGF | All Funds | FTE |
|---|------|-------------------|------------|
| Legislative Approved: | | | |
| Amount Approved by 2023 Legislature | \$ - | \$ 332,594 | 3.0 |
| 1. No Changes | - | - | -- |
| <i>Subtotal—Legislative Approved</i> | \$ - | \$ - | -- |
| Agency Revised Estimate: | | | |
| 2. Contractual Services (Travel) | \$ - | \$ 4,669 | -- |
| 3. Salaries and Wages | - | (4,669) | -- |
| <i>Subtotal—Agency Revised Estimate</i> | \$ - | \$ 332,594 | 3.0 |
| Governor’s Recommendation: | | | |
| 4. No Changes | \$ - | - | -- |
| TOTAL | \$ - | \$ 332,594 | 3.0 |

LEGISLATIVE APPROVED

1. **NO CHANGES.** Subsequent to the 2023 Session, no changes were made to the \$332,594 appropriated to the Kansas State Board of Mortuary Arts for FY 2024 requiring legislative approval.

AGENCY ESTIMATE

The **agency** submits a revised estimate of \$332,594 in expenditures, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions in FY 2024. This revised estimate is the same amount as the 2023 Legislature approved amount; however, there are some adjustments within expenditure categories.

The **agency’s** request includes the following adjustments:

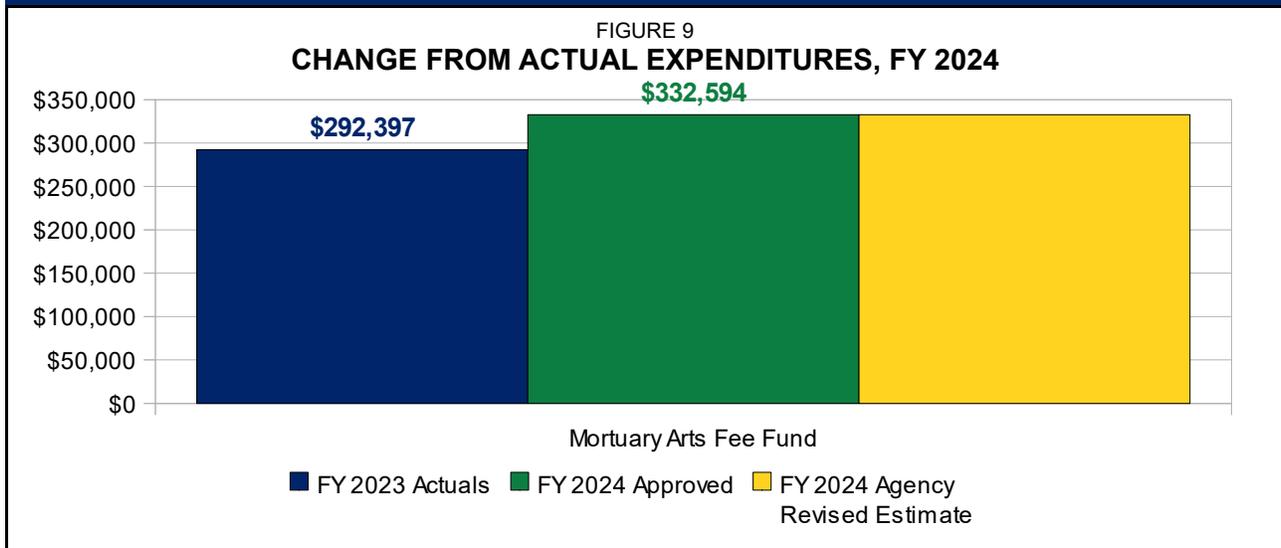
2. **CONTRACTUAL SERVICES.** The agency's revised estimate includes an estimate of \$25,669 for travel and subsistence, which is an increase of \$4,669 above the approved amount. In addition to anticipating increased fuel and lodging costs, the agency anticipates additional travel for the full-time investigator who travels the state visiting funeral homes and crematories.
3. **SALARIES AND WAGES.** The agency estimates a reduction of \$4,669 for salaries and wages, largely due to decreased expenditures for employer contributions for Medicare.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2024.

4. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$332,594, all from the Mortuary Arts Fee Fund, in FY 2024. This is an increase of \$40,197, or 13.7 percent, above the agency's FY 2023 actuals. The increase is primarily attributable to an increase in three expenditure categories: salaries and wages (\$10,541), contractual services (\$24,937), and commodities (\$4,443). The salaries and wages increase is due to the employee pay plan increase approved by the 2023 Legislature, as well as an increase in the employer contribution to group health insurance. The increase in contractual services is primarily due to increased travel costs; and the increase in commodities is primarily driven by an increase in expected expenditures for gas and office supplies. The agency anticipates funding these increased expenditures with the additional revenue from increased fees.

FY 2025 ANALYSIS

FIGURE 10

SUMMARY OF BUDGET REQUEST, FY 2025

| | SGF | All Funds | FTE |
|---|-------------|-------------------|------------|
| Agency Revised Estimate*: | | | |
| Revised Estimate without Major Changes | \$ - | \$ 324,494 | 3.0 |
| Enhancement Requests: | | | |
| 1. Pay Plan Shortfall | \$ - | \$ 9,660 | -- |
| <i>Subtotal—Agency Revised Estimate</i> | <i>\$ -</i> | <i>\$ 334,154</i> | <i>--</i> |
| Governor's Recommendation: | | | |
| 2. No changes. | - | - | -- |
| TOTAL | \$ - | \$ 334,154 | 3.0 |

* *Staff note:* The 2023 Legislature approved a budget of \$324,494, all from special revenue funds, and 3.0 FTE positions for FY 2025.

AGENCY REVISED ESTIMATE

The **agency** requests a revised estimate of expenditures totaling \$334,154, all from the Mortuary Arts Fee Fund, and 3.0 FTE positions for FY 2025. This is \$9,660, or 3.0 percent, above the FY 2025 amount approved by the 2023 Legislature.

1. **PAY PLAN SHORTFALL.** The request includes \$9,660 from the Mortuary Arts Fee Fund for FY 2025 to account for an increase in expenditure limitations that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25. This adjustment would achieve the intended effect of the pay plan and does not represent a substantive change from the salary adjustments approved by the 2023 Legislature.

GOVERNOR'S RECOMMENDATION

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

2. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2025 request.

The **Governor's** recommendation also supports the agency's proposed fee increases.

ENHANCEMENT REQUESTS

| FIGURE 11 ENHANCEMENT REQUESTS, FY 2024 – FY 2025 | | | | | | |
|--|-----|---------------------|-----|-----|-----------------------|-----|
| Request | SGF | Agency All Funds | FTE | SGF | Governor All Funds | FTE |
| FY 2025 Enhancements: | | | | | | |
| 1. Pay Plan Shortfall | \$ | \$ 9,660 | - | \$ | \$ 9,660 | |

1. **PAY PLAN SHORTFALL.** The request includes \$9,660 from the Mortuary Arts Fee Fund for FY 2025 to account for an increase in expenditure limitations that was inadvertently left out of the Legislative Pay Plan in 2023 SB 25. This adjustment would achieve the intended effect of the pay plan and does not represent a substantive change from the salary adjustments approved by the 2023 Legislature.

The Governor recommends adoption of this request.