Corrected Budget Narrative

State of Kansas

Agency: Board of Tax Appeals

October 19, 2026

Mr. Adam Proffitt, Director
Division of the Budget
900 SW Jackson, Suite 504-N
Landon State Office Building
Topeka, Kansas 66612

Re: *Corrected Board of Tax Appeals Fiscal Year 2027 – 2028 Budget Submission*

Dear Director Proffitt,

As Chair of the Board of Tax Appeals, I am submitting for your consideration a corrected version of the Board's Fiscal Year 2027-2028 budget documentation. The Board has updated its Narrative to reflect changes in the number of days to close certain types of cases for FY2026 and corresponding estimates for FY2027 and 2028.

As always, the Board is happy to provide any additional information which you or our budget analyst may require.

Sincerely,

Kristen D. Wheeler
Chair, Board of Tax Appeals

BOARD OF TAX APPEALS
Budget Narrative
Fiscal Years 2027 and 2028

TABLE OF CONTENTS

Agency Mission……3
Agency Philosophy……...3
General Information ……...……. 4
Regular Division……...5
Small Claims and Expedited Hearings Division…...…6
Overview……..……...7
Goals, Objectives & Strategies…… 10
Output Measures…….11
Outcome Measures……..……. 14
Other Outcome Measures……..…… 15
Funding Overview……..……17
Actual Position Data……...21
Change Package – Funding Swap for FY27 & 28…..22
Change Package – Personnel for FY 2028…….27
Combined Change Package for FY 2028……35
Current Year and Budget Year Information.....36
Appendix A: Organizational Chart ……40

AGENCY MISSION

The mission of the Kansas Board of Tax Appeals (Board) is to provide a fair and impartial forum for the resolution of disputes between taxpayers and taxing entities and to provide taxpayers with a non-biased interpretation of the tax laws of the state of Kansas. *See* K.S.A. 74-2433(g).

AGENCY PHILOSOPHY

The Board is the highest administrative tribunal to hear appeals relating to ad valorem (property), income, sales, compensating use, and inheritance taxes, along with other matters involving state and local taxation. The Board is committed to accomplishing its mission in an efficient and professional manner and effectively using both technology and human resources to meet the public's needs. The Board strives to advance its mission by providing sound leadership within and outside the agency, engaging in independent, efficient, and professional decision-making, and promoting certainty in state tax law through consistent application of standards and processes. The Board continuously seeks to improve its work processes and information technology systems to meet the changing needs of its stakeholders. Finally, the Board endeavors to collect input from its stakeholders on Board processes and to collaborate with those stakeholders, when appropriate, to improve user experience and increase the efficiency of the tax appeal system.

GENERAL INFORMATION

The Board is a specialized administrative law tribunal within the executive branch of state government. It was established on July 1, 2014. The Board's enabling statutes are found at K.S.A. 74-2433 et seq. Among the Board's predecessors in authority were the Tax Commission, the Public Service Commission, the State Commission of Revenue and Taxation, the Board of Tax Appeals, and the Court of Tax Appeals (COTA).

The Board is comprised of two divisions, the regular division and the small claims and expedited hearings division (commonly referred to as the small claims division). Three Board members preside over the regular division. The small claims division is supervised by the Chief Hearings Officer, who also serves as Board member *pro tempore* in regular division proceedings.

The members, including the Chief Hearings Officer, are appointed by the Governor subject to Senate confirmation, and serve four-year, staggered terms. One member must be an attorney licensed in Kansas with at least five years of experience as an attorney or judge, one must be a certified public accountant with at least five years of active practice experience, and one must be a certified general real property appraiser. Each member, including the Chief Hearings Officer, must have legal, tax, accounting or appraisal training and experience. No more than two of the members may be of the same political party, and no more than one member may be appointed from any one congressional district of Kansas. The Board is subject to the Kansas Supreme Court's Code of Judicial Conduct.

By statute the Board appoints an executive director, subject to approval by the Governor. Non-statutory positions at the Board include a general counsel, IT systems manager, two staff attorneys, secretary, and six full-time administrative support staff. The Board currently has one part-time, temporary attorney paid on an hourly basis. In all, the Board's current workforce consists of 16 FTE positions, including the four Board members, and one part-time, temporary position. (Organizational chart attached hereto as Appendix A.)

Regular Division

The statutory jurisdiction of the Board's regular division includes the following:

- Appeals from determinations by the Secretary of Revenue or the Secretary's designee, including the Director of Taxation and the Director of Property Valuation;
- Applications for no fund warrants and tax levy increases;
- Tax grievances including requests for correction of clerical errors and irregularities;
- Tax protests (appeals addressing valuation and/or classification filed after payment or partial payment of taxes);
- Tax equalization appeals (appeals addressing valuation and/or classification filed before payment of taxes);
- Tax exemption applications;
- Economic Development Tax exemption applications;
- Industrial Revenue Bond statements and exemption applications;
- Personal property penalty waiver requests;
- County-wide and district-wide reappraisal appeals;
- Homestead property tax refund appeals;
- Appeals from school districts with declining enrollments;
- Appeals from taxpayers challenging a governing body's adoption of a tax rate exceeding the revenue neutral rate.

As a quasi-judicial body, the Board has no investigative, regulatory, or enforcement authority. The Board's regular division hearing procedures are controlled by the Kansas Administrative Procedures Act (KAPA), Kansas Code of Civil Procedure, Kansas Rules of Evidence, and the Board's administrative regulations. Unlike most administrative bodies, the Board is not a party in actions before it; nor is it a party in any action for judicial review of its orders. The Board is the only non-judicial branch entity in the state with members bound by the Kansas Supreme Court Code of Judicial Conduct, which promotes an "independent, impartial, and competent

judiciary, composed of men and women of integrity." *See* Kansas Supreme Court Rules Relating to Judicial Conduct, Preamble.

In September 2010, the Board (then COTA) enacted permanent procedural rules and regulations, along with a new filing fee schedule. The 2010 rule changes were the product of extensive collaboration with stakeholders through the Bench and Bar Committee. One year later, in September 2011, the Board (then COTA) again amended its filing fee schedule to address a budgetary shift away from state general funding to filing fee funding beginning in FY2011. Subsequent filing fee increases were also sought and approved in FY2012 and FY2014.

Small Claims and Expedited Hearings Division

The purpose of the small claims and expedited hearings division is to provide a convenient, informal, and expedient hearing process for single-family residential properties, certain commercial properties, vacant land, other residential properties (such as multi-family, land, storage), and certain Division of Taxation cases, including individual income tax and homestead appeals. Small claims jurisdiction may be either optional or mandatory, depending on the type of appeal and amount in controversy:

> Mandatory Jurisdiction. All appeals involving valuation of single-family residential property.
>
> Elective Jurisdiction. At the election of the taxpayer, the small claims division has jurisdiction over: (1) appeals from a decision of the Division of Taxation where the amount of tax in controversy does not exceed $15,000, and (2) appeals involving valuation of commercial property appraised at less than $3 million, excluding property devoted to agricultural use.

Small claims hearings are not held "on the record," meaning that no official court records are maintained, no transcript of small claims proceedings is provided, and the Board does not retain any evidence presented by the parties. Taxpayers may appeal final decisions of the small claims division to the Board's regular division. If appealed, small claims decisions are heard *de novo*, which means the Board members do not review the small claims decision for error but instead hear and decide the case based upon their own determination of the merits. The small claims process is subject to various statutory deadlines designed to ensure expedited processing and case disposition.

The Chief Hearings Officer oversees the small claims division and appoints and supervises contract hearing officers who preside over small claims hearings. The Chief Hearings Officer also sits as member *pro tempore* in regular division cases when there is a vacancy on the Board or when a member is not available because of recusal, disqualification, or scheduling conflict.

All docketing, scheduling, certification, and other administrative work of the small claims division is performed in the Board's Topeka office. The administrative functions of the regular and small claims divisions of the Board are consolidated to maximize economies of scale. The Board's regular division, however, does not direct or control hearing procedures or outcomes in the small claims division. Similarly, to maintain the regular division's impartiality and neutrality with respect to matters appealed to it, the Board's three members do not participate in small claims hearings and staff attorneys who have served as a hearing officer in a small claims matter do not assist with any regular division appeal of that matter.

OVERVIEW OF SIGNIFICANT LEGISLATIVE DEVELOPMENTS

Several legislative developments have shaped the Board's structure and function over the past three decades. The first was statewide reappraisal in 1990, which resulted in a three-fold increase in the agency's caseload. During reappraisal, staffing was increased to as many as 50 FTE positions.

The second was the creation of the small claims state-level tax appeals process in 1999. The purpose of that legislation was to provide taxpayers with a fair and impartial forum to resolve less complicated tax disputes more quickly and with less expense.

A third major legislative change occurred in 2008, when the Board of Tax Appeals was abolished and replaced with the Court of Tax Appeals (COTA). A number of additional substantive changes were made to the state tax appeals process at that time, including an omission of the intermediate district court appeal alternative, which made COTA the final trier of fact and court of record for all Kansas state and local tax matters. Under the 2008 legislation, appeals from all final orders issued by COTA were reviewed directly by the Kansas Court of Appeals.

A fourth major legislative change was House Substitute for SB 231, signed into law on May 14, 2014. That legislation substantially affected the powers, duties, and functions of the agency, as follows:

- The Court of Tax Appeals was abolished, and the Board of Tax Appeals reinstated.
- The Board was required to render and serve a written summary decision within 14 days of hearing for all property tax matters heard in the regular division. Parties were allowed to request a full and complete opinion within 14 days of receipt of the summary, which the Board was obligated to provide within 90 days of the request.

- The right to appeal to the District Court for a *de novo* hearing was reinstated, such that an aggrieved party could seek redress from either the District Court or Court of Appeals.

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- One Board member was required to be a certified general real property appraiser.

- Certain preliminary education requirements were established for all non-appraiser Board members appointed after June 30, 2014. For those non-appraiser Board members, salaries were capped at the amounts paid to an administrative law judge until such time as the preliminary education requirements were met.

- Governmental entities, not-for-profit entities valued under $100,000 and single-family residential filings were exempted from the filing fee requirement.

- The Board was prohibited from determining who may sign appeal forms, who may represent taxpayers, what constitutes the unauthorized practice of law, and whether contingency fee arrangements violate public policy.

Another change occurred with Senate Substitute for House Bill No. 2239, which became effective July 1, 2022. HB 2239 amended K.S.A 2021 Supp. 79-2988 to establish a process governing bodies must follow to enact a tax rate exceeding the revenue neutral rate. The statute, as amended, established a "revenue neutral rate complaint" by which an aggrieved taxpayer can challenge a governing body's action. No filing fee is assessed for this type of complaint. The Board is directed to receive the complaint and, upon summary decision or hearing, determine whether the governing body complied with the appropriate procedure and whether a refund or reduction of levied taxes is appropriate.

More recently, Sen. Sub. For House Bill 2125, effective May 8, 2025, amended K.S.A. 74-2438a(e)(1) to specify that no filing fee shall be charged to a taxpayer who has filed an appeal when a previous tax year's appeal is still pending before the Board. In the Fiscal Note initially submitted when the legislation was introduced, the Board estimated the Bill would reduce filing fees by $135,000 in FY2027 and $140,000 in FY2028.

House Bill No. 2440, which was signed into law on April 6, 2026, amended K.S.A. 2025 Supp. 79-213(l) to include oil and gas leases exempt from taxation under K.S.A. 79-201t to the list of property excluded from the exemption filing procedure otherwise specified in that section. In the Fiscal Note submitted to the House Committee on Taxation, BOTA observed that in the prior three fiscal years it received an average of 920 exemption filings under K.S.A. 79-201t

each year that could be impacted by the Bill, which would result in an estimated annual loss of $368,000 in filing fee revenue. The Bill became effective upon publication.

House Bill 2644, also signed into law on April 6, 2026, amended K.S.A. 79-1460(b) to read as follows:

> (b) The valuation for all real property also shall not be increased solely as the result of normal repair, replacement or maintenance of existing structures, equipment, or improvements on the property. For the next two taxable years following the taxable year that the valuation for commercial real property has been reduced due to a final determination made *prior to January 1, 2026*, pursuant to the valuation appeals process *and for the next five taxable years following the taxable year that the valuation for personal property mobile homes used for residential purposes, residential real property, and commercial real property has been reduced pursuant to a final determination made on and after January 1, 2026, pursuant to the valuation appeals process*, the county appraiser shall review the computer-assisted mass-appraisal of the property and if, the valuation in *any* of those years exceeds the value of the previous year by more than 5%, excluding new construction, change in use or change in classification, the county appraiser shall either:
>
> (1) Adjust the valuation of the property based on the information provided in the previous appeal; or
>
> (2) order an independent fee appraisal of the property to be performed by a Kansas certified real property appraiser.

(emphasis denotes language added by the bill). Because HB 2644 places certain limits on the increase of residential real property valuations for five years following a final determination on appeal and extends the prior limitation on increases of commercial real property from two to five years, the Bill may result in some reduction of the number of equalization and protest appeals filed for tax years 2027 and beyond. The Bill may also reduce BOTA's filing fee revenue as well, to the extent that it results in fewer commercial real property appeals (single-family residential properties are already exempt from filing fees). It is not possible, however, for BOTA to estimate these potential impacts with any level of certainty.

GOALS, OBJECTIVES AND STRATEGIES

The Board's principal goal is to hear, decide, or otherwise assist in resolving appeals and applications in a fair, timely, and judicious manner, in accordance with the record evidence and governing legal standards.

Objectives: The objectives established to reach this principal goal are as follows:

- Maintain a steady, consistent, and manageable case flow by hearing cases as soon as practical and by issuing timely written decisions.
- Provide fair and transparent tax appeal and application processes in as convenient a manner as possible.
- Enhance and foster a culture of professionalism for the Board and its operations.
- Continuously improve the quality of written decisions in both divisions.
- Ensure accessibility to the Agency's services for all stakeholders.

Strategies: The strategies adopted to attain the above objectives are as follows:

- Utilize technology and case management techniques to improve access, service, and professional quality.
- Build meaningful and consistent measures of performance and case processing speed into Board technology systems.
- Establish pre-hearing processes for complex residential and commercial cases to clarify legal issues, identify matters amenable to consolidation, and encourage early resolution of disputes.
- Provide continuing education and other job-related training for small claims hearing officers, staff attorneys, and Board members in the areas of administrative law and procedure, evidence, legal writing, appraisal theory, and taxation.
- Recruit and retain small claims hearing officers and staff with good written and oral communication skills and, in addition, experience in administrative law and practice, appraisal theory, and taxation.

- Provide professional training for agency administrative staff, where appropriate, in areas such as leadership, use of technology, knowledge of state systems, disaster preparedness, continuity of operations, and office best practices.

OUTPUT MEASURES

The case types listed in the first column of the following tables are as follows: Division of Taxation (DT), Economic Development Exemption (EDX), Equalization (EQ), Industrial Revenue Bond (IRB), Industrial Revenue Bond Exemption (IRBX), No Fund Warrant (NFW), Protest (PR), Property Valuation (PV), Tax Grievance (TG), Tax Exemption (TX)

Regular Division Filings. The table below shows the number of filings, broken down by type, docketed and processed by the regular division of the Board since FY 2020 with estimates through FY2028.

Case Type	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
DT	32	9	9	2	5	3	8	7	7
EDX	9	18	12	16	15	8	8	10	10
EQ	2,024	2,318	2,022	2,321	2,534	2,604	3,468	3,200	2,900
IRB	76	64	75	75	76	78	84	75	75
IRBX	26	33	36	48	38	47	65	50	50
NFW	5	1	0	0	0	0	1	1	1
PR	260	271	130	137	293	175	610	300	300
PV	8	10	11	10	12	0	0	10	10
TG	48	56	35	48	49	62	27	53	50
TX	2,058	1,851	1,977	1,908	2,238	1,883	1,512	1,400	1,350
Other	6	2	1	2	16	9	28	15	16
Total	**4,552**	**4,633**	**4,308**	**4,567**	**5,276**	**4,869**	**5,811**	**5,121**	**4,769**

Small Claims Filings. The table below shows the number of filings, broken down by type, in the small claims division since FY 2020 and gives estimated projections through FY 2028.

Case Type	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY27	FY28
DTSC	10	10	4	0	3	5	5	5	5
EQSC	2,500	2,500	1,852	2,467	2,038	2,588	2,905	2,900	2,600
PRSC	500	500	193	283	371	928	490	486	481
Total	**3,010**	**3,010**	**2,049**	**2,750**	**2,412**	**3,521**	**3,400**	**3,391**	**3,086**

Aggregate Filings. The table below shows the aggregate number of filings in both the regular and small claims divisions since FY 2020 and provides estimated projections through FY 2028.

Division	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Small Claims	3,010	3,010	2,049	2,750	2,412	3,521	3,400	3,391	3,086
Regular Division	4,552	4,633	4,308	4,567	5,276	4,869	5,811	5,121	4,769
Total Filings	**7,562**	**7,643**	**6,357**	**7,317**	**7,688**	**8,390**	**9,211**	**8,512**	**7,855**

Regular Division Cases Closed. The table below shows the number of regular division cases, broken down by type, closed since FY 2020 and provides estimated projections through FY 2028.

Case Type	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
DT	24	6	13	22	1	5	1	7	6
EDX	11	16	14	15	16	10	12	9	9
EQ	1,210	1,407	1,076	2,700	1,925	2,230	2,026	2,800	2,610
IRB	77	58	73	72	76	70	81	75	75
IRBX	10	53	38	35	48	47	65	50	50
NFW	5	1	0	2	0	0	1	1	1
PR	163	248	216	280	217	352	87	275	275
PV	2	1	16	14	0	1	37	10	10
TG	63	28	58	80	56	29	61	50	50
TX	1,219	1,998	2,052	2,100	1,434	1,425	2,867	1,400	1,350
Other	7	8	1	6	14	16	19	15	15
Total	**2,791**	**3,824**	**3,557**	**5,326**	**3,787**	**4,185**	**5,257**	**4,692**	**4,451**

Small Claims Cases Closed. The table below shows the number of small claims cases, broken down by type, closed since FY 2020 and provides estimated projections through FY 2028.

Case Type	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
DTSC	11	8	5	0	2	4	5	5	5
EQSC	2,055	2,447	1,707	1,836	2,804	2,163	2,436	2,800	2,500
PRSC	365	612	230	178	412	340	862	481	476
Total	**2,431**	**3,067**	**1,942**	**2,014**	**3,218**	**2,507**	**3,303**	**3,286**	**2,981**

Aggregate Cases Closed. The table below shows the aggregate number of cases closed in both the regular and small claims divisions since FY 2020 and provides estimated projections through FY 2028.

Division	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Small Claims	2,431	3,067	1,942	2,014	3,218	2,507	3,303	3,286	2,981
Regular Division	2,791	3,824	3,557	5,235	3,787	4,185	5,257	4,692	4,451
Total Filings	**5,222**	**6,891**	**5,499**	**7,249**	**7,005**	**6,692**	**8,560**	**7,978**	**7,432**

OUTCOME MEASURES

Clearance rates are one measure that shows how quickly cases are moved through the Board's administrative processes. Clearance rates are expressed as percentages calculated by dividing the number of outgoing (or closed) cases by the number of incoming (or docketed) cases. The Board strives to maintain clearance rates as close to 100 percent as possible. The Board notes, however, that due to the timing of the release of valuation notices, the Board's receipt of appeals, the length of the typical appeal process for each case type, and the difference between a tax year and a fiscal year, many individual matters cannot be resolved in the same fiscal year in which they are filed. The numbers below are meant to provide a representative example of the Board's ability to maintain a consistent docket load, rather than demonstrate a one to one relationship between discrete cases filed and closed in the same fiscal year.

Regular Division Clearance Rates

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Incoming cases	4,552	4,633	4,308	4,567	5,276	4,869	5,811	5,121	4,769
Outgoing cases	2,791	3,824	3,557	5,236	3,787	4,185	5,257	4,692	4,451
Clearance rate	**61%**	**83%**	**83%**	**114%**	**72%**	**86%**	**90%**	**92%**	**93%**

Small Claims Division Clearance Rates

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Incoming cases	3,010	3,010	2,049	2,750	2,412	3,521	3,400	3,391	3,086
Outgoing cases	2,431	3,067	1,942	2,014	3,218	2,507	3,303	3,286	2,981
Clearance rate	**81%**	**102%**	**95%**	**73%**	**133%**	**71%**	**97%**	**97%**	**97%**

OTHER OUTCOME MEASURES

Other outcome measures assess the speed of processing and disposition. The small claims division outcome measures are expressed in different terms than the regular division outcome measures because of specific abbreviated statutory deadlines imposed on the small claims processes.

Regular Division

K.S.A. 74-2426(a) requires the Board to issue a summary decision within 14 days from the date a matter has been fully submitted, unless the parties agree to waive the deadline or the Board determines that good cause exists to extend the deadline. After the summary decision is issued, any party may request a full and complete written opinion from the Board within 21 days from the date of the summary decision is certified. The full and complete opinion must be issued by the Board within 90 days of the request, unless the parties agree to waive the deadline.

The bulk of regular division cases subject to the above statutory requirement are equalization or protest matters. The following table sets forth the number and timeliness of written decisions in equalization (EQ) and payment under-protest (PR) appeals (including residential and commercial) heard by the Board. The Board notes that the figures below do *not* reflect cases in which the parties agreed to waive a statutory deadline, as the Board's case management system does not allow for easy reporting of that data.

Equalization and Protest Matters (Regular Division)

	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Number of Cases Heard	309	522	637	288	405	269	316	430	350
Number of Cases w/14 Day Summary Decisions Issued	166	490	415	238	405	229	209	400	325
Number of 14-Day Summary Decisions Issued Timely	166	458	377	215	400	201	204	400	325
Percent of 14-Day Summary Decisions Issued Timely	100%	93%	91%	90%	99%	88%	98%	100%	100%
Number of Cases w/ Full Opinions Issued	183	253	124	59	34	81	39	60	50
Number of Full Opinions Issued Timely	180	252	124	55	33	79	39	60	50
Percent of Full Opinions Issued Timely	98%	100%	100%	93%	97%	98%	100%	100%	100%

The following table shows the average number of days it took the Board's regular division to close the five most common types of cases docketed in FY 2020 through FY 2028. The table also provides estimated projections through FY 2028.

Number of Days to Close By Case Type (Regular Division)

	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Division of Taxation	80	154	464	903	12	913	112	116	115
Tax Exemptions	78	151	153	149	202	364	265	200	180
Tax Grievances	171	140	224	171	161	186	333	150	125
Residential	178	285	265	459	227	441	542	400	350
Commercial	353	384	483	621	535	617	532	500	450

Small Claims

The following table reflects output measures for the small claims division. These measures track how long it takes the small claims division to complete the three major phases of the small claims process: docketing, scheduling and disposition. The Board again notes the figures do *not* reflect cases where the parties waived the statutory deadlines.

Small Claims Statutory Deadlines -- K.S.A. 74-2433(f)

	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Average days between filing and hearing. (The Small Claims hearing shall be conducted within 60 days from the date of the filing.)	54	59.75	53	57	50	69	102	65	60
Average number of days between hearing and decision. (The Small Claims decision must be rendered within 30 days of the hearing).	28	27	25	28	24	32	32	32	30
Number of cases where the decision was certified more than 30 days after hearing	42	26	115	102	351	641	1,277	300	100

FUNDING OVERVIEW

The Board currently funds its operations through two sources, the state general fund and the Board's filing fee fund. In addition, the Board has federal ARPA funds available for certain IT improvements through October 31, 2026, as detailed below. Those funds will be exhausted before the end of FY2027 pursuant to the ARPA grant agreement.

State General Fund

The Board's base for state general funds allocation in FY 2010 was $1,376,801, which totaled 78 percent of the Board's total budget. Since FY 2010, the Board's base from state general fund has substantially decreased. Presently in FY 2027 the Board's approved base from the state general fund is approximately 56 percent of the Board's total budget. In FY 2028 the Board's requested allocation from the state general fund accounts for approximately 56 percent of the total base budget (before any requested change package).

Filing Fee Fund

The Board is required by statute to charge and collect filing fees established through its rules and regulations. *See* K.S.A. 74-2438a. The filing fee fund was established to defray all, or a portion of, the costs incurred in processing appeals and applications. *See id*. The Board's filing fee schedule can be found at K.A.R. § 94-5-8.

In the first year of the fund's existence (FY 2004), filing fee collections totaled $171,749. The Board obtained approval for filing fee increases in FY 2011, FY 2012, and FY 2014.

The Board has historically collected less filing fees than its limitation. FY 2024 and FY 2025 are the only recent exceptions to that rule, where the Board collected filing fees equal to or exceeding the spending limitation. FY 2024 and 2025 were years with record or near-record numbers of appeal filings subject to a filing fee. In FY 2026 the Board again saw an increase in number of filings, particularly in its regular division, but the Board's filing fee receipts returned to a more "typical" level as many of these filings were exempt from fees. The Board anticipates that filing fee revenue will continue to decline in FY2027 and beyond due to the impact of recent legislative changes discussed previously in this Narrative.

In FY 2026 the Board collected Filing Fee revenue of $879,214, with a Filing Fee Fund limitation of $1,116,383.

The Board estimates overall filing fee fund revenues of $490,718 for FY 2027 and $493,171 for FY 2028. The estimate for FY 2027 is based upon the average amount of filing fee receipts over the past five fiscal years, less the $500,000 reduction in receipts the Board estimates based on recent legislative changes. The estimates for filing fee receipts in FY 2028 and beyond assume a minimal 0.5 percent increase in fee collections per year, consistent with the Board's assumption that it will continue to receive a substantial percentage of appeals that are exempt from filing fees, and that the total number of appeals filed will remain relatively steady. In accordance with past practice, the Board has also assumed that the Board's filing fee fund spending limitation would increase at a rate of 2.5 percent per year. Based upon typical budget procedures, the proposed filing fee fund limitations for FY 2027 and FY 2028 are $1,155.787 and $1,246,986, respectively.

The table below shows the actual Filing Fee Fund balance at the end of FY 2026 along with the estimated Filing Fee Fund balance at the end of Fiscal Years 2027 through 2030 using the aforementioned assumptions and proposed filing fee fund spending limitations. If the Board's estimates of its filing fee collections are correct for future years, and the spending limitation for the filing fee fund remains substantially the same or increases, the Board's filing fee fund will have a negative balance within one to two fiscal years. The Board notes that any changes to anticipated growth/loss in filing fee revenue or projected spending limitations would result in different ending balances and different projections for the anticipated date the fee fund would be reduced to a zero balance. For the sake of economy, the Board has not attempted to present all of the various scenarios in this Narrative.

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Balance July 1	$1,181,111	$840,609	$175,540	-$578,275	-$1,360,799
Expenditures (-)	-$1,219,716	-$1,155,787	-$1,246,986	-$1,278,161	-$1,310,115
Filing Fee (+)	$879,214	$490,718	$493,171	$495,637	$498,115
Balance June 30	**$840,609**	**$175,540**	**-$578,275**	**-$1,360,799**	**-$2,172,799**

Estimate based on all cases, including single-family residences and other matters that do not pay a filing fee, pay a reduced filing fee, or have the filing fee waived.

Federal ARPA/SPARK Funds

BOTA began pursuing a federal ARPA/SPARK grant in the Spring of 2022 to fund necessary IT upgrades and modernization efforts. The Board initially requested $590,000 to accomplish several objectives, including replacement of the Board's outdated document management system, upgrade of the Board's second hearing room and court recording systems, and upgrade/replacement of existing computer and infrastructure equipment. In February 2023 the Board was awarded $225,000 by the SPARK committee. Subsequently, BOTA amended its FY 2024 and FY 2025 budget submissions to request an additional $365,000 in SGF to cover the shortfall. The Legislature's initial budget award for FY 2024 approved the additional $365,000 in SGF; however, it was subsequently determined that additional grant money was available and the agency ultimately received a second ARPA/SPARK grant of $365,000. Pursuant to the terms of those grants, ARPA/SPARK funds must be used for those IT-related improvements listed in the grant application, had to have been obligated by December 31, 2024, and must be fully spent by October 31, 2026.

At the time of submission of this Narrative, BOTA spent $315,539 of the awarded funds. Those funds were used to:

- Upgrade BOTA's hearing rooms with Zoom and other video-conferencing technology;
- Replace outdated court-recording hardware and software;
- Replace outdated computer equipment and IT infrastructure hardware;
- Replace the Board's outdated website;
- Obtain offsite backup services;
- Develop and implement a new electronic content-management system, including migration of existing documentation, training of staff, and integration with the Board's existing case management system;
- Implement an online payment option for filing fees that is fully integrated with the Board's case management and content management systems;
- Necessary maintenance, upgrades, and staff training on the Board's case management system;
- Develop custom internal workflows designed to increase document processing speed;
- Develop an automatic publishing workflow designed to increase public access to Board orders;
- Implement a public portal allowing external user search for hearing calendars, Board orders, and appeal documents.

The remaining funds have been obligated, but not yet spent as of the date of this Narrative, due to a milestone-based payment arrangement with the vendor of the Board's content management system. The Board's vendor and its OITS project manager are aware of the spending deadlines and BOTA anticipates no difficulty concluding its expenditures by the October 31, 2026 deadline.

ACTUAL POSITION DATA:

For FY2027, the Agency's approved authorized FTE positions total 16, with 1 non-FTE unclassified temporary position. The Agency's actual FTE data for FY 2026 was as follows:

Program	FTE Positions	Non-FTE Temporary Positions
Board Members/CHO	4	0
Executive Director	1	0
General Administration	7	0
Legal (Attorneys)	3	1
IT	1	0
Agency Total	16	1

For FY2028 and beyond, the Board requests the following changes to its approved FTEs:

Program	FTE Positions	Non-FTE Temporary Positions
Board Members/CHO	4	0
Executive Director	1	0
General Administration	9	0
Legal (Attorneys)	3	1
IT	1	0
Agency Total	18	1

SUPPLEMENTAL and ENHANCEMENT BUDGET REQUESTS FOR FY 2027 & FY 2028 – FUNDING SWAP

As noted in the Funding Overview section of this Narrative, the Board is required by statute to collect filing fees to defray all, or a portion of the costs associated with processing appeals and applications. *See* K.S.A. 74-2438a. The Board obtained approval from the Legislature for fee increases in FY 2011, FY 2012, and FY 2014. Over the past decade, the non-negotiable costs of doing business have increased, including amounts paid by the Board for rent, internet and telephone access, computer equipment, IT services, postage, and office supplies. Amounts paid for salaries and wages have increased as statewide salary adjustments have been made for cost of living and market conditions, and as the cost of the employer's share of benefits has increased. The Board has also seen an increase in filings over the past several fiscal years, from approximately 7,600 filings in FY 2020 to more than 9,200 filings in FY 2026. The increase in number of filings has increased the costs associated with processing those filings, including expenses for hearing officers required to hold small claims hearings and temporary staff hired to provide relief during periods of high demand. The Board has no control over the number of filings that it receives on an annual basis. The Board also has little to no control over many of the biggest line items in its budget, including salaries and wages, rent, internet and telephone access, other OITS service fees, OITS surcharges, website hosting charges, essential computer equipment, and essential software licenses. The remainder of the line items in the Board's budget cannot be substantially cut without affecting the quality and efficiency of services the Board is required to provide.

Despite the general increase in expenses, the Board still uses the filing fees set in FY 2014. Additionally, several categories of filers and/or filings have been exempted from filing fees by the Legislature over the years, including single-family residential properties, nonprofit entities valued under $100,000, governmental entities, and revenue neutral complaints. The Board may waive or reduce fees under certain circumstances. The Board notes that each filing received, regardless of the type of filing or its final disposition, requires the same minimum level of resource investment to shepherd it through to closure.

The Board recognizes competing policy considerations impact the decision as to whether the Board should charge filing fees and what percentage of the Board's budget should be funded from filing fees. On one hand, tax appeal processes arise from constitutional rights and statutory obligations and protect the overall integrity of the State's system of taxation. Some believe that Kansans should not be required to pay an additional fee to exercise these

rights. On the other hand, many individuals who choose to file matters with the board are distinct taxpayers with specific, individualized concerns, who seek resolution of issues that may only benefit that taxpayer or a relatively small subset of taxpayers. In those cases, user fees might be desirable to offset the cost of providing services that do not benefit the citizenry at large.

In light of those competing policy concerns, the Board has not sought to raise its filing fees since FY 2014. As explained in detail in earlier sections of this Narrative, the practical effect of the issues discussed above means that in most years the Board has collected less filing fees than its spending limitation from the Filing Fee Fund. Fiscal Years 2024 and 2025 were an exception to this general trend, where the Board received an unusually high number of filings that were not exempt from payment of fees, and consequently collected enough fees to offset its spending limitation for that fiscal year. In FY 2026, the Board's filing fee receipts returned to a more typical level in comparison to prior years and again were much lower than its spending limitation.

Three recent legislative changes are likely to further reduce the Board's filing fee receipts for FY 2027 and future fiscal years. More discussion concerning these changes can be found beginning in the Overview of Significant Legislative Developments. Sen. Sub. for House Bill 2125 amended K.S.A. 74-2438(e)(1) to specify that no filing fee shall be charged to a taxpayer who files a new appeal while a prior tax year's appeal is still pending. This legislative change is most likely to impact commercial equalization and protest appeals, which are more complex, typically involve tax representatives and/or attorneys, are the most likely matters to involve outside expert opinions, and are rarely resolved in less than one year even under the best of circumstances. In its fiscal note presented with the Bill, the Board noted it believed the Bill would reduce filing fees by $135,000 in FY 2027 and $140,000 in FY 2028.

House Bill No. 2440 amended K.S.A. 2025 Supp. 79-213(l) to exclude low-producing oil wells from the requirement to follow the exemption application procedures otherwise specified by the statute. In practice, this means that a majority of those applications will now be decided directly by the county appraiser. In its fiscal note on that bill, the Board stated that it received an average of 920 of those applications per year and that it anticipated a loss of $368,000 in filing fee revenue annually.

Finally, House Bill 2644 amended K.S.A. 79-1460(b) to limit valuation increases for commercial and residential properties to five percent for the next five tax years following a reduction in value through the valuation appeals process after January 1, 2026. BOTA cannot

estimate with any degree of certainty the impact that this statute may have on either its number of filings or its filing fee revenue. It is possible that it may have little impact if the appeals primarily affected are single-family residential property appeals that are already exempt from filing fees. It is also possible that it may have a larger impact if the number of commercial appeals is reduced.

In total, the Board estimates these recent legislative changes will reduce its filing fee receipts by approximately $500,000 per year. The Board does not estimate that the changes listed above will result in any substantial reduction in its workload or staffing needs, however, as it has already been experiencing record-high numbers of filings in the past few fiscal years. Moreover, as discussed above, the majority of the Board's expenses are non-negotiable and any further reduction in budget would jeopardize the level of service the Board is able to provide.

The chart on page 18 shows the Filing Fee Fund's beginning and ending balances in FY 2026, along with projected ending balances through fiscal year 2030, reflecting the anticipated decrease in filing fee receipts beginning in FY 2027. In prior years, the Board sought to maintain a sufficient minimum balance in the Filing Fee Fund account to cover the costs associated with maintaining the office's functions for a period of time in the event that an emergency or disaster would result in loss of monthly fee revenue. As the reviewer can see from this chart, if the Board's spending limitation for years FY 2027 and beyond remains the same or increases, and the Board's filing fees decrease by the amount estimated, the Board's ending Filing Fee Fund balance will reach negative levels within one to two fiscal years.

In order to avoid a scenario where its Filing Fee Fund account is drawn to a zero or negative balance, the Board has three options: (1) obtain legislative approval to substantially increase the amount of its filing fees, (2) obtain legislative approval to charge filing fees for those categories of filers and properties currently exempt, and/or (3) request the Legislature reduce the spending limitation for the Board's Filing Fee Fund and increase the amount of State General Funds in the Board's budget by a corresponding amount.

Based upon the countervailing policy rationales on the desirability of funding the Board's constitutional and statutory services on filing fees, the Board has elected here not to request an increase in the amount of its filing fees or to request authority to charge fees to previously exempt filers or properties. Instead, the Board is asking the Legislature to approve what is essentially a "funding swap" – a reduction in the amount of the Board's overall operating budget that it is expected to cover through its filing fees.

Given the timing of the legislative changes discussed above, its anticipated fee receipts for the remainder of FY 2027, and its estimates concerning filing fees and receipts for FY 2028 and beyond, the Board proposes the following supplemental and enhancement changes to its budget specifically as to the Filing Fee Fund:

1. For FY 2027 – a supplemental budget request of an additional $300,000 in SGF, and a reduction of the Board's Filing Fee Fund Spending Limitation by $300,000;

2. For FY 2028 and beyond – an enhancement change request of an additional $500,000 in SGF, and a reduction of the Board's Filing Fee Fund Spending Limitation by $500,000.

It should be noted that neither of these requested changes increase the Board's general operating budget – they simply change the source of the funds.

SUPPLEMENTAL BUDGET REQUEST FOR FY 2027 – FUNDING SWAP

As the issues identified in the Narrative above impact the balance in the Filing Fee Fund through the end of the current fiscal year, the Board requests a supplemental change to the FY 2027 budget as shown below. The filing fee balance for years FY 2028 and beyond is addressed in a separate Enhancement Change Package.

a) Filing Fee Fund/SGF Funding Swap - $300,000 ($300,000 SGF; -$300,000 FF)

TOTAL COST $ 300,000

ENHANCEMENT CHANGE PACKAGE FOR FY 2028 – FUNDING SWAP

As needs identified in the Narrative above are ongoing and the basis for the increase remains the same from year to year, the Board requests an Enhancement Change Package for FY 2028 as follows:

a) Filing Fee Fund/SGF Funding Swap - $500,000 ($500,000 SGF; -$500,000 FF)

TOTAL COST $ 500,000

ENHANCEMENT CHANGE REQUEST FOR FY 2028 - PERSONNEL

The Board in the past few fiscal years has experienced record or near-record highs in number of case filings received, with no corresponding increase in the number of staff to process these filings save one temporary, part-time position. The Board discussed the case load per individual in depth in its testimony before the interim legislative committee on taxation in fall 2025. The Board has done its best to maintain a consistent level of case processing speed with the increased number of filings by streamlining its administrative processes, cross-training staff, and implementing new technology-based solutions. Major updates to technology or processes create their own unintended administrative burdens. For example, the Board's new content management platform will allow parties to submit documents and access prior filings online. Security requirements mean that individual user accounts will need to be provisioned in some cases to allow this access. Creating individual user accounts requires a substantial administrative investment up front to create the accounts, educate users, and generate help resources. On the back end, staff must be available to field requests for assistance with accessing and using the new system while continuing to perform their typical daily tasks. It will take time for the Board to educate its users on new electronic filing options and for its users to fully convert to use of those alternatives. While the Board firmly believes that the investment in new technology will result in long-term gains, particularly with respect to improved user filing experience and increased public access to records, technology alone can only go so far. The Board's mission – to serve as a fair and impartial arbiter of taxation disputes – relies upon human effort and judgment.

The Board has been encouraged to look for AI-based solutions as an alternative to hiring additional staff. While the Board has done some preliminary investigation in this regard and believes that certain AI systems could be helpful to legal staff in some respects, they would not fully accomplish all of the tasks identified in the Board's enhancement requests. In particular, the Board does not believe an AI system can accurately perform the many customer service functions that its staff perform on a daily basis, including, but not limited to, responding to requests for assistance with the appeal process, fielding requests for continuances, communicating with parties on scheduling, answering requests for status updates, preparing responses to KORA requests or other requests for documents, and interpreting and responding to email communications. Development of an AI solution that could perform some of these customer service functions would, in itself, require substantial investment from staff and/or hiring an outside vendor.

The Board therefore renews its prior budget request for an increase in funding to create two additional staff positions, a legal assistant position and an administrative staff position. Given the fact that any FY 2027 budget request would not be fully funded until late in the fiscal year, and that recruiting and hiring any additional positions would not be accomplished before June 30, 2027, the Board has elected to make these budget requests beginning with the FY 2028 budget year.

Legal Assistant

The Board proposes creation of a new FTE Senior Administrative Assistant (Legal), to be supervised by the Board's General Counsel, who would work directly with the Board's staff attorneys and attorney board member to more effectively manage complex BOTA cases or those that have moved into the hearing or post-hearing process. This individual would be expected to have some level of legal training or experience and preferably would have familiarity with the administrative appeal process.

For the reasons set forth in the next section concerning an Administrative Assistant, the Board finds it necessary to shift some of these current functions away from its legal and administrative staff to a legal assistant in order to manage the administrative burdens associated with the Board's heavy caseload. The Board also notes, as it has in previous appearances before the Senate Assessment & Taxation Committee, House Committee on General Government Budgets, and Interim Committee on Taxation, that the high percentage of matters involving self-represented taxpayers places a unique administrative burden on the Board's staff as the Board's staff and attorneys routinely field additional requests for assistance and spend additional time processing submissions that lack critical information. Due to a lack of available administrative assistance, the Board's attorneys currently perform time consuming administrative functions (such as data entry, scheduling calls, routine appeal status inquiries, document scanning/copying, file closure) which could be handled by a Legal Assistant.

The Board's Regular Division had 5,811 total filings in FY 2026, an increase of nearly 1,000 filings from the prior fiscal year and the highest yearly total of filings in the past seven fiscal years. Over the past six fiscal years, an average of 998 Regular Division matters per year were resolved by joint stipulation of the parties, an average of 619 matters were voluntarily dismissed by the taxpayer, and an average of 99 matters were dismissed for other reasons. Assuming that a similar number of matters filed in FY 2026 are ultimately resolved by stipulation or dismissal, that leaves a docket of 4,095 matters that will continue on to hearing or other process requiring at least some involvement of the Board's General Counsel and Staff Attorneys. If divided equally, that would create a minimum case load of 1,365 cases per attorney of Regular Division filings alone in one fiscal year. That would not include time those attorneys spend as hearing officers in the Small Claims division, advising or assisting on other legal issues that arise, in work-related continuing education, or handling other administrative functions. Even those matters ultimately resolved by stipulation or dismissal may have required investment of administrative staff, attorney, or Board Member time before the parties reached an agreement or withdrew an appeal.

A Legal Assistant would perform numerous administrative functions currently shared by the Board's legal and administrative staff, including, but not limited to:

- Overseeing a more intensive case management/status conference process, including assistance with determining matters that are good candidates for a status conference; scheduling parties to appear; drafting scheduling orders; maintaining a calendar of deadlines; drafting communication for legal staff; and maintaining statistical information concerning status conference procedures for Board workload and budget purposes;
- Retrieving and routing pre-hearing evidence submissions to the appropriate individual or location for both regular and small claims matters;
- Monitoring the Board's main email account for critical hearing-related communications;
- Communicating with parties as to issues of case status or requests for assistance with filing procedures;
- Retrieving and routing post-hearing submissions of closing briefs or requested documentation to the appropriate individuals;
- Assisting with certification of Board records to higher courts within the statutory timeframe provided, including photocopying/scanning of materials for the record;
- Coordinating court reporting services in the event of a transcript request; responding to party requests for transcripts or hearing recordings;
- Maintaining the database for cases in progress;
- Archiving records once a case is closed;
- Formatting and proofreading Board orders and opinions;
- Tracking written orders through administrative processing to ensure deadlines are met;
- Tracking the status of matters appealed to district and appellate courts;
- Reviewing new exemption and grievance applications to determine completeness; contacting applicants to obtain missing information in an effort to avoid unnecessary denials or reconsideration requests;
- Overseeing legal filing procedures, including pre and post-hearing submission and processing of evidence;
- Assisting parties where appropriate with matters such as subpoenaing witnesses;
- Providing general office support as able;
- Performing other duties as directed by the General Counsel.

The Legal Assistant's contributions would also allow the Board's General Counsel and Attorneys to focus their time on high-level tasks and substantive legal issues, resulting in:

- Faster and more efficient processing of tax appeals;
- Increased compliance with statutory deadlines;
- Improved accessibility to Board services;
- Improved quality of services;
- Improved confidence in the tax appeal system;
- A more balanced distribution of work for administrative and legal staff;

- Greater job satisfaction and increased retention of current staff.

It should be noted that the Board does not believe the above processes can be entirely alleviated with generative AI. As mentioned above, the Board does not believe there is a cost-effective generative AI program available at this moment that can perform the customer-service functions needed by self-represented filers, who could manage communications among multiple parties to track case status and determine when further Board intervention is necessary to push a case along, or that would be capable of switching gears effortlessly to perform different tasks based upon current demands. If such an AI solution existed, it would likely require additional expense to hire an outside vendor to develop and implement it, investment of staff time to load the model with BOTA-specific information, and the yearly licensing fee may exceed the amount requested to fund this position.

By funding this position, the agency can ensure its case management processes will operate smoothly and efficiently, the workload is better distributed among its administrative and legal staff members, and quality service is provided to all stakeholders. Creation of this position aligns with the Board's mission of maintaining steady, consistent, and manageable case flow by hearing cases as soon as practical, issuing quality written decisions, and fostering a culture of professionalism for the Board and its operations.

Administrative Assistant

From the time an appeal is received by the Board until the file is closed and archived, it must be touched multiple times by multiple individuals, who each interact with that file in unique and necessary processes. Even with the implementation of a new electronic content management system, the Board will continue to receive a substantial percentage of paper filings and payments and require an adequate number of administrative staff to ensure that appeals are properly processed. It will take time with the new electronic system to develop custom workflows to automate some of these administrative burdens. It will take even more time and effort with taxing entities and taxpayers, particularly those who are self-represented, to transition to electronic methods of filing. Additionally, while the Board anticipates that certain electronic filing options will alleviate some administrative burden, creation of those options may give rise to additional administrative burdens, such as fielding an increased number of calls asking for assistance with the online submission process.

To demonstrate the current administrative workload associated with the Board's annual docket, consider that the Board received 9,211 total filings in FY 2026. If that caseload was split evenly among the Board's administrative staff, each individual would handle 1,315 matters for that fiscal year. In practice, the Board's administrative staff are each responsible for different aspects of the case management process. Each filing received, *regardless of its*

ultimate outcome, necessitates at least eight, if not 16 or more, different administrative functions before that file can be closed, including:

- Receive document/file/appeal/other by mail, fax, or email;
- Review for quality control, correspond with filer if necessary/appropriate;
- Scan paper document into electronic system or move electronic document into content management system;
- Prepare and print notice of filing if necessary, cause notice of filing to be mailed or emailed;
- Collect/process filing fee;
- Deposit filing fee;
- Send notice of filing fee deficiency, if necessary;
- Assign docket number, enter necessary data into case management system and/or ensure that automatic data entry is correct, tag the matter for related docket numbers as appropriate;
- Schedule matter for hearing/status conference/other proceeding as necessary;
- Generate/print notice of hearing and cause to be mailed/emailed;
- Update case management system with attorney assignments;
- Manage filed motions and notices;
- Receive and store evidence pre-hearing; record evidence and archive post-hearing;
- Process Board orders and decisions;
- Service of orders and decisions by email or mail;
- Archive closed files.

Each of these individual functions could result in several more sub-processes, require multiple individual steps to completion, or require multiple conversations with taxpayers, taxpayer representatives or taxing entities before an issue can be resolved. The steps above do not include the additional work required if a matter set for hearing is continued or rescheduled. At a ***minimum*** there were ***73,648 distinct administrative functions*** that would have taken place to process the appeals filed in FY 2026, not including the time required to field thousands of phone calls, emails, and letters from parties, respond to KORA requests, address the tasks listed in the legal assistant section, handle payroll and other HR functions, complete required work-related training, assist with preparation of the budget, handle procurement and bill payment, and other tasks required to keep the office running.

Of the Board's seven administrative positions, one position is the Board's secretary who handles a number of higher-level functions on a daily basis including supervision of the administrative staff; one position is the Board's finance officer who processes payments and disbursements, tracks expenses, assists with preparation of the budget, and handles all procurement; and one is a front-desk assistant, who primarily interacts with customers. Those individuals assist in various degrees with the tasks above, but have other duties that demand

significant blocks of their time. That leaves four remaining administrative positions left to address the bulk of the tasks listed above.

Handling the Board's heavy case load with such a slim administrative staff is challenging at the best of times; the months where there are heavier influxes of appeals (such as during the small claims season) are particularly problematic. Staff absences for illness, training, or vacation are to be expected but add another layer of hardship for all staff. The difficulties encountered by the Board's administrative staff result in docketing and scheduling backlogs, compliance risks, staff burnout, and inefficiency as staff members cover multiple positions. Continued inability to address the Board's administrative staffing needs will result in further delays in the processing of appeals, lower quality of service to the Board's stakeholders, additional taxpayer and taxing entity complaints, and staff attrition.

The Board proposes a new FTE Senior Administrative Assistant (floater) who would be supervised directly by the Board Secretary. Unlike the Board's current administrative staff, this individual would not be assigned to one specific task, but would be cross-trained as to each phase of the Board's case-management process. This cross-training would allow the individual hired to "float" to areas where greater assistance is needed due to employee absence or seasonal increases/decreases in workload. With an understanding of each position as well as how those positions work together, the new Administrative Assistant can:

- Assist as needed during times of heavy influx of appeals;
- Cover for absent staff members;
- Assist with training new staff or cross-training existing staff.

Current administrative staff will be able to work more efficiently and with less disruption in their own areas of expertise. Morale will increase among all administrative staff as they will have additional assistance to manage a heavy workload.

The Administrative Assistant's contributions to the handling of the workload and coverage of absent staff will result in:

- A more balanced distribution of work for all administrative staff;
- Greater job satisfaction and increased retention of current staff;
- Faster and more efficient processing of tax appeals;
- Increased compliance with statutory deadlines;
- Improved accessibility to Board services;
- Improved quality of services;
- Improved public confidence in the tax appeal system.

By funding this position, the agency can ensure administrative processes continue to operate smoothly during periods of high volume and during employee absences. This role

would help ensure compliance with statutory deadlines and thereby strengthen public trust in a fair and efficient appeal process. Creation of this position aligns with the Board's mission of maintaining a steady, consistent, and manageable case flow by hearing cases as soon as practical, issuing timely written decisions, and ensuring accessibility to the Agency's services.

ENHANCEMENT CHANGE PACKAGE FOR FY 2028 - PERSONNEL

As needs identified in the Narrative above are ongoing and the basis for the increase remains the same from year to year, the Board requests an Enhancement Change Package for FY 2028 specific to personnel needs, as follows:

a) *Legal Assistant - $87,620 ($48,191 SGF; $39,429 FF)*

b) *Senior Administrative Assistant - $69,247 ($38,086 SGF; $31,161 FF)*

TOTAL COST $ 156,867

ENHANCEMENT CHANGE PACKAGE FOR FY 2028 – COMBINED TOTAL

As needs identified in the Narrative above are ongoing and the basis for the increase remains the same from year to year, the Board requests a total Enhancement Change Package for FY 2028 as follows:

a) *Legal Assistant - $87,620 ($48,191 SGF; $39,429 FF)*

b) *Senior Administrative Assistant - $69,247 ($38,086 SGF; $31,161 FF)*

c) *Funding Swap - $500,000 ($500,000 SGF - $500,000 FF)*

TOTAL COST $ 656,867

CURRENT YEAR AND BUDGET YEAR INFORMATION

Expenditure Justification: Object Codes 5100-5190—Salaries and Wages

Salaries and wages constitute approximately 82 percent of the agency budget. By statute, the Board member positions, including the Chief Hearings Officer, are tied to the statutory level of compensation for state district court judges. See K.S.A. § 74-2434. Expenditures under this account include 16 FTE positions and 1 part-time, temporary position.

Actual Expenditures FY 2026: $2,137,042

Current Year Estimate FY 2027 $ 2,162,789

FY 2027 Supplemental Change Package: None

Budget Year FY 2028: $2,265,988 (This amount does *not* include the FY 2028 enhancement package for two additional positions. The total with the enhancement would be $2,422,855.)

Expenditure Justification: Object Codes 52000-52900—Contractual Services

These object codes contain expenditure funding for office rent and state building operational surcharges; phone and data service and surcharges for services provided by OITS; cellular phones for certain staff; copier/scanning machine lease payments; computer and software rental charges; small claims hearing officer pay and reimbursement of expenses; statutorily required education and training; temporary staff wages; postage; and annual software support, maintenance, and license renewals for the Board's case management and content management systems as well as other necessary software licenses such as Adobe Pro, Zoom.gov, and offsite backup services.

Actual Expenditures FY 2026: $452,120

Current Year Estimate FY 2027: $462,133

FY 2027 Supplemental Change Package: None

Budget Year FY 2028: $476,868

Expenditure Justification: Object Codes 53000-53900—Commodities

These object codes contain expenditures for computer system parts and materials; office and data processing supplies; stationery and other miscellaneous items; legal research resources; and maintenance kits for printers.

Actual Expenditures FY 2026: $7,977

Current Year Estimate FY 2027: $18,501

FY 2027 Supplemental Change Package: None

Budget Year FY 2028: $69,814

Expenditure Justification: Object Codes 54000—Capital Outlay

This object code reflects expenditures for office equipment and office furniture; microcomputer and information processing equipment; and certain software purchases.

Actual Expenditures FY 2026: $7,562

Current Year Estimate FY 2027: $12,022

FY 2027 Supplemental Change Package: None

Budget Year FY 2028: $14,788

APPENDIX A: ORGANIZATIONAL CHART

