

Office of the State Bank Commissioner

| Expenditure | Actual FY 2021 | Approved FY 2022 | Approved FY 2023 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| All Funds: | | | |
| State Operations | \$ 10,471,260 | \$ 11,727,452 | \$ 12,514,448 |
| Aid to Local Units | - | - | - |
| Other Assistance | 79,031 | 150,000 | 150,000 |
| <i>Subtotal - Operating</i> | <u>\$ 10,550,291</u> | <u>\$ 11,877,452</u> | <u>\$ 12,664,448</u> |
| Capital Improvements | - | - | - |
| TOTAL | <u>\$ 10,550,291</u> | <u>\$ 11,877,452</u> | <u>\$ 12,664,448</u> |
| State General Fund: | | | |
| State Operations | \$ - | \$ - | \$ - |
| Aid to Local Units | - | - | - |
| Other Assistance | - | - | - |
| <i>Subtotal - Operating</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Capital Improvements | - | - | - |
| TOTAL | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Percent Change: | | | |
| Operating Expenditures | | | |
| All Funds | 1.1 % | 12.6 % | 6.6 % |
| State General Fund | -- | -- | -- |
| FTE Positions | 107.0 | 110.0 | 110.0 |

The approved budget for the Office of the State Bank Commissioner in FY 2022 is \$11.9 million, all from special revenue funds. This is an increase of \$1.3 million, or 12.6 percent, above the FY 2021 actual expenditures. One of the contributing factors to the increase is additional expenditures related to Technology Enabled Fiduciary Financial Institutions (TEFFIs). During the 2021 Session, the Legislature passed legislation to establish TEFFIs as a new type of financial institution within the state. As such, the agency anticipated additional expenditures starting in FY 2022 to examine this new type of institution. Additionally, the agency experienced the retirement and resignation of several high-level positions, which decreased the FY 2021 actual expenditures. Lastly, due to the continuation of the COVID-19 pandemic, the FY 2021 actual travel expenditures were lower than originally anticipated, however, the FY 2022 approved budget anticipates the agency resuming more travel. The approved budget also includes 110.0 FTE positions, which is an increase of 3.0 FTE positions above the FY 2021 actual number. This increase is due to increased positions associated with examination of TEFFIs starting in FY 2022.

The approved budget for the Office of the State Bank Commissioner for FY 2023 is \$12.7 million, all from special revenue funds. This is an increase of \$786,996, or 6.6 percent, above the FY 2022 approved budget. The increase is primarily due to the increase in travel expenditures as the agency anticipates travel will increase as pandemic concerns decrease. The approved budget also include 110.0 FTE positions, which is the same as the FY 2022 approved number.

Office of the State Bank Commissioner

| | FY 2022 | | | FY 2023 | | |
|---|-------------|----------------------|--------------|-------------|----------------------|--------------|
| | SGF | All Funds | FTE | SGF | All Funds | FTE |
| Agency Estimate | \$ - | \$ 12,040,176 | 110.0 | \$ - | \$ 12,404,441 | 110.0 |
| Governor's Changes: | | | | | | |
| 1. Board Member Per-Diem Deletion | \$ - | \$ (12,420) | - | \$ - | \$ (12,420) | - |
| 2. Merit-based Increases Deletion | - | (150,304) | - | - | (154,736) | - |
| <i>Subtotal - Governor's Recommendation</i> | \$ - | \$ 11,877,452 | 110.0 | \$ - | \$ 12,237,285 | 110.0 |
| Change from Agency Est. | \$ - | \$ (162,724) | - | \$ - | \$ (167,156) | - |
| Percent Change from Agency Est. | -- % | (1.4)% | 0.0 % | -- % | (1.3)% | 0.0 % |
| Legislative Action: | | | | | | |
| 3. Salary Increase | - | - | - | - | 427,163 | - |
| TOTAL APPROVED | \$ - | \$ 11,877,452 | 110.0 | \$ - | \$ 12,664,448 | 110.0 |
| Change from Gov. Rec. | \$ - | \$ - | - | \$ - | \$ 427,163 | - |
| Percent Change from Gov. Rec. | -- % | -- % | 0.0 % | -- % | 3.5 % | 0.0 % |
| Change from Agency Est. | \$ - | \$ (162,724) | - | \$ - | \$ 260,007 | - |
| Percent Change from Agency Est. | -- % | (1.4)% | 0.0 % | -- % | 2.1 % | 0.0 % |

1. The Governor deleted \$12,420, all from special revenue funds, in FY 2022 and FY 2023. This was due to the Governor not recommending the agency's request to increase board member compensation from \$35 to \$150 per day of actual meeting attendance.
2. The Governor deleted \$150,304 in FY 2022 and \$154,736 for FY 2023, all from special revenue funds. This was due to the Governor not recommending the agency's request for funding to provide merit-based increases to its employees. *Staff Note:* The agency is included in the Governor's proposed 5.0 percent executive branch pay plan.
3. The Legislature added \$427,163, all from special revenue funds, for a 5.0 percent salary increase for most state employees for FY 2023. This adjustment excludes statewide elected officials, current beneficiaries of the 24/7 pay plan, with other specific limitations for employees who receive salary adjustments in other portions of the appropriations bill.