

State Banking Department

JLBC: Steve Grunig
 OSPB: Monica Seymour

DESCRIPTION	FY 2003	FY 2004	FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	48.1	48.1		48.1
Personal Services	1,941,300	1,993,500		1,993,500
Employee Related Expenditures	441,500	485,500		485,500
Professional and Outside Services	6,200	13,000		13,000
Travel - In State	48,200	0		0
Travel - Out of State	14,900	0		0
Other Operating Expenditures	218,400	238,400		238,400
Equipment	36,600	0		0
AGENCY TOTAL	2,707,100	2,730,400		2,730,400

FUND SOURCES

General Fund	2,707,100	2,730,400	2,730,400
SUBTOTAL - Appropriated Funds	2,707,100	2,730,400	2,730,400
Other Non-Appropriated Funds	645,100	1,074,700	1,074,700
TOTAL - ALL SOURCES	3,352,200	3,805,100	3,805,100

CHANGE IN FUNDING SUMMARY

FY 2004 to FY 2005 JLBC

	\$ Change	% Change
General Fund	0	0.0%
Total Appropriated Funds	0	0.0%
Non Appropriated Funds	0	0.0%
Total - All Sources	0	0.0%

AGENCY DESCRIPTION — The department regulates state-chartered financial entities in order to assure financial soundness. These entities include money transmitters, motor vehicle dealers, holding companies, trust companies, sales finance companies, collection agencies, escrow agents, debt management companies, consumer lenders, mortgage bankers, mortgage brokers, premium finance companies, savings and loan associations, credit unions, and banks.

PERFORMANCE MEASURES	FY 2003	FY 2003	FY 2004	FY 2005
	Appropriation	Actual	Appropriation	Recommend.
• % of examinations reports mailed within 25 days of examiner's completion of exam procedures	90.0	92.4	90.0	92.4
• % of license applications approved within 45 days of receipt	95.0	91.2	99.0	91.2
• % of examinations receiving satisfactory rating	85.0	86.0	91.2	91.0
• Average days from receipt to resolution of regular complaints	23.0	28.5	10.6	23.0
• % of complainants indicating they received "good" or better service when filing a complaint	75.0	63.5	75.0	75.0
• Administration as a % of total cost	14.8	10.9	12.4	10.9

RECOMMENDED CHANGES FROM FY 2004

JLBC RECOMMENDED FOOTNOTES

Operating Budget

The JLBC recommends \$2,730,400 from the General Fund for the operating budget in FY 2005. This amount is unchanged from FY 2004.

* * *

JLBC RECOMMENDED FORMAT — Lump Sum by Agency

Standard Footnotes

The Banking Department shall assess and set fees to ensure that monies deposited in the state General Fund will equal or exceed its expenditure from the state General Fund.

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Arizona Escrow Recovery (BDA2341/A.R.S. § 6-847.01)		Non-Appropriated
Source of Revenue: Within the fund, the Superintendent shall keep separate and distinct the following 2 accounts: 1) real property escrow agents account; and 2) all other escrow agents account. All real property escrow agents shall make a one-time contribution of \$5,000 plus 3% of gross escrow fees until the real property escrow subaccount balance reaches \$4,000,000. Real property escrow agents may be asked to resume payment if claims draw the subaccount balance below \$4,000,000 or if there is an open escrow receivership that may require additional monies. Escrow agents other than real property agents pay into the fund as prescribed by the Superintendent.		
Purpose of Fund: To pay claims against escrow agents. Each year, the department may be reimbursed up to 2% of the fund balance for administration costs.		
Funds Expended	0	0
Year-End Fund Balance	5,035,100	5,135,100
Receivership Revolving (BDA3023/A.R.S. § 6-135.01)		Non-Appropriated
Source of Revenue: Revenue generated from the sale of assets of firms under receivership, and transfers from the Banking Department Revolving Fund.		
Purpose of Fund: To cover the department's costs of administering receiverships.		
Funds Expended	28,600	847,700
Year-End Fund Balance	1,574,800	738,800
Revolving (BDA2126/A.R.S. § 6-135)		Non-Appropriated
Source of Revenue: Investigative costs, attorney fees, or civil penalties recovered as the result of an enforcement action brought by the department or the Attorney General for violations of state banking laws.		
Purpose of Fund: To support investigative and enforcement activities conducted by the department and the Attorney General. Year-end unencumbered fund balances in excess of \$50,000 are transferred to the Banking Department Receivership Revolving Fund.		
Funds Expended	616,500	227,000
Year-End Fund Balance	50,000	50,000

[Click here to return to the Table of Contents](#)