

State Department of Financial Institutions

JLBC: Leatta McLaughlin

OSPB: Barry Harris

DESCRIPTION	FY 2005 ACTUAL	FY 2006 ESTIMATE	FY 2007 JLBC
OPERATING BUDGET			
Full Time Equivalent Positions	48.1	53.1	53.1
Personal Services	1,861,300	2,268,700	2,268,700
Employee Related Expenditures	516,500	647,800	647,800
Professional and Outside Services	18,600	16,600	16,600
Travel - In State	28,200	12,500	12,500
Travel - Out of State	37,900	0	0
Other Operating Expenditures	315,500	280,800	280,800
Equipment	57,200	8,000	8,000
OPERATING SUBTOTAL	2,835,200	3,234,400	3,234,400
SPECIAL LINE ITEMS			
Document Imaging Project	0	30,000	75,000
AGENCY TOTAL	2,835,200	3,264,400	3,309,400

FUND SOURCES

General Fund	2,835,200	3,264,400	3,309,400
SUBTOTAL - Appropriated Funds	2,835,200	3,264,400	3,309,400
Other Non-Appropriated Funds	917,500	1,196,100	1,196,100
TOTAL - ALL SOURCES	3,752,700	4,460,500	4,505,500

CHANGE IN FUNDING SUMMARY

	FY 2006 to FY 2007 JLBC	
	\$ Change	% Change
General Fund	45,000	1.4%
Total Appropriated Funds	45,000	1.4%
Non Appropriated Funds	0	0.0%
Total - All Sources	45,000	1.0%

AGENCY DESCRIPTION — The department regulates state-chartered financial entities in order to assure integrity within the financial service industry. The regulated 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, credit unions, and banks. Effective January 1, 2006, the State Banking Department was renamed the State Department of Financial Institutions.

PERFORMANCE MEASURES	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2007 JLBC
• % of examinations reports mailed within 25 days of examiner's completion of exam procedures	92.4	88.6	87.9	90.0
• % of license applications approved within 45 days of receipt	91.2	94.3	85.3	95.0
Comments: The department reports that the percent of license applications approved within 45 days decreased from FY 2004 to FY 2005 due to license volume increases and staff turnover.				
• % of examinations receiving satisfactory rating	86.0	86.7	87.0	91.0
• Average days from receipt to resolution of regular complaints	28.5	39.4	21.4	28.0

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
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Receivership Revolving Fund (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 department's Revolving Fund.

Purpose of Fund: To provide funding for the administration of receiverships.

Funds Expended	162,500	164,200
Year-End Fund Balance	760,600	1,031,700

Revolving Fund (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 department's Receivership Revolving Fund.

Funds Expended	666,100	856,000
Year-End Fund Balance	485,100	229,100