

## **Analysis of Budget Request**

**Appropriation:** 051 - State Bank Department-Operations

**Funding Sources:** SIB - Bank Department Fund

The State Bank Department is funded entirely by special revenue fees assessed and collected on a semi-annual basis, as authorized in Arkansas Code §19-6-412.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY2015 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

Base Level request is \$9,019,965 in FY2016 and \$9,020,859 in FY2017.

The Agency Request provides for \$292,917 in FY2016 and \$356,389 in FY2017 and is summarized as follows:

- Regular Salaries and Personal Service Matching of \$50,967 in FY2016 and \$51,079 in FY2017 to support an Upgrade Request of forty nine (49) positions and a Reclassification Request of six (6) positions.

The forty nine (49) Upgrade Requests include: Nine (9) Certified Examiner Managers from C128 to C129, thirty nine (39) Certified Bank Senior Examiners from C126 to C127, and one (1) Bank Examiner from C119 to C121.

The six (6) Reclassification Requests include: an Attorney Specialist grade C126 to Bank Chief Counsel C129, a Human Resource Analyst C117 to Payroll Services Coordinator C119, a Human Resource Analyst C117 to Procurement Coordinator C119, an Accountant I C116 to Research Project Analyst C117, and two (2) Bank Examiners C119 to two (2) Certified Bank Senior Examiners C127.

- Operating Expenses totaling \$91,070 in FY2016 and \$143,085 in FY2017 for rent, vehicle maintenance, utilities, travel cost associated with examining state charter banks, software upgrades as enumerated in the Department's Information Technology Plan submitted to the DFA and upgrading the department's phone system from Centrex System to a Voice-over-Internet-Protocol (VoIP) system.
- Conference & Travel Expenses totaling \$20,880 in FY2016 and \$32,225 in FY2017 for increases in mileages, meals, lodging, carrier, ground transportation, parking fees, conference & seminar fees and other travel expenses.
- Capital Outlay of \$130,000 is requested in each year of the biennium to replace vehicles, fully depreciated non-technology equipment, and fully depreciated technology equipment as outlined in the Department's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

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Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	5,015,046	5,500,532	5,500,532	5,619,287	5,619,287	5,619,287	5,619,787	5,619,787	5,619,787
<b>#Positions</b>		<b>68</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>
Extra Help	5010001	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<b>#Extra Help</b>		<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	1,480,394	1,585,664	1,560,570	1,629,537	1,629,537	1,629,537	1,630,043	1,630,043	1,630,043
Operating Expenses	5020002	1,253,936	1,347,108	1,347,108	1,438,178	1,438,178	1,438,178	1,490,193	1,490,193	1,490,193
Conference & Travel Expenses	5050009	299,136	300,000	300,000	320,880	320,880	320,880	332,225	332,225	332,225
Professional Fees	5060010	75,947	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	91,354	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
<b>Total</b>		<b>8,215,813</b>	<b>9,038,304</b>	<b>9,013,210</b>	<b>9,312,882</b>	<b>9,312,882</b>	<b>9,312,882</b>	<b>9,377,248</b>	<b>9,377,248</b>	<b>9,377,248</b>
<b>Funding Sources</b>										
Fund Balance	4000005	6,066,898	6,403,503		5,548,276	5,548,276	5,548,276	4,985,394	4,985,394	4,985,394
Special Revenue	4000030	8,552,418	8,183,077		8,750,000	8,750,000	8,750,000	8,850,000	8,850,000	8,850,000
Total Funding		14,619,316	14,586,580		14,298,276	14,298,276	14,298,276	13,835,394	13,835,394	13,835,394
Excess Appropriation/(Funding)		(6,403,503)	(5,548,276)		(4,985,394)	(4,985,394)	(4,985,394)	(4,458,146)	(4,458,146)	(4,458,146)
<b>Grand Total</b>		<b>8,215,813</b>	<b>9,038,304</b>		<b>9,312,882</b>	<b>9,312,882</b>	<b>9,312,882</b>	<b>9,377,248</b>	<b>9,377,248</b>	<b>9,377,248</b>

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.