

Department of Finance

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2020 Total App	FY 2020 Actual	FY 2021 Approp	FY 2022 Request	FY 2022 Gov Rec
BY FUND CATEGORY					
Dedicated	10,721,800	8,402,600	8,924,500	9,124,000	9,093,500
Percent Change:		(21.6%)	6.2%	2.2%	1.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	6,513,200	5,598,000	6,863,700	7,038,300	7,007,800
Operating Expenditures	4,087,600	2,751,500	2,050,800	2,040,100	2,040,100
Capital Outlay	121,000	53,100	10,000	45,600	45,600
Total:	10,721,800	8,402,600	8,924,500	9,124,000	9,093,500
Full-Time Positions (FTP)	63.00	63.00	66.00	66.00	66.00

Department Description

Originally created by the State Legislature in 1905, the Department of Finance is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated lenders, securities issuers, broker-dealers and stockbrokers, residential mortgage brokers and lenders, investment advisers and sales personnel, collection agencies, endowed care cemeteries, and others.

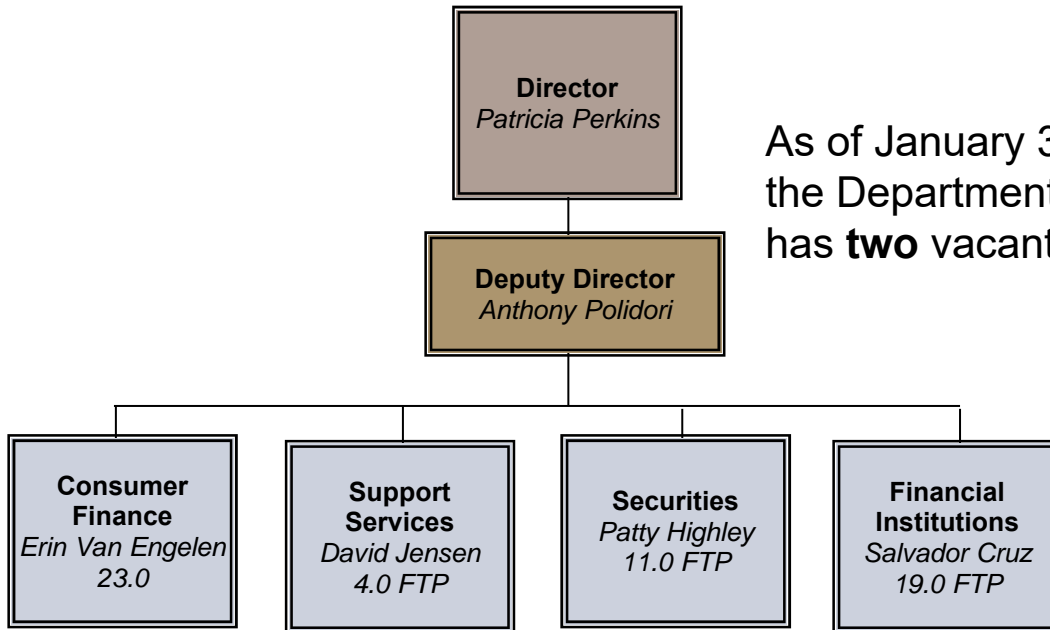
The mission of the department is to aggressively promote access to vigorous, healthy, and comprehensive financial services for Idaho citizens. This is accomplished through prudent and efficient oversight of financial institutions, investment opportunities, and credit transactions. Through administration of laws enacted by the Idaho Legislature, legitimate financial transactions are encouraged, while fraud, unsafe practices, and unlawful conduct are detected and appropriate enforcement action is taken. The department administers and enforces 23 regulatory statutes and is funded entirely by fees levied by law on the industries subject to its supervision.

[Statutory Authority: Section 67-2701 et seq., Idaho Code]

Department of Finance Agency Profile

Analyst: Bybee

Organizational Chart and General Fund Transfers

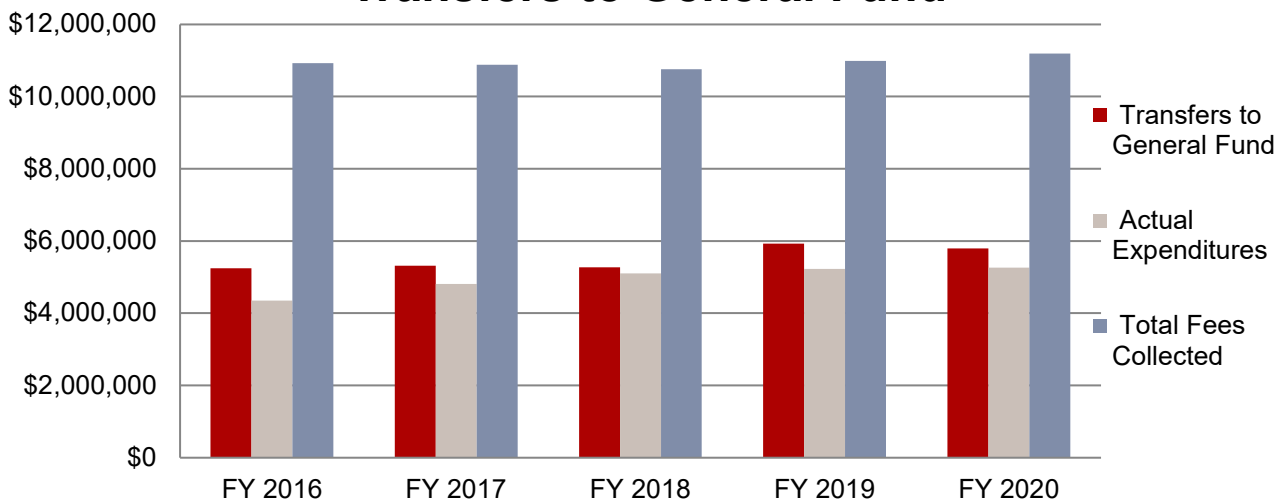


As of January 30, 2021, the Department of Finance has **two** vacant positions.




GENERAL FUND TRANSFERS

At the beginning of each fiscal year, those moneys in the Finance Administration Account which exceed the current year's appropriation ... by twenty-five percent (25%) or more, shall be transferred to the General Fund at the beginning of the following fiscal year. [Statutory Authority: Section 67-2702(f), Idaho Code]

Transfers to General Fund



Part II – Performance Measures

Performance Measure		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Promote public and industry confidence in the banking and credit union systems through timely, reasonable and effective supervision and regulation						
1. % of state-chartered banks examined within statutory timeframe	Actual	100%	100%	100%	100%	-----
	Target	100%	100%	100%	100%	Maintain 100%
2. % of state-chartered credit unions examined within statutory timeframe	Actual	100%	100%	100%	100%	-----
	Target	100%	100%	100%	100%	Maintain 100%
3. % of on-site examinations of state-registered / Idaho-based investment advisers*	Actual	30%*	44%	30%	20.5%	-----
	target	33%	33%	33%	33%	
4. Conduct 200 compliance examinations of Consumer Finance Bureau licensees (does not include "for cause" examinations)	actual	190	183	191	83	-----
	target	200	200	Minimum of 200		

Performance Measure Explanatory Notes

* Investment Adviser exam scheduling sometimes weighted to later part of calendar year – exams were completed, or will be completed, by end of calendar year.

For the FY23 Budget, we may change a few of these metrics due to nationwide accreditation standards and other industry changes; at that time we will provide 4 years of data for the new metrics from FY18 to FY21.

For More Information Contact

Patti Perkins
 Finance, Department of
 PO Box 83720
 Boise, ID 83720-0031
 Phone: (208) 332-8010
 E-mail: Patti.Perkins@finance.idaho.gov

Finance, Department of

FY 2020 Actual Expenditures by Division

Analyst: Bybee

		FTP	PC	OE	CO	T/B	LS	Total
0.30	FY 2020 Original Appropriation							
0229-00	Ded	63.00	6,476,200	2,237,600	121,000	0	0	8,834,800
0229-26	Ded	0.00	0	50,000	0	0	0	50,000
0325-27	Ded	0.00	50,000	0	0	0	0	50,000
Totals:		63.00	6,526,200	2,287,600	121,000	0	0	8,934,800
0.43	Supplementals							
0229-00	Ded	0.00	0	1,800,000	0	0	0	1,800,000
Totals:		0.00	0	1,800,000	0	0	0	1,800,000
0.44	Rescissions							
0229-00	Ded	0.00	(13,000)	0	0	0	0	(13,000)
Totals:		0.00	(13,000)	0	0	0	0	(13,000)
1.00	FY 2020 Total Appropriation							
0229-00	Ded	63.00	6,463,200	4,037,600	121,000	0	0	10,621,800
0229-26	Ded	0.00	0	50,000	0	0	0	50,000
0325-27	Ded	0.00	50,000	0	0	0	0	50,000
Totals:		63.00	6,513,200	4,087,600	121,000	0	0	10,721,800
1.21	Net Object Transfer							
0229-00	Ded	0.00	(800,000)	800,000	0	0	0	0
0325-27	Ded	0.00	(50,000)	50,000	0	0	0	0
Totals:		0.00	(850,000)	850,000	0	0	0	0
1.61	Reverted Appropriation							
0229-00	Ded	0.00	(65,200)	(360,900)	(67,900)	0	0	(494,000)
0229-26	Ded	0.00	0	(14,300)	0	0	0	(14,300)
0325-27	Ded	0.00	0	(10,900)	0	0	0	(10,900)
Totals:		0.00	(65,200)	(386,100)	(67,900)	0	0	(519,200)
1.71	Current Year Reappropriation							
0229-00	Ded	0.00	0	(1,800,000)	0	0	0	(1,800,000)
Totals:		0.00	0	(1,800,000)	0	0	0	(1,800,000)
2.00	FY 2020 Actual Expenditures							
0229-00	Ded	63.00	5,598,000	2,676,700	53,100	0	0	8,327,800
	State Regulatory		5,598,000	2,676,700	53,100	0	0	8,327,800
0229-26	Ded	0.00	0	35,700	0	0	0	35,700
	Mortgage Recovery		0	35,700	0	0	0	35,700
0325-27	Ded	0.00	0	39,100	0	0	0	39,100
	Securities Investor Training		0	39,100	0	0	0	39,100
Totals:		63.00	5,598,000	2,751,500	53,100	0	0	8,402,600

Finance, Department of

FY 2020 Actual Expenditures by Division

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		FTP	PC	OE	CO	T/B	LS	Total
Difference: Actual Expenditures minus Total Appropriation								
0229-00	Ded		(865,200)	(1,360,900)	(67,900)	0	0	(2,294,000)
	State Regulatory		(13.4%)	(33.7%)	(56.1%)	N/A	N/A	(21.6%)
0229-26	Ded		0	(14,300)	0	0	0	(14,300)
	Mortgage Recovery		N/A	(28.6%)	N/A	N/A	N/A	(28.6%)
0325-27	Ded		(50,000)	39,100	0	0	0	(10,900)
	Securities Investor Training		(100.0%)	N/A	N/A	N/A	N/A	(21.8%)
Difference From Total Approp			(915,200)	(1,336,100)	(67,900)	0	0	(2,319,200)
Percent Diff From Total Approp			(14.1%)	(32.7%)	(56.1%)	N/A	N/A	(21.6%)

Department of Finance

Comparative Summary

Analyst: Bybee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2021 Original Appropriation	66.00	0	8,924,500	66.00	0	8,924,500
Reappropriation	0.00	0	1,800,000	0.00	0	1,800,000
FY 2021 Total Appropriation	66.00	0	10,724,500	66.00	0	10,724,500
Removal of Onetime Expenditures	0.00	0	(1,824,400)	0.00	0	(1,824,400)
FY 2022 Base	66.00	0	8,900,100	66.00	0	8,900,100
Benefit Costs	0.00	0	113,100	0.00	0	21,400
Replacement Items	0.00	0	45,600	0.00	0	45,600
Statewide Cost Allocation	0.00	0	3,700	0.00	0	3,700
Change in Employee Compensation	0.00	0	61,500	0.00	0	122,700
FY 2022 Total	66.00	0	9,124,000	66.00	0	9,093,500
Change from Original Appropriation	0.00	0	199,500	0.00	0	169,000
% Change from Original Appropriation			2.2%			1.9%

Department of Finance

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2021 Original Appropriation					
The Legislature funded two line items for FY 2021: These included \$171,000 for two money services business examiners; and \$87,500 for one mortgage financial examiner.					
	66.00	0	8,924,500	0	8,924,500

Reappropriation

The agency was authorized to reappropriate or carryover its unencumbered and unspent appropriation of \$1,800,000 for costs associated with designing and constructing space at the Chinden Campus from FY 2020 into FY 2021. Carryover required legislative approval and is removed as a onetime expenditure before calculating the FY 2022 Base.

Agency Request	0.00	0	1,800,000	0	1,800,000
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>1,800,000</i>	<i>0</i>	<i>1,800,000</i>

FY 2021 Total Appropriation					
Agency Request	66.00	0	10,724,500	0	10,724,500
<i>Governor's Recommendation</i>	<i>66.00</i>	<i>0</i>	<i>10,724,500</i>	<i>0</i>	<i>10,724,500</i>

Removal of Onetime Expenditures

Removes onetime funding for authorized carryover (\$1,800,000), statewide servers and licensing at the Office of Information Technology Services (\$14,400), ten task chairs (\$4,000), and office equipment for the new positions (\$6,000).

Agency Request	0.00	0	(1,824,400)	0	(1,824,400)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(1,824,400)</i>	<i>0</i>	<i>(1,824,400)</i>

FY 2022 Base					
Agency Request	66.00	0	8,900,100	0	8,900,100
<i>Governor's Recommendation</i>	<i>66.00</i>	<i>0</i>	<i>8,900,100</i>	<i>0</i>	<i>8,900,100</i>

Benefit Costs

Employer-paid benefit changes include an 11% increase (or \$1,280 per eligible FTP) for health insurance, bringing the total appropriation to \$12,930 per FTP. Also included is a restoration of the unemployment insurance rate, a partial restoration of the unused sick leave rate, and adjustments to workers' compensation that vary by agency.

Agency Request	0.00	0	113,100	0	113,100
<i>The Governor recommends no increase for health insurance due to fewer claims than expected and a one-year holiday for employers who contribute to the PERSI-managed sick leave plan.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>21,400</i>	<i>0</i>	<i>21,400</i>

Replacement Items

This request includes \$34,200 to replace 19 laptops, and \$11,400 for 19 monitors and docking stations.

Agency Request	0.00	0	45,600	0	45,600
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>45,600</i>	<i>0</i>	<i>45,600</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$8,800, risk management costs will increase by \$400, State Controller fees will decrease by \$1,800, State Treasurer fees will decrease by \$100, and Office of Information Technology Services billings will increase by \$14,000, for a net increase of \$3,700.

Agency Request	0.00	0	3,700	0	3,700
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>3,700</i>	<i>0</i>	<i>3,700</i>

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	61,500	0	61,500
<i>The Governor recommends a 2% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	122,700	0	122,700
FY 2022 Total					
Agency Request	66.00	0	9,124,000	0	9,124,000
Governor's Recommendation	66.00	0	9,093,500	0	9,093,500
Agency Request					
Change from Original App	0.00	0	199,500	0	199,500
% Change from Original App	0.0%		2.2%		2.2%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	169,000	0	169,000
% Change from Original App	0.0%		1.9%		1.9%