FDIC Federal Deposit Insurance Corporation

MEMO

TO: Board of Directors

FROM: Bret D. Edwards
Deputy to the Chairman and Chief Financial Officer

DATE: December 12, 2022

RE: Proposed 2023 FDIC Operating Budget

Proposal

This memorandum requests that the Board of Directors approve the proposed 2023 FDIC Operating Budget totaling $2,409,078,567. The proposed budget is $146,739,140 (6.5 percent) higher than the 2022 FDIC Operating Budget. It includes $2,285,993,768 for ongoing operations, an increase of $145,630,687 (6.8 percent) from 2022; $75,000,000 for receivership funding, unchanged from 2022; and $48,084,799 for the Office of Inspector General (OIG), an increase of $1,108,453 (2.4 percent) from 2022. Approval is also requested for a total authorized 2023 staffing level of 6,310 full-time equivalent (FTE) positions (6,155 permanent, 155 non-permanent), a net increase of 220 positions from the currently-authorized 2022 staffing level of 6,090 positions (5,932 permanent, 158 non-permanent).[1]

The proposed increase in budget and staffing for 2023 is essential to permit the FDIC to address two important and interrelated priorities: (1) recruiting, hiring, and retaining the diverse and highly skilled employees that it needs to carry out its mission now and in the future; and (2) ensuring that it has the resources and tools required to effectively perform its bank supervision and other core mission responsibilities as the industry becomes larger and more complex.

The largest component of the proposed increase will fund implementation of a new Compensation Agreement currently being finalized with the FDIC's employee union. The new agreement increases salaries to reflect the impact of inflation and to help maintain comparability with the salaries and benefits of other bank regulators, consistent with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Beyond that, it will position the FDIC to compete more effectively for talent with private sector employers in the banking and financial services industries and will enhance the recruitment and retention of both new and experienced employees as the FDIC seeks to shape its workforce of the future.

The other proposed increases will better equip the FDIC workforce to carry out its core mission responsibilities, both next year and into the future. They include a net increase of 220 new positions; a substantial increase in travel funding in conjunction with the return to on-site bank examinations; increased investments to support a multi-year effort to modernize and enhance the FDIC's

[1]The requested approval encompasses the proposed individual division and office staffing authorizations shown in Exhibit 5.

information technology (IT) infrastructure and to protect the sensitive data that the FDIC maintains; and funding for a new public awareness and education campaign on deposit insurance. Most of the new positions, including 127 new field examination positions, will be directed toward strengthening the FDIC's risk management and consumer compliance supervisory functions to address the growing complexity of the industry and to ensure that the FDIC is prepared to respond quickly to potential downside economic risks that could emerge within the banking system.

Background

Structure of the FDIC Operating Budget

The FDIC's proposed annual operating budget is composed of three separate and distinct components: ongoing operations, receivership funding, and the OIG budget. Funds approved for each individual budget component cannot be reprogrammed from one budget component to another component. The segregation of annual operating expenditures into these three components facilitates more effective cost management by isolating the FDIC's more stable ongoing operational expenses from the potentially highly variable annual expenses associated with bank closings and subsequent receivership management activities. It also reflects the separate appropriations process applicable to the OIG.[2]

The receivership funding component provides resources to address the failure or near failure of FDIC-insured institutions and the management of receiverships established in connection with those failures.[3] The separation of the receivership funding component from the ongoing operations component is an acknowledgement that the number of failures and the expenses associated with those failures in any given year are to a large extent outside of the control of the FDIC and that the actual expenses incurred for resolutions and receivership management activities may, therefore, vary considerably from the estimates made during the annual planning and budget process. From 2010 through 2021, annual receivership funding expenses ranged from a high of $2.0 billion to a low of $41 million. The FDIC recovers most receivership funding expenditures through the billing of failed institution receiverships for FDIC-provided services, although these recoveries are largely offset by reductions in recoveries on subrogated claims.

2023 Workload Analysis and Projections

The FDIC's proposed annual operating budget and staffing authorizations are based on an analysis of projected workload associated with each of the FDIC's major ongoing mission responsibilities. These include the FDIC's risk management and consumer protection supervision programs, its resolution and receivership management program, its large bank resolution planning responsibilities, and its deposit insurance and research programs. The FDIC's supervisory and resolutions/receivership management workloads are generally a reflection of economic conditions within the banking

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[2] The references in this memorandum to the OIG budget are for informational purposes only, since the OIG budget is separately appropriated by the Congress and is not subject to Board review and approval.
[3] Expenses for the salaries and benefits of permanent staff associated with the FDIC's receivership management business line (primarily in the Division of Resolutions and Receiverships and the Legal Division) and for the maintenance of other base resolution and receivership management capabilities, such as fixed vendor costs and information systems development and maintenance costs, are funded from the ongoing operations component of the budget, because they would be incurred regardless of whether any failures actually occurred.

industry. While the financial condition of the banking industry remains strong, insured depository institutions (IDIs) could experience stress in 2023 as a result of challenging economic conditions.

The FDIC's risk management supervision workload varies primarily based upon the number, size, and complexity of the institutions it supervises. The number of FDIC-supervised institutions has declined each year for more than three decades, industry assets have grown, and the industry has become more complex with the addition of new products, services and technologies. As of October 31, 2022, the FDIC was the primary Federal regulator for 3,055 IDIs with approximately $4.48 trillion in assets, including 62 with more than $10 billion in assets. Since the beginning of 2022, the number of FDIC-supervised institutions with more than $10 billion in assets has increased from 58 to 62, although the total number of FDIC-supervised IDIs has declined by 74. There are also 1,684 IDIs with approximately $19.1 trillion in assets for which the FDIC is not the primary Federal supervisor, but has back-up supervisory responsibilities as insurer. This compares to 1,717 IDIs with $19.38 trillion in assets at the start of 2022. The trend toward fewer but larger FDIC-insured and supervised institutions is expected to persist into the future.

Risk management supervision workload is also a function of the number of problem banks the FDIC supervises. The length and frequency of risk management examinations and the extent of ongoing supervisory contacts increase substantially for institutions in troubled financial condition, including those supervised by other Federal regulators. As reported in the most recent *Quarterly Banking Profile*, there were 42 problem institutions with approximately $164 billion in assets as of September 30, 2022, compared to 44 institutions with approximately $170 billion in assets at the beginning of 2022. This number is expected to rise modestly, but remain low by historical standards, in 2023. Based on the reduction in the number of FDIC-supervised institutions, partially offset by a slightly less favorable risk profile of FDIC-supervised institutions, the number of risk management (safety and soundness) examinations that the FDIC expects to conduct in 2023 will decline by 2.0 percent, from 1,318 in 2022 to 1,292.

However, the average duration of risk management examinations is expected to be extended somewhat in 2023. Close supervisory attention will be paid to potentially significant downside risks that could directly impact the financial condition of some banks. These include persistent economic uncertainty, rising interest rates, inflationary pressures, and geopolitical concerns. While most asset quality metrics remain strong, early delinquencies are increasing, which could suggest future stress on banks' consumer, real estate, or business loan portfolios, especially in the event of a recession. In addition, unrealized losses on investment securities have risen to a record high because of increases in market interest rates. Longer asset maturities in combination with a moderate decline in deposits underscores the risk of actual losses should banks need to sell investments to meet liquidity needs. The FDIC will be alert to these potential issues during risk management examinations and will be prepared to respond quickly to any unexpected deterioration in the financial condition of individual institutions.

The FDIC's compliance and Community Reinvestment Act (CRA) supervisory workload is based largely on the number of institutions supervised by the FDIC. Compliance and CRA ratings have only a limited impact on this workload. As a result, the number of compliance and fair lending examinations to be conducted by the FDIC is projected to decline by 2.4 percent, from 1,085 in 2022 to 1,059 in 2023, with no material change in the number of institutions with unfavorable ratings. This reduction in workload is expected to be offset by the increasing complexity of CRA reviews and certain compliance examination activities, which has lengthened examination timeframes.

The primary drivers of the FDIC's resolution and receivership management workload are the number and complexity of both failures and near-failures of FDIC-insured institutions,[4] the number of active receiverships being managed by the FDIC, and the remaining post-failure workload for those receiverships. No insured financial institutions have failed for more than two years, and residual workload from prior-year failures has steadily declined. As of October 31, 2022, there were 150 active receiverships and approximately $48 million (book value) of assets in liquidation, down from 191 active receiverships with $92 million (book value) in assets at the beginning of the year. The number of active receiverships is projected to decline by approximately 50 percent in 2023. The FDIC does not currently foresee any substantial increase in failure activity in 2023, but will be prepared to respond quickly to any increase in insured institution failures that may occur.

Highlights of the Proposed 2023 Operating Budget

Overview of the Proposed 2023 Budget by Component

As noted above, the proposed 2023 FDIC Operating Budget totals $2,409,078,567, including $2,285,993,768 for ongoing operations, $75,000,000 for receivership funding, and $48,084,799 for the OIG. This represents an increase of $145,630,687 (6.8 percent) in the ongoing operations budget component, an unchanged receivership funding budget component, and an increase of $1,108,453 (2.4 percent) in the budget for the OIG. The increase in the ongoing operations budget results primarily from increases in salaries and benefits costs,[5] targeted increases in authorized staffing, increased funding for the FDIC's multi-year IT Modernization Program, funding for a new public awareness and education campaign on deposit insurance, and the return of business travel to pre-pandemic levels.

The proposed ongoing operations budget includes a $99 million Corporate Unassigned contingency reserve, up from $25 million initially budgeted in 2022, to implement a new Compensation Agreement with the FDIC's employee union and to ensure that the FDIC is able to respond quickly to unanticipated budget requirements that may emerge during the year.[6] That is particularly important

[4]The FDIC can expend considerable effort preparing for a bank failure that ultimately does not occur.
[5]The proposed budget includes an additional $84 million in the Corporate Unassigned contingency reserve of the Ongoing Operations budget component to cover the estimated 2023 costs of a new Compensation Agreement currently being finalized with the FDIC's employee union. An agreement in principle has been reached by the parties, but a final agreement has not yet been executed. In addition, some of the factors that will be used to calculate changes to the salaries of individual employees under the pending agreement have not yet been determined. The proposed 2023 Budget Resolution delegates to the Deputy to the Chairman and Chief Financial Officer (CFO) the authority to reallocate budget authority from the Corporate Unassigned contingency reserve to the Salaries and Compensation budgets of individual divisions and offices to implement salary changes when the agreement has been finalized and all of the factors used to determine individual salary changes have been determined.
[6]Consistent with past practice, the CFO will administer the budgeted contingency reserves subject to appropriate notice to and consultation with the Board, as specified in the proposed 2023 Budget Resolution.

in 2023 because of uncertainty about potential economic stresses on banks as a result of tightening monetary policy and other macroeconomic factors.

The proposed receivership funding budget is unchanged from 2022 and provides funding for expected new failure activity and continuation of receivership management activities associated with past bank failures. A Corporate Unassigned contingency reserve is also included in that budget component to ensure that the FDIC has the resources to respond quickly to an unexpected increase in new bank failure activity. The amount of that reserve is based on the funding required to bring the proposed receivership budget up to a total of $75 million after accounting for the estimated funding requirements submitted by individual divisions and offices.

As noted previously, the OIG budget component is provided for informational purposes only since the OIG budget is separately appropriated by the Congress and is not subject to Board approval.[7] The increase in the OIG budget component primarily reflects a $2.8 million (7.2 percent) increase in the Salaries and Compensation major expense category, reflecting the increased cost of pay and benefits and planned hiring to fill authorized vacancies.

Overview of the Proposed 2023 Budget by Major Expense Category

Overall, the proposed 2023 FDIC Operating Budget is $146,739,140 (6.5 percent) higher than the 2022 budget. Exhibit 1 itemizes the proposed budget by major expense category.

- The proposed 2023 Salaries and Compensation budget is $1,544,380,359, which is $123,266,253 (8.7 percent) higher than the 2022 Salaries and Compensation budget. The proposed increase is attributable both to planned 2023 salary increases for FDIC employees and increased staffing authorizations for certain organizations, as discussed below. The planned salary increases are necessary to address the impact of inflation on current employee salaries and the FDIC's statutory requirement under FIRREA to seek to maintain comparability with the salaries and benefits of other bank regulatory agencies. The Salaries and Compensation expense category represents 63.7 percent of the total proposed 2023 FDIC Operating Budget (excluding the OIG) and 65.7 percent of the ongoing operations budget component. The Salaries and Compensation expense category represents only 0.4 percent of the receivership funding budget component, since no temporary staffing is projected to be needed to address resolution and receivership management workload in 2023.

- The proposed 2023 Outside Services-Personnel budget (for contractor-provided services) is $457,990,265, which is $12,468,230 (2.8 percent) higher than the 2022 budget. This increase is due primarily to projected increases in IT operational costs, increased funding for the multi-year IT Modernization Program, and $10 million to fund a new public awareness and education campaign on deposit insurance in conjunction with the FDIC's 90th anniversary. The budget for contract services increases by $12,400,243 (3.3 percent) from 2022 to 2023 in the ongoing operations budget component and $1,072,005 (1.5 percent) in the receivership

[7] OIG funding is appropriated on the fiscal year basis applicable to the rest of the Federal Government (October-September). Consistent with the practice in past years, 75 percent of the OIG's proposed 2023 FDIC budget is based on its FY 2023 appropriation request pending approval by the Congress, and 25 percent is based upon its proposed FY 2024 appropriation request currently under review by the U.S. Office of Management and Budget.

funding budget component. The Outside Services-Personnel expense category constitutes about 19.3 percent of the total proposed 2023 FDIC Operating Budget (excluding the OIG); 16.8 percent of the ongoing operations budget component; and 95.3 percent of the receivership funding budget component.

- e The proposed 2023 Travel budget is $94,559,740, up $28,590,750 (43.3 percent) from 2022,e largely reflecting the expected return of business travel to pre-pandemic levels ande substantial inflation in the projected cost of business travel. Pandemic-related travele restrictions were fully lifted in September 2022, as the FDIC resumed on-site banke examinations. The Travel expense category represents about 3.9 percent of the proposede 2023 FDIC Operating Budget (excluding the OIG); 4.1 percent of the ongoing operations budgete component; and 0.4 percent of the receivership funding budget component.e

- e The proposed 2023 Buildings and Leased Space budget is $124,417,153, down $23,172,080e (15.7 percent) from 2022. That reduction is largely attributable to the completion of the Dallase and Atlanta regional office modernization projects. The proposed 2023 budget remainse substantially higher than in past years, primarily due to a planned multi-year field officee modernization initiative to improve the design of work spaces and enhance collaboratione capabilities to support increased teleworking by FDIC employees in the post-pandemice environment.[8] In combination with the planned reconfiguration of office space and thee elimination of leased space requirements in the Washington area, the FDIC expects to realizee substantial reductions in leased space costs in the future as the result of smaller officee footprints. The Buildings and Leased Space expense category represents about 5.3 percent ofe the proposed 2023 FDIC Operating Budget (excluding the OIG), 5.4 percent of the ongoinge operations budget component; and 0.3 percent of the receivership funding budgete component.e

- e The proposed 2023 Equipment budget is $155,837,717, up $8,464,195 (5.7 percent) from 2022,e due to increasing costs for IT software subscriptions, funding for furniture purchases ine conjunction with the field office modernization initiative, and the cost of leased equipment fore new employees. The Equipment expense category represents about 6.5 percent of thee proposed 2023 FDIC Operating Budget (excluding the OIG); 6.6 percent of the ongoinge operations budget component; and 2.5 percent of the receivership funding budgete component.e

- e The proposed 2023 Outside Services-Other budget is $15,102,322, down $3,219,123e (17.6 percent) from 2022 due primarily to the continuing transition to new telecommunicatione technologies in 2023. The Outside Services-Other expense category represents aboute 0.6 percent of the proposed 2023 FDIC Operating Budget (excluding the OIG); 0.7 percent ofe the ongoing operations budget component; and 0.2 percent of the receivership fundinge budget component.e

- e The proposed 2023 Other Expenses budget is $16,791,011, up $340,915 (2.1 percent) frome 2022. The Other Expenses category represents about 0.7 percent of the proposed 2023 FDICe

[8]The field office modernization initiative was originally scheduled to begin in 2022, but the start of that initiative was delayed to 2023 due to ongoing negotiations on office space configuration with the FDIC's employee union.

Operating Budget (excluding the OIG); 0.7 percent of the ongoing operations budget component; and 0.8 percent of the receivership funding budget component.

Highlights of Proposed 2023 Staffing Authorizations

The proposed 2023 FDIC Operating Budget includes a total authorized staffing level of 6,310 full-time equivalent (FTE) positions (6,155 permanent, 155 non-permanent), as shown in Exhibit 5. This represents a net increase of 220 positions, or 3.6 percent, from the current 2022 authorized staffing level. About 57.7 percent of the new positions (127) would augment the current examination workforces in the Divisions of Risk Management Supervision (RMS) and Depositor and Consumer Protection (DCP). In addition, 43 new positions are proposed in the Headquarters and regional offices of RMS and DCP to support the FDIC's supervisory responsibilities. The combined net increase in authorized staffing proposed for RMS and DCP is 170, or 77.3 percent, of the 220 new positions requested for 2023. Under the proposed budget, authorized RMS staffing would increase by a net of 114 positions (115 permanent, -1 non-permanent), and authorized DCP staffing would increase by a net of 56 positions (all permanent).

Most of the remaining 50 proposed new positions would provide additional resources to perform core mission responsibilities of the FDIC. This includes net increases of 21 positions in the Division of Complex Institution Supervision and Resolution (CISR) (23 permanent, -2 non-permanent), largely to provide increased resolution planning capabilities for large and complex banks; and 15 positions in the Legal Division (all permanent) to increase the number of attorneys supporting enforcement and other supervision activities in RMS and DCP. The proposed budget also includes net increases of five positions in the Division of Administration (all permanent); three positions in the Division of Insurance and Research (all permanent); three positions in Corporate University (all permanent); four positions in the OIG (all permanent); two positions in the Office of Minority and Women Inclusion (both permanent); two positions in the Office of Communications (both permanent); and one position in the Office of the Chief Information Security Officer (permanent). Staffing reductions of five permanent positions in the Division of Finance and one permanent position in the Division of Information Technology are also proposed.

Over one-third of the FDIC's workforce is composed of non-supervisory field examination positions. If the proposed staffing increases are approved, authorized 2023 field examination staffing in RMS will increase to 1,717 positions (1,617 permanent, 100 non-permanent), a net increase of 86 FTEs from 2022. This includes 1,201 permanent and 100 non-permanent FTEs to perform community bank supervision activities (an increase of 90 FTEs from 2022); 393 FTEs (all permanent) to perform supervisory responsibilities for FDIC-supervised large banks (a decrease of four non-permanent positions from 2022); and 23 information technology (IT) examiner and specialist FTEs (unchanged from 2022). In 2021 and 2022, authorized risk management examination staffing was not increased although workload metrics indicated that more positions were required because of the uncertainty associated with those metrics during the pandemic. Instead, the Board approved a strategy to permit substantial temporary overhiring of the approved examiner staffing authorizations in RMS in both years (275 in 2021 and 148 in 2022). In 2023, workload projections continue to show a need for increased risk management examination staffing, and the proposed 2023 examination staffing increase reflects a determination that many of the positions previously approved on an overhire basis are needed permanently.

Risk management examination staffing requirements for 2023 include a substantially increased allowance for the training of pre-commissioned examiners. As the result of retirements and promotions of commissioned examiners, extended timeframes for training in a remote work environment, and the unexpectedly high turnover of pre-commissioned examiners, the percentage of pre-commissioned examiners in the risk management examination workforce increased from 27 percent at year-end 2019 to 38 percent at October 31, 2022. This imbalance poses serious succession management and training challenges. There is a much larger number of pre-commissioned examiners to train and fewer experienced commissioned examiners available to train and mentor them under the FDIC's on-the-job training model. Pre-commissioned examiners are initially less productive, and more time must be spent by commissioned examiners during exams to ensure that they develop the knowledge and skills required to perform assigned examination responsibilities.

Full restoration of an appropriate balance between commissioned and pre-commissioned examiners will require several years to correct, and examination staffing requirements will remain temporarily higher during that time. While the need to recruit and train more entry-level examiners is being addressed, experienced loan review specialists will be hired on non-permanent appointments to assist with the risk management examination workload so that commissioned examiners can devote more time to the training and mentoring of pre-commissioned examiners. In addition, efforts are being undertaken to bring experienced examiners, including retired examiners, back into the examination workforce.

Authorized 2023 field examination staffing in DCP is proposed to increase to 475 FTEs (all permanent), an increase of 41 positions from 2022 to make permanent a new complex bank examination program. The complex bank program will provide increased supervisory attention to those institutions that are substantially engaged in activities that the FDIC deems to pose the greatest risk of consumer harm.

IT Modernization Program

The FDIC is in the midst of a multi-year IT Modernization Program that will align the FDIC with key Federal IT policies, including the Federal Cloud-Smart Strategy, the Federal Data Strategy for advancing data as a strategic asset, and numerous IT security mandates such as Zero Trust. Under this program, most FDIC systems and data will be migrated from the on-premise data center to cloud environments in order to enhance their security and resiliency. A large number of aging application systems that currently support the FDIC's core mission responsibilities, but rely on obsolete technology, will also be replaced or modernized using cloud-based, low-code/no-code platforms and tools that will speed development time and simplify application maintenance in the future. Substantial progress was made in 2022 in building out the target cloud infrastructure, mapping the data relationships among mission-critical systems, and continuing to implement security enhancements for the future.

The 2023 budget proposal includes $60 million to support continuation of this effort. This is an increase of about $10 million over the 2022 funding budgeted for this initiative. During 2023, build-out of the target cloud infrastructure and data management and analytics environment will be largely completed; roadmaps will be created for the phase-out of obsolete legacy applications and development of new automated solutions to support FDIC business processes; and a substantial number of the FDIC's designated mission-critical systems will be migrated to cloud environments. Planning will also be completed for the migration to the cloud of most of the remaining mission-critical applications as well as replacement of the key application system currently supporting risk management supervision business processes. In addition, consistent with Government-wide IT security mandates, the target cloud infrastructure will be enhanced to advance network security, identity access and credentialing, and data security.

Facilities Modernization Initiative

The 2023 budget proposal includes nearly $44 million for a multi-year Facilities Modernization Initiative to address current and deferred maintenance requirements at FDIC-owned buildings, re-compete a large number of expiring field office leases, and transition toward more flexible and efficient office space configurations to improve the design of employee work spaces in a post-pandemic environment characterized by increased telework by FDIC employees. The initiative will also greatly reduce total office space and future leasing costs both at Headquarters and in the field.

Approximately $18 million is proposed for maintenance of FDIC-owned buildings in the Washington, DC, metropolitan area and the FDIC-owned San Francisco Regional Office building. Planned 2023 projects will address current and deferred maintenance concerns and begin the consolidation and reconfiguration of Headquarters space to support elimination of all leased space requirements in the Washington area by March 2025, with estimated lease cost savings of $7.5 million annually.

Approximately $26 million is proposed for 2023 to modernize 51 FDIC field offices where leases are expiring. Remaining field offices will be modernized as leases expire in 2024 and future years. As noted above, total leased space will be adjusted to reflect current staffing authorizations and implement new workspace designs to better support collaboration in a hybrid work environment. The costs of the field office modernization initiative will be offset over time by reduced costs for new, longer-term field office leases.

Projected 2023 Investment Budget Spending

The FDIC has an Investment Budget that is separate and distinct from the annual operating budget. Under the Investment Budget, the Board approves funding for major projects on an individual basis. This funding remains available on a multi-year basis, but is accompanied by enhanced controls and governance requirements because of the inherently higher execution risk that has historically characterized these projects. Funding is approved on an individual project basis and may not be reallocated among projects. Any unused budget authority for a project expires when it is completed. The Capital Investment Review Committee (CIRC) monitors the progress of approved IT investment projects and reports on them quarterly to the Board of Directors.

The Investment Budget currently has two active investment projects: the Framework for Oversight of Compliance and CRA Activities User Suite (FOCUS) project and the Structure Information Management System (SIMS) Redesign project. The SIMS Redesign project is expected to be completed in September 2023, and the FOCUS project in early 2024.

<u>**Overview of Attached Exhibits**</u>

The following is a summary of the exhibits accompanying this case:

- Exhibit 1 displays the proposed 2023 FDIC Operating Budget by major expense category.
- Exhibit 2 displays the proposed 2023 FDIC Operating Budget by division and office.
- Exhibit 3 displays the proposed 2023 budgets by division and office for the ongoing operations and OIG budget components.
- Exhibit 4 displays the proposed 2023 budgets by division and office for the receivership funding budget component.
- Exhibit 5 displays the proposed 2023 staffing authorizations (permanent and non-permanent) for each division and office.
- Exhibit 6 displays the projected allocation of the proposed budget by major program.

Also attached is the proposed 2023 Budget Resolution reflecting the budget and staffing authorizations outlined above.

<u>**Contact Information**</u>

If you have questions or need additional information, please contact Thomas E. Peddicord, Deputy Director, Division of Finance.

Attachments