



Calculating Supervisory Fees

Banking Division Assesses Supervisory Fees to Fund Its Appropriation

	Appropriation
2022	\$2,715,000
2021	\$2,685,189
2020	\$2,685,189

- The increase in Appropriation for FY 2022 is to cover increased costs associated with Board Administration and Employee Benefits

Where Do Our Funds Come From?

- ▶ Agency does not receive any General Funds - we operate 100% on other funds from the institutions we regulate
 - ▶ Banks
 - ▶ Credit Unions
 - ▶ Trust Companies
 - ▶ Savings and Loan Associations
 - ▶ Business Development Corporations

3-Year Supervisory Fee Summary

Appropriation:			
	FY 19-20	FY 20-21	FY 21-22
Banking Division	\$2,083,000	\$2,083,000	\$2,083,000
Portion of Employer Contributions	\$585,000	\$585,000	\$610,000
Portion of Administration	\$17,189	\$17,189	\$22,000
Total	\$2,685,189	\$2,685,189	\$2,715,000

Fees To Be Collected From:			
	FY 19-20	FY 20-21	FY 21-22
Banks	\$2,140,906	\$2,027,305	\$2,189,938
Credit Unions	\$131,081	\$137,160	\$137,160
Trust Company	\$18,300	\$19,600	\$19,600
Business Development Corporation	\$11,500	\$12,300	\$12,300
Total Fees Collected	\$2,301,787	\$2,196,365	\$2,358,998

Summary:			
	FY 19-20	FY 20-21	FY 21-22
Fee Credit	\$383,402	\$488,824	\$356,002
Total Fees Collected	\$2,301,787	\$2,196,365	\$2,358,998
Banking Division Appropriation	\$2,685,189	\$2,685,189	\$2,715,000

Applicable Guidance

- ▶ South Carolina law establishes the authority for the South Carolina Board of Financial Institutions to annually assess supervisory fees on the institutions that it regulates. Section 34-3-320 (banks); 34-26-270 (credit unions).
- ▶ These supervisory fees are graduated on the basis of the asset size of each institution.
- ▶ No further specific guidance exists.

The FY 2022 Calculation

- ▶ Banks
 - ▶ Based on asset size as of March 31 Call Report
 - ▶ Minimum base fee charged to all banks
 - ▶ Tiered formula for
 - ▶ Assets between \$50 million up to \$500 million
 - ▶ Assets between \$500 million to \$1 billion
 - ▶ Assets between \$1 billion and \$10 billion
 - ▶ Assets over \$10 billion
- ▶ Credit Unions
 - ▶ Based on asset size as of March 31 Call Report
 - ▶ Minimum base fee charged to all credit unions
 - ▶ Tiered formula for
 - ▶ Assets between \$3 million and \$200 million
 - ▶ Assets between \$200 million and \$500 million
 - ▶ Assets between \$500 million and \$1 billion
 - ▶ Assets over \$1 billion

Proposed Bank Formula

	# of Banks	Base Fee	\$50 million to \$500 million	\$500MM to \$1 billion	\$1 billion to \$10 billion	Over \$10 billion
2020	36	35,000	53.99	27.00	13.50	6.75
2021	34	38,000	60.59	30.29	15.15	7.57
2022	35	35,000	52.63	26.32	13.16	6.58

Examples

(Asset sizes in millions)

Bank with \$50MM in Assets

Base Fee		35,000
Fee		\$35,000

Bank with \$500MM in Assets

Base Fee		35,000
50MM to 500MM	$52.63 * 450$	23,684
Fee		\$58,679

Bank with \$1,000MM in Assets

Base Fee		35,000
50MM to 500MM	$52.63 * 450$	23,684
500MM to 1,000MM	$26.32 * 500$	13,160
Fee		\$71,844

Bank with \$15,000MM in Assets

Base Fee		35,000
50MM to 500MM	$52.63 * 450$	23,684
500MM to 1 billion	$26.32 * 500$	13,160
1 billion to 10 billion	$13.16 * 9,000$	118,440
Over 10 billion	$6.58 * 5,000$	32,900
Fee		\$223,184

FY 2021 Examples

(Asset sizes in millions)

Bank with \$50MM in Assets

Base Fee		38,000
Fee		\$38,000

Bank with \$500MM in Assets

Base Fee		38,000
50MM to 500MM	60.59 * 450	27,266
Fee		\$65,266

Bank with \$1,000MM in Assets

Base Fee		38,000
50MM to 500MM	60.59 * 450	27,266
500MM to 1,000MM	30.29 * 500	15,145
Fee		\$80,411

Bank with \$15,000MM in Assets

Base Fee		38,000
50MM to 500MM	60.59 * 450	27,266
500MM to 1 billion	30.29 * 500	15,145
1 billion to 10 billion	15.15 * 9,000	136,350
Over 10 billion	7.57 * 5,000	37,850
Fee		\$254,611

FY 2022 Examples

(Asset sizes in millions)

Bank with \$50MM in Assets

Base Fee		35,000
Fee		\$35,000
% Change		-7.89%

Bank with \$500MM in Assets

Base Fee		35,000
50MM to 500MM	52.63 * 450	23,684
Fee		\$58,679
% Change		-10.09%

Bank with \$1,000MM in Assets

Base Fee		35,000
50MM to 500MM	52.63 * 450	23,684
500MM to 1,000MM	26.32 * 500	13,160
Fee		\$71,844
% Change		-10.65%

Bank with \$15,000MM in Assets

Base Fee		35,000
50MM to 500MM	52.63 * 450	23,684
500MM to 1 billion	26.32 * 500	13,160
1 billion to 10 billion	13.16 * 9,000	118,440
Over 10 billion	6.58 * 5,000	32,900
Fee		\$223,184
% Change		-12.34%

C
O
M
P
A
R
I
S
O
N



Bank Supervisory Fees Distribution

Proposed Credit Union Formula

	# of Credit Unions	Base Fee	\$3MM to \$200MM	\$200MM to \$500MM	\$500MM to \$1 Billion	Over \$1 Billion
2020	11	3,500	\$15	NA	NA	NA
2021	9	3,800	\$16.25	\$8.13	\$4.06	\$2.03
2022	9	3,800	\$13.33	\$6.66	\$3.33	\$1.67

Examples		
(Asset sizes in hundred thousands)		
Credit Union with \$5MM in Assets		
Base Fee		3,800
3MM to 200MM	$13.33 * 20$	267
Fee		\$4,067
Credit Union with \$50MM in Assets		
Base Fee		3,800
3MM to 200MM	$13.33 * 470$	6,265
Fee		\$10,065
Credit Union with \$150MM in Assets		
Base Fee		3,800
3MM to 200MM	$13.33 * 1,470$	19,595
Fee		\$23,395
Credit Union with \$1.5 Billion in Assets		
Base Fee		3,800
3MM to 200MM	$13.33 * 1,970$	26,260
200MM to 500MM	$6.66 * 3,000$	19,980
500MM to 1 Billion	$3.33 * 5,000$	16,650
1 Billion to 1.5 Billion	$1.67 * 5,000$	8,350
Fee		\$75,040

FY 2021 Examples

(Asset sizes in hundred thousands)

Credit Union with \$5MM in Assets

Base Fee		3,800
3MM to 200MM	16.25 * 20	325
Fee		\$4,125

Credit Union with \$50MM in Assets

Base Fee		3,800
3MM to 200MM	16.25 * 470	7,638
Fee		\$11,438

Credit Union with \$150MM in Assets

Base Fee		3,800
3MM to 200MM	16.25 * 1,470	23,888
Fee		\$27,688

Credit Union with \$1.5 Billion in Assets

Base Fee		3,800
3MM to 200MM	16.25 * 1,970	32,013
200MM to 500MM	8.13 * 3,000	24,390
500MM to 1 Billion	4.06 * 5,000	20,300
1 Billion to 1.5 Billion	2.03 * 5,000	10,150
Fee		\$90,653

FY 2022 Examples

(Asset sizes in hundred thousands)

Credit Union with \$5MM in Assets

Base Fee		3,800
3MM to 200MM	13.33 * 20	267
Fee		\$4,067
% Change		-1.41%

Credit Union with \$50MM in Assets

Base Fee		3,800
3MM to 200MM	13.33 * 470	6,265
Fee		\$10,065
% Change		-12.00%

Credit Union with \$150MM in Assets

Base Fee		3,800
3MM to 200MM	13.33 * 1,470	19,595
Fee		\$23,395
% Change		-15.50%

Credit Union with \$1.5 Billion in Assets

Base Fee		3,800
3MM to 200MM	13.33 * 1,970	26,260
200MM to 500MM	6.66 * 3,000	19,980
500MM to 1 Billion	3.33 * 5,000	16,650
1 Billion to 1.5 Billion	1.67 * 5,000	8,350
Fee		\$75,040
% Change		-17.22%

C
O
M
P
A
R
I
S
O
N



Credit Union Supervisory Fees Distribution

Other Institutions

FY 2021

- ▶ Trust Company
 - ▶ \$19,600
- ▶ Business Development Corporation
 - ▶ \$12,300

FY 2022

- ▶ Trust Company
 - ▶ \$19,600
- ▶ Business Development Corporation
 - ▶ \$12,300

C
O
M
P
A
R
I
S
O
N