

Chairman: The Honorable Marc Spitzer

JLBC Analyst: John Malloy

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Approved
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	300.8	300.8	302.8
Personal Services	13,297,200	13,780,400	14,040,700
Employee Related Expenditures	2,831,100	3,569,300	3,812,500
Professional and Outside Services	566,300	631,100	569,500
Travel - In State	257,400	285,600	285,600
Travel - Out of State	56,400	79,100	79,100
Other Operating Expenditures	3,003,500	2,993,100	2,997,600
Equipment	714,000	578,300	850,900
<b>OPERATING SUBTOTAL</b>	<b>20,725,900</b>	<b>21,916,900</b>	<b>22,635,900</b>
<b>SPECIAL LINE ITEMS</b>			
Utilities Audits, Studies, Investigations & Hearings	0	380,000	380,000 <sup>1/</sup>
<b>AGENCY TOTAL</b>	<b>20,725,900</b>	<b>22,296,900</b>	<b>23,015,900<sup>2/</sup></b>
<b>FUND SOURCES</b>			
General Fund	4,826,400	4,807,900	4,899,200
<b>Other Appropriated Funds</b>			
Arizona Arts Trust Fund	43,500	38,800	40,700
Investment Management Regulatory and Enforcement Fund	749,400	770,800	794,500
Pipeline Safety Revolving Fund	0	0	62,600
Public Access Fund	1,744,000	1,824,500	2,064,200
Securities Regulatory and Enforcement Fund	3,090,000	3,424,000	3,488,300
Utility Regulation Revolving Fund	10,272,600	11,430,900	11,666,400
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>15,899,500</b>	<b>17,489,000</b>	<b>18,116,700</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>20,725,900</b>	<b>22,296,900</b>	<b>23,015,900</b>
Other Non-Appropriated Funds	32,300	0	0
Federal Funds	238,500	255,700	255,700
<b>TOTAL - ALL SOURCES</b>	<b>20,996,700</b>	<b>22,552,600</b>	<b>23,271,600</b>

**AGENCY DESCRIPTION** — The Arizona Corporation Commission (ACC) was established by Article 15 of the Arizona Constitution and consists of 5 statewide elected Commissioners, each serving 4-year terms. The commission has 3 primary responsibilities. The Corporations Division provides public access to corporate annual reports, articles of incorporation, and corporate status change documents. The Securities Division regulates securities dealers and investment advisers. The Utilities Division monitors approximately 500 public service corporations operating in Arizona and establishes public utility rates. Other functions of the commission include inspecting gas pipelines and railroad track.

<sup>1/</sup> This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations. (General Appropriation Act footnote)

<sup>2/</sup> General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

PERFORMANCE MEASURES	FY 2003	FY 2003	FY 2004	FY 2005
	Appropriation	Actual	Appropriation	Appropriation
• Average turnaround time in weeks for processing of regular corporate filings	6.5	7.0	6.5	7.0
• Average turnaround time in days for processing of expedited corporate filings	2	2	2	2
• Average time in days to complete a utility rate case	200	NA	200	200
• Number of months required to review complaints received by Securities Division	--	1.5	1.5	1.5
• % of agency staff turnover	13	NA	13	13
• Administration as a % of total cost	8.2	11.3	11	11.3
• Customer satisfaction rating for Corporations program (Scale 1-8)	6.0	7.4	6.0	7.4

**Comments:** The agency did not submit information for any measure labeled as “NA.”

### Operating Budget

The budget provides \$22,635,900 for the operating budget in FY 2005. This amount consists of:

General Fund	\$4,899,200
Arizona Arts Trust Fund	40,700
Investment Management Regulatory and Enforcement Fund	794,500
Pipeline Safety Revolving Fund	62,600
Public Access Fund	2,064,200
Securities Regulatory and Enforcement Fund	3,488,300
Utility Regulation Revolving Fund	11,286,400

This amount includes an increase for statewide salary and other adjustments. *(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

#### Lease Costs

The budget includes \$4,500 from the Utility Regulation Revolving Fund for increased lease costs in FY 2005.

#### Corporations Division Server Replacement

The budget includes a Public Access Fund increase of \$210,000 for the purchase of a server for the Corporations Division. The division’s server was last replaced in FY 2000.

#### Pipeline Safety Equipment

The budget includes a Pipeline Safety Revolving Fund one-time increase of \$62,600 for the purchase of training supplies and equipment for its Master Meter Training Class. Master meter operators are individuals that purchase metered gas from a public service corporation to provide gas service to 2 or more buildings other than a single-family residence.

### Special Line Items

#### Utilities Audits, Studies, Investigations & Hearings

The budget provides \$380,000 from the Utility Regulation Revolving Fund for Utilities Audits, Studies, Investigations & Hearings in FY 2005. This amount is unchanged from FY 2004.

Monies in this Special Line Item allow the commission to hire outside consultants who provide professional expertise and advice to the Utilities Program staff.

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