

Registrar of Contractors

JLBC: Chris Cranny
 OSPB: David Reese

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	138.8	138.8	138.8	138.8
Personal Services	4,779,200	4,768,900	4,768,900	4,768,900
Employee Related Expenditures	1,458,100	1,545,500	1,576,400	1,577,000
Professional and Outside Services	18,500	239,100	239,100	239,100
Travel - In State	411,300	505,100	505,100	505,100
Travel - Out of State	7,900	11,800	11,800	11,800
Other Operating Expenditures	1,291,100	1,433,400	1,455,100	1,455,100
Equipment	575,700	60,300	60,300	60,300
OPERATING SUBTOTAL	8,541,800	8,564,100	8,616,700	8,617,300
SPECIAL LINE ITEMS				
Incentive Pay	113,500	113,500	113,500	113,500
Office of Administrative Hearings Costs	817,900	869,500	869,500	869,500
AGENCY TOTAL	9,473,200	9,547,100	9,599,700	9,600,300

FUND SOURCES

Other Appropriated Funds

Registrar of Contractors Fund	9,473,200	9,547,100	9,599,700	9,600,300
SUBTOTAL - Other Appropriated Funds	9,473,200	9,547,100	9,599,700	9,600,300
SUBTOTAL - Appropriated Funds	9,473,200	9,547,100	9,599,700	9,600,300
Other Non-Appropriated Funds	5,497,000	5,635,000	5,620,700	5,620,700
TOTAL - ALL SOURCES	14,970,200	15,182,100	15,220,400	15,221,000

CHANGE IN FUNDING SUMMARY

	FY 2005 to FY 2006 JLBC		FY 2005 to FY 2007 JLBC	
	\$ Change	% Change	\$ Change	% Change
Other Appropriated Funds	52,600	0.6%	53,200	0.6%
Total Appropriated Funds	52,600	0.6%	53,200	0.6%
Non Appropriated Funds	(14,300)	(0.3%)	(14,300)	(0.3%)
Total - All Sources	38,300	0.3%	38,900	0.3%

AGENCY DESCRIPTION — The agency licenses, regulates and conducts examinations of residential and commercial construction contractors.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• Average calendar days from receipt of complaint to jobsite inspection	16	15	15	14
• Number of inspections	10,311	10,900	11,288	--
• Administration as a % of total cost	29.7	NA	6.2	--
• Customer satisfaction rating (Scale 1-8)	7.0	7.0	6.0	7.1

Comments: The agency did not submit information for any measure labeled as "NA." The agency reports that the decreased time in performing jobsite inspections is due to continuing process improvements.

RECOMMENDED CHANGES FROM FY 2005

Operating Budget

The JLBC recommends \$8,616,700 from the Registrar of Contractors Fund for the operating budget in FY 2006 and \$8,617,300 in FY 2007. These amounts would fund the following adjustments:

		<u>FY 2006</u>	<u>FY 2007</u>
Standard Changes	OF	\$52,600	\$53,200

The JLBC recommends an increase of \$52,600 from the Registrar of Contractors Fund in FY 2006 and an increase of \$53,200 in FY 2007 for standard changes.

Special Line Items

Incentive Pay

The JLBC recommends \$113,500 from the Registrar of Contractors Fund for Incentive Pay in FY 2006 and FY 2007. These amounts are unchanged from FY 2005. Monies in this line item are used to provide funding for an agencywide incentive pay program. The program was established in 1995 to reward employees for outstanding performance. The ROC maintains performance measures to determine how employees influenced by the incentive program have improved their customer service.

Office of Administrative Hearings Costs

The JLBC recommends \$869,500 from the Registrar of Contractors Fund for Office of Administrative Hearings (OAH) Costs in FY 2006 and FY 2007. These amounts are unchanged from FY 2005. Monies in this line item are transferred from the ROC to the OAH for services provided by the OAH.

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JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Agency

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

This appropriation is available for use pursuant to the provisions of A.R.S. § 35-143.01C and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations until June 30, 2007.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

ROC Vehicle Usage

The Auditor General recommended in its November 2004 follow-up to its April 2003 report that the ROC return its 22 vehicles that were driven fewer than 10,000 miles in the past year to the Arizona Department of Administration (ADOA). In its recent follow-up review, the Auditor General reported that the agency disagrees and has not implemented the recommendation. The ROC position is that every vehicle is necessary for each of the agency's 58 inspectors and investigators to be able to properly perform their job duties.

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
Registrar of Contractors (RGA2406/A.R.S. § 32-1107)		Appropriated
Source of Revenue: Monies collected from the examination and licensing of contractors. The board retains 90% of these monies and deposits 10% in the General Fund.		
Purpose of Fund: To examine, license, investigate and regulate contractors, and for board administration.		
Funds Expended	9,473,200	9,547,100
Year-End Fund Balance	4,785,400	5,653,400
Residential Contractors' Recovery (RGA3155/A.R.S. § 32-1132)		Non-Appropriated
Source of Revenue: An assessment, not to exceed \$600 per biennial license period, paid by residential contractors and other monies.		
Purpose of Fund: To compensate anyone who is injured by an act, a representation, a transaction, or the conduct of a residential contractor. Compensation for damages to any one individual cannot exceed \$30,000.		
Funds Expended	5,497,000	5,635,000
Year-End Fund Balance	6,907,100	7,456,900

[Click here to return to the Table of Contents](#)