

Department of Public Safety

JLBC: Martin Lorenzo III
 OSPB: Timothy Grubbs

DESCRIPTION	FY 2005 ACTUAL	FY 2006 ESTIMATE	FY 2007 JLBC
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,872.0	1,901.8	1,961.8
Personal Services	85,281,300	95,802,700	96,541,900
Employee Related Expenditures	25,390,400	37,591,300	37,844,600
Professional and Outside Services	1,163,100	1,466,700	1,261,000
Travel - In State	440,000	643,100	617,600
Travel - Out of State	232,400	98,800	108,000
Other Operating Expenditures	27,446,400	18,008,000	18,009,300
Equipment	13,783,700	16,783,000	15,988,100
OPERATING SUBTOTAL	153,737,300	170,393,600	170,370,500
SPECIAL LINE ITEMS			
Additional Highway Patrol Personnel	0	0	4,806,000
GITEM	4,298,500	8,952,900	8,952,900
Highway Patrol Safety Equipment	0	3,000,000	3,000,000
Statewide Interoperability Design	518,000	1,258,100	1,258,100
Sworn Officer Salary Adjustments	0	0	2,768,100
AGENCY TOTAL	158,553,800	183,604,600	191,155,600

FUND SOURCES

General Fund	27,359,300	44,582,100	45,281,800
Other Appropriated Funds			
Arizona Deoxyribonucleic Acid (DNA) Identification System Fund	2,550,700	2,582,900	2,582,900
Arizona Highway Patrol Fund	20,483,500	19,817,600	19,745,700
Automated Fingerprint Identification System Fund	2,186,900	2,449,400	3,257,200
County Transportation Contribution Fund	13,006,800	0	0
Crime Laboratory Assessment Fund	3,952,000	4,473,100	4,974,100
Criminal Justice Enhancement Fund	2,365,800	2,600,100	2,980,100
Highway User Revenue Fund	52,216,300	63,189,100	66,180,600
Motorcycle Safety Fund	113,900	205,000	205,000
Parity Compensation Fund	0	0	2,768,100
Risk Management Fund	286,700	296,200	296,200
Safety Enforcement and Transportation Infrastructure Fund	1,226,800	1,352,100	1,352,100
Sex Offender Monitoring Fund	125,000	355,500	0
State Highway Fund	32,680,100	41,701,500	41,531,800
SUBTOTAL - Other Appropriated Funds	131,194,500	139,022,500	145,873,800
SUBTOTAL - Appropriated Funds	158,553,800	183,604,600	191,155,600
Other Non-Appropriated Funds	29,172,900	35,995,500	36,495,600
Federal Funds	34,336,000	40,458,100	26,479,700
TOTAL - ALL SOURCES	222,062,700	260,058,200	254,130,900

CHANGE IN FUNDING SUMMARY

	FY 2006 to FY 2007 JLBC	
	\$ Change	% Change
General Fund	699,700	1.6%
Other Appropriated Funds	6,851,300	4.9%
Total Appropriated Funds	7,551,000	4.1%
Non Appropriated Funds	(13,478,300)	(17.6%)
Total - All Sources	(5,927,300)	(2.3%)

AGENCY DESCRIPTION — The Department of Public Safety (DPS) is responsible for the enforcement of state criminal laws and traffic regulations. In addition to the Highway Patrol, DPS operates and maintains statewide communications systems, state crime laboratories and an automated fingerprint identification network, and performs aviation missions, special investigations, and other law enforcement activities.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2007
	Actual	Actual	Actual	JLBC
• % of scientific analysis cases over 30 calendar days old	7.2	7.3	6.2	2.0
• % of system reliability of the Arizona Automated Fingerprint Identification Network (AZAFIN)	98	98	98	98
• Clandestine labs dismantled	113	53	71	50

RECOMMENDED CHANGES FROM FY 2006

Operating Budget

The JLBC recommends \$170,370,500 for the operating budget in FY 2007. This amount consists of:

	FY 2007
General Fund	\$32,070,800
Arizona Deoxyribonucleic Acid (DNA) Identification System Fund	2,582,900
Arizona Highway Patrol Fund	19,745,700
Automated Fingerprint Identification System Fund	3,257,200
Crime Laboratory Assessment Fund (CLAF)	4,974,100
Criminal Justice Enhancement Fund (CJEF)	2,980,100
Highway User Revenue Fund (HURF)	61,374,600
Motorcycle Safety Fund	205,000
Risk Management Fund	296,200
Safety Enforcement and Transportation Infrastructure Fund	1,352,100
State Highway Fund	41,531,800

These amounts include the following adjustments:

Staffing and Compensation Issues

Crime Laboratory Personnel OF 881,000
 The JLBC recommends an increase of \$881,000 and 11 FTE Positions in FY 2007 for crime laboratory personnel. This amount consists of:

CLAF	501,000
CJEF	380,000

Of the 11 FTE Positions, 6 are allocated to the CLAF and 5 are allocated to CJEF. From FY 2000 to FY 2005, total submissions to the crime lab have grown from 29,425 to 45,916, an increase of 56.0%, while the number of appropriated positions allocated to the crime lab since FY 2000 has increased by 31 positions (or 30.7%). In FY 2006, DPS was appropriated \$1,050,600 to fund an additional 11 FTE Positions to address the growth in crime

lab cases submitted to the department. In FY 2005, DPS' backlog of cases in excess of 30 days old totaled approximately 2,850, but has since increased to approximately 3,300. To monitor the department's progress relative to hiring the additional crime laboratory personnel, the JLBC recommends adding a footnote requiring a monthly report to the JLBC on crime laboratory staffing levels. (*Please see the New Footnotes section for additional information.*)

Sex Offender Compliance GF 699,700 OF (355,500)

The JLBC recommends an increase of \$699,700 and 8 FTE Positions from the General Fund and a corresponding decrease of \$(355,500) and (5) FTE Positions from the Sex Offender Monitoring Fund in FY 2007 for sex offender compliance enforcement. Of the additional \$699,700 and 8 FTE Positions from the General Fund, \$344,200 and 3 FTE Positions would fund 2 detectives and 1 criminal intelligence analyst to identify and track down fugitive sex offenders who have failed to register. The remaining \$355,500 and 5 FTE Positions would be funded from the General Fund due to a revenue shortfall in the Sex Offender Monitoring Fund.

In FY 2006, DPS received \$605,500 and 7 FTE Positions (of which \$355,500 and 5 FTE Positions are from the Sex Offender Monitoring Fund and \$250,000 and 2 FTE Positions are from the Highway Patrol Fund) for costs associated with maintaining the sex offender Web site, conducting address verification, and tracking down sex offenders who fail to register. Revenues into the Sex Offender Monitoring Fund consist of a one-time \$250 fine which is imposed on all persons required to register. However, revenues are insufficient to support the current appropriation. In recent fiscal years, the department has relied on a fund balance which will be depleted in FY 2006.

Sworn Officer Salary Adjustments OF 0

The JLBC recommends shifting \$3,000,000 in FY 2007 from the Sworn Officer Salary Adjustments Special Line Item, as the monies appeared in the FY 2006 General

Appropriation Act, into the department's operating budget, where the remaining salary monies appear.

Equipment Issues

AZAFIS Upgrade OF 807,800

The JLBC recommends an increase of \$807,800 from the Automated Fingerprint Identification System Fund in FY 2007 to enter into a 5-year lease-purchase agreement to upgrade the Arizona Automated Fingerprint Identification System (AZAFIS). In FY 2006, DPS received \$655,500 for AZAFIS operating and equipment costs, including \$579,300 in one-time funding to replace equipment, and \$76,200 for ongoing operating costs. Rather than eliminate the one-time funding of \$579,300, this recommendation would continue that funding and provide an additional \$807,800 for the first lease-purchase payment which is estimated to total \$1,387,100. The total cost of the upgrade is estimated to be \$6,005,400 (excluding \$930,100 in interest payments).

The current AZAFIS operating system was purchased in 1994 and will soon become obsolete. This upgrade would include improved tenprint speed and accuracy, palm print matching capabilities, and 2-finger rapid identification, among other features.

Crime Lab Equipment Replacement OF 0

The JLBC recommends \$566,900 from the Highway Patrol Fund in FY 2007 for crime laboratory equipment replacement. This amount is unchanged from FY 2006. The equipment to be replaced in FY 2007 includes 1 polarizing light microscope, 1 vacuum turbo coater, 1 blood alcohol system, 2 gas chromatographs/mass spectrometers, 2 comparison microscopes and 4 digital imaging systems.

Elimination of One-Time Equipment OF (1,728,800)

The JLBC recommends a decrease of \$(1,728,800) in FY 2007 to eliminate one-time monies appropriated in FY 2006 for equipment. This amount consists of:

Highway Patrol Fund	(84,000)
HURF	(1,644,800)

The monies the department received in FY 2006 funded one-time costs associated with 28 additional sworn officer positions and the purchase of 3 vehicle lifts and 2 forklifts to maintain the department's large fleet of vehicles.

Helicopter Replacement OF 12,100

The JLBC recommends an increase \$12,100 from the Highway Patrol Fund in FY 2007 to replace 1 helicopter using a 3-year lease-purchase agreement. The department's FY 2006 budget includes \$1,529,800 for two 3-year lease-purchase payments to replace 2 aging helicopters. Payments associated with those agreements began in FY 2004 and FY 2005, respectively. The FY 2004 lease-purchase agreement will be completed in

FY 2006. This recommendation would continue the monies provided for the completed lease-purchase agreement (\$764,900), and provide an additional \$12,100 above the FY 2006 appropriation to begin a new lease-purchase agreement with an annual cost of \$777,000.

The replacement of DPS' aging helicopter fleet was recommended in a June 2000 Auditor General Performance Audit. DPS operates and maintains a fleet of 5 helicopters that provide air ambulance service, search-and-rescue support missions, and assist law enforcement in aerial pursuit and surveillance. Industry standards suggest replacement after 10,000 flight hours or 10 years. The helicopter to be replaced is 21 years old and has in excess of 10,900 flight hours.

Highway Patrol Vehicle Replacement OF 0

The JLBC recommends \$6,780,000 from HURF in FY 2007 for the replacement of Highway Patrol vehicles. This amount is unchanged from FY 2006. The recommended amount would replace 183 Highway Patrol vehicles at a cost of \$36,950 per vehicle.

Mobile Data Computers OF (339,400)

The JLBC recommends a decrease of \$(339,400) in FY 2007 due to the completion of a 4-year lease-purchase agreement to install mobile data computers (MDC) in Highway Patrol vehicles located in the Tucson and Phoenix corridor. This amount consists of:

HURF	(169,700)
State Highway Fund	(169,700)

Since FY 2003, DPS was appropriated \$1,194,000 (\$597,000 from HURF and \$597,000 from the State Highway Fund) and 2 FTE Positions to purchase 220 MDC's, related equipment and software, and to implement and maintain the MDC system. The 4-year lease-purchase agreement associated with the 220 MDC's has been completed. This recommendation would continue \$854,600 (\$427,300 from HURF and \$427,300 from the State Highway Fund) for the one-time purchase of 29 additional MDC's to equip all marked units in the Tucson and Phoenix corridor (\$271,300), software for each unit (\$107,300), ongoing costs of the 2 FTE Positions (\$117,400) and ongoing maintenance costs for MDC system software, hardware and radios (\$358,600).

The additional 220 MDC's were to replace the old Mobile Data Terminal (MDT) system installed in vehicles operating in the Tucson and Phoenix corridor. However, there are currently 379 vehicles in the corridor, leaving 159 vehicles without an MDC. DPS has obtained grant monies to fund the purchase of 130 of the 159 additional MDC's needed. This recommendation would provide monies for the remaining 29 units, which would equip all vehicles in the corridor with an MDC. The department also plans to purchase 100 additional MDC's in FY 2006 and FY 2007 with monies available from the Highway

Patrol Equipment Special Line Item. These additional units will begin to equip DPS vehicles outside of the Tucson and Phoenix corridor. *(Please see Highway Patrol Safety Equipment Special Line Item for additional information.)*

Radio and Infrastructure **GF** **0**
Equipment Replacement **OF** **0**

The JLBC recommends \$677,300 in FY 2007 for radio and infrastructure equipment replacement. This amount consists of:

General Fund	147,300
CJEF	53,800
HURF	357,200
State Highway Fund	119,000

These amounts are unchanged from FY 2006. This recommendation would fund the replacement of portable radios, mobile radios, base stations, and telecommunications infrastructure.

Miscellaneous Issues

ACJIS Maintenance and Licensing **OF** **0**

The JLBC recommends \$554,000 from the Highway Patrol Fund in FY 2007 for ongoing costs relating to the Arizona Criminal Justice Information System (ACJIS). This amount is unchanged from FY 2006. This recommendation would continue \$554,000 in the department’s base appropriation to fund ongoing telecommunications, maintenance and licensing costs of the digital ACJIS system.

ACJIS provides real time information exchange between criminal justice agencies within Arizona, other states, and the National Crime Information Center (NCIC), operated by the Federal Bureau of Investigation (FBI). The network upgrade to digital technology meets the security requirements established by the FBI and allows the transfer of data files, images, and fingerprints with criminal justice agencies in the state and to mobile data computers in patrol vehicles.

Special Line Items

Additional Highway Patrol Personnel

The JLBC recommends \$4,806,000 and 46 FTE Positions from HURF for Additional Highway Patrol Personnel in FY 2007. This amount would fund the following adjustment:

Highway Patrol Personnel **OF** **4,806,000**

The JLBC recommends an increase of \$4,806,000 and 46 FTE Positions from HURF in FY 2007 for Highway Patrol Officers and related support staff. This increase would provide funding for 37 Officers, 4 Sergeants and 5 support positions.

Of the \$4,806,000 and 46 FTE Positions, \$4,558,300 and 41 FTE Positions will all be assigned to the Highway Patrol Bureau. The remaining \$247,700 and 5 FTE Positions would fund additional administrative support personnel. These additional support positions would include an administrative assistant, automobile mechanic, computer specialist, criminal records specialist, and dispatcher. *Table 1* indicates the quantity, type and location where the additional positions are anticipated to be allocated.

<u>FTE's</u>	<u>Positions</u>	<u>Location</u>
16	Motorcycle Officers	Phoenix Metro
7	Patrol Officers	Pima County
7	Patrol Officers	Pinal County
5	Canine Officers	Statewide
2	Transport Officers	Phoenix Metro.
4	Sergeants	Pima, Pinal, Phoenix Metro
5	Support Positions	Statewide

The Additional Highway Patrol Personnel Special Line Item provides additional funding for Highway Patrol Officers and related support positions. In FY 2006, DPS was appropriated funding for 24 Officers and 4 Sergeants. Subsequently, DPS diverted approximately \$1,274,300, which would otherwise have been used to fill 25 vacant Officer Positions, to provide an additional pay increase to the Officer II and Officer III classifications. These monies were in addition to the \$4,261,200 (\$3,000,000 from the Sworn Officer Salary Adjustments Special Line Item and \$1,261,200 from the 1.7% statewide salary adjustment) DPS received in FY 2006 for sworn officer salary adjustments.

To ensure that DPS expends the additional FY 2007 funding as intended, the JLBC recommends the following:

- The creation of the Additional Highway Patrol Special Line Item to permit improved tracking of expenditures;
- A new footnote requiring JLBC review of the DPS expenditure plan for these new positions prior to implementation;
- A monthly report to the JLBC on DPS’ Sworn Officer staffing levels and progress relative to filling these additional officer positions;
- JLBC approval prior to shifting any monies originally appropriated for sworn personnel; and
- Full staffing of the 25 FTE Positions intentionally held vacant by DPS in FY 2006.

(Please see the New Footnotes section for additional information.)

GITEM

The JLBC recommends \$8,952,900 and 61.8 FTE Positions from the General Fund for GITEM in FY 2007. This amount is unchanged from FY 2006.

Laws 2005, Chapter 307 appropriated \$3,897,000 to DPS in FY 2006 to fund the expansion of GITEM and to encourage multidistrict relations. The additional monies will expand GITEM to include officers from local jurisdictions. *Table 2* indicates the additional 36 officers funded by Chapter 307 monies. The FY 2007 column includes the 22 FTE's added in FY 2006 and an additional 14 FTE's added in FY 2007, for a total of 36 positions.

<u>Location</u>	<u>FY 2006</u>	<u>FY 2007</u>
Apache/Navajo	1	7
Cochise	-	7
Coconino	5	5
Maricopa	2	2
Mohave	7	7
Pinal	7	7
Yuma	-	1
	<u>22</u>	<u>36</u>

The Gang Intelligence Team Enforcement Mission (GITEM) Special Line Item formulates and implements criminal gang enforcement and investigative strategies, interdicts gang activities, and collects criminal gang information. In addition to the continuation of a footnote preventing DPS from distributing GITEM monies to any county with a population greater than 750,000 or to any city or town located within a county with a population greater than 750,000, the JLBC recommends adding a footnote, consistent with the language included in Chapter 307, requiring any local jurisdiction receiving GITEM services to provide 25% of the cost of the services. *(Please see the New Footnotes section for additional information.)*

Highway Patrol Safety Equipment

The JLBC recommends \$3,000,000 from the General Fund for the Highway Patrol Safety Equipment Special Line Item in FY 2007. This amount is unchanged from FY 2006. *Table 3* indicates DPS' intended use of these monies in FY 2006 and FY 2007.

<u>Item</u>	<u>FY 2006</u>	<u>FY 2007</u>
Ballistic Vest Reimbursements	\$ 187,000	\$ 187,000
Long Rifles/Ammunition	313,000	313,000
Mobile Data Computers	1,008,900	1,855,000
Motorcycles	781,100	-
SWAT Body Armor	120,000	-
Tasers & Related Equipment	45,000	100,000
Video Cameras	400,000	400,000
Other	<u>145,000</u>	<u>145,000</u>
TOTAL	\$3,000,000	\$3,000,000

The Highway Patrol Safety Equipment Special Line Item provides funding for Highway Patrol safety equipment. Laws 2005, Chapter 307 appropriated \$3,000,000 to DPS

in FY 2006 for the purchase of protective body armor, electronic stun gun devices and other safety equipment. While Chapter 307 identified the equipment in the order listed above, actual expenditure amounts for each category are to be determined by the department. This recommendation would continue this appropriation in FY 2007.

Of the total \$3,000,000 amount, the department expects to spend \$1,855,000 in FY 2007 on Mobile Data Computers (MDC's) to equip an additional 100 vehicles located outside of the Phoenix-Tucson corridor with an MDC. *(Please see Mobile Data Computer discussion in Operating Budget section for further information.)*

Statewide Interoperability Design

The JLBC recommends \$1,258,100 and 9 FTE Positions from the General Fund for the Statewide Interoperability Design Special Line Item in FY 2007. This amount is unchanged from FY 2006. In addition to the \$1,258,100 recommended for FY 2007, the department has \$3,000,000 in non-lapsing monies appropriated through Laws 2004, Chapter 275 for a total of \$4,258,100 in available funding.

This Special Line Item provides funding for DPS' Public Safety Communication Commission (PSCC), allowing them to develop and implement a standard based system that provides interoperability between public safety agencies' communications statewide. Radio interoperability allows public safety personnel from one agency to communicate, via mobile radio, with personnel from other agencies. While the PSCC is actively working with the Department of Emergency Management and Military Affairs on a "short-term" interoperability solution, their primary objective is to develop a "long-term" interoperability solution. With respect to the "long-term" solution, the PSCC anticipates implementing a pilot project in FY 2008, a full deployment plan in FY 2009 and achieving statewide interoperability in FY 2014.

Sworn Officer Salary Adjustments

The JLBC recommends \$2,768,100 from the Parity Compensation Fund for the Sworn Officer Salary Adjustments Special Line Item in FY 2007. This amount would fund the following adjustments:

Sworn Officer Pay Plan OF 2,768,100

The JLBC recommends an increase of \$2,768,100 from the Parity Compensation Fund in FY 2007 for the continuation of a multi-year plan to increase sworn officer salaries. This increase would provide monies equating to an average salary increase of nearly 3.1%, or \$1,700 per sworn position. The JLBC further recommends adding a footnote requiring JLBC review of the department's intended distribution of monies appropriated in this Special Line Item prior to their expenditure. *(Please see the New Footnotes section for additional information.)*

The Sworn Officer Salary Adjustments Special Line Item provides funding for salary increases for DPS sworn

personnel, to be determined by the department. Laws 2005, Chapter 306 established the Parity Compensation Fund, which receives 1.51% of vehicle license tax revenues that would otherwise be deposited in the State Highway Fund. Monies deposited into the fund are to be used to for salaries and benefits for law enforcement personnel. The fund is accumulating a fund balance, which is estimated to total \$2,768,100 by the end of FY 2006. When comparing DPS' sworn salary pay levels to all agencies that employ in excess of 100 Officers, DPS is on average 3.3% behind the average market pay. This increase would provide an average salary increase of nearly 3.1% (or \$1,700) per officer.

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

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

It is the intent of the Legislature that monies appropriated to the GITEM Special Line Item shall not be allocated by the Department of Public Safety to any county with a population greater than 750,000 or to any city or town located within a county with a population greater than 750,000. **If the Department of Public Safety uses any of the monies appropriated for GITEM for an agreement or contract with a city, town, county or other entity to provide services for the GITEM program, the city, town, county or other entity shall provide 25% of the cost of the services and the Department of Public Safety shall provide 75% of the cost for each agreement or contract.**

Distribution of the monies appropriated for Sworn Officer Salary Adjustments shall be determined by the department. **Prior to expending any monies appropriated through the Sworn Officer Salary Adjustments Special Line Item, the Department of Public Safety shall submit the intended distribution of the monies to the Joint Legislative Budget Committee for review.**

The Department of Public Safety shall submit an expenditure report to the Joint Legislative Budget Committee for review ~~before~~ **PRIOR TO** expending any lease-purchase proceeds for the microwave communications upgrade. The department shall also submit a Project Investment Justification for review and approval by the Government Information Technology Agency before expending any monies.

Any monies remaining in the Department of Public Safety joint account on June 30, 2007 shall revert to the funds from which they were appropriated. The reverted monies

shall be returned in direct proportion to the amounts appropriated.

New Footnotes

The Department of Public Safety shall submit an expenditure plan to the Joint Legislative Budget Committee for review prior to expending any monies appropriated through the Additional Highway Patrol Special Line Item.

The Department of Public Safety shall report monthly to the Joint Legislative Budget Committee on sworn personnel staffing levels and crime lab personnel staffing levels. The report shall identify the number of filled and appropriated positions by job classification and if applicable, the program the position is assigned. The report shall identify the Department of Public Safety's progress in filling the additional positions appropriated through the Additional Highway Patrol Personnel Special Line Item upon review of the Department of Public Safety's expenditure plan. In addition, the report shall include the department's progress in hiring the additional positions funded in the FY 2006 budget.

The Department of Public Safety shall submit an expenditure plan to the Joint Legislative Budget Committee for approval prior to transferring monies from the Additional Highway Patrol Personnel Special Line Item.

It is the intent of the Legislature that the Department of Public Safety fill the 25 positions intentionally held vacant by the department in FY 2006.

The above 4 new footnotes are intended to ensure that additional resources provided to the Department of Public Safety are allocated consistent with legislative intent.

JLBC RECOMMENDED STATUTORY CHANGES

The JLBC recommends continuing to suspend the schedule established by A.R.S. § 28-6537 and A.R.S. § 28-6993 governing the level of HURF and State Highway Fund revenues available to fund DPS' Highway Patrol costs. This session law change will remove the spending cap of \$10,000,000 in each of the funds in FY 2007 and allow the use of \$66,180,600 from HURF and \$41,531,800 from the State Highway Fund for DPS.

The JLBC recommends a session law provision to continue to redirect 9% of CJEF revenues, formerly deposited into the General Fund, to DPS to fund the department's crime lab operations.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Motor Vehicle Fuel Budget

In FY 2005, DPS expended \$2,980,300 on 1,612,167 gallons of motor vehicle fuel. As a result, DPS on average paid \$1.85 per gallon. In FY 2006, DPS has \$5,162,000 available for fuel. The additional \$2,231,700 DPS has

available for fuel in FY 2006 is comprised of the following:

- An additional appropriation of \$536,900 in FY 2006 for motor vehicle fuel;
- An additional \$66,500 for fuel costs associated with the 24 Officers and 4 Sergeant Positions funded in FY 2006; and
- A reallocation of \$1,628,300 utilized in FY 2005 to fund the purchase of one-time equipment.

While the future cost of gasoline is difficult to predict, the department's base fuel budget of \$5,162,000 is 73.2% (or \$2,231,700) higher than FY 2005 expenditures. Based on DPS' FY 2005 actual consumption of 1,612,167 gallons, DPS could fund the purchase of fuel up to a price of \$3.20 per gallon.

The United States Energy Information Administration publishes a Short-Term Energy Outlook that indicates actual and forecasted U.S. energy prices by quarter. Based on the December 2005 outlook, the actual average price (in nominal dollars) of all grades of fuel, for the state of Arizona's FY 2005, was \$2.03. This amount is forecasted to increase by \$0.45 (or 22.2%) to \$2.48 in FY 2006. For the first 2 quarters of FY 2007, the estimated price per gallon is \$2.46.

Highway Patrol Fund

The Highway Patrol Fund is utilized to fund the Public Safety Personnel Retirement System and to administer the provisions of the Department of Public Safety. The fund receives revenues from a 0.43% premium tax paid by vehicle insurers, miscellaneous service fees, rewards, awards, insurance recoveries, and receipts from the sale/disposal of property held by the Highway Patrol. In addition, fees paid for concealed weapon permits are deposited into this fund. The FY 2007 ending balance is

projected to be approximately \$193,800. This balance permits funding of numerous one-time issues in the JLBC recommendation for FY 2007. Table 4 provides a summary of the appropriated FY 2006 and recommended FY 2007 estimated revenues and expenditures for the Highway Patrol Fund.

	FY 2006	FY 2007
	<u>Estimate</u>	<u>Estimate</u>
Beginning Balance	\$1,772,900	\$148,400
<u>Revenues</u>		
Insurance Premium Tax	17,049,900	18,277,500
Other Revenue	<u>1,414,400</u>	<u>1,513,600</u>
Total Funds Available	\$20,237,200	\$19,939,500
Base Operating Expenditures	\$19,817,600	\$18,696,700
Non-lapsing Expenditures	\$ 271,200	--
<u>New FY 2007 Policy Issues</u>		
Crime Lab Equipment		
Replacement	--	566,900
Fleet Equipment Replacement	--	(\$84,000)
ACJIS Maintenance		
and Licensing	--	554,000
Helicopter Replacement	--	<u>12,100</u>
Total Expenditures	<u>\$20,088,800</u>	<u>\$19,745,700</u>
Ending Balance	\$ 148,400	\$ 193,800

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
Anti-Racketeering Fund (PSA3123/A.R.S. § 13-2314.01)		Non-Appropriated
Source of Revenue: Any monies obtained as a result of a DPS seizure and forfeiture by the Attorney General are deposited into this fund. The forfeitures are made under the Racketeering Influenced and Corrupt Organization (RICO) laws.		
Purpose of Fund: For the investigation and prosecution of any offense relating to racketeering. These funds may also be used for gang prevention programs, substance abuse prevention programs and substance abuse education programs.		
Funds Expended	3,028,800	5,528,200
Year-End Fund Balance	4,439,500	3,931,300
Automated Fingerprint Identification System Fund (PSA2286/A.R.S. § 41-2414)		Appropriated
Source of Revenue: A 6.46% allocation from the Criminal Justice Enhancement Fund (CJEF). CJEF consists of a 47% penalty assessment on fines, violations, forfeitures and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: For operation and maintenance of the Arizona Automated Fingerprint Identification System.		
Funds Expended	2,186,900	2,449,400
Year-End Fund Balance	704,900	894,800

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
Conferences, Workshops and Other Education Fund (PSA2700/A.R.S. § 41-1713)		Non-Appropriated
Source of Revenue: Conference registration fees.		
Purpose of Fund: To cover expenditures of conferences held by the Governor's Office of Highway Safety.		
Funds Expended	45,000	46,600
Year-End Fund Balance	600	0
County Transportation Contribution Fund (PSA9571/Laws 2003, Chapter 263)		Appropriated
Source of Revenue: Monies paid by the counties in FY 2004 and FY 2005 in accordance with Laws 2003, Chapter 263.		
Purpose of Fund: For state operations related to highway and law enforcement services.		
Funds Expended	13,006,800	0
Year-End Fund Balance	0	0
Crime Laboratory Assessment Fund (PSA2282/A.R.S. § 41-2415)		Appropriated
Source of Revenue: A 2.3% allocation of CJEF. DPS retains 55% of this fund and distributes the remaining funds to political subdivisions that operate crime laboratories. CJEF consists of a 47% penalty assessment on fines, violations, forfeitures and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: To provide enhanced crime lab services, purchase and maintain scientific equipment, and train crime lab forensic scientists.		
Funds Expended	3,952,000	4,473,100
Year-End Fund Balance	948,700	1,092,400
Criminal Justice Enhancement Fund (PSA3702/A.R.S. § 41-2401)		Partially-Appropriated
Source of Revenue: An 85% allocation of an 8.56% distribution from CJEF. CJEF consists of a 47% penalty assessment on fines, violations, forfeitures and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: For direct operating expenses for the DPS.		
Appropriated Funds Expended	2,365,800	2,600,100
Non-Appropriated Funds Expended	0	660,800
Year-End Fund Balance	927,500	658,000
Arizona Deoxyribonucleic Acid (DNA) Identification System Fund (PSA2337/A.R.S. § 41-2419)		Appropriated
Source of Revenue: A 15% allocation of an 8.56% distribution from CJEF, monies collected from individuals subjected to DNA testing who have the financial ability to pay for tests, and contributions from any other sources. CJEF consists of a 47% penalty assessment on fines, violations, forfeitures and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations. Laws 2002, Chapter 226 established an additional 3% penalty assessment similar to the CJEF assessments.		
Purpose of Fund: To implement, operate and maintain DNA testing and administrative costs.		
Funds Expended	2,550,700	2,582,900
Year-End Fund Balance	750,400	229,600
DPS Administration Fund (PSA2322/A.R.S. § 41-1713)		Non-Appropriated
Source of Revenue: State and local grants and donations.		
Purpose of Fund: For administering state and local grants such as Emergency Medical Services Communications, Arizona Criminal Justice Commission, Forensics, Fines Management and the DPS Criminal Justice Enhancement Fund project, as well as for operational costs of the Criminal Justice Information System.		
Funds Expended	1,033,700	1,635,000
Year-End Fund Balance	399,600	89,600

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
DPS Licensing Fund (PSA9590/A.R.S. § 32-2408)		Non-Appropriated
Source of Revenue: Fees collected from Private Investigator and Security Guard license applicants.		
Purpose of Fund: For the operational and equipment costs of regulating the private investigator and security guard industry.		
Funds Expended	782,800	944,500
Year-End Fund Balance	363,000	316,600
Driving Under the Influence Abatement Fund (PSA2422/A.R.S. § 28-1304)		Non-Appropriated
Source of Revenue: A fee of \$250 to be paid by every offender convicted of an extreme driving under the influence (DUI) offense. An extreme DUI violation is defined as a person possessing a blood alcohol concentration of 0.15 or greater.		
Purpose of Fund: Fifty percent of the revenues fund pilot programs that use emerging technologies to educate, prevent or deter occurrences of driving under the influence. The remaining 50% funds enforcement and prosecutorial activities related to preventing driving under the influence. DPS and the Motor Vehicle Division of the Arizona Department of Transportation personnel staff the administering entity, the DUI Abatement Council.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Federal Grants and Reimbursements (PSA2000/A.R.S. § 41-1833)		Non-Appropriated
Source of Revenue: Federal grants.		
Purpose of Fund: To administer Federal Highway Administration grants, various Homeland Security grants, the High Intensity Drug Trafficking Area program, organized crime financial investigations, the Rocky Mountain Information Network, the Motor Carrier Safety Assistance program, and the Department of Justice Victims of Crime Act monies.		
Funds Expended	34,336,000	40,458,100
Year-End Fund Balance	0	0
Fingerprint Clearance Card Fund (PSA2433/A.R.S. § 41-1758.06)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature and fees charged to applicants or contract providers for a fingerprint clearance card.		
Purpose of Fund: To centralize fingerprinting services for state agencies. Revenues pay for the processing and issuance of fingerprint clearance cards.		
Funds Expended	2,157,800	2,477,000
Year-End Fund Balance	830,600	1,141,500
Board of Fingerprinting Fund (PSA2435/A.R.S. § 41-619.56)		Non-Appropriated
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To fund the Board of Fingerprinting which conducts good cause exception hearings for personnel who require a fingerprint clearance card.		
Funds Expended	278,500	291,600
Year-End Fund Balance	444,600	473,000
Arizona Highway Patrol Fund (PSA2032/A.R.S. § 41-1752)		Appropriated
Source of Revenue: A 0.43% premium tax paid by vehicle insurers, miscellaneous service fees, rewards, awards, insurance recoveries, and receipts from the sale or disposal of property held by the Highway Patrol.		
Purpose of Fund: To administer the provisions of law relating to the Highway Patrol and Highway Patrol Reserve.		
Funds Expended	20,483,500	19,817,600
Year-End Fund Balance	1,772,900	148,400

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
Highway User Revenue Fund (PSA3113/A.R.S. § 28-6533)		Appropriated
Source of Revenue: Revenues collected from various highway-related taxes and fees, including the motor vehicle license tax.		
Purpose of Fund: To fund a portion of Highway Patrol costs.		
Funds Expended	52,216,300	63,189,100
Year-End Fund Balance	0	0
IGA and ISA Fund (Fund (PSA2500/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received through intergovernmental and interagency agreements.		
Purpose of Fund: To execute intergovernmental and interagency service agreements.		
Funds Expended	7,865,300	9,487,400
Year-End Fund Balance	362,100	135,400
Indirect Cost Recovery Fund (PSA9000/A.R.S. § 41-1713)		Non-Appropriated
Source of Revenue: Charges made to interagency agreements and monies transferred from the department's appropriated and non-appropriated funds.		
Purpose of Fund: To pay department-wide administrative and overhead costs		
Funds Expended	837,200	1,071,000
Year-End Fund Balance	787,100	460,000
Motor Carrier Safety Revolving Fund (PSA2380/A.R.S. § 28-5203)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature and designated private grants and donations.		
Purpose of Fund: To enforce the Motor Carrier Safety provisions of the federal Motor Carrier Safety Act.		
Funds Expended	0	1,500
Year-End Fund Balance	1,500	800
Motorcycle Safety Fund (PSA9579/A.R.S. § 28-2010)		Appropriated
Source of Revenue: Receives \$1 of each motorcycle registration fee.		
Purpose of Fund: To implement and support voluntary motorcycle safety, education and awareness programs.		
Funds Expended	113,900	205,000
Year-End Fund Balance	147,000	54,000
Parity Compensation Fund (PSA2510/A.R.S. § 41-1720)		Appropriated
Source of Revenue: Receives 1.51% of the portion of vehicle license tax revenues that otherwise would be deposited in the State Highway Fund.		
Purpose of Fund: To fund salary and benefit adjustments for law enforcement personnel.		
Funds Expended	0	0
Year-End Fund Balance	0	2,768,100
Peace Officers' Training Fund (PSA2049/A.R.S. § 41-1825)		Non-Appropriated
Source of Revenue: Receives 16.64% of CJEF. CJEF is composed of a 47% penalty on fines and forfeitures imposed by the courts for criminal and civil motor vehicle statute violations.		
Purpose of Fund: For training costs, including the operation of the Arizona Law Enforcement Officers' Academy, grants to state agencies, cities and towns, and counties for training law enforcement officers and the operation of the Arizona Law Enforcement Officers' Advisory Council.		
Funds Expended	6,654,400	7,383,300
Year-End Fund Balance	1,742,600	1,157,800

SUMMARY OF FUNDS	FY 2005 Actual	FY 2006 Estimate
Records Processing Fund (PSA2278/A.R.S. § 41-1750)		Non-Appropriated
Source of Revenue: Fees charged to other agencies and local political subdivisions for costs of processing department reports and photographs of traffic accident scenes and processing criminal and non-criminal justice fingerprint cards through the federal government.		
Purpose of Fund: For fingerprint processing and department administrative costs.		
Funds Expended	6,489,400	6,334,900
Year-End Fund Balance	298,400	387,100
Risk Management Fund (PSA4216/A.R.S. § 41-1713)		Appropriated
Source of Revenue: Transfer from the ADOA Risk Management Fund.		
Purpose of Fund: For the planning costs of a tri-agency disaster recovery program for the DPS mainframe data center.		
Funds Expended	286,700	296,200
Year-End Fund Balance	9,500	0
Safety Enforcement and Transportation Infrastructure Fund (PSA2108/A.R.S. § 28-6547)		Appropriated
Source of Revenue: Fees for commercial vehicle permits collected at southern ports of entry on the border with Mexico and interest earnings. Monies in the fund are exempt from the provisions of A.R.S. § 35-190 relating to lapsing of appropriations.		
Purpose of Fund: For enforcement of vehicle safety requirements by DPS and the Department of Transportation, and for the maintenance and upgrade of transportation facilities located within 25 miles of the border with Mexico. Also provides for the maintenance and construction of transportation facilities along the route of the Canada to Mexico (CANAMEX) trucking and trade corridor, which came about as a result of the North American Free Trade Agreement (NAFTA) between Canada, the United States and Mexico.		
Funds Expended	1,226,800	1,352,100
Year-End Fund Balance	0	0
Sex Offender Monitoring Fund (PSA9572/A.R.S. § 13-3828)		Appropriated
Source of Revenue: Fees collected from individuals who must register as sex offenders.		
Purpose of Fund: To cover monitoring costs of registered sex offenders.		
Funds Expended	125,000	355,500
Year-End Fund Balance	88,600	0
State Highway Fund (PSA2030/A.R.S. § 28-6991)		Appropriated
Source of Revenue: Monies appropriated by the Legislature, a portion of the Highway User Revenue Fund, fees, penalties and revenue derived from traffic and vehicle regulation.		
Purpose of Fund: To fund a portion of Highway Patrol costs and cover expenses of state enforcement of traffic laws and state administration of traffic safety programs.		
Funds Expended	32,680,100	41,701,500
Year-End Fund Balance	0	0
State Highway Work Zone Safety Fund (PSA2480/A.R.S. § 28-710)		Non-Appropriated
Source of Revenue: A 50% allocation of the additional assessment levied for civil traffic violations committed in a highway work zone.		
Purpose of Fund: To establish and maintain a public education campaign for highway work zone safety.		
Funds Expended	0	103,700
Year-End Fund Balance	73,700	0
Statewide Donations (PSA2020/A.R.S. § 41-1713)		Non-Appropriated
Source of Revenue: Donations from outside entities.		
Purpose of Fund: To fund the operating costs of the Red Badge Program as well as the cost of publishing a children's safety calendar.		
Funds Expended	0	30,000
Year-End Fund Balance	0	0