

# State Mine Inspector

JLBC: Jay Chilton  
 OSPB: Patrick Makin

DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	17.0	17.0	17.0
Personal Services	487,500	546,100	546,100
Employee Related Expenditures	217,300	233,900	234,200
Professional and Outside Services	23,700	10,000	10,000
Travel - In State	112,300	128,000	128,000
Travel - Out of State	21,200	0	0
Other Operating Expenditures	274,500	300,700	295,100
Equipment	25,500	8,000	8,000
<b>AGENCY TOTAL</b>	<b>1,162,000</b>	<b>1,226,700</b>	<b>1,221,400</b>

<b>FUND SOURCES</b>			
General Fund	1,162,000	1,226,700	1,221,400
<b>SUBTOTAL - Appropriated Funds</b>	<b>1,162,000</b>	<b>1,226,700</b>	<b>1,221,400</b>
Federal Funds	226,800	278,700	278,700
<b>TOTAL - ALL SOURCES</b>	<b>1,388,800</b>	<b>1,505,400</b>	<b>1,500,100</b>

<b>CHANGE IN FUNDING SUMMARY</b>	<u>FY 2007 to FY 2008 JLBC</u>	
	\$ Change	% Change
General Fund	(5,300)	(0.4%)
Other Appropriated Funds	0	0.0%
Total Appropriated Funds	(5,300)	(0.4%)
Non Appropriated Funds	0	0.0%
Total - All Sources	(5,300)	(0.4%)

**AGENCY DESCRIPTION** — The State Mine Inspector is an elected constitutional officer. The office inspects the health conditions and safety of mining operations, investigates mining accidents, identifies abandoned mines, and conducts safety certification classes for mine employees.

<b>PERFORMANCE MEASURES</b>	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2008 JLBC
• % of mandated inspections completed	67.0	70.0	65.0	70.0
• Number of inspections	567.0	528.0	607.0	600.0
• Customer satisfaction rating for mines (Scale 1-8)	7.1	7.7	NA	7.5

Comments: The agency did not submit information for this measure in FY 2006 as required by the General Appropriation Act. The agency reports that the customer satisfaction survey was not conducted in FY 2006.

## CHANGES FROM FY 2007

<b>Operating Budget</b>
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The JLBC includes \$1,221,400 and 17 FTE Positions from the General Fund for the operating budget in FY 2008. These amounts would fund the following adjustments:

	<b>FY 2008</b>
<b>One-Time AZNet Appropriation</b>	<b>GF     \$(2,300)</b>
The JLBC includes a decrease of \$(2,300) from the General Fund in FY 2008 to reflect the one-time appropriation for AZNet telecommunications charges.	

**Rebase Retirement Rates                      GF                      (3,000)**

The JLBC includes a decrease of \$(3,000) from the General Fund in FY 2008 for rebasing Elected Officials' Retirement Plan retirement rates at actual FY 2007 levels. The actual rates that will be charged to the agency in FY 2007 are lower than were assumed in the FY 2007 budget; this reduction leaves sufficient funds to pay the actual rates. Increases for FY 2008 changes to rates are funded separately as a statewide item and would be distributed to agencies at a later time.

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**FORMAT** — Lump Sum by Agency

**OTHER ISSUES FOR LEGISLATIVE CONSIDERATION**

**Aggregate Mined Land Reclamation**

The State Mine Inspector is allowed to collect fees from exploration and aggregate mining operations in order to finance the costs of approving reclamation plans and financial assurance mechanisms.

Laws 2005, Chapter 322 appropriated all monies collected between January 1, 2006 and July 1, 2006 from the Aggregate Mining Reclamation Fund to the State Mine Inspector. These monies would be used to review and approve aggregate mined land reclamation plans and financial assurance mechanisms for exploration and aggregate mining operations that create a surface disturbance greater than 5 acres.

Since no monies were collected during this time period, Laws 2006, Chapter 319 extended the collection deadline for another year to July 1, 2007. The department estimates collections to be between \$760,000 and \$1,140,000. It expects to receive between 200 and 300 plans at a fee of \$3,800 per plan. The actual amount will depend upon collections generated by the State Mine Inspector.

Given the uncertainty of the revenue level, the table on the prior page does not reflect an expenditure level for this fund.

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Abandoned Mines Safety Fund (MIA2408/A.R.S. § 27-131)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Gifts, grants and contributions. The Legislature may appropriate matching monies.		
<b>Purpose of Fund:</b> To locate, inventory, classify and eliminate public safety hazards at abandoned mines.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Aggregate Mining Reclamation Fund (MIA2511/A.R.S. § 27-1233)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Fees collected from exploration and aggregate mining operations.		
<b>Purpose of Fund:</b> To review aggregate mined land reclamation plans and to enforce compliance with the plans.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	8,300	8,300
<b>Federal Grants (MIA2000/A.R.S. § 27-105)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grants from the U.S. Department of Labor, Mine Safety and Health Administration and the Department of Interior, Bureau of Land Management (BLM).		
<b>Purpose of Fund:</b> To provide mine safety training to mine employees in Arizona. All mine employees are required under federal regulations to receive initial and annual refresher safety training. The state provides a 20% in-kind match. The BLM grant is for an inventory of abandoned mines on BLM lands.		
<b>Funds Expended</b>	226,800	278,700
<b>Year-End Fund Balance</b>	41,000	38,700