

Department of Liquor Licenses and Control

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	45.2	45.2	45.2
Personal Services	1,573,300	1,522,700	1,522,700
Employee Related Expenditures	774,700	734,900	734,900
Professional and Outside Services	44,200	40,400	40,400
Travel - In State	78,800	110,400	110,400
Travel - Out of State	2,200	3,300	3,300
Other Operating Expenditures	458,600	543,600	543,600
Equipment	28,400	0	0
OPERATING SUBTOTAL	2,960,200	2,955,300	2,955,300
SPECIAL LINE ITEMS			
Licensing Replacement System	174,900	400,000	0
AGENCY TOTAL	3,135,100	3,355,300	2,955,300
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Liquor Licenses Fund	3,135,100	3,355,300	2,955,300
SUBTOTAL - Other Appropriated Funds	3,135,100	3,355,300	2,955,300
SUBTOTAL - Appropriated Funds	3,135,100	3,355,300	2,955,300
Other Non-Appropriated Funds	915,600	934,200	934,200
Federal Funds	136,800	0	0
TOTAL - ALL SOURCES	4,187,500	4,289,500	3,889,500

AGENCY DESCRIPTION — The department licenses, investigates and regulates the production, distribution, and sale of alcoholic beverages throughout the state.

Operating Budget

The Baseline includes \$2,955,300 and 45.2 FTE Positions from the Liquor Licenses Fund in FY 2017 for the operating budget. These amounts are unchanged from FY 2016.

Licensing Replacement System

The Baseline includes no funding in FY 2017 for a licensing and imaging system. FY 2017 adjustments would be as follows:

Remove One-Time Funding OF FY 2017 \$(400,000)

The Baseline includes a decrease of \$(400,000) from the Liquor Licenses Fund in FY 2017 to remove one-time funding for the replacement of the licensing and imaging system. The new system integrates both licensing and imaging; enhances tracking, reporting and enforcement mechanisms; and allows the department to accept online license renewals and fee payments.

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FORMAT — Lump Sum by Agency

STATUTORY CHANGES

The Baseline would, as session law, continue to extend spending authority from the Liquor Licenses Fund for a licensing and imaging system through FY 2017.

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
Anti-Racketeering Revolving Fund (LLA2131/A.R.S. § 13-2314.01)		Non-Appropriated
Source of Revenue: Forfeitures of property and assets to satisfy judgments pursuant to state anti-racketeering statutes.		
Purpose of Fund: To investigate and prosecute any offense defined as racketeering pursuant to Arizona statutes.		
Funds Expended	14,800	0
Year-End Fund Balance	0	0
Audit Surcharge Fund (LLA3010/A.R.S. § 4-209)		Non-Appropriated
Source of Revenue: A \$30 surcharge on liquor licenses for bars, retail stores, and restaurants.		
Purpose of Fund: To fund an auditor and support staff positions to review revenue requirements for restaurant liquor licenses.		
Funds Expended	139,200	171,000
Year-End Fund Balance	71,800	69,700
DPS-FBI Fingerprint Fund (LLA2159/A.R.S. § 4-112)		Non-Appropriated
Source of Revenue: Fingerprint fees collected as part of the application process.		
Purpose of Fund: Fingerprint fees are transferred to the Department of Public Safety.		
Funds Expended	0	0
Year-End Fund Balance	6,700	0
Enforcement Surcharge - Enforcement Unit Fund (LLA3012/A.R.S. § 4-209)		Non-Appropriated
Source of Revenue: A \$20 surcharge on hotel and restaurant liquor licenses and \$35 on all other licenses.		
Purpose of Fund: For the costs of a neighborhood association interaction and liquor enforcement management unit. The unit works with neighborhood associations regarding liquor violations.		
Funds Expended	352,900	354,100
Year-End Fund Balance	105,400	117,400
Enforcement Surcharge - Multiple Complaints Fund (LLA3011/A.R.S. § 4-209)		Non-Appropriated
Source of Revenue: A \$35 surcharge on liquor license renewals.		
Purpose of Fund: To investigate licensees which have been the subject of multiple complaints from neighborhood associations, civic groups, and local governments.		
Funds Expended	408,700	409,100
Year-End Fund Balance	187,100	193,000
Federal Grants (LLA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal revenues received through the Governor's Office of Highway Safety.		
Purpose of Fund: To pay overtime expenses for special investigators investigating licensees reportedly serving alcohol to juveniles.		
Funds Expended	136,800	0
Year-End Fund Balance	0	0
Liquor Licenses Fund (LLA1996/A.R.S. § 4-120)		Appropriated
Source of Revenue: A portion of the state's liquor license fee revenues, not to exceed the appropriation of the Legislature.		
Purpose of Fund: To pay operating expenses for the Department of Liquor Licenses and Control. Any balance over \$700,000 shall revert to the General Fund at the end of each year.		
Funds Expended	3,135,100	3,355,300
Year-End Fund Balance	454,100	348,200