STATE OF ARIZONA

ANNUAL BUDGET
FISCAL YEAR 1985
SUMMARY

Analysis and Recommendations
of the Staff of the
Joint Legislative Budget Committee

Darrell R. Obihauser, Staff Director and
Legislative Budget Analyst

Donald D. Sockrider, Assistant Staff Director
INDEX

Introduction and Budget Methodology .......................................................... 1
General Fund Budget Increase for FY 85 ......................................................... 3
   Summary Analysis of Increase from FY 84 .................................................. 4
Summary of Legislative Budget Staff Recommendation - Issue Identification .... 5
Projected Status of the General Fund ............................................................. 12
   Statement of Projected Revenues & Expenditures ....................................... 13
   Statement of Projected Ending Balance & Resource Requirements ............... 15
Economic Forecast ......................................................................................... 17
Graphic Illustrations ...................................................................................... 23
Comparative Statement of FY 84 Appropriations and FY 85 Recommendations .... 29
Budget Summaries by Department - Incremental and Decremental Alternatives .... 30
INTRODUCTION

This report summarizes the recommendations of the Legislative Budget Analyst for state general fund expenditures for fiscal year 1985. The recommendations are based upon analyses by the Legislative Budget Staff of agency budget requests and the Executive Recommendations. The staff recommendations provide what is believed to be a realistic level of funding for current operations and provide for increases to statutory, mandated and formula-driven programs. Also included is our estimate of general fund revenue based upon current economic projections for Arizona and the nation as a whole.

This report is an overview of the state budget and is intended to provide: (a) a general understanding of the significant issues included within the total expenditure recommendations, and those which are not proposed for funding; (b) a general analysis of the progression from the current appropriated level to the recommended expenditure level; and (c) an opportunity to assess generally, the potential reductions to agency budgets (decremental packages).

The appendix of this report contains a budget summary for each agency which provides an intermediate level of detail on increase and decrease recommendations to each agency's current budget level. Also included for each are incremental and decremental issues for consideration. The detailed analysis of recommendations is provided under separate cover.

BUDGET METHODOLOGY

In anticipation of significant funding difficulties for the upcoming fiscal year, the Chairmen of the Senate and House Appropriations committees issued a joint memorandum to all agencies and institutions on June 9, 1983 asking for "expanded budget information". On July 11, detailed information was provided to agencies by the staff of the Joint Legislative Budget Committee relative to the information requirements determined by the Chairmen.
The requested information was intended to provide agencies with a better opportunity to identify, explain and justify program activities; and to provide the legislature a better opportunity to assess significant issues and to understand the impact of not funding the agencies' budgets at the requested or recommended levels.

The expanded information request was an "extension" of the budget information which was to be submitted on Executive Budget Office Forms and coincided with the data required by them. The information was to provide statements of the impact on various agency activities of funding alternatives which would not provide the current level of budget. These "funding alternatives" are also referred to as "decremental decision packages".

Agencies were asked to identify impacts of funding decrements on up to fifteen percent of their current appropriations. Obviously, the goal was not to attempt reductions of that magnitude, but to better explain the impact of potential reductions during the Legislative appropriations process, where such reduction proposals surface.

Many agencies cooperated fully in development of the expanded budget information. However, the Executive determined that agencies under the direct control of the Governor were not to provide the requested information. Therefore, the Legislative Budget Staff developed decremental packages for those agencies and subsequently requested that statements of impact be provided relative to the packages.

A cooperative process of issue identification and impact analysis between Executive Branch agencies and the Legislature will be difficult to attain. Many valid concerns exist, ranging from the fear of "misuse" of such information to the philosophical debates about Executive prerogatives versus Legislative responsibilities.

Because of these concerns and the varying reactions to the expanded information request, the degree of validity in the development of decremental funding alternatives varies from agency to agency. However, displayed on the individual agency budget summaries in the appendix of this report are some of the more salient (albeit controversial) considerations. Additional decremental information will be available for discussion during appropriations sub-committee hearings.

THE GENERAL FUND BUDGET FOR FISCAL YEAR 1985

The Legislative Budget Staff are presenting recommendations which provide for agency appropriations of $1.927 billion for fiscal year 1985 (FY 85) plus additional estimated expenditures (administrative adjustments, emergencies, etc.) and appropriations previously made (flood projects, flood relief) amounting to $24 million, for total estimated expenditures of $1.951 billion.
Schedule 1 (page 4), provides a summary analysis of the increases to the current appropriated level of spending. The estimated expenditure level for FY 84 as originally appropriated was $1,787.3 million. Recommended increases include:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (Millions)</th>
<th>Increase as Percent of FY 84 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annualization of Expenditures for Operations funded for less than a full year in FY 84 (including Corrections)</td>
<td>$ 41.6</td>
<td>2.3%</td>
</tr>
<tr>
<td>Increases related to Statutory/Mandated Programs</td>
<td>87.5</td>
<td>4.9%</td>
</tr>
<tr>
<td>Increases associated with programs where limited flexibility exists for containment of funding increases</td>
<td>7.1</td>
<td>0.4%</td>
</tr>
<tr>
<td>All Other (Net) Increases recommended</td>
<td>27.5</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**TOTAL RECOMMENDED INCREASE**

- **$ 163.7**
- **9.1%**

The appendix of this report provides a detailed list of the recommended increases and decreases to each agency's current appropriation level. Also included for each are funding alternatives (incremental and decremental) for consideration.
Summary Analysis of Increases to the FY 84 General Fund Budget Base

FY 85 Legislative Budget Staff Recommendations

Original Appropriations for FY 84

Add: Original Estimate of Administrative Adjustments, Emergencies, and Transfers to the Highway User Revenue Fund

Sub-Total FY 84 Base Estimate of Expenditures

Add: Annualization of Costs for Operations funded for less than a full year in FY 84:

January 1, 1984 salary adjustment and associated employee related expenses. .......................................................... $15.0
Other increases in base employee related expenses associated with increased FICA taxes and changes in benefit selections. .... 3.3
Corrections Program Changes pursuant to original Appropriations Act and actions of the Special Session on October 3, 1984 ... 17.5
Assumed Approval of Department of Revenue supplemental in FY 84 for accelerated enforcement - annualized cost for FY 85 . 3.2
Other annualization ...................................................................................................................................................... 2.6

Total Increase for Annualized Expenditures

Sub-Total FY 84 Base plus Annualized Expenditures

Add: Increases related to Statutory/Mandated Programs:

Assistance to Schools - Department of Education, increase over original appropriated level for FY 84. ........................................ $25.0
Deferral of State Aid payment from FY 84. .......................................................................................................................... 20.1
Aid to Community Colleges (operating budget only) ........................................................................................................ 3.1
Arizona Health Care Cost Containment System - AHCCCS. ............................................................................................... 8.9
Teachers Retirement ...................................................................................................................................................... 7.3
Flood Control Projects authorized by prior session for FY 85. ......................................................................................... 7.7
Flood Relief Matching Funds authorized by Special Session for FY 85 . ........................................................................... 6.0
Southern Arizona Water Rights Settlement Act of 1982 - (Total principal and interest) ................................................... 3.0
General Fund Increase to Department of Public Safety associated with the statutory decrease in transfer of funds from HURF. ... 5.0
Other (includes Justice of the Peace salaries, elected official salary adjustments, Superior Courts judgeships, election
expenses, etc.) ......................................................................................................................................................... 1.4

Total Increases for Statutory/Mandated Programs

Sub-Total FY 84 Budget Base plus Annualized Expenditures and Statutory/Mandated Increases

Add: Other Increase associated with Programs for which there is "Limited Flexibility" for containment of funding increases:

Department of Economic Security - Recipient Population Growth for Assistance and Provider Care; Aging, Family and Child Services (AFDC, General Assistance, etc.), Developmental Disabilities. ................................................................. $6.1
Department of Health Services - State Hospital Patient Increase ...................................................................................... 1.0

Sub-Total Limited Flexibility Items

All Other Increases (Net) for inflationary adjustments, workload increases and Program Changes*

Total Legislative Staff Budget Recommendation

* This net figure includes increases for inflation, employee compensation, program changes and LB & I offset by decreases to the budget base representing program change reductions and adjustments for "one-time" expenditure items in the FY 84 budget.
THE GENERAL FUND BUDGET FOR FISCAL YEAR 1985
(Continued)

Summary of Major Program Recommendations - General Fund

The Legislative Budget Staff recommendations for all departments reflect that the existing level of "operating expenditures" were held to an overall increase of 5.1%, with funding of current service levels increasing by 3.0% and program changes adding 2.1%.

The 3.0% increase for current service level funding is almost entirely attributable to the annualized cost of the January 1, 1984 salary adjustment and associated increases in employee related expenditures. Only 0.7% is attributed to other operating expenditures and is allocated mostly for increased utility, communications, and operating supply costs.

The 2.1% increase for program changes is attributed to the Department of Corrections (1.0%), Department of Revenue, and a variety of other agencies which are experiencing workload increases.

Increases in what is commonly referred to as "below-the-line" items (special line items) are attributed mostly to aid to education, teachers retirement, Department of Economic Security human service subventions, and the Arizona Health Care Cost Containment System (AHCCCS). The graphic illustrations which follow the economic forecast section further define the makeup of the budget and where it is increasing.

The following represents some of the more significant issues which are recommended for increased or reduced funding in the Legislative Budget Staff recommendations. A more complete listing of all such increments and decrements appears in the appendix.

SUMMARY OF CHANGES RECOMMENDED BY THE LEGISLATIVE BUDGET STAFF

GENERAL GOVERNMENT

- Teachers Retirement ( Appropriated Under Department of Administration)
  Recommended: Increase in current funding level $7,290,700
  Not Recommended: Projected shortfall for current year (the staff recommendation continues the past practice of paying shortfall from the subsequent year's appropriations) 4,233,500

-Judiciary
  Recommended: 8 new Superior Court Judges (based upon statute) 202,600
  9 additional FTE's due to Workload Changes (Supreme Court - 3 FTE's, Foster Care Review Board - 2 FTE's, Courts of Appeal - 4 FTE's) 262,200
  Not Recommended: Request for additional funding for Judicial Education Program $30,000
  Increased Judicial Assistance 33,000
  Additional staff (10 FTE's) Foster Care and Courts of Appeal 282,800
  Statistical Audit/Management Unit (6 FTE's) 238,900
SUMMARY OF CHANGES RECOMMENDED BY THE LEGISLATIVE BUDGET STAFF
(Continued)

GENERAL GOVERNMENT (Continued)

<table>
<thead>
<tr>
<th>Office of the Governor</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Recommended: Requested increase to pick up 2 Federally funded positions with general funds and 1 additional typist</td>
<td>$88,900</td>
</tr>
<tr>
<td>Additional funding for WESTPO and National Governor Conference</td>
<td>43,700</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Office of Economic Planning and Development</th>
<th>(129,500)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended: A reduction of 2 FTE's and non-funding of 2 FTE's (4 FTE's Total)</td>
<td>(87,100)</td>
</tr>
<tr>
<td>Elimination of Fuel and Energy Division (2 FTE's)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Office of Tourism</th>
<th>100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Recommended: Increased funding for Economic Development Promotion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Office of Tourism</th>
<th>300,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Recommended: Increased funding for Media Advertising</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Auditor General</th>
<th>3,442,800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Recommended: Requested increase of 112.0 FTE's</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department of Revenue</th>
<th>3,227,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended: Continuation of Revenue Acceleration Program to be requested as supplemental for FY 84 (124 FTE's)</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Secretary of State</th>
<th>675,300</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended: Increase related to Mandated Election Expenses</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>State Treasurer</th>
<th>388,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended: Increase related to Mandated State contribution for Justice of the Peace Salaries</td>
<td></td>
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</tbody>
</table>

HEALTH AND WELFARE

<table>
<thead>
<tr>
<th>Department of Economic Security</th>
<th>6,115,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended: Increase in assistance and provider care due to recipient population growth (AFDC, General Assistance, Developmental Disabilities, etc.)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department of Economic Security</th>
<th>2,137,300</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflationary Increase on assistance and provider care programs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department of Economic Security</th>
<th>504,900</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuation of Data Automation Project</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department of Economic Security</th>
<th>277,200</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Staff for Child Protective Services (12 FTE's)</td>
<td></td>
</tr>
</tbody>
</table>
### HEALTH AND WELFARE (Continued)

<table>
<thead>
<tr>
<th>Not Recommended:</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding for higher rate of estimated recipient population growth for assistance and provider care programs</td>
<td>$1,103,300</td>
</tr>
<tr>
<td>Funding of salary parity for provider employees</td>
<td>769,600</td>
</tr>
<tr>
<td>Requested Increase in funding for Day Care (inflation and caseload)</td>
<td>1,110,300</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recommended:</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding for increased patient load at State Hospital (50 FTE's)</td>
<td>1,014,200</td>
</tr>
<tr>
<td>Increase for AHCCCS</td>
<td>8,908,900</td>
</tr>
<tr>
<td>A reduction of 4 FTE's, and non-funding of 43.5 FTE's</td>
<td>(1,213,400)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Not Recommended:</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested funding for additional State Hospital patient load, beyond that included in the staff recommendation (150 FTE's)</td>
<td>2,985,800</td>
</tr>
<tr>
<td>Increased State funding for Alcohol, Drug and Mental Health Subventions</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Requested funding for Perinatal Health Care Program approved in 1983, but previously unfunded</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Inflation Increase for Behavioral and Family Health Subventions</td>
<td>1,259,700</td>
</tr>
</tbody>
</table>

### EDUCATION

<table>
<thead>
<tr>
<th>Recommended:</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defer FY 85 funding for Math and Science Education Enhancement Program</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Eliminate funding of subsidies for 46 new WICHE Students as recommended by Executive</td>
<td>(525,200)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recommended:</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction of faculty pursuant to 22:1 formula (50 FTE's)</td>
<td>(1,509,800)</td>
</tr>
<tr>
<td>Interactive Computing Access Sites (11 FTE's)</td>
<td>714,700</td>
</tr>
<tr>
<td>Increased Registration fees and tuition as recommended by Executive</td>
<td>422,300</td>
</tr>
<tr>
<td>Inflation/Analysis Increases</td>
<td>1,493,600</td>
</tr>
<tr>
<td>Various Program Change requests</td>
<td>6,822,500</td>
</tr>
</tbody>
</table>
SUMMARY OF CHANGES RECOMMENDED BY THE LEGISLATIVE BUDGET STAFF

(Continued)

EDUCATION (Continued)

-University of Arizona - Hospital

Recommended: The request was reduced by amounts requested for merit and market adjustments. The Hospital will be submitting a revised budget in February. The new prospective payment system to be used by the Federal Medicare program may have a significant impact in the University Hospital. The JLBC staff will be releasing a special report relative to University Hospital budget issues.  

$ (2,238,000)

-Arizona State University

Recommended: Continuation of Engineering Excellence Phase IV (approved in FY 84, at $2,113,300, with a net reduction in FY 85 for "one-time" expenditures)  
Increase in faculty pursuant to 22:1 formula (71 FTE's)
Funded Utilities Shortfall
Increased Registration fees, tuition, and other receipts as recommended by Executive
Inflation/Analysis increases  

(388,900)
2,392,800
1,065,100
4,483,500
1,723,200

Not Recommended: Various Program Changes (including Engineering Excellence - Phase V, $3,759,300)  

6,846,500

-Northern Arizona University

Recommended: Reduction in faculty pursuant to 22:1 formula (18.5 FTE's)
Telecommunications System Upgrade
Inflation/Analysis Adjustments
Increased registration fees, tuitions, and other receipts as recommended by Executive
Reduction in Bond Set Aside  

(568,800)
650,000
650,500
1,233,300
(200,000)

Not Recommended: Various Program Changes  

2,025,000

-Community Colleges

Recommended: Increase in State Aid pursuant to formula  

3,107,700

Not Recommended: State Aid Capital Outlay Increase (recommendation provides continuation of FY 84 $5,000,000 appropriation which is less than the formula for FY 84 and FY 85)  

3,550,700

-Department of Education

Recommended: Increase in Assistance to Schools-formula programs
Deferred payments carried over from FY 84 pursuant to legislation passed in the Special Session
Elimination of funding for Jobs for Arizona Graduates program (1 FTE)  

25,054,400
20,077,000
(572,200)

Not Recommended: Funding for school improvements program (3 FTE's)  

528,200
EDUCATION (Continued)

- Arizona School for the Deaf and Blind
  Recommended: Program Improvements - Phoenix Day School (2 FTE's) $66,500
  Not Recommended: Various program expansions (28.5 FTE's) 711,000

PROTECTION AND SAFETY

- Department of Corrections - Funding for the DOC included in the staff recommendation "fits" with, but does not duplicate program funding passed by the Special Session in January 1985, to be funded with dedicated revenue. Additional actions of the Special Session which provided $8.8 million (from savings due to reduced retirement contributions) for various corrections programs (probation services, child abuse, etc.) are not included specifically in the staff recommendation due to the late date of the action. However, the overall recommended budget will provide for these programs, since the Employee Related Expense line will be reduced by an amount commensurate with the appropriations, due to the reduced employee retirement contribution rate.

  Recommended: Annualization of Costs for operations approved in Original FY 84 appropriation and the October 3, 1983 actions of the Special Session; and program changes for additional facilities approved on October 3 17,489,800
  Additional staffing to accommodate inmate population growth (115 FTE's) 2,408,100
  Support Staff for Offender Information (10 FTE) 167,400
  ARCOR - Shift of funds for operating expenses to ARCOR Revolving Fund from General Fund (412,600)

  Not Recommended: Management Information system-3 FTE's (Staff may amend recommendation based upon recent actions of the Special Session) 1,069,200
  Additional Staffing requests for inmate population growth (118 FTE's) 4,862,600
  Lease Purchase of Facilities - recommended by Executive 5,172,000

- Emergency Services and Military Affairs
  Not Recommended: Funding request for 8 FTE's associated with reorganization of the Adjutant General and Fire Marshal responsibilities 244,000
PROTECTION AND SAFETY (Continued)

-Department of Public Safety
  Recommended: Increase in general fund associated with statutory reduction of funds transfer from Highway User Revenue Fund (HURF) $ 5,000,000
  Radio system modernization for Criminal Investigation Bureau (first of three installments) 1,165,000
  Funding of line costs for Criminal Justice System from the General Fund instead of the Criminal Justice Enhancement Fund 223,300

  Not Recommended: Additional Highway Patrol Officers requested (20 FTE's) 805,000
  Various Equipment requests 1,335,900

NATURAL RESOURCES

-Solar Energy
  Recommended: Reduction in Solar Energy Projects and 1 FTE (107,000)

-Water Resources
  Recommended: Ground water code compliance (13.75 FTE) 442,000
  Reduction in contribution for Federal Flood Control Assistance (734,100)

LAND, BUILDINGS AND IMPROVEMENTS

  Recommended: Included in the staff recommendation are funds for the general maintenance and repair of facilities. Also included is a recommendation to purchase a DPS leased facility for $1,817,800. 4,561,000

EMPLOYEE COMPENSATION

  Recommended: The Executive included a compensation package of $50 million, for a performance-based pay concept and market adjustments to pay ranges. The Legislative Staff recommendation includes $38.5 million to provide for minimum compensation needs. We will issue a subsequent report on compensation alternatives for legislative consideration. 38,500,000
DECREMENTAL ISSUES

As discussed previously, attempts were made to identify the program impacts of not funding the agency request, in order to provide the Legislature a better opportunity to assess the consequences of budget reductions should such proposals surface during budget deliberations. Various "Decremental Issues" are presented on the budget summaries in the appendix of this report. Additional decrements and more detailed information will be available from the legislative budget analysts assigned to each agency.

Decremental Issues range from reductions of relatively small amounts to significant single issues, many requiring statutory changes. The most significant decrements (in terms of dollar amount) identified include:

Amending statutes to provide that Basic Aid to School Districts be determined on actual student count rather than the "artificially" high counts provided for by A.R.S. 15-942
(General Fund Savings - up to).................................................. $7,300,000

Provide for current level of Department of Public Safety funding from the Highway User Revenue Fund, instead of the scheduled statutory reduction
(General Fund Savings).............................................................. $5,000,000

Provide for lower growth rates in aid programs for School Districts and Community Colleges which are based upon growth in the GNP deflator
(General Fund Savings dependent upon amendment provisions)........... ?

Provide for no growth, full return, or partial return of Teachers Retirement Cost to local political subdivisions
(General Fund Savings dependent upon amendment provisions)............... ?

Approximately $39 million in specific reductions were made to the existing appropriations level for base adjustments, one-time expenditures, and other net analytical deductions, before adding funds for annualization of program costs (such as the January 1, 1984 salary adjustment), various program change requests, and inflationary increases. Approximately $51 million in decremental issues are listed on the budget summaries (found in the appendix), which would be deducted from the Legislative Staff Recommendations if adopted. Additional decremental information is available from the staff analysts. Overall, the staff recommendation is $311 million less that the total agency requests.
CONCLUSION - GENERAL FUND EXPENDITURE RECOMMENDATIONS

The Legislative budget staff recommendations provide for additional funding in major program areas where workload and client/recipient increases were significant. We believe that the recommendations, while providing for continued frugality in agency operating expenditures, address adequately the programmatic needs of the state given the existing fiscal constraints.

PROJECTED STATUS OF THE GENERAL FUND FOR FISCAL YEAR 1985

The current legislative revenue forecast for FY 85 indicates that sufficient resources are not available, under existing tax laws, to fund the recommended budget. Schedule 2, "Statement of Projected Revenue and Expenditures", includes a Legislative Staff revenue estimate of $1,834,470,300, before an addition of $42,500,000 for "assumed" approval of a Department of Revenue appropriation in FY 84 which would provide for additional enforcement and collection activities.

The following summarizes the results of the recommendations of both the Executive and the Legislative Staff, and the net difference (in millions of dollars):

<table>
<thead>
<tr>
<th></th>
<th>Executive Estimate</th>
<th>Legislative Staff Estimate</th>
<th>Legislative Staff Over/(Under)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Revenue</td>
<td>$1,819.1</td>
<td>$1,834.5</td>
<td>$15.4</td>
</tr>
<tr>
<td>Accelerated Enforcement Collections (assuming approval of DOR Budget)</td>
<td>40.0</td>
<td>42.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Total Resources - Existing Tax Law</td>
<td>$1,859.1</td>
<td>$1,877.0</td>
<td>$17.9</td>
</tr>
<tr>
<td>Recommended Appropriations</td>
<td>(2,008.8)</td>
<td>(1,926.8)</td>
<td>(82.0)</td>
</tr>
<tr>
<td>Actual/Projected Additional Appropriations for FY 85</td>
<td>(26.3)</td>
<td>(17.0)</td>
<td>(9.3)</td>
</tr>
<tr>
<td>Other Estimated Expenditures and Transfers</td>
<td>(10.0)</td>
<td>(7.2)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Total Projected Expenditures</td>
<td>(2,045.1)</td>
<td>(1,951.0)</td>
<td>(94.1)</td>
</tr>
<tr>
<td>PROJECTED ENDING BALANCE (DEFICIT) - EXISTING TAX LAW</td>
<td>$ (186.0)</td>
<td>$ (74.0)</td>
<td>$(112.0)</td>
</tr>
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### STATE OF ARIZONA

#### GENERAL FUND

#### STATEMENT OF PROJECTED REVENUES AND EXPENDITURES

<table>
<thead>
<tr>
<th></th>
<th>FY 1983 Actual</th>
<th>FY 1984 Executive Estimate</th>
<th>FY 1985 Executive Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td></td>
<td>132,000</td>
<td>132,000</td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>$8,787,400</td>
<td>$847,400,000</td>
<td>$836,000,000</td>
</tr>
<tr>
<td>Sales and Use</td>
<td>$616,323,700</td>
<td>598,700,000</td>
<td>591,145,600</td>
</tr>
<tr>
<td>Income</td>
<td>$77,586,800</td>
<td>$83,400,000</td>
<td>$83,217,900</td>
</tr>
<tr>
<td>Property</td>
<td>$59,188,500</td>
<td>$66,200,000</td>
<td>$66,200,000</td>
</tr>
<tr>
<td>Luxury</td>
<td>$33,605,000</td>
<td>$39,000,000</td>
<td>$39,000,000</td>
</tr>
<tr>
<td>Insurance Premium</td>
<td>$22,080,000</td>
<td>$36,800,000</td>
<td>$41,800,000</td>
</tr>
<tr>
<td>Motor Vehicle License</td>
<td>$7,147,000</td>
<td>$8,200,000</td>
<td>$8,500,000</td>
</tr>
<tr>
<td>Pari Mutuel</td>
<td>$12,236,300</td>
<td>$12,000,000</td>
<td>$12,500,000</td>
</tr>
<tr>
<td>Estate</td>
<td>$3,602,200</td>
<td>$4,000,000</td>
<td>$3,292,900</td>
</tr>
<tr>
<td><strong>Sub-Total Taxes</strong></td>
<td>$1,434,774,600</td>
<td>$1,690,600,000</td>
<td>$1,662,163,400</td>
</tr>
<tr>
<td><strong>Other Revenues and Transfers</strong></td>
<td></td>
<td>132,000</td>
<td>132,000</td>
</tr>
<tr>
<td>Lottery</td>
<td>$11,300,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Licenses, Fees and Permits</td>
<td>$15,738,600</td>
<td>18,678,100</td>
<td>18,718,700</td>
</tr>
<tr>
<td>Interest</td>
<td>$24,221,900</td>
<td>16,845,000</td>
<td>19,675,500</td>
</tr>
<tr>
<td>Sales and Services</td>
<td>$7,002,800</td>
<td>8,336,000</td>
<td>6,936,200</td>
</tr>
<tr>
<td>Transfers, Reimbursements and Reversions</td>
<td>$7,368,400</td>
<td>6,440,900</td>
<td>11,227,300</td>
</tr>
<tr>
<td>Transfer to General Fund from Tax Protest Fund</td>
<td>$104,575,700</td>
<td>25,000,000</td>
<td>30,000,000</td>
</tr>
<tr>
<td><strong>Sub-Total Other Revenue and Transfers</strong></td>
<td>$170,287,400</td>
<td>$91,220,000</td>
<td>$102,377,400</td>
</tr>
<tr>
<td>Total Resources Before Additional Legislative Action</td>
<td>$1,613,849,400</td>
<td>$1,781,952,000</td>
<td>$1,784,672,800</td>
</tr>
<tr>
<td>Accelerated Enforcement Collections - Department of Revenue</td>
<td>-0-</td>
<td>23,000,000</td>
<td>23,800,000</td>
</tr>
<tr>
<td>Total Resources After Additional Legislative Action</td>
<td>$1,613,849,400</td>
<td>$1,804,952,000</td>
<td>$1,808,472,800</td>
</tr>
<tr>
<td>Appropriations and Estimated Expenditures</td>
<td>$1,606,245,000</td>
<td>$1,782,483,000</td>
<td>$1,782,483,000</td>
</tr>
<tr>
<td>Estimated Supplemental Appropriations</td>
<td>-0-</td>
<td>7,700,000</td>
<td>6,829,000</td>
</tr>
<tr>
<td>Administrative Adjustments and Emergencies</td>
<td>$2,882,400</td>
<td>$1,900,000</td>
<td>$5,876,200</td>
</tr>
<tr>
<td>Highway User Revenue Fund Transfer</td>
<td>4,590,000</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Special Session Appropriations:</td>
<td>Correction</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Flood Relief Matching Funds*</td>
<td>-0-</td>
<td>15,820,000</td>
<td>15,819,700</td>
</tr>
<tr>
<td>Department of Public Safety</td>
<td>-0-</td>
<td>13,282,500</td>
<td>13,282,500</td>
</tr>
<tr>
<td>Deferral of School Aid Payment</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Flood Control Projects - Approved By Prior Session</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Other - Southern Arizona Water Settlement Act - Water Claims Adjudication</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>Sub-Total Appropriations &amp; Estimate Expenditures</strong></td>
<td>$1,613,717,400</td>
<td>$1,802,785,500</td>
<td>$1,805,945,300</td>
</tr>
<tr>
<td>Ending Balance - Existing Tax Law**</td>
<td>$132,000</td>
<td>$2,166,500</td>
<td>$2,527,500</td>
</tr>
</tbody>
</table>

*The Executive estimate for FY 85 includes an additional $10.3 million for Flood Relief Matching Funds beyond what appropriated by the Special Session.

**The Executive includes a recommendation for extending the Temporary Sales Taxes to cover the recommended appropriations (See Schedule 3, page 15).
PROJECTED STATUS OF THE GENERAL FUND FOR FISCAL YEAR 1985

(Continued)

The Legislative Staff estimate of expenditures (other than recommended appropriations) as itemized on Schedule 2, differs from the Executive estimate in that:

(a) The Legislative Staff does not project $5 million in supplementals for FY 85, the philosophy being that agencies are expected to operate within appropriated funds.

(b) The Staff estimate for administrative adjustments and emergencies is $500,000 less than the Executive. Emergencies are estimated at $2.5 million, and we anticipate $2.0 million in administrative adjustments.

(c) The Staff estimate of $2,661,200 for transfer to the Highway User Revenue Fund (HURF) is based upon a statutory formula which (generally) provides for a transfer of auto related taxes when the growth in collections exceeds 7% over the previous two years. The Executive does not include this item.

(d) The Staff figure for Flood Relief Matching includes only those funds appropriated in the Special Session. The Executive estimates that an additional $10.3 million will be appropriated. (Schedule 3, "STATEMENT OF PROJECTED ENDING BALANCE AND RESOURCE REQUIREMENTS" on page 15, adds this amount to the Staff estimate of "potential" expenditures, in order to provide a complete comparison of all items with the Executive proposals.)

(e) The Staff estimate includes $3.0 million for payment of total principal ($2.75 million) and estimated accumulated interest to May 1, 1984 (0.25 million) in satisfaction of the Southern Arizona Water Rights Settlement Act of 1982. The Executive did not provide specific information on the recommendation. However, it is estimated that the $2.0 million recommended may leave a balance of approximately $1.0 million in principle at an estimated interest rate of 11.75% compounded quarterly.

(f) The Staff and Executive estimate of $300,000 for Water Claims Adjudication will allow the Department of Water Resources to provide reports to the Superior Courts on petitions filed for determination of water rights.

Schedule 3, "STATEMENT OF PROJECTED ENDING BALANCE AND RESOURCE REQUIREMENTS" (page 15) provides a summary comparison of Legislative Staff and Executive recommendations and the resource requirements of each.

The Executive proposal includes a recommendation that the temporary sales taxes be extended, and estimates that an additional $240 million would be available. The Executive further proposes that $25 million of the revenue be dedicated to counties, with a net of $215 million to the General Fund. This proposal would cover the projected deficit of $186 million associated with the Executive budget level, and would provide for an ending balance of $29 million.
## STATE OF ARIZONA
### GENERAL FUND
#### STATEMENT OF PROJECTED ENDING BALANCE AND RESOURCE REQUIREMENTS
(In Millions of Dollars)

<table>
<thead>
<tr>
<th></th>
<th>FY 85 Executive Estimate</th>
<th>FY 85 Legislative Staff Estimate</th>
<th>Legislative Staff Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Revenue - Existing Tax Law (Assumes expiration of Temporary Sales Taxes)</td>
<td>$1,859.1</td>
<td>$1,877.0</td>
<td>+ $17.9</td>
</tr>
<tr>
<td>Estimated Expenditures</td>
<td>(2,045.1)</td>
<td>(1,951.0)</td>
<td>- 94.1</td>
</tr>
<tr>
<td>PROJECTED REVENUE SHORTFALL</td>
<td></td>
<td>$ (186.0)</td>
<td>- $112.0</td>
</tr>
<tr>
<td>Executive Estimate of Potential Appropriation for additional flood relief, not included in Legislative Staff Expenditure Estimate</td>
<td>*</td>
<td>(10.3)</td>
<td>+ 10.3</td>
</tr>
<tr>
<td>Sub-Total, Potential Shortfall</td>
<td></td>
<td>$ (186.0)</td>
<td>- $101.7</td>
</tr>
<tr>
<td>Additional Revenue Needs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Meet Expenditure Recommendations/Estimates</td>
<td>$186.0</td>
<td>84.3</td>
<td></td>
</tr>
<tr>
<td>To Provide for Positive Ending Balance and Potential Revenue Variations</td>
<td>29.0</td>
<td>40.0</td>
<td></td>
</tr>
<tr>
<td>TOTAL ADDITIONAL RESOURCE REQUIREMENTS</td>
<td>215.0**</td>
<td>124.3**</td>
<td>- 90.7</td>
</tr>
<tr>
<td>ENDING BALANCE AND RESERVE FOR REVENUE VARIATIONS</td>
<td>$29.0</td>
<td>$40.0</td>
<td>+ 11.0</td>
</tr>
<tr>
<td>Ending Balance expressed as a Percentage of Total Estimated Expenditures</td>
<td>1.4%</td>
<td>2.0%</td>
<td></td>
</tr>
</tbody>
</table>

* The additional flood relief is included in the Executive Estimated Expenditures of $2,045.1 million.
** The Executive recommendation included an extension of the Temporary Sales Taxes ($240 million), with a portion to be dedicated to counties ($25 million) for a net increase to the General Fund of $215 million. The Legislative Staff recommends that $124.3 million be generated from sources to be determined by the Legislature. For reference purposes, this $124.3 million could be generated by one-half of the Executive sales tax proposal, based upon JLBC Staff estimates, assuming no distribution to counties. JLBC Staff estimate that the extension proposed by the Executive would gross approximately $240 million.
The Legislative Staff analysis indicates an additional resource recommendation of $124 million to cover the $84 million dollar deficit associated with the Staff recommendation, and to provide for an ending balance of $40 million. The Staff recommends that the $124 million resource requirement be generated from sources to be determined by the Legislature. For reference purposes, this $124 million would be generated by one-half of the Executive sales tax proposal, based upon JLBC Staff estimates, assuming no distribution to counties. JLBC Staff estimate that the extension proposed by the Executive would gross approximately $248 million.

CONCLUSION

It is hoped that this summary report will provide the Legislature with a better opportunity to assess individual budget issues within the macro-environment of the State budget. The staff of the Joint Legislative Budget Committee has a significant amount of data that will assist in addressing specific questions on budgetary items.

The following section of this report provides the general economic assumptions used for the revenue forecast, and some details of the economic data used on our econometric model at the University of Arizona. Also provided are some graphic illustrations of the State budget.

Darrell R. Ohlhauser, Staff Director and Legislative Budget Analyst
THE ECONOMIC FORECAST
FOR FISCAL YEAR 1985
GENERAL FUND REVENUE
THE ECONOMIC FORECAST FOR FY 85

The Legislative Budget Staff revenue forecasts are based upon economic data provided by Data Resources, Incorporated (DRI). As in the past several years, we have used an econometric model at the University of Arizona which provides for the basic revenue forecast by integrating the projected economic data with sophisticated modeling techniques.

The following information summarizes the basic economic forecasts used to project general fund revenue for FY 85.

THE U.S. ECONOMY

Economic growth (as measured by Growth in Real GNP) for the U.S. in 1983 was much better than most private economists forecast one year ago. One year ago the conventional wisdom anticipated a below average recovery. Figures just released show that, in the fourth quarter of calendar 1983, the economy grew at an annualized rate of 4.5 percent. Annualized rates for the four quarters of 1983 are as follows:

<table>
<thead>
<tr>
<th>1983 Quarter</th>
<th>Quarter Over Previous Quarter Annualized Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2.6%</td>
</tr>
<tr>
<td>2</td>
<td>9.7</td>
</tr>
<tr>
<td>3</td>
<td>7.6</td>
</tr>
<tr>
<td>4</td>
<td>4.5</td>
</tr>
</tbody>
</table>

While Real GNP grew at high rates in the second and third quarters, it was anticipated that growth this strong was unsustainable and that more moderate growth rates should be forthcoming. This would guard against the overheating of the economy which might trigger increased inflation. The 4.5 percent increase for the fourth quarter is in line with this forecast. On balance, the nation has had a normal recovery rather than the below average recovery originally anticipated. Real GNP for the year 1983 increased by 3.3 percent over the year 1982.

During 1983 tremendous progress was made in the fight against inflation. As measured by the GNP deflator inflation increased 4.2 percent, the lowest increase in years and comparing very favorably with the large 9.4 percent increase in 1981.

The major abnormality during the year came in the trade deficits which are expected to have reached a record $70 billion in 1983.
1984 should be a good business year with Real GNP growing 5.4 percent, automobile sales aggregating 10.4 million cars, housing starts at 1.734 million units and pre-tax corporate profits up 23.0 percent. Interest rates should decrease somewhat, inflation should be consistently low, and the unemployment rate should average 8.1 percent for the year. Trade deficits, however will continue to haunt the U.S. economy, and are expected to be up $20 billion from 1983 to $90 billion for 1984.

Economic performance beyond 1984 is less easy to predict. In fact, DRI labeled their November forecast "The Mystery of 1985". The initial momentum of the recovery will be spent, and inflation risks will grow as world oil markets tighten up, the wage outlook becomes more uncertain, productivity slows, and prices respond to a tighter economy. The major questions of 1985 continue to center on the potential effects of budget deficits that would absorb a large part of the nations savings at a time when credit demands will expand sharply. For 1985 real GNP is forecast to increase 3.2 percent with automobile sales aggregating 10.6 million cars, housing starts at 1.638 million units and pre-tax corporate profits up 6.7 percent.

The most recent DRI report discusses three alternative forecasts as follows:

General: The risks to the forecast reflect the uncertainties of fiscal and monetary policies, as well as private sector confidence. One of the big assumptions in the DRI control forecast is that Congress will pass a $49 billion deficit cutting package in 1985. If the economy weakens in early 1985, however, Congress may fear to pass any measure that would have the short-term effect of further weakening the economy. On the other hand, if the recovery is proceeding more strongly than expected and the deficit is beginning to decline, action on the deficit may be deferred. All three of the alternative forecasts assume that no action is taken on the deficit.

Pessimistic 1: This is the main pessimistic alternative (probability 20%) and assumes that growth is strong in 1984 and interest rates rise sharply. The higher interest rates damage housing and other interest-sensitive sections of the economy leading to a recession late in 1985.

Optimistic: This alternative (probability 15%) assumes that inflation and interest rates decline smoothly over the forecast period. Higher productivity growth and lower wage settlements lead to a lower inflation rate, allowing interest rates to decline even within the Federal Reserve's monetary targets. Strong consumer and investor confidence, along with lower interest rates keep investment and consumption strong. The lower interest rates weaken the dollar, making U.S. goods more competitive in the world market, thus improving real exports.
THE U.S. ECONOMY
(Continued)

Pessimistic 2: The second pessimistic forecast (probability 10%) sketches a monetarist forecast. Inflation rises in 1984 and the economy slows sharply in the face of higher interest rates. The dollar weakens dramatically as foreigners lose confidence in the U.S. economy and the resulting loss in terms-of-trade leads to a rise in the U.S. current account deficit to near $100 billion in early 1985. The slower economic growth scares the Federal Reserve into loosening monetary policy in 1985 in spite of higher inflation and the more competitive value of the dollar permits U.S. exports to recovery. As a result a recovery begins late in 1985.

THE ARIZONA ECONOMY

The recovery in Arizona was led by construction and consumer spending. Mortgage rates fell from a mid 1982 level in excess of 16 percent to less than 13 percent and the number of housing units authorized approached an all time high.

Consumers stepped up their spending sharply and consumer confidence approached heights not seen in recent years. While the final results are not yet known, it appears that the Christmas season may have been the best the retailers have known in several years.

In general, we see an above average economy for fiscal 1985, although certain growth rates, such as retail and construction will not equal those of fiscal 1984.

A brief discussion, of certain sectors follows. Employment figures are seasonally adjusted.

Construction - Employment in construction reached its peak in July 1979 at a level of 88,600. Its subsequent low point was in September 1982 at 62,100, a loss of 26,500 jobs. By November 1983 15,100 of these jobs had been recovered with employment at a level of 77,200. By the end of fiscal 1985, it is expected that employment will be at a level of approximately 88,245, almost equal to the level July 1979.

Mining - Although the highest level ever in mining employment was 27,600 in June 1974, the most recent peak was at a level of 25,700 in June 1981. December employment was at 15,600 (preliminary) and while it is by no means certain that this is a low point, it appears that employment has, at least for the present, stabilized at this level with a loss of 10,100 jobs. While our forecast provides for improvement in mining there is, frankly, little on the horizon to suggest any near-term improvement. Although homebuilding and automobile manufacturing have rebounded, there has been little apparent positive impact on the domestic copper industry. Inventories are excessive (presumably because of increased production abroad) and prices are dropping below the cost of production in most domestic mines.
Manufacturing - Employment in manufacturing reached its peak in August, 1981 at 162,800. The recession low point came in November, 1982 at 148,000, a loss of 14,800 jobs. Through November of 1983, 9,800 of these jobs have been recovered. We anticipate that by the end of fiscal 1985 manufacturing employment will be at approximately 186,400, an increase of 8.3 percent over June, 1984.

Services - The Services sector continued to grow through both recent recessions. It appears that the Services sector is no longer growing as rapidly as during the 1970's. Two factors which may have impacted on recent growth in this sector are:

1) Cost cutting pressures on the medical establishment, the largest component of the Services sector.

2) Reduction in governmental funding of the non-profit services component of the Services sector.
# GENERAL FUND REVENUE FORECAST

## Economic Assumptions

**FY 84 and FY 85**

<table>
<thead>
<tr>
<th>National</th>
<th>CURRENT FORECAST</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 84</td>
<td>FY 85</td>
</tr>
<tr>
<td>Real GNP</td>
<td>5.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>U.S. Personal Income</td>
<td>8.1%</td>
<td>8.3%</td>
</tr>
<tr>
<td>U.S. - CPI-U</td>
<td>3.9%</td>
<td>4.8%</td>
</tr>
<tr>
<td>GNP Price Deflator</td>
<td>4.2%</td>
<td>4.8%</td>
</tr>
<tr>
<td>National Unemployment Rate</td>
<td>8.1%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Calendar Year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Arizona                         |                  |          |
|                                 |                  |          |
| Personal Income                 | 9.7%             | 11.8%    |
| Retail Sales Growth - With Food  | 15.6%            | 12.0%    |
| - Without Food                  | 18.3%            | 13.7%    |
| Population                      | 3.1%             | 3.3%     |

Prepared by: JLBC Staff  
Date: January 25, 1984
GRAPHIC ILLUSTRATIONS
AND
COMPARATIVE STATEMENT OF THE FY 85 BUDGET
LEGISLATIVE BUDGET STAFF RECOMMENDATIONS
WHERE THE MONEY COMES FROM

FY 1984 GENERAL FUND REVENUE
LEGISLATIVE BUDGET STAFF ESTIMATE

GENERAL PROPERTY TAX (4.6%)
OTH REV/TRANSFERS (5.7%)
ALL OTH TAXES (9.5%)
SALES/USE TAX (47.0%)
INCOME TAXES (33.2%)

FY 1985 GENERAL FUND REVENUE
LEGISLATIVE BUDGET STAFF ESTIMATE

GENERAL PROPERTY TAX (5.1%)
OTH REV/TRANSFERS (4.9%)
ALL OTH TAXES (8.7%)
SALES/USE TAX (43.8%)
INCOME TAXES (36.5%)
WHERE THE MONEY IS SPENT

FY 1984 GENERAL FUND
APPROPRIATION BY FUNCTION OF GOVERNMENT

- Protection/Safety (9.1%)
- Health/Welfare (15.2%)
- General Govt. (4.7%)
- All Other (2.8%)
- Education (68.2%)

FY 1985 GENERAL FUND
RECOMMENDATION BY FUNCTION OF GOVERNMENT

- Protection/Safety (10.2%)
- Health/Welfare (15.2%)
- General Govt. (4.8%)
- All Other (2.3%)
- Education (67.5%)
FY 1985 GENERAL FUND RECOMMENDED INCREASE/DECREASE FROM FY 1984 APPROPRIATIONS
(Proportionate Share of the Increase)

EDUCATION (41.1%)

PROTECTION/SAFETY (26.9%)

ALL OTHER (10.6%)

GENERAL GOVT. (6.5%)

HLTH/WELFARE (14.9%)

NOTE: This chart indicates each function of government's proportionate share of the overall budget increase.
NOTE: "Aid Programs" include assistance payments to individuals and local units of government. "Special Appropriations" are other projects and specific purpose appropriations commonly referred to as "below-the-line" items. These two categories of expenditure comprise 60.5% of the general fund budget.
THE TOTAL BUDGET BY FUNCTION

FY 1984 ALL FUNDS BUDGET
APPROPRIATION BY FUNCTION OF GOVERNMENT

- TRANSPORTATION (7.7%)
- PROTECTION/SAFETY (8.3%)
- HLTH/WELFARE (13.3%)
- ALL OTHER (4.1%)
- GENERAL GOVT. (4.7%)
- EDUCATION (61.7%)

FY 1985 ALL FUNDS BUDGET
RECOMMENDATION BY FUNCTION OF GOVERNMENT

- TRANSPORTATION (8.3%)
- PROTECTION/SAFETY (9.1%)
- HLTH/WELFARE (13.2%)
- ALL OTHER (3.4%)
- GENERAL GOVT. (4.7%)
- EDUCATION (63.3%)
## State of Arizona

### Comparative Statement of Original FY 84 Appropriations and Recommended Appropriations for FY 85

Based upon Recommendations of the Legislative Budget Staff

#### Fiscal Year 1984

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Government</strong></td>
<td>$179,361,800</td>
<td>$14,484,700</td>
</tr>
<tr>
<td><strong>Health and Welfare</strong></td>
<td>271,111,500</td>
<td>7,422,600</td>
</tr>
<tr>
<td><strong>Inspection and Regulation</strong></td>
<td>23,077,100</td>
<td>14,247,540</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary and Secondary</td>
<td>$779,830,250</td>
<td>-</td>
</tr>
<tr>
<td>Post-Secondary</td>
<td>338,374,900</td>
<td>74,569,600</td>
</tr>
<tr>
<td>Other</td>
<td>2,146,200</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sub-total - Education</strong></td>
<td>$1,120,351,350</td>
<td>$74,569,600</td>
</tr>
<tr>
<td><strong>Protection and Safety</strong></td>
<td>162,053,375</td>
<td>16,094,500</td>
</tr>
<tr>
<td><strong>Transportation</strong></td>
<td>76,700</td>
<td>116,948,800</td>
</tr>
<tr>
<td><strong>Highways</strong></td>
<td>-</td>
<td>43,000,000</td>
</tr>
<tr>
<td><strong>Natural Resources</strong></td>
<td>15,367,700</td>
<td>14,143,500</td>
</tr>
<tr>
<td><strong>Capital Construction</strong></td>
<td>10,146,851</td>
<td>7,547,700</td>
</tr>
<tr>
<td><strong>Employee Compensation Package¹</strong></td>
<td>-</td>
<td>38,500,000</td>
</tr>
<tr>
<td><strong>Other (Rounded)</strong></td>
<td>936,624</td>
<td>35,700</td>
</tr>
<tr>
<td><strong>Total Actual/Recommended Appropriations</strong></td>
<td>$1,782,483,000</td>
<td>$308,494,640</td>
</tr>
</tbody>
</table>

#### Fiscal Year 1985

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Government</strong></td>
<td>$192,769,500</td>
<td>$15,372,400</td>
</tr>
<tr>
<td><strong>Health and Welfare</strong></td>
<td>287,477,500</td>
<td>9,139,700</td>
</tr>
<tr>
<td><strong>Inspection and Regulation</strong></td>
<td>23,604,800</td>
<td>15,700,900</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elementary and Secondary</td>
<td>$825,152,600</td>
<td>-</td>
</tr>
<tr>
<td>Post-Secondary</td>
<td>344,273,500</td>
<td>140,823,000</td>
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<tr>
<td>Other</td>
<td>2,209,200</td>
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<td><strong>Sub-total - Education</strong></td>
<td>$1,171,635,300</td>
<td>$143,440,300</td>
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<td><strong>Protection and Safety</strong></td>
<td>192,673,000</td>
<td>10,525,000</td>
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<td><strong>Transportation</strong></td>
<td>78,900</td>
<td>117,465,800</td>
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<td><strong>Highways</strong></td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Natural Resources</strong></td>
<td>15,489,600</td>
<td>14,227,900</td>
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<td><strong>Capital Construction</strong></td>
<td>4,561,000</td>
<td>3,206,100</td>
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<tr>
<td><strong>Employee Compensation Package¹</strong></td>
<td>-</td>
<td>38,500,000</td>
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<tr>
<td><strong>Other (Rounded)</strong></td>
<td>936,624</td>
<td>35,700</td>
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<tr>
<td><strong>Total Actual/Recommended Appropriations</strong></td>
<td>$1,926,789,600</td>
<td>$358,748,100</td>
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</tbody>
</table>

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¹ The employee compensation package for FY 84 ($13.9 million general fund, $2.6 million other funds) has been allocated among the various departments.

² Expenditures for Non-Appropriated Funds (Federal and Other) were originally estimated at $1,114.9 million for FY 84, and are projected at $1,380.5 million for FY 85.
APPENDIX

BUDGET SUMMARIES BY DEPARTMENT
AND
FUNDING ALTERNATIVES AND ISSUES
BUDGET SUMMARIES

The following pages provide information by Department as follows:

(1) The FY 84 appropriated level
(2) The increase and decreases to the FY 84 level for
   (a) Annualized Expenditures
   (b) Statutory/Mandated Expenditures
   (c) Other Changes
(3) The Legislative Budget Staff Recommended FY 85 Funding Level
(4) Funding Alternatives and Issues

NOTE: The Incremental and Decremental Issues Identified:

(1) Are not staff recommendations, and therefore would be added to or deducted from the JLBC Staff Recommended Amounts if adopted,
(2) Are not listed in order of priority
(3) Were not provided by some agencies as noted on the individual summaries

Additional information on funding alternatives and issues is available from the staff analysts assigned to each agency. (See pages 1, 2, and 11 of this report for explanation of the purpose and methodology relative to the decremental issues.)
<table>
<thead>
<tr>
<th>Department Name</th>
<th>Department No.</th>
</tr>
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<tbody>
<tr>
<td>Accountancy, Board of</td>
<td>302</td>
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<tr>
<td>Administration, Department of</td>
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<tr>
<td>Affirmative Action, Office of</td>
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<tr>
<td>Agricultural Employment Relations Board</td>
<td>305</td>
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<tr>
<td>Agriculture and Horticulture, Comm. of</td>
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<td>Arizona State University</td>
<td>415</td>
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<td>Arts, Commission on the</td>
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<tr>
<td>Attorney General - Department of Law</td>
<td>105</td>
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<tr>
<td>Auditor General</td>
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<tr>
<td>Banking Department</td>
<td>312</td>
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<tr>
<td>Barber Examiners, Board of</td>
<td>315</td>
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<tr>
<td>Boxing Commission</td>
<td>309</td>
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<td>Chiropractic Examiners, Board of</td>
<td>318</td>
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<td>Community Colleges, Bd.</td>
<td>430</td>
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<tr>
<td>Contractors, Registrar of</td>
<td>322</td>
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<tr>
<td>Copper Tariff Board</td>
<td>710</td>
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<tr>
<td>Corporation Commission</td>
<td>325</td>
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<td>Corrections, Department of</td>
<td>520</td>
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<td>Cosmetology, Board of</td>
<td>327</td>
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<td>Criminal Intelligence System Agency</td>
<td>525</td>
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<td>Dairy Commissioner</td>
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<td>Deaf and Blind, School for</td>
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<td>Deaf, Council for the</td>
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<td>335</td>
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<td>Economic Plan. &amp; Dev., Office of</td>
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<td>Economic Security, Department of</td>
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<td>Education, Department of</td>
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<td>Emergency Services and Military Affairs</td>
<td>535</td>
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<td>Environment, Arizona Commission on</td>
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<td>Funeral Directors &amp; Embalmers Board of</td>
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<td>Game and Fish Department</td>
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<td>Governor - Office of</td>
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<td>Homeopathic Medical Examiners Board</td>
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<td>Indian Affairs, Commission on</td>
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<td>Insurance, Department of</td>
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<td>Joint Legislative Budget Committee</td>
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<td>Judiciary</td>
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<td>Land Department</td>
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<td>Law Enforcement Merit System Council</td>
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<td>Legislative Council</td>
<td>153</td>
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<td>Library, Archives and Public Records</td>
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<td>Liquor Licenses &amp; Control, Dept. of</td>
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<tr>
<td>Livestock Board</td>
<td>359</td>
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<td>Manufactured Housing, Office of</td>
<td>366</td>
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<tr>
<td>Medical Examiners, Board of</td>
<td>361</td>
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<tr>
<td>Medical &amp; Osteopathic Exam., Joint Bd. of</td>
<td>364</td>
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<tr>
<td>Medical Student Loans, Board of</td>
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<tr>
<td>Mine Inspector</td>
<td>365</td>
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<tr>
<td>Mineral Resources, Department of</td>
<td>750</td>
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<tr>
<td>Naturopathic Board of Examiners</td>
<td>368</td>
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<tr>
<td>Northern Arizona University</td>
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<td>Nursing, Board of</td>
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<tr>
<td>Nursing Care Institution Admin. Board of</td>
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<td>Occupational Safety &amp; Health Act Review Bd.</td>
<td>351</td>
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<td>Oil and Gas Conservation Commission</td>
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<td>Opticians Board, Dispensing</td>
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<td>375</td>
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<td>Osteopathic Examiners, Board of</td>
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<td>Outdoor Recreation Coordinating Commission</td>
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<td>Pardons and Paroles, Board of</td>
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<td>Personnel Board</td>
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<td>Physical Therapy Examiners, Board of</td>
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<td>Pioneers' Home</td>
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<td>Podiatry Examiners, Board of</td>
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<td>Postsecondary Education, Commission for</td>
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<td>Private, Tech. &amp; Business Schools, Board of</td>
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<td>Psychologist Examiners, Board of</td>
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<td>Public Safety, Department of</td>
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<td>Racing, Department of</td>
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<td>Radiation Regulatory Agency</td>
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<td>Rangers' Pensions</td>
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<td>Real Estate Department</td>
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<td>Regents, Board of</td>
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<td>Residential Utility Consumer Office</td>
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<td>Retirement System</td>
<td>177</td>
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<td>Revenue, Department of</td>
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<td>Secretary of State - Department of State</td>
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<td>Tax Appeals, Board of</td>
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<td>Technical Registration, Board of</td>
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<td>Tourism, Office of</td>
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<td>Transportation, Department of</td>
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<td>Treasurer, State</td>
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<td>University of Arizona - Main Campus</td>
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<tr>
<td>- College of Medicine</td>
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<tr>
<td>- University Hospital</td>
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<td>Veterans' Services Commission</td>
<td>271</td>
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<tr>
<td>Veterinary Medical Examination Board</td>
<td>308</td>
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<tr>
<td>Water Resources, Department of</td>
<td>790</td>
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<tr>
<td>WICHE</td>
<td>410</td>
</tr>
</tbody>
</table>
1. **1983-84 Appropriations**

   **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:

   **Add:** Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases

   **Sub-Total**

2. **Other Additions and (Reductions)**
   - **Statutory/Mandated Changes:** Teachers' Retirement

   **Other Changes:**
   - Utilities Increase
   - Motor Pool Vehicles
   - Analytic Adjustments

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:**
     - Fund Shortfall Amounts for Teachers' Retirement
     - Restore Analytic Adjustments
     - Fund Agency Equipment Request
     - Fund Professional Services Request for Classification Maintenance Review (CMR) and Data Processing Planning
   - **Decremental:**
     - Eliminate Employee Relations/Training Section - Office of the Director
     - Eliminate General Fund Support - Data Management
     - Reduce Administrative/Technical Support Positions - Operations Division
     - Reduce Support Positions - Finance Division
     - Eliminate Classification Section - Personnel
     - Eliminate Facilities Planning and Construction Office - Property Management
     - Reduce Inspection Positions - Weights and Measures

Decremental issues prepared by the Legislative Staff as the Department did not submit the requested information.
**Department:** Department of Administration (Risk Management)  

**JLBC BUDGET SUMMARY**  

1. **1983-84 Appropriations**  
   - Less: Adjustments for Major "One-Time" Expenditures and Other Items: (60,200)  
   - Add: Annualization of Current Funding Level:  
     - January 1, 1984 Salary Adjustment and Related ERE  
       - Risk Management: 13,700  
       - Liability Defense (Attorney General): 12,000  
       - Other ERE Increases  
         - Risk Management: 4,200  
   
   **Sub-Total:**  
   - Other Funds: $1,219,900  
   - Total: $1,193,500  

2. **Other Additions and (Reductions)**  
   - Statutory/Mandated Changes:  
     - Other Changes: Analytic Adjustments: (3,500)  

3. **JLBC Staff Recommendation:**  
   - $1,190,000  

4. **Funding Alternatives and Issues:**  
   - **Incremental:** Provide Full Funding for all Authorized Positions: 25,300  
     - Restore Analytic Adjustments: 3,500  
   - **Decremental:** Reduce In-State and Out-of-state Travel: (10,000)
1. **1983-84 Appropriations**
   - **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
   - **Add:** Annualization of Current Funding Level:
     - January 1, 1984 Salary Adjustment and Related ERE
     - Other ERE Increases
   - **Sub-Total**

2. **Other Additions and (Reductions)**
   - **Statutory/Mandated Changes:**
     - **Other Changes:** Analytical Adjustments

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:**
   - **Decremental:** Amend A.R.S. 41-782 to Establish Revenue Fund for Personnel Board and Permit Charging Requesting Party for Transcript
Department: Attorney General - Department of Law

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level

   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases/(Decreases)

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Insurance - Risk Management
   Analytic Adjustments
   Lincoln Thrift Case - Continuation Funding

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental: Incentive Pay Plan

   Decremental: Increase Vacancy Saving From Existing 3.35 percent to five
   percent
   Lincoln Thrift Case
   Analytic Adjustments
   Insurance - Risk Management

---

Dept. No: 0105

General Fund

$9,741,300

$9,890,400

$9,955,000

349,900

(153,100)

(30,000)

(21,000)

(13,600)
## JLBC Budget Summary

### 1. 1983-84 Appropriations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
<td></td>
</tr>
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<td>Add: Annualization of Current Funding Level:</td>
<td></td>
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<tr>
<td>January 1, 1984 Salary Adjustment and Related ERE</td>
<td>119,000</td>
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<tr>
<td>Other ERE Increases</td>
<td>21,400</td>
</tr>
<tr>
<td>Annualization of Judges Salaries</td>
<td>315,400</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>$ 10,107,300</strong></td>
</tr>
</tbody>
</table>

### 2. Other Additions and (Reductions)

| Statutory/Mandated Changes: 8 New Superior Court Judges                    | 202,600  |

### Other Changes:

- Analytical Adjustments: 11,100
- State Aid to Probation: 32,700
- Support Staff For Increased Workload: 9.0, 262,200

**Total:** 10,615,900

### 3. JLBC Staff Recommendation:
- **Total:** $10,615,900

### 4. Funding Alternatives and Issues:

#### Incremental:
- Supreme Court -
  - Statistical Audit/Management Unit: 6.0, 238,900
  - Judicial Education Program funding: -
  - Judicial Assistance: 33,000
- Foster Care Review Board Caseload Increase - Additional Staff: 1.0, 20,100
- Appeal Courts Caseload Increase - Additional Support Staff: 9.0, 262,700

#### Decremental:
- Eliminate Discretionary Funding for State Aid to County Probation Programs and Maintain only the Statutory Requirement of $20,000 for each County: (352,000)
Department: Office of the Governor

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

       Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes: Governors Pay Increase

   Other Changes: Analytic Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:
   Pickup of 2 Federally Funded FTE (Tucson Office)
   Addition of 1 Typist for Governors Office
   Funding Westpo and National Governors Conference at Requested Levels

   Decremental: Deletion of Recommended Increases

Dept. No: 0140

General Fund
$ 1,114,300

$ 1,154,100

$ 1,162,100

74,500
14,400
43,700

(8,000)
1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases/(Decreases)
   
   Sub-Total
   
   2. Other Additions and (Reductions)
      Statutory/Mandated Changes:
      
      Other Changes: Analytic Adjustments
      
      3. JLBC Staff Recommendation:
      
      4. Funding Alternatives and Issues:
         Incremental: Restoration of Above Recommended Reductions
         
         Decremental: Reduction of 1 FTE and Associated Costs
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases/(Decreases)

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Elimination of Fuel and Energy Division (2.0) (87,100)
                  2 Unfunded FTE's (64,900)
                  Reduction of 2 FTE's (Other than F & E) (2.0) (64,600)
                  Analytic Adjustment (45,500)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Economic Development Promotion 100,000
   Restoration of All Above Recommended Reductions 262,100

   Decremental: Deletion of Policy Analysis Function (3.0) (129,900)

Decremental issues prepared by the Legislative Staff as the Department and the previous Executive Director, declined to submit either the requested information or impact statements for the decremental issues the Legislative Staff prepared.
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

   4. Funding Alternatives and Issues:
      Incremental: Increased Media Advertising
                   Special Projects Manager
                   1.0  44,800

      Decremental: Reduction in Out of State Conferences
                    Elimination of Travel Research
                    Eliminate Entertainment Costs
                    Reduce Media Advertising 82-83 Funding Level
                    Eliminate Deputy Director Position
                    (60,000)  (32,300)  (4,500)  (201,600)  (33,200)

   $ 1,640,000

   ===============
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Fund Requested Employee Reclassification

   Decremental:
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases
   Sub-Total
   $3,107,100

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   Other Changes: One Time Appropriation for FY 85 - AHCCCS (Senate)
   Requested Increase
   $192,900

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

       Other Changes: Requested Increase

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
1. **1983-84 Appropriations**
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   
   Sub-Total
   
   **$ 1,143,100**

2. **Other Additions and (Reductions)**
   
   Statutory/Mandated Changes:
   
   Other Changes: Requested Decrease
   
   **(113,100)**

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   
   **Incremental:**
   
   **Decremental:**
Department: Joint Legislative Budget Committee

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Systems Development
   (110,600)

Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   Reduction in Appropriation Carry Forward from FY 84
   89,700

Sub-Total
$ 1,141,900

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental: Reduction of Fiscal Analysis Staff (2.0) and Support
              Staff (1.0) (3.0) (82,200)
   Reduction of Clerical Support Staff (1.0) (15,500)
   Delete Funding for Maintenance and Operation of
   Automated Budget and Legislative Information Systems (50,000)

$ 1,141,900

Dept. No: 0154

General Fund
$ 1,141,300
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:
   Governmental Accounting Standards Board
   Analytical Adjustments

   Other Changes: 16,000
   (16,000)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   Add 79.0 FTE's and Associated Costs for Financial Audit
   Section 79.0 2,575,100
   Add 24.0 FTE's and Associated Costs for Accounting Services
   Section 24.0 819,300

   Decremental:
   Deletion of Membership in Governmental Accounting
   Standards Board 16,000
   Elimination of Performance Audit Staff (23.0) (635,600)
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Provide Full Funding For All Authorized Positions
                Fund Other Operating Inflationary Increases
                Restore Library Acquisitions to 1982-83 Level
                Increased Funding for Records Center

   Decremental: Eliminate Funding for Sun Sounds Radio Reading
                Service for the Blind and Physically Handicapped
                Reduce Level of Acquisitions
                Reduce Amount Paid to Municipalities from Grants-In-Aid
### JLBC BUDGET SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td><strong>1. 1983-84 Appropriations</strong></td>
<td></td>
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<tr>
<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
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<tr>
<td>January 1, 1984 Salary Adjustment and Related ERE</td>
<td>27,000</td>
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<td>Other ERE Increases</td>
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<tr>
<td>Sub-Total</td>
<td>$5,729,900</td>
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<tr>
<td><strong>2. Other Additions and (Reductions)</strong></td>
<td></td>
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<td>Statutory/Mandated Changes:</td>
<td>1,032,300</td>
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<tr>
<td>Statutory Rate for Investment Management Fees</td>
<td></td>
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<tr>
<td>Other Changes: Analytical Adjustments</td>
<td>(19,200)</td>
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<tr>
<td><strong>3. JLBC Staff Recommendation:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>4. Funding Alternatives and Issues:</strong></td>
<td>$6,743,000</td>
</tr>
<tr>
<td><strong>Incremental:</strong></td>
<td></td>
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<tr>
<td><strong>Decremental:</strong> Appropriate Management Fees at 90% Rate as Actual Cost</td>
<td>(523,000)</td>
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<tr>
<td>Experience Based on Total Asset Value is Never Experienced</td>
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</table>
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
         Plan Transfer and Prior Service Funding (Final Annual Payment) 1983-84
         (410,000)

   Add: Annualization of Current Funding Level:
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:
Department: Department of Revenue

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   a. Computer Rent - Computer Equipment Conversion (678,200)
   b. Computer Conversion Expenses (200,000)
   c. Computerized Property Tax System Development (69,800)

   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases 334,100
   Annualized Cost of Property Tax System-Operation 157,100
   57,500

   Sub-Total $20,953,800

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:
   Other Changes: Annualization of 1984 Revenue Acceleration Program
   (Assumed) 124.0 3,227,700
   Automation of the Corporate Tax System - Annualization 256,000
   Analytic Adjustments 419,100
   Assistance to Counties - Reduction 6.0 (186,500)

3. JLBC Staff Recommendation:
   24,670,100

4. Funding Alternatives and Issues:
   Incremental: Collector Series Regrading
   Assistance to Counties 301,700
   186,500

   Decremental: Audit and Compliance - Replacement Equipment
   All Increases as Shown in Other Changes (50,000)
   (3,902,800)
Department: Secretary of State

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
       Election Education Expenses

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
            Other ERE Increases

   Sub-Total

   2. Other Additions and (Reductions)

      Statutory/Mandated Changes:
       Election Expenses
       Secretary of State Statutory Salary Change

      Other Changes:
       Maintenance of Printing and Publishing Activity
       Split of ARS Volume 6A per Leg. Council/West Publish Sched.
       Analytical Adjustments

   3. JLBC Staff Recommendation:

   4. Funding Alternatives and Issues:

      Incremental:
       Provide Additional Travel Money for the Secretary
       Expansion of Printing Activities in Operating Portion of Budget
       Fund Inflationary Increase Requests and Replacement Equipment

      Decremental:
       Reduce Services in Rules and Regulations to Minimum Levels
       Do not provide funding for splitting of ARS Vol 6A
       Deletion of maintaining printing activity
       Deletion of Analytical Adjustment
       Amend A.R.S. 16-510 So That Secretary of State is No Longer
           Required to Pay the Actual Costs of Printing and Mailing of
           Sample Ballots

   ===

   General Fund
   $ 909,000
       (45,500)
       11,600
       6,000
       881,100
   675,300
       2,200
       19,850
       17,100
       6,550
   1,602,100
   1,100
       15,000
       20,300
       (50,600)
       (17,100)
       (19,850)
       (6,550)
       (525,000)
Department: Board of Tax Appeals

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
       
   Sub-Total
   
   2. Other Additions and (Reductions)
      
      Statutory/Mandated Changes: Equalization A.R.S. 42-143
      
      Other Changes: Analytical Adjustment
      
      Other Additions and (Reductions) $316,900
      
     3. JLBC Staff Recommendation: $326,900
     
     4. Funding Alternatives and Issues:
        
        Incremental: Legal Assistance (Division II) 8,300
        
        Decremental: Require Property Value Appeals to be Heard in Maricopa
        County Only
        Eliminate the Requirement For Documenting Appeal Review (12,000)
        (34,000)

1/ Of which $9,400 may only be spent toward costs associated with equalization responsibilities.
### Department: State Treasurer

**JLBC BUDGET SUMMARY**

1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases
   - Six Months Annualization of Five Positions

   **Sub-Total**

2. **Other Additions and (Reductions)**

   Statutory/Mandated Changes: (A.R.S. 22-117) Justice of the Peace Salaries

   Other Changes: Analytical Adjustments

3. **JLBC Staff Recommendation:**

   **$ 2,663,000**

4. **Funding Alternatives and Issues:**

   **Incremental:** State Grand Jury Additional Funding

   **Decremental:** Elimination of Garnishment Activities by State Treasurer

   **(2.0) (35,200)**
Department: Uniform State Laws

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:

Dept. No: 0196
General Fund
$ 11,000

Sub-Total
$ 11,000

$ 11,000
Department: Arizona Rangers' Pensions

1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   
       Sub-Total

   $ 12,000

2. Other Additions and (Reductions)
   
   Statutory/Mandated Changes:
   
      Other Changes:
   
   $ 12,000

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   
   Incremental:
   
   Decremental:
Department: Council for the Deaf

**JLBC BUDGET SUMMARY**

1. **1983-84 Appropriations**
   - Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   - Add: Annualization of Current Funding Level:
     - January 1, 1984 Salary Adjustment and Related ERE
     - Other ERE Increases
   
   Sub-Total: $89,800

2. **Other Additions and (Reductions)**
   - Statutory/Mandated Changes:
   - Other Changes: Analytical Adjustments
     - $1,800

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:** Add 1.0 FTE and Associated Costs to Administer Program Providing Telecommunication Devices to the Deaf
     - 1.0
     - $26,900
   - **Decremental:** Eliminate Travel and Professional Services for Council
     - (2,600)

**Dept. No:** 0210

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<td>$88,000</td>
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<td>$1,700</td>
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<td>$100</td>
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<tr>
<td>$1,800</td>
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<td>$91,600</td>
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<tr>
<td>$26,900</td>
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<tr>
<td>(2,600)</td>
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</table>
Department: Department of Economic Security

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level:

- January 1, 1984 Salary Adjustment and Related ERE
- Other ERE Increases

Sub-Total

$157,567,800

2. Other Additions and (Reductions)

Statutory/Mandated Changes:

- One Half of Rental Costs for Office Space Provided by Maricopa and Pima Counties to the Department of Economic Security Mandated by S.B. 1130 (Chapter 61)

Other Changes:

- Assistance and Provider Care for Aging, Family and Children Services (Recipient Population Growth)
- Provider Care for Developmental Disabilities
- Continuation of Data Automation Project
- Additional 12 FTE's for Child Protective Services
- Reduction of 61.9 FTE's Associated with Deinstitutionalization of 118 Clients for Developmental Disabilities
- Additional Purchase of Care due to Deinstitutionalization for Developmental Disabilities
- Vacancy Savings
- Inflationary Adjustment
- Analytic Adjustment

Sub-Total for Other Changes

$8,229,500

3. JLBC Staff Recommendation:

$165,916,200

4. Funding Alternatives and Issues:

Incremental:

- Provider Employees' Salary Parity
- Higher Recipient Population Growth for Aid to Families with Dependent Children
- Higher Recipient Population Growth for General Assistance
- Inflation and Caseload Increase for Day Care

Decremental:

- Additional Vacancy Savings
- Reduction in Day Care Subsidy

(617,700)

(2,297,200)

The Department did not submit decremental issues. They did, however, provide impact statements to decrements prepared by the Legislative Staff.
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes: Establishment of the Children and Family Services Training
   Program Fund for Child Protective Services Staff Training
   Mandated by S.B. 1142 (Chapter 179)

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:
### JLBC BUDGET SUMMARY

#### 1. 1983-84 Appropriations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
<td></td>
</tr>
<tr>
<td>REVERSIONS OF FUNDS: Successful Contract with St. Joseph's Hospital</td>
<td>(3,595,400)</td>
</tr>
<tr>
<td>(Crippled Children's Service)</td>
<td></td>
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<tr>
<td>Passage of SB 1251-Mobile Radio Replacement</td>
<td>(120,000)</td>
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<td>Add: Annualization of Current Funding Level</td>
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<td>January 1, 1984 Salary Adjustment and Related ERE</td>
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<td>Other ERE Increases</td>
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<td><strong>Sub-Total</strong></td>
<td><strong>$67,754,700</strong></td>
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</table>

#### 2. Other Additions and (Reductions)

| Statutory/Mandated Changes:                                                |           |
| Other Changes:                                                             |           |
| 43.5 Unfunded FTE's                                                       | (1,063,300) |
| Reduction of 4 Unspecified FTE's                                          | (150,100)  |
| Elimination of Funding for HSA's by Shifting Certificate of Need Responsibility to DHS |           |
| Analytic Adjustment                                                        | 1,230,500  |
| EMS Operating Fund Used to Offset General Fund                             | (350,000)  |
| Increase in Patient Load at the State Hospital                             | 1,014,200  |
| **3. JLBC Staff Recommendation:**                                         | **$68,378,000** |

#### 4. Funding Alternatives and Issues:

**Incremental:**
- Management Information Systems Improvements                               | 3.0       |
- Improved State Laboratory Capability                                      | 7.0       |
- Anticipated Additional Increase in Patient Load at the State Hospital     | 150.0     |
- Increased State Funding for Alcohol, Drug & Mental Health Subventions     |           |
- Fund Perinatal Health Care Program (SB 1264, CH 31 Laws of 1983)           | 4.0       |
- Restoration of Above Recommended Reductions                               | 4.0       |
- 5% Inflation Increase in Subventions for Behavioral and Family Health     |           |
- Restoration of EMS Operating Fund Offset                                  |           |

**Decremental:**
- Unfund 22 Additional FTE's                                               | (530,000) |
- Eliminate Assistant Directors Office - Behavioral Health                  | (297,000)  |
- Deletion of Analytic Adjustments                                           |           |
- Deletion of Increase in Patient Load at the State Hospital                | (1,230,500) |

Decremental Issues prepared by the Legislative Staff as the Department did not submit the requested information. The Department, however, did provide impact statements for the decremental issues the Legislative Staff prepared.

1/ Excludes AHCCCS
Department: Department of Health Services - AHCCCS

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level
January 1, 1984 Salary Adjustment and Related ERE
Other ERE Increases

Sub-Total

2. Other Additions and (Reductions)

Statutory/Mandated Changes: Estimated Increase for Program Continuation

Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

Decremental:
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   Other Changes: Analytic Adjustment

   Other Changes: Analytic Adjustment

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**

   **Incremental:** Commissioners' In-State Travel Requirement

   **Decremental:** Reduction in Other Operating Expenditures

   Total

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<td>$ 128,600</td>
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<tr>
<td>2,700</td>
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<tr>
<td>800</td>
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<td><strong>$ 132,100</strong></td>
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<tr>
<td>(1,000)</td>
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Department: Pioneers' Home

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases
   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Utilization of Endowment Funds to Reduce the General Fund
                  Requirement
                  Food Adjustment

   (126,800)  (9,200)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Restoration of Above Recommended Reductions
   Decremental: Utilization of More Endowment Funds

   $ 2,099,200
   43,700
   39,900
   $ 2,182,800

   $ 2,046,800

   136,000
   (173,700)
Department: Veterans' Services Commission

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
       Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytic Adjustment

3. JLBC Staff Recommendation:
   $ 721,300

4. Funding Alternatives and Issues:
   Incremental:

   Decremental: Reduction in Travel and Utilities
   (10,000)

Dept. No: 0271
General Fund
$ 719,600
12,300
9,000
$ 740,900
1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

   2. Other Additions and (Reductions)
       Statutory/Mandated Changes:

       Other Changes: Analytic Adjustment

       (4,500)

   3. JLBC Staff Recommendation:

       $ 188,700

   4. Funding Alternatives and Issues:
       Incremental: Upgrade of an Underfilled Position

       Decremental:
Department: Accountancy Board

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
       Equipment

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Additional 0.8 FTE for Clerical Support
                  Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:

Dept. No: 0302

Other Funds

$ 283,800

(5,000)

3,000

(800)

$ 281,000

$ 299,200

= = = = = = = = = =
### JLBC Budget Summary

1. **1983-84 Appropriations**
   - Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   - Add: Annualization of Current Funding Level
     - January 1, 1984 Salary Adjustment and Related ERE
     - Other ERE Increases
   - Sub-Total

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<table>
<thead>
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<td>Adjustments for Major &quot;One-Time&quot; Expenditures</td>
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<td><strong>Sub-Total</strong></td>
<td><strong>$181,300</strong></td>
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```

2. **Other Additions and (Reductions)**
   - **Statutory/Mandated Changes:**
     - Other Changes:
       - .5 Investigator FTE Eliminated
       - Analytical Adjustments
       - Legal Expense Appeal (H.B. 2362 Reverts 6/84)

```
<table>
<thead>
<tr>
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<th>Amount</th>
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<tbody>
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<td>.5 Investigator FTE Eliminated</td>
<td>$(9,900)</td>
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<tr>
<td>Analytical Adjustments</td>
<td>$(2,200)</td>
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<tr>
<td>Legal Expense Appeal</td>
<td>$20,000</td>
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<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>$189,200</strong></td>
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3. **JLBC Staff Recommendation:**

```
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td><strong>$189,200</strong></td>
<td></td>
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</tbody>
</table>
```

4. **Funding Alternatives and Issues:**
   - **Incremental:**
   - **Decremental:**

---

1/ Of which $20,000 is earmarked for legal services to pursue a case currently under judicial review in the United States Court of Appeals for the Ninth Circuit.
Department: Agriculture & Horticulture

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:
   Addition of 1.0 FTE and Associated Costs for Agency Data Processing 1.0 62,300
   In-State Travel Reduction (10,000)
   Analytic Adjustment 10,500

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Provide Funds for Positions Reclassified through Agency Reorganization 8,000
   Restore Uniform Allowance for Field Staff 30,900
   Add Plant Pathologist Position for Seed Export Inspection 1.0 13,300
   Establish Border Inspection Station at Topock, Arizona 5.0 103,600
   Establish Inspection Station in Southern Yavapai County (Based on Closure of Northern Az. Stations - See Decrement Below) 31.0 643,500*

   Decremental: Eliminate Funds Associated with Agency Data Processing Changes (1.0) (62,300)
   Reduce Pesticide Control Enforcement (5.0) (152,300)
   Eliminate Agricultural Border Inspections in Northern Az. (24.0) (532,000)
   Eliminate Funds for Cotton Plow-up (25,000)

*Does not include possible capital construction expenditure.
Department: Agriculture and Horticulture

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases/(Decreases)

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Data Processing Conversion - State Chemist
                   Analytical Adjustments
                   10,400
                   (16,600)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Add Agriculture Inspector I for Aflatoxin Inspection
                Increase Laboratory Samples
                Provide Uniform Allowance for Personnel

   Decremental: Eliminate Funds for Data Processing Conversion
                Eliminate Laboratory Fees for Outside Analysis
                Eliminate Seasonal Agriculture Inspector I

                  $ 921,600
                  ==============

Dept. No: 0306

Other Funds
$ 914,900

$ 927,800
Department: Boxing Commission

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:

     January 1, 1984 Salary Adjustment and Related ERE
     Other ERE Increases

   Sub-Total

   $ 11,200

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment (700)

3. JLBC Staff Recommendation:

   $ 10,500

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases/(Decreases)

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: New Equipment for Uranium Mining Facilities Monitoring
   1 Unfunded FTE
   Analytic Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Low Level Waste Management Program
   Public Information Enhancement
   Restoration of Above Recommended Reductions

   Decremental: Reduction of 1 FTE and Associated Cost
   Deletion of New Equipment
Department: Medical Radiologic Tech. Bd. of Examiners

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

Other Changes: Analytic Adjustment 800

3. JLBC Staff Recommendation:

   $ 60,800

4. Funding Alternatives and Issues:
   Incremental:

   Decremental: Deletion of Analytic Adjustment (800)

Dept. No: 0310

Other Funds

$ 58,900

1,100

-0-

$ 60,000
Department: Banking Department

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level:
- January 1, 1984 Salary Adjustment and Related ERE
- Other ERE Increases

Sub-Total $1,206,500

2. Other Additions and (Reductions)
Statutory/Mandated Changes:

Other Changes: Analytical Adjustments (2,400)

3. JLBC Staff Recommendation: $1,204,100

4. Funding Alternatives and Issues:
Incremental:
- Administration: Full Funding for Assistant Superintendent Position 27,100
- Temporary Clerical Staff 11,300
- Additional Financial Institution Examiners 6.0 109,500

Decremental:
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total
   $ 92,500

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment (3,100)

3. JLBC Staff Recommendation:
   $ 89,400

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
Department: Chiropractic Examiners Board

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

   $ 104,500

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Provide Full Funding for All Authorized Positions
   Decremental: Reduction of 3.0 FTE's in Inspection and Investigation (3.0) (67,800)
                General Operating Expenditure Reductions (36,000)
                Change Source of Funding to be Entirely Self-Supporting Per Agency Request (1,915,500)*

Decremental issues proposed by the Legislative Staff as the Department did not submit the requested information.

* Requires legislation
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
   
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases/(Decreases)

   **Sub-Total**

   **2. Other Additions and (Reductions)**

   **Statutory/Mandated Changes:** Increase for Commissioners' Salaries

   **Other Changes:**
   
   - Annualization of Abusive Tax Shelter Program
   - Expansion of Agency Data Processing Capabilities
   - Additional Staff and Associated Costs for Incorporating
     Division Workload Requirements
   - Analytical Adjustments

   **Sub-Total**

   **3. JLBC Staff Recommendation:**

   **4. Funding Alternatives and Issues:**

   **Incremental:**
   
   - Additional Staff and Associated Costs - Incorporating
   - Additional Data Entry Staff and Associated Costs
   - Additional Staff and Travel for Railroad Safety Program
   - Provide State Matching Funds for Railroad Warning Signals

   **Decremental:**
   
   - Eliminate Increase for Agency Data Processing Expansion
   - Reduce Staff and Associated Costs - Incorporating
   - Eliminate Abusive Tax Shelter Program
   - Reduce Personnel and Associated Costs - Tucson Office
   - Eliminate Railroad Safety Program

   **Total**
1. **1983-84 Appropriations**
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       - January 1, 1984 Salary Adjustment and Related ERE
       - Other ERE Increases/(Decreases)

   **Sub-Total**
   
2. **Other Additions and (Reductions)**
   
   **Statutory/Mandated Changes:**
   
   **Other Changes:**
   - Additional Personnel and Associated Costs for Utility Rate Case Analysis: 8.0 261,800
   - Decrease for Outside Consultants for Utility Rate Case Hearings: (145,500)
   - Increase for Outside Legal Counsel: 65,200
   - Rent: 70,100
   - Analytical Adjustments: 53,300

3. **JLBC Staff Recommendation:**
   
   $3,426,000

4. **Funding Alternatives and Issues:**
   
   **Incremental:**
   - Increase Inspection and Engineering Staff and Associated Costs for Utility Regulation: 9.0 336,600
   - Increase Personnel and Associated Costs for Gas Pipeline Safety Regulation: 5.0 277,400
   - Add Consumer Communication Specialist to Address Public Information Requirements: 1.0 39,200

   **Decremental:**
   - Eliminate Additional Personnel & Associated Costs for Utility Rate Case Analysis: (8.0) (261,800)
   - Maintain Current Level for Outside Legal Counsel: (65,200)
   - Eliminate Analytical Adjustments: (53,300)
   - Reduce Use of Outside Consultants in Utility Rate Case Hearings: (250,000)
1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   
   Sub-Total
   
   $ 409,500

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   
   Other Changes: Analytical Adjustments
       Increase For Professional Expertise in Utility Rate Case
       Hearings
       Rent
   
   (11,400)
   
   $ 92,500
   
   9,400
   
   $ 500,000

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   
   Decremental: Maintain Current Expenditure Level For Use of Outside
   Consultants
   
   (92,500)

* Was funded from General Fund for FY 84
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   Sub-Total
   $ 246,400

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment
   500

3. JLBC Staff Recommendation:
   $ 246,900

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
## JLBC BUDGET SUMMARY

### 1. 1983-84 Appropriations

<table>
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<th>Description</th>
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<td>General Fund</td>
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#### Less: Adjustments for Major "One-Time" Expenditures and Other Items:

- Annualization of Current Funding Level
  - January 1, 1984 Salary Adjustment and Related ERE
  - Other ERE Increases

#### Add: Annualization of Current Funding Level

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### 2. Other Additions and (Reductions)

#### Statutory/Mandated Changes:

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<th>Amount</th>
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<tbody>
<tr>
<td>Universal Sampling</td>
<td>(13,700)</td>
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<tr>
<td>Laboratory Testing</td>
<td>(72,400)</td>
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<tr>
<td>Analytical Adjustment</td>
<td>200</td>
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### 3. JLBC Staff Recommendation:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
</table>

### 4. Funding Alternatives and Issues:

#### Incremental:

#### Decremental:

Department: Dental Examiners Board

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Equipment
   (30,000)

   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   (700)

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   Decremental:
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases

   Sub-Total

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   Other Changes: Analytical Adjustment (6,000)

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:**
   - **Decremental:**
1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   
   Sub-Total
   
   2. Other Additions and (Reductions)
      Statutory/Mandated Changes:
      
      Other Changes: Analytical Adjustment
      
      8,400
      
      $55,500
      
   3. JLBC Staff Recommendation:
      
   4. Funding Alternatives and Issues:
      Incremental:
      
      Decremental:
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases
        Sub-Total
   $6,224,000

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: 2.5 Unfunded FTE's
                   Increased Rental Costs Associated with Industrial Comm. Bldg.
                   Analytic Adjustment
                   (55,100)
                   355,100
                   37,900
                   $6,561,900

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Restoration of 2.5 Unfunded FTE's
               55,100
   Decremental: Deletion of Increased Rental Costs
                 Deletion of Analytic Adjustment
                 (355,100)
                 (37,900)
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Analytic Adjustment based on Carry Forward Projection.
   This level of General Funding coupled with Carry Forward
   and Fed Revenue will provide 100% of Requested Funding.

   (3,500)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:

Dept. No: 0351

General Fund
$ 4,500

$ (0-)

$ (0-)

$ (3,500)

$ 1,000

$ =========
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

Sub-Total

2. Other Additions and (Reductions)

Statutory/Mandated Changes:

Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

$ 27,900

4. Funding Alternatives and Issues:

Incremental:

Decremental:
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustments 1,300

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
       Decremental: Close the Tucson Office

   (3.0)  (62,700)
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases
   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Provide funding for enhanced communication and data processing
                  equipment with DPS
                  Analytical Adjustments

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental: Eliminate Funding for Communication and Automation Equipment (12,700)
                 Reduce 2.0 Clerical Staff in the Licensing Division (2.0) (34,200)
                 Eliminate half of the Investigatory Staff (3.0) (84,500)
### JLBC BUDGET SUMMARY

#### 1. 1983-84 Appropriations

- **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
  - Annualization of Current Funding Level:
    - January 1, 1984 Salary Adjustment and Related ERE
    - Other ERE Increases

  **Sub-Total**

- **Add:**

  **Sub-Total**

**General Fund**

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<td>$3,261,400</td>
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<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
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<td>Annualization of Current Funding Level:</td>
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<tr>
<td>January 1, 1984 Salary Adjustment and Related ERE</td>
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<td>Other ERE Increases</td>
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<tr>
<td><strong>Sub-Total</strong></td>
<td>$3,330,800</td>
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#### 2. Other Additions and (Reductions)

**Statutory/Mandated Changes:**

- **Other Changes:**
  - Reduction of Four Positions in Meat Inspection Program (4.0) (69,900)
  - Analytical Adjustments (4,400)

#### 3. JLBC Staff Recommendation:

<table>
<thead>
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<th>Description</th>
<th>Amount</th>
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<td><strong>3. JLBC Staff Recommendation:</strong></td>
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<tr>
<td><strong>Total:</strong></td>
<td>$3,256,500</td>
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</table>

#### 4. Funding Alternatives and Issues:

**Incremental:**

- **Decremental:** Additional Reduction of Meat Inspection Staffing (3.0) (56,700)

---

Decremental Issue prepared by the Legislative Staff as the Department did not submit the Requested Information.
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
      Equipment
      - 7,400
   Add: Annualization of Current Funding Level:
      January 1, 1984 Salary Adjustment and Related ERE
      Other ERE Increases
      - 14,500
   Sub-Total
      - 1,015,400

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment
      - 26,000

3. JLBC Staff Recommendation:
   - 1,041,400

4. Funding Alternatives and Issues:
   Incremental:
   Decremental:
Department: Homeopathic Medical Examiners Board

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

   Sub-Total
   $ 1,000

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
Department: Joint Board of Medical & Osteopathic Examiners

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

   $ 20,900

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

   4,100

3. JLBC Staff Recommendation:

   $ 25,000

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
Department: Mine Inspector

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes: Elected Position Salary Adjustment and Related ERE

   Other Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:

Dept. No: 0365

General Fund

$ 521,300

7,900

5,100

$ 534,300

$ 536,300
Department: Office of Manufactured Housing

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes:

3. JLBC Staff Recommendation:

   4. Funding Alternatives and Issues:

   Incremental: Provide Full Funding for All Authorized Positions
               Add Three Work Stations to Agency Automation System
               Add 1.0 FTE and Associated Costs for Licensing Salespersons

   Decremental: Reduce Inspection Staff by 2.0 FTE's, Including Associated
                Travel
                Eliminate Court Reporting Costs
                Change Source of Funding to be Entirely Self-Supporting Per
                Agency Request

Decremental issues prepared by the Legislative Staff as the Department did not submit the requested information.

* Requires legislation
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   Sub-Total
   $ 18,100

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   Other Changes: Analytical Adjustment
   $ 1,300

3. JLBC Staff Recommendation:
   $ 19,400

4. Funding Alternatives and Issues:
   Incremental:
   Decremental:
Department: Nursing Board

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
       Equipment

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

Other Changes: Analytical Adjustment 14,400

3. JLBC Staff Recommendation:

4. Funding Alternatives and issues:
   Incremental:

Decremental:
Department: Optometry Board

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:

      January 1, 1984 Salary Adjustment and Related ERE
      Other ERE Increases

   Sub-Total

   $ 44,400

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustments

   $ 10,200

3. JLBC Staff Recommendation:

   $ 54,600

4. Funding Alternatives and Issues:

   Incremental:

   Decremental:
### JLBC BUDGET SUMMARY

1. **1983-84 Appropriations**
   - **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
   - **Add:** Annualization of Current Funding Level:
     - January 1, 1984 Salary Adjustment and Related ERE
     - Other ERE Increases

   **Sub-Total**

2. **Other Additions and (Reductions)**
   - **Statutory/Mandated Changes:**

   **Other Changes:** Additional FTE - Investigator II

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:**
   - **Decremental:**
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

   Sub-Total

2. Other Additions and ( Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:

Department: Pharmacy Board

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

   Sub-Total

2. Other Additions and ( Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

   2. Other Additions and (Reductions)
      Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment 8,400

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
Department: Podiatry Examiners Board

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:

JLBC BUDGET SUMMARY

Dept. No: 0385

Other Funds
$ 21,300

300

$ 21,600

7,200

$ 28,800

-------------------
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   **Other Changes:** Analytical Adjustment

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**

   **Incremental:**

   **Decremental:**
1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:
Add: Annualization of Current Funding Level:
    January 1, 1984 Salary Adjustment and Related ERE
    Other ERE Increases

Sub-Total

2. Other Additions and (Reductions)
    Statutory/Mandated Changes:

Other Changes: Analytical Adjustment (1,600)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
    Incremental:

Decremental:
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Transfer From General Fund to County Fair Racing Fund $(122,600)
   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases 33,100
   9,400
   Sub-Total 1,876,100

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   Other Changes: Analytical Adjustments $(26,300)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   Decremental: Reduce Racing Days in Industry $(6.0) (258,600)
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level: (Transfer From General Fund)

    January 1, 1984 Salary Adjustment and Related ERE
    Other ERE Increases

Sub-Total

$124,300

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustments

   $100

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental:

   Decremental: Eliminate State Support to County Fair Racing Program

   ($124,400)
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)

   Statutory/Mandated Changes:

   Other Changes: Automated System through the DOA Data Center
   Elimination of Batch and Manual System
   Personal Services Base Adjustment; Elimination of .5 FTE

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental: Provide funding for the .5 FTE position

   Decremental: Eliminate the Automation System and continue with manual
   Records
   Elimination of 3.0 FTE in the Reception and Application
   Processing Division
   Decrease Funding in the Education Program

---

Department: Real Estate Department

JLBC BUDGET SUMMARY

General Fund

$ 1,737,400

34,300

8,900

$ 1,780,600

Statutory/Mandated Changes:

Other Changes:

Automated System through the DOA Data Center
Elimination of Batch and Manual System
Personal Services Base Adjustment; Elimination of .5 FTE

JLBC Staff Recommendation:

$ 1,788,700

Funding Alternatives and Issues:

Incremental: Provide funding for the .5 FTE position

Decremental: Eliminate the Automation System and continue with manual
Records
Elimination of 3.0 FTE in the Reception and Application
Processing Division
Decrease Funding in the Education Program

---

Dept. No: 0390

$ 1,737,400

34,300

8,900

$ 1,780,600

Statutory/Mandated Changes:

Other Changes:

Automated System through the DOA Data Center
Elimination of Batch and Manual System
Personal Services Base Adjustment; Elimination of .5 FTE

JLBC Staff Recommendation:

$ 1,788,700

Funding Alternatives and Issues:

Incremental: Provide funding for the .5 FTE position

Decremental: Eliminate the Automation System and continue with manual
Records
Elimination of 3.0 FTE in the Reception and Application
Processing Division
Decrease Funding in the Education Program
## JLBC BUDGET SUMMARY

### 1. 1983-84 Appropriations

| Less: Adjustments for Major "One-Time" Expenditures and Other Items: | Equipment | $ (12,000) |
| Add: Annualization of Current Funding Level: | January 1, 1984 Salary Adjustment and Related ERE Other ERE Increases | $ 2,600 |
| | Sub-Total | $ 1,700 |

### 2. Other Additions and (Reductions)

| Statutory/Mandated Changes: |  |
| Other Changes: Analytical Adjustment | $ 6,100 |

### 3. JLBC Staff Recommendation:

|  |  |

### 4. Funding Alternatives and Issues:

| Incremental: |  |
| Decremental: |  |
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: An Additional Investigator I Position
   Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:

   Decremental:

$ 53,400

$ 63,600
1. **1983-84 Appropriations**

   **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
   
   **Add:** Annualization of Current Funding Level:
   
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases/(Decreases)

   **Sub-Total**

   **JLBC BUDGET SUMMARY**

   **General Fund**

   $3,451,000

   27,600

   1,500

   **Sub-Total**

   $3,480,100

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   **Other Changes:**
   - Defer FY 1985 funding for Math and Science Education Enhancement Program $(400,000)$
   - One Percent Vacancy Factor $(9,600)$
   - Analytic Adjustments $1,500$
   - Eliminate Funding of Subsidies for 46 New WICHE Students $(525,200)$

3. **JLBC Staff Recommendation:**

   $2,546,800

4. **Funding Alternatives and Issues:**

   **Incremental:**
   - Restore Funding for One Percent Vacancy Factor $9,600$
   - Fund Assistant Director for Academic Programs $42,000$
   - Fund Subsidies for 46 New WICHE Students $525,200$

   **Decremental:**
   - Reduce Audit Coverage at Universities $(4.0) (127,900)$
1. **1983-84 Appropriations**

   **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:

   **Add:** Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases/(Decreases)

   **Sub-Total**

   $ 305,800

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   **Other Changes:** Reduce Funding for Course Equivalency Guide
   - Reduced Adjustments
   **400**

3. **JLBC Staff Recommendation:**

   $ 305,400

4. **Funding Alternatives and Issues:**

   **Incremental:** Increase State Funding for State Student Incentive Grants (SSIG)
   - Fund Course Equivalency Guide at Requested Level
   - Fund Postsecondary Data Projects at Requested Level
   - 30,000
   - 1,400
   - 900

   **Decremental:** Reduce Funding for SSIG
   - Reduce Funding for Postsecondary Data Projects
   - Reduce Funding for Course Equivalency Guide
   - (60,000)
   - (14,400)
   - (1,900)

---

Decremental issues prepared by the Legislative Staff as the Agency did not submit requested information. The Agency, however, did provide impact statements for the decremental issues the Legislative Staff prepared.
### JLBC Budget Summary

1. **1983-84 Appropriations**
   - **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
   - **Add:** Annualization of Current Funding Level:
     - January 1, 1984 Salary Adjustment and Related ERE
     - Other ERE Increases
   - **Sub-Total**

2. **Other Additions and (Reductions)**
   - **Statutory/Mandated Changes:**
     - Reduction of Faculty and Associated Costs under 22:1 Formula
     - One Percent Vacancy Factor
     - Analytic Adjustments
     - Interactive Computing Access Sites
     - Increased Registration Fees, Tuition
     - Decrease in Other Receipts
     - Balance Forward from Fiscal 1984

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   - **Incremental:**
     - Restore Funding for One Percent Vacancy Factor
     - Inflationary Increases Not Recommended
     - Materials Chemistry-Materials Characterization Program
     - Center of Excellence in Electrical Engineering
     - Astronomical Research Facility at Mount Graham
     - Biotechnology Expertise for Developing Arizona Industries
     - Neurobiology Research-Arizona Research Labs
     - Social and Behavioral Science Research Institute
     - High Speed Computing for Optical Devices
     - Multidisciplinary Program in Irrigation Technology and Water Management
     - Modern Molecular and Cellular Biology Program
     - Staff Support - Architecture, B.P.A. Engineering, Arts and Sciences, and Law
     - Electronic Materials Engineering
     - Final Phase of Doctor of Pharmacy Program

---

(Continued)
## JLBC BUDGET SUMMARY

<table>
<thead>
<tr>
<th>Incremental:</th>
<th>JLBC Budget Summary</th>
<th>General Fund</th>
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<tbody>
<tr>
<td>Manufacturing Systems Engineering Program</td>
<td>9.0</td>
<td>522,800</td>
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<tr>
<td>University Composition Board</td>
<td>6.0</td>
<td>190,700</td>
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<td>Computer Engineering for High-Tech Industry</td>
<td>5.0</td>
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<td>Crustal Genesis Program</td>
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<td>Theoretical Astrophysics Program</td>
<td>2.2</td>
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<td>Cooperative Extension - Staff Support</td>
<td>10.0</td>
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<tr>
<td>State Park at Homoloi Ruins</td>
<td>5.7</td>
<td>125,000</td>
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<tr>
<th>Decremental:</th>
<th>JLBC Budget Summary</th>
<th>General Fund</th>
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<tbody>
<tr>
<td>Delete Analytic Adjustments</td>
<td>(1,394,500)</td>
<td>(1,394,500)</td>
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<tr>
<td>Delete Funding for Interactive Computing Access Sites</td>
<td>(714,700)</td>
<td>(714,700)</td>
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<td>Reduce Funding to Public Service Programs</td>
<td>(17.9)</td>
<td>(623,300)</td>
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<td>Reduce Funding to Academic Support Programs</td>
<td>(10.5)</td>
<td>(240,000)</td>
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<tr>
<td>Reduce Funding to Student Services and Administration Programs</td>
<td>(12.0)</td>
<td>(295,000)</td>
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<td>Reduce Institutional Support Programs</td>
<td>(3.5)</td>
<td>(865,000)</td>
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</table>
Department: College of Medicine

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level:

- January 1, 1984 Salary Adjustment and Related ERE
- Other ERE Increases

Sub-Total

<table>
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<th>Description</th>
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<td>$22,031,500</td>
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2. Other Additions and (Reductions)

Statutory/Mandated Changes:

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>One Percent Vacancy Factor</td>
<td>(202,000)</td>
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<tr>
<td>Analytic Adjustments</td>
<td>205,700</td>
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<tr>
<td>Increase in Registration Fees</td>
<td>(211,400)</td>
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3. JLBC Staff Recommendation:

<table>
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<th>Description</th>
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<tbody>
<tr>
<td></td>
<td>$22,329,000</td>
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4. Funding Alternatives and Issues:

Incremental:

- Fund Inflationary Increases not Recommended: 172,300
- Restore Funding for One Percent Vacancy Factor: 202,000
- Establish Research and Clinical Expertise in Specialized Neurologic Disorders: 6.5 314,300
- Provide a Focus for Research into Blinding Diseases: 2.6 102,900
- Improve Teaching in Radiation Treatment for Cancer: 1.3 119,900
- Development in Area of Immunobiology: 5.8 241,800
- Medical Photography Service Improvements: 2.0 50,000
- Long Term Care Gerontology Improvement: 4.3 142,600
- Teaching of Undergraduate Human Anatomy: 4.8 85,000
- Develop Interdisciplinary Program Regarding Biopsychosocial Problems of Pre-Adolescents and Adolescents: 6.9 267,800

Decremental:

- Delete Analytic Adjustments: (205,700)
- Reduce Size of Incoming Class from 88 to 72: (12.3) (485,000)
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   Sub-Total
   2. Other Additions and (Reductions)
      Statutory/Mandated Changes:
      Other Changes: The recommendation represents the request less amounts requested
                     for merit and market adjustments. A revised budget will be
                     submitted in February, 1984 at which time a revised recommend-
                     ation will be made.
   3. JLBC Staff Recommendation:
      4. Funding Alternatives and Issues:
         Incremental: The new prospective payment system to be used by the federal
                      Medicare program will impact on the University Hospital. Other
                      health insurance carriers are expected to adopt a similar system.
                      The JLBC Staff will be releasing a special report relative to the
                      University Hospital funding issues. It is anticipated that the
                      revised budget request to be submitted by the University Hospital
                      will be greater than the amount shown in the JLBC Staff Recommendation.
         Decremental:
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases

   **Sub-Total**

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**

   - Continuation of Engineering Excellence - Phase IV (H.B. 2308)
   - Increase in Faculty and Associated Costs under 22:1 Formula 71.0
   - One Percent Vacancy Factor
   - Analytic Adjustments
   - Utilities Costs Shortfall
   - Increases in Registration Fees, Tuition and Other Receipts

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**

   **Incremental:**
   - Fund Inflationary Increases not Recommended
   - Restore Funding for One Percent Vacancy Factor
   - Engineering Excellence-Phase V
   - Student Financial Assistance-Minority Recruitment and Retention
   - University Staff Support
   - Fund 22:1 Formula Faculty at Requested Level

   **Decremental:**
   - Eliminate 22:1 Formula FTE's
   - Delete Funding for Engineering Excellence Phase IV
   - Delete Analytic Adjustments
   - Reduce Equipment Base
   - Decrease Utilities Costs Shortfall

*This figure does not include $2,113,300 appropriated for Engineering Excellence in H.B. 2308.*
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Reduction of Faculty and Associated Costs under 22:1
                   Formula
                   One Percent Vacancy Factor
                   Analytic Adjustments
                   Telecommunication System Upgrade Equipment
                   Increased Registration Fees, Tuition and Other Receipts
                   Reduction in Bond Set Aside to Required Fiscal 1985 Level
                   Balance Forward from Fiscal 1984

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   Reallocation 22:1 Formula FTE's to Staff Support Positions
   Inflationary Increases Not Recommended
   Telecommunications Staff Positions
   Increase Bond Set Aside to Fund Fiscal 1985 Capital Improvement Projects
   Instructional Support - Administrative and Clerical
   Video Instructional Labs - Off-Campus Resident Credit
   Upgrade Maintenance/Energy Conservation Program
   Assistant Director - Minority Student Services Center
   Assistant Personnel Director
   Mail Room Services

   Decremental:
   Deletion of Non-Utilities Inflationary Increases
   Defer Ongoing Attendance to Utility Distribution System
   Unfund 23.0 FTE's
   Reduction of Equipment Base
   Reduction of Non-Utilities Operations Base
   Increase Allocation of Registration Revenue from Local Funds to Collections

Department: Northern Arizona University

JLBC BUDGET SUMMARY

General Fund
$ 37,905,800

875,600
36,000

$ 38,817,400

Dept. No: 0416

37,651,400

417,900
690,800
90,000
900,000
223,000
414,000
160,000
25,000
41,000
172,000

(671,000)
(799,000)
(647,100)
(50,000)
(50,000)
(469,000)
Department: Board of Medical Student Loans

1. 1983-84 Appropriations
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
       
       Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   
   Other Changes: Projected Carry Forward of $60,000 into FY 1985 (60,000)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   
   Decremental:
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
   - January 1, 1984 Salary Adjustment and Related ERE
   - Other ERE Increases

   **Sub-Total**

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**
   - State Aid to Community Colleges
   - Operating

   **Other Changes:**
   - Analytical Adjustment

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**

   **Incremental:**
   - State Aid, Capital Outlay (A.R.S. 15-1464) Allows up to $8,550,700 in State Support for Capital Outlay Based on Projected Enrollment by the Community College Districts for 1984-85. The Recommendation provides for a Continuation of a Lump Sum Appropriation of $5,000,000

   **Decremental:**
   - Reduction in Level of Funding to Arizona Skill Centers

---

**JLBC BUDGET SUMMARY**

**General Fund**

- $44,620,200
- 7,900
- 0

**Sub-Total**

- $44,628,100

**$47,739,500**
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

Sub-Total

General Fund
$ 10,364,400

$ 10,539,400

2. Other Additions and (Reductions)
   Statutory/Mandated Changes: Assistance to Schools Statutory Formula Programs
   Other Changes: Elimination of the Jobs For Arizona Graduates Program (1.0)
       Adjustment for Achievement Testing Costs
       Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Allow Funding for Requested Data Processing Equipment 149,600
   Fund School Improvement Program (includes Arizona Teacher Residency Program, Principals' Academy, Discipline Studies) 3.0 528,200
   Provide Requested Funding for the Jobs for Arizona Graduates Program 1.0 672,200
   Provide for Requested Funding in Non-Formula Assistance Programs 253,500
   Provide Funding for Personal Services Base Shortage in General Services Admin. 80,900
   Have Funding available if the Achievement Test is Changed 292,000

   Decremental: Eliminate the Analytical Adjustment (57,300)
   Eliminate the Achievement Testing Program (684,900)
   Eliminate Funding for Education Commission of The States (30,700)

1/ In order to more accurately depict the operating portion of the Department's Budget, the Statutory Formula Programs have been removed from this summary and presented separately.
Department: Department of Education - Formula Programs

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:
Add: Annualization of Current Funding Level:
    January 1, 1984 Salary Adjustment and Related ERE
    Other ERE Increases
    Qualifying Tax Rate Adjustment (Chapter 303, Laws of 1983)
Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:
   State Aid Equalization
   Additional State Aid
   Assistance To Schools
   Certificate of Education Convenience
   Permanent Special Education Institutional Voucher
   Reimbursement of June Apportionment Payment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Amend Statutes to Provide for Teacher Merit/Pay Plan
   Decremental: Amend A.R.S. 15-942 (Student Count Adjustment for Declining
              Enrollment) so that Basic Aid to School Districts will be
t              determined on the Actual Student Count rather than an
              artifically high student count because of the Provisions
              of this statute.

1/ Formula programs include the following line items found in the Assistance to Schools Program: State Aid
   Equalization, Additional State Aid, Assistance to School Districts, Certificate of Education Convenience, Permanent
   Special Education Voucher, and Permanent Special Education Institutional Voucher.

2/ S.B. 1016 (Chapter 7; First Special Session) postponed the June apportionment payment by the Department to school
   districts until July, thus reducing the FY 84 appropriation by $20 million and adding a like amount (plus $77,000 in
   interest payments) to the Fiscal 1985 Appropriation.
## JLBC Budget Summary

### General Fund

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1983-84 Appropriations&lt;br&gt;Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
<td>$6,107,900</td>
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<td>Add: Annualization of Current Funding Level:&lt;br&gt;January 1, 1984 Salary Adjustment and Related ERE&lt;br&gt;Other ERE Increases</td>
<td>$180,700&lt;br&gt;$45,500</td>
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<td>Sub-Total</td>
<td>$6,334,100</td>
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<td>2. Other Additions and (Reductions)&lt;br&gt;Statutory/Mandated Changes:</td>
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<td>Other Changes: Program Improvements Phoenix Day School</td>
<td>2.0</td>
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<td>Analytical Adjustments</td>
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<td>3. JLBC Staff Recommendation:</td>
<td>$6,510,800</td>
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<td>4. Funding Alternatives and Issues:&lt;br&gt;Incremental:</td>
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<tr>
<td>Expand Pre-School Program</td>
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<td>Educational Program Development at the Phoenix Day School</td>
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<td>Improve Transportation Program - Tucson</td>
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<tr>
<td>Enhance Educational Program - Tucson</td>
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<tr>
<td>Decremental: Eliminate ADTEC Program</td>
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Department: Commission on the Arts

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Reduction in Pass Through Community Service Project Funds
                   Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Fund Reduction in the Pass Through Money
                Fund Additional Staff Requested for Community Development
                Coordinator, Education Coordinators, Arts Assistant
                Additional Community Service Project Money

   Decremental: Eliminate the Pass Through Function of the Agency
                (Community Service Project Funds)

Dept. No: 0482
General Fund
$ 426,000
5,800
1,800

$ 433,600

$ 418,100

$ 20,000
3.0

20,000
74,700
880,000

(100,000)
Department: Arizona Historical Society

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
        January 1, 1984 Salary Adjustment and Related ERE
        Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Base Adjustment
                  Analytical Adjustments

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental:
   Administrative Services Improvement, Exhibit Supplies and
   Acquisitions funding at the Tucson location
   Yuma Expansion
   New Exhibits at Central Arizona Museum
   Educational Supplies, Historic Site Markers, Auditing Abilities

   Decremental:
   Elimination of Base Adjustments
   Closure of Arizona Heritage Center Branch Museums
   Elimination of the Education Program
Department: Prescott Historical Society

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Provide for an 0.8 FTE Clerical Position to become
   Full Time Status

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

   Incremental: Provide for a Typist III Position (adding 0.8 FTE)
   Provide for One Additional Building Maintenance Position

   Decremental: Deletion of the Full Time Status Change
   Deletion of a Custodial Position
   Elimination of an Archival Curatorial Aide Position

   Dept. No: 0494
   General Fund
   $ 343,500
   $ 7,300
   $ 400
   $ 351,200

   $ 354,100

   $ 12,300
   $ 17,500

   $ (2,900)
   $ (14,400)
   $ (19,500)
JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level:
- January 1, 1984 Salary Adjustment and Related ERE
- Annualization Requirements - FY 84 Actions
- Annualization Requirements - October Special Session
- Other E.R.E.

Sub-Total

2. Other Additions and (Reductions)

Statutory/Mandated Changes:
- Program Changes required by October Special Session
- Includes $3,539,700 for 600 beds in Douglas, $3,640,500 for Flamenco, and $103,900 for Picacho

Other Changes:
- Addition of Staff to Accommodate Growth in Inmate Population
- Addition of Support Staff for Offender Information
- Shift of Funds for Operating Expenses from General Fund to ARCOR Revolving Fund
- Analytic Adjustments

Sub-Total

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:

Incremental:
- Management Information System
- Additional Staffing "Needs" or "Requests" (Inmate Population Growth)
- Treatment Alternative to Street Crime (TASC)
- Sex Offender Treatment
- New Facilities - Lease Purchase (No Request - EBO Recommended)
- Shift of Funds for Operating Expenses (ARCOR)

Decremental:
- Remove Correctional Industries from General Fund
- Reduction in Other Changes included under Item 2 Above

* Includes a base adjustment of $3,971,300 pursuant to Special Session actions of October 3, 1983, which is annualized in FY 85 also.
1. **1983-84 Appropriations**
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level:
       
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   
   Sub-Total
   
   $3,257,700
   
   48,200
   
   200
   
   $3,306,100

2. **Other Additions and (Reductions)**
   
   **Statutory/Mandated Changes:**
   
   Other Changes: Replacement Equipment
   Eliminate Aircraft Operations
   Vehicle Fleet Reduction
   Reduced Funding for Investigative Equipment
   Analytic Adjustments
   
   $25,400
   
   $(14,900)
   
   $(23,600)
   
   $(24,900)
   
   $(8,900)

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**
   
   **Incremental:** Law Enforcement Pay Plan Equity
   
   $47,600
   
   **Decremental:** Terminate Agency by Special Legislation
   Terminate Agency Under Sunset Legislation
   Transfer Agency Functions to Another Agency

Decremental issues prepared by the Legislative Staff, as the Agency did not submit requested information. The Agency, however, did provide impact statements for decremental issues the Legislative Staff prepared.
Department: Emergency Services and Military Affairs

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level
    January 1, 1984 Salary Adjustment and Related ERE
    Other ERE Increases/(Decreases)

Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

Other Changes: 4.0 Unfunded FTE (Military Affairs)
    Analytic Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   **Incremental:**
   - Fund 4 FTE's associated with Reorganization (Military Affairs) and Associated Costs
   - Fund 4 FTE's (Fire Marshal) and Associated Costs
   - Restoration of Above Reductions
   - Restore Unit Fund to Statutory Level

   **Decremental:**
   - Deletion of Analytic Adjustment
   - Eliminate Education Reimbursement
   - Reduce Service Contracts Base (20%)

Decremental issues prepared by the Legislative Staff as the Department did not submit the requested information. The Department, however, did provide impact statements for the decremental issues the Legislative Staff prepared.
Department: Pardons and Paroles

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases
   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustment

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: The Legislative Staff may make additional recommendations
               pending the outcome of the Legislative actions to be taken
               during the special session on prison overcrowding.

   Decremental:
1. 1983-84 Appropriations

Less: Adjustments for Major "One-Time" Expenditures and Other Items:

Add: Annualization of Current Funding Level:
- January 1, 1984 Salary Adjustment and Related ERE (Net)
  $315,500
- Other ERE Increases/(Decreases)
  $(267,400)
- Annualization of Salaries of Highway Patrol Officers Previously Paid From Federal Funds
  $130,000
- Decrease in Funding Available From the Arizona Highway Patrol Fund
  $569,500

Sub-Total
$44,490,400

2. Other Additions and (Reductions)
- Statutory/Mandated Changes: Highway Users Fund Reduction
  $5,000,000
- Other Changes:
  - Criminal Investigation Bureau - Radio System Modernization (First of Three Installments)
    $1,165,000
  - Arizona Criminal Justice System Line Costs
    $223,300
  - Insurance - Risk Management
    $214,600
  - Analytic Adjustments
    $458,700
  - Lease/Rental Payments of Building Recommended for Purchase
    $(263,200)

3. JLBC Staff Recommendation:
$51,288,800

4. Funding Alternatives and Issues:

Incremental:
- Helicopter Replacement (First of Three Payments)
  $197,000
- Mass Spectrometer Replacement
  $190,000
- Aircraft Avionics Equipment
  $45,600
- Questioned Documents - Equipment
  $12,500
- Maintenance of Uninterrupted Power Source
  $34,500
- Fleet Management - Modernization and Vehicle Replacement
  $890,800
- Crime Laboratory Upgrade
  $98,700
- Additional Highway Patrol Officers
  $20.0
  $805,000

Decremental:
- Criminal Investigation Bureau - Radio System Modernization
  $(1,165,000)
- Fund Arizona Criminal Justice System Line Costs with Criminal Justice Enhancement Funds
  $(223,300)
- Eliminate Funding for Overtime
  $(1,276,100)
- Eliminate Funding for Motor Carrier Division
  $(23.0)
  $(640,000)
- Eliminate Funding for the Security Guards
  $(14.0)
  $(325,000)
- Analytic Adjustments
  $(458,700)
- Insurance - Risk Management
  $(214,600)

Decremental issues prepared by the Legislative Staff as the Department did not submit requested information. The Department's responses to the decremental issues were received on January 19, 1984, subsequent to the final completion of the analysis and recommendations.
1. 1983-84 Appropriations

| Less: Adjustments for Major "One-Time" Expenditures and Other Items: |
|-----------------|------------------|
| Transfer of Environ. Comm. | (46,000) |
| Title Reg. Automation | (1,033,200) |
| Emergency H.W. Equip. Funding | (112,500) |

| Add: Annualization of Current Funding Level: |
|-----------------|------------------|
| January 1, 1984 Salary Adjustment and Related ERE | 1,304,600 |
| Other ERE Increases | 415,900 |

Sub-Total: $117,477,600

2. Other Additions and (Reductions)

| Statutory/Mandated Changes: |
|-----------------|------------------|
| Other Changes: | |

Sub-Total: 8,200

3. JLBC Staff Recommendation:

| |
|-----------------|------------------|
| 3. JLBC Staff Recommendation: | $117,485,800 |

4. Funding Alternatives and Issues:

| Incremental: |
|-----------------|------------------|
| Classification Maintenance Review | 365,100 |
| District Area Engineer Assistants | 142,500 |
| Funding for Research | 77,900 |
| Computer Consultants | 100,000 |
| Contract Maintenance | 452,200 |
| Equipment Replacement | 2,000,000 |

<p>| Decremental: |
|-----------------|------------------|
| Reduce Equipment Revolving Fund Rental Rate | (917,200) |
| Reduction by three percent of Highway Maintenance Work Program | (1,300,000) |</p>
<table>
<thead>
<tr>
<th>Item</th>
<th>General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 1983-84 Appropriations</td>
<td>$ 56,700</td>
</tr>
<tr>
<td>Public Transit Program</td>
<td></td>
</tr>
<tr>
<td>Transit Planning</td>
<td>$ 20,000</td>
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<tr>
<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
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<td>Add: Annualization of Current Funding Level:</td>
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<tr>
<td>January 1, 1984 Salary Adjustment and Related ERE</td>
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<td><strong>Sub-Total</strong></td>
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<td>2. Other Additions and (Reductions)</td>
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<td>Statutory/Mandated Changes:</td>
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<td>Other Changes:</td>
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<tr>
<td>3. JLBC Staff Recommendation:</td>
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<td>4. Funding Alternatives and Issues:</td>
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<td>Incremental:</td>
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<td>Decremental:</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$ 78,900</strong></td>
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</tbody>
</table>
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Recommended Elimination of Funding

   (3,000)

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Continue Funding for Board

   Decremental:
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
      (613,400)

   Add: Annualization of Current Funding Level:
      January 1, 1984 Salary Adjustment and Related ERE
      Other ERE Increases/(Decreases)
      156,800
      (16,800)

   Sub-Total
      $11,688,500

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes:
   Addition of 1.0 Wildlife Specialist and Associated Costs
   in Non-Game Program
   1.0
   36,600

   Funding for Non-Game Program Equipment, Promotion, and
   Projects
   55,000

   Reduction in Federal Fund Match Requirements
   (119,800)

   Analytical Adjustments
   (54,100)

3. JLBC Staff Recommendation:
   $11,606,200

4. Funding Alternatives and Issues:

   Incremental:
   Provide Additional Funding for a Financial Development
   Coordinator
   1.0
   53,600

   Provide Additional Funding for 7.0 New Positions in Field
   Services
   7.0
   197,300

   Restore Analytical Adjustments
   54,100

   Decremental:
   Deletion of Position and Associated Costs in the Non-Game
   Program
   (1.0)
   (36,600)

   Elimination of Non-Game Program Equipment, Promotion and
   Projects
   (55,000)

   Deletion of 1.0 FTE and Associated Costs of the Urban Fishing
   Program
   (1.0)
   (75,600)

   Elimination of Funds for Predator Control
   (22,900)
### JLBC Budget Summary

#### 1. 1983-84 Appropriations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less: Adjustments for Major &quot;One-Time&quot; Expenditures and Other Items:</td>
<td>$48,700</td>
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<td>Add: Annualization of Current Funding Level:</td>
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<td>January 1, 1984 Salary Adjustment and Related ERE</td>
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<td>Other ERE Increases</td>
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<td>Sub-Total</td>
<td>$50,800</td>
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</table>

#### 2. Other Additions and (Reductions)

**Statutory/Mandated Changes:**

- **Other Changes:** Analytical Adjustments, $500

#### 3. JLBC Staff Recommendation:

- $50,300

#### 4. Funding Alternatives and Issues:

**Issue:** The Legislative Staff recommends the Commission continue to be funded on State Highway Funds during 1984-85. The Executive has recommended the Agency be transferred to the General Fund.
## JLBC BUDGET SUMMARY

### 1. 1983-84 Appropriations

- **Less:** Adjustments for Major "One-Time" Expenditures and Other Items:
  - Geological Subsidence Map Publications $(41,000)$

- **Add:** Annualization of Current Funding Level:
  - January 1, 1984 Salary Adjustment and Related ERE $76,400$
  - Other ERE Increases $22,400$

Sub-Total $4,276,700$

### 2. Other Additions and (Reductions)

- **Statutory/Mandated Changes:**
  - Reduce Case Backlog $1.0$ $23,700$
  - Fire Suppression Equipment and Radios $27,300$
  - Data Processing Enhancement $24,000$
  - Analytic Adjustments $8,000$

### 3. JLBC Staff Recommendation:

Sub-Total $4,359,700$

### 4. Funding Alternatives and Issues:

- **Incremental:**
  - Land Exchange - Non Federal $1.0$ $32,100$
  - Land Exchange - Federal $2.0$ $65,900$
  - Professional Planning and Disposition of Urban Lands $60,000$

- **Decremental:**
  - Professional Services for Urban Land Planning and Disposition $(148,300)$
  - Natural Resource Conservation District Support $(74,100)$
  - Increase Vacancy Savings to Two Percent $(34,300)$
  - Reduce Case Backlog $(1.0)$ $(23,700)$
  - Fire Suppression Equipment and Radios $(27,300)$
  - Data Processing Enhancement $(24,000)$
  - Analytical Adjustments $(8,000)$

Decremental information prepared by the Legislative Staff. The Department did not submit requested information.
1. **1983-84 Appropriations**
   
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   
   Add: Annualization of Current Funding Level
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   
   Sub-Total
   
2. **Other Additions and (Reductions)**
   
   **Statutory/Mandated Changes:**
   
   **Other Changes:** Analytical Adjustment
   4,300
   
3. **JLBC Staff Recommendation:**
   
4. **Funding Alternatives and Issues:**
   
   **Incremental:** Repair and Maintenance
   
   **Decremental:**
1. **1983-84 Appropriations**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

Sub-Total

2. **Other Additions and (Reductions)**

   Statutory/Mandated Changes:

   Other Changes: Analytical Adjustments

(3,300)

3. **JLBC Staff Recommendation**:

4. **Funding Alternatives and Issues**
   
   Incremental: Up-date State Map

1,000
1. 1983-84 Appropriations
   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases/(Decreases)
       Absorption of Catalina Personnel

Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

Other Changes: Personal Services Base Shortage Adjustments 92,500
               Equipment Replacement 80,200
               Equipment Maintenance and Road Maintenance Funds 50,000
               Analytical Adjustment 35,300

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Class Maintenance Review 101,600
                Additional 5.0 FTE for Visitor Safety & Park Security 92,300
                Seasonal Support Increase of 5.0 FTE 81,400
                Additional Replacement and New Equipment 114,200

   Decremental: Elimination of Personal Services Base Adjustment
                 Elimination of Other Changes Made Above 165,600
                 Cutting in Half of the Planning and Exhibit Functions 73,900
                 Further Reductions in Park Personnel Resulting in Suspension or total closing of various State Parks
1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level:
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Increase in State Lake Improvement Fund Grants 854,800
   Elimination of Boating Law Enforcement & Safety Fund Grants (275,000)
   Analytical Adjustments 4,600

3. JLBC Staff Recommendation:

   $ 2,571,400

4. Funding Alternatives and Issues:

   Incremental: Continue the Boating Law Enforcement Safety Program 150,000

   Decremental: Eliminate the Practice of Contracting out with Auditing
               Firms to Substantiate both SLIF and BLESF Grant Expenditures (3,000)
               Reduce the Review & Evaluation Section of the Agency (1.0) (40,300)
Department: Solar Energy

JLBC BUDGET SUMMARY

1. 1983-84 Appropriations

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:

   Add: Annualization of Current Funding Level
       January 1, 1984 Salary Adjustment and Related ERE
       Other ERE Increases

   Sub-Total

2. Other Additions and (Reductions)
   Statutory/Mandated Changes:

   Other Changes: Reduction of Solar Projects
   Reduction of 1 FTE and Associated Costs (1.0)
   Analytic Adjustments (39,000)
   (68,000)

   Analytic Adjustments

3. JLBC Staff Recommendation:

4. Funding Alternatives and Issues:
   Incremental: Photovoltaic Cooling
   Public Relations/Information
   Photovoltaic Workshops
   Solar Parabolic Dish-Sterling
   Restoration of Deleted Solar Projects Funding
   Restoration of Deleted FTE and Associated Costs 1.0

   Decremental: Cooperative Solar Monitoring
   Deletion of Analytic Adjustment

Dept. No: 0780

General Fund
$ 484,800

4,100
1,100
$ 490,000

$ 384,800

21,000
9,250
7,950
18,000
68,000
39,000

(5,000)
(1,800)
1. **1983-84 Appropriations**

   **JLBC BUDGET SUMMARY**

   Less: Adjustments for Major "One-Time" Expenditures and Other Items:
   Certificates for Groundwater Rights
   (136,600)

   Add: Annualization of Current Funding Level:
   January 1, 1984 Salary Adjustment and Related ERE
   Other ERE Increases
   92,900
   9,700
   **Sub-Total**
   $ 7,039,900

2. **Other Additions and (Reductions)**

   **Statutory/Mandated Changes:**
   
   **Other Changes:**
   Groundwater Code Compliance 13.75 442,000
   Commercial Building Rent Increase 47,700
   Federal Flood Control Assistance (734,100)
   Analytical Adjustments 34,800
   Base Reductions (32,100)
   $ 6,798,200

3. **JLBC Staff Recommendation:**

4. **Funding Alternatives and Issues:**

   **Incremental:**
   Federal Flood Control Assistance - The Department of Water Resources reports that due to insufficient funding in prior years the State will have an accumulated unfunded requirement by the end of FY 84 estimated at $21.8 million. Further projections indicate that state funding for local sponsor costs will be $10.4 million during 1984-85, bringing the total estimated unfunded requirement to $32.2 million.

   **Decremental:**
   Eliminate Flood Control Planning (203,800)
   Reduce Funding for Outside Legal Counsel (100,000)
   Groundwater Code Compliance (442,000)
   Commercial Building Rent Increase (47,700)
   Analytic Adjustments (34,800)

Decremental issues prepared by the Legislative Staff as the Department did not submit requested information. The Department, however, did provide impact statements for the decremental issues the Legislative Staff prepared.

1/ Estimated expenditures for 1983-84 are $9,238,000 which includes $2,164,100 of continuing appropriations which are expected to be expended during the current year.