

## House and Senate Approved Budget Bills

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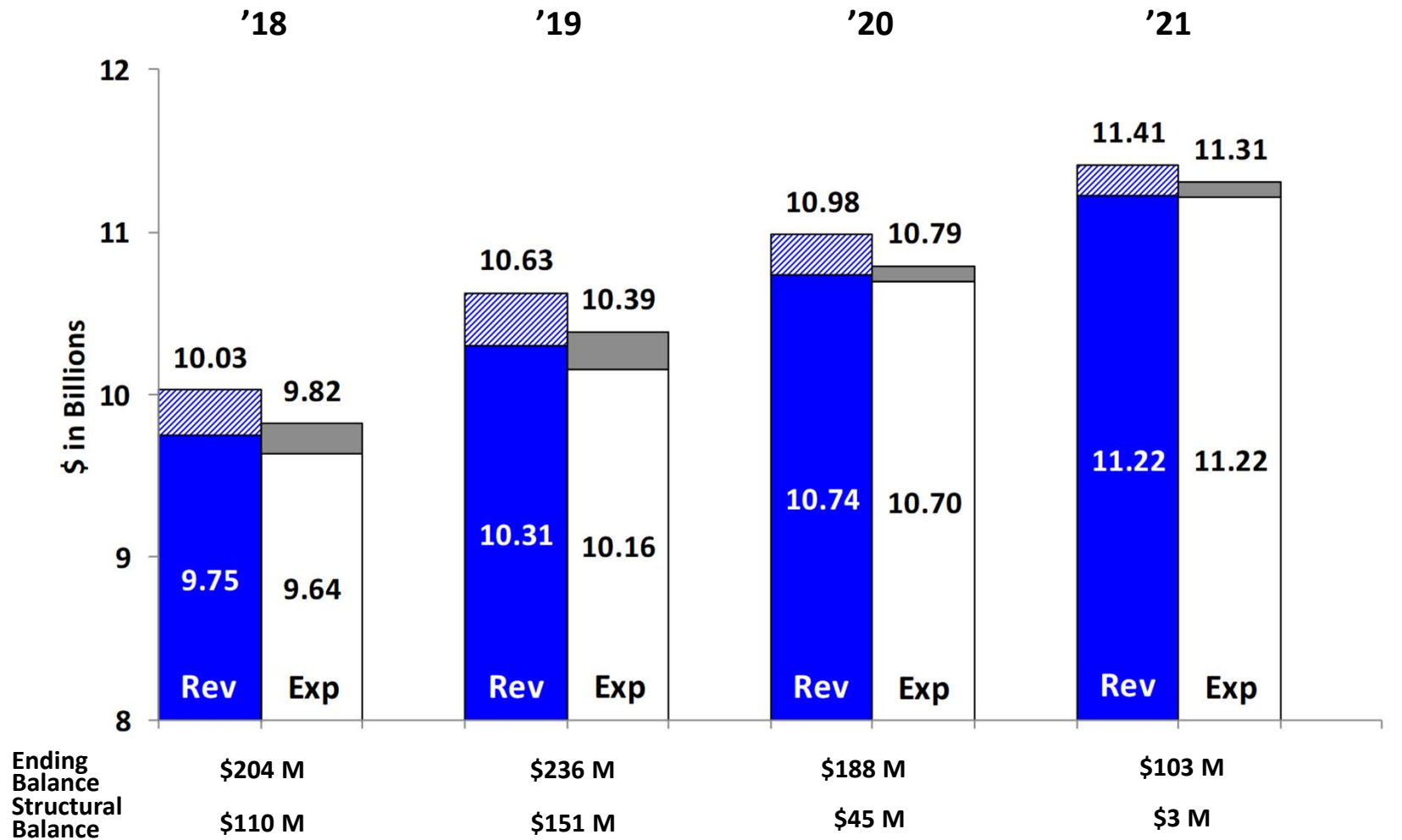
# **Budget Summary**

**House and Senate Approved Bills  
May 3, 2018**

# House and Senate Approved Budget Plan

|                            | '18              | '19              | '20              | '21              |
|----------------------------|------------------|------------------|------------------|------------------|
| Balance Forward            | 150.9            | 204.4            | 235.7            | 188.2            |
| Revenues                   | 9,874.9          | 10,420.9         | 10,743.6         | 11,220.8         |
| Spending                   | 9,821.4          | 10,389.6         | 10,791.1         | 11,306.0         |
| <b>Ending Balance</b>      | <b>\$204.4 M</b> | <b>\$235.7 M</b> | <b>\$188.2 M</b> | <b>\$103.0 M</b> |
| <b>Base Revenue Growth</b> | 6.0%             | 4.0%             | 4.4%             | 4.4%             |
| <b>Spending Growth</b>     | 1.9%             | 5.7%             | 3.9%             | 4.8%             |

# 5/3 Plan: Projected '21 Balance is \$ 103 M



■ Base Revenue   
 ■ Cash Balance / One-Time   
 □ Ongoing Expenditures   
 ■ One-Time Expenditures



# Revenue Summary

\$ in Millions

| FY 2019                                       | JLBC Baseline  | 5/3 Plan        |
|---|----------------|-----------------|
| Beginning Balance                             |                | 204.4           |
| Base Revenue                                  | 10,022.7       | 10,246.7        |
| Prior Year Tax Law Changes                    | (75.3)         | (75.3)          |
| Enforcement Revenue                           |                | 55.0            |
| DPS Highway Safety Fee Offsets                |                | 72.4            |
| TPT Online Lodging/Sales Suppression Software |                | 10.0            |
| TY 2017 Conformity                            |                | (5.0)           |
| One-Time Fund Transfers                       |                | 120.7           |
| Other   |                | (3.6)           |
| <b>Total Revenues</b>                         | <b>9,947.4</b> | <b>10,625.3</b> |

## \$120.7 M in Fund Transfers

- ❑ \$53 M – Prescription Drug Rebates
- ❑ \$20 M – DEQ Underground Storage Tank
- ❑ \$20 M – Attorney General VW Settlement Transfer
- ❑ \$7 M – Industrial Commission Admin Fund
- ❑ \$5 M – DFI Financial Services Fund

# Major '19 General Fund Spending Changes

## - Relative to JLBC Baseline

|   | \$ in Millions |                 |
|---|----------------|-----------------|
|   | <u>Ongoing</u> | <u>One-Time</u> |
| <b><u>Spending Increases</u></b>                                  |                |                 |
| ADE – Teacher Pay Funding   | 176.2          |                 |
| ADE – Teacher Pay – Bridge to 301                                 |                | 64.1            |
| ADE – Increase Additional Assistance                              | 100.0          |                 |
| AHCCCS – 2.5% Provider Rate Increase                              | 9.8            |                 |
| Corrections/EORP/Other – Retirement Adjustment                    | 35.2           |                 |
| Corrections – Health Care Adjustment                              | 15.0           |                 |
| Counties – DJC Offset   |                | 11.3            |
| DES – DD One-Time Funding   |                | 13.0            |
| SFB – Building Renewal  |                | 34.4            |
| State Employee Health Insurance Fund Deposit                      |                | 10.0            |
| Universities (\$8 M Regular Distribution/\$2.5 M Freedom Schools) |                | 10.8            |
| <b><u>Spending Reductions</u></b>                                 |                |                 |
| ADE – Secondary Property Tax Reforms                              | (18.4)         |                 |
| AHCCCS – Rearrange Tobacco Tax/Increase Hospital Assessment       | (35.2)         |                 |
| Corrections – Private Prison Capacity Cap                         | (2.8)          |                 |
| DES – Lower TANF Caseloads/Fund Shift                             | (5.0)          |                 |
| DEQ – WQARF Fund Shift to Non-GF                                  | (2.8)          |                 |
| DPS – Fund Shifts   | (3.8)          |                 |
| '17 Highway Project Fund Shift                                    |                | (12.5)          |



# '19 Overall Spending Changes Above '18

|                         | \$ in Millions  |            |
|-------------------------|-----------------|------------|
| FY 2018 Appropriation   | 9,829.1         | 9,829.1    |
| <u>Change to '18</u>    | <u>Baseline</u> | <u>5/3</u> |
| Education               | 167.6           | 477.4      |
| AHCCCS                  | 84.0            | 1.6        |
| Corrections             | (12.3)          | 26.4       |
| Universities            | 7.3             | 18.1       |
| Economic Security       | 51.8            | 63.6       |
| Child Safety            | 4.6             | (4.2)      |
| School Facilities Board | (52.1)          | (17.7)     |
| ADOA Health Insurance   | 0.0             | 10.0       |
| ADOA IT Projects        | (12.3)          | (7.3)      |
| Counties                | (9.7)           | 4.9        |
| Other                   | (2.3)           | (12.3)     |
| Total Changes           | 226.6           | 560.5      |
| FY 2019 Total           | 10,055.7        | 10,389.6   |

# K-12 General Fund Spending Levels

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(\$ in M Above '18)

|                                 | <u>'19</u>  | <u>'20</u>  | <u>'21</u>  |
|---------------------------------|-------------|-------------|-------------|
| Formula Spending                | \$ 126.4    | \$ 281.4    | \$ 473.6    |
| Additional Assistance           | 100.0       | 167.8       | 235.6       |
| Teacher Pay Plan – 20% Increase | 240.3       | 405.0       | 529.4       |
| Other                           | <u>10.7</u> | <u>11.0</u> | <u>11.2</u> |
| Total Additional Spending       | \$477.4     | \$865.2     | \$1,249.8   |
| Total General Fund              | \$4,704.4   | \$5,092.2   | \$5,476.8   |



# Executive Teacher Pay Proposal

| <u>'19 Adjustments (9%)</u>         | <u>'19</u>               | <u>'20</u>   | <u>'21</u>     |
|-------------------------------------|--------------------------|--------------|----------------|
| 1% Approved in '17                  | Already in JLBC baseline |              |                |
| 6% via Base Level                   | \$176                    | \$176        | \$176          |
| 2% via Base Level (Prop 301 Bridge) | 64                       | 64           | 64             |
| <u>'20 Adjustment</u>               |                          |              |                |
| 5% via Base Level                   |                          | 165          | 165            |
| <u>'21 Adjustment</u>               |                          |              |                |
| 5% via Base Level                   |                          |              | 175            |
| Total above Baseline                | <u>\$240</u>             | <u>\$405</u> | <u>\$580 *</u> |

\* Includes \$50 M of Classroom Site Fund freed up in '21 by completion of debt service payments



# '19 AHCCCS Spending Changes Above '18

|   | \$ in Millions  |              |
|---|-----------------|--------------|
| FY 2018 Appropriation                     | 1,775.3         | 1,775.3      |
| <u>Change to '18</u>                      | <u>Baseline</u> | <u>5/3</u>   |
| Funding Formula Growth                    | 82.3            | 16.7         |
| Restore Health Insurer Fee                | 20.0            | 20.0         |
| Inter-Agency Shifts                       | (18.3)          | (16.4)       |
| Rearrange Tobacco Tax/Increase Assessment | 0.0             | (35.2)       |
| Increase Hospital Rates 2.5%              | 0.0             | 9.9          |
| School Behavioral Health Funding          | 0.0             | 3.0          |
| Increase Nursing Facility Rates 3%        | 0.0             | 2.7          |
| Eliminate County DUC Pool Payment         | 0.0             | 2.6          |
| End Prior Quarter Coverage                | 0.0             | (2.5)        |
| Increase Critical Access Hospital Funding | 0.0             | 1.8          |
| Reduce Out-of-Network Behavioral Health   | 0.0             | (1.0)        |
| Other                                     | <u>0.0</u>      | <u>(0.1)</u> |
| Total Changes                             | <b>84.0</b>     | <b>1.6</b>   |
| FY 2019 Appropriation                     | 1,859.3         | 1,776.8      |

# '19 Corrections Spending Changes Above '18

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|  | \$ in Millions  |             |
|--|-----------------|-------------|
| FY 2018 Appropriation                                | 1,067.6         | 1,067.6     |
| <u>Change to '18</u>                                 | <u>Baseline</u> | <u>5/3</u>  |
| Technical One-Time State Health Insurance Adjustment | (12.3)          | (12.3)      |
| Employer Retirement Rate Adjustment                  | 0.0             | 26.5        |
| Inmate Health Care Contract Adjustment               | 0.0             | 15.0        |
| Private Prison Capacity Cap                          | 0.0             | (2.8)       |
| Recidivism Efforts (\$2.4 M Other Funds)             | <u>0.0</u>      | <u>0.0</u>  |
| Total Changes  | <b>(12.3)</b>   | <b>26.4</b> |
| FY 2019 Appropriation                                | 1,055.3         | 1,094.0     |

# '19 Universities Spending Changes Above '18

|  | \$ in Millions  |              |
|--|-----------------|--------------|
| FY 2018 Appropriation                                      | 704.8           | 704.8        |
| <u>Change to '18</u>                                       | <u>Baseline</u> | <u>5/3</u>   |
| Remove One-Time '18 Operating or Capital Funding           | (15.0)          | (15.0)       |
| Restore One-Time '19 Operating or Capital Funding          | 0.0             | 8.0          |
| One-Time Freedom Schools Funding                           | 0.0             | 2.5          |
| Universities Infrastructure Funding – 1 <sup>st</sup> Year | 27.0            | 27.0         |
| ASU Arizona and Mexico Economic Development                | 0.0             | 0.3          |
| Technical One-Time State Health Insurance Adjustment       | <u>(4.7)</u>    | <u>(4.7)</u> |
| Total Changes  | <b>7.3</b>      | <b>18.1</b>  |
| FY 2019 Appropriation                                      | 712.1           | 722.9        |

# '19 DES Spending Changes Above '18

|   | \$ in Millions  |              |
|---|-----------------|--------------|
| FY 2018 Appropriation                                   | 586.1           | 586.1        |
| <u>Change to '18</u>                                    | <u>Baseline</u> | <u>5/3</u>   |
| Developmental Disabilities Medicaid Formula Growth      | 34.1            | 34.1         |
| Proposition 206 Minimum Wage Increase                   | 3.9             | 3.9          |
| Restore One-Time DD Prop 206 Rate Adjustment            | (10.0)          | 1.0          |
| Restore One-Time Room and Board Increase (6.5%)         | (2.0)           | 0.0          |
| Room and Board Backfill State-Only                      | 6.4             | 6.4          |
| State-Only Case Management                              | 2.9             | 2.4          |
| Skilled Nursing 3% Rate Increase                        | 0.0             | 0.2          |
| Shift DD Children's Rehabilitation Services from AHCCCS | 0.0             | 15.2         |
| Shift DD Behavioral Health from AHCCCS                  | 17.1            | 0.0          |
| One-Time Food Bank Funding                              | 0.0             | 1.0          |
| Early Intervention Program <u>1</u> /                   | 0.0             | 0.0          |
| Technical One-Time State Health Insurance Adjustment    | <u>(0.6)</u>    | <u>(0.6)</u> |
| <b>Total Changes</b>                                    | <b>51.8</b>     | <b>63.6</b>  |
| FY 2019 Appropriation                                   | 637.9           | 649.7        |



1/ \$1.9 M Other Funds

# '19 DCS Spending Changes Above '18

|  | \$ in Millions  |              |
|--|-----------------|--------------|
| FY 2018 Appropriation                  | 379.8           | 379.8        |
| <u>Change to '18</u>                   | <u>Baseline</u> | <u>5/3</u>   |
| Adoption Caseload Growth <sup>1/</sup> | 0.0             | 1.2          |
| CHILDS Replacement <sup>2/</sup>       | 5.0             | 0.0          |
| TANF/Caseload Reduction/Fund Shift     | 0.0             | (5.0)        |
| Health Insurance Adjustment            | <u>(0.4)</u>    | <u>(0.4)</u> |
| Total Changes                          | <b>4.6</b>      | <b>(4.2)</b> |
| FY 2019 Appropriation                  | 384.4           | 375.6        |

<sup>1/</sup> Plus \$5.9 million of Non-General Funds and \$7.0 million shifted from Foster Care

<sup>2/</sup> Funded at \$5.0 million in ADOA

# '19 SFB Spending Changes Above '18

|   | \$ in Millions  |               |
|---|-----------------|---------------|
| FY 2018 Appropriation                                     | 292.3           | 292.3         |
| <u>Change to '18</u>                                      | <u>Baseline</u> | <u>5/3</u>    |
| Building Renewal Grants – Remove One-Time                 | (17.2)          | (17.2)        |
| Building Renewal Grants – New One-Time                    | 0.0             | 34.4          |
| End of Funding '17 New School Starts                      | (23.1)          | (23.1)        |
| '18 New School Starts (Cash 2-year funding)               | (25.9)          | (25.9)        |
| - '18 funding of \$64 M declines to \$38 M in '19         |                 |               |
| '19 New School Starts (Cash 2-year funding) <sup>1/</sup> | 49.6            | 49.6          |
| School Debt Service Reduction                             | <u>(35.5)</u>   | <u>(35.5)</u> |
| Total Changes   | <b>(52.1)</b>   | <b>(17.7)</b> |
| FY 2019 Appropriation                                     | 240.2           | 274.6         |

<sup>1/</sup> Plus \$36.7 M in '20 for new schools or expansions:  
Chandler (3), Queen Creek (1), Tolleson (1)

# '19 Highway Safety Fee Set to Generate \$91 M

- Starts in January '19

- Saves GF \$72 M and Increases Local HURF \$12 M

|   | \$ in Millions        |           |                       |                           |
|---|-----------------------|-----------|-----------------------|---------------------------|
|   | <u>DPS<br/>Non GF</u> | <u>GF</u> | <u>Local<br/>HURF</u> | <u>State **<br/>Roads</u> |
| Reduce DPS HURF/Return to Construction                | (84)                  |           | 42                    | 42                        |
| Highway Safety Fee Offset                             | 84 *                  |           |                       |                           |
| New Troopers (HSF)                                    | 7 *                   |           |                       |                           |
| Replace GF/HELP Support of Local HURF                 |                       | 30        | (30)                  |                           |
| Transfer State Roads Gain to GF via VLT<br>('19 only) |                       | 42        |                       | (42)                      |
| Total   | <u>7</u>              | <u>72</u> | <u>12</u>             | <u>0</u>                  |

\* Represents \$91 M Highway Safety Fee

\*\* State Highway Fund





# '20 Highway Safety Fee Generates \$182 M

- Saves GF \$107 M and Increases Local HURF \$19 M

|   | \$ in Millions              |            |                             |                              |
|---|-----------------------------|------------|-----------------------------|------------------------------|
|   | <u>DPS</u><br><u>Non GF</u> | <u>GF</u>  | <u>Local</u><br><u>HURF</u> | <u>State</u><br><u>Roads</u> |
| Reduce DPS HURF/Return to Construction                            | (99)                        |            | 49                          | 50                           |
| Highway Safety Fee Offset   | 99 *                        |            |                             |                              |
| Reduce DPS Highway Patrol General Fund                            |                             | 21         |                             |                              |
| Highway Safety Fee Offset   | 21 *                        |            |                             |                              |
| Reduce DPS Highway Patrol Other Fund/<br>General Fund Transfer ** | (40)                        | 40         |                             |                              |
| Highway Safety Fee Offset   | 40 *                        |            |                             |                              |
| New Troopers/Retirement (HSF)                                     | 7 *                         |            |                             |                              |
| Replace GF/HELP Support of Local HURF                             |                             | 30 *       | (30)                        |                              |
| Excess Highway Fee  |                             | 16         |                             |                              |
| Total   | <u>7</u>                    | <u>107</u> | <u>19</u>                   | <u>50</u>                    |

\* Represents \$107 M Highway Safety Fee

\*\* Technical issues to be resolved



## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|  | A                 | B                  | C                  | D                  |
|--|-------------------|--------------------|--------------------|--------------------|
|  | FY 2018<br>5/3    | FY 2019<br>5/3     | FY 2020<br>5/3     | FY 2021<br>5/3     |
| <b>1 Beginning Balance</b>   | \$ 150.9          | \$ 204.4           | \$ 235.7           | \$ 188.2           |
| <b>Ongoing Revenues</b>  |                   |                    |                    |                    |
| 2 Ongoing Revenues - January Baseline                                      | 9,648.5           | 9,947.4            | 10,378.7           | 10,862.4           |
| 3 Base Revenue Adjustment  | 100.0             | 224.0              | 243.0              | 238.3              |
| 4 Expand Tax Fraud Prevention to TPT                                       |                   | 30.0               | 30.0               | 30.0               |
| 5 Higher Revenue/Increased Enforcement Staff                               |                   | 25.0               | 25.0               | 25.0               |
| 6 Eliminate \$2.6 M Ongoing Judiciary Transfers - Move \$2.0 M to One-Time |                   | (2.6)              | (2.6)              | (2.6)              |
| 7 Increase Military Pension Exemption to \$3,500 (Cost Begins in FY 20)    |                   | Start in FY 20     | (2.0)              | (2.0)              |
| 8 Cap Radiation Regulatory Fees Shift from General Fund at \$800k          |                   | (0.8)              | (0.8)              | (0.8)              |
| 9 Boxing/MMA Fees Shift from General Fund - \$0.1 M Revenue Loss           |                   | (0.1)              | (0.1)              | (0.1)              |
| 10 Executive Liquor Issues - GF Revenue Loss - \$0.1 M Revenue Loss        |                   | (0.1)              | (0.1)              | (0.1)              |
| 11 TPT Online Lodging Marketplace Registration (SB 1382 - Signed)          |                   | 10.0               | 15.0               | 15.0               |
| 12 DPS Highway Safety Fee Offset/Transfers                                 |                   | 42.4               | 55.7               | 55.7               |
| 13 ADOT HELP Fund Transfer (Due to Highway Safety Fee Offset)              |                   | 30.0               |                    |                    |
| <b>14 Subtotal - Ongoing Revenues</b>                                      | <b>\$ 9,748.5</b> | <b>\$ 10,305.2</b> | <b>\$ 10,741.8</b> | <b>\$ 11,220.8</b> |
| <b>One-Time Revenues</b>   |                   |                    |                    |                    |
| 15 One-Time Base Revenue Adjustment  | 72.0              |                    |                    |                    |
| 16 Tax Year 2017 IRC Conformity (HB 2647 - Signed)                         |                   | (5.0)              |                    |                    |
| <u>Previously Enacted Fund Transfers</u>                                   |                   |                    |                    |                    |
| 17 FY 2018 Moody's Settlement Transfer - Already Enacted                   | 8.2               |                    |                    |                    |
| <u>New Proposed Fund Transfers</u>   |                   |                    |                    |                    |
| 18 ADOA - Air Quality Fund   | 0.2               |                    |                    |                    |
| 19 ADOA - Employee Benefit Plan Fund                                       |                   | 2.5                |                    |                    |
| 20 ADOA - AFIS II Fund   |                   | 0.8                |                    |                    |
| 21 ADOA - Motor Pool Revolving Fund  |                   | 0.3                |                    |                    |
| 22 AHCCCS - IGA and ISA Fund   |                   | 5.9                |                    |                    |
| 23 AHCCCS - Hospital Loan Residency Program                                | 0.9               |                    |                    |                    |
| 24 AHCCCS - Prescription Drug Rebate Fund                                  |                   | 52.6               |                    |                    |
| 25 Attorney General - VW Settlement Transfer                               |                   | 20.0               |                    |                    |
| 26 Contractors - Recovery Fund   |                   | 4.0                |                    |                    |
| 27 Corp. Comm. - Pipeline Safety Revolving Fund                            |                   | 0.1                |                    |                    |
| 28 Corrections - Corrections Fund  |                   | 1.5                |                    |                    |
| 29 Corrections - Building Renewal Fund                                     |                   | 0.5                |                    |                    |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|   | A              | B              | C              | D              |
|---|----------------|----------------|----------------|----------------|
|   | FY 2018<br>5/3 | FY 2019<br>5/3 | FY 2020<br>5/3 | FY 2021<br>5/3 |
| 30 Corrections - Special Services Fund                      | 1.0            | 25k            |                |                |
| 31 Corrections - ACI Revolving Fund                         |                | 1.5            |                |                |
| 32 Corrections - Indirect Cost Recovery Fund                |                | 0.5            |                |                |
| 33 Economic Opportunity - Operations Fund                   |                | 2.2            |                |                |
| 34 Economic Opportunity - Economic Development Fund         | 5.1            |                |                |                |
| 35 Economic Opportunity - Greater AZ Development Authority  | 1.3            |                |                |                |
| 36 Economic Opportunity - AFA Operating Fund                |                | 0.1            |                |                |
| 37 Economic Opportunity - AZ IDA Fund                       |                | 0.3            |                |                |
| 38 DES - Special Admin Fund                                 |                | 11k            |                |                |
| 39 DEQ - Hazardous Waste Management Fund                    | 1.5            |                |                |                |
| 40 DEQ - Air Quality Fund                                   | 1.5            |                |                |                |
| 41 DEQ - Air Quality Fund (VW Lawsuit Shift)                |                | 1.0            | 1.0            |                |
| 42 DEQ - Underground Storage Tank Revolving Fund            | 10.0           | 10.0           |                |                |
| 43 DEQ - Recycling Fund                                     | 2.0            |                |                |                |
| 44 DEQ - Centralized Monitoring Fund                        | 0.5            |                |                |                |
| 45 DEQ - Permit Administration Fund                         | 3.0            |                |                |                |
| 46 DEQ - Voluntary Vehicle Repair and Retrofit Program Fund | 2.5            |                |                |                |
| 47 DFI - Mortgage Recovery Fund                             | 0.5            |                |                |                |
| 48 DFI - Financial Services Fund                            | 5.0            |                |                |                |
| 49 DFI - Receivership Revolving Fund                        | 50k            |                |                |                |
| 50 Game and Fish - Watercraft Licensing                     | 1.0            | 1.5            |                |                |
| 51 DHS - Health Service Licensing Fund                      | 1.5            | 1.0            |                |                |
| 52 DHS - BHS ISA Agreement Fund                             | 3.1            |                |                |                |
| 53 Housing - Housing Program Fund                           |                | 2.0            |                |                |
| 54 Housing - Housing Trust Fund                             |                | 0.4            |                |                |
| 55 Industrial Commission - Admin Fund                       |                | 7.0            |                |                |
| 56 Judiciary - Drug Treatment and Education Fund            |                | 2.0            |                |                |
| 57 DPS - Public Safety Equipment Fund                       |                | 22k            |                |                |
| 58 DPS - Fingerprint Clearance Card Fund                    | 1.0            |                |                |                |
| 59 DPS - Concealed Weapons Permit Fund                      | 2.0            |                |                |                |
| 60 DPS - Joint Fund (VW Lawsuit Fund Shift)                 |                | 0.8            | 0.8            |                |
| 61 RUCO - Revolving Fund                                    |                | 0.1            |                |                |
| 62 ADOT - Economic Strength Project Fund                    | 0.5            |                |                |                |
| 63 ADOT - Vehicle Inspection and Title Enforcement Fund     | 2.0            | 1.1            |                |                |
| 64 Water Resources - IGA/ISA Fund                           | 0.1            |                |                |                |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|   | A              | B              | C              | D              |
|---|----------------|----------------|----------------|----------------|
|   | FY 2018<br>5/3 | FY 2019<br>5/3 | FY 2020<br>5/3 | FY 2021<br>5/3 |
| 65 Water Resources - Indirect Cost Recovery Fund                                |                | 1.0            |                |                |
| 66 <b>Subtotal - Newly Enacted Fund Transfers</b>                               | \$ 46.2        | \$ 120.7       | \$ 1.8         | \$ -           |
| 67 <b>Subtotal - One-Time Revenues (Including Beginning Balance)</b>            | \$ 277.3       | \$ 320.1       | \$ 237.5       | \$ 188.2       |
| 68 <b>Total Revenues</b>  | \$ 10,025.8    | \$ 10,625.3    | \$ 10,979.3    | \$ 11,409.0    |
| 69 <b>JLBC Baseline - Ongoing Spending</b>                                      | \$ 9,666.3     | \$ 9,958.8     | \$ 10,334.1    | \$ 10,650.8    |
| <b>Ongoing Changes to JLBC Baseline</b>   |                |                |                |                |
| 70 ADOA - Government Transformation Office Fund Shift                           |                | (1.0)          | (1.0)          | (1.0)          |
| 71 ADOA - AZNet (Telecomm) Contract Savings (\$45k)                             |                | (0.1)          | (0.1)          | (0.1)          |
| 72 ADOA - State Procurement Office Fund Shift                                   |                | (0.5)          | (0.5)          | (0.5)          |
| 73 ADOA - Utility Savings   |                | (0.6)          | (0.6)          | (0.6)          |
| 74 Office of Administrative Hearings - 1740 W Adams Relocation                  |                | \$13k          | \$13k          | \$13k          |
| 75 Agriculture - Livestock Inspector Salary Increase                            |                | 0.2            | 0.2            | 0.2            |
| 76 Agriculture - Salt River Horse Management (FY 18 \$40k/FY 19 \$51k)          | 0.1            | 0.1            | 0.1            | 0.1            |
| 77 Agriculture - Efficiency Savings (\$125k)                                    |                | (0.1)          | (0.1)          | (0.1)          |
| 78 AHCCCS - Formula (FY 18 in Revertments)                                      | (17.3)         | (65.6)         | (52.4)         | (36.2)         |
| 79 AHCCCS - Shift CRS to DES  |                | (15.2)         | (15.2)         | (15.2)         |
| 80 AHCCCS - Shift DD Behavioral Health to DES (Baseline Shifted; Plan Does Not) |                | 17.1           | 17.1           | 17.1           |
| 81 AHCCCS - Rearrange Tobacco Tax/Increase Hospital Assessment                  |                | (35.2)         | (35.2)         | (35.2)         |
| 82 AHCCCS - 2.5% Provider Rate Increase   |                | 9.8            | 9.8            | 9.8            |
| 83 AHCCCS - End Prior Quarter Coverage  |                | (2.5)          | (2.5)          | (2.5)          |
| 84 AHCCCS - Reduce Out-of-Network BHS Reimbursement to 90%                      |                | (1.0)          | (1.0)          | (1.0)          |
| 85 AHCCCS - American Indian Health Program Admin Shift (\$545k)                 |                | (0.5)          | (0.5)          | (0.5)          |
| 86 AHCCCS - American Indian Health Program Admin Staffing (12 FTEs)             |                | 0.3            | 0.3            | 0.3            |
| 87 AHCCCS - Behavioral Health Services in Schools                               |                | 3.0            | 3.0            | 3.0            |
| 88 AHCCCS - Skilled Nursing Provider Rate Increase                              |                | 2.7            | 2.7            | 2.7            |
| 89 AHCCCS - Increase Critical Access Hospital Funding                           |                | 1.8            | 1.8            | 1.8            |
| 90 AHCCCS - Eliminate County DUC Pool Payments                                  |                | 2.6            | 2.6            | 2.6            |
| 91 AHCCCS - Suicide Prevention Coordinator                                      |                | 0.1            | 0.1            | 0.1            |
| 92 Attorney General - Rent Adjustment (\$638k)                                  |                | (0.6)          | (0.6)          | (0.6)          |
| 93 Attorney General - Child Advocacy Fund Deposit                               |                | 0.1            | 0.1            | 0.1            |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|  | A              | B                    | C              | D              |
|--|----------------|----------------------|----------------|----------------|
|  | FY 2018<br>5/3 | FY 2019<br>5/3       | FY 2020<br>5/3 | FY 2021<br>5/3 |
| 94 DCS - Adoption Services   |                | 1.2                  | 1.2            | 1.2            |
| 95 DCS - Remove FY 21 Automation Funding (\$5 M in Baseline in FY 19 - FY 21)      |                |                      |                | (5.0)          |
| 96 Commerce Authority - Reduce Competes Fund Deposit (From \$11.5 M to \$5.5 M)    |                | Start in FY 20       | (6.0)          | (6.0)          |
| 97 Corrections - Health Care Adjustment  |                | 15.0                 | 15.0           | 15.0           |
| 98 Corrections - Retirement Adjustment   |                | 26.5                 | 26.5           | 26.5           |
| 99 Corrections - Private Prison Capacity Cap                                       |                | (2.8)                | (2.8)          | (2.8)          |
| 100 Corrections - FY 20 Lease-Purchase Savings - Post Baseline JLBC Score          |                |                      | (3.1)          | (3.1)          |
| 101 Counties - Ongoing \$550k Distribution (Pinal/Yavapai/Mohave)                  |                | 1.7                  | 1.7            | 1.7            |
| 102 ASDB - Early Childhood Services (FY 19 OF/FY 20 and FY 21 GF) (Separate Bill)  |                | Other Fund - \$2.0 M | 1.6            | 1.6            |
| 103 ASDB/ADC/DJC - Teacher Pay Increase  |                | 1.6                  | 2.4            | 3.2            |
| 104 DES - Shift CRS from AHCCCS  |                | 15.2                 | 15.2           | 15.2           |
| 105 DES - Shift DD Behavioral Health from AHCCCS (Baseline Shifted; Plan Does Not) |                | (17.1)               | (17.1)         | (17.1)         |
| 106 DES - DD Case Management (Baseline - \$2.9 M/ Plan - \$2.4 M)                  |                | (0.5)                | (0.5)          | (0.5)          |
| 107 DES - Skilled Nursing Provider Rate Increase (DD Program) (\$174k)             |                | 0.2                  | 0.2            | 0.2            |
| 108 DES - Lower TANF Caseload/Fund Shift   |                | (5.0)                | (5.0)          | (5.0)          |
| 109 ADE - Formula  | (10.5)         | (22.3)               | (42.1)         | (48.0)         |
| 110 ADE - Increase Additional Assistance   |                | 100.0                | 167.8          | 235.6          |
| 111 ADE - Additional Teacher Pay Funding   |                | 176.2                | 340.9          | 465.3          |
| 112 ADE - IT Funding (ELAS)  |                | 5.3                  | 5.3            | 5.3            |
| 113 ADE - Computer Science Pilot Program   |                | 1.0                  | 1.0            | 1.0            |
| 114 ADE - Fully Fund Large JTEDs   |                | 1.8                  | 1.8            | 1.8            |
| 115 ADE - Teacher Salary Increase in Base Level                                    |                | Yes                  |                |                |
| 116 ADE - Geographic Literacy  |                | 0.1                  | 0.1            | 0.1            |
| 117 ADE - Secondary Property Tax Reform  |                | (19.0)               | (19.0)         | (19.0)         |
| 118 DEMA - Efficiency Savings (\$130k)   |                | (0.1)                | (0.1)          | (0.1)          |
| 119 DEQ - WQARF Fund Shift to Non-GF   |                | (2.8)                | (2.8)          | (2.8)          |
| 120 Ofc. Of Equal Opportunity - ADOA Personnel Division Fund Shift                 |                | (0.2)                | (0.2)          | (0.2)          |
| 121 Executive Clemency - Part-time Hearing Officer (\$33k)                         |                | 0.1                  | 0.1            | 0.1            |
| 122 Executive Clemency - Board Member Pay Increase (\$125k)                        |                | 0.1                  | 0.1            | 0.1            |
| 123 Dept. of Financial Institutions - Fund Shifts (\$250k)                         |                | (0.3)                | (0.3)          | (0.3)          |
| 124 Forestry - Hazardous Vegetation Funding (\$650k)                               |                | 0.7                  | 0.7            | 0.7            |
| 125 Forestry - Fire Suppression Fund Shift to Land Dept. Funds                     |                | (0.8)                | (0.8)          | (0.8)          |
| 126 Governor - Efficiency Savings (\$44k)  |                | (0.1)                | (0.1)          | (0.1)          |
| 127 Governor - OSPB - Efficiency Savings (\$10k)                                   |                | (0.1)                | (0.1)          | (0.1)          |
| 128 DHS - Radiation Regulatory Fund Shift  |                | (0.8)                | (0.8)          | (0.8)          |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|     |   | A              | B                | C              | D              |
|-----|---|----------------|------------------|----------------|----------------|
|     |   | FY 2018<br>5/3 | FY 2019<br>5/3   | FY 2020<br>5/3 | FY 2021<br>5/3 |
| 129 | DHS - AIDS Reporting Fund Shift   |                | (1.0)            | (1.0)          | (1.0)          |
| 130 | DHS - Vital Records Fund Shift (\$250k)   |                | (0.3)            | (0.3)          | (0.3)          |
| 131 | DHS - End County Payment State Hospital SVP                                       |                | 3.0              | 3.0            | 3.0            |
| 132 | Historical Society - Grants Specialist (\$30k)                                    |                | 0.1              | 0.1            | 0.1            |
| 133 | Insurance - Efficiency Savings (Vacancy Savings)                                  |                | (0.2)            | (0.2)          | (0.2)          |
| 134 | Judiciary - Adult Standard Probation Funding                                      |                | 0.4              | 0.6            | 0.6            |
| 135 | Judiciary - Probation Salary Deficit  |                | 0.6              | 0.6            | 0.6            |
| 136 | Judiciary - Fund Maricopa Judges Salaries at 50% (2 Year Phase In/Start in FY 20) |                |                  | 6.5            | 13.1           |
| 137 | DJC - 32 Youth Correctional Officers  |                | 2.1              | 2.1            | 2.1            |
| 138 | DJC - Fund Shift to Land Trust Funds  |                | (1.0)            | (1.0)          | (1.0)          |
| 139 | DJC - Retirement Adjustment   |                | 2.1              | 2.1            | 2.1            |
| 140 | Land - Fund Shift to Trust Management Fund  |                | (1.2)            | (1.2)          | (1.2)          |
| 141 | Leg. - Aud. General - Rent Adjustment (\$228k)                                    |                | 0.2              | 0.2            | 0.2            |
| 142 | Leg. - Aud. General - Additional Capacity for Caseload                            |                | 0.2              | 0.2            | 0.2            |
| 143 | Leg. - Aud. General - Additional Staff (FY 19 - \$585k/FY 20 - \$1.08 M)          |                | 0.6              | 1.1            | 1.1            |
| 144 | Leg. - Ombudsman - Salary/Rent (\$52k)  |                | 0.1              | 0.1            | 0.1            |
| 145 | Postsecondary Ed - Remove College Readiness Funding (\$235k)                      |                | (0.2)            | (0.2)          | (0.2)          |
| 146 | DPS - Don't Restore GILTEM Funding (Redirect to DPS Mobile Housing)               |                | (1.2)            | (1.2)          | (1.2)          |
| 147 | DPS - Retirement Adjustment   |                | 0.2              | 0.2            | 0.2            |
| 148 | DPS - Fund Shifts (MVLIE - \$1.25 M / CCW and Other Funds - \$2.5 M)              |                | (3.8)            | (3.8)          | (3.8)          |
| 149 | DPS - Highway Safety Fee Offset   |                |                  | (51.7)         | (51.7)         |
| 150 | Real Estate - Efficiency Savings (\$91k)  |                | (0.1)            | (0.1)          | (0.1)          |
| 151 | Revenue - Reduced Postage Costs (\$425k)  |                | (0.4)            | (0.4)          | (0.4)          |
| 152 | Revenue - Lump Sum Reduction  |                | (0.5)            | (0.5)          | (0.5)          |
| 153 | Revenue - Rent Savings  |                | (0.5)            | (0.5)          | (0.5)          |
| 154 | Revenue - Fund Shift to Liability Setoff Fund                                     |                | (0.4)            | (0.4)          | (0.4)          |
| 155 | Revenue - Enforcement Staff 25 FTE  |                | 2.0              | 2.0            | 2.0            |
| 156 | Sec of State - Election Funding (\$4 M Total)                                     |                | Plus OF - \$615k |                |                |
| 157 | Tax Appeals - Employee Benefits Costs (\$11k)                                     | 0.1            | 0.1              | 0.1            | 0.1            |
| 158 | Transportation - Fund Shift (\$51k)   |                | (0.1)            | (0.1)          | (0.1)          |
| 159 | Water Resources - Fund Shift to Water Resources Fund                              |                | (0.3)            | (0.3)          | (0.3)          |
| 160 | Other - Agency Reductions (Starting in FY 20)                                     |                |                  | (8.0)          | (8.0)          |
| 161 | Other - IT Pro Rata Charge Increase   |                | 0.7              | 0.7            | 0.7            |
| 162 | Other - Retirement Adjustment (Non-ADC/DJC/DPS)                                   |                | 1.7              | 1.7            | 1.7            |
| 163 | Other - EORP Retirement Adjustment (Includes Superior Court)                      |                | 4.7              | 4.7            | 4.7            |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|   | A                 | B                    | C                  | D                  |
|---|-------------------|----------------------|--------------------|--------------------|
|   | FY 2018<br>5/3    | FY 2019<br>5/3       | FY 2020<br>5/3     | FY 2021<br>5/3     |
| 164 Other - Increase Revertments Estimate                                       |                   | (4.3)                | (4.3)              | (4.3)              |
| 165 Capital - Agency Rent Adjustments (All Other - \$499k)                      |                   | (0.5)                | (0.5)              | (0.5)              |
| 166 Capital - State Building Rent Increase                                      |                   | 3.3                  | 3.3                | 3.3                |
| <b>167 Subtotal - Ongoing Changes to JLBC Baseline</b>                          | <b>\$ (27.6)</b>  | <b>\$ 195.8</b>      | <b>\$ 362.5</b>    | <b>\$ 567.4</b>    |
| <b>168 Total Ongoing Spending</b>   | <b>\$ 9,638.7</b> | <b>\$ 10,154.6</b>   | <b>\$ 10,696.6</b> | <b>\$ 11,218.2</b> |
| <b>169 JLBC Baseline One-Time Spending</b>                                      | <b>\$ 161.7</b>   | <b>\$ 96.8</b>       | <b>\$ 57.9</b>     | <b>\$ 27.1</b>     |
| <b>One-Time Changes to JLBC Baseline</b>  |                   |                      |                    |                    |
| 170 Agriculture - Medical Marijuana Testing (Separate Bill)                     |                   | Other Fund \$2.0 M   |                    |                    |
| 171 Agriculture - Industrial Hemp Licensing Start Up Funding (\$750k) (Bill)    |                   | 0.8                  |                    |                    |
| 172 AHCCCS - Substance Use Disorder Services Fund Deposit (Opioid Bill) 10.0    |                   |                      |                    |                    |
| 173 AHCCCS - Health Insurer Fee Savings - Post Baseline JLBC Score (Federal CR) |                   |                      | (22.9)             |                    |
| 174 Arts - Continue One-Time Funding  |                   | BSF - \$2.0 M        |                    |                    |
| 175 Attorney General - Sec of State Litigation Expenses Risk Mgmt - 0.5 M       |                   | Risk Mgmt - 0.5 M    |                    |                    |
| 176 DCS - Revert DCS Backlog Privatization Appropriation (2.7)                  |                   |                      |                    |                    |
| 177 Corp Comm. - Railway Safety Inspectors (Separate Bill)                      |                   | 0.2                  |                    |                    |
| 178 Counties - DJC Offset   |                   | 11.3                 |                    |                    |
| 179 Counties - Yavapai Sheriff Reentry Planning (Separate Bill)                 |                   | Other Fund - \$0.5 M | Other Fund - 0.5 M | Other Fund - 0.5 M |
| 180 Counties - Partial EORP Cost Offset   |                   | 1.7                  |                    |                    |
| 181 ACJC - Computerized Criminal History Upgrade                                |                   | Other Fund - \$0.6 M | Other Fund - 0.6 M | Other Fund - 0.6 M |
| 182 DES - Food Banks  |                   | 1.0                  |                    |                    |
| 183 DES - DD One-Time Funding   |                   | 13.0                 |                    |                    |
| 184 ADE - Prop 301 Bridge   |                   | 64.1                 | 64.1               | 64.1               |
| 185 ADE - Navajo Code Writing Program (Separate Bill)                           |                   | Other Fund - \$0.5 M |                    |                    |
| 186 ADE - Civics Pilot Program (Separate Bill)                                  |                   |                      | 0.5                |                    |
| 187 ADE - Gifted Pupils   |                   | 1.0                  |                    |                    |
| 188 ADE - Mayer Unified School District Funding 0.3                             |                   |                      |                    |                    |
| 189 Forestry - Fire Suppression Supplemental 4.1                                |                   |                      |                    |                    |
| 190 DHS - Alzheimers Funding (OF - Health Research Fund)                        |                   | Other Fund - \$2.0 M |                    |                    |
| 191 Governor - Continue Youth Education Success One-Time Funding                |                   | 1.5                  |                    |                    |
| 192 DPS - Peace Officer Training  |                   | CCW - \$0.8 M        |                    |                    |
| 193 PSPRS - Prescott Fire Employer Group Deposit                                |                   | 1.0                  |                    |                    |
| 194 Racing - Breeders Award Fund (OF - Racing Regulation Fund)                  |                   | Other Fund - \$250k  |                    |                    |

## GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

|   | A                 | B                  | C                  | D                  |
|---|-------------------|--------------------|--------------------|--------------------|
|   | FY 2018<br>5/3    | FY 2019<br>5/3     | FY 2020<br>5/3     | FY 2021<br>5/3     |
| 195 SFB - Building Renewal Funding - One-Time                                     | 10.0              | 34.4               |                    |                    |
| 196 SFB - New Construction - Final Conceptual Approvals                           |                   |                    | (5.1)              | (3.4)              |
| 197 Sec of State - Congressional Special Election                                 | 2.5               |                    |                    |                    |
| 198 Sec of State - Voter Registration Database                                    |                   | HAVA - \$2.0 M     |                    |                    |
| 199 Sec of State - Revert Unused Prop 123 Election Funds                          | (3.0)             |                    |                    |                    |
| 200 Transportation - West Valley Project - \$60k                                  |                   | 0.1                |                    |                    |
| 201 Universities - ASU - One-time Funding   |                   | 4.2                |                    |                    |
| 202 Universities - NAU - One-time Funding   |                   | 1.6                |                    |                    |
| 203 Universities - UA - One-time Funding  |                   | 2.2                |                    |                    |
| 204 Universities - ASU - Arizona and Mexico Economic Development (\$250k)         |                   | 0.3                |                    |                    |
| 205 Universities - NAU - One-time Freedom School Funding                          |                   | 0.5                |                    |                    |
| 206 Universities - Freedom Schools (\$1 M ASU (\$100k Oxford Program) / \$1 M UA) |                   | 2.0                |                    |                    |
| 207 Water Resources - Water Study   |                   | 0.1                |                    |                    |
| 208 Water Resources - Water Protection Fund Deposit (Separate Bill)               |                   | 0.4                |                    |                    |
| 209 Other - HITF - General Fund Deposit   |                   | 10.0               |                    |                    |
| 210 Other - Named Claimants (\$60k)/Vet. Services - Hyperbaric Oxygen (\$25k)     |                   | 0.1                |                    |                    |
| 211 Capital - ADOA - Repeal FY 2019 Building Renewal Advance Approp               |                   | (5.7)              |                    |                    |
| 212 Capital - DEMA - Tucson Readiness Center                                      |                   | 3.7                |                    |                    |
| 213 Capital - DPS - Modular Housing (Redirect \$1.2 M From GIITEM Line)           |                   | 1.2                |                    |                    |
| 214 Capital - ADOT - I-10 Project VW Lawsuit Fund Shift                           |                   | (12.5)             |                    |                    |
| 215 Capital - ADOT - I-10 Project Reversion (\$230k)                              | (0.2)             |                    |                    |                    |
| <b>216 Subtotal - One-Time Changes to JLBC Baseline</b>                           | <b>\$ 21.0</b>    | <b>\$ 138.2</b>    | <b>\$ 36.6</b>     | <b>\$ 60.7</b>     |
| <b>217 Total One-Time Spending</b>  | <b>\$ 182.7</b>   | <b>\$ 235.0</b>    | <b>\$ 94.5</b>     | <b>\$ 87.8</b>     |
| <b>218 Total Spending</b>   | <b>\$ 9,821.4</b> | <b>\$ 10,389.6</b> | <b>\$ 10,791.1</b> | <b>\$ 11,306.0</b> |
| <b>219 Cash Balance</b>   | <b>\$ 204.4</b>   | <b>\$ 235.7</b>    | <b>\$ 188.2</b>    | <b>\$ 103.0</b>    |
| <b>220 Structural Balance</b>   | <b>\$ 109.8</b>   | <b>\$ 150.6</b>    | <b>\$ 45.2</b>     | <b>\$ 2.6</b>      |



**5/3 Plan**  
**Statement of General Fund Revenues and Expenditures 1/**  
**With One-Time Financing Sources**

|                                     | FY 2018<br>5/3          | FY 2019<br>5/3          | FY 2020<br>5/3          | FY 2021<br>5/3          |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>REVENUES</b>                     |                         |                         |                         |                         |
| Ongoing Revenues                    | \$10,429,319,800        | \$10,921,547,200        | \$11,322,813,900        | \$11,815,412,900        |
| Previously Enacted Changes          |                         | (75,296,200)            | (6,433,300)             | (5,800,000)             |
| Newly Enacted Changes               |                         | 61,490,400              | 64,490,400              | 64,490,400              |
| Highway Safety Fee Offset/Transfers |                         | 72,364,500              | 55,670,000              | 55,670,000              |
| Urban Revenue Sharing               | (680,770,100)           | (674,804,400)           | (694,639,400)           | (708,904,300)           |
| Net Ongoing Revenues                | \$9,748,549,700         | \$10,305,301,500        | \$10,741,901,600        | \$11,220,869,000        |
| One-time Financing Sources          |                         |                         |                         |                         |
| Balance Forward                     | 150,871,000             | 204,541,900             | 236,019,800             | 188,490,900             |
| Moody's Settlement Fund Transfer    | 8,172,700               |                         |                         |                         |
| One-Time Base Revenue               | 72,000,000              |                         |                         |                         |
| TY 2017 IRC Conformity              |                         | (5,000,000)             |                         |                         |
| Fund Transfers                      | 46,219,000              | 120,681,700             | 1,840,700               |                         |
| Subtotal One-time Revenues          | \$277,262,700           | \$320,223,600           | \$237,860,500           | \$188,490,900           |
| <b>Total Revenues</b>               | <b>\$10,025,812,400</b> | <b>\$10,625,525,100</b> | <b>\$10,979,762,100</b> | <b>\$11,409,359,900</b> |
| <b>EXPENDITURES</b>                 |                         |                         |                         |                         |
| Operating Budget Appropriations     | \$9,708,061,800         | \$10,199,723,300        | \$10,741,733,300        | \$11,263,245,200        |
| FY 2018 Supplementals               | 500,500                 |                         |                         |                         |
| Administrative Adjustments          | 100,000,000             | 100,000,000             | 100,000,000             | 100,000,000             |
| Reversions                          | (169,988,800)           | (145,000,000)           | (145,000,000)           | (145,000,000)           |
| Subtotal Ongoing Expenditures       | \$9,638,573,500         | \$10,154,723,300        | \$10,696,733,300        | \$11,218,245,200        |
| One-time Expenditures               |                         |                         |                         |                         |
| Capital Outlay                      | 5,700,000               | 4,959,000               |                         |                         |
| Operating One-Time Spending         | 180,142,500             | 242,346,500             | 117,431,500             | 87,875,500              |
| FY 2018 One-Time Supplementals      | 20,985,400              |                         |                         |                         |
| ADOT One-Time Savings               |                         | (12,523,500)            |                         |                         |
| AHCCCS One-Time Savings             | (24,130,900)            |                         | (22,893,600)            |                         |
| Subtotal One-time Expenditures      | \$182,697,000           | \$234,782,000           | \$94,537,900            | \$87,875,500            |
| <b>Total Expenditures</b>           | <b>\$9,821,270,500</b>  | <b>\$10,389,505,300</b> | <b>\$10,791,271,200</b> | <b>\$11,306,120,700</b> |
| <b>Ending Balance <u>2/</u></b>     | <b>\$204,541,900</b>    | <b>\$236,019,800</b>    | <b>\$188,490,900</b>    | <b>\$103,239,200</b>    |
| <b>Structural Balance <u>3/</u></b> | <b>\$109,976,200</b>    | <b>\$150,578,200</b>    | <b>\$45,168,300</b>     | <b>\$2,623,800</b>      |

1/ Significant one-time revenues and expenditures are separately detailed so as to permit the calculation of ongoing revenue and expenditures.

2/ This calculation reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.

3/ This calculation reflects the difference between ongoing revenues and expenditures and excludes one-time adjustments. Excludes any Budget Stabilization Fund balance.

## DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

|   | FY 2018 GF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3 |
|---|-------------------|----------------------------------|-------------------------------|-------------------|
| <b>OPERATING SPENDING CHANGES</b>                   |                   |                                  |                               |                   |
| <b>DOA - Arizona Department of Administration</b>   | 10,365,300        |                                  |                               | 8,093,800         |
| DOA - Remove Health Insurance Adjustment            |                   | (100,800)                        |                               |                   |
| DOA - GTO Funding                                   |                   |                                  | (1,000,000)                   |                   |
| DOA - AZ Net Contract Savings                       |                   |                                  | (45,000)                      |                   |
| DOA - Utility Savings                               |                   |                                  | (625,700)                     |                   |
| DOA - Efficiency Savings                            |                   |                                  | (500,000)                     |                   |
|   |                   |                                  |                               |                   |
| <b>APF - Automation Projects Fund/ADOA</b>          | 12,300,000        |                                  |                               | 5,000,000         |
| APF - Remove ADE Automation (One-Time)              |                   | (7,300,000)                      |                               |                   |
| APF - Shift DCS Automation from DCS Agency Budget   |                   | (5,000,000)                      | 5,000,000                     |                   |
|   |                   |                                  |                               |                   |
| <b>OAH - Office of Administrative Hearings</b>      | 870,900           |                                  |                               | 873,800           |
| OAH - Remove Health Insurance Adjustment            |                   | (10,400)                         |                               |                   |
| OAH - 1740 W Adams Relocation                       |                   |                                  | 13,300                        |                   |
|   |                   |                                  |                               |                   |
| <b>AAM - Commission of African-American Affairs</b> | 125,800           |                                  |                               | 125,000           |
| AAM - Remove Health Insurance Adjustment            |                   | (800)                            |                               |                   |
|   |                   |                                  |                               |                   |
| <b>AGR - Department of Agriculture</b>              | 9,563,700         |                                  |                               | 10,231,800        |
| AGR - Remove Health Insurance Adjustment            |                   | (146,400)                        |                               |                   |
| AGR - Remove One-time Equipment                     |                   | (61,000)                         |                               |                   |
| AGR - Livestock Inspector Salary Increase           |                   |                                  | 200,000                       |                   |
| AGR - Salt River Horse Management                   |                   |                                  | 50,500                        |                   |
| AGR - Efficiency Savings                            |                   |                                  | (125,000)                     |                   |
| AGR - Industrial Hemp Licensing (Separate Bill)     |                   |                                  | 750,000                       |                   |
|   |                   |                                  |                               |                   |
| <b>AXS - AHCCCS</b>                                 | 1,775,264,100     |                                  |                               | 1,776,815,700     |
| AXS - Remove Health Insurance Adjustment            |                   | (396,800)                        |                               |                   |
| AXS - Formula Changes                               |                   | 81,963,200                       | (65,568,600)                  |                   |
| AXS - Other Adjustments                             |                   | 20,703,700                       |                               |                   |
| AXS - Funding Shift to DHS                          |                   | (1,200,000)                      |                               |                   |
| AXS - CRS Health Services to DES                    |                   |                                  | (15,212,700)                  |                   |
| AXS - DD Behavioral Health Services Transfer to DES |                   | (17,095,500)                     | 17,095,500                    |                   |
| AXS - American Indian Health Program Admin Shift    |                   |                                  | (545,300)                     |                   |
| AXS - American Indian Health Program Admin Staffing |                   |                                  | 347,700                       |                   |
| AXS - Reallocate Tobacco Funds                      |                   |                                  | (35,154,400)                  |                   |
| AXS - End Prior Quarter Coverage                    |                   |                                  | (2,511,300)                   |                   |

|   | FY 2018 GF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3 |
|---|-------------------|----------------------------------|-------------------------------|-------------------|
| AXS - 2.5% Hospital Provider Rate Increase                        |                   |                                  | 9,853,800                     |                   |
| AXS - Behavioral Health in Schools                                |                   |                                  | 3,000,000                     |                   |
| AXS - Skilled Nursing Provider Rate Increase                      |                   |                                  | 2,727,900                     |                   |
| AXS - Increase Critical Access Hospital Funding                   |                   |                                  | 1,800,000                     |                   |
| AXS - Eliminate County DUC Pool Payments                          |                   |                                  | 2,646,200                     |                   |
| AXS - Reduce BHS Out of Network Usage                             |                   |                                  | (1,001,800)                   |                   |
| AXS - Suicide Prevention Coordinator                              |                   |                                  | 100,000                       |                   |
| <b>ATT - Attorney General</b>                                     | 26,344,200        |                                  |                               | 25,530,200        |
| ATT - Remove Health Insurance Adjustment                          |                   | (275,700)                        |                               |                   |
| ATT - Rent Adjustment   |                   |                                  | (638,300)                     |                   |
| ATT - Child Advoacy Fund Deposit                                  |                   |                                  | 100,000                       |                   |
| <b>CHA - State Board for Charter Schools</b>                      | 1,200,600         |                                  |                               | 1,185,200         |
| CHA - Remove Health Insurance Adjustment                          |                   | (15,400)                         |                               |                   |
| <b>DCS - Department of Child Safety</b>                           | 379,790,800       |                                  |                               | 375,554,800       |
| DCS - Remove Health Insurance Adjustment                          |                   | (416,000)                        |                               |                   |
| DCS - Adoption Services   |                   |                                  | 1,180,000                     |                   |
| DCS - Lower TANF Caseload/Fund Shift                              |                   |                                  | (5,000,000)                   |                   |
| DCS - Shift DCS Automation to DCS Agency Budget                   |                   | 5,000,000                        | (5,000,000)                   |                   |
| <b>ACA - Arizona Commerce Authority</b>                           | 21,800,000        |                                  |                               | 21,800,000        |
| ACA - Reduce Competes Fund Deposit By \$6 M (\$11.5 M to \$5.5 M) |                   |                                  | Begin in FY 20                |                   |
| <b>CCO - Arizona Community Colleges</b>                           | 55,086,500        |                                  |                               | 56,899,900        |
| CCO - Formula Changes   |                   | 1,663,400                        |                               |                   |
| CCO - Tribal Community College Funding (Tohono O'odham Nation)    |                   | 200,000                          |                               |                   |
| CCO - Remove One-time Gila County Workforce Development Funding   |                   | (50,000)                         |                               |                   |
| <b>COR - Corporation Commission</b>                               | 621,500           |                                  |                               | 808,200           |
| COR - Remove Health Insurance Adjustment                          |                   | (9,900)                          |                               |                   |
| COR - Railway Safety Inspectors - 2 FTE (One-Time)                |                   |                                  | 196,600                       |                   |
| <b>ADC - Department of Corrections</b>                            | 1,067,624,800     |                                  |                               | 1,094,001,200     |
| ADC - Remove Health Insurance Adjustment                          |                   | (12,319,800)                     |                               |                   |
| ADC - Health Care Adjustment                                      |                   |                                  | 15,000,000                    |                   |
| ADC - Retirement Adjustment                                       |                   |                                  | 26,506,600                    |                   |
| ADC - Private Prison Capacity Cap                                 |                   |                                  | (2,810,400)                   |                   |
| <b>CF - County Funding</b>  | 15,650,700        |                                  |                               | 20,566,200        |
| CF - DJC Offset (One-time)  |                   | (8,000,000)                      | 11,260,000                    |                   |

|   | FY 2018 GF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3 |
|---|-------------------|----------------------------------|-------------------------------|-------------------|
| CF - \$550k Distribution to Mohave/Yavapai/Pinal (Ongoing)    |                   | (1,650,200)                      | 1,650,200                     |                   |
| CF - Partial EORP Cost Offset                                 |                   |                                  | 1,655,500                     |                   |
| <b>SDB - Arizona State Schools for the Deaf and the Blind</b> | 21,932,000        |                                  |                               | 21,378,100        |
| SDB - Remove Health Insurance Adjustment                      |                   | (553,900)                        |                               |                   |
| <b>OEC - Office of Economic Opportunity</b>                   | 484,100           |                                  |                               | 484,100           |
| <b>DES - Department of Economic Security</b>                  | 586,110,300       |                                  |                               | 649,687,900       |
| DES - Remove Health Insurance Adjustment                      |                   | (558,900)                        |                               |                   |
| DES - DD Caseload/Inflation Funding                           |                   | 37,949,600                       |                               |                   |
| DES - CRS Health Services From AHCCCS                         |                   |                                  | 15,212,700                    |                   |
| DES - DD Behavioral Health Services Transfer from AHCCCS      |                   | 17,095,500                       | (17,095,500)                  |                   |
| DES - DD Room and Board                                       |                   | 6,400,000                        |                               |                   |
| DES - Targeted Case Management Program Costs                  |                   | 2,939,000                        | (539,000)                     |                   |
| DES - Remove One-Time Additional Prop 206 Funding             |                   | (10,000,000)                     |                               |                   |
| DES - Remove One-Time DD Room and Board Funding               |                   | (2,000,000)                      |                               |                   |
| DES - One-Time Food Bank                                      |                   |                                  | 1,000,000                     |                   |
| DES - One-Time Additional Prop 206 Funding                    |                   |                                  | 11,000,000                    |                   |
| DES - One-Time DD Room and Board Funding                      |                   |                                  | 2,000,000                     |                   |
| DES - Skilled Nursing Provider Rate Increase (DD Portion)     |                   |                                  | 174,200                       |                   |
| <b>BOE - State Board of Education</b>                         | 1,153,600         |                                  |                               | 1,142,800         |
| BOE - Remove Health Insurance Adjustment                      |                   | (10,800)                         |                               |                   |
| <b>ADE - Arizona Department of Education</b>                  | 4,226,958,400     |                                  |                               | 4,704,437,800     |
| ADE - Remove Health Insurance Adjustment                      |                   | (154,900)                        |                               |                   |
| ADE - Base Adjustment   |                   | 8,844,800                        |                               |                   |
| ADE - Enrollment Growth                                       |                   | 95,310,000                       | (11,300,000)                  |                   |
| ADE - Inflation   |                   | 104,941,100                      |                               |                   |
| ADE - New Construction  |                   | (53,142,800)                     |                               |                   |
| ADE - Property Tax Statutory Changes                          |                   | 600,000                          |                               |                   |
| ADE - Homeowner's Rebate                                      |                   | 12,539,000                       |                               |                   |
| ADE - Land Trust Distribution                                 |                   | (41,260,700)                     |                               |                   |
| ADE - Special Education Fund Surplus                          |                   | (8,000,000)                      |                               |                   |
| ADE - 1.06% Teacher Salary Increase                           |                   | 33,107,500                       |                               |                   |
| ADE - Results-Based Funding                                   |                   | 11,000,000                       | (11,000,000)                  |                   |
| ADE - Early Literacy Funding                                  |                   | 4,000,000                        |                               |                   |
| ADE - Empowerment Scholarship Accounts                        |                   | 262,400                          |                               |                   |
| ADE - Geographic Literacy Funding                             |                   | (100,000)                        | 100,000                       |                   |
| ADE - Remove One-Time Teacher Professional Development Pilot  |                   | (300,000)                        |                               |                   |
| ADE - Increase Additional Assistance                          |                   |                                  | 100,000,000                   |                   |

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| ADE - Teacher Pay Increase                                  |                   |                                  | 176,200,000                   |                   |
| ADE - Prop 301 Bridge                                       |                   |                                  | 64,100,000                    |                   |
| ADE - Other Agency Teacher Funding (ASDB/ADC/DJC)           |                   |                                  | 1,585,700                     |                   |
| ADE - IT Funding  |                   |                                  | 5,300,000                     |                   |
| ADE - Computer Science Pilot Program                        |                   |                                  | 1,000,000                     |                   |
| ADE - Fully Fund Large JTEDs                                |                   |                                  | 1,800,000                     |                   |
| ADE - Secondary Property Tax Reform                         |                   |                                  | (18,952,700)                  |                   |
| ADE - Gifted Pupils   |                   |                                  | 1,000,000                     |                   |
|   |                   |                                  |                               |                   |
| <b>EMA - Department of Emergency &amp; Military Affairs</b> | 11,238,300        |                                  |                               | 11,065,100        |
| EMA - Remove Health Insurance Adjustment                    |                   | (43,200)                         |                               |                   |
| EMA - Efficiency Savings                                    |                   |                                  | (130,000)                     |                   |
|   |                   |                                  |                               |                   |
| <b>DEQ - Department of Environmental Quality</b>            | 2,823,600         |                                  |                               | 0                 |
| DEQ - WQARF Fund Shift                                      |                   |                                  | (2,823,600)                   |                   |
|   |                   |                                  |                               |                   |
| <b>OEO - Governor's Office of Equal Opportunity</b>         | 191,900           |                                  |                               | 0                 |
| OEO - Remove Health Insurance Adjustment                    |                   | (2,800)                          |                               |                   |
| OEO - Fund Shift to ADOA Personnel Division Fund            |                   |                                  | (189,100)                     |                   |
|   |                   |                                  |                               |                   |
| <b>EQU - State Board of Equalization</b>                    | 646,400           |                                  |                               | 643,000           |
| EQU - Remove Health Insurance Adjustment                    |                   | (3,400)                          |                               |                   |
|   |                   |                                  |                               |                   |
| <b>EXE - Board of Executive Clemency</b>                    | 963,500           |                                  |                               | 1,112,100         |
| EXE - Remove Health Insurance Adjustment                    |                   | (10,900)                         |                               |                   |
| EXE - Hearing Officer                                       |                   |                                  | 33,600                        |                   |
| EXE - Board Member Pay Increase                             |                   |                                  | 125,900                       |                   |
|   |                   |                                  |                               |                   |
| <b>DFI - Dept of Financial Institutions</b>                 | 2,201,000         |                                  |                               | 1,903,200         |
| DFI - Remove Health Insurance Adjustment                    |                   | (47,800)                         |                               |                   |
| DFI - Fund Shift  |                   |                                  | (200,000)                     |                   |
| DFI - Attorney General ISA Reallocation                     |                   |                                  | (50,000)                      |                   |
|   |                   |                                  |                               |                   |
| <b>FOR - Department of Forestry and Fire Management</b>     | 11,922,500        |                                  |                               | 11,100,300        |
| FOR - Remove Health Insurance Adjustment                    |                   | (67,200)                         |                               |                   |
| FOR - Remove One-Time Post-Release Fire Crew Equipment      |                   | (465,100)                        |                               |                   |
| FOR - Remove One-Time Fire Communication Equipment          |                   | (139,900)                        |                               |                   |
| FOR - Hazardous Vegetation Adjustment                       |                   |                                  | 650,000                       |                   |
| FOR - Fire Suppression Shift to Land Dept. Funds            |                   |                                  | (800,000)                     |                   |
|   |                   |                                  |                               |                   |
| <b>GAM - Department of Gaming</b>                           | 1,779,500         |                                  |                               | 1,779,500         |
|   |                   |                                  |                               |                   |

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|--|-------------------|----------------------------------|-------------------------------|-------------------|
| <b>GOV - Office of the Governor</b>                              | 8,871,400         |                                  |                               | 8,305,500         |
| GOV - Remove Health Insurance Adjustment                         |                   | (71,500)                         |                               |                   |
| GOV - Efficiency Savings   |                   |                                  | (44,400)                      |                   |
| GOV - One-Time Foster Youth Education Success Program            |                   | (1,500,000)                      | 1,500,000                     |                   |
| GOV - Remove One-Time School Leadership Training Funding         |                   | (250,000)                        |                               |                   |
| GOV - Remove One-Time Computer Science Initiative Funding        |                   | (200,000)                        |                               |                   |
|  |                   |                                  |                               |                   |
| <b>OSP - Gov's Office of Strategic Planning &amp; Budgeting</b>  | 2,014,600         |                                  |                               | 1,983,900         |
| OSP - Remove Health Insurance Adjustment                         |                   | (20,600)                         |                               |                   |
| OSP - Appropriation Savings                                      |                   |                                  | (10,100)                      |                   |
|  |                   |                                  |                               |                   |
| <b>DHS - Department of Health Services</b>                       | 87,669,400        |                                  |                               | 89,596,400        |
| DHS - Remove Health Insurance Adjustment                         |                   | (1,032,800)                      |                               |                   |
| DHS - Funding Shift from AHCCCS                                  |                   | 1,200,000                        |                               |                   |
| DHS - Radiation Regulatory Agency Transfer to DHS                |                   | 787,600                          |                               |                   |
| DHS - Radiation Regulatory Fee Shift From General Fund           |                   |                                  | (773,400)                     |                   |
| DHS - Fund Shift AIDS Reporting/Surveillance SLI                 |                   |                                  | (1,000,000)                   |                   |
| DHS - End County Payment State Hospital SVP                      |                   |                                  | 2,995,600                     |                   |
| DHS - Efficiency Savings   |                   |                                  | (250,000)                     |                   |
|  |                   |                                  |                               |                   |
| <b>AZH - Arizona Historical Society</b>                          | 3,179,800         |                                  |                               | 3,172,500         |
| AZH - Remove Health Insurance Adjustment                         |                   | (37,300)                         |                               |                   |
| AZH - Grants Specialist  |                   |                                  | 30,000                        |                   |
|  |                   |                                  |                               |                   |
| <b>PAZ - Prescott Historical Society</b>                         | 840,200           |                                  |                               | 824,500           |
| PAZ - Remove Health Insurance Adjustment                         |                   | (15,700)                         |                               |                   |
|  |                   |                                  |                               |                   |
| <b>DOH - Department of Housing</b>                               | 830,000           |                                  |                               | 0                 |
| DOH - Self-Funding for Manufactured Housing (Laws 2017, Ch. 335) |                   | (830,000)                        |                               |                   |
|  |                   |                                  |                               |                   |
| <b>INS - Department of Insurance</b>                             | 5,878,300         |                                  |                               | 5,616,900         |
| INS - Remove Health Insurance Adjustment                         |                   | (71,900)                         |                               |                   |
| INS - Efficiency Savings   |                   |                                  | (189,500)                     |                   |
|  |                   |                                  |                               |                   |
| <b>SPA - Judiciary - Supreme Court</b>                           | 18,812,000        |                                  |                               | 18,628,700        |
| SPA - Remove Health Insurance Adjustment                         |                   | (330,600)                        |                               |                   |
| SPA - 1.5% Judicial Pay Raise                                    |                   | 10,300                           |                               |                   |
| SPA - Risk Management Funding Shift                              |                   | 137,000                          |                               |                   |
|  |                   |                                  |                               |                   |
| <b>COA - Judiciary - Court of Appeals</b>                        | 14,723,000        |                                  |                               | 14,581,400        |
| COA - Remove Health Insurance Adjustment - Division I            |                   | (122,400)                        |                               |                   |

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| COA - Remove Health Insurance Adjustment - Division II |                   | (50,300)                         |                               |                   |
| COA - 1.5% Judicial Pay Raise                          |                   | 31,100                           |                               |                   |
| <b>SUP - Judiciary - Superior Court</b>                | 77,183,700        |                                  |                               | 78,493,700        |
| SUP - 1.5% Judicial Pay Raise                          |                   | 56,200                           |                               |                   |
| SUP - Maricopa County Court Ordered Removals           |                   | 240,000                          |                               |                   |
| SUP - Adult Standard Probation Growth                  |                   |                                  | 413,000                       |                   |
| SUP - Probation Salary Deficit                         |                   |                                  | 600,800                       |                   |
| <b>DJC - Department of Juvenile Corrections</b>        | 19,549,800        |                                  |                               | 22,421,000        |
| DJC - Remove Health Insurance Adjustment               |                   | (394,100)                        |                               |                   |
| DJC - Population Increase                              |                   |                                  | 2,126,300                     |                   |
| DJC - Retirement Adjustment                            |                   |                                  | 2,139,000                     |                   |
| DJC - Fund Shift                                       |                   |                                  | (1,000,000)                   |                   |
| <b>LAN - State Land Department</b>                     | 12,365,900        |                                  |                               | 11,471,600        |
| LAN - Remove Health Insurance Adjustment               |                   | (143,400)                        |                               |                   |
| LAN - CAP Fees   |                   | 449,100                          |                               |                   |
| LAN - Efficiency Savings                               |                   |                                  | (1,200,000)                   |                   |
| <b>Legislature</b>                                     |                   |                                  |                               |                   |
| <b>AUD - Auditor General</b>                           | 18,688,800        |                                  |                               | 19,560,000        |
| AUD - Remove Health Insurance Adjustment               |                   | (249,800)                        |                               |                   |
| AUD - Rent Adjustment                                  |                   |                                  | 228,000                       |                   |
| AUD - Additional Capacity for Caseload                 |                   |                                  | 200,000                       |                   |
| AUD - Additional Staff                                 |                   |                                  | 585,500                       |                   |
| AUD - Special Investigative Unit                       |                   | 107,500                          |                               |                   |
| <b>HOU - House of Representatives</b>                  | 13,419,100        |                                  |                               | 13,201,500        |
| HOU - Remove Health Insurance Adjustment               |                   | (217,600)                        |                               |                   |
| <b>JLBC - Joint Legislative Budget Committee</b>       | 2,513,800         |                                  |                               | 2,488,300         |
| JLBC - Remove Health Insurance Adjustment              |                   | (25,500)                         |                               |                   |
| <b>LEG - Legislative Council</b>                       | 8,278,400         |                                  |                               | 8,268,200         |
| LEG - Remove Health Insurance Adjustment               |                   | (63,000)                         |                               |                   |
| LEG - Ombudsman Salary Increase/Rent Adjustment        |                   |                                  | 52,800                        |                   |
| <b>SEN - Senate</b>                                    | 9,548,100         |                                  |                               | 9,408,500         |
| SEN - Remove Health Insurance Adjustment               |                   | (139,600)                        |                               |                   |

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| <b>MIN - State Mine Inspector</b>                             | 1,226,800         |                                  |                               | 1,212,500         |
| MIN - Remove Health Insurance Adjustment                      |                   | (14,300)                         |                               |                   |
| <b>NAV - Arizona Navigable Steam Adjudication Comm.</b>       | 125,500           |                                  |                               | 124,000           |
| NAV - Remove Health Insurance Adjustment                      |                   | (1,500)                          |                               |                   |
| <b>POS - Commission for Postsecondary Education</b>           | 1,881,800         |                                  |                               | 1,646,800         |
| POS - Remove College Readiness Funding (Exec Labels One-Time) |                   |                                  | (235,000)                     |                   |
| <b>DPS - Department of Public Safety</b>                      | 109,614,200       |                                  |                               | 103,893,900       |
| DPS - Remove Health Insurance Adjustment                      |                   | (959,600)                        |                               |                   |
| DPS - Remove One-Time Sexual Assault Kit Testing              |                   | (1,200,000)                      |                               |                   |
| DPS - GIITEM Funding Restoration                              |                   | 1,200,000                        | (1,200,000)                   |                   |
| DPS - Fund Shifts   |                   |                                  | (3,750,000)                   |                   |
| DPS - Retirement Adjustment                                   |                   |                                  | 189,300                       |                   |
| <b>PSP - Public Safety Personnel Retirement System</b>        | 6,000,000         |                                  |                               | 7,000,000         |
| PSP - Prescott Fire Employer Group Deposit (One-Time)         |                   |                                  | 1,000,000                     |                   |
| <b>RAD - Radiation Regulatory Agency</b>                      | 787,600           |                                  |                               | 0                 |
| RAD - Shift Agency to DHS                                     |                   | (787,600)                        |                               |                   |
| <b>REA - State Real Estate Department</b>                     | 3,028,000         |                                  |                               | 2,904,400         |
| REA - Remove Health Insurance Adjustment                      |                   | (33,100)                         |                               |                   |
| REA - Efficiency Savings                                      |                   |                                  | (90,500)                      |                   |
| <b>REV - Department of Revenue</b>                            | 31,291,300        |                                  |                               | 30,682,700        |
| REV - Remove Health Insurance Adjustment                      |                   | (783,600)                        |                               |                   |
| REV - Reduce Postage Costs                                    |                   |                                  | (425,000)                     |                   |
| REV - Rent Savings  |                   |                                  | (500,000)                     |                   |
| REV - Lump Sum Reduction                                      |                   |                                  | (500,000)                     |                   |
| REV - Additional Enforcement Staff (25 FTE)                   |                   |                                  | 2,000,000                     |                   |
| REV - Fund Shift  |                   |                                  | (400,000)                     |                   |
| <b>SFB - School Facilities Board</b>                          | 292,286,600       |                                  |                               | 274,666,300       |
| SFB - Remove Health Insurance Adjustment                      |                   | (14,000)                         |                               |                   |
| SFB - New School Construction (FY 17 Starts)                  |                   | (23,078,600)                     |                               |                   |
| SFB - New Construction (FY 18 Starts)                         |                   | (25,940,000)                     |                               |                   |
| SFB - New Construction (FY 19 Starts)                         |                   | 49,636,700                       |                               |                   |
| SFB - Existing Debt Service Changes                           |                   | (35,474,400)                     |                               |                   |
| SFB - FY 18 One-time Building Renewal Grants                  |                   | (17,167,900)                     |                               |                   |
| SFB - New One-Time Building Renewal Grants                    |                   |                                  | 34,417,900                    |                   |



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| <b>SOS - Secretary of State</b>                                    | 12,190,100        |                                  |                               | 14,947,700        |
| SOS - Remove Health Insurance Adjustment                           |                   | (126,900)                        |                               |                   |
| SOS - Voter Registration Database                                  |                   |                                  | HAVA                          |                   |
| SOS - Restore Election Funding (2018 Primary and General Election) |                   | 3,384,500                        | Other Fund - \$615k           |                   |
| SOS - Remove One-Time Operating Funding                            |                   | (500,000)                        |                               |                   |
| <b>TAX - State Board of Tax Appeals</b>                            | 268,300           |                                  |                               | 277,700           |
| TAX - Remove Health Insurance Adjustment                           |                   | (1,700)                          |                               |                   |
| TAX - ERE Cost Increase  |                   |                                  | 11,100                        |                   |
| <b>TOU - Office of Tourism</b>                                     | 7,112,000         |                                  |                               | 7,112,000         |
| <b>DOT - Department of Transportation</b>                          | 50,500            |                                  |                               | 65,000            |
| DOT - Remove Health Insurance Adjustment                           |                   | (100)                            |                               |                   |
| DOT - West Valley Transportation                                   |                   |                                  | 65,000                        |                   |
| DOT - Fund Shift   |                   |                                  | (50,400)                      |                   |
| <b>TRE - State Treasurer</b>                                       | 1,205,100         |                                  |                               | 1,205,100         |
| <b>OTR - Governor's Office on Tribal Relations</b>                 | 58,000            |                                  |                               | 57,500            |
| OTR - Remove Health Insurance Adjustment                           |                   | (500)                            |                               |                   |
| <b>UNI - Universities</b>  |                   |                                  |                               |                   |
| <b>UNI - Arizona Board of Regents</b>                              | 6,909,300         |                                  |                               | 6,887,200         |
| UNI - Remove Health Insurance Adjustment                           |                   | (22,100)                         |                               |                   |
| <b>UNI - ASU</b>   | 320,259,000       |                                  |                               | 327,531,700       |
| UNI - Remove Health Insurance Adjustment                           |                   | (2,507,900)                      |                               |                   |
| UNI - Refinance Adjustment   |                   | (2,300)                          |                               |                   |
| UNI - One-time Operating/Capital Funding                           |                   | (7,639,500)                      | 4,245,000                     |                   |
| UNI - Arizona and Mexico Economic Development                      |                   |                                  | 250,000                       |                   |
| UNI - Freedom School   |                   |                                  | 1,000,000                     |                   |
| UNI - 2017 Capital Infrastructure Funding                          |                   | 11,927,400                       |                               |                   |
| <b>UNI - Northern Arizona University</b>                           | 108,612,800       |                                  |                               | 111,963,900       |
| UNI - Remove Health Insurance Adjustment                           |                   | (56,900)                         |                               |                   |
| UNI - Refinance Adjustment   |                   | (300)                            |                               |                   |
| UNI - One-time Operating/Capital Funding                           |                   | (3,202,800)                      | 1,590,200                     |                   |
| UNI - Freedom School   |                   |                                  | 500,000                       |                   |
| UNI - 2017 Capital Infrastructure Funding                          |                   | 4,520,900                        |                               |                   |

|   | FY 2018 GF<br>5/3    | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3     |
|---|----------------------|----------------------------------|-------------------------------|-----------------------|
| <b>UNI - UA - Main Campus</b>                     | 199,600,900          |                                  |                               | 207,637,200           |
| UNI - Remove Health Insurance Adjustment          |                      | (1,524,200)                      |                               |                       |
| UNI - Refinance Adjustment                        |                      | 1,700                            |                               |                       |
| UNI - One-time Operating/Capital Funding          |                      | (4,157,700)                      | 2,164,800                     |                       |
| UNI - Freedom School                              |                      |                                  | 1,000,000                     |                       |
| UNI - 2017 Capital Infrastructure Funding         |                      | 10,551,700                       |                               |                       |
| <b>UNI - UA - Health Sciences Center</b>          | 69,437,700           |                                  |                               | 68,859,800            |
| UNI - Remove Health Insurance Adjustment          |                      | (577,900)                        |                               |                       |
| <b>VSC - Department of Veterans' Services</b>     | 6,115,800            |                                  |                               | 6,079,100             |
| VSC - Remove Health Insurance Adjustment          |                      | (61,700)                         |                               |                       |
| VCS - Hyperbaric Oxygen Therapy Ch. 98            |                      |                                  | 25,000                        |                       |
| <b>WAT - Department of Water Resources</b>        | 16,001,900           |                                  |                               | 16,054,200            |
| WAT - Remove Health Insurance Adjustment          |                      | (147,700)                        |                               |                       |
| WAT - Fund Shift                                  |                      |                                  | (300,000)                     |                       |
| WAT - Water Study                                 |                      |                                  | 100,000                       |                       |
| WAT - Water Protection Fund Deposit (One-Time)    |                      |                                  | 400,000                       |                       |
| <b>OTH - Other</b>                                |                      |                                  |                               |                       |
| OTH - FY 18 Supplementals/Ex-Appropriations       | 21,485,900           | 1,061,200                        |                               | 0                     |
| OTH - Debt Service Payments                       | 84,115,100           | (3,100)                          |                               | 84,112,000            |
| OTH - Phoenix Convention Center Debt Service      | 22,499,000           | 497,300                          |                               | 22,996,300            |
| OTH - Rio Nuevo District                          | 14,000,000           |                                  |                               | 14,000,000            |
| OTH - IT Pro-Rata Charge Increase                 | 0                    |                                  | 686,300                       | 686,300               |
| OTH - State Building Rent Increase                | 0                    |                                  | 3,265,500                     | 3,265,500             |
| OTH - Retirement Rate Adjustment                  | 0                    |                                  | 1,732,500                     | 1,732,500             |
| OTH - ADOT I-10 Project Reversion (VW Settlement) | 0                    |                                  | (12,523,500)                  | (12,523,500)          |
| OTH - Administrative Adjustments                  | 100,000,000          |                                  |                               | 100,000,000           |
| OTH - Revertments                                 | (169,988,800)        |                                  | (4,317,500)                   | (145,000,000)         |
| OTH - Unallocated HITF One-Time Employer Premium  | 15,800               | (15,800)                         | 10,000,000                    | 10,000,000            |
| OTH - Elected Officials Retirement Adjustments    | 0                    | 0                                | 4,727,200                     | 4,727,200             |
| OTH - Agency Rent Adjustments                     | 0                    | 0                                | (501,000)                     | (501,000)             |
| <b>TOTAL - OPERATING SPENDING CHANGES</b>         | <b>9,815,570,500</b> | <b>227,638,600</b>               | <b>334,578,000</b>            | <b>10,384,546,300</b> |
| <b>CAPITAL SPENDING</b>                           |                      |                                  |                               |                       |
| ADOA Building Renewal                             | 5,700,000            |                                  | (5,700,000)                   | 0                     |
| Local HURF Transportation Funding                 | OF - \$30 M          |                                  |                               |                       |
| DEMA - Tucson Readiness Center                    | 0                    |                                  | 3,759,000                     | 3,759,000             |

|  | FY 2018 GF<br>5/3    | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3     |
|--|----------------------|----------------------------------|-------------------------------|-----------------------|
| DPS Modular Housing  | 0                    |                                  | 1,200,000                     | 1,200,000             |
| <b>TOTAL - CAPITAL SPENDING</b>  | <b>5,700,000</b>     | <b>0</b>                         | <b>(741,000)</b>              | <b>4,959,000</b>      |
| <b>TOTAL - ALL SPENDING</b>  | <b>9,821,270,500</b> | <b>227,638,600</b>               | <b>333,837,000</b>            | <b>10,389,505,300</b> |
| <b>REVENUE CHANGES</b>   |                      |                                  |                               |                       |
| <b>Ongoing Revenue</b>   |                      |                                  |                               |                       |
| REV - Ongoing Revenue  | 9,820,549,700        | 298,896,900                      | 224,000,000                   | 10,171,446,600        |
| REV - Expand Tax Fraud Prevention to TPT                                 | 0                    |                                  | 30,000,000                    | 30,000,000            |
| REV - Additional Revenue/Increased Enforcement Staff                     | 0                    |                                  | 25,000,000                    | 25,000,000            |
| REV - Eliminate Ongoing Judiciary Fund Transfers                         | 0                    |                                  | (2,600,000)                   | (2,600,000)           |
| REV - Increase Military Pension Exemption to \$3,500 (2-Year Phase In)   | 0                    |                                  | Start in FY 20                | Start in FY 20        |
| REV - Cap Radiation Regulatory Fees Shift From General Fund              | 0                    |                                  | (773,400)                     | (773,400)             |
| REV - Boxing/MMA Fees Shift From General Fund                            | 0                    |                                  | (45,100)                      | (45,100)              |
| REV - Liquor Revenue Loss From Agency Issues                             | 0                    |                                  | (91,100)                      | (91,100)              |
| REV - TPT Online Lodging Marketplace/Sales Suppression Software          | 0                    |                                  | 10,000,000                    | 10,000,000            |
| REV - ADOT - HELP Fund (Highway Safety Fee Offset)                       | 0                    |                                  | 30,000,000                    | 30,000,000            |
| REV - ADOT - State Highway Fund VLT Transfer (Highway Safety Fee Offset) | 0                    |                                  | 42,364,500                    | 42,364,500            |
| <b>One-Time Revenue</b>  |                      |                                  |                               |                       |
| REV - Beginning Balance  | 150,871,000          | (150,871,000)                    | 204,541,900                   | 204,541,900           |
| REV - Tax Year 2017 IRC Conformity                                       | 0                    |                                  | (5,000,000)                   | (5,000,000)           |
| <b>Enacted Fund Transfers</b>  |                      |                                  |                               |                       |
| REV - Attorney General - Moody's Settlement                              | 8,172,700            | (8,172,700)                      |                               | 0                     |
| <b>New Proposed Fund Transfers</b>                                       |                      |                                  |                               |                       |
| REV - ADOA - Air Quality Fund  | 188,000              |                                  | 0                             | 0                     |
| REV - ADOA - Employee Benefit Plan Fund                                  | 0                    |                                  | 2,500,000                     | 2,500,000             |
| REV - ADOA - AFIS II Fund  | 0                    |                                  | 772,300                       | 772,300               |
| REV - ADOA - Motor Pool Revolving Fund                                   | 0                    |                                  | 255,500                       | 255,500               |
| REV - AHCCCS - IGA and ISA Fund  | 0                    |                                  | 5,900,000                     | 5,900,000             |
| REV - AHCCCS - Hospital Loan Residency Program                           | 900,000              |                                  | 0                             | 0                     |
| REV - AHCCCS - Prescription Drug Rebate Fund                             | 0                    |                                  | 52,600,000                    | 52,600,000            |
| REV - Attorney General - VW Settlement Transfer                          | 0                    |                                  | 20,000,000                    | 20,000,000            |
| REV - Contractors - Recovery Fund  | 0                    |                                  | 4,000,000                     | 4,000,000             |
| REV - Corp. Comm. - Pipeline Safety Revolving Fund                       | 0                    |                                  | 100,000                       | 100,000               |
| REV - Corrections - Corrections Fund                                     | 0                    |                                  | 1,500,000                     | 1,500,000             |
| REV - Corrections - Building Renewal Fund                                | 0                    |                                  | 500,000                       | 500,000               |
| REV - Corrections - Special Services Fund                                | 1,000,000            |                                  | 25,200                        | 25,200                |
| REV - Corrections - ACI Revolving Fund                                   | 0                    |                                  | 1,500,000                     | 1,500,000             |
| REV - Corrections - Indirect Cost Recovery Fund                          | 0                    |                                  | 500,000                       | 500,000               |
| REV - Economic Opportunity - Operations Fund                             | 0                    |                                  | 2,200,000                     | 2,200,000             |

|  | FY 2018 GF<br>5/3     | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to Baseline | FY 2019 GF<br>5/3     |
|--|-----------------------|----------------------------------|-------------------------------|-----------------------|
| REV - Economic Opportunity - Economic Development Fund         | 5,085,000             |                                  | 0                             | 0                     |
| REV - Economic Opportunity - Greater AZ Development Authority  | 1,319,000             |                                  | 0                             | 0                     |
| REV - Economic Opportunity - AFA Operating Fund                | 0                     |                                  | 67,000                        | 67,000                |
| REV - Economic Opportunity - AZ IDA Fund                       | 0                     |                                  | 300,000                       | 300,000               |
| REV - DES - Special Admin Fund                                 | 0                     |                                  | 11,000                        | 11,000                |
| REV - DEQ - Hazardous Waste Management Fund                    | 1,500,000             |                                  |                               | 0                     |
| REV - DEQ - Air Quality Fund                                   | 1,500,000             |                                  |                               | 0                     |
| REV - DEQ - Air Quality Fund (Volkswagen Settlement)           | 0                     |                                  | 993,900                       | 993,900               |
| REV - DEQ - Underground Storage Tank Revolving Fund            | 10,000,000            |                                  | 10,000,000                    | 10,000,000            |
| REV - DEQ - Recycling Fund                                     | 2,000,000             |                                  |                               | 0                     |
| REV - DEQ - Centralized Monitoring Fund                        | 500,000               |                                  |                               | 0                     |
| REV - DEQ - Permit Administration Fund                         | 3,000,000             |                                  |                               | 0                     |
| REV - DEQ - Voluntary Vehicle Repair and Retrofit Program Fund | 2,500,000             |                                  |                               | 0                     |
| REV - DFI - Mortgage Recovery Fund                             | 460,000               |                                  |                               | 0                     |
| REV - DFI - Financial Services Fund                            | 5,000,000             |                                  |                               | 0                     |
| REV - DFI - Receivership Revolving Fund                        | 50,000                |                                  |                               | 0                     |
| REV - Game and Fish - Watercraft Licensing                     | 1,000,000             |                                  | 1,500,000                     | 1,500,000             |
| REV - DHS - Health Service Licensing Fund                      | 1,500,000             |                                  | 1,000,000                     | 1,000,000             |
| REV - DHS - BHS ISA Agreement Fund                             | 3,100,000             |                                  | 0                             | 0                     |
| REV - Housing - Housing Program Fund                           | 0                     |                                  | 2,000,000                     | 2,000,000             |
| REV - Housing - Housing Trust Fund                             | 0                     |                                  | 400,000                       | 400,000               |
| REV - Industrial Commission - Admin Fund                       | 0                     |                                  | 7,000,000                     | 7,000,000             |
| REV - Judiciary - Drug Treatment and Education Fund            | 0                     |                                  | 2,000,000                     | 2,000,000             |
| REV - DPS - Public Safety Equipment Fund                       | 0                     |                                  | 22,000                        | 22,000                |
| REV - DPS - Fingerprint Clearance Card Fund                    | 1,000,000             |                                  |                               | 0                     |
| REV - DPS - Concealed Weapons Permit Fund                      | 2,000,000             |                                  | 0                             | 0                     |
| REV - DPS - Joint Fund (Volkswagen Settlement)                 | 0                     |                                  | 846,800                       | 846,800               |
| REV - RUCO - Revolving Fund                                    | 0                     |                                  | 60,000                        | 60,000                |
| REV - ADOT - Economic Strength Project Fund                    | 500,000               |                                  | 0                             | 0                     |
| REV - ADOT - Vehicle Inspection and Title Enforcement Fund     | 2,000,000             |                                  | 1,128,000                     | 1,128,000             |
| REV - Water Resources - IGA/ISA Fund                           | 117,000               |                                  | 0                             | 0                     |
| REV - Water Resources - Indirect Cost Recovery Fund            | 0                     |                                  | 1,000,000                     | 1,000,000             |
|  |                       |                                  |                               |                       |
| <b>TOTAL - REVENUE CHANGES 3/</b>                              | <b>10,025,812,400</b> | <b>139,853,200</b>               | <b>678,078,500</b>            | <b>10,625,525,100</b> |
|  |                       |                                  |                               |                       |
| <b>ENDING BALANCE</b>  | <b>204,541,900</b>    | <b>(87,785,400)</b>              | <b>344,241,500</b>            | <b>236,019,800</b>    |

1/ Represents original FY 2018 appropriations adjusted for revisions in the Universities to consolidate ASU into a single budget unit and an increase in the estimated Rio Nuevo District distribution.

2/ Represents FY 2019 Baseline cost above FY 2018 Baseline.

3/ Represents all revenue changes, including fund transfers.

## DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

|  | FY 2018 OF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3 |
|--|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>OPERATING SPENDING CHANGES</b>                                  |                   |                                  |                                     |                   |
| <b>SBA - State Board of Accountancy</b>                            | 2,042,200         |                                  |                                     | 2,024,400         |
| SBA - Remove Health Insurance Adjustment                           |                   | (17,800)                         |                                     |                   |
| <b>ACU - Acupuncture Board of Examiners</b>                        | 185,500           |                                  |                                     | 169,600           |
| ACU - Remove One-Time Rulemaking Funding                           |                   | (10,000)                         |                                     |                   |
| ACU - Remove One-Time Leave Payout Funding                         |                   | (13,200)                         |                                     |                   |
| ACU - E-Licensing Operating Costs                                  |                   |                                  | 6,200                               |                   |
| ACU - Relocation to 1740 West Adams                                |                   |                                  | 1,100                               |                   |
| <b>DOA - Arizona Department of Administration</b>                  | 187,518,000       |                                  |                                     | 194,867,300       |
| DOA - Remove Health Insurance Adjustment                           |                   | (545,700)                        |                                     |                   |
| DOA - Government Transformation Office Self-Funding                |                   | (1,000,000)                      | 1,000,000                           |                   |
| DOA - One-Time Funding Office of Grants and Fed. Resources         |                   | (375,900)                        |                                     |                   |
| DOA - Central Services Bureau Expenditure Increase                 |                   |                                  | 186,600                             |                   |
| DOA - General Services Division Operating Increase                 |                   |                                  | 500,000                             |                   |
| DOA - IT Security Funding (IT Pro Rata Increase)                   |                   |                                  | 2,600,000                           |                   |
| DOA - Adjust Insurance Claims Related Expenditures                 |                   |                                  | 3,648,100                           |                   |
| DOA - Bolin Plaza Improvements                                     |                   |                                  | 25,300                              |                   |
| DOA - Fund Project Management in Operating Budget                  |                   |                                  | 1,500,000                           |                   |
| DOA - Personnel Fund Shift to OEO                                  |                   |                                  | (189,100)                           |                   |
| <b>APF - Automation Projects Fund/ADOA</b>                         | 55,761,900        |                                  |                                     | 23,125,100        |
| APF - Remove One-time ADE Automation Funding (See ADE)             |                   | (7,300,000)                      |                                     |                   |
| APF - Remove Non-Project Management ASET Funding                   |                   | (11,208,600)                     |                                     |                   |
| APF - DCS Automation   |                   | (11,100,000)                     | 5,000,000                           |                   |
| APF - Remove One-Time IT Funding                                   |                   | (16,014,800)                     |                                     |                   |
| APF - DPS Microwave Backbone Funding (Subaccount)                  |                   | (2,500,000)                      | 1,250,000                           |                   |
| APF - DPS Criminal Justice Information System Funding (Subaccount) |                   | (2,343,000)                      | 2,806,200                           |                   |
| APF - DEQ e-Licensing Funding (Subaccount)                         |                   | (3,200,000)                      | 3,200,000                           |                   |
| APF - Beh Hlth Exam/ITAC Review (Subaccount)                       |                   | (595,500)                        | 450,000                             |                   |
| APF - DFI e-Licensing (Subaccount)                                 |                   |                                  | 1,400,000                           |                   |
| APF - State Data Center Relocation                                 |                   |                                  | 4,697,000                           |                   |
| APF - ADOA Procurement System                                      |                   |                                  | 3,000,000                           |                   |
| APF - ASET e-Government (Websites)                                 |                   |                                  | 500,000                             |                   |
| APF - Fund Project Management in Operating Budget                  |                   |                                  | (1,500,000)                         |                   |
| APF - HRIS IT Update   |                   |                                  | 821,900                             |                   |

|  | FY 2018 OF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3 |
|--|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>AGR - Department of Agriculture</b>                 | 1,716,500         |                                  |                                     | 1,709,400         |
| AGR - Remove Health Insurance Adjustment               |                   | (7,100)                          |                                     |                   |
| <b>AXS - AHCCCS</b>                                    | 361,527,400       |                                  |                                     | 328,037,700       |
| AXS - Remove Health Insurance Adjustment               |                   | (8,100)                          |                                     |                   |
| AXS - Formula Changes                                  |                   | (32,825,200)                     | (456,400)                           |                   |
| AXS - Remove Proposition 206 Report Funding            |                   | (200,000)                        |                                     |                   |
| <b>ART - Arizona Commission on the Arts</b>            | 1,500,000         |                                  |                                     | 2,000,000         |
| ART - One-Time BSF Funding                             |                   | (1,500,000)                      | 2,000,000                           |                   |
| <b>BAT - Board of Athletic Training</b>                | 120,600           |                                  |                                     | 122,100           |
| BAT - Remove Health Insurance Adjustment               |                   | (1,500)                          |                                     |                   |
| BAT - E-Licensing Ongoing Costs                        |                   |                                  | 6,800                               |                   |
| BAT - Relocation to 1740 West Adams                    |                   |                                  | (3,800)                             |                   |
| <b>ATT - Attorney General</b>                          | 46,213,900        |                                  |                                     | 48,523,600        |
| ATT - Remove Health Insurance Adjustment               |                   | (394,200)                        |                                     |                   |
| ATT - Case Management IT System Upgrade                |                   |                                  | 1,489,000                           |                   |
| ATT - Chase Settlement - '21 RICO Offset of \$1.4M     |                   |                                  | Yes                                 |                   |
| ATT - Expanding the Consumer Protection Unit           |                   |                                  | 961,300                             |                   |
| ATT - Secretary of State Litigation                    |                   |                                  | 500,000                             |                   |
| ATT - Rent Adjustment                                  |                   |                                  | (246,400)                           |                   |
| <b>ATA - Automobile Theft Authority</b>                | 5,301,400         |                                  |                                     | 5,295,500         |
| ATA - Remove Health Insurance Adjustment               |                   | (5,900)                          |                                     |                   |
| <b>BAR - Board of Barbers</b>                          | 345,800           |                                  |                                     | 387,500           |
| BAR - Remove Health Insurance Adjustment               |                   | (4,000)                          |                                     |                   |
| BAR - E-Licensing Ongoing Costs                        |                   |                                  | 41,000                              |                   |
| BAR - Relocation to 1740 West Adams                    |                   |                                  | 4,700                               |                   |
| <b>BHE - Board of Behavioral Health Examiners</b>      | 1,777,800         |                                  |                                     | 1,676,700         |
| BHE - Remove Health Insurance Adjustment               |                   | (18,700)                         |                                     |                   |
| BHE - Relocation to 1740 West Adams                    |                   |                                  | (82,400)                            |                   |
| <b>DCS - Department of Child Safety</b>                | 180,610,300       |                                  |                                     | 189,626,900       |
| DCS - Remove One-Time Litigation Support/Add New \$    |                   | (2,471,200)                      | 3,770,000                           |                   |
| DCS - TANF Kinship Stipends Shift From DES (JLBC only) |                   | 2,972,600                        | (2,972,600)                         |                   |
| DCS - Adoption Caseload (TANF)                         |                   |                                  | 2,717,800                           |                   |
| DCS - TANF Fund Shift from DES                         |                   |                                  | 5,000,000                           |                   |

|   | FY 2018 OF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3 |
|---|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>BCE - State Board of Chiropractic Examiners</b>                | 455,100           |                                  |                                     | 406,900           |
| BCE - Remove Health Insurance Adjustment                          |                   | (4,000)                          |                                     |                   |
| BCE - Relocation to 1740 West Adams                               |                   |                                  | (44,200)                            |                   |
| <b>ROC - Registrar of Contractors</b>                             | 12,268,400        |                                  |                                     | 12,240,400        |
| ROC - Remove Health Insurance Adjustment                          |                   | (103,000)                        |                                     |                   |
| ROC - Contracting TPT Study (Separate Bill)                       |                   |                                  | 75,000                              |                   |
| <b>COR - Corporation Commission</b>                               | 26,652,400        |                                  |                                     | 26,325,600        |
| COR - Remove Health Insurance Adjustment                          |                   | (326,800)                        |                                     |                   |
| <b>ADC - Department of Corrections</b>                            | 51,553,200        |                                  |                                     | 53,959,300        |
| ADC - Remove Health Insurance Adjustment                          |                   | (5,500)                          |                                     |                   |
| ADC - Inmate Education Expansion                                  |                   |                                  | 1,372,100                           |                   |
| ADC - Substance Abuse Treatment Expansion                         |                   |                                  | 540,000                             |                   |
| ADC - Employment Center Expansion                                 |                   |                                  | 444,900                             |                   |
| ADC - Retirement Adjustment                                       |                   |                                  | 54,600                              |                   |
| <b>COS - Board of Cosmetology</b>                                 | 1,864,500         |                                  |                                     | 1,802,500         |
| COS - Remove Health Insurance Adjustment                          |                   | (25,100)                         |                                     |                   |
| COS - One-Time Document Scanning                                  |                   |                                  | 75,000                              |                   |
| COS - Relocation to 1740 West Adams                               |                   |                                  | (111,900)                           |                   |
| <b>JUS - Arizona Criminal Justice Commission</b>                  | 9,202,600         |                                  |                                     | 7,745,400         |
| JUS - Remove Health Insurance Adjustment                          |                   | (7,200)                          |                                     |                   |
| JUS - Remove One-time Felony Pre-Trial Intervention Funding       |                   | (2,750,000)                      |                                     |                   |
| JUS - Sheriff Mental Health Diversion 3 Yr Pilot (Bill)           |                   |                                  | 500,000                             |                   |
| JUS - Criminal History Repository Upgrade                         |                   |                                  | 600,000                             |                   |
| JUS - Criminal Justice Statistics Pilot Program                   |                   |                                  | 200,000                             |                   |
| <b>SDB - AZ State Schools for the Deaf and the Blind</b>          | 11,878,700        |                                  |                                     | 13,570,100        |
| SDB - Remove Health Insurance Adjustment                          |                   | (39,800)                         |                                     |                   |
| SDB - Enrollment Decline  |                   | (533,900)                        |                                     |                   |
| SDB - Base Level Increase   |                   | 195,100                          |                                     |                   |
| SDB - Early Childhood Identification and Services (Separate Bill) |                   |                                  | 2,070,000                           |                   |
| <b>HEA - Comm for the Deaf &amp; the Hard of Hearing</b>          | 4,622,600         |                                  |                                     | 4,604,300         |
| HEA - Remove Health Insurance Adjustment                          |                   | (18,300)                         |                                     |                   |
| HEA - Remove One-Time Hearing Aid Assistance                      |                   | (2,800)                          | 2,800                               |                   |

|   | FY 2018 OF<br>5/3 | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3 |
|---|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>DEN - Board of Dental Examiners</b>                      | 1,229,900         |                                  |                                     | 1,250,800         |
| DEN - Remove Health Insurance Adjustment                    |                   | (15,400)                         |                                     |                   |
| DEN - One-Time Document Scanning                            |                   |                                  | 87,800                              |                   |
| DEN - Relocation to 1740 West Adams                         |                   |                                  | (51,500)                            |                   |
|   |                   |                                  |                                     |                   |
| <b>DES - Department of Economic Security</b>                | 294,107,700       |                                  |                                     | 289,180,000       |
| DES - Remove Health Insurance Adjustment                    |                   | (662,700)                        |                                     |                   |
| DES - TANF Kinship Stipends Shift To DCS                    |                   | (2,972,600)                      | 2,972,600                           |                   |
| DES - Remove One-Time APS Funding (Health Lottery Fund)     |                   | (2,000,000)                      |                                     |                   |
| DES - Remove One-Time Aging Services/Add New \$             |                   | (700,000)                        | 1,171,000                           |                   |
| DES - Domestic Violence (Special Admin)                     |                   |                                  |                                     |                   |
| DES - DD Early Intervention Shortfall (One-Time)/Report     |                   |                                  | 1,900,000                           |                   |
| DES - Shift \$2.7 M from TANF to CCDF                       |                   |                                  | Yes                                 |                   |
| DES - AFIS Charge Adjustment                                |                   |                                  | 364,000                             |                   |
| DES - TANF Cash Surplus                                     |                   |                                  | (5,000,000)                         |                   |
|   |                   |                                  |                                     |                   |
| <b>ADE - Arizona Department of Education</b>                | 254,458,700       |                                  |                                     | 291,105,900       |
| ADE - Remove Health Insurance Adjustment                    |                   | (24,600)                         |                                     |                   |
| ADE - Land Trust Distribution                               |                   | 41,260,700                       | 511,100                             |                   |
| ADE - Remove One-Time Rural Schools Distribution            |                   | (2,600,000)                      | 0                                   |                   |
| ADE - Navajo Code Writing (Separate Bill)                   |                   |                                  | 500,000                             |                   |
| ADE - Remove One-Time Broadband Funding                     |                   | (3,000,000)                      |                                     |                   |
|   |                   |                                  |                                     |                   |
| <b>EMA - Department of Emergency &amp; Military Affairs</b> | 1,438,400         |                                  |                                     | 1,461,600         |
| EMA - Nuclear Emergency Management Fund Increase            |                   | 23,200                           |                                     |                   |
|   |                   |                                  |                                     |                   |
| <b>DEQ - Department of Environmental Quality</b>            | 80,222,400        |                                  |                                     | 81,768,000        |
| DEQ - Remove Health Insurance Adjustment                    |                   | (299,200)                        |                                     |                   |
| DEQ - WQARF Funding (ALT: No UST)                           |                   | (6,536,900)                      | 9,375,600                           |                   |
| DEQ - Backfill Air Quality w/VW                             |                   |                                  | (993,900)                           |                   |
|   |                   |                                  |                                     |                   |
| <b>OEO - Governor's Office of Equal Opportunity</b>         | 0                 |                                  |                                     | 189,100           |
| OEO - Fund Shift General Fund to Personnel Fund             |                   |                                  | 189,100                             |                   |
|   |                   |                                  |                                     |                   |
| <b>COL - Arizona Exposition and State Fair Board</b>        | 12,153,300        |                                  |                                     | 12,524,900        |
| COL - Remove Health Insurance Adjustment                    |                   | (40,000)                         |                                     |                   |
| COL - Proposition 206 Minimum Wage Increase                 |                   |                                  | 411,600                             |                   |
|   |                   |                                  |                                     |                   |
| <b>DFI - Dept of Financial Institutions</b>                 | 3,226,800         |                                  |                                     | 3,985,000         |
| DFI - Remove Health Insurance Adjustment                    |                   | (23,300)                         |                                     |                   |
| DFI - Remove One-Time Equipment Funding                     |                   | (6,000)                          |                                     |                   |



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|---|-------------------|----------------------------------|-------------------------------------|-------------------|
| DFI - New Mortgage Lending Examiners                                  |                   |                                  | 358,300                             |                   |
| DFI - New Money Services Examiner                                     |                   |                                  | 89,600                              |                   |
| DFI - New Financial Services Examiner                                 |                   |                                  | 89,600                              |                   |
| DFI - Fund Shift General Fund to Financial Svcs Fund                  |                   |                                  | 200,000                             |                   |
| DFI - Attorney General ISA Reallocation                               |                   |                                  | 50,000                              |                   |
| <b>EMB - Board of Funeral Directors and Embalmers</b>                 | 378,200           |                                  |                                     | 441,700           |
| EMB - Remove Health Insurance Adjustment                              |                   | (4,900)                          |                                     |                   |
| EMB - E-Licensing Ongoing Costs                                       |                   |                                  | 14,800                              |                   |
| EMB - One-Time Document Scanning                                      |                   |                                  | 75,000                              |                   |
| EMB - Relocation to 1740 West Adams                                   |                   |                                  | 2,600                               |                   |
| EMB - Remove One-Time E-Licensing                                     |                   |                                  | (24,000)                            |                   |
| <b>FIS - Arizona Game and Fish Department</b>                         | 44,309,200        |                                  |                                     | 42,488,300        |
| FIS - Remove Health Insurance Adjustment                              |                   | (349,200)                        |                                     |                   |
| FIS - Remove One-time Aquatic Invasive Species Funding                |                   | (285,000)                        |                                     |                   |
| FIS - Remove One-Time Game and Fish Trucks                            |                   | (485,700)                        |                                     |                   |
| FIS - Remove One-Time Watercraft Safety Equipment                     |                   | (701,000)                        |                                     |                   |
| FIS - Watercraft County Grant Shift to Operating                      |                   |                                  | Yes/JLBC Review                     |                   |
| <b>GAM - Department of Gaming</b>                                     | 15,624,200        |                                  |                                     | 15,554,500        |
| GAM - Remove Health Insurance Adjustment                              |                   | (55,500)                         |                                     |                   |
| GAM - One-Time Breeders' Award Fund Deposit                           |                   | (250,000)                        | 250,000                             |                   |
| GAM - Restore Gaming Funding  |                   | (768,400)                        | 768,400                             |                   |
| GAM - Legal Counsel   |                   |                                  | (14,200)                            |                   |
| <b>DHS - Department of Health Services</b>                            | 52,606,500        |                                  |                                     | 51,765,800        |
| DHS - Remove Health Insurance Adjustment                              |                   | (344,900)                        |                                     |                   |
| DHS - Reduce ASH Fund (Shift of GF Monies From AHCCCS)                |                   | (1,200,000)                      | 0                                   |                   |
| DHS - Reduce ASH Fund (No County SVP)                                 |                   |                                  | (2,995,600)                         |                   |
| DHS - Remove One-time ASH Equipment Funding                           |                   | (320,000)                        |                                     |                   |
| DHS - One-time Alzheimer's Research Funding (\$1 M in Base)           |                   | (1,000,000)                      | 2,000,000                           |                   |
| DHS - Remove One-Time Public Health Emergency Funding                 |                   | (500,000)                        |                                     |                   |
| DHS - Radiation Regulatory Agency Transfer to DHS                     |                   | 1,646,400                        | 773,400                             |                   |
| DHS - Shift AIDS Reporting from GF to Disease Control                 |                   |                                  | 1,000,000                           |                   |
| DHS - Homeless Pregnant Women Services                                |                   |                                  | 100,000                             |                   |
| <b>HOM - Board of Homeopathic &amp; Integrated Medicine Examiners</b> | 89,000            |                                  |                                     | 88,300            |
| HOM - Remove Health Insurance Adjustment                              |                   | (1,700)                          |                                     |                   |
| HOM - Relocation to 1740 West Adams                                   |                   |                                  | 1,000                               |                   |

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|--|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>DOH - Department of Housing</b>                         | 323,200           |                                  |                                     | 318,500           |
| DOH - Remove Health Insurance Adjustment                   |                   | (4,700)                          |                                     |                   |
| <b>IND - Industrial Commission</b>                         | 20,110,400        |                                  |                                     | 19,881,300        |
| IND - Remove Health Insurance Adjustment                   |                   | (229,100)                        |                                     |                   |
| <b>SPA - Judiciary - Supreme Court</b>                     | 30,313,800        |                                  |                                     | 30,358,800        |
| SPA - Remove Health Insurance Adjustment                   |                   | (68,000)                         |                                     |                   |
| SPA - Shift Risk Management Adjustment to GF (JLBC only)   |                   | (137,000)                        |                                     |                   |
| SPA - CASA Spending Authority Increase                     |                   |                                  | 250,000                             |                   |
| <b>SUP - Judiciary - Superior Court</b>                    | 12,203,300        |                                  |                                     | 11,953,300        |
| SUP - Remove One-Time Drug Treatment Alternative to Prison |                   | (250,000)                        |                                     |                   |
| <b>DJC - Department of Juvenile Corrections</b>            | 16,655,100        |                                  |                                     | 17,648,900        |
| DJC - Remove Health Insurance Adjustment                   |                   | (264,300)                        |                                     |                   |
| DJC - Shift from General Fund to Trust Fund                |                   |                                  | 1,000,000                           |                   |
| DJC - Teacher Pay  |                   |                                  | 150,000                             |                   |
| DJC - Retirement Adjustment                                |                   |                                  | 108,100                             |                   |
| <b>LAN - State Land Department</b>                         | 7,250,000         |                                  |                                     | 8,047,100         |
| LAN - Remove Health Insurance Adjustment                   |                   | (2,900)                          |                                     |                   |
| LAN - Remove One-Time Professional Service Contracts       |                   | (250,000)                        |                                     |                   |
| LAN - Remove One-Time Re-assess Federal Permits            |                   | (750,000)                        |                                     |                   |
| LAN - Remove One-Time Rights of Way Digitization           |                   | (450,000)                        |                                     |                   |
| LAN - Remove One-Time Survey Assets                        |                   | (500,000)                        |                                     |                   |
| LAN - Remove One-Time Workflow Digitization                |                   | (500,000)                        |                                     |                   |
| LAN - Convert One-Time Funding to Lump Sum Ongoing Support |                   |                                  | 1,250,000                           |                   |
| LAN - ISA for Fire Suppression Efforts on State Trust Land |                   |                                  | 800,000                             |                   |
| LAN - Trust Land Management Fund Shift                     |                   |                                  | 1,200,000                           |                   |
| <b>Legislature</b>   |                   |                                  |                                     |                   |
| <b>LEG - Auditor General</b>                               | 200,000           |                                  |                                     | 0                 |
| LEG - Remove One-Time Funding For CAWCD Audit              |                   | (200,000)                        |                                     |                   |
| <b>LIQ - Department of Liquor Licenses &amp; Control</b>   | 3,047,500         |                                  |                                     | 3,098,500         |
| LIQ - Remove Health Insurance Adjustment                   |                   | (40,100)                         |                                     |                   |
| LIQ - Fleet Reduction                                      |                   |                                  | (4,500)                             |                   |
| LIQ - Licensing Vacancy                                    |                   |                                  | (41,700)                            |                   |
| LIQ - Rent Savings - Tucson                                |                   |                                  | (10,000)                            |                   |
| LIQ - E-Licensing Subscription Costs                       |                   |                                  | 147,300                             |                   |

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|---|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>LOT - Arizona State Lottery Commission</b>             | 116,778,600       |                                  |                                     | 125,239,500       |
| LOT - Remove Health Insurance Adjustment                  |                   | (104,800)                        |                                     |                   |
| LOT - Sales Adjustment                                    |                   | 3,851,300                        | 3,924,400                           |                   |
| LOT - IT Licensing Costs                                  |                   |                                  | 790,000                             |                   |
| <b>BMT - Board of Massage Therapy</b>                     | 466,100           |                                  |                                     | 464,800           |
| BMT - Remove Health Insurance Adjustment                  |                   | (5,000)                          |                                     |                   |
| BMT - Relocation to 1740 West Adams                       |                   |                                  | 3,700                               |                   |
| <b>MED - Arizona Medical Board</b>                        | 7,006,900         |                                  |                                     | 6,966,400         |
| MED - Remove Health Insurance Adjustment                  |                   | (57,900)                         |                                     |                   |
| MED - Employee Performance Incentive (JLBC Adds in FY 18) |                   |                                  |                                     |                   |
| MED - Relocation to 1740 West Adams                       |                   |                                  | 17,400                              |                   |
| <b>MIN - State Mine Inspector</b>                         | 112,900           |                                  |                                     | 112,900           |
| <b>NAT - Naturopathic Physicians Medical Board</b>        | 183,000           |                                  |                                     | 181,700           |
| NAT - Remove Health Insurance Adjustment                  |                   | (2,800)                          |                                     |                   |
| NAT - Relocation to 1740 West Adams                       |                   |                                  | 1,500                               |                   |
| <b>NAV - Navigable Stream Adjudication Commission</b>     | 200,000           |                                  |                                     | 200,000           |
| <b>NUR - State Board of Nursing</b>                       | 4,860,500         |                                  |                                     | 4,518,700         |
| NUR - Remove Health Insurance Adjustment                  |                   | (55,700)                         |                                     |                   |
| NUR - Remove One-Time Server Relocation Funding           |                   | (20,000)                         | 0                                   |                   |
| NUR - Relocation to 1740 West Adams                       |                   |                                  | (266,100)                           |                   |
| <b>NCI - Nursing Care Inst. Administrators Board</b>      | 426,500           |                                  |                                     | 445,800           |
| NCI - Remove Health Insurance Adjustment                  |                   | (5,100)                          |                                     |                   |
| NCI - E-Licensing Ongoing Costs                           |                   |                                  | 24,400                              |                   |
| <b>OCC - Board of Occupational Therapy Examiners</b>      | 183,700           |                                  |                                     | 177,300           |
| OCC - Remove Health Insurance Adjustment                  |                   | (3,000)                          |                                     |                   |
| OCC - E-Licensing Ongoing Costs                           |                   |                                  | 14,800                              |                   |
| OCC - Relocation to 1740 West Adams                       |                   |                                  | (8,200)                             |                   |
| OCC - Remove One-Time Funding for Multi-Function Printer  |                   | (10,000)                         |                                     |                   |
| <b>DIS - State Board of Dispensing Opticians</b>          | 141,700           |                                  |                                     | 146,800           |
| DIS - Remove Health Insurance Adjustment                  |                   | (1,700)                          |                                     |                   |
| DIS - Relocation of 1740 West Adams                       |                   |                                  | 1,000                               |                   |

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|--|-------------------|----------------------------------|-------------------------------------|-------------------|
| DIS - E-Licensing Ongoing Costs                                    |                   |                                  | 5,800                               |                   |
| <b>OPT - State Board of Optometry</b>                              | 222,200           |                                  |                                     | 242,600           |
| OPT - Remove Health Insurance Adjustment                           |                   | (2,100)                          |                                     |                   |
| OPT - E-Licensing Ongoing Costs                                    |                   |                                  | 10,800                              |                   |
| OPT - One-Time Document Scanning                                   |                   |                                  | 10,000                              |                   |
| OPT - Relocation to 1740 West Adams                                |                   |                                  | 1,700                               |                   |
| <b>OST - AZ Board of Osteopathic Examiners in Medicine/Surgery</b> | 913,100           |                                  |                                     | 905,500           |
| OST - Remove Health Insurance Adjustment                           |                   | (7,600)                          |                                     |                   |
| <b>SPB - Arizona State Parks Board</b>                             | 14,401,500        |                                  |                                     | 14,654,100        |
| SPB - Remove Health Insurance Adjustment                           |                   | (147,400)                        |                                     |                   |
| SPB - New Operating Funding/Rockin' River & Cattail Cove           |                   |                                  | 400,000                             |                   |
| <b>PER - Personnel Board</b>                                       | 378,100           |                                  |                                     | 375,900           |
| PER - Remove Health Insurance Adjustment                           |                   | (2,800)                          |                                     |                   |
| PER - Relocation to 1740 West Adams                                |                   |                                  | 600                                 |                   |
| <b>PHA - Arizona State Board of Pharmacy</b>                       | 2,285,100         |                                  |                                     | 2,148,200         |
| PHA - Remove Health Insurance Adjustment                           |                   | (22,400)                         |                                     |                   |
| PHA - Remove Prescriber Report Cards One-Time Funding              |                   | (75,000)                         |                                     |                   |
| PHA - Remove One-Time Rule Writer Funding                          |                   | (15,000)                         |                                     |                   |
| PHA - Remove One-Time Funding Leave Payout                         |                   | (24,500)                         |                                     |                   |
| <b>PHY - Board of Physical Therapy Examiners</b>                   | 448,000           |                                  |                                     | 479,600           |
| PHY - Remove Health Insurance Adjustment                           |                   | (6,800)                          |                                     |                   |
| PHY - E-Licensing Ongoing Costs                                    |                   |                                  | 41,600                              |                   |
| PHY - One-Time Document Scanning                                   |                   |                                  | 5,000                               |                   |
| PHY - Relocation to 1740 West Adams                                |                   |                                  | (8,200)                             |                   |
| <b>PIO - Arizona Pioneers' Home</b>                                | 6,605,600         |                                  |                                     | 6,624,400         |
| PIO - Remove Health Insurance Adjustment                           |                   | (113,000)                        |                                     |                   |
| PIO - Mobility Assistance Equipment                                |                   |                                  | 131,800                             |                   |
| <b>POD - State Board of Podiatry Examiners</b>                     | 149,700           |                                  |                                     | 158,800           |
| POD - Remove Health Insurance Adjustment                           |                   | (1,300)                          |                                     |                   |
| POD - E-Licensing Ongoing Costs                                    |                   |                                  | 10,400                              |                   |
| <b>POS - Commission for Postsecondary Education</b>                | 1,541,100         |                                  |                                     | 1,534,100         |
| POS - Remove Health Insurance Adjustment                           |                   | (7,000)                          |                                     |                   |

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|---|-------------------|----------------------------------|-------------------------------------|-------------------|
| <b>PRI - Board for Private Postsecondary Education</b>      | 421,000           |                                  |                                     | 409,500           |
| PRI - Remove Health Insurance Adjustment                    |                   | (4,100)                          |                                     |                   |
| PRI - Remove One-Time Leave Payout Funding                  |                   | (20,800)                         |                                     |                   |
| PRI - E-Licensing Ongoing Costs                             |                   |                                  | 9,300                               |                   |
| PRI - Relocation to 1740 West Adams                         |                   |                                  | 4,100                               |                   |
| <b>PSY - State Board of Psychologist Examiners</b>          | 480,600           |                                  |                                     | 492,700           |
| PSY - Remove Health Insurance Adjustment                    |                   | (5,200)                          |                                     |                   |
| PSY - Relocation to 1740 West Adams                         |                   |                                  | 2,400                               |                   |
| PSY - E-Licensing Ongoing Costs                             |                   |                                  | 14,900                              |                   |
| <b>DPS - Department of Public Safety</b>                    | 174,648,700       |                                  |                                     | 184,506,000       |
| DPS - Remove Health Insurance Adjustment                    |                   | (1,668,000)                      |                                     |                   |
| DPS - Remove One-Time Crime Lab Replacement Equipment       |                   | (700,000)                        | 700,000                             |                   |
| DPS - Remove One-Time In-Car Cameras Funding                |                   | (500,000)                        |                                     |                   |
| DPS - Remove One-Time Camera IT Infrastructure Funding      |                   | (500,000)                        |                                     |                   |
| DPS - Pharmaceutical Diversion & Drug Theft Task Force      |                   |                                  | 758,100                             |                   |
| DPS - Microwave System Upgrade (Exec: \$1.25 M)             |                   |                                  | APF                                 |                   |
| DPS - Criminal Justice Information System (Exec: \$2.8 M)   |                   |                                  | APF                                 |                   |
| DPS - Peace Officers Training (CCW)                         |                   |                                  | 837,000                             |                   |
| DPS - HURF Highway Safety Fee Offset                        |                   |                                  | (83,890,000)                        |                   |
| DPS - Highway Safety Fee - Highway Patrol Fund Shift        |                   |                                  | 83,890,000                          |                   |
| DPS - Highway Safety Fee - Retirement Shift                 |                   |                                  | 2,885,700                           |                   |
| DPS - Highway Safety Fee - 18 Additional Highway Patrol FTE |                   |                                  | 4,368,100                           |                   |
| DPS - MVLIE/CCW/Other Fund Shifts                           |                   |                                  | 3,350,000                           |                   |
| DPS - Retirement Adjustment                                 |                   |                                  | 326,400                             |                   |
| <b>RAD - Radiation Regulatory Agency</b>                    | 1,646,400         |                                  |                                     | 0                 |
| RAD - Agency Transfer to DHS                                |                   | (1,646,400)                      |                                     |                   |
| <b>RUC - Residential Utility Consumer Office</b>            | 1,344,300         |                                  |                                     | 1,331,400         |
| RUC - Remove Health Insurance Adjustment                    |                   | (12,900)                         |                                     |                   |
| <b>RES - Board of Respiratory Care Examiners</b>            | 323,300           |                                  |                                     | 320,000           |
| RES - Remove Health Insurance Adjustment                    |                   | (3,500)                          |                                     |                   |
| RES - Remove One-Time Temporary Caseload Funding            |                   | (19,500)                         |                                     |                   |
| RES - Relocation to 1740 West Adams                         |                   |                                  | 2,100                               |                   |
| RES - E-Licensing Ongoing Costs                             |                   |                                  | 17,600                              |                   |
| <b>RET - Arizona State Retirement System</b>                | 25,167,700        |                                  |                                     | 24,859,200        |

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| RET - Remove Health Insurance Adjustment                      |                   | (283,500)                        |                                     |                   |
| RET - Operating Budget Savings                                |                   | (225,000)                        |                                     |                   |
| RET - Long-Term Disability Contract Savings                   |                   | (300,000)                        |                                     |                   |
| RET - IT Project Extension                                    |                   |                                  | 500,000                             |                   |
| <b>REV - Department of Revenue</b>                            | 46,442,400        |                                  |                                     | 46,684,900        |
| REV - Remove Health Insurance Adjustment                      |                   | (157,500)                        |                                     |                   |
| REV - Shift from General Fund to Liability Setoff             |                   |                                  | 400,000                             |                   |
| <b>SOS - Secretary of State</b>                               | 3,695,500         |                                  |                                     | 8,819,600         |
| SOS - Remove Health Insurance Adjustment                      |                   | (14,000)                         |                                     |                   |
| SOS - Voter Registration Database                             |                   |                                  | 2,063,300                           |                   |
| SOS - Election Expenses (Plus GF)                             |                   |                                  | 615,500                             |                   |
| SOS - Non-VR HAVA Funding Projects (Total \$5.4 M)            |                   |                                  | 2,459,300                           |                   |
| <b>TEC - State Board of Technical Registration</b>            | 2,233,700         |                                  |                                     | 2,269,400         |
| TEC - Remove Health Insurance Adjustment                      |                   | (29,300)                         |                                     |                   |
| TEC - E-Licensing System Maintenance                          |                   |                                  | 65,000                              |                   |
| <b>DOT - Department of Transportation</b>                     | 390,625,600       |                                  |                                     | 412,148,800       |
| DOT - Remove Health Insurance Adjustment                      |                   | (4,555,300)                      |                                     |                   |
| DOT - Remove One-Time Driver Safety/Livestock Control Funding |                   | (1,600,000)                      |                                     |                   |
| DOT - Remove One-Time Grand Canyon Airport Project Funding    |                   | (265,000)                        |                                     |                   |
| DOT - Remove One-Time Flagstaff Building Equipment            |                   | (2,530,000)                      |                                     |                   |
| DOT - Road Surface Treatments                                 |                   |                                  | 25,606,800                          |                   |
| DOT - Intelligent Traffic System in Rural Areas               |                   |                                  | 1,500,000                           |                   |
| DOT - Managed Digital Security Services                       |                   |                                  | 800,000                             |                   |
| DOT - Green Valley MVD Office Relocation                      |                   |                                  | 132,000                             |                   |
| DOT - New Ehrenberg Port of Entry Equipment                   |                   |                                  | 528,500                             |                   |
| DOT - Security Systems - Ports of Entry                       |                   |                                  | 405,700                             |                   |
| DOT - Highway Damage Maintenance Recovery Account             |                   |                                  | 1,000,000                           |                   |
| DOT - Shift \$400K from SETIF to MVLIE                        |                   |                                  | OK                                  |                   |
| DOT - Shift \$150K from Highway to Interlock Fund             |                   |                                  | OK                                  |                   |
| DOT - General Fund Shift to Air Quality Fund                  |                   |                                  | 50,400                              |                   |
| DOT - Attorney General ISA Cost Increase                      |                   |                                  | 46,000                              |                   |
| DOT - Highway Maintenance Workload                            |                   |                                  | 642,100                             |                   |
| DOT - 1 instead of 2 Special Plates                           |                   |                                  | (350,000)                           |                   |
| DOT - State Safety Oversight Grant Federal Match              |                   |                                  | 112,000                             |                   |
| <b>TRE - State Treasurer</b>                                  | 5,379,400         |                                  |                                     | 5,343,100         |
| TRE - Remove Health Insurance Adjustment                      |                   | (36,300)                         |                                     |                   |

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|--|------------------------|----------------------------------|-------------------------------------|------------------------|
| <b>UNI - Universities</b>                                |                        |                                  |                                     |                        |
| <b>UNI - ASU</b>   | 685,232,600            |                                  |                                     | 685,232,600            |
| <b>UNI - Northern Arizona University</b>                 | 157,431,100            |                                  |                                     | 157,431,100            |
| <b>UNI - UA - Main Campus</b>                            | 410,094,700            |                                  |                                     | 410,094,700            |
| <b>UNI - UA - Health Sciences Center</b>                 | 49,749,000             |                                  |                                     | 49,749,000             |
| <b>VSC - Department of Veterans' Services</b>            | 35,492,700             |                                  |                                     | 35,218,700             |
| VSC - Remove Health Insurance Adjustment                 |                        | (345,100)                        |                                     |                        |
| VSC - Creation of a Compliance Audit Section             |                        |                                  | 71,100                              |                        |
| <b>VME - Veterinary Medical Examining Board</b>          | 590,000                |                                  |                                     | 599,200                |
| VME - Remove Health Insurance Adjustment                 |                        | (5,200)                          |                                     |                        |
| VME - Online Services Enhancement                        |                        |                                  | 14,400                              |                        |
| <b>WAT - Department of Water Resources</b>               | 2,119,600              |                                  |                                     | 2,419,100              |
| WAT - Remove Health Insurance Adjustment                 |                        | (500)                            |                                     |                        |
| WAT - Fund Shift - Water Resources Fund                  |                        |                                  | 300,000                             |                        |
| <b>OTH - Other</b>                                       |                        |                                  |                                     |                        |
| OTH - FY 18 Supplementals/Ex-Appropriations              | 17,117,700             | (13,636,300)                     | 0                                   | 0                      |
| OTH - HITF One-Time Employer Premium                     | 4,235,700              | (4,235,700)                      | 10,000,000                          | 10,000,000             |
| OTH - State Rent - Agency Relocation (\$499K GF Savings) | 0                      |                                  | (981,500)                           | (981,500)              |
| OTH - State Rent Increase (\$3.3M GF Cost)               | 0                      |                                  | 1,700,000                           | 1,700,000              |
| OTH - IT Rate Increase (\$700K GF Cost)                  | 0                      |                                  | 500,000                             | 500,000                |
| OTH - Retirement Adjustments                             | 0                      |                                  | 3,000,000                           | 3,000,000              |
| OTH - Elected Officials Retirement Adjustments           | 0                      |                                  | 200,000                             | 200,000                |
| <b>TOTAL - OPERATING SPENDING CHANGES</b>                | <b>\$3,984,842,400</b> | <b>(110,310,600)</b>             | <b>138,204,800</b>                  | <b>\$4,009,255,200</b> |
| <b>CAPITAL SPENDING CHANGES</b>                          |                        |                                  |                                     |                        |
| <b>Building Renewal</b>                                  |                        |                                  |                                     |                        |
| Arizona Department of Administration                     | 2,600,000              |                                  | 8,400,000                           | 11,000,000             |
| ADC Building Renewal                                     | 5,464,300              |                                  |                                     | 5,464,300              |
| Game & Fish Department                                   | 530,000                |                                  | 451,400                             | 981,400                |
| Arizona Lottery Commission                               | 122,200                | 4,100                            |                                     | 126,300                |
| Arizona Department of Transportation                     | 4,732,300              |                                  | 759,700                             | 5,492,000              |

|   | FY 2018 OF<br>5/3      | FY 19 Baseline 2/<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3      |
|---|------------------------|----------------------------------|-------------------------------------|------------------------|
| <b>New Projects</b>   |                        |                                  |                                     |                        |
| ADOA - 1275 W. Washington Demolition                            | 0                      |                                  | 1,000,000                           | 1,000,000              |
| ADOA - Capitol Mall Consolidation Fund                          | 0                      |                                  | 10,000,000                          | 10,000,000             |
| ADC - Door Locking Systems                                      | 1,450,000              | (1,450,000)                      |                                     | 0                      |
| Arizona Exposition and State Fair                               | 1,000,000              | (1,000,000)                      | 1,000,000                           | 1,000,000              |
| Game & Fish Department - Dam Maintenance                        | 0                      |                                  | 150,000                             | 150,000                |
| Game & Fish Department - Property Maintenance                   | 0                      |                                  | 300,000                             | 300,000                |
| Local Transportation Funding                                    | 30,000,000             |                                  | (30,000,000)                        | 0                      |
| State Parks Board - Rockin River                                | 4,000,000              | (4,000,000)                      |                                     | 0                      |
| State Parks Board Capital Projects                              | 1,300,000              | (1,300,000)                      | 2,000,000                           | 2,000,000              |
| State Parks Board - Buckskin Mountain (+ \$1M SLIF)             | 0                      |                                  | 1,500,000                           | 1,500,000              |
| State Parks Board - Oracle State Park                           | 0                      |                                  | 4,000,000                           | 4,000,000              |
| Pioneers' Home - Building Repairs                               | 0                      |                                  | 600,000                             | 600,000                |
| DPS - Remote Officer Housing (Highway Patrol)                   | 0                      |                                  | 800,000                             | 800,000                |
| ADOT - Statewide Highway Construction                           | 104,570,000            | 10,382,000                       |                                     | 114,952,000            |
| ADOT - Controlled Access  | 101,899,000            | 1,934,000                        |                                     | 103,833,000            |
| ADOT - Debt Service   | 108,817,000            | 35,415,000                       |                                     | 144,232,000            |
| ADOT - Airport Planning   | 24,555,300             | (5,756,800)                      |                                     | 18,798,500             |
| ADOT - Spreader Racks - Replacing 17                            | 0                      |                                  | 1,720,000                           | 1,720,000              |
| ADOT - Keams Canyon Truck Barn/Office                           | 0                      |                                  | 1,790,000                           | 1,790,000              |
| ADOT - New Materials Test Lab                                   | 0                      |                                  | 2,250,000                           | 2,250,000              |
| ADOT - Eliminate One-Time Funding                               | 5,340,000              | (5,340,000)                      |                                     | 0                      |
| Veterans' Services - Flagstaff/Yuma Homes Additional Costs      | 0                      |                                  | 8,000,000                           | 8,000,000              |
|   |                        |                                  |                                     |                        |
| <b>TOTAL - CAPITAL SPENDING CHANGES</b>                         | <b>\$396,380,100</b>   | <b>28,888,300</b>                | <b>14,721,100</b>                   | <b>\$439,989,500</b>   |
|   |                        |                                  |                                     |                        |
| <b>TOTAL - OPERATING &amp; CAPITAL SPENDING</b>                 | <b>\$4,381,222,500</b> | <b>(81,422,300)</b>              | <b>152,925,900</b>                  | <b>\$4,449,244,700</b> |
|   |                        |                                  |                                     |                        |
| <b>FUND TRANSFERS</b>   |                        |                                  |                                     |                        |
| <u>APF/DOA - Automation Projects Fund - All For IT Projects</u> |                        |                                  |                                     |                        |
| APF/DOA - Acupuncture Board of Examiner Fund for e-Licensing    | 45,900                 | (45,900)                         |                                     | 0                      |
| APF/DOA - Automation Operations from ADOA (Exec: \$5.3M)        | 6,703,000              | (5,203,000)                      | 3,830,000                           | 5,330,000              |
| APF/DOA - State Web Portal from ADOA                            | 5,065,600              | (5,065,600)                      | 3,517,000                           | 3,517,000              |
| APF/DOA - Personnel Fund  |                        | 0                                | 171,900                             | 171,900                |
| APF/DOA - IT Fund from DOA                                      | 500,000                | (500,000)                        |                                     | 0                      |
| APF/DOA - Risk Management from ADOA                             | 440,000                | (440,000)                        |                                     | 0                      |
| APF/DOA - Athletic Training Fund for e-Licensing                | 45,900                 | (45,900)                         |                                     | 0                      |
| APF/DOA - Board of Barbers Fund for e-Licensing                 | 40,000                 | (40,000)                         |                                     | 0                      |
| APF/DOA - Behavioral Health Examiners for e-Licensing           | 0                      | 0                                | 450,000                             | 450,000                |



|   | FY 2018 OF<br>5/3   | FY 19 Baseline <u>2</u> /<br>Above FY 18 | FY 19 5/3 Chng<br>to FY 19 Baseline | FY 2019 OF<br>5/3   |
|---|---------------------|--|-------------------------------------|---------------------|
| APF/DOA - Board of Funeral Directors' & Embalmers' Fund (e-Lic.)    | 27,500              | (27,500)                                 |                                     | 0                   |
| APF/DOA - Admin Fund from Industrial Commission                     | 1,017,400           | (1,017,400)                              |                                     | 0                   |
| APF/DOA - Nursing Care Administrators Fund for e-Licensing          | 27,500              | (27,500)                                 |                                     | 0                   |
| APF/DOA - Occupational Therapy Fund for e-Licensing                 | 45,900              | (45,900)                                 |                                     | 0                   |
| APF/DOA - Board of Dispensing Opticians Fund for e-Licensing        | 27,500              | (27,500)                                 |                                     | 0                   |
| APF/DOA - Board of Optometry Fund for e-Licensing                   | 45,900              | (45,900)                                 |                                     | 0                   |
| APF/DOA - Board of Physical Therapy Fund for e-Licensing            | 45,900              | (45,900)                                 |                                     | 0                   |
| APF/DOA - Podiatry Fund for e-Licensing                             | 27,500              | (27,500)                                 |                                     | 0                   |
| APF/DOA - Board for Private Postsecondary Ed. Fund (e-Lic.)         | 80,200              | (80,200)                                 |                                     | 0                   |
| APF/DOA - Board of Psychologist Examiners Fund for e-Licensing      | 91,700              | (91,700)                                 |                                     | 0                   |
| APF/DOA - Board of Respiratory Care Examiners for e-Licensing       | 44,100              | (44,100)                                 |                                     | 0                   |
| APF/DOA - DEQ Permit Administration for DEQ IT                      | 0                   | 0  | 1,800,000                           | 1,800,000           |
| APF/DOA - DEQ Underground Storage Tank for DEQ IT                   | 3,200,000           | (3,200,000)                              | 1,400,000                           | 1,400,000           |
| APF/DOA - DEQ ISA for DEQ IT  | 3,200,000           | (3,200,000)                              |                                     | 0                   |
| APF/DOA - State Lottery Fund from Lottery Commission                | 3,497,400           | (3,497,400)                              |                                     | 0                   |
| APF/DOA - Public Safety Equipment Fund from DPS                     | 1,000,000           | (1,000,000)                              | 1,250,000                           | 1,250,000           |
| APF/DOA - Concealed Weapons Permit Fund from DPS                    | 2,500,000           | (2,500,000)                              |                                     | 0                   |
| APF/DOA - Fingerprint Clearance Card Fund from DPS                  | 1,343,000           | (1,343,000)                              |                                     | 0                   |
| APF/DOA - DPS Highway Patrol  | 0                   | 0  | 2,806,200                           | 2,806,200           |
| APF/DOA - Administrative Fund from DOR                              | 4,000,000           | (4,000,000)                              |                                     | 0                   |
| APF/DOA - Liability Setoff Program Revolving Fund from DOR          | 4,000,000           | (4,000,000)                              |                                     | 0                   |
| APF/DOA - DFI Receivership Revolving Fund for e-Licensing           |                     |  | 1,400,000                           | 1,400,000           |
| <u>Other Transfers</u>  |                     |  |                                     | 0                   |
| ADC - Locking Systems - ADC Building Ren. Fund from ARCOR Revolving | 1,450,000           | (1,450,000)                              |                                     | 0                   |
| DHS - State Hospital Fund from Health Service Lottery Fund          | 1,300,000           | (1,300,000)                              |                                     | 0                   |
|   |                     |  |                                     |                     |
| <b>TOTAL - FUND TRANSFERS</b>                                       | <b>\$43,611,900</b> | <b>(38,311,900)</b>                      | <b>16,625,100</b>                   | <b>\$18,125,100</b> |
|   |                     |  |                                     |                     |

1/ Represents original FY 2018 appropriations adjusted for revisions in Lottery Commission, Medical Board and the Universities (including consolidating ASU into a single budget unit).

2/ Represents FY 2019 Baseline cost above FY 2018 Baseline.

## FY 2018 SUPPLEMENTALS

|  | 5/3<br>Change to<br>Original '18<br>Budget |
|--|--|
|  |  |
| <b>General Fund</b>  |  |
| Department of Agriculture - Salt River Horse Management  | \$40,300                                   |
| AHCCCS - Substance Use Disorder Services - Enacted (Laws 2018, 1st Special Session, Ch. 1)                                   | 10,000,000                                 |
| Department of Child Safety - Revert FY 2017 Backlog Privatization  | (2,700,000)                                |
| Department of Education - Mayer Unified School District Funding  | 300,000                                    |
| Department of Forestry and Fire Management - Fire Expenses   | 4,078,000                                  |
| State Land Department - CAP User Fees  | 449,100                                    |
| School Facilities Board - Building Renewal Grants  | 10,000,000                                 |
| Secretary of State - Revert FY 2016 Special Election   | (2,962,600)                                |
| Secretary of State - CD 8 Special Election - Enacted (Ch. 2)   | 2,500,000                                  |
| State Board of Tax Appeals - Increase in Benefit Cost  | 11,100                                     |
| ADOT - Replace General Fund with Highway Fund for ADOT I-10 Project (Equipment Sales)  | (230,000)                                  |
| <b>General Fund - Total</b>  | <b>\$21,485,900</b>                        |
| <br><b>Other Funds</b>   |  |
| Arizona Department of Administration - Federal Repayment   | \$15,802,500                               |
| Attorney General - Community Grants for Opioid Education and Prevention -<br>Enacted (Laws 2018, 1st Special Session, Ch. 1) | 400,600                                    |
| Attorney General - Election Litigation   | 500,000                                    |
| Department of Health Services - Opioid Abuse Prevention Campaign - Enacted (Laws 2018,<br>1st Special Session, Ch. 1)        | 400,600                                    |
| Board of Dispensing Opticians - Executive Director Retirement  | 14,000                                     |
| <b>Other Funds - Total</b>   | <b>\$17,117,700</b>                        |
| <br><b>Expenditure Authority</b>   |  |
| AHCCCS - Expenditure Authority   | \$36,973,200                               |
| <b>Expenditure Authority - Total</b>   | <b>\$36,973,200</b>                        |

## FY 2019 BUDGET RECONCILIATION BILL PROVISIONS

The budget includes the enactment of statutory changes associated with its funding amount. The following provisions would be grouped by subject into Budget Reconciliation Bills (BRBs). New provisions are noted with an asterisk (\*).

|   | <u>Section</u> |
|---|----------------|
| <b>BUDGET PROCEDURES HB 2667/SB 1524</b>  |                |
| <b>Statewide</b>  |                |
| 1. As permanent law, require annual appropriations for all agencies. The existing permanent law requires biennial appropriations for smaller agencies, but has been annually suspended in session law for more than a decade.   | 9, 11-17       |
| 2. As session law, set the FY 2019 Capital Outlay Stabilization Fund (COSF) rental rate charged by the Arizona Department of Administration (ADOA) at \$16.08/square foot for rentable office space and \$5.79/square foot for rentable storage space. The current rate is \$13.08/square foot for rentable office space and \$4.74/square foot for rentable storage space. | 39             |
| 3. As session law, continue to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services.   | 38             |
| 4. As permanent law, increase the pro rata share for the information technology fund from .20 percent to .30 percent of total payroll.  | 2              |
| 5. As session law, change the A.R.S. § 35-112 deadline for OSPB to provide budget request forms to agencies from June 1 to July 1.  | 45             |
| <b>Arizona Department of Administration</b>   |                |
| 6. As permanent law, create a new appropriated Capitol Mall Consolidation Fund. As session law, direct sale proceeds from the properties at 2910 N. 44th St. in Phoenix, 2163 N. Vickey St. in Flagstaff, and the northeast corner of South Horne Street and East Baseline Road in Mesa to be deposited in the newly created fund.  | 31,44          |
| 7. As permanent law, repeal the Capitol Mall Commission and delegate its authority to ADOA.   | 10, 33-37      |
| 8. As permanent law, require ADOA to report on the 3 salary tiers of state employees in the Public Safety and Correctional Officer Retirement systems. The report is due to JLBC by October 1 of each year.   | 27             |
| 9. As permanent law, allow the Personnel Division Fund to be used for the Governor's Office for Equal Opportunity.  | 29             |
| <b>Arizona Department of Administration - Automation Projects Fund (APF)</b>  |                |
| 10. As permanent law, require ADOA to establish subaccounts for each agency that implement an information technology project through the APF and prohibits monies from being transferred between agency subaccounts.  | 28             |
| 11. As permanent law, requires ITAC to review information technology projects that involve more than one agency if the cost of the project across all agencies exceeds \$1,000,000.   | 1              |
| 12. As permanent law, require ADOA to include a report on the cost, timeline, and method of procurement when requesting JLBC review for an APF project expenditure plan.  | 28             |
| <b>Corporation Commission</b>   |                |
| 13. As permanent law, amend A.R.S. § 40-443 to eliminate the inactive Pipeline Safety Revolving Fund and transfer any remaining balance to the General Fund.  | 26             |

**Department of Insurance**

14. As session law, allow the department to use monies from the Assessment Fund for Voluntary Plans Fund in FY 2019 and FY 2020 to pay for the arbitration process of surprise billings. 41

**Joint Legislative Audit Committee**

15. As permanent law, extend the Joint Legislative Audit Committee through FY 2026. 32

**Retirement**

16. As permanent law, implement December 1 rather than December 15 and 31 reporting dates for ASRS and PSPRS actuarial reports. 18-25

**Department of Revenue**

17. As session law, allow the Liability Setoff Program Revolving Fund to be used for general operating expenditures of the department. 42

**Secretary of State**

18. As session law, allow the Records Services Fund and Data Processing Acquisition Fund to fund election services. 40

**Transportation**

19. As permanent law, ADOT is required to provide only one special plate per vehicle. Also requires ADOT to set fee for a second plate. 3-8

**Revenues**

20. As session law, continue to notwithstanding the requirements for any deposit to or any withdrawals from the Budget Stabilization Fund through FY 2021. 43

**Other**

21. As permanent law, require JLBC approval of placement of light rail stations near the Capitol. JLBC must take action within 120 days of receiving a report. 30

**CRIMINAL JUSTICE – HB 2666/SB 1523**

**Attorney General**

22. As permanent law, remove the requirement that the Attorney General report on any setoffs of the costs of incarceration against monetary judgments awarded to inmates in the past 6 months. 2
23. As permanent law, remove the requirement that each agency report to the JLBC the fund sources used to pay the Legal Services Cost Allocation Fund charges. 4
24. As session law, allow the Attorney General to expend monies up to \$1,489,000 from the Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund for the Attorney General’s Case Management Information Technology System Upgrade and Licensing Compliance. This allowance would be limited to FY 2019 and FY 2020. Allow \$1.4 million from this account to offset general operating expenses in FY 2021. 15, 16

|   |  |       |
|---|--|-------|
| 25.   | As permanent law, increases the amount of the year-end balance in the Collection Enforcement Revolving Fund that is not subject to lapsing from \$500,000 to \$1,000,000.  | 3     |
| <b>State Department of Corrections</b>              |  |       |
| 26.   | As session law, continue to require the department to report actual FY 2018, estimated FY 2019, and requested FY 2020 expenditures as delineated in the prior year when the department submits its FY 2020 budget request pursuant to A.R.S. § 35-113.   | 7     |
| <b>Arizona Criminal Justice Commission</b>          |  |       |
| 27.   | As permanent law, require the Arizona Criminal Justice Commission to submit its annual federal grant application for the Edward Byrne Memorial Justice Assistance Grant to the Legislature in compliance with federal law. The JLBC would review the report.   | 5     |
| 28.   | As session law, appropriate \$200,000 in FY 2019 from the Drug and Gang Prevention Resource Center Fund for distributions to Pinal and Yavapai County Attorneys for a pilot program to collect and post criminal justice statistics on their websites monthly during calendar year 2019.   | 21,22 |
| <b>Department of Emergency and Military Affairs</b> |  |       |
| 29.   | As session law, allow the Department to expend \$1,250,000 from the Military Installation Fund for the construction of a new Readiness Center.   | 14    |
| <b>Judiciary</b>                                    |  |       |
| 30.   | As permanent law, require 25 percent cost sharing for Maricopa Superior Court judges in FY 2020 and 50 percent sharing starting in FY 2021.  | 1     |
| 31.   | As session law, allow the Administrative Office of the Courts to use monies in the Juvenile Probation Reduction Fund, the Drug Treatment and Education Fund, the Arizona Lengthy Trial Fund, and the Alternative Dispute Resolution Fund for a new Appellate Case Management System up to a total of \$3,150,000 through FY 2020.        | 17    |
| <b>Department of Juvenile Corrections</b>           |  |       |
| 32.   | As session law, continue to state that it is the intent of the Legislature that each county pays an assessed amount determined by the county's proportional share by population of \$11,260,000  | 11    |
| <b>Department of Public Safety</b>                  |  |       |
| 33.   | As session law, continue to require the Department of Public Safety (DPS) to receive Joint Legislative Budget Committee (JLBC) review of the expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount FY 2019 appropriation prior to its expenditure. | 8     |
| 34.   | As session law, increase the statutory spending cap for HURF from \$10,000,000 to \$16,000,000 for FY 2019.  | 20    |
| 35.   | As session law, allow the use of the Concealed Weapons Permit Fund and continue to allow use of the State Aid to Indigent Defense Fund for DPS operating expenses.   | 10    |
| 36.   | As session law, continue to allow DPS to utilize \$148,700 from the FY 2019 GIITEM Subaccount appropriation for costs related to an increase in the PSPRS employer contribution rate.  | 9     |
| 37.   | As session law, continue to allocate \$400,000 from the GIITEM General Fund distribution to the Pima County Sheriff's Office.  | 6     |
| 38.   | As session law, allow the Concealed Weapons Permit Fund to be used for the Arizona Peace Officer Standards and Training Board.   | 18    |
| 39.   | As session law, allow the Arizona Highway Patrol Fund to be used for the criminal justice information system.  | 12    |

- 40. As session law, allow the Public Safety Equipment Fund to be used for the microwave system upgrade. 13
- 41. As session law, allow DPS to use the Arizona Drug and Gang Resource Center Fund for Pharmaceutical Diversion and Drug Theft Task Force. 19

## ENVIRONMENT – HB 2658/SB 1525

### Department of Environmental Quality

- 42. As session law, continue to allow the department to utilize up to \$6,531,000 from the Underground Storage Tank (UST) Fund in FY 2019 for department administrative expenses and for sewage remediation. 5
- 43. As session law, continue to suspend the requirement to appropriate \$15,000,000 from the state General Fund to the Water Quality Assurance Revolving Fund (WQARF). In FY 2019, appropriate \$6,500,000 from the Vehicle Emissions Inspection Fund, \$5,000,000 from the Air Quality Fund, and \$2,052,000 from the Recycling Fund to WQARF, for a total of \$13,552,000. With \$2,000,000 of non-appropriated funds, total WQARF funding would be \$15,552,000. 7
- 44. As session law, continue the FY 2018 level of vehicle emissions inspection fees in FY 2019 (FY 2018 fees are \$3 less than FY 2016 in Area A, which includes Maricopa County and portions of Pinal and Yavapai Counties.) 10
- 45. As session law, continue to include a legislative intent statement that the WQARF appropriations are being supplemented by \$2,000,000 of non-appropriated monies directly deposited into WQARF, which consists of other revenue generated from various license and registration fees. 7
- 46. As permanent law, allow Water Quality Fee Fund monies to be used to fund the Water Quality Monitoring Program and the costs of providing aquifer pollution information required by A.R.S. § 49-249 in FY 2019. Was previously a session law. 1
- 47. As permanent law, amend A.R.S. § 49-210 to include the issuance of reclaimed water permits as an allowable use of the Water Quality Fee Fund. Reclaimed water permit fees are already deposited to the Fund. 1
- 48. As session law, allow the department to use the Underground Storage Tank Fund for the cost of developing and implementing e-licensing. 9
- 49. As session law, allow the department to use the Permit Administration Fund for e-licensing. 9
- 50. As session law, eliminate language in Laws 2018, Chapter 225 that would erroneously repeal sections of statute. Repeals Chapter 225 if Dredge and Fill Permit Program is not approved by the EPA by August 1, 2023. (Technical correction). 2

### Arizona Navigable Stream Adjudication Commission

- 51. As session law, continue to allow use of the Water Banking Fund for the commission’s unpaid legal obligations. 6

### Arizona State Parks Board

- 52. As session law, continue to allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs. 4

### Department of Water Resources

- 53. As session law, continue to allow the department’s Water Protection Fund Commission to spend up to \$336,000 on administrative functions out of their unobligated balances in FY 2019. 3
- 54. As session law, continue to allow the department non-municipality special fee authority, including an intent clause that limits additional revenue up to \$100,200, and exempt the department from rulemaking for this purpose. 11
- 55. As session law, appropriates \$100,000 to DWR in FY 2019 to contract with an independent consultant to estimate the rate of groundwater depletion in the Northwest Basins; requires ADWR to submit the consultant's report of its findings to the Speaker of the House, the President of the Senate, Governor, and Secretary of State by December 31, 2019. The appropriation is non-lapsing. 8

## HEALTH – HB 2659/SB 1526

### AHCCCS

#### *Rates and Services*

56. As session law, continue the FY 2010 risk contingency rate reduction for all managed care organizations. Continue to impose a reduction on funding for all managed care organizations administrative funding levels. 16
57. As permanent law, give AHCCCS the authority to require managed care organizations to pay up to 90% of the AHCCCS fee schedule for inpatient behavioral health visits at non-contracted providers, effective July 1, 2018. 6, 26

#### *Counties*

58. As session law, set the FY 2019 county Arizona Long Term Care System (ALTCs) contributions at \$268,554,800. 10
59. As session law, set the County Acute Care contribution at \$46,512,900. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328. 14
60. As session law, continue to exclude Proposition 204 administration costs from county expenditure limitations. 15
61. As session law, continue to require AHCCCS to transfer any excess monies back to the counties by December 31, 2019 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act. 13

#### *Hospitals*

62. As session law, continue to establish FY 2019 disproportionate share (DSH) distributions to the Maricopa Special Healthcare District (MIHS), the Arizona State Hospital, private qualifying disproportionate share hospitals, and Yuma Regional Medical Center. Increase the MIHS distribution to \$113,818,500 in FY 2018 and FY 2019. 12
63. As session law, continue to require AHCCCS to give priority to rural hospitals in Pool 5 distribution, and allow MIHS to be eligible for Pool 5 allocations. Permit local jurisdictions to provide additional local match for Pool 5 distributions. 12

#### *Erroneous Payments*

64. As session law, continue to permit AHCCCS to recover erroneous Medicare payments made due to errors by the federal Social Security Administration. Any credits received may be used to pay for the AHCCCS program in the year they are received. 17

#### *Available Funding*

65. As session law, continue to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation. 25
66. As permanent law, eliminate the inactive Hospital Loan Residency Fund. 7,8

#### *Reports*

67. As session law, continue to require AHCCCS and DHS to submit a joint report to the Legislature and the Governor by January 2, 2019 on hospital costs and charges. 18
68. As session law, continue to require AHCCCS to report to JLBC on or before January 2, 2019 on the availability of inpatient psychiatric treatment and "psychiatric boarding" in emergency rooms for children and adults enrolled in Arizona's Regional Behavioral Health Authorities. 19
69. As session law, require AHCCCS and DHS to jointly report by January 1, 2019 on how grant monies for states to address the opioid epidemic included in the federal Consolidated Appropriations Act of 2018 (P.L. 115-141) will supplement the monies appropriated to AHCCCS in the Arizona Opioid Epidemic Act (Laws 2018, 1st Special Session, Chapter 1). 24

**Department of Health Services**

- 70. As session law, continue to require all cities and counties to pay 100% of cost of Restoration to Competency treatment in FY 2019. Allow counties to use any source of county revenue to make the transfers. 11
- 71. As session law, continue to notwithstanding A.R.S. § 36-773 to permit DHS to use Tobacco Tax and Health Care Fund - Health Research Account for Alzheimer’s disease research. 23
- 72. As session law, continue to notwithstanding A.R.S. § 5-572 and A.R.S. § 36-108.01 to allow the Health Services Lottery monies to be used homeless pregnant women services. 22
- 73. As session law, continue fee raising authority and an exemption relating to establishing fees for the Bureau of Radiation Control in FY 2019 and continue an intent clause that limits additional revenues to \$561,000. 20
- 74. As session law, allow DHS to use the Disease Control Research Fund for AIDS reporting and surveillance. 21
- 75. As permanent law, divert 100% of the first \$300,000 of licensing fees for the Radiation Regulatory program into the General Fund; divert 90% of additional fees to the Health Services Licensing Fund and 10% into the General Fund. Eliminate the State Radiologic Technologist Certification Fund and the Radiation Regulatory Fee and transfer all unencumbered and unexpended monies into the Health Services Licensing Fund. 1,2,3,4,5

**HIGHER EDUCATION – HB 2662/SB 1527**

**Community Colleges**

- 76. As session law, continue to suspend the Operating State Aid funding formula in FY 2019 for Maricopa and Pima Counties. 9
- 77. As session law, continue to suspend Science, Technology, Engineering and Mathematics and Workforce Programs funding formula for FY 2019 and specify the funding in the General Appropriation Act, which for Pinal would again equal \$96,500. 8
- 78. As permanent law, allow Coconino Community College to increase its primary property tax levy, subject to approval by voters. 6
- 79. As permanent law, prohibit community colleges from requiring a student from being a member of a labor organization or participating in an industry apprenticeship program as a prerequisite for course enrollment. 1

**Universities**

- 80. As session law, continue to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into Arizona Financial Aid Trust (AFAT). 7
- 81. As permanent law, modify A.R.S. § 15-1655 to clarify that the Arizona Teacher Academy is established for the 2017-2018 academic year and subsequent years. 3
- 82. As permanent law, require the universities to annually report on the status of all projects that have been reviewed, approved by, or reported to JCCR that are not yet completed. 5
- 83. As permanent law, revise the universities' annual cost-containment reporting requirements: modifies reporting requirement on tuition and fee charges compared to historical levels; clarifies reporting requirement on the growth of faculty and administration; requires information on increases in credit hours required for degree programs. 2
- 84. As permanent law, continue tuition waiver for foster students. The current foster care waiver pilot program is scheduled to expire at the end of FY 2018. 4, 10



## HUMAN SERVICES – HB 2661/SB 1528

### Department of Child Safety

- |     |  |   |
|-----|--|---|
| 85. | As session law, continue to require the department to report with the Early Childhood Development and Health Board on collaborative efforts on child welfare issues.   | 6 |
| 86. | As session law, delays an Auditor General report on the Department of Child Safety caseworker workload from no later than December 2018 to December 2020. Adds a requirement that the report include the difference in caseworker caseloads between field offices. | 4 |

### Department of Economic Security

- |     |   |   |
|-----|---|---|
| 87. | As session law, continue to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if DES has reasonable cause to believe that the recipient uses illegal drugs. | 5 |
| 88. | As session law, continue to permit DES to reduce income eligibility levels for all child care programs. Require DES to report to the JLBC within 15 days of any change in levels.   | 1 |
| 89. | As session law, allow the Spinal and Head Injury Trust Fund to be used to fund \$1,900,000 for costs of the Arizona Early Intervention Program in FY 2019.  | 3 |
| 90. | As session law, allow the Special Administration Fund to be used for adult services and domestic violence prevention.   | 2 |

## K-12 EDUCATION – HB 2663/SB 1521

### Arizona School for the Deaf and Blind

- |     |  |    |
|-----|--|----|
| 91. | As session law, allow Arizona Schools for the Deaf and Blind to use monies in the Telecommunications Fund for the Deaf to Support the expansion of the Birth to Three program. | 24 |
|-----|--|----|

### Department of Education

#### *Formula Requirements*

- |     |  |        |
|-----|--|--------|
| 92. | As permanent law, increase the base level (A.R.S. § 15-901B2), the transportation funding levels (A.R.S. § 15-945A5) and the charter school “Additional Assistance” amounts (A.R.S. § 15-185B4) by 1.80% for standard inflation.   | 2,9,11 |
| 93. | As permanent law, increase the base level by an additional \$210.50 (5.72%) for FY 2019 to incorporate 1) \$65,419,100 for the 1.06% Additional Teacher Salary Increases for FY 2018 and FY 2019 combined (2.12% total) already funded in the FY 2019 Baseline, 2) an additional \$176,200,000 for teacher pay raises in FY 2019, and 3) an additional \$64,100,000 for teacher pay raises in FY 2019 as a bridge to higher Proposition 301 funding that will be available to schools in FY 2022 due to expiring SFB debt service. | 9      |

#### *Funding Formula Changes*

- |     |   |       |
|-----|---|-------|
| 94. | As session law, reduce the \$352,442,700 District Additional Assistance suspension and \$18,656,000 Charter Additional Assistance suspension to \$257,469,900 and \$13,628,800, respectively, in FY 2019, and phase out the remaining suspensions by FY 2023.   | 27,28 |
| 95. | As session law, eliminate all District Additional Assistance reductions for school districts with fewer than 1,100 students in FY 2019.   | 27    |
| 96. | As session law, allocate Results-Based Funding using the same formula that was used in FY 2018, but based on spring 2017 AzMERIT test results. Under permanent law, the Results-Based Funding would be distributed to schools with a letter grade A under the A-F performance rating developed by the State Board of Education. | 26    |

#### *Other*

- |     |  |    |
|-----|--|----|
| 97. | As session law, continue stating that it is the intent of the Legislature and Governor that school districts increase the total percentage of classroom spending in the combined categories of instruction, student support and instructional support as defined by the Auditor General. | 27 |
|-----|--|----|

- 98. As session law, require the Corporation Commission to make all monies collected for K-12 broadband expansion that remain after the 2018 E-Rate cycle available in subsequent years to eligible applicants. 22
- 99. As permanent law, establish the Computer Science Professional Development Program Fund to accept gifts, donations and grants to fund computer science professional development for district and charter school teachers; require private matching monies, including the dollar value of in-kind contributions, before the expenditure of the second half of the monies appropriated for the Computer Science Professional Development Program. The department shall distribute grants on a first-come first-served basis to school districts and charters that currently do not provide high school computer science instruction. 7
- 100. As permanent law, require each school district to display on the homepage of its website in a prominent way its individual profile published in the Auditor General's Annual District Spending Report. 18
- 101. As permanent law, require each school district and charter school to post in a prominent way on the homepage of its website and on its budget forms the amount of its average teacher salary in the current and prior fiscal year and include the increase in dollar and percentage terms. Require ADE to submit a report on the information from districts and charter schools statewide to JLBC and OSPB by November 30. 3,10
- 102. As permanent law, provide the Charter Schools Board authority to close charter schools based on failure to meet financial performance expectations. 1
- 103. As permanent law, specify a state definition of "rural" for the purposes of aligning eligibility for federal grants for K-12. 7
- 104. As permanent law, add social studies to the exam subject areas that can generate bonuses for school districts and charter schools under the College Credit By Examination Incentive Program. 6
- 105. As session law, allow Cave Creek Unified School District to increase its general budget limit by \$1,500,000 in FY 2019. 29

**School Facilities Board**

- 106. As session law, notwithstanding the statutory per-square-foot construction standards for the Benson school approved in the FY 2015 budget. 23
- 107. As permanent law, clarify that the per pupil square footage requirements in A.R.S. § 15-2011 should be calculated based on 40<sup>th</sup> day ADM. (The FY 2018 K-12 BRB set the calculation at the 40<sup>th</sup> day, but Laws 2017, Chapter 320 subsequently changed it back to the 100<sup>th</sup> day.) 15,31
- 108. As session law, continues the SFB for 4 years through FY 2022. 19,20,21
- 109. As permanent law, modifies board membership to include a member with experience in public procurement and a member who owns a private construction firm that does not conduct business with schools. 12,25
- 110. As permanent law, requires SFB to submit a report for review to the JCCR on the fiscal impact of any changes made to the minimum adequacy guidelines. 14
- 111. As permanent law, makes changes to building renewal grant program, including to require projects to be classified as critical and non-critical and to limit grant fund awards to available funds, with priority given to critical projects. 8,12,13,16
- 112. As session law, require a special financial audit to examine SFB building renewal project expenditures. 30
- 113. As permanent Law, requires the SBE to adopt rules for school district procurement of any materials, services, goods, construction or construction services that ensure maximum practicable competition. Allows the Attorney General to investigate allegations of procurement compliance. 4, 17
- 114. As permanent law, bans school and district employees from accepting gifts from vendors if the employee is involved in procurement or financial transactions on behalf of the school district. Excludes expenditures on food, beverages, and special events. 4
- 115. As permanent law, requires school districts to contract with a new audit firm every 3 years and prohibits the district from using the same vendor for consulting services 4
- 116. Require school procurement contracts to be awarded to the lowest qualified bidder, effective July 1, 2019. 5, 32

## REVENUES – HB 2664/SB 1529

### Department of Agriculture

117. As session law, continue fee changing authority and an exemption relating to establishing fees for the Arizona Department of Agriculture in FY 2019. The bill continues an intent clause that limits additional revenues to \$357,000. 10

### Arizona Commerce Authority

118. As permanent law, reduces the annual deposit into the Arizona Competes Fund from \$11,500,000 to \$5,500,000 in FY 2020 and thereafter. 3

### Counties and Cities & Towns

119. As session law, continue to allow counties with a population below 250,000 in the 2010 decennial census to use any source of county revenue to meet a county fiscal obligation for FY 2019, up to \$1,250,000 of county revenue for each county. Requires counties using this authority to report to the Director of JLBC on the intended amount and sources of funds by October 1, 2018. 11

### Department of Education

120. As permanent law, shift desegregation programs from primary to secondary property tax levy without loss of funding to school districts. Provision is retroactive to July 1, 2018. Require the county treasurer to determine the descriptor of the desegregation levy as a separate item on tax bills. 2,13

### Department of Financial Institutions

121. As permanent law, allow the Department of Financial Institutions to use the Financial Services Fund for general operating expenditures of the department. Was previously a session law. 1

### Department of Gaming

122. As session law, continue to set the Racing Wagering Assessment at 0.5% in FY 2019 only. 5,13  
 123. As session law, change the fund in which boxing and mixed martial arts-related revenues (except license fees) are deposited in FY 2019 from the General Fund to the Unarmed Combat Subaccount of the Racing Regulation Fund. 8, 13

### Department of Insurance

124. As session law, continue to suspend the requirement that fees collected by the department be between 95% and 110% of the department's appropriation. 9

### Department of Revenue

125. As session law, continue legislative intent statement that local fees to fund the Department of Revenue (DOR) are not to exceed \$20,755,835 and are to be allocated between cities and towns, counties, the Maricopa Association of Governments and the Pima Association of Governments based on the prorated share of all revenues distributed to them (excluding Highway User Revenue Fund money). 12  
 126. As permanent law, increase the amount of tax exempt federal retirement or retainer pay of U.S. military retirees, from \$2,500 to \$3,500 in tax year 2019 and later years. 4

**Transportation**

- 127. As session law, eliminate the FY 2019 appropriation of Highway Expansion and Extension Loan Program Fund monies to local HURF in lieu of the Highway Safety fee. 6,13
- 128. As session law, eliminate the extra \$30 million distribution to local HURF in FY 2020 in lieu of the Highway Safety Fee. 7

**FY 2019 GENERAL APPROPRIATION ACT PROVISIONS – HB 2665/SB 1520**

The Baseline includes the following provisions in the General Appropriation Act. These provisions are in addition to the individual agency appropriations, but exclude supplemental appropriations, ex-appropriations, and fund transfers.

**Arizona Commerce Authority**

- 129. As session law, in accordance with statute (A.R.S. § 43-409), continue to allocate \$21,500,000 of General Fund withholding tax revenue to the Authority in FY 2019. The allocation will be reduced to \$15,500,000 starting in FY 2020. 119

**Counties and Cities & Towns**

- 130. As session law, continue to appropriate \$550,050 to all counties with populations under 200,000 people according to the 2010 Census. As session law, continue to appropriate additional \$500,000 to Graham County. 115
- 131. As session law, appropriate \$550,050 in FY 2019 to all counties with populations over 200,000 people and under 900,000 according to the 2010 Census. Was previously a one-time appropriation. 115
- 132. As session law, in accordance with A.R.S. § 9-601, appropriate \$22,996,250 from the General Fund in FY 2019 for the Phoenix Convention Center. 134
- 133. As session law, appropriate \$11,260,000 to all counties in an amount proportionate to their relative population in the 2010 census to offset county cost-sharing for the Department of Juvenile Corrections. Was \$8,000,000 in FY 2018. 116
- 134. As session law, in accordance with A.R.S. § 42-5031, continue to provide sales tax revenues, estimated at \$14,000,000 in FY 2019, to the Rio Nuevo Multipurpose Facility District. 135
- 135. As session law, appropriate \$1,655,500 in FY 2019 to the 8 smallest counties, according to the 2010 Census, to offset the increase in Elected Officials Retirement Program liability payments. 116
- 136. As session law, appropriate \$1,000,000 to PSPRS for deposit in the employer account of the Prescott fire department group to offset increased pension liability. 128

**Department of Education**

- 137. As session law, continue to defer \$930,727,700 in Basic State Aid payments from FY 2019 to FY 2020. Appropriate \$930,727,700 in FY 2020 for these deferred payments. Continue to exempt school districts with less than 600 students from the K-12 rollover. Allow the Department of Education to make the rollover payment no later than July 12, 2019. 144
- 138. As session law, continue to require school districts to include in the FY 2019 revenue estimates that they use for computing their FY 2019 tax rates the rollover monies that they will receive for FY 2019 in July 2019. 144

**Debt Service**

139. As session law, continue to appropriate \$84,112,000 from the General Fund to the Arizona Department of Administration in FY 2019 for a debt service payment on the 2010 sale and leaseback of state buildings. 133

**Revenues**

140. As session law, continue to specify revenue and expenditure estimates for FY 2018, FY 2019, FY 2020, and FY 2021. 151
141. As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2018 ending balances by September 15, 2018. Require JLBC Staff to report to JLBC by October 15, 2018 as to whether FY 2019 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections. 151

**Statewide**

142. As session law, continue to state legislative intent that all budget units receiving appropriations continue to report actual, estimated and requested expenditures in a format similar to prior years. 147
143. As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2019 in all agencies and provide it to the JLBC Director by October 1, 2019. The Universities are exempt from the report but are required to report separately. 148
144. As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2018 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2018. 149
145. As session law, continue to require ADOA to report monthly to the JLBC Director on agency transfers of spending authority from one expenditure class to another or between programs. 150

**General**

146. As session law, continue to define “\*” as designating an appropriation exempt from lapsing. 152
147. As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations. 153
148. As session law, continue to define "review by the Joint Legislative Budget Committee" as a review by a vote of a majority of a quorum of the members. 154

**FY 2019 MAJOR FOOTNOTE CHANGES**

The Baseline includes the following major additions, deletions or modifications of footnotes. This list does not include footnotes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy.

**Arizona Department of Administration**

149. Modify the existing footnote to move ADOA's semi-annual Building Renewal Report from July to May. (Capital) CO 3
150. Add annual report on building renewal expenditures to ADOT and Game and Fish on the status of all capital projects reviewed by JCCR. (Capital) CO 3
151. Modifies footnote requiring ADOA to report to the JLBC by August 1, 2018 on its vehicle replacement maintenance savings and eliminates the review requirement. 6

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|--|--|---------|
| 152.   | Modifies footnote from FY 2017 Capital Outlay bill to extend the lapsing date for a \$120,000 building renewal appropriation for the repair of the Works Progress Administration building at the State Fairgrounds through FY 2020. (Capital)  | CO 23   |
| 153.   | Adds footnote requiring ADOA to report to the Joint Committee on Capital Review by November 15, 2018 for review of its plan for the relocation of state agencies and the renovation of Capitol Mall buildings. (Capital).  | CO 3    |
| <b>Arizona Department of Administration - Automation Projects Fund (APF)</b> |  |         |
| 154.   | Modifies footnote requiring ADOA to submit a quarterly report on project expenditures, deliverables, and timeline for completion for all projects approved by ITAC, not just those funded in ADOA's budget.  | 118     |
| 155.   | Adds footnote stipulating that FY 2018 APF appropriations are non-lapsing through FY 2019 and that FY 2019 APF appropriations are non-lapsing through FY 2020.   | 2, 118  |
| 156.   | Adds footnote allowing ADOA to repurpose HRIS replacement feasibility study to upgrade the system.   | 2       |
| 157.   | Adds footnote clarifying that transfers into the APF are not considered appropriations. Only direct appropriations out of the APF shall be considered appropriations.  | 3, 143  |
| <b>AHCCCS</b>  |  |         |
| 158.   | Modifies footnote requiring AHCCCS to report to JLBC on the progress of implementing the <i>Arnold v. Sarn</i> lawsuit from semi-annually to annually.   | 10      |
| 159.   | Modifies footnote requiring AHCCCS to report to JLBC on Medicaid reconciliation payments from semi-annually to annually.   | 10      |
| 160.   | Adds footnote stating that AHCCCS' appropriation includes funding for a 3% provider rate increase for skilled nursing facilities and assisted living facilities in FY 2019, in addition to any actuarially determined rate adjustments.  | 10      |
| 161.   | Adds footnote stating that AHCCCS' appropriation includes funding to increase inpatient and outpatient hospital rates by 2.5% in FY 2019 based on hospital performance on established quality measures. The appropriation is in addition to any actuarily determined rate adjustments. | 10      |
| 162.   | Adds footnote that \$100,000 of AHCCCS' operating budget shall be used for a suicide prevention coordinator to assist school districts and charter schools. Requires that AHCCCS, in consultation with ADE, report on the coordinator's accomplishments by September 1, 2019.          | 10      |
| <b>Registrar of Contractors</b>  |  |         |
| 163.   | Deletes footnote requiring JLBC review of any transfer to or from the Office of Administrative Hearings Costs line item.   | 20      |
| <b>Corporation Commission</b>  |  |         |
| 164.   | Adds footnote requiring the Commission to report to the JLBC by August 1, 2018 on total expenditures from the Small Drinking Water Systems Fund in FY 2018 (continuation of an earlier Budget Reconciliation Bill provision).  | 21      |
| <b>Department of Corrections</b>   |  |         |
| 165.   | Adds footnote requiring the Department of Corrections to transfer an amount to the PSPRS for CORP liabilities  | 22      |
| <b>Department of Child Safety</b>  |  |         |
| 166.   | Removes footnote requiring JLBC review of progress in meeting Moss-Adams audit requirements.   | 17      |
| 167.   | Removes footnote requiring JLBC review of the expenditure plan for the retention pay line item.  | 17      |
| 168.   | Adds footnote stipulating that DCS' FY 2018 litigation expenses appropriation is non-lapsing through FY 2019 and that DCS' FY 2019 litigation expenses appropriation is non-lapsing through FY 2020.   | 17, 103 |

- 169. Modifies footnote establishing benchmarks to require DCS to reduce the out-of-home population to 13,964 by June 30, 2019. Represents (2)% reduction each quarter in FY 2019 relative to the January 2018 population of 15,139. 17
- 170. Remove footnotes requiring reports on monthly financial, staffing, and hiring information; SB 1518 made these requirements permanent. 17
- 171. Adds footnote requiring DCS to revert its \$2,700,000 appropriation for backlog privatization from FY 2017 to the General Fund on June 30, 2018. 104

**Department of Economic Security**

- 172. Adds footnote requiring the department to report to JLBC by September 1, 2019 on the costs of operating the Arizona Training Program at Coolidge in FY 2019. 29
- 173. Adds footnote requiring DES to report to JLBC on or before December 1, 2018 on its plans to reduce screening costs associated with the Arizona Early Intervention Program. 29

**Department of Education**

- 174. Adds footnotes stipulating that any monies received by the Department of Education for Proposition 301 purposes in excess of the budgeted amounts are available for expenditure. 31
- 175. Adds footnote stipulating that any monies received by the department for the Instructional Improvement Fund in excess of the budgeted amounts are available for expenditure. 31
- 176. Adds footnotes stipulating that it is the intent of the Legislature and Governor that the additional increase to the Base Level be used for teacher salary increases, and that school districts or other entities that receive additional funding may use the monies for teacher compensation. 31
- 177. Adds footnote allowing ADE to transfer up to \$1,600,000 from Basic State Aid to Results-Based Funding to cover its FY 2018 shortfall without requiring JLBC review. 106
- 178. Adds footnote increasing the Base Support Level for Mayer Unified School District by \$300,000 in FY 2018 and appropriating that amount from the General Fund in FY 2018. 125

**Forestry and Fire Management**

- 179. Adds footnote allowing \$210,000 and \$465,000, respectively, of the department's FY 2018 Hazardous Vegetation and Post-Release Firefighting Crews Special Line appropriations to be used for FY 2017 and FY 2018 fire-suppression expenses. 39

**Game and Fish**

- 180. Adds footnote stipulating that monies appropriated for the Sterling Springs Hatchery Renovation in FY 2017 are made nonlapsing through FY 2019. (Capital). CO 23
- 181. Adds a footnote that allows Game and Fish to transfer the \$1 million to the operating budget upon JLBC's review of an expenditure plan for these monies. 41

**Office of the Governor**

- 182. Adds footnote stipulating that \$500,000 of the \$1,500,000 General Fund appropriation for deposit in the Foster Youth Education Success Fund may be spent upon receipt of an equivalent amount of matching funds from gifts, grants and donations. The Office of the Governor shall make an accounting of the matching monies received to JLBC to determine the qualification for state match. The General Fund appropriation would be non-lapsing. 126

**Office of the Governor – Office of Strategic Planning and Budgeting**

183. Adds OSPB as a recipient of any report submitted by elected officials and the Judiciary to the JLBC.

**Department of Health Services**

184. Adds footnote requiring DHS to distribute monies appropriated for homeless pregnant women services to non-profit organizations located in a county with more than 3 million persons and whose primary function is to provide shelter, food, clothing, and transportation services to homeless pregnant women. 45

**Industrial Commission**

185. As session law, revert all monies remaining from the FY 2012 non-lapsing OSHA Review Board appropriation to the General Fund at the end of FY 2018. 109

**Land Department**

186. Adds footnote requiring the Land Department to provide a report to the JLBC by November 15, 2018 on the effectiveness of its FY 2018 innovation projects (professional service contracts, reassessment of federal permits, right-of-way-digitization, survey assets, workflow digitization) and its planned FY 2019 projects. 54

**Legislature**

187. Adds footnote allowing all remaining funds deposited to the Border Security Trust Fund in FY 2014 and FY 2017 to be disbursed to Cochise County as directed by the Joint Border Security Advisory Committee. This will allow an additional \$432.10 to go to Cochise County. 114

**Arizona Medical Board**

188. Deletes footnote permitting the board to use up to 7% of the Medical Board Fund balance remaining at the end of each fiscal year for a performance based incentive program. The program would continue to be funded through a line item. 59

**Department of Public Safety**

189. Modifies footnote to require DPS to report to the JLBC and OSPB by September 1, 2018 on its expenditure plan for the Border Strike Task Force Local Support line item and eliminates the review requirement. 78

190. Adds footnote requiring DPS to report to JCCR for review on its procurement process for modular units. (Capital) CO 14

**Department of Revenue**

191. Expand existing enforcement report to include Transaction Privilege Tax delinquencies. 83

**Secretary of State**

192. Restores FY 2017 footnote requiring any transfer to or from the amount appropriated to the Election Services line item to be reviewed by JLBC. (No election funding in original FY 2018 budget). 85

193. Adds footnote that makes new non-voter registration HAVA monies non-lapsing through FY 2020. 85

194. Adds footnote requiring JLBC review of use of new HAVA funds not used for the development of voter registration system. 85



**Department of Transportation**

- 195. Adds footnote requiring all expenditures for vehicle and heavy equipment replacement to be funded only from the Vehicle Replacement line item. 89
- 196. As session law, make non-lapsing through FY 2019 an FY 2018 appropriation to equip and furnish a new Flagstaff office building. 130

**Universities**

- 197. Eliminates footnote prohibiting the universities from expending their General Fund appropriations for contracted lobbyists. (Laws 2017, Chapter 315 replaced this footnote language with permanent law in A.R.S. § 15-1650.04.) 93-95
- 198. Modifies footnote on the Universities' report on tuition revenues expenditure plan to JLBC for its review to specify that the plan shall include the use of all projected tuition and fee revenues by expenditure category. 92
- 199. Adds footnote for the new ASU Economic Development line item requiring that the monies be used to establish an office in Guanajato, Mexico to promote trade and economic development. 93
- 200. Adds footnote requiring that at least \$100,000 of the appropriation to the School of Civic and Economic Thought and Leadership at ASU be used to support research on the Arizona state constitution and the development of a civics and constitutionalism curriculum for K-12 and postsecondary education institutions. 132
- 201. Adds footnote requiring that monies appropriated to NAU for the Economic Policy Institute be deposited into a separate account and used only for the direct operations of the institute. Requires a report from the Institute by October 1, 2018. 132
- 202. Modifies footnotes to require that all appropriations and external donations, including remaining balances from prior years, to ASU for the School of Civic and Economic Thought and Leadership and to UA for the Center for the Philosophy of Freedom be deposited into separate accounts from other university funds. 93,95,132

**Department of Veterans Services**

- 203. As session law, notwithstanding the requirement that the Department of Veteran Services receive a 65% match of the total cost to build a veterans home. Allow the department to use Veterans' Home Trust Fund monies for the construction of veterans' homes in Yuma and Flagstaff. CO 1-2, 20-22

**Department of Water Resources**

- 204. Modifies footnote to expand uses of Lower Colorado Litigation Line Item to include all Colorado River litigation. 98