

FY 2010 GENERAL FUND ADJUSTMENTS

	FY 2009 Final	FY 2010 Original ^{1/}	4th Spec. Session 11/09	5th Spec. Session 12/09	Baseline Readjustments ^{2/}	Revised FY 10 1/10 ^{3/}	6th Spec. Session 2/10	7th Spec. Session 3/10	2nd Regular Session	FY 2010 Revised
REVENUES										
Ongoing Revenues	\$7,694,575,900	\$7,745,260,300			\$(881,516,500)	\$6,863,743,800		\$103,643,700		\$6,967,387,500
Budget Legislation Changes			2,657,400			2,657,400		18,800,700		21,458,100
Urban Revenue Sharing	(727,677,400)	(628,649,100)				(628,649,100)				(628,649,100)
Net On-going Revenues	\$6,966,898,500	\$7,116,611,200	\$2,657,400	\$0	\$(881,516,500)	\$6,237,752,100	\$0	\$122,444,400	\$0	\$6,360,196,500
One-time Financing Sources										
Balance Forward	\$1,000,000	\$32,803,100 ^{4/}			\$(513,516,100)	\$(480,713,000)				\$(480,713,000)
Budget Legislation Changes	118,893,300	8,390,600	99,644,200		(42,614,800)	65,420,000		48,000,000		113,420,000
Prior Year SFB Bond Proceeds	344,000,000									0
Prison Concession Agreement		100,000,000			(100,000,000)					0
State Asset Leaseback/Lottery		735,419,300				735,419,300	750,000,000			1,485,419,300
Budget Stabilization Fund Transfer	150,000,000									
Fund Transfers	667,749,800	227,774,400	28,000,000	99,096,900	(5,609,400)	349,261,900		37,823,600		387,085,500
Subtotal One-time Revenues	\$1,281,643,100	\$1,104,387,400	\$127,644,200	\$99,096,900	\$(661,740,300)	\$669,388,200	\$750,000,000	\$85,823,600	\$0	\$1,505,211,800
Total Revenues	\$8,248,541,600	\$8,220,998,600	\$130,301,600	\$99,096,900	\$(1,543,256,800)	\$6,907,140,300	\$750,000,000	\$208,268,000	\$0	\$7,865,408,300
EXPENDITURES										
Operating Budget Appropriations	\$9,761,240,300	\$9,973,760,500	\$(267,456,400)	\$(83,203,200)	\$87,009,400	\$9,710,110,300		\$(64,332,400)	\$101,600	\$9,645,879,500
FY 2009 Supplementals	173,464,600									
FY 2010 Supplementals					130,813,200	130,813,200		1,770,000		132,583,200
Administrative Adjustments	136,000,000	72,731,600				72,731,600				72,731,600
Reversions	(103,902,300)	(113,241,600)				(113,241,600)				(113,241,600)
Add'l AHCCCS Fraud Reversion		(50,000,000)			50,000,000					
Subtotal Ongoing Expenditures	\$9,966,802,600	\$9,883,250,500	\$(267,456,400)	\$(83,203,200)	\$267,822,600	\$9,800,413,500	\$0	\$(62,562,400)	\$101,600	\$9,737,952,700
One-time Expenditures										
Capital Outlay	\$2,650,000	\$10,400,000				\$10,400,000				\$10,400,000
Capital Outlay Prior Year Reversions	(4,800,200)	(450,000)				(450,000)				(450,000)
Statutory Reversions	(50,000,000)	(2,037,500)		(11,000,000)		(13,037,500)		6,304,100		(6,733,400)
Temporary Federal Assistance	(500,000,000)	(1,126,691,900)	16,840,000		(194,841,400)	(1,304,693,300)		(34,496,200)		(1,339,189,500)
New Payment Deferrals	(125,000,000)	(92,889,100)	(42,000,000)			(134,889,100)		(450,000,000)		(584,889,100)
K-12 Rollover	(630,000,000)									
Subtotal One-time Expenditures	\$(1,307,150,200)	\$(1,211,668,500)	\$(25,160,000)	\$(11,000,000)	\$(194,841,400)	\$(1,442,669,900)	\$0	\$(478,192,100)	\$0	\$(1,920,862,000)
Total Expenditures	\$8,659,652,400	\$8,671,582,000	\$(292,616,400)	\$(94,203,200)	\$72,981,200	\$8,357,743,600	\$0	\$(540,754,500)	\$101,600	\$7,817,090,700
Adjustments	\$(69,602,200)									
Ending Balance	\$(480,713,000)	\$(450,583,400) ^{5/6/}	\$422,918,000	\$193,300,100	\$(1,616,238,000) ^{6/}	\$(1,450,603,300)	\$750,000,000	\$749,022,500	\$(101,600)	\$48,317,600
Structural Shortfall	\$(2,999,904,100)	\$(2,766,639,300)	\$270,113,800	\$83,203,200	\$(1,149,339,100)	\$(3,562,661,400)	\$0	\$185,006,800	\$(101,600)	\$(3,377,756,200)

^{1/} Reflects the FY 2010 budget as published in the *FY 2010 Appropriations Report*.

^{2/} Reflects forecast adjustment to revenue, as well as spending revisions for the Department of Education and Federal stimulus.

^{3/} Reflects estimated mid-year shortfall in January 2010.

^{4/} Subsequently revised to \$(467) million and then \$(481) million.

^{5/} Represents FY 2010 ending balance without any FY 2009 carry-forward shortfall. The *FY 2010 Appropriations Report* estimated the FY 2009 ending balance would decline by \$500 million, from \$33 million to \$(467) million. This would make the overall FY 2010 ending balance \$(951)

^{6/} The \$(450) million carry-forward shortfall plus the \$(1.62) billion in Baseline Readjustments results in an overall shortfall of \$(2.07) billion

FY 2010 GENERAL FUND ADJUSTMENTS

FY 2010 Budget Revision — The preceding chart illustrates the changes to the FY 2010 budget from the publication of the *FY 2010 Appropriations Report* in September 2009 (incorporating changes through the 49th Legislature, 3rd Special Session) to the current estimate in this *FY 2011 Appropriations Report*. The chart includes the projected FY 2010 mid-year budget shortfalls and the changes from the passage of bills in the 2nd Regular Session and the 4th, 5th, 6th, and 7th Special Sessions of the 49th Legislature addressing the FY 2010 budget.

September Shortfall Estimate — At the time of the publication of the *FY 2010 Appropriations Report* in September 2009, the FY 2010 shortfall was estimated to be \$(451) million for FY 2010 alone and \$(951) million when combined with the estimated FY 2009 shortfall.

November Shortfall Solutions — In the 4th Special Session bills approved in November 2009, the Legislature addressed vetoes of Arizona Department of Education and Department of Economic Security (DES) reductions and the Revenues Budget Reconciliation Bill from the 3rd Special Session, reducing the shortfall by \$423 million as outlined below:

- \$3 million in ongoing revenues.
- \$128 million in total one-time revenues, consisting of:
 - \$74 million from accelerating the transfer of unclaimed property to the state.
 - \$22 million in payments from Maricopa and Pima Counties.
 - \$28 million in fund transfers, consisting of revenues from offering a 5-year Vehicle License Tax registration.
- \$267 million in ongoing expenditure reductions, including:
 - \$137 million from the Arizona Department of Education (soft capital reduction).
 - \$130 million from the Department of Economic Security.
- \$25 million in net one-time expenditure reductions in DES, including:
 - Cost of \$(17) million for reduced temporary federal assistance, offset by
 - \$42 million savings from a payment rollover.

December Shortfall Solutions — Laws 2009, 5th Special Session, Chapter 1, approved in December 2009, further addressed the shortfall by generating \$193 million of solutions as follows:

- \$99 million in fund transfers, consisting of:
 - \$46 million from 7.5% “fund reductions and transfers” (FRATs), matching the General Fund reductions below.
 - \$54 million from excess balance transfers.

- \$83 million in ongoing expenditure reductions, primarily from a 7.5% lump sum reduction to many state agencies, excluding statutory formulas and the Universities.
- \$11 million in net one-time expenditure reductions in Department of Corrections from redirecting Certificate of Participation proceeds to offset debt service costs.

January Mid-Year Shortfall — Despite the 4th and 5th Special Session adjustments of \$616 million, the state’s projected FY 2010 January mid-year budget shortfall had increased from \$(951) million to \$(1.45) billion, due primarily to lower-than-expected revenue collections. Beyond the Special Session adjustments, this was a net additional shortfall of \$(1.12) billion. The primary components of this new FY 2010 shortfall were as follows:

	(\$ in M)
• Decline in FY 2010 Revenues	(882)
• Decline in FY 2009 Carry-Forward	(14)
• Fund Transfer/Budget Legislation Adjustments	(198)
• Operating Budget Restatements	(87)
• Estimated Supplementals	(131)
• Temporary Federal Assistance	195
Total	\$(1,117)

Revenue declines continued in FY 2010 compared to FY 2009. While the enacted FY 2010 budget was based on a (0.9)% base revenue decline, the first 6 months of FY 2010 saw a revenue decline of (16.6)%. As a result, in January, the FY 2010 revenue decline was estimated to be (10.5)%. This downward revision increased the size of the shortfall by \$882 million.

In addition, the final FY 2009 carry-forward shortfall was revised downward from \$(467) million to \$(481) million, or \$(14) million more than originally estimated in September and \$(514) million less than the originally-budgeted \$32 million carry-forward. The Baseline also adjusted for \$(198) million in unachievable fund transfers and budget legislation adjustments, including:

- \$(100) million in unachievable prison concession savings due to timing issues.
- \$(48) million in other revenue restatements, including \$(34) million from lower unclaimed property acceleration revenues and \$(14) million from lower 5-year Vehicle License Tax (VLT) renewal savings.
- \$(50) million in unachievable AHCCCS fraud expenditure reductions due to lack of legislation.

The operating budget restatements of \$(87) million included the \$(126) million cost associated with paying off a portion of a FY 2009 K-12 rollover payment assumed to

be covered by school district cash balances offset by \$39 million of restated ARRA-related savings.

The shortfall also included the projected supplemental cost of \$(131) million to the Arizona Health Care Cost Containment System (AHCCCS) and Department of Health Services (DHS) for higher-than-expected Title 19 enrollment and the Department of Corrections for health care provider rates.

Finally, the shortfall also includes \$195 million in net savings from additional temporary federal assistance, including a \$250 million savings from a shift of education-related federal stabilization fund expenditures which did not happen in FY 2009 for technical reasons, and occurred in FY 2010.

As noted above, after these adjustments, the FY 2010 shortfall considered during the 2010 legislative sessions was \$(1.45) billion.

February Shortfall Solutions — Laws 2010, 6th Special Session, Chapter 4 partially addressed the projected FY 2010 shortfall by adopting the following 2 one-time financing mechanisms (*see the Debt Financing section for more details*):

- \$450 million from issuing bonds and using the General Fund share of future lottery proceeds for the debt service.
- \$300 million from selling several state properties and leasing them back over a 20-year period. This sale is above and beyond the \$735 million sale and leaseback authorized for FY 2010 in Laws 2009, 3rd Special Session, Chapter 6.

These two adjustments reduced the projected FY 2010 shortfall to \$(701) million.

March Shortfall Solutions — The 7th Special Session addressed the remaining projected FY 2010 shortfall by adopting \$749 million in revenue increases and spending reductions. (*See Detailed List of General Fund Changes by Agency for all changes.*) The main components of this shortfall package were as follows:

- \$122 million in ongoing revenues, including:
 - \$104 million from using the Executive’s revenue projections, increasing the (10.5)% base revenue growth rate to (8.8)%.
 - \$19 million from redirecting Lottery distributions from the Heritage Fund and county recipients to the General Fund.
- \$86 million in total one-time revenues, consisting of:
 - \$48 million from lowering the threshold for estimated TPT payments from \$1,000,000 in liability to \$100,000.
 - \$38 million in fund transfers, including:

- \$7 million from the Department of Public Safety’s Anti-Racketeering (“RICO”) Fund.
- \$5 million from the Risk Management Fund.
- \$5 million from the Department of Water Resources’ Water Banking Fund.
- \$5 million from Department of Housing funds.
- \$64 million in agency budget reductions, including:
 - \$17 million in Graduate Medical Education and Disproportionate Share reductions in AHCCCS.
 - \$13 million in Department of Economic Security reductions.
 - \$17 million in K-12 non-formula program reductions.
 - \$5 million in non-Title XIX behavioral health reductions in Department of Health Services.
- \$(2) million for the cost of FY 2010 supplementals, primarily for the Arizona Department of Administration (ADOA).
- A one-time \$(6) million cost from not being able to use all Department of Corrections certificate of participation proceeds against FY 2010 costs; this amount was later used to offset FY 2011 costs (*see December Shortfall Solutions above*).
- \$34 million in temporary federal assistance from unanticipated increased federal Medicaid matching monies pursuant to the American Recovery and Reinvestment Act.
- \$450 million in additional rollovers, including:
 - \$350 million for K-12 education.
 - \$100 million for universities.

With a projected shortfall of \$(701) million and solutions of \$749 million, the 7th Special Session changes resulted in a projected FY 2010 ending balance of \$48 million.

2nd Regular Session — Laws 2010, Chapter 246 appropriated \$101,600 from the General Fund to ADOA for “named claimants” legislation, which pays bills submitted to state agencies after the administrative adjustments period.

Final Summary — Since the September 2009 publication of the *FY 2010 Appropriations Report*, the FY 2010 shortfall grew by \$(2.07) billion. The solutions generated in the 4th through 7th Special Sessions totaled \$2.12 billion, allocated as follows:

<u>Mid-Year FY 2010 Solutions</u>	<u>(\$ in M)</u>
• Executive Revenue Estimates	104
• Increased Ongoing Revenues	19
• New One-Time Revenues	313
• New Debt/Lease Purchase Financing	750
• Reduced Ongoing Expenditures	413
• Temporary Federal Assistance	18
• New Non-K-12 Payment Deferrals	142
• New K-12 Rollover	350
• Other	<u>3</u>
Total	\$2,115

These \$2.12 billion of solutions exceed the shortfalls by \$48 million, which is the projected FY 2010 carry-forward balance into FY 2011.

The *FY 2010 Appropriations Report* described the original Baseline FY 2010 shortfall as \$(3.16) billion, offset by \$2.71 billion of solutions, which generated the \$(451) million shortfall described above. Including the original \$(3.16) billion shortfall and the new \$(2.07) billion shortfall (and not double-counting that \$(451) million shortfall), the total FY 2010 shortfall faced by the 49th Legislature reached about \$(4.8) billion. The Legislature generated solutions as follows:

<u>Full Year FY 2010 Solutions</u>	<u>(\$ in M)</u>
<u>Permanent Changes</u>	
• Reduced Ongoing Expenditures	522
• Executive Revenue Estimates	104
• Increased Operating Revenues	39
• State Equalization Tax	250
<u>One-Time Changes</u>	
• Temporary Federal Assistance	1,394
• Debt and Lease Purchase Financing	1,485
• Fund Transfers	364
• K-12 Rollover	350
• Other Payment Deferrals	235
• Other One-Time Revenues	180
• Supplemental Appropriations	<u>(134)</u>
Total	\$4,789

FY 2010 GENERAL FUND CROSSWALK - ORIGINAL TO FINAL ESTIMATES 1/

	FY 2010 Approp Rpt Sept 09	Nov 2009 4th Spec Session		Dec 2009 5th Spec Session		7th Special Session Adjustments			FY 2010 Additional Appropriations 5/	Enacted FY 2010
		Adjustments 2/	Adjustments	Adjustments 3/	Adjustments	FY 2010 Supplementals 4/	FY 2010 Reductions 4/	Personnel Expenditure Reductions 4/		
BUDGET UNITS										
Administration, AZ Department of	\$19,043,500			(1,213,200)		1,700,000		(\$14,900)	\$101,600	\$19,617,000
Administrative Hearings, Office of	1,010,100			(75,800)				(1,000)		933,300
Agriculture, AZ Department of	9,281,000			(696,100)				(7,100)		8,577,800
AHCCCS	1,185,709,600			(7,662,100)		82,571,500	(43,437,300)	(52,100)		1,217,129,600
Arts, Arizona Commission on the	968,500			(72,600)			(72,700)	(700)		822,500
Attorney General - Department of Law	19,436,700			(1,449,300)				(18,600)		17,968,800
Capital Postconviction Public Defender Ofc, State	699,500			(52,500)				(700)		646,300
Charter Schools, State Board for	823,900							(800)		823,100
Commerce, Department of	6,512,000			(291,000)				(900)		6,220,100
Community Colleges, Arizona	135,344,300							0		135,344,300
Corporation Commission	637,600			(47,800)				(700)		589,100
Corrections, State Department of	879,927,000			0	20,000,000		(8,877,600)	(658,700)		890,390,700
Deaf and the Blind, Schools for the	21,268,400							(7,400)		21,261,000
Economic Security, Department of	727,224,700	(155,200,000)		(25,944,500)			(14,094,100)	(23,600)		531,962,500
Education, Department of	4,398,139,500	(387,416,400)	(472,114,000) 6/	(4,618,700)	(18,875,700)	(350,000,000)		(12,300)		3,165,102,400
Emergency & Military Affairs, Dept of	11,034,900			(543,000)				(3,700)		10,488,200
Environmental Quality, Department of	13,247,700			(468,600)				(7,000)		12,772,100
Equal Opportunity, Governor's Office of	212,500			(15,900)				(200)		196,400
Equalization, State Board of	602,500						70,000	(500)		672,000
Executive Clemency, Board of	951,600			(71,400)				(600)		879,600
Financial Institutions, State Department of	3,214,100			(241,100)				(2,700)		2,970,300
Fire, Building and Life Safety, Department of	2,362,200			(177,200)				(1,800)		2,183,200
Forester, State	0		3,460,600 7/	(263,100)				(3,200)		3,194,300
Geological Survey, Arizona	866,400			(65,000)				(500)		800,900
Government Information Tech. Agency	818,700			(61,400)				(600)		756,700
Governor, Office of the	7,605,300			(561,400)				(7,600)		7,036,300
Gov's Ofc of Strategic Planning & Budgeting	2,155,100			(161,600)				(2,900)		1,990,600
Health Services, Department of	458,168,100			(13,972,200)	44,500,300	(11,934,800)		(64,800)		476,696,600
Historical Society, Arizona	3,870,700							(2,400)		3,868,300
Historical Society, Prescott	692,000							(700)		691,300
Indian Affairs, AZ Commission of	126,600			(9,500)				0		117,100
Insurance, Department of	6,082,000			(456,200)				(6,400)		5,619,400
Judiciary										
Supreme Court	17,342,100			(80,000)				(13,500)		17,248,600
Court of Appeals	14,163,500			(100,000)				(4,900)		14,058,600
Superior Court	89,014,800			(820,000)				(5,200)		88,189,600
SUBTOTAL - Judiciary	120,520,400	0	0	(1,000,000)	0	0		(23,600)	0	119,496,800
Juvenile Corrections, Department of	68,466,200			(5,135,000)				(47,100)		63,284,100
Land Department, State	7,159,100		(3,460,600) 7/	(273,800)				(3,700)		3,421,000
Law Enforcement Merit System Council	77,700			(5,800)				(100)		71,800
Legislature										
Auditor General	17,888,300			(1,341,600)				(13,600)		16,533,100
House of Representatives	13,908,300			(907,400)				(13,200)		12,987,700
Joint Legislative Budget Committee	2,754,900			(206,600)				(3,100)		2,545,200
Legislative Council	4,856,200							(5,700)		4,850,500
Library, Archives & Public Records, AZ State	6,441,700		(6,441,700) 8/					0		0
Senate	8,839,900			(595,100)				(10,000)		8,234,800
SUBTOTAL - Legislature	54,689,300	0	(6,441,700)	(3,050,700)	0	0		(45,600)	0	45,151,300
Liquor Licenses & Control, Department of	702,700							0		702,700
Medical Student Loans, Board of	866,900			(65,000)				0		801,900
Mine Inspector, State	1,250,800			(89,100)				(1,400)		1,160,300
Mines & Mineral Resources, Department of	888,900			(30,200)				(500)		858,200
Navigable Stream Adjudication Commission	147,400			(11,100)				(100)		136,200
Parks Board, Arizona State	20,000,000							0		20,000,000
Postsecondary Education, Commission for	4,369,700			(327,700)				0		4,042,000
Public Safety, Department of	43,967,400			(378,200)				(20,000)		43,569,200
Racing, Arizona Department of	6,138,100			(460,400)				(1,700)		5,676,000
Radiation Regulatory Agency	1,483,300			(65,300)				(1,200)		1,416,800

	FY 2010 Approp Rpt Sept 09	Nov 2009		Dec 2009		7th Special Session Adjustments			FY 2010 Additional Appropriations 5/	Enacted FY 2010
		4th Spec Session Adjustments 2/	Adjustments	5th Spec Session Adjustments 3/	Adjustments	FY 2010 Supplementals 4/	FY 2010 Reductions 4/	Personnel Expenditure Reductions 4/		
Rangers' Pensions, Arizona	14,000							0		14,000
Real Estate Department, State	3,266,400			(245,000)				(2,800)		3,018,600
Revenue, Department of	40,661,500			(3,049,600)				(68,500)		37,543,400
School Facilities Board	113,111,800			(8,332,100)				(1,400)		104,778,300
Secretary of State	11,961,600		6,441,700 8/					(10,300)		18,393,000
Tax Appeals, State Board of	279,800			(21,000)				(300)		258,500
Tourism, Office of	10,655,200							0		10,655,200
Transportation, Department of	63,100			(4,700)				0		58,400
Treasurer, State	3,607,500							(700)		3,606,800
Universities										
Arizona State University - Tempe/DPC	330,087,200		(3,738,100) 9/				(38,138,100)	0		288,211,000
Arizona State University - East Campus	25,388,800		(287,500) 9/				(2,100,100)	0		23,001,200
Arizona State University - West Campus	44,438,900		(503,200) 9/				(5,038,800)	0		38,896,900
Northern Arizona University	134,642,800		(1,524,700) 9/				(15,254,000)	0		117,864,100
Board of Regents	18,598,300							(3,700)		18,594,600
University of Arizona - Main Campus	274,423,100		(3,107,700) 9/				(34,104,700)	0		237,210,700
University of Arizona - Health Sciences Center	74,073,700		(838,800) 9/				(5,364,300)	0		67,870,600
SUBTOTAL - Universities	901,652,800	0	(10,000,000)	0	0	0	(100,000,000)	(3,700)	0	791,649,100
Veterans' Services, Department of	7,602,500						(600,000)	(5,900)		6,996,600
Water Resources, Department of	18,248,500			(1,368,600)				(5,900)		16,874,000
Weights and Measures, Department of	1,315,600			(98,700)				(700)		1,216,200
OPERATING BUDGET TOTAL	9,361,204,900	(542,616,400)	(482,114,000)	(83,203,200)	129,896,100	(528,946,500)	(1,150,300)	101,600	7,853,172,200	
General Fund Personnel Expense Reduction	0						(1,150,300) 10/	1,150,300		0
Veterinary Med Bd Backfill	250,000									250,000
Psychologist Examiners Backfill	300,000									300,000
Chiropractors Backfill	148,000									148,000
Funeral Directors Backfill	100,000									100,000
State Parks Board Backfill	0					213,900				213,900
Tourism Fund Restoration	200,000									200,000
Capital	10,400,000									10,400,000
Administrative Adjustments	72,731,600									72,731,600
One-time Revertments	(2,037,500)			(4,695,900) 11/						(6,733,400)
Capital Revertments	(450,000)									(450,000)
Revertments	(113,241,600)									(113,241,600)
GRAND TOTAL	\$9,329,605,400 12/	(542,616,400)	(\$482,114,000)	(\$87,899,100)	\$130,110,000	(\$530,096,800)	\$0	\$101,600	\$7,817,090,700	

1/ This chart provides a crosswalk between an agency's original appropriation in the FY 2010 Appropriations Report and its final FY 2010 appropriation, excluding capital appropriations.

2/ Reflects changes during November 2009 (Laws 2009, 4th Special Session, Chapter 1 (SB 1001).)

3/ Reflects changes during December 2009 (Laws 2009, 5th Special Session, Chapter 1 (SB 1001).)

4/ Reflects changes during the 7th Special Session.

5/ Appropriations separate from the General Appropriation Act (Laws 2010, 7th Special Session, Chapter 1) during the 2nd Regular Session. Individual bill detail appears in the "Budget Detail" section.

6/ Laws 2009, 3rd Special Session, Chapter 11 conditional enactment clause for \$(472,114,000) reduction to the Department of Education upon the state's receipt of State Fiscal Stabilization Fund monies from the American Recovery and Reinvestment Act.

7/ Prior to FY 2011, the State Forester was displayed as a division of the State Land Department. For FY 2011 it is displayed as its own agency.

8/ Monies for the Library and Archives are now shown as a division within the Secretary of State.

9/ Laws 2009, 3rd Special Session, Chapter 11 conditional enactment clause for \$(10,000,000) reduction to the universities upon the state's receipt of State Fiscal Stabilization Fund monies from the American Recovery and Reinvestment Act. The \$(10,000,000) has been allocated to each university by the Arizona Board of Regents.

10/ Laws 2010, 7th Special Session, Chapter 1 reduced agency spending by \$1,730,000 for salary reductions and furloughs. The remaining \$579,700 in savings will be achieved by reducing Non-General Fund pay and transferring these monies to the General Fund.

11/ Laws 2009, 5th Special Session, Chapter 1 (SB 1001) reduced the Arizona Department of Correction's New State Prison Beds Special Line Item by \$(11,000,000), however only \$4,695,900 remained unexpended prior to the effective date of the bill.

12/ This amount excludes ADE revertments of \$(375,909,400), AHCCCS fraud reduction savings of \$(50,000,000), ADE stimulus savings of \$(222,114,000) and University stimulus savings of \$(10,000,000) originally reported in the FY 2010 Appropriations Report, as these amounts are addressed in subsequent adjustments.

FY 2010 OTHER FUNDS CROSSWALK - ORIGINAL TO FINAL ESTIMATES I/

	FY 2010 Approp Rpt Sept 09	Nov 2009 4th Spec Session Adjustments 2/	Adjustments	Dec 2009 5th Spec Session Adjustments 3/	7th Special Session Adjustments			Enacted FY 2010
					FY 2010 Supplementals 4/	FY 2010 Reductions 4/	Personnel Expenditure Reductions 4/	
BUDGET UNITS								
Accountancy, State Board of								
Board of Accountancy Fund	\$1,902,400						(\$1,200)	\$1,901,200
Acupuncture Board of Examiners								
Acupuncture Board of Examiners Fund	129,700						(200)	129,500
Administration, AZ Department of								
Air Quality Fund	765,100			(51,000)			0	714,100
Automation Operations Fund	20,752,300			(1,556,400)			(13,000)	19,182,900
Capital Outlay Stabilization Fund	18,227,600			(815,800)			(3,800)	17,408,000
Corrections Fund	614,700			(45,800)			(400)	568,500
Motor Vehicle Pool Revolving Fund	11,384,300			(853,800)			(1,100)	10,529,400
Personnel Division Fund	15,856,900			(972,200)			(8,600)	14,876,100
Risk Management Revolving Fund	92,472,200						(8,500)	92,463,700
Special Employee Health Insurance Trust Fund	5,249,800						(3,200)	5,246,600
State Surplus Materials Revolving Fund and Federal Surplus Materials Revolving Fund	4,231,400			(159,600)			(700)	4,071,100
Telecommunications Fund	1,941,800			(145,600)			0	1,796,200
Telecommunications Fund - Infrastructure Improvements Account	4,713,700						0	4,713,700
Total - AZ Department of Administration	176,209,800	0	0	(4,600,200)	0	0	(39,300)	171,570,300
Administrative Hearings, Office of								
Healthcare Group Fund	14,500					0	0	14,500
Agriculture, AZ Department of								
Aquaculture Fund	9,200						0	9,200
Citrus, Fruit and Vegetable Revolving Fund	1,100,700			(72,000)			(600)	1,028,100
Commercial Feed Fund	302,000						(300)	301,700
Dangerous Plants, Pests and Diseases Fund	40,000						0	40,000
Egg Inspection Fund	904,400						0	904,400
Fertilizer Materials Fund	307,700						(400)	307,300
Livestock Custody Fund	79,400						0	79,400
Pesticide Fund	388,300						(300)	388,000
Arizona Protected Native Plant Fund	197,700						(100)	197,600
Seed Law Fund	54,600						(100)	54,500
Total - AZ Department of Agriculture	3,384,000	0	0	(72,000)	0	0	(1,800)	3,310,200
AHCCCS								
Budget Neutrality Compliance Fund	2,993,500						0	2,993,500
Children's Health Insurance Program Fund	114,978,200						0	114,978,200
Healthcare Group Fund	6,179,700						(3,200)	6,176,500
Tobacco Products Tax Fund								
Emergency Health Services Account	23,331,800					(4,108,900)	0	19,222,900
Tobacco Tax and Health Care Fund Medically Needy Account	53,738,100					(15,442,300)	0	38,295,800
Total - AHCCCS	201,221,300	0	0	0	0	(19,551,200)	(3,200)	181,666,900
Appraisal, State Board of								
Board of Appraisal Fund	624,200						(400)	623,800
Attorney General - Department of Law								
Antitrust Enforcement Revolving Fund	242,800						(200)	242,600
Attorney Gen'l Legal Svcs Cost Allocation Fund	6,109,800			(458,200)			(8,500)	5,643,100
Collection Enforcement Revolving Fund	3,582,100			(268,700)			(1,600)	3,311,800
Consumer Protection-Consumer Fraud Rev. Fund	3,798,600			(284,900)			(2,600)	3,511,100
Interagency Service Agreements Fund	13,440,400						(14,700)	13,425,700
Risk Management Revolving Fund	9,037,400						(9,900)	9,027,500
Victims' Rights Fund	3,248,200						(400)	3,247,800
Total - Attorney General - Department of Law	39,459,300	0	0	(1,011,800)	0	0	(37,900)	38,409,600
Automobile Theft Authority								
Automobile Theft Authority Fund	5,481,300			(341,100)			(400)	5,139,800
Barbers, Board of								
Board of Barbers Fund	329,900						(400)	329,500

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					FY 2010 Supplementals 4/	FY 2010 Reductions 4/	Personnel Expenditure Reductions 4/		
Biomedical Research Commission, Arizona									
Tobacco Tax and Health Care Fund									
Health Research Account	500,000						0		500,000
Behavioral Health Examiners, Board of									
Board of Behavioral Health Examiners Fund	1,378,800						(1,100)		1,377,700
Capital Postconviction Public Defender Office, State									
Capital Postconviction Public Defender Office Fund	0						0		0
Chiropractic Examiners, State Board of									
Board of Chiropractic Examiners Fund	476,600						(500)		476,100
Commerce, Department of									
CEDC Fund	4,074,700			(305,600)			(700)		3,768,400
Commerce Development Bond Fund	145,400						0		145,400
Oil Overcharge Fund	185,700						0		185,700
State Lottery Fund	268,100						(200)		267,900
Total - Department of Commerce	4,673,900	0	0	(305,600)	0	0	(900)		4,367,400
Contractors, Registrar of									
Registrar of Contractors Fund	12,232,700						(8,500)		12,224,200
Corporation Commission									
Arizona Arts Trust Fund	51,800						(100)		51,700
Investment Management Regulatory and Enforcement Fund	769,500			(57,700)			(1,000)		710,800
Public Access Fund	6,784,700			(508,900)			(5,700)		6,270,100
Securities Regulatory and Enforcement Fund	4,765,800			(357,400)			(5,200)		4,403,200
Utility Regulation Revolving Fund	14,539,800			(1,090,500)			(16,200)		13,433,100
Total - Corporation Commission	26,911,600	0	0	(2,014,500)	0	0	(28,200)		24,868,900
Corrections, State Department of									
Alcohol Abuse Treatment Fund	599,300			(44,900)			0		554,400
Corrections Fund	29,017,600						0		29,017,600
Penitentiary Land Fund	979,200						0		979,200
Prison Construction and Operations Fund	12,431,800			(932,400)			0		11,499,400
State Charitable, Penal and Reformatory Institutions Land Fund	360,000						0		360,000
State Education Fund for Correctional Education	548,600			(41,100)			(200)		507,300
Transition Program Fund	180,000						0		180,000
Transition Program Drug Treatment Fund	600,000			(45,000)			0		555,000
Total - State Department of Corrections	44,716,500	0	0	(1,063,400)	0	0	(200)		43,652,900
Cosmetology, Board of									
Board of Cosmetology Fund	1,759,500						(1,300)		1,758,200
Criminal Justice Commission, Arizona									
Criminal Justice Enhancement Fund	739,600			(55,500)			(400)		683,700
Drug and Gang Prevention Resource Center Fund	0						0		0
State Aid to County Attorneys Fund	1,052,500			(78,900)			0		973,600
State Aid to Indigent Defense Fund	999,200			(74,900)			(372,500)		551,800
Victim Compensation and Assistance Fund	4,100,000			(307,500)			0		3,792,500
Total - Arizona Criminal Justice Commission	6,891,300	0	0	(516,800)	0	(372,500)	(400)		6,001,600
Deaf and the Blind, AZ Schools for the									
Schools for the Deaf and the Blind Fund	14,806,600						(8,500)		14,798,100
Total - AZ Schools for the Deaf and the Blind	14,806,600	0	0	0	0	0	(8,500)		14,798,100
Deaf and the Hard of Hearing, Comm. for the									
Telecommunication Fund for the Deaf	4,409,900			(330,700)			(1,300)		4,077,900
Dental Examiners, State Board of									
Dental Board Fund	1,106,500						(800)		1,105,700
Drug & Gang Prevention Resource Center									
Drug and Gang Prevention Resource Center Fund	235,200								235,200
Intergovernmental Agreements and Grants	344,400								344,400
Total - Drug & Gang Prevention Resource Center	579,600	0	0	0	0	0	0		579,600
Economic Security, Department of									
Child Abuse Prevention Fund	1,577,400			(118,300)			0		1,459,100
Child Support Enforcement Administration Fund	16,149,600	(796,900)					160,700		15,513,400
Children and Family Services Training Program Fund	209,600						(100)		209,500

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					FY 2010 Supplementals 4/	FY 2010 Reductions 4/	Personnel Expenditure Reductions 4/	
Domestic Violence Shelter Fund	2,400,000			(180,000)			0	2,220,000
Federal Child Care and Development Fund Block Grant	130,448,600						0	130,448,600
Federal Reed Act Grant	3,524,200						0	3,524,200
Federal Temporary Assistance for Needy Families Block Grant	273,516,000	9,634,700				(30,500,000)	0	252,650,700
Long Term Care System Fund	26,469,400					574,000	0	27,043,400
Public Assistance Collections Fund	519,800	(92,200)					0	427,600
Risk Management Fund	271,500						0	271,500
Special Administration Fund	1,574,400	(347,000)		(92,100)			0	1,135,300
Spinal and Head Injuries Trust Fund	2,569,700	(556,900)		(137,400)			(300)	1,875,100
Statewide Cost Allocation Plan Fund	1,000,000						0	1,000,000
Tobacco Tax and Health Care Fund Health Research Account	200,000						0	200,000
Workforce Investment Act Grant	55,954,800						0	55,954,800
Total - Department of Economic Security	516,385,000	7,841,700	0	(527,800)	0	(29,765,300)	(400)	493,933,200
Education, Department of								
Permanent State School Fund	46,475,500	0					0	46,475,500
Proposition 301 Fund	7,000,000				0		0	7,000,000
Teacher Certification Fund	2,468,800			(185,200)			0	2,283,600
Total - Department of Education	55,944,300	0	0	(185,200)	0	0	0	55,759,100
Emergency & Military Affairs, Dept of Emergency Response Fund	132,700						0	132,700
Environmental Quality, Department of								
Air Permits Administration Fund	5,681,400			(429,400)			(4,800)	5,247,200
Air Quality Fund	5,152,900			(389,100)			(3,300)	4,760,500
Clean Water Revolving Fund	5,000,000						0	5,000,000
Emissions Inspection Fund	33,427,900			(311,300)			(2,100)	33,114,500
Hazardous Waste Management Fund	800,500			(59,600)			(100)	740,800
Indirect Cost Recovery Fund	11,224,500			(841,800)			(6,700)	10,376,000
Solid Waste Fee Fund	1,250,500			(86,800)			(900)	1,162,800
Underground Storage Tank Fund	22,000						0	22,000
Used Oil Fund	138,300						0	138,300
Water Quality Fee Fund	5,632,600			(422,400)			(3,100)	5,207,100
Total - Department of Environmental Quality	68,330,600	0	0	(2,540,400)	0	0	(21,000)	65,769,200
Exposition and State Fair Board, AZ Arizona Exposition and State Fair Fund	14,647,500			(894,500)			(4,100)	13,748,900
Financial Institutions, Department of Financial Services Fund	0						0	0
Forester, State State Parks Heritage Fund	0		3,075,000 5/				0	3,075,000
Funeral Directors and Embalmers, Board of Board of Funeral Directors & Embalmers Fund	351,200						(400)	350,800
Game and Fish Department, AZ Game and Fish Fund	35,063,800						0	35,063,800
Game, Nongame, Fish and Endangered Species Fund	332,000						0	332,000
Watercraft Licensing Fund	4,468,800						(1,900)	4,466,900
Waterfowl Conservation Fund	43,400						0	43,400
Wildlife Endowment Fund	16,000						0	16,000
Total - AZ Game and Fish Department	39,924,000	0	0	0	0	0	(1,900)	39,922,100
Gaming, Department of Tribal-State Compact Fund	1,986,200						0	1,986,200
State Lottery Fund	300,000						0	300,000
Arizona Benefits Fund	10,895,700						0	10,895,700
Total - Department of Gaming	13,181,900	0	0	0	0	0	0	13,181,900
Government Information Tech. Agency Information Technology Fund	3,496,500			(259,800)			(3,000)	3,233,700
State Web Portal Fund	3,900,000						0	3,900,000
Total - Government Information Technology Agency	7,396,500	0	0	(259,800)	0	0	(3,000)	7,133,700
Health Services, Department of Arizona State Hospital Fund	11,159,500						0	11,159,500
ASH Land Earnings Fund	1,150,000						0	1,150,000
Health Services Licensing Fund	4,493,400						(11,700)	4,481,700

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					FY 2010 Supplementals ^{4/}	FY 2010 Reductions ^{4/}	Personnel Expenditure Reductions ^{4/}		
Capital Outlay Stabilization Fund	1,578,000							0	1,578,000
Child Fatality Review Fund	99,100							(200)	98,900
Emergency Medical Services Operating Fund	5,154,800							(3,300)	5,151,500
Environmental Laboratory Licensure Revolving Fund	935,200							(700)	934,500
Federal Child Care and Development Fund Block Grant	832,200							0	832,200
Hearing and Speech Professionals Fund	321,900							(400)	321,500
Indirect Cost Fund	7,827,500							(5,300)	7,822,200
Newborn Screening Program Fund	6,812,700							(2,800)	6,809,900
Nursing Care Institution Resident Protection Fund	38,000							0	38,000
Substance Abuse Services Fund	2,250,000							0	2,250,000
Tobacco Tax and Health Care Fund Health Research Account	1,000,000							0	1,000,000
Tobacco Tax and Health Care Fund Medically Needy Account	36,324,800							0	36,324,800
Vital Records Electronic System Fund	433,700							(300)	433,400
Total - Department of Health Services	80,410,800	0	0	0	0	0		(24,700)	80,386,100
Historical Society, Arizona Capital Outlay Stabilization Fund	194,200							0	194,200
Homeopathic & Integrated Medicine Examiners, Bd of Bd of Homeopathic & Integrated Medicine Exmnr's Fund	104,900							(100)	104,800
Housing, Department of Housing Trust Fund	949,600							(1,100)	948,500
Total - Department of Housing	949,600	0	0	0	0	0		(1,100)	948,500
Industrial Commission of AZ Industrial Commission Administrative Fund	19,983,100							(16,400)	19,966,700
Judiciary - Supreme Court Confidential Intermediary and Fiduciary Fund	488,700							(400)	488,300
Court Appointed Special Advocate Fund	2,949,900							(800)	2,949,100
Criminal Justice Enhancement Fund	3,663,200							(2,600)	3,660,600
Defensive Driving School Fund	5,331,000							(3,000)	5,328,000
Judicial Collection Enhancement Fund	16,509,300							(8,000)	16,501,300
Photo Enforcement Fund	4,056,600							(200)	4,056,400
State Aid to the Courts Fund	2,945,500							0	2,945,500
Total - Supreme Court	35,944,200	0	0	0	0	0		(15,000)	35,929,200
Judiciary - Superior Court Criminal Justice Enhancement Fund	6,975,900							(1,600)	6,974,300
Judicial Collection Enhancement Fund	5,032,100							(100)	5,032,000
Drug Treatment and Education Fund	500,000							0	500,000
Total - Superior Court	12,508,000	0	0	0	0	0		(1,700)	12,506,300
SUBTOTAL - Judiciary	48,452,200	0	0	0	0	0		(16,700)	48,435,500
Juvenile Corrections, Department of Criminal Justice Enhancement Fund	601,100			(45,100)				(800)	555,200
State Charitable, Penal and Reformatory Institutions Land Fund	1,098,600							0	1,098,600
State Education Fund for Committed Youth	2,466,000			(185,000)				(1,500)	2,279,500
Total - Department of Juvenile Corrections	4,165,700	0	0	(230,100)	0	0		(2,300)	3,933,300
Land Department, State Due Diligence Fund	500,000							0	500,000
Environmental Special Plate Fund	260,000							0	260,000
Trust Land Management Fund	9,820,400							0	9,820,400
State Parks Heritage Fund	3,465,000		(3,075,000) ^{5/}					0	390,000
Total - State Land Department	14,045,400	0	(3,075,000)	0	0	0		0	10,970,400
Legislature Library, Archives & Public Records, AZ State Records Services Fund	678,800		(678,800) ^{6/}					0	0
Total - Legislature	678,800	0	(678,800)	0	0	0		0	0
Liquor Licenses & Control, Department of Liquor Licenses Fund	2,159,800			(214,700)				(2,800)	1,942,300
Lottery Commission, AZ State State Lottery Fund	74,374,200		4,627,900 ^{7/}	(528,400)				(8,700)	78,465,000

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Medical Board, Arizona								
Arizona Medical Board Fund	5,853,400						(4,700)	5,848,700
Medical Student Loans, Board of								
Medical Student Loan Fund	47,000						0	47,000
Mine Inspector, State								
Aggregate Mining Reclamation Fund	155,800						(100)	155,700
Total - State Mine Inspector	155,800	0	0	0	0	0	(100)	155,700
Naturopathic Physicians Medical Board								
Naturopathic Physicians Medical Board Fund	604,800						(400)	604,400
Nursing, State Board of								
Board of Nursing Fund	4,153,900						(4,000)	4,149,900
Nursing Care Institution Administrators Board								
Nursing Care Institution Administrators'								
Licensing & Assisted Living Facility								
Managers' Certification Fund	379,600						(400)	379,200
Occupational Therapy Examiners, Board of								
Occupational Therapy Fund	246,500						(300)	246,200
Opticians, State Board of Dispensing								
Board of Dispensing Opticians Fund	125,200						(100)	125,100
Optometry, State Board of								
Board of Optometry Fund	203,400						(300)	203,100
Osteopathic Examiners, AZ Board of								
Board of Osteopathic Examiners Fund	702,000						(700)	701,300
Parks Board, Arizona State								
Law Enforcement and Boating Safety Fund	1,092,700						0	1,092,700
State Parks Enhancement Fund	8,502,500			(671,300)			(5,200)	7,826,000
Reservation Surcharge Fund	455,000						(300)	454,700
Total - Arizona State Parks Board	10,050,200	0	0	(671,300)	0	0	(5,500)	9,373,400
Personnel Board								
Personnel Board Account of the								
Personnel Division Fund	329,100						(200)	328,900
Pest Management, Office of								
Pest Management Fund	2,663,200						(2,400)	2,660,800
Pharmacy, AZ State Board of								
Board of Pharmacy Fund	1,931,400						(1,800)	1,929,600
Physical Therapy Examiners, Board of								
Board of Physical Therapy Fund	362,000						(400)	361,600
Pioneers' Home, AZ								
Miners' Hospital Fund	2,998,300						0	2,998,300
State Charitable Fund	3,725,000						0	3,725,000
Total - AZ Pioneers' Home	6,723,300	0	0	0	0	0	0	6,723,300
Podiatry Examiners, State Board of								
Podiatry Fund	144,500						(100)	144,400
Postsecondary Education, Commission for								
Postsecondary Education Fund	3,854,800						(800)	3,854,000
Private Postsecondary Education, Board for								
Board for Private Postsecondary Education								
Fund	337,100						(400)	336,700
Psychologist Examiners, State Board of								
Board of Psychologist Examiners Fund	401,800						(400)	401,400
Public Safety, Department of								
Arizona Deoxyribonucleic Acid Identification								
System Fund	4,348,500			(326,100)			(1,900)	4,020,500
Arizona Highway Patrol Fund	20,059,400			(1,504,500)			(800)	18,554,100
Automated Fingerprint Identification System Fund	3,266,300			(245,000)			(400)	3,020,900
Crime Laboratory Assessment Fund	5,530,400			(414,800)			0	5,115,600
Crime Laboratory Operations Fund	10,400,000			(780,000)			0	9,620,000
Criminal Justice Enhancement Fund	3,095,200			(232,100)			0	2,863,100
Highway User Revenue Fund	78,626,200						0	78,626,200
Motorcycle Safety Fund	205,000						0	205,000
Parity Compensation Fund	3,268,400			(245,100)			0	3,023,300
Photo Enforcement Fund	22,534,300						(700)	22,533,600
Risk Management Fund	296,200						0	296,200

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Safety Enforcement and Transportation								
Infrastructure Fund	1,626,600			(122,000)			0	1,504,600
State Highway Fund	41,256,000						0	41,256,000
Total - Department of Public Safety	194,512,500	0	0	(3,869,600)	0	0	(3,800)	190,639,100
Radiation Regulatory Agency								
State Radiologic Technologist Certification Fund	0 269,300						(300)	269,000
Residential Utility Consumer Office								
Residential Utility Consumer Office Revolving Fund	1,308,700						(1,100)	1,307,600
Respiratory Care Examiners, Board of								
Board of Respiratory Care Examiners' Fund	263,100						(400)	262,700
Retirement System, Arizona State								
Long-Term Disability Administration Account State Retirement System Administration Account	2,800,000 20,430,100						0	2,800,000 20,430,100
Total - Arizona State Retirement System	23,230,100	0	0	0	0	0	0	23,230,100
Revenue, Department of								
Department of Revenue Administrative Fund	24,500,000			(1,837,500)			0	22,662,500
Liability Setoff Fund	401,200						(500)	400,700
Tobacco Tax and Health Care Fund	667,300						0	667,300
Total - Department of Revenue	25,568,500	0	0	(1,837,500)	0	0	(500)	23,730,500
Secretary of State								
Election Systems Improvement Fund	7,722,800						0	7,722,800
Records Services Fund	0		678,800 6/				(500)	678,300
Professional Employer Organization Fund	98,900						0	98,900
Total - Secretary of State	7,821,700	0	678,800	0	0	0	(500)	8,500,000
State Boards' Office								
Special Services Revolving Fund	285,200						(300)	284,900
Technical Registration, State Board of								
Technical Registration Fund	1,756,400						(1,600)	1,754,800
Transportation, Department of								
Air Quality Fund	72,700						(100)	72,600
Driving Under the Influence Abatement Fund	145,400						0	145,400
Highway User Revenue Fund	620,400						0	620,400
Motor Vehicle Liability Insurance Enforcement Fund	2,197,500			(164,800)			(1,400)	2,031,300
Safety Enforcement and Transportation								
Infrastructure Fund	2,172,900			(163,000)			0	2,009,900
State Aviation Fund	1,890,100			(141,800)			(1,900)	1,746,400
State Highway Fund	398,222,300				(75,822,300)		0	322,400,000
Transportation Department Equipment Fund	29,822,500			(2,030,700)			(16,900)	27,774,900
Vehicle Inspection & Title Enforcement Fund	1,696,400			(117,700)			(1,100)	1,577,600
Total - Department of Transportation	436,840,200	0	0	(2,618,000)	(75,822,300)	0	(21,400)	358,378,500
Treasurer, State								
State Treasurer's Operating Fund	0						0	0
State Treasurer's Management Fund	88,300						0	88,300
Total - State Treasurer	88,300	0	0	0	0	0	0	88,300
Universities								
Arizona State University - Tempe/DPC								
University Collections Fund	289,864,800		26,700,400 8/				0	316,565,200
Total - Arizona State University - Tempe/DPC	289,864,800	0	26,700,400	0	0	0	0	316,565,200
Arizona State University - East Campus								
University Collections Fund	34,209,100		(4,596,800) 8/				0	29,612,300
Technology and Research Initiative Fund	2,000,000						0	2,000,000
Total - Arizona State University - East Campus	36,209,100	0	(4,596,800)	0	0	0	0	31,612,300
Arizona State University - West Campus								
University Collections Fund	33,551,800		(5,244,400) 8/				0	28,307,400
Technology and Research Initiative Fund	1,600,000						0	1,600,000
Total - Arizona State University - West Campus	35,151,800	0	(5,244,400)	0	0	0	0	29,907,400
Northern Arizona University								
University Collections Fund	62,327,800		10,741,100 8/				0	73,068,900

	FY 2010 Approp Rpt Sept 09	Nov 2009 4th Spec Session Adjustments ^{2/}	Adjustments	Dec 2009 5th Spec Session Adjustments ^{3/}	7th Special Session Adjustments			Enacted FY 2010
					FY 2010 Supplementals ^{4/}	FY 2010 Reductions ^{4/}	Personnel Expenditure Reductions ^{4/}	
University of Arizona - Main Campus University Collections Fund	187,458,300		27,920,900 ^{8/}				0	215,379,200
University of Arizona - Health Sciences Center University Collections Fund	20,471,200		908,800 ^{8/}				0	21,380,000
SUBTOTAL - Universities	631,483,000	0	56,430,000	0	0	0	0	687,913,000
Veterans' Services, Department of State Veterans' Conservatorship Fund	751,800						0	751,800
State Home for Veterans' Trust Fund	13,830,800					600,000	0	14,430,800
Total - Department of Veterans' Services	14,582,600	0	0	0	0	600,000	0	15,182,600
Veterinary Medical Examining Board Veterinary Medical Examining Board Fund	470,400						(400)	470,000
Water Resources, Department of Assured and Adequate Water Supply Admin Fund	951,600						(400)	951,200
Water Banking Fund	0						0	0
Total - Department of Water Resources	951,600	0	0	0	0	0	(400)	951,200
Weights and Measures, Department of Air Quality Fund	1,503,200			(79,000)			(1,000)	1,423,200
Motor Vehicle Liability Insurance Enf. Fund	323,500						(300)	323,200
Total - Department of Weights and Measures	1,826,700	0	0	(79,000)	0	0	(1,300)	1,746,400
State Employee Health Insurance - FY 10 - Unallocated	179,300						0	179,300
State Employee Health Insurance - FY 11	0						0	0
OPERATING BUDGET TOTAL	\$2,891,718,900	\$7,841,700	\$61,057,900	(\$24,712,400)	(\$75,822,300)	(\$49,089,000)	(\$295,100)	\$2,810,699,700
Personnel Expense Reduction	0					(295,100)	295,100	0
Lease-Purchase Adjustments	0							0
AZNet Adjustments	0							0
Capital	223,608,600							223,608,600
GRAND TOTAL	\$3,115,327,500	\$7,841,700	\$61,057,900	(\$24,712,400)	(\$75,822,300)	(\$49,384,100)	\$0	\$3,034,308,300

^{1/} This chart provides a crosswalk between an agency's original appropriation in the FY 2010 Appropriations Report and its final FY 2010 appropriation, excluding capital appropriations.

^{2/} Reflects changes during November 2009 (Laws 2009, 4th Special Session, Chapter 1 (SB 1001).)

^{3/} Reflects changes during December 2009 (Laws 2009, 5th Special Session, Chapter 1 (SB 1001).)

^{4/} Reflects changes during the 7th Special Session.

^{5/} Prior to FY 2011, the State Forester was displayed as a division of the State Land Department. For FY 2011 it is displayed as its own agency.

^{6/} Monies for the Library and Archives are now shown as a division within the Secretary of State.

^{7/} Revised Lottery forecast.

^{8/} Reflects tuition collections receipts above the amount appropriated by the Legislature in FY 2010. A footnote in the FY 2010 General Appropriation Act appropriated any tuition collections receipts above the appropriated amount to the university.

FEDERAL EXPENDITURE AUTHORITY - FY 2010

AHCCCS	5,198,468,700	0	72,439,900	0	43,275,400	(32,093,400)	(51,200)	5,282,039,400
Economic Security, Department of	752,282,100	0	(51,865,600)	0	0	0	(12,400)	700,404,100
Health Services, Department of	960,486,000	0	0	0	88,299,300	0	(16,300)	1,048,769,000
GRAND TOTAL	6,911,236,800	0	20,574,300	0	131,574,700	(32,093,400)	(79,900)	7,031,212,500

FY 2010 MID-YEAR BUDGET RECONCILIATION BILLS (BRB)

4th Special Session

K-12 EDUCATION – CHAPTER 2 (SB 1002)

Department of Education	Section
1. As session law, reduce state aid funding for Soft Capital by \$(144) million statewide for FY 2010. Exempt school districts with fewer than 600 K-8 pupils from 50% of the K-8 Soft Capital reductions and districts with fewer than 600 high school pupils from 50% of the high school Soft Capital reductions that they otherwise would receive for FY 2010.	2
2. As session law, reduce Soft Capital funding for school districts that do not receive state aid for FY 2010 by the amount that would be reduced if they did qualify for state aid for FY 2010.	2
3. As session law, specify that to the extent possible, the Soft Capital reductions shall be taken against administrative costs, rather than classroom instruction.	2
4. As session law, change the retroactivity date in the original K-12 Education BRB pertaining to the Early Graduation Scholarship Program from 9/26/2008 to 9/19/2007. This will eliminate funding losses that school districts experienced under the program in FY 2008 for students who graduated one semester early in FY 2007, as intended in the original K-12 Education BRB (which instead only eliminated those losses for FY 2009 and beyond).	1

GENERAL REVENUES – CHAPTER 3 (SB 1003)

Arizona Department of Agriculture	Section
5. As session law, permit the Arizona Department of Agriculture with the assistance of the Agricultural Advisory Council to adjust its fees in FY 2010. The bill includes as session law an intent statement that the news fees generate up to \$561,000 of increased revenues. (This amount incorporates \$172,000 in FY 2009 fees in FY 2010.) The session law requires the department to collect any difference between the old fee collected in FY 2010 prior to imposition of the new fee and that new fee. The bill also exempts the agency from rulemaking requirements until July 1, 2010.	23

Department of Commerce	
6. As session law, allow the Risk Management Revolving Fund to be used in FY 2010 for a one-time appropriation to allow the Commerce and Economic Development Commission to pay unpaid obligations relating to the Arizona Twenty-First Century Competitive Initiative Fund. Appropriate \$18,474,923 from the Risk Management Revolving Fund to the Commerce and Economic Development Commission for the payment of unpaid prior year obligations.	34, 35

Registrar of Contractors	
7. As session law, allow 14% of prior fiscal year revenues from the Residential Contractor's Recovery Fund to be used for employee and contracted services, equipment, and for operational costs, rather than 10% of fund balance.	24

Corporation Commission	
8. As permanent law, direct a portion of the fee for the annual report of domestic and foreign corporations, as appropriated by the Legislature, to the Public Access Fund for the Corporation Commission's operating expenditures. The fee is currently deposited in the General Fund. Retroactive to June 30, 2009.	4,5,38
9. As permanent law, repeal existing annual registration fees for securities dealers and salesmen and provide authority for the Commission to set new fees by December 31, 2010. Existing fees would remain in effect until news fees are established. The bill includes as session law an intent statement that the new fees generate \$800,000 of increased revenues. As permanent law, direct a portion of another fee from the General Fund to the Securities Regulation and Enforcement Fund.	13,14,30

Government Information Technology Agency

10. As permanent law, beginning in FY 2011, require all revenues from the State Web Portal be deposited in the State Web Portal Fund. (*Note: this provision was subsequently reversed in the 2nd Regular Session.*) 8
11. As session law, limit the operating expenses exempt from appropriation to no more than \$3 million in FY 2010. 25

Arizona Department of Housing

12. As permanent law, deposit the first \$10.5 million in unclaimed property proceeds into the Housing Trust Fund. Retroactive to June 30, 2009. 12

Department of Insurance

13. As session law, notwithstanding the requirement for the Department of Insurance to recover at least 95% but not more than 110% of the department's appropriated budget. Retroactive to November 30, 2009. 21

Lottery Commission

14. As session law, reduce FY 2010 Lottery distributions to the County Assistance Fund by \$765,000, the Local Transportation Assistance Fund by \$2,300,000, and the Local Transportation Assistance Fund II (Mass Transit) by \$990,000. The total reduction is \$4,055,000. 22
15. As permanent law, repeal the State Land Department's Community Protection Initiative Fund and Department of Environmental Quality's Water Supply Development Fund from the list of recipients of State Lottery Fund monies. 2,3

Office of Pest Management

16. As session law, allow the Office of Pest Management to increase its fees in FY 2010. The bill appropriates the revenue generated from the increased fees to the agency, and includes an intent clause that limits additional revenues generated by the fee increases to \$875,000. The bill also exempts the agency from rulemaking requirements until July 1, 2010. Retroactive to November 30, 2009. 28

Department of Racing

17. As permanent law, require pari-mutuel proceeds to be distributed to the General Fund rather than to Racing funds. The bill also appropriates General Fund monies to current Racing fund recipients to partially offset loss of pari-mutuel taxes. Makes Racing funds non-appropriated since they will now receive only General Fund monies. *See Department of Revenue unclaimed property provision for details on total appropriation redirected from both sources.* 1

Department of Revenue

18. As permanent law, provide that the first \$10.5 million in unclaimed property proceeds are to be deposited into the Housing Trust Fund, and the next \$24.5 million goes to the Department of Revenue. Establishes the Department of Revenue Administrative Fund. Includes a retroactive clause to June 30, 2009. Appropriate \$4,595,500 to various Racing programs and \$2,963,200 to the Department of Revenue for administration and auditors. The estimated \$173,100 to the Victims Compensation and Assistance Fund, \$26,300 to the Utility Assistance Fund, and \$11,200 to the Permanent School Fund would continue to be distributed as under current law. 9,12,38
19. As permanent law, accelerate by 2 years the length of time for all property types to be presumed abandoned and therefore unclaimed (from 5 years to 3 years), revised the time period for travelers' checks from 15 years to 3 years and money orders from 6 to 3 years. (*Laws 2010, Chapter 119 later changed the traveler's check timeframe for abandonment back to 15 years.*) 7,10
20. As session law, require firms to notify clients of unclaimed property in their possession by March 1, 2010, and allow clients 90 days to claim the unclaimed property. The possession period is between July 1, 2008 and July 1, 2009. 33
21. As session law, continue the requirement for JLBC review of any BRITS contract extensions or modifications that increase the contractor's share of gain-sharing proceeds from state revenues during FY 2010. Retroactive to June 30, 2009. 31,38
22. As session law, provide that the Department of Revenue may utilize up to \$2 million of General Fund in FY 2010 revenues to pay BRITS operational support costs after JLBC review. Retroactive to June 30, 2009. 31,38

23. As session law, provide that if 12.5% of the dollar value of properties recovered by unclaimed property contract auditors exceeds \$1,770,000 in FY 2010, the excess amount will be transferred to the DOR Administrative Fund and appropriated to DOR for contract auditor fees. 32

Arizona Department of Transportation

24. As permanent law, change A.R.S. § 28-3002A7 to remove the cap on fees for duplicate drivers licenses. 6
 25. As session law, provide that the amount of Vehicle License Tax collected from the 5-year registration option which is over and above what would have been collected had the vehicles been registered for 2 years be deposited into the state General Fund. 29

Revenues

26. As session law, repeal the fee raising authority, appropriations, and rule making exemptions pursuant to Laws 2008, Chapter 291, Section 12 for the Department of Public Safety and the Department of Environmental Quality. Continue FY 2009 fee raising authority for the Department of Health Services, the Radiation Regulatory Agency, and the State Land Department for FY 2010. The bill exempts recreation fees from the fee raising authority granted the State Land Department. The bill adds an intent clause that limits additional revenues to \$600,000 each for the Department of Health Services and the State Land Department, and \$500,000 for the Radiation Regulatory Agency. The bill also exempts the agency from rulemaking requirements until July 1, 2010. Retroactive to June 30, 2009. 20,27
27. As permanent law, changes the end of the state’s General Fund contribution to the Rio Nuevo multipurpose facility district from 2025 to the earlier of that date or the completion of the currently scheduled debt service payments. The bill provides that no state funds may be used for operating expenses of the facility, nor for any costs that qualify for funding from the Arizona Convention Center Development Fund. The bill also provides for a performance audit of the district beginning in 2010. The bill specifies that the district’s Board of Directors consist of 9 members, 5 to be appointed by the Governor, and 2 each to be appointed by the President of the Senate and the Speaker of the House. The bill provides that, until a notice to proceed is issued for a hotel and convention center, distributed funds may only be used for debt service on bonds issued before January 1, 2009, administrative expenses, contractual obligations incurred before June 1, 2009, and the design and construction of the hotel and convention center. The bill also requires the establishment of a web-site database reporting revenues and expenditures of the district, and requires the posting of annual financial reports on the web-site. Retroactive to June 30, 2009. 10,15-19,36,38
28. As session law, require Maricopa County to transfer \$19,014,600 and Pima County to transfer \$2,985,400 into the General Fund, for a total transfer of \$22 million. Exempt these contributions from county expenditure limitations. Allows counties to use any source of county revenue to make the transfers. 26

Other

29. The bill includes an emergency clause. 39

6th Special Session

SPECIAL ELECTION AUTHORIZATION – CHAPTER I (SB 1001)

Special Election Authorization

Section

1. As session law, authorizes a special election to consider SCR 1001 on May 18, 2010. 1-9

LOTTERY – CHAPTER 2 (SB 1004)

Lottery

2. As permanent law, authorizes a new Lottery on July 1, 2012 through 2025. 1-9

OUT OF STATE FILERS – CHAPTER 3 (SB I005)

Revenues

Section

3. As permanent law, extend proration of income tax itemized deductions for out of state filers to the standard deduction, retroactive to 1/1/2010.

1-3

STATE FINANCING – CHAPTER 4 (SB I003)

State Financing

4. As permanent law, authorizes the state to issue up to \$450,000,000 in state lottery revenue bonds and use the General Fund share of future lottery proceeds for the debt service.
5. As session law, authorizes the state to sell several State properties and lease them back over a 20 year period. This sale is above and beyond the sale and leaseback authorized by Laws 2009, 3rd Special Session, Chapter 6 and is capped at \$300,000,000.

1

2