

FY 2024

Appropriations Report

July 2023



3. Average number of probation officers by applicable year.
4. Average salary of probation officers for each applicable year. (General Appropriation Act footnote)

12/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The budget includes \$5,609,600 and 55.5 FTE Positions in FY 2024 for the operating budget. These amounts consist of:

	FY 2024
General Fund	\$5,219,900
Criminal Justice Enhancement Fund (CJEF)	372,300
Drug Treatment and Education Fund	4,000
Judicial Collection Enhancement Fund (JCEF)	13,400

Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$271,000 in FY 2024 for statewide adjustments. This amount consists of:

General Fund	269,900
CJEF	1,100

(Please see the Agency Detail and Allocations section.)

Background – These monies represent the administrative costs incurred by the Administrative Office of the Courts (AOC) while overseeing the various line items of the Superior Court budget.

Judges Compensation

Judges Compensation

The budget includes \$28,777,900 and 182 FTE Positions from the General Fund in FY 2024 for Judges Compensation. Adjustments are as follows:

Two New Judges

The budget includes an increase of \$299,200 and 2 FTE Positions from the General Fund in FY 2024 for the state share of funding for two new Superior Court Judges, including one in Yavapai County and one in Yuma County.

Judicial Salary Increase

The budget includes an increase of \$2,272,100 from the General Fund in FY 2024 for the second year of a 2-year phase-in of a pay increase for Superior Court judges. The FY 2023 General Appropriation Act increases the Superior Court judge salary from \$149,400 to \$164,700 on January 1, 2023 and to \$180,000 on January 1, 2024.

The FY 2023 3-year spending plan increases this appropriation by another \$1,136,000 in FY 2025 for full implementation.

Statewide Adjustments

The budget includes an increase of \$564,800 from the General Fund in FY 2024 for statewide adjustments.

Background – This line item provides funding for the state's 50% share of salary and non-health benefits. The line item also funds 100% of the costs of Superior Court Judges that elect state benefits, although some opt to participate in county programs. In the latter circumstance, the county pays 100% of the employer cost.

Pursuant to A.R.S. § 12-121, each county receives one judge for the first 30,000 of population. Additional judges may be created for every additional 30,000-person increment upon approval by the Governor.

Administrative Costs

Centralized Service Payments

The budget includes \$4,696,900 in FY 2024 for Centralized Service Payments. This amount consists of:

General Fund	4,247,000
JCEF	449,900

Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$65,600 from the General Fund in FY 2024 for statewide adjustments.

Background – In order to facilitate payment for services that are offered by all Superior Courts, AOC pays for various services centrally. These services include training, motor vehicle payments, Corrections Officer Retirement Plan Review Board funding, Literacy Education and Resource Network program funding (an online G.E.D. preparation program), research, operational reviews and GPS vendor payments.

Probation Officer Vehicles

The budget includes no funding in FY 2024 for Probation Officer Vehicles. This amount is unchanged from FY 2023.

Statewide Accounting Manager

The budget includes an increase of \$138,300 and 1 FTE Position from the State Treasurer's Operating Fund in FY 2024 to hire a new statewide accounting manager.

Investment Analyst

The budget includes an increase of \$123,400 and 1 FTE Position from the State Treasurer's Operating Fund in FY 2024 to hire a new investment analyst.

Chief Procurement Officer

The budget includes an increase of \$96,600 and 1 FTE Position from the State Treasurer's Operating Fund in FY 2024 to hire a new chief procurement officer.

Statewide Adjustments

The budget includes a decrease of \$(21,200) from the State Treasurer's Operating Fund in FY 2024 for statewide adjustments. *(Please see the Agency Detail and Allocations section.)*

Arizona Health Innovation Trust Fund Deposit

The budget includes no funding in FY 2024 for the Arizona Health Innovation Trust Fund Deposit line item. Adjustments are as follows:

Remove One-Time Deposit

The budget includes a decrease of \$(100,000) from the General Fund in FY 2024 for removal of a deposit into the Arizona Health Innovation Trust Fund.

The fund was created in the FY 2023 Health Care Budget Reconciliation Bill (BRB). Monies in this line item go toward administrating the Arizona Health Innovation Trust Fund. Each year, 4% of the monies in the fund shall go to a 501(c)(3) organization which provides entrepreneurial education, mentoring, and support to people working in healthcare innovation. The organization must also provide programs that support the development and commercialization of health innovation of health innovation by businesses based in Arizona and with fewer than 100 employees.

To receive monies from this fund, an organization must enter into an endowment agreement with the State Treasurer which specifies investment procedures, maturity timelines, use of monies, and the social and economic impact of the monies.

County Recorder Voter Registration Accuracy Review

The budget includes \$6,000,000 from the General Fund in FY 2024 to review the accuracy of voter registration rolls. Adjustments are as follows:

One-Time Deposit

The budget includes a one-time increase of \$6,000,000 from the General Fund in FY 2024 for distribution to the county recorders of the 6 most populous counties proportionately by population.

Laws 2022, Chapter 313, Section 129 appropriated \$6,000,000 from the General Fund in FY 2024 for county elections funding. Section 129 required that the county recorders use the monies distributed from this appropriation to review the accuracy of their voter rolls, including whether any registrations should be cancelled according to statute. The monies shall be distributed to counties with a population of more than 200,000 persons according to the 2020 decennial census. The Treasurer is to allocate the monies proportionally based on county population.

Since this funding was appropriated in the FY 2023 General Appropriation Act, it does not appear in the FY 2024 General Appropriation Act.

Secure Ballot Paper

The budget includes \$5,000,000 from the General Fund in FY 2024 for Secure Ballot Paper. Adjustments are as follows:

One-Time Deposit

The budget includes a one-time increase of \$5,000,000 from the General Fund in FY 2024 for distribution to county recorders for the purchase of secure ballot paper.

Laws 2022, Chapter 313, Section 130 appropriated \$5,000,000 from the General Fund in FY 2024 and \$6,000,000 from the General Fund in FY 2025 to the Treasurer to distribute these monies on a proportional basis to county recorders that purchase ballot paper that uses specific security features, including watermarks or unique ballot identifiers, or both. Monies in this line item are exempt from lapsing.

Since this funding was appropriated in the FY 2023 General Appropriation Act, it does not appear in the FY 2024 General Appropriation Act.

Justice of the Peace Salaries

The budget includes \$2,818,200 from the General Fund in FY 2024 for Justice of the Peace (JP) salaries. This amount is unchanged from FY 2023.

A.R.S. § 22-117 requires the state to pay 40% of the salary for each Justice of the Peace, with the county paying the remainder. This provision does not apply to Maricopa

County, which pays 100% of its JP costs. A.R.S. § 22-117 also limits the amount that the state can reimburse to the counties to the amount appropriated.

Justice of the Peace salaries are based on a proportion of the annual compensation for a Superior Court judge as determined by the guidelines for Judicial Productivity Credits (JPCs) outlined in statute. JPCs are calculated every year and are based on the total and type of cases that a Justice of the Peace hears and whether the Justice receives clerical help. An annual average JPC total is compared against the salary ranges in statute to determine an individual Justice's compensation.

Law Enforcement Crime Victim Notification Fund Deposit

The budget includes no funding in FY 2024 for the Law Enforcement Crime Victim Notification Fund Deposit line item. Adjustments are as follows:

Remove One-Time Deposit

The budget includes a decrease of \$(3,800,000) from the General Fund in FY 2024 for removal of a deposit into the Law Enforcement Crime Victim Notification Fund.

Laws 2022, Chapter 333 established the appropriated Law Enforcement Crime Victim Notification Fund and makes a one-time appropriation to the fund of \$3,800,000 from the General Fund in FY 2023. Chapter 333, however, did not provide an appropriation from the Law Enforcement Crime Victim Notification Fund.

Monies in the fund may be used to reimburse local law enforcement agencies on a first come, first served basis for the cost to purchase software that meets certain requirements, such as automatically notifying a crime victim of investigation updates and interfacing with a law enforcement agency's records.

The FY 2024 General Appropriation Act appropriates \$10,000,000 from the General Fund to the Arizona Criminal Justice Commission. The monies are to be deposited into the Law Enforcement Crime Victim Notification Fund. Laws 2023, Chapter 154 transferred administration of the fund from the State Treasurer to ACJC.

Law Enforcement/Boating Safety Fund Grants

The budget includes \$2,183,800 from the Law Enforcement and Boating Safety Fund (LEBSF) in FY 2024 for the administration of the Law Enforcement/Boating Safety Fund grants. This amount is unchanged from FY 2023.

A.R.S. § 5-383 requires the State Treasurer to administer LEBSF monies. However, the allocation determinations are made by the Arizona Game and Fish Commission. The Treasurer disburses monies to county law enforcement agencies in Apache, Coconino, Gila, La Paz, Maricopa, Mohave, Navajo, and Yuma Counties in accordance with the distribution formula developed by the Arizona Game and Fish Commission. The FY 2022 and year-to-date FY 2023 allocations are included in *Table 1*.

Table 1

Allocation of LEBSF Grants

County	FY 2022	FY 2023 Thru Jun 26th
Apache	\$ 100,000	\$ 25,300
Coconino	255,100	262,900
Gila	182,600	184,100
La Paz	369,000	301,700
Maricopa	427,100	242,200
Mohave	544,200	591,500
Navajo	32,800	12,200
Yuma	<u>180,800</u>	<u>230,200</u>
Total	\$2,091,500 ^{1/}	\$1,850,100

^{1/} Amounts may not add to total due to rounding

Special Sporting Event

The budget includes \$1,500,000 from the General Fund in FY 2024 for Special Sporting Event funding. This amount is unchanged from FY 2023.

Monies in this line item are used to promote an auto racing sporting event. The Office of Tourism is required to provide an annual report on or before October 1 to the JLBC that includes the amounts and purposes of all expenditures made from these monies in the previous fiscal year. Because this authorization is in permanent statute, the appropriation amount is not included in the General Appropriation Act.

A.R.S. § 41-2308 requires the Treasurer to send \$125,000 each month (for an annual total of \$1,500,000) to the Office of Tourism through FY 2051 for special sporting event promotions. (*For more background, see the FY 2023 Appropriations Report.*)

Section 116 Local Distributions

Section 116 of the General Appropriation Act includes the following distributions by the Treasurer.

SALARY ADJUSTMENTS FOR STATE EMPLOYEES SINCE FY 2014 (Shown in Nominal Dollars)

Fiscal Year	General Fund					Other Appropriated Funds				
	General Salary Adjustments				Additional Increases for Selected Classes			All Salary Adjustments		
	Dollars Appropriated	Effective Date	Annual Cost	% Salary Adjustment	Dollars Appropriated	Effective Date	Annual Cost	Dollars Appropriated	Annual Cost	
FY 2014	\$0	NA	\$0	0.00%	\$0	NA	\$0	\$0	\$0	
FY 2015	\$0	NA	\$0	0.00%	\$3,300,000	July 1	\$3,300,000 ^{1/}	\$479,200	\$479,200 ^{2/}	
FY 2016	\$0	NA	\$0	0.00%	\$0	NA	\$0	\$0	\$0	
FY 2017	\$0	NA	\$0	0.00%	\$4,696,400	Varies	\$4,791,700 ^{3/4/}	\$1,041,700	\$1,041,700 ^{5/}	
FY 2018	\$0	NA	\$0	0.00%	\$97,700	January 1	\$195,300 ^{6/}	\$1,201,400	\$1,201,400 ^{7/}	
FY 2019	\$0	NA	\$0	0.00%	\$223,500	January 1	\$0 ^{8/}	\$0	\$0	
FY 2020	\$0	NA	\$0	0.00%	\$69,735,100	July 1	\$69,735,100 ^{9/}	\$2,291,600	\$2,291,600 ^{9/}	
FY 2021	\$0	NA	\$0	0.00%	\$0	NA	\$0	\$0	\$0	
FY 2022	\$0	NA	\$0	0.00%	\$64,698,000	July 1	\$64,698,000 ^{10/}	\$12,375,300	\$12,375,300 ^{11/}	
FY 2023	\$126,365,000 ^{12/}	July 9	\$126,365,000	10.00% ^{12/}	\$86,051,800	Varies	\$89,190,500 ^{13/}	\$62,572,600	\$62,572,600 ^{14/}	
FY 2024	\$0	NA	\$0	0.00%	\$1,136,100	January 1	\$2,272,200 ^{15/}	\$8,967,500	\$8,967,500 ^{16/}	

- ^{1/} Funds a 2.0% pay increase for all employees at the Arizona Department of Public Safety (DPS).
- ^{2/} Funds a \$5,000 salary increase for surveyors and program managers in the Department of Health Services' (DHS) Division of Licensing Services.
- ^{3/} Funds a 3.0% pay increase for all sworn officers and civilian staff within the DPS Highway Patrol Division, effective July 1, 2016.
- ^{4/} Funds the first half-year of a 1.5% pay Increase for all Supreme Court, Court of Appeals, and Superior Court Justices. The pay raise became effective on January 1, 2017 and will be followed by another 1.5% increase effective on January 1, 2018.
- ^{5/} Funds the OF cost of FY 2017 DPS salary increases and a salary increase for Wildlife Rangers in the Game and Fish Department.
- ^{6/} Funds the first half-year of a second 1.5% pay increase for all Supreme Court, Court of Appeals, and Superior Court Justices. The second year pay raise becomes effective January 1, 2018.
- ^{7/} Funds a 3.0% pay increase for non-Highway Patrol civilian staff in DPS.
- ^{8/} Funds the annualization of the second-year 1.5% pay increase for all Supreme Court, Court of Appeals, and Superior Court Justices. The second year pay raise became effective January 1, 2018. Annual cost of \$195,300 reflected in FY 2018. Also funds a salary increase for the Board of Executive Clemency members, including a 17% increase for the chairman and a 39% increase for the other 4 board members.
- ^{9/} Funds salary increases for select state employees in the Department of Agriculture, Attorney General, Department of Child Safety (DCS), Corporation Commission, Department of Corrections (ADC), Game and Fish Department, DHS, Department of Insurance, Judiciary, Department of Juvenile Corrections (DJC), Department of Liquor Licenses and Control (DLLC), Arizona State Parks Board, DPS and the Department of Transportation (ADOT). See General Provisions section in FY 2020 Appropriations Report for more information.
- ^{10/} Funds salary increase for select state employees in the Department of Agriculture, DCS, ADC, Department of Economic Security (DES), DJC, DPS and Department of Water Resources.
- ^{11/} Funds the OF cost of salary increases for select employees in the Parks Board, ADOT, Board of Dispensing Opticians, and Game and Fish Department.
- ^{12/} Funds General Fund cost of a 10% salary increase for all state employees excluding the Universities, Judges, and elected officials.
- ^{13/} Funds the General Fund cost of an additional 10% increase for ADC staff (20% total), 10% for DJC (20% total) and 5% for DPS (15% total). Also includes the cost to increase the Supreme Court Chief Justice's salary to \$212,000, other Supreme Court Justices to \$205,000 and Court of Appeals Judges salaries to \$190,000 effective January 1, 2023. Also funds the state's share of the cost to increase Superior Court Judges salaries to \$164,700 effective January 1, 2023. Also includes salary increases above 10% for selected employees in the Department of Agriculture, AHCCCS, DCS, DES, Board of Executive Clemency, DHS, Judiciary, Land Department and the Auditor General. See General Provisions section in the FY 2023 Appropriations Report for more information.
- ^{14/} Funds the OF cost of a 10% minimum statewide salary increase and increases above 10% for selected employees at the Pioneers' Home, Corporation Commission, Department of Insurance and Financial Institutions, DLLC and the State Board of Funeral Directors and Embalmers. See General Provisions section in the FY 2023 Appropriations Report for more information.
- ^{15/} Funds the cost to increase Superior Court judges salaries to \$180,000 effective January 1, 2024.
- ^{16/} Funds the OF cost of salary increase for selected employees in the Corporation Commission, ADOT and the State Board of Podiatry Examiners. See General Provisions section in the FY 2024 Appropriations Report for more information.

SALARY ADJUSTMENTS FOR ELECTED OFFICIALS

	Jan. 1, 2009 ^{1/}	Jan. 1, 2018 ^{1/}	Jan. 1, 2023	Jan. 1, 2024
Governor	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000
Secretary of State	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Treasurer	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Attorney General	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
Superintendent of Public Instruction	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000
Corporation Commissioners	\$ 79,500	\$ 79,500	\$ 79,500	\$ 79,500
Mine Inspector	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Supreme Court Chief Justice	\$ 160,000	\$ 164,800	\$ 212,000	\$ 212,000
Other Supreme Court Justices	\$ 155,000	\$ 159,650	\$ 205,000	\$ 205,000
Appellate Judges	\$ 150,000	\$ 154,500	\$ 190,000	\$ 190,000
Superior Court Judges	\$ 145,000	\$ 149,400	\$ 164,700	\$ 180,000
Legislators	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000

^{1/} There were no changes in elected officials' salaries between January 1, 2009 and January 1, 2018, and between January 1, 2018 and January 1, 2023.