

**Report to the
Interim Committee on
Statutory Funding Formulas**

*Local Revenue Sharing
and
Court Funding Formulas*

**Prepared by
The Staff of the
Joint Legislative Budget Committee**

October 1993

Foreword

This report has been prepared in accordance with the provisions of Laws 1993, Chapter 38, which created the Interim Committee on Statutory Funding Formulas and provided for the JLBC Staff to compile a listing of statutory funding formulas for the Committee's consideration. This report represents a compilation of Local Revenue Sharing information and Court funding formulas.

**Local Revenue Sharing
and
Court Funding Formulas**

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LOCAL REVENUE SHARING

SALES TAX DISTRIBUTION

Laws 1985, Chapter 298 consolidated the tax rates of the Transaction Privilege Tax, Education Excise Tax, Special Excise Tax for Education and the Temporary Business Transaction Taxes for each taxable activity into one Transaction Privilege Tax rate. Also, these and other taxes collected in the same manner and time as the Transaction Privilege Tax were combined into a single distribution system. The tax collections for each taxable activity were divided by statutorily defined percentages into (1) a Distribution Base and (2) a Non-Shared portion. Tax collections in the Distribution Base, which include parts of the Transaction Privilege Tax, the Severance Tax, and the Rental Occupancy Tax, are shared between counties (38.08%), municipalities (25%) and the state (36.92%). The Non-Shared portion, which is allocated solely to the State General Fund, consists of those taxes comprising the Distribution Base and 100% of tax receipts from the Use Tax and Transaction Privilege Tax License Fees.

Table A below depicts the taxable activities under this consolidated distribution system together with their corresponding percentage allocations and tax rates. All taxes listed in this section appertain to this system and all are gross receipts taxes, except for the Severance Taxes.

TABLE A

<u>TAXABLE ACTIVITIES</u>	<u>DISTRIBUTION BASE</u>	<u>NON- SHARED STATE</u>	<u>TOTAL TAX RATE</u>
Transporting & Towing	20.00%	80.00%	5%
Non-Metal Mining, Gas & Oil Production	32.00%	68.00%	3.125%
Utilities	20.00%	80.00%	5%
Communications	20.00%	80.00%	5%
Railroads & Aircraft	20.00%	80.00%	5%
Private Car - Pipelines	20.00%	80.00%	5%
Publishing	20.00%	80.00%	5%
Printing	20.00%	80.00%	5%
Restaurants & Bars	40.00%	60.00%	5%
Amusements	40.00%	60.00%	5%
Rentals of Real Property	53.33%	46.67%	4% ^{1/}
Rentals of Personal Property	40.00%	60.00%	5%
Contracting (Mtrl. only)	20.00%	80.00%	5%
Feed Wholesale	53.33%	46.67%	.46875%
Retail	40.00%	60.00%	5%
Severance: Metalliferous Mining	80.00%	20.00%	2.5%
Severance: Timbering	80.00%	20.00%	1.5%
Hotel-Motel	50.00%	50.00%	5.5%
Pre-7/74 Contracting	26.67%	73.33%	3.75%
Pre-5/83 Contracting	25.00%	75.00%	4%
Rental Occupancy Tax	66.67%	33.33%	3%
Use Tax	0	100.00%	5%
Use Inventory Tax	0	100.00%	5%

^{1/} Tax rate for rentals of real property (Commercial Leases) will phase down to 3.0% for FY 1995 and to 2.0% for FY 1996, 1.0% for FY 1997, and is eliminated on 7/1/97 and thereafter.

SALES TAX DISTRIBUTION FLOWCHART

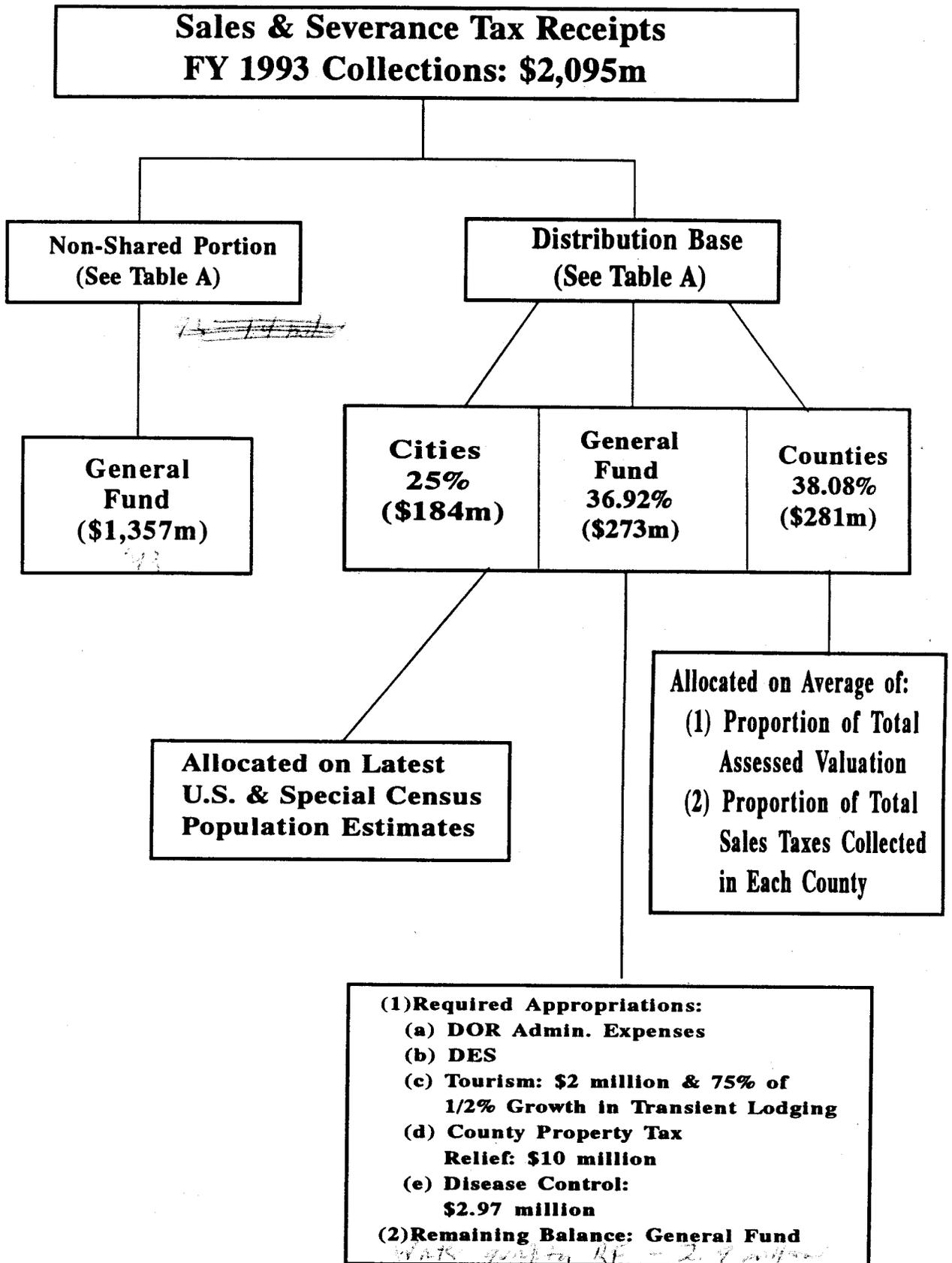


TABLE B

**STATE TRANSACTION PRIVILEGE AND SEVERANCE TAX DISTRIBUTION TO COUNTIES
1987-88 THROUGH 1992-93**

COUNTY	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93
Apache	\$2,855,747	\$2,855,747	\$2,890,723	\$2,870,931	\$3,170,716	\$3,675,484
Cochise	3,476,947	3,732,369	3,988,680	3,903,304	4,223,813	4,644,412
Coconino	5,837,146	6,540,600	6,907,565	7,381,982	7,842,101	8,685,742
Gila	2,333,551	2,717,820	2,810,317	2,989,847	3,192,441	3,537,710
Graham	707,622	766,463	822,629	795,055	817,262	879,205
Greenlee	1,455,429	1,938,831	2,057,123	1,992,007	2,422,431	2,870,843
La Paz	841,691	1,005,943	1,069,630	1,066,046	1,094,944	1,158,233
Maricopa	131,829,415	145,710,409	153,312,885	159,572,564	164,190,067	176,236,982
Mohave	4,281,442	4,911,808	5,896,249	6,151,521	6,779,768	7,736,366
Navajo	4,659,465	4,734,392	4,942,403	4,881,189	5,087,986	5,364,877
Pima	34,663,653	37,449,324	38,659,812	38,279,737	39,925,096	42,846,400
Pinal	4,928,417	5,884,454	6,311,884	6,459,347	6,743,920	7,068,386
Santa Cruz	1,252,506	1,522,728	1,685,339	1,729,887	2,012,919	2,191,504
Yavapai	5,223,667	5,786,096	6,066,679	6,525,574	7,099,521	8,151,950
Yuma	4,143,925	4,532,553	4,799,367	4,936,270	5,337,612	5,706,538
	\$208,490,623	\$230,089,535	\$242,221,287	\$249,535,260	\$259,940,595	\$280,754,632

County distributions are based on relative assessed valuation and sales in the county
Figures may not add to totals due to rounding

TABLE C
STATE TRANSACTION PRIVILEGE AND SEVERANCE TAX
DISTRIBUTION TO MUNICIPALITIES
FOR FISCAL YEAR 1992-93

CITIES BY COUNTY	AMOUNT	COUNTY TOTAL	CITIES BY COUNTY	AMOUNT	COUNTY TOTAL
APACHE			Queen Creek	\$172,903	
Eagar	\$260,943		Scottsdale	8,432,646	
Springerville	116,825		Surprise	461,723	
St. Johns	213,552	\$591,319	Tempe	9,201,481	
COCHISE			Tolleson	287,459	
Benson	247,912		Wickenburg	292,710	
Bisbee	407,654		Youngtown	164,799	\$126,605,857
Douglas	851,679		MOHAVE		
Huachuca City	115,528		Bullhead City	1,423,095	
Sierra Vista	2,138,306		Colorado City	157,279	
Tombstone	79,093		Kingman	824,774	
Willcox	202,401	4,042,574	Lake Havasu City	1,579,467	3,984,615
COCONINO			NAVAJO		
Flagstaff	2,972,935		Holbrook	303,796	
Fredonia	78,250		Pinetop-Lakeside	157,020	
Page	427,752		Show Low	325,418	
Williams	164,151	3,643,088	Snowflake	238,512	
GILA			Taylor	156,760 (1)	
Globe	393,003		Winslow	595,807	1,777,313
Hayden	58,931		PIMA		
Miami	130,828		Marana	141,784	
Payson	543,086		Oro Valley	432,420	
Winkelman	43,825	1,169,673	South Tucson	341,627	
GRAHAM			Tucson	26,280,988	27,196,819
Pima	111,833		PINAL		
Safford	477,088		Apache Junction	1,173,165	
Thatcher	243,957	832,878	Casa Grande	1,236,895	
GREENLEE			Coolidge	449,081	
Clifton	184,119		Eloy	467,493	
Duncan	42,918	227,037	Florence	486,877	
LA PAZ			Kearny	146,647	
Parker	187,814		Mammoth	119,612	
Quartzsite	121,622	309,436	Superior	224,832	4,304,603
MARICOPA			SANTA CRUZ		
Avondale	1,100,434		Nogales	1,263,483	
Buckeye	326,616		Patagonia	57,570	1,321,052
Carefree	107,706		YAVAPAI		
Cave Creek	189,629		Camp Verde	404,737	
Chandler	5,846,792		Chino Valley	313,585	
El Mirage	324,218		Clarkdale	138,997	
Fountain Hills	650,250		Cottonwood	383,667	
Gila Bend	113,259		Jerome	26,127	
Gilbert	1,889,703		Prescott	1,723,974	
Glendale	9,594,550		Prescott Valley	575,812	
Goodyear	405,710		Sedona	500,492	4,067,392
Guadalupe	353,845		YUMA		
Litchfield Park	214,135		San Luis	284,550	
Mesa	18,677,534		Somerton	330,951	
Paradise Valley	760,060		Wellton	69,109	
Peoria	3,283,505		Yuma	3,560,688	4,245,299
Phoenix	63,754,189		TOTAL		
				\$184,318,955	\$184,318,955

(1) Taylor's distribution was actually \$142,412 due to an adjustment made at year end for overpayment of municipal sales tax.

City distributions are based on relative population.
 Figures may not add to total due to rounding.

INCOME TAX DISTRIBUTION

The Department of Revenue transmits individual and corporate income tax collections to the State Treasurer for deposit into the Urban Revenue Sharing Fund and state General Fund. The amounts apportioned to each fund is determined as follows:

- (1) 12.8% of the net proceeds from state income taxes collected two fiscal years prior to the current fiscal year is deposited into the Urban Revenue Sharing Fund which is then distributed to incorporated cities and towns:
 - Each municipality receives an amount based on the proportion their population bears to the total population of all municipalities as reported by the latest United States decennial census or special census. See the exhibit on the next page for the FY 1993 distribution.
 - No later than the tenth day of each month, the State Treasurer transfers an amount equal to one-twelfth of each municipality's total entitlement for the current fiscal year.
 - A new municipality shall share in the fund beginning the first month of the first full fiscal year following incorporation.

- (2) After the distribution from the Urban Revenue Sharing Fund, the balance is deposited in the state General Fund.
 - The State Treasurer shall also deposit into the tax refund account of the state General Fund amounts sufficient to meet the requirements for tax refunds. Afterwards, the Director of the Department of Administration is responsible for drawing all amounts necessary to pay refunds and maintaining the account to ensure that there are enough monies to make refunds and that there are no excess monies which should be transferred to the state General Fund. Any monies remaining in the account by the last day of the fiscal year exceeding \$500,000 is transferred back to the state General Fund.

TABLE D

**DISTRIBUTION OF INCOME TAX AS URBAN REVENUE SHARING
TO MUNICIPALITIES IN 1992-93**

CITIES BY COUNTY	AMOUNT	% OF TOTAL	CITIES BY COUNTY	AMOUNT	% OF TOTAL
APACHE			Queen Creek	\$172,426	0.094%
Eagar	\$260,223	0.142%	Scottsdale	8,409,335	4.579%
Springerville	116,502	0.063%	Surprise	460,449	0.251%
St. Johns	212,962	0.116%	Tempe	9,175,251	4.996%
COCHISE			Tolleson	286,665	0.156%
Benson	247,228	0.135%	Wickenburg	291,902	0.159%
Bisbee	406,529	0.221%	Youngtown	164,344	0.089%
Douglas	849,328	0.462%	MOHAVE		
Huachuca City	115,209	0.063%	Bullhead City	1,419,168	0.773%
Sierra Vista	2,132,405	1.161%	Colorado City	156,845	0.085%
Tombstone	78,875	0.043%	Kingman	822,498	0.448%
Willcox	201,842	0.110%	Lake Havasu City	1,575,108	0.858%
COCONINO			NAVAJO		
Flagstaff	2,964,730	1.614%	Holbrook	302,958	0.165%
Fredonia	78,035	0.042%	Pinetop-Lakeside	156,586	0.085%
Page	426,571	0.232%	Show Low	324,513	0.177%
Williams	163,698	0.089%	Snowflake	237,853	0.130%
GILA			Taylor	156,328	0.085%
Globe	391,918	0.213%	Winslow	592,963	0.323%
Hayden	58,768	0.032%	PIMA		
Miami	130,467	0.071%	Marana	141,393	0.077%
Payson	541,587	0.295%	Oro Valley	431,226	0.235%
Winkelman	43,704	0.024%	South Tucson	338,855	0.184%
GRAHAM			Tucson	26,208,575	14.270%
Pima	111,524	0.061%	PINAL		
Safford	475,771	0.259%	Apache Junction	1,169,979	0.637%
Thatcher	243,284	0.132%	Casa Grande	1,233,521	0.672%
GREENLEE			Coolidge	447,842	0.244%
Clifton	183,611	0.100%	Eloy	466,203	0.254%
Duncan	42,799	0.023%	Florence	485,534	0.264%
LA PAZ			Kearny	146,242	0.080%
Parker	187,296	0.102%	Mammoth	119,282	0.065%
Quartzsite	121,286	0.066%	Superior	224,212	0.122%
MARICOPA			SANTA CRUZ		
Avondale	1,097,397	0.597%	Nogales	1,259,996	0.686%
Buckeye	325,715	0.177%	Patagonia	57,411	0.031%
Carefree	107,467	0.059%	YAVAPAI		
Cave Creek	189,106	0.103%	Camp Verde	403,620	0.220%
Chandler	5,835,032	3.177%	Chino Valley	312,720	0.170%
El Mirage	323,323	0.176%	Clarkdale	138,613	0.075%
Fountain Hills	648,456	0.353%	Cottonwood	382,608	0.208%
Gila Bend	112,946	0.061%	Jerome	26,055	0.014%
Gilbert	1,885,274	1.026%	Prescott	1,719,216	0.936%
Glendale	9,569,832	5.210%	Prescott Valley	573,923	0.312%
Goodyear	404,590	0.220%	Sedona	499,111	0.272%
Guadalupe	352,869	0.192%	YUMA		
Litchfield Park	213,544	0.116%	San Luis	272,313	0.148%
Mesa	18,625,903	10.141%	Somerton	228,610 (1)	0.124%
Paradise Valley	757,297	0.412%	Wellton	36,752 (2)	0.020%
Peoria	3,274,072	1.783%	Yuma	3,550,862	1.933%
Phoenix	63,578,311	34.616%	TOTAL		
				\$183,667,152	100.000%

- (1) Per an order from the Auditor General's Office, the distribution for Somerton was reduced by \$112,597 for violation of their Expenditure Limitations in FY88 and FY 90.
- (2) Per an order from the Auditor General's Office, the distribution for Wellton was reduced by \$10,711 for violation of their Expenditure Limitation in FY90.

LOTTERY REVENUE SHARING

Distributed Lottery revenues consist of sales, license fees, and interests derived from the sale of Lottery tickets less prizes paid, vendor commissions, and administrative expenses. The distribution of Lottery revenues is detailed in a flowchart found on the next page. The flowchart shows that local governments receive a significant share of these revenues through the Local Transportation Fund Assistance (LTAF) and the County Assistance Fund (CAF).

By statute, the LTAF can receive up to \$23,000,000 each fiscal year from revenues deposited in the State Lottery Fund. Any incorporated city or town may apply to the Department of Transportation for a share of these funds. Each city or town receives an amount in the proportion their population bears to the total population of all applying cities, except a city or town is entitled to a minimum of \$10,000. The LTAF monies are mainly used for transportation purposes -- up to ten percent may be for cultural, educational, historical, or other programs as described in A.R.S § 28-2603.

By statute, the CAF can receive up to \$7,650,000 each fiscal year from revenues deposited in the State Lottery Fund; however, for the past two years a session law has reduced the distribution to \$7,468,000. The reduction was taken from Maricopa and Pima counties' share of CAF monies, but is offset by increased library grants. Rural counties still receive \$7,150,455 of the total, while Maricopa and Pima counties receive the remaining \$317,545. For the rural counties the monies are divided equally -- in FY 1993 these counties received \$550,035 each. For FY 1993, Maricopa county received \$156,953 and Pima county received \$160,592.

LOTTERY REVENUE FLOWCHART

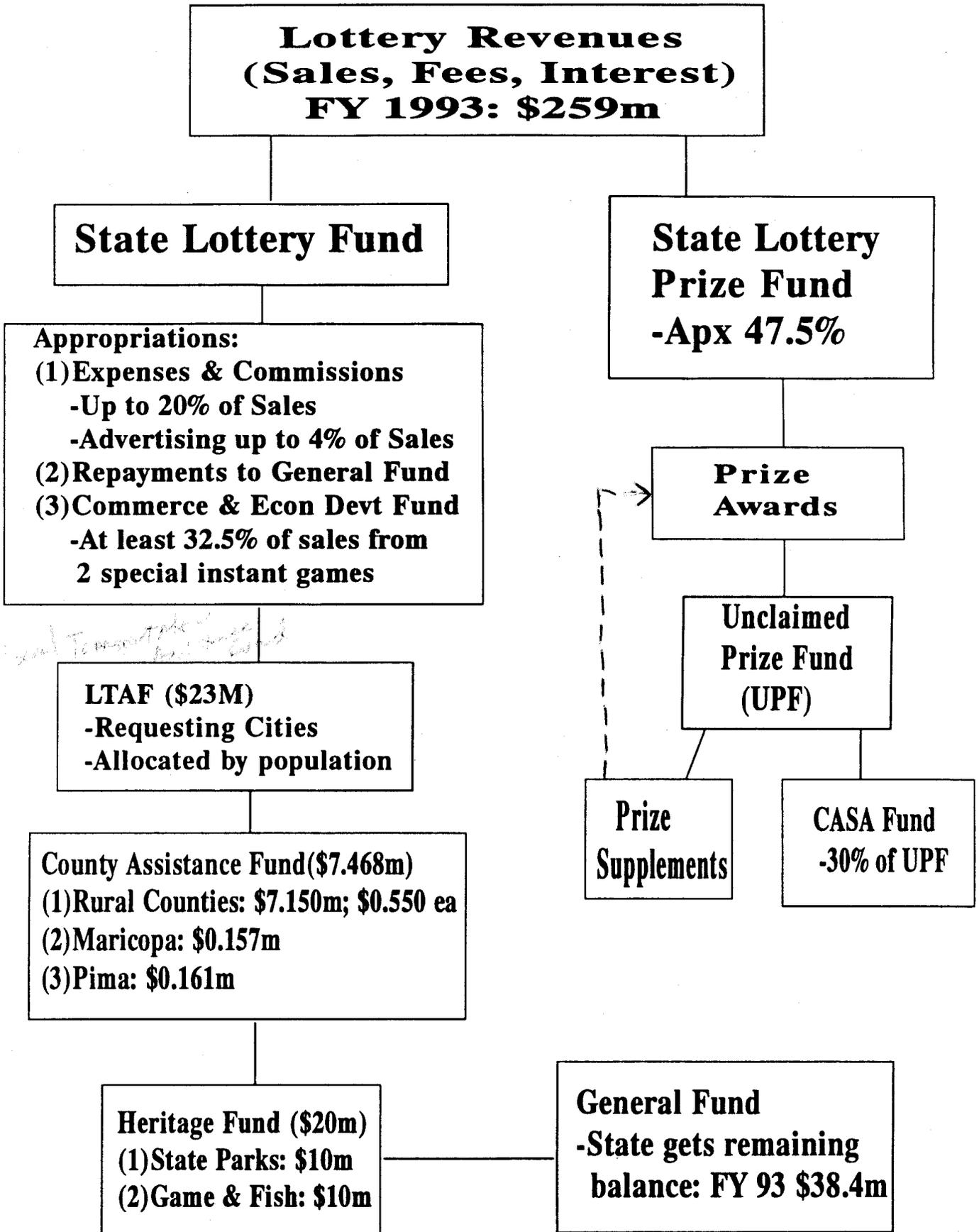


TABLE E
DISTRIBUTION SUMMARY OF
VARIOUS REVENUE SOURCES
(\$ Millions)

SALES TAX										
	FY 1989		FY 1990		FY 1991		FY 1992		FY 1993	
	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE
Disease Control	3.0	15.4%	3.0	0.0%	3.0	0.0%	3.0	0.0%	3.0	0.0%
Counties:										
Regular	230.1	10.4%	242.2	5.3%	249.5	3.0%	259.9	4.2%	280.8	8.0%
Property Tax Relief	0.0	--	0.0	--	10.0	--	10.0	0.0%	0.0	-100.0%
Cities and Towns	151.1	10.4%	159.0	5.2%	163.8	3.0%	170.7	4.2%	184.3	8.0%
Tourism Fund	0.0	--	2.0	--	2.0	0.0%	0.0	-100.0%	0.0	--
Retained by General Fund	1340.8	7.3%	1391.0	3.7%	1442.3	3.7%	1498.3	3.9%	1626.5	8.6%
TOTAL	1724.9	8.0%	1797.3	4.2%	1870.7	4.1%	1941.9	3.8%	2094.6	7.9%
INDIVIDUAL AND CORPORATE INCOME TAX URBAN REVENUE SHARING										
	FY 1989		FY 1990		FY 1991		FY 1992		FY 1993	
	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE
Cities and Towns	144.0	10.2%	150.6	4.6%	166.9	10.8%	176.1	5.5%	183.7	4.3%
Retained by General Fund	968.5	10.9%	1023.3	5.7%	1268.0	23.9%	1272.4	0.3%	1422.6	11.8%
TOTAL	1112.4	10.8%	1173.9	5.5%	1434.9	22.2%	1448.5	0.9%	1606.3	10.9%
LOTTERY										
	FY 1989		FY 1990		FY 1991		FY 1992		FY 1993	
	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE	AMOUNT	% CHANGE
Local Transp. Assist. Fund	23.0	0.0%	23.0	0.0%	23.5	2.2%	23.0	-2.1%	23.0	0.0%
Counties	7.7	0.0%	7.7	0.0%	7.7	0.0%	7.7	0.0%	7.5	-2.6%
Heritage Fund	0.0	--	0.0	--	11.8	--	20.0	69.5%	20.0	0.0%
Econ. Development	0.0	--	3.1	--	2.4	-22.6%	6.6	175.0%	4.2	-36.4%
Retained by General Fund	69.4	101.2%	79.0	13.8%	42.8	-45.8%	35.2	-17.8%	38.4	9.1%
TOTAL	100.0	53.4%	112.7	12.7%	88.1	-21.8%	92.5	5.0%	93.1	0.6%

COURT STATUTORY PROGRAMS

AGENCY: Superior Court
PROGRAM: Judgeships

Statutory Citation: A.R.S. §§ 12-121, 12-128, and Article VI Section 10 of the Arizona Constitution

Program Description

Superior Court judges hear all types of cases except small claims, minor offenses, or violations of city codes and ordinances. In addition, the Superior Court is responsible for supervising adults and juveniles who have been placed on probation.

FY 1994 Funding

<u>General Fund</u>	<u>County Funds*</u>
\$6,100,900	\$6,100,900

Pursuant to A.R.S. § 12-128, the state funds 50%, or \$49,100, of the total salary of \$98,200.

* The counties' amount is an estimate of only Personal Services and Employee Related Expenditures costs. The counties' share would be higher, since the counties provide administrative support and office space.

Eligibility Criteria

Constitutionally, each county shall have at least 1 judge of the Superior Court. Additional judges are added based upon population. Per county, the number of judgeships allowed shall not exceed 1 judge per 30,000 inhabitants or until a majority fraction of 30,000 is met. For example, a county with a population of 45,001 can have 2 judgeships, but a county of 45,000 can have only 1 judgeship. Judgeships are added upon petition by the County Board of Supervisors and the Governor's approval.

Current Population Statistics

FY 1994 Judgeships	125
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In the last 3 years, additional funding has been provided for 13 new judgeships: 1 in FY 1994; 6 in FY 1993; and 6 in FY 1992. The Courts' FY 1995 budget request includes 1 new judgeship established in Mohave County during FY 1994 and 4 planned to be established in FY 1995 (1 in Cochise County, 2 in Pima County and 1 in Pinal County). Based on population projections for July 1, 1994 and July 1, 1995, 14 additional judgeships could potentially be requested. Starting in FY 1994, the Legislature only funded judgeships that had been established and did not provide funding for judgeships anticipated to be established.

Benefits/Services

Provides the state's only general jurisdiction court.

Mandatory vs. Optional

Once requested by the County Board of Supervisors and approved by the Governor, the judgeships are established and the state is mandated to provide funding.

AGENCY: Superior Court
PROGRAM: Adult Intensive Probation Supervision (AIPS)

Statutory Citation: A.R.S. §§ 13-913 through 13-920

Program Description

Provides 100% state funding to the county superior courts to implement a highly structured and closely supervised probation program, which emphasizes surveillance, work and/or education, home detention and payment of restitution. An option, when considered appropriate, is the placement of a probationer in the Department of Corrections' Shock Incarceration Program as part of the offender's intensive probation. The AIPS program was created to divert serious, non-violent adult offenders from prison.

FY 1994 Funding

General Fund \$13,095,400 *- 100% GF*

Eligibility Criteria

Any adult offender: 1) who has been sentenced for criminal offenses, or technical violations of probation that are not criminal offenses after June 30, 1985; 2) whose conviction is a Class 2 or 3, or those whose felony is either a Class 4, 5, or 6 or an undesignated felony and who would have been recommended for incarceration with the Department of Corrections; 3) who is probation eligible; and 4) whose score is within the limits of the uniform risk assessment method for intensive probation supervision. The risk assessment considers the nature of the offense, prior criminal history, substantial probability that the offender will remain at liberty without violating the law, the length of the potential prison sentence, the potential harm to the victim, the attitude of the victim toward placing the offender on intensive probation, incarceration for deterrence, patterns of prior behavior, the offender's potential for employability, payment of restitution, performance of community service, and any other considerations that are appropriate.

To participate in this program, offenders are required: 1) to maintain work or school activities and community service for at least 6 days per week; 2) to pay restitution and monthly probation fee; 3) to establish residency at a place approved by the probation team; 4) to remain at their place of residence except to attend approved activities; 5) to allow administration of drug and alcohol tests; 6) to perform at least 40 hours of community service work each month, except for full-time students who may be exempted or required to perform fewer hours; and 7) to meet any other conditions set by the court.

Current Population Statistics

FY 1994 AIPS Slots 2,850

Benefits/Services

The adult probation team maintains close supervision and observation of the participating offenders by seeing each probationer weekly, monitoring work and/or school through contact with employer or school officials, verifying job search, monitoring conduct through weekly arrest record checking, monitoring and enforcing community service work requirements, monitoring and enforcing curfew, ensuring payment of court-ordered fees, and administering drug and alcohol tests. The team also reassesses each probationer's behavior, determining the need for different placement—either more stringent or less depending upon the probationer's behavior.

Average Cost per Probationer \$4,500

Mandatory vs. Optional

To qualify for intensive probation an offender must meet all of the eligibility criteria as stated in statute. In addition, probation team caseloads are mandated. A.R.S. § 13-916B requires that a 2-person team shall supervise no more than 25 probationers at one time and that a 3-person team shall supervise no more than 40 probationers at one time. For FY 1994, the General Fund appropriation funds 8 state FTE positions and 323 county-hired positions.

AGENCY: Superior Court
PROGRAM: Adult Probation Enhancement

Statutory Citation: A.R.S. §§ 12-251 and 12-262 through 12-265

Program Description

Establishes a statutory caseload ratio of adult probationers to probation officers of 60:1 and creates the availability of state funding to supplement county funds in order to achieve or maintain a 60:1 average caseload ratio. The state has provided supplemental funding for the past 8 years.

FY 1994 Funding

<u>General Fund</u>	<u>County Funds</u>	<u>Probation Services Fees</u>
\$13,648,600	N/A*	N/A*

* The Administrative Office of the Courts is collecting this data.

Eligibility Criteria

Any county that requests to participate in receiving funds and submits an acceptable plan to the Supreme Court and needs supplemental funding to achieve and maintain the statutorily established average caseload ratio of 60:1. The funding must be used primarily for payment of salaries.

Current Population Statistics

FY 1994 Probationers	26,000
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Benefits/Services

The Supreme Court's Administration Office of the Courts provides statewide administrative assistance through 8 FTE positions. The remainder of the funding goes to the counties, out of which 392 county-hired positions are funded in order to attain an average caseload of 60:1. Of these regular probationers, 90% or more are felony offenders who without the probation program would be incarcerated in the Department of Corrections.

Average Cost per Probationer	\$650
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Mandatory vs. Optional

The caseload ratio is statutorily mandated in A.R.S. § 12-251. Funding is predicated on the number of probation officers needed to meet an average caseload ratio of 60:1, based on the upcoming year's estimated number of offenders who will be on probation.

AGENCY: Superior Court
PROGRAM: Juvenile Intensive Probation Supervision (JIPS)

Statutory Citation: A.R.S. §§ 8-271 through 8-278

Program Description

Provides 100% state funding to the county superior courts to implement a highly structured and closely supervised juvenile probation program, which emphasizes surveillance, treatment, work, education and home detention. The program was created to divert serious, non-violent juvenile offenders from incarceration or residential care and to provide intensive supervision for high risk offenders on regular probation.

FY 1994 Funding

General Fund	\$5,351,900
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Eligibility Criteria

Any juvenile who: 1) has been adjudicated for delinquent acts or violations of probation originating from a delinquent act; 2) would otherwise have been recommended for commitment to the Department of Youth, Treatment, and Rehabilitation, or an out-of-home institutional placement; and 3) based upon nature of the offense, prior delinquent history, needs, and risk to community, are in need of a highly structured program and close supervision.

In addition, the juveniles are required: 1) to participate in 1 or more of the following for 32 hours per week—school, court-ordered treatment, employment, or community service; 2) if able, to pay required court-ordered fees; 3) to remain at a place of residence, except as allowed and approved by the supervising probation officer; 4) to allow administration of drug and alcohol tests; and 5) to meet any other conditions set by the court.

Current Population Statistics

FY 1994 JIPS Slots	950
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Benefits/Services

For the court-ordered time period, the juvenile probation team maintains close supervision and observation of the participating juveniles by seeing each probationer weekly, monitoring school attendance and performance, assisting in employment activities, closely monitoring participation in court-ordered treatment, arranging and providing supervision of community service work, and ensuring, when probationer is able, payment of court-ordered fees. The team reassesses each probationer's behavior determining the need for different placement—either more stringent or less depending upon the probationer's behavior.

Average Cost per Probationer	\$5,400
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Mandatory vs. Optional

To qualify for intensive probation a juvenile must meet all of the eligibility criteria stated in statute. In addition, probation team caseloads are mandated. A.R.S. § 8-273(B) requires that a 2-person team shall supervise no more than 25 juveniles at one time and that a 3-person team shall supervise no more than 40 juveniles at one time. For FY 1994 the General Fund appropriation funds 7 state FTE positions and 94 county-hired positions.

AGENCY: Superior Court
PROGRAM: Juvenile Probation State Aid

Statutory Citation: A.R.S. §§ 8-203 and 12-262 through 12-265

Program Description

Provides funding to Superior Courts for maintaining, expanding, or improving juvenile probation services. Pursuant to a Supreme Court administrative requirement, a minimum of 80% of the funds allocated to each Superior Court must be used to fund the salaries and employee-related expenditures of probation officers supervising juveniles on probation to the Superior Court. Currently, all county juvenile courts, except Pinal County, participate in this program. Pinal County wishes to begin participating in FY 1995.

FY 1994 Funding

<u>General Fund</u>	<u>County Funds</u>
\$1,694,000	N/A*

* The Administrative Office of the Courts is gathering this information.

Eligibility Criteria

Any county that requests to participate and submits an acceptable plan to the Supreme Court and needs supplemental funding to achieve and maintain a client to probation officer ratio of 35:1, which is the suggested ratio in A.R.S. § 8-203B. The funding must be used primarily for payment of salaries.

Current Population Statistics

	<u>State Funded</u>	<u>County Funded</u>	<u>Total</u>
FY 1994 Probationers	2,000	5,000	7,000

Benefits/Services

The Supreme Court's Administration Office of the Courts provides statewide administrative assistance through 1 FTE position. The remainder of the funding goes to the counties, out of which **46 county-hired positions are funded.**

Average Cost per Probationer	\$300
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Mandatory vs. Optional

The caseload ratio is suggested in A.R.S. § 8-203B. In several counties, the ratio of probationers to probation officers is higher than the suggested 35:1.