

**DOUGLAS A. DUCEY**  
Governor



**GEORGE R. SHOOK**  
Acting Chairman

**ARIZONA STATE BOARD OF EQUALIZATION**

100 North Fifteenth Avenue, Suite 130  
Phoenix, Arizona 85007  
(602) 364-1600  
<https://www.sboe.az.gov>

September 1, 2022

The Honorable Douglas A. Ducey  
Governor of Arizona  
State Capitol  
Phoenix, Arizona 85007

Dear Governor Ducey:

The Arizona State Board of Equalization is pleased to submit the enclosed documentation for the agency's budget request for the Fiscal Year 2024. Attached are the budget schedules, statements and explanatory information.

Legislative changes and court decisions, directly impact the Board's caseload, however the appropriated funds remain necessary to accomplish the Board's mission. Nevertheless, as an independent, impartial, quasi-judicial board, consisting of citizen-members who are experts in the field of taxation and providing an affordable and efficient venue for taxpayers, the Board remains committed to the efficient management of funds approved for FY 2023.

Should you or your staff have any questions or require additional information, please contact this office.

Sincerely,

A handwritten signature in black ink that reads "George R. Shook".

George Shook  
Acting Chairman,  
Arizona State Board of Equalization



# State of Arizona Budget Request

State Agency

State Board of Equalization

A.R.S. Citation: A.R.S. 42-16152 et al.

Appropriated Funds

FY 2023 Approp	FY 2024 Fund. Issue	FY 2024 Total Budget
787.9	(56.8)	731.1
787.9	(56.8)	731.1

Total Amount Requested:

General Fund

Governor DUCEY:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2024.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: George Shook

Title: Interim Chairman

George R. Shook  
(Signature)  
9/1/2022

Phone: (602) 364-1611

Prepared By: George Shook

Email Address: gshook@sboe.state.az.us

Date Prepared: Thursday, September 1, 2022

Total: 787.9 (56.8) 731.1

# Revenue Schedule

Agency:		State Board of Equalization	
Fund:		AA1000	General Fund
AFIS Code	Category of Receipt and Description		
4372	PUBLICATIONS AND REPRODUCTIONS		
4823	CURRENT YEAR REIMBURSEMENTS -REFUNDS		
	FY 2022	FY 2023	FY 2024
	0.0	0.0	0.0
	6.8	6.8	6.8
Fund Total:	6.8	6.8	6.8

## Sources and Uses of Funds

Agency: State Board of Equalization

Fund: RV2463 Department of Revenue Administrative Fund

Cash Flow Summary	Actual FY 2022	Estimate FY 2023	Estimate FY 2024
Balance Forward from Prior Year	0.0	0.0	0.0
Total Available	0.0	0.0	0.0
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	0.0	0.0	0.0
Balance Forward to Next Year	0.0	0.0	0.0

### Fund Description

OSPB:

# Funding Issues List

Agency: State Board of Equalization

FY 2024

Priority	Funding Issue Title	Total FTE	Total Amount	General Fund	Other Approp. Funds	Non-App Funds
1	Removal of one-time funding	0.0	(56.8)	(56.8)	0.0	0.0
Total:		0.0	(56.8)	(56.8)	0.0	0.0
Decision Package Total:		0.0	(56.8)	(56.8)	0.0	0.0

## Funding Issue Detail

Agency: State Board of Equalization

Issue: 1 Removal of one-time funding

Program: State Board of Equalization  
Fund: AA1000-A General Fund (Appropriated)

Calculated ERE: \$0.00

Uniform Allowance: \$0.00

Expenditure Categories	FY 2024
FTE	0.0
Personal Services	0.0
Employee Related Expenses	0.0
<b>Subtotal Personal Services and ERE:</b>	0.0
Professional & Outside Services	0.0
Travel In-State	0.0
Travel Out-of-State	0.0
Food	0.0
Aid to Organizations & Individuals	0.0
Other Operating Expenditures	(56.8)
Equipment	0.0
Capital Outlay	0.0
Debt Services	0.0
Cost Allocation	0.0
Transfers	0.0
<b>Program / Fund Total:</b>	(56.8)

# Summary of Expenditure and Budget Request for All Funds

Agency: State Board of Equalization

Appropriated

Cost Center/Program:

	FY 2022 Actual	FY 2023 Expd. Plan	FY 2024 Fund. Issue	FY 2024 Total Request
1 State Board of Equalization	619.1	787.9	(56.8)	731.1
	619.1	787.9	(56.8)	731.1
<b>Expenditure Categories</b>				
FTE	7.0	7.0	0.0	7.0
Personal Services	189.9	301.4	0.0	301.4
Employee Related Expenses	82.6	94.8	0.0	94.8
Professional and Outside Services	4.5	35.0	0.0	35.0
Travel In-State	4.8	16.0	0.0	16.0
Travel Out of State	0.0	5.0	0.0	5.0
Food	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	300.8	320.7	(56.8)	263.9
Equipment	36.5	15.0	0.0	15.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
<b>Expenditure Categories Total:</b>	619.1	787.9	(56.8)	731.1

Summary of Expenditure and Budget Request  
for All Funds

Agency: State Board of Equalization

Agency Total for All Funds:

619.1 787.9 (56.8) 731.1



# Summary of Expenditure and Budget Request for Selected Funds

Agency: State Board of Equalization  
Fund: AA1000 General Fund (Appropriated)

		FY 2022 Actual	FY 2023 Expd. Plan	FY 2024 Fund. Issue	FY 2024 Total Request
Cost Center/Program:					
1	State Board of Equalization	619.1	787.9	(56.8)	731.1
		619.1	787.9	(56.8)	731.1
Expenditure Categories					
	FTE	7.0	7.0	0.0	7.0
	Personal Services	189.9	301.4	0.0	301.4
	Employee Related Expenses	82.6	94.8	0.0	94.8
	Professional and Outside Services	4.5	35.0	0.0	35.0
	Travel In-State	4.8	16.0	0.0	16.0
	Travel Out of State	0.0	5.0	0.0	5.0
	Food	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
	Other Operating Expenses	300.8	320.7	(56.8)	263.9
	Equipment	36.5	15.0	0.0	15.0
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		619.1	787.9	(56.8)	731.1
Fund Total:		619.1	787.9	(56.8)	731.1

# Summary of Expenditure and Budget Request for Selected Funds

Agency: State Board of Equalization  
Fund: AA1000 General Fund (Appropriated)

FY 2022 Actual	FY 2023 Expd. Plan	FY 2024 Fund. Issue	FY 2024 Total Request
619.1	787.9	(56.8)	731.1
Agency Total for Selected Funds			

# Program Summary of Expenditures and Budget Request

Agency: State Board of Equalization  
 Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan	FY 2024 Fund. Issue	FY 2024 Total Request
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## Program Summary

1-1	State Board of Equalization	619.1	787.9	(56.8)	731.1
Program Summary Total:		619.1	787.9	(56.8)	731.1

## Expenditure Categories

0000	FTE Positions	7.0	7.0	0.0	7.0
6000	Personal Services	189.9	301.4	0.0	301.4
6100	Employee Related Expenses	82.6	94.8	0.0	94.8
6200	Professional and Outside Services	4.5	35.0	0.0	35.0
6500	Travel In-State	4.8	16.0	0.0	16.0
6600	Travel Out of State	0.0	5.0	0.0	5.0
6700	Food	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	300.8	320.7	(56.8)	263.9
8000	Equipment	36.5	15.0	0.0	15.0
8100	Capital Outlay	0.0	0.0	0.0	0.0
8600	Debt Service	0.0	0.0	0.0	0.0
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		619.1	787.9	(56.8)	731.1

## Fund Source

### Appropriated Funds

AA1000-A	General Fund (Appropriated)	619.1	787.9	(56.8)	731.1
Fund Source Total:		619.1	787.9	(56.8)	731.1

# Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency: State Board of Equalization  
Program: State Board of Equalization

FY 2022	FY 2023	FY 2024	FY 2024
Actual	Expd. Plan	Fund. Issue	Total Request

Fund: AA1000-A General Fund (Appropriated)

## Program Expenditures

### COST CENTER/PROGRAM BUDGET UNIT

1-1	State Board of Equalization	619.1	787.9	(56.8)	731.1
Total		619.1	787.9	(56.8)	731.1

## Appropriated Funding

### Expenditure Categories

FTE Positions	7.0	7.0	0.0	7.0
Personal Services	189.9	301.4	0.0	301.4
Employee Related Expenses	82.6	94.8	0.0	94.8
Professional and Outside Services	4.5	35.0	0.0	35.0
Travel In-State	4.8	16.0	0.0	16.0
Travel Out of State	0.0	5.0	0.0	5.0
Food	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	300.8	320.7	(56.8)	263.9
Equipment	36.5	15.0	0.0	15.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0

### Expenditure Categories Total:

	619.1	787.9	(56.8)	731.1
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### Fund AA1000-A Total:

	619.1	787.9	(56.8)	731.1
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### Program 1 Total:

	619.1	787.9	(56.8)	731.1
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# Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency: State Board of Equalization  
Program: State Board of Equalization

Expenditure Categories		FY 2022	FY 2023	FY 2024	FY 2024
		Actual	Expd. Plan	Fund. Issue	Total Request
0000 FTE		7.0	7.0	0.0	7.0
6000 Personal Services		189.9	301.4	0.0	301.4
6100 Employee Related Expenses		82.6	94.8	0.0	94.8
6200 Professional and Outside Services		4.5	35.0	0.0	35.0
6500 Travel In-State		4.8	16.0	0.0	16.0
6600 Travel Out of State		0.0	5.0	0.0	5.0
6700 Food		0.0	0.0	0.0	0.0
6800 Aid to Organizations and Individuals		0.0	0.0	0.0	0.0
7000 Other Operating Expenses		300.8	320.7	(56.8)	263.9
8000 Equipment		36.5	15.0	0.0	15.0
8100 Capital Outlay		0.0	0.0	0.0	0.0
8600 Debt Service		0.0	0.0	0.0	0.0
9000 Cost Allocation		0.0	0.0	0.0	0.0
9100 Transfers		0.0	0.0	0.0	0.0
Expenditure Categories Total:		619.1	787.9	(56.8)	731.1
Fund Source					
Appropriated Funds					
AA1000-A General Fund (Appropriated)		619.1	787.9	(56.8)	731.1
		619.1	787.9	(56.8)	731.1
Fund Source Total:		619.1	787.9	(56.8)	731.1



# Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: State Board of Equalization

FY 2022	FY 2023	FY 2024	FY 2024
Actual	Expd. Plan	Fund. Issue	Total Request

Program: State Board of Equalization

Fund: AA1000-A General Fund

## Appropriated

0000 FTE	7.0	7.0	0.0	7.0
6000 Personal Services	189.9	301.4	0.0	301.4
6100 Employee Related Expenses	82.6	94.8	0.0	94.8
6200 Professional and Outside Services	4.5	35.0	0.0	35.0
6500 Travel In-State	4.8	16.0	0.0	16.0
6600 Travel Out of State	0.0	5.0	0.0	5.0
6700 Food	0.0	0.0	0.0	0.0
6800 Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000 Other Operating Expenses	300.8	320.7	(56.8)	263.9
8000 Equipment	36.5	15.0	0.0	15.0
8100 Capital Outlay	0.0	0.0	0.0	0.0
8600 Debt Service	0.0	0.0	0.0	0.0
9000 Cost Allocation	0.0	0.0	0.0	0.0
9100 Transfers	0.0	0.0	0.0	0.0
<b>Appropriated Total:</b>	<b>619.1</b>	<b>787.9</b>	<b>(56.8)</b>	<b>731.1</b>
<b>Fund Total:</b>	<b>619.1</b>	<b>787.9</b>	<b>(56.8)</b>	<b>731.1</b>
<b>Program Total For Selected Funds:</b>	<b>619.1</b>	<b>787.9</b>	<b>(56.8)</b>	<b>731.1</b>

## Program Expenditure Schedule

<b>Agency:</b> State Board of Equalization			
<b>Program:</b> State Board of Equalization			
		<b>FY 2022 Actual</b>	<b>FY 2023 Expd. Plan</b>
FTE		7.0	7.0
	<b>Expenditure Category Total</b>	<b>7.0</b>	<b>7.0</b>
<b>Appropriated</b>			
AA1000-A General Fund (Appropriated)		7.0	7.0
		<b>7.0</b>	<b>7.0</b>
	<b>Fund Source Total</b>	<b>7.0</b>	<b>7.0</b>
Personal Services		189.9	301.4
Boards and Commissions		0.0	0.0
	<b>Expenditure Category Total</b>	<b>189.9</b>	<b>301.4</b>
<b>Appropriated</b>			
AA1000-A General Fund (Appropriated)		189.9	301.4
		<b>189.9</b>	<b>301.4</b>
	<b>Fund Source Total</b>	<b>189.9</b>	<b>301.4</b>
Employee Related Expenses		82.6	94.8
	<b>Expenditure Category Total</b>	<b>82.6</b>	<b>94.8</b>
<b>Appropriated</b>			
AA1000-A General Fund (Appropriated)		82.6	94.8
		<b>82.6</b>	<b>94.8</b>
	<b>Fund Source Total</b>	<b>82.6</b>	<b>94.8</b>
Professional and Outside Services			35.0
External Prof/Outside Serv Budg And Appn		0.0	
External Investment Services		0.0	
Other External Financial Services		0.0	
Attorney General Legal Services		0.0	
External Legal Services		0.0	
External Engineer/Architect Cost - Exp		0.0	
External Engineer/Architect Cost- Cap		0.0	
Other Design		0.0	
Temporary Agency Services		4.5	
Hospital Services		0.0	
Other Medical Services		0.0	
Institutional Care		0.0	
Education And Training		0.0	
Vendor Travel		0.0	
Professional & Outside Services Excluded from Cost Alloca		0.0	
Vendor Travel - Non Reportable		0.0	
External Telecom Consulting Services		0.0	
Costs related to those in custody of the State		0.0	
Non - Confidential Specialist Fees		0.0	
Confidential Specialist Fees		0.0	
Outside Actuarial Costs		0.0	
Other Professional And Outside Services		0.0	

## Program Expenditure Schedule

Agency: State Board of Equalization

Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan
<b>Expenditure Category Total</b>	<b>4.5</b>	<b>35.0</b>
<b>Appropriated</b>		
AA1000-A General Fund (Appropriated)	4.5	35.0
<b>Fund Source Total</b>	<b>4.5</b>	<b>35.0</b>
Travel In-State	4.8	16.0
<b>Expenditure Category Total</b>	<b>4.8</b>	<b>16.0</b>
<b>Appropriated</b>		
AA1000-A General Fund (Appropriated)	4.8	16.0
<b>Fund Source Total</b>	<b>4.8</b>	<b>16.0</b>
Travel Out of State	0.0	5.0
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>5.0</b>
<b>Appropriated</b>		
AA1000-A General Fund (Appropriated)	0.0	5.0
<b>Fund Source Total</b>	<b>0.0</b>	<b>5.0</b>
Food	0.0	0.0
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>
Aid to Organizations and Individuals	0.0	0.0
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>
Other Operating Expenses		320.7
Other Operating Expenditures Budg Approp	0.0	
Other Operating Expenditures Excluded from Cost Allocati	0.0	
Risk Management Charges To State Agency	8.4	
Risk Management Deductible - Indemnity	0.0	
Risk Management Deductible - Legal	0.0	
Risk Management Deductible - Medical	0.0	
Risk Management Deductible - Other	0.0	
Gen Liab- Non Physical-Taxable- Self Ins	0.0	
Gross Proceeds Payments To Attorneys	0.0	
General Liability- Non-Taxable- Self Ins	0.0	
Medical Malpractice - Self-Insured	0.0	
Automobile Liability - Self Insured	0.0	
General Property Damage - Self- Insured	0.0	
Automobile Physical Damage-Self Insured	0.0	
Liability Insurance Premiums	0.0	
Property Insurance Premiums	0.0	
Workers Compensation Benefit Payments	0.0	
Self Insurance - Administrative Fees	0.0	
Self Insurance - Premiums	0.0	
Self Insurance - Claim Payments	0.0	
Self Insurance - Pharmacy Claims	0.0	
Premium Tax On Altcs	0.0	



## Program Expenditure Schedule

Agency: State Board of Equalization

Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan
Other Insurance-Related Charges	0.0	
Internal Service Data Processing	11.8	
Internal Service Data Proc- Pc/Lan	0.0	
External Programming-Mainframe/Legacy	149.4	
External Programming- Pc/Lan/Serv/Web	0.0	
External Data Entry	0.0	
Othr External Data Proc-Mainframe/Legacy	0.0	
Othr External Data Proc-Pc/Lan/Serv/Web	0.0	
Pmt for AFIS Development & Usage	0.5	
Internal Service Telecommunications	0.0	
External Telecom Long Distance-In-State	6.6	
External Telecom Long Distance-Out-State	0.0	
Other External Telecommunication Service	0.0	
Electricity	0.0	
Sanitation Waste Disposal	0.0	
Water	0.0	
Gas And Fuel Oil For Buildings	0.0	
Other Utilities	0.0	
Building Rent Charges To State Agencies	16.9	
Priv Lease To Own Bld Rent Chrgs To Agy	0.0	
Cert Of Part Bld Rent Chrgs To Agy	95.3	
Rental Of Land And Buildings	0.0	
Rental Of Computer Equipment	0.0	
Rental Of Other Machinery And Equipment	0.0	
Miscellaneous Rent	4.0	
Interest On Overdue Payments	0.0	
All Other Interest Payments	0.0	
Internal Acct/Budg/Financial Svcs	0.0	
Other Internal Services	0.0	
Repair And Maintenance - Buildings	0.0	
Repair And Maintenance - Vehicles	0.0	
Repair And Maint - Mainframe And Legacy	0.0	
Repair And Maint-Pc/Lan/Serv/Web	0.0	
Repair And Maintenance - Other Equipment	0.6	
Other Repair And Maintenance	0.0	
Software Support And Maintenance	3.2	
Uniforms	0.0	
Inmate Clothing	0.0	
Security Supplies	0.0	
Office Supplies	0.8	
Computer Supplies	0.0	
Housekeeping Supplies	0.0	
Bedding And Bath Supplies	0.0	
Drugs And Medicine Supplies	0.0	
Medical Supplies	0.0	
Dental Supplies	0.0	
Automotive And Transportation Fuels	0.0	
Automotive Lubricants And Supplies	0.0	
Rpr And Maint Supplies-Not Auto Or Build	0.0	
Repair And Maintenance Supplies-Building	0.0	
Other Operating Supplies	0.0	

## Program Expenditure Schedule

Agency: State Board of Equalization

Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan
Publications	0.0	
Aggregate Withheld Or Paid Commissions	0.0	
Lottery Prizes	0.0	
Lottery Distribution Costs	0.0	
Material for Further Processing	0.0	
Other Resale Supplies	0.0	
Loss On Sales Of Capital Assets	0.0	
Loss on Sales of Investments	0.0	
Employee Tuition Reimbursement-Graduate	0.0	
Employee Tuition Reimb Under-Grad/Other	0.0	
Conference Registration-Attendance Fees	0.0	
Other Education And Training Costs	0.0	
Advertising	0.0	
Sponsorships	0.0	
Internal Printing	0.0	
External Printing	0.0	
Photography	0.0	
Postage And Delivery	2.8	
Document shredding and Destruction Services	0.0	
Translation and Sign Language Services	0.0	
Distribution To State Universities	0.0	
Other Intrastate Distributions	0.0	
Awards	0.0	
Entertainment And Promotional Items	0.0	
Dues	0.0	
Books- Subscriptions And Publications	0.5	
Costs For Digital Image Or Microfilm	0.0	
Revolving Fund Advances	0.0	
Credit Card Fees Over Approved Limit	0.0	
Relief Bill Expenditures	0.0	
Surplus Property Distr To State Agencies	0.0	
Security Services	0.0	
Judgments - Damages	0.0	
ICA Payments to Claimants Confidential	0.0	
Jdgmnt-Confidential Restitution To Indiv	0.0	
Judgments - Non-Confidential Restitution	0.0	
Judgments - Punitive And Compensatory	0.0	
Pmts Made to Resolve/Disputes/Avoid Costs of Litigation	0.0	
Pmts For Contracted State Inmate Labor	0.0	
Payments To State Inmates	0.0	
Bad Debt Expense	0.0	
Interview Expense	0.0	
Employee Relocations-Nontaxable	0.0	
Employee Relocations-Taxable	0.0	
Non-Confidential Invest/Legal/Law Enf	0.0	
Conf/Sensitive Invest/Legal/Undercover	0.0	
Fingerprinting, Background Checks, Etc.	0.0	
Other Miscellaneous Operating	0.0	

## Program Expenditure Schedule

Agency: State Board of Equalization

Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan
<b>Expenditure Category Total</b>	<b>300.8</b>	<b>320.7</b>
<b>Appropriated</b>		
AA1000-A General Fund (Appropriated)	300.8	320.7
<b>Fund Source Total</b>	<b>300.8</b>	<b>320.7</b>
Current Year Expenditures		15.0
Capital Equipment Budget And Approp	0.0	
Vehicles Capital Purchase	0.0	
Vehicles Capital Leases	0.0	
Furniture Capital Purchase	0.0	
Depreciable Works Of Art & Hist Treas/Coll Capital Purcha	0.0	
Non Depr Works Of Art & Hist Treas/Coll Cap Purchase	0.0	
Furniture Capital Leases	0.0	
Computer Equipment Capital Purchase	0.0	
Computer Equipment Capital Lease	0.0	
Telecommunication Equip-Capital Purchase	0.0	
Telecommunication Equip-Capital Lease	0.0	
Other Equipment Capital Purchase	0.0	
Other Equipment Capital Leases	0.0	
Purchased Or Licensed Software-Website	36.5	
Internally Generated Software-Website	0.0	
Development in Progress	0.0	
Right-Of-Way/Easement/Extraction Rights	0.0	
Oth Int Assets purchased, licensed or internally generate	0.0	
Other intangible assets acquired by capital lease	0.0	
Other Capital Asset Purchases	0.0	
Leasehold Improvement-Capital Purchase	0.0	
Other Capital Asset Leases	0.0	
Non-Capital Equip Budget And Approp	0.0	
Vehicles Non-Capital Purchase	0.0	
Vehicles Non-Capital Leases	0.0	
Furniture Non-Capital Purchase	0.0	
Works Of Art And Hist Treas-Non Capital	0.0	
Furniture Non-Capital Leases	0.0	
Computer Equipment Non-Capital Purchase	0.0	
Computer Equipment Non-Capital Lease	0.0	
Telecomm Equip Non-Capital Purchase	0.0	
Telecomm Equip Non-Capital Leases	0.0	
Other Equipment Non-Capital Purchase	0.0	
Weapons Non-Capital Purchase	0.0	
Other Equipment Non-Capital Lease	0.0	
Purchased Or Licensed Software/Website	0.0	
Internally Generated Software/Website	0.0	
LICENSES AND PERMITS	0.0	
Right-Of-Way/Easement/Extraction Exp	0.0	
Other Intangible Assets - Purchased, Licensed or Internall	0.0	
Noncapital Software/Web By Capital Lease	0.0	
Other Intangible Assets Acquired by Capital Lease	0.0	
Other Long Lived Tangible Assets to be Expenses	0.0	
Non-Capital Equipment Excluded from Cost Allocation	0.0	

## Program Expenditure Schedule

Agency: State Board of Equalization

Program: State Board of Equalization

	FY 2022 Actual	FY 2023 Expd. Plan
<b>Expenditure Category Total</b>	<b>36.5</b>	<b>15.0</b>
<b>Appropriated</b>		
AA1000-A General Fund (Appropriated)	36.5	15.0
<b>Fund Source Total</b>	<b>36.5</b>	<b>15.0</b>
<b>Capital Outlay</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>
<b>Debt Service</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>
<b>Cost Allocation</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>
<b>Transfers</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditure Category Total</b>	<b>0.0</b>	<b>0.0</b>

### Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
Arizona State Retirement System	7.0	301.4	AA1000-A

### Combined Regular & Elected Positions At/Above FICA Maximum of \$147,000

Total FTE	Personal Services	FTE's not eligible for Health, Dental & Life
0.0	0.0	0.0



## Administrative Costs

Agency: **State Board of Equalization**

### Administrative Costs Summary

Common Administrative Area	FY 2023
Personal Services	36.0
ERE	14.4
All Other	10.0
<b>Administrative Costs Total:</b>	<b>60.4</b>

### Administrative Cost / Total Expenditure Ratio

	Request	Admin %
<b>FY 2023</b>	<b>731.1</b>	<b>8.3%</b>

## AGENCY SUMMARY

**Program:** EQA 0.0 STATE BOARD OF EQUALIZATION  
**Director:** George Shook, Acting Chairman  
**Phone:** State Board of Equalization (602) 364-1601  
**Statute:** A.R.S. §§ 42-16151 et al.

### Mission:

*To provide an independent appeal process for taxpayers, county assessors, and the Arizona Department of Revenue in disputes relating to the valuation and classification of property for ad valorem tax purposes. Consistent with this responsibility, the Board provides a venue for non-judicial hearings in which due process of law is afforded to taxpayers in matters concerning the valuation and classification of their respective properties.*

### Description:

The State Board of Equalization is comprised of 41 members: 21 (including the chairman) appointed by the Governor and 10 each from Maricopa and Pima counties (appointed by the boards of supervisors of those counties). The Board of Equalization's jurisdiction is primarily over locally assessed real and personal property in Maricopa and Pima counties. Under A.R.S. § 42-14001 et al., the Board's authority extends to centrally assessed property statewide. By statute, the Board also can provide hearing officer services for outlying counties; currently, the Board provides services to Cochise, Mohave, Pinal, Santa Cruz, and Yavapai counties.

- ◆ **Goal:** 1 To build a custom computer software application for automation of the appeals filing system. To obtain the required hardware and interface devices to handle the greatly increased demands caused by changes in the assessors, Arizona Department of Administration ASET, and State of Arizona IT security requirements. The objective is to automate tasks manually performed and reduce margins of error in data processing and dissemination. To continue the growth in electronic filing and transmittal of statement of changes made to the valuation of any property in Maricopa or Pima County. This effort will also expand the Board's electronic capabilities to integrate the "client" counties (currently Cochise, Mohave, Pinal, Santa Cruz and Yavapai Counties) into the appeals application.

- Objectives:** 1 2022 Obj: Review business rules associated with the implementation of the SQL appeals application. Perform cost analysis and statement of work. This is 100% complete and a PIJ was submitted for the rebuild of the software application.  
 2023 Obj: Develop relational database with the non-mandated counties. The relational database will allow the Board to efficiently and economically provide hearing officer services and appeals administration services to client counties. Work in progress.  
 2024 Obj: Coordinate with Maricopa and Pima counties' IT departments for data integration. The Board is statutorily mandated to conduct the appeal hearings for these two counties. Maricopa and Pima counties push appeal data to the Board and desire for the Board to push Board decision back to the county in a fully integrated software application. Work in progress.

### Performance Measures:

Performance Measures:				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
	ML	Budget	Type						
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Identify the need-based components of the Information Technology requirements and the dynamic Information Security upgrades and enhancements. Measure as a percentage of completion.  Identify IT requirements to include software, hardware and Information Security requirements. In FY 2016 focus was on transition of data and data compatibility. FY 2017 encompassed software development, deployment and testing. A 2019 goal of 100% migration to the Cloud has been established and incorporated compliance with new security requirements.	75	100	80	90	100
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Obtain funding for IT Build Project. Measure as a percentage of completion. This project is utilizing year-end residual funds across multiple fiscal years. The SBOE anticipates a need for funding for new computer servers.  Draft PIJ has been completed at beginning of FY20.	75	75	85	95	100

- ◆ **Goal:** 2 To maintain sufficient funding in order for the State Board of Equalization to be prepared for annual changes in caseloads. This will also ensure that the SBOE is able to adequately staff all hearings in Maricopa and Pima Counties and meet statutory deadlines.

- Objectives:** 1 2022 Obj: Because of legislation enacted in 2015 the number of property valuation and legal classification appeals filed to the Board declined from an average of 9,000 per year to less than 5,000 in 2019. Proposition 117 lowered the amount of increase in limited property valuation to 5% and this change directly affected assessed valuation and ultimately revenue from property taxes. Reduced revenue from taxes will ultimately lead to a change in tax rates for taxing authorities. If this happens, the number of appeals will increase.  
 2023 Obj: Prior years' legislation will affect the volume of property valuation and classification appeals. As a result, property owners and taxpayers will challenge property valuation and legal classification that result in increased taxes.  
 2024 Obj: The cost per appeal of property valuation and legal classification will change based on budget allocations. The cost per appeal based on parcel count captures the workload of the Board more accurately. (See explanations.)

### Performance Measures:

Performance Measures:				FY 2021	FY 2022	FY 2022	FY 2023	FY 2024
	ML	Budget	Type	Actual	Estimate	Actual	Estimate	Estimate
1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	Cost per appeal (in dollars)	103	103	137	125
				Board Member compensation (A.R.S. 42-16153) is included in the cost per appeal. The cost per appeal is magnified by the number of parcels in each appeal. Many appeals will include multiple parcels.				



ML Budget Type				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
				The historical numbers represent cost per appeal and not he cost per parcel. The 23 year average is 7,463 appeals and 1.8 parcels per appeal.					
2	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Appeals received	2326	2150	2035	2500	2500
				An example is one appeal may have 1,500 parcels. Measures can be created by cost-per-appeal or cost-per-parcel. Also applies to goal #1 and goal #3.					
◆ Goal:	3	To improve efficiencies of agency operations through networking and personnel training.							
Objectives:	1	2022 Obj: The Board maintained a concerted effort to control office efficiency. Through diligent networking with all stakeholders, the Board anticipated and resolved many issues that had positive and negative impacts on the agency budget.							
		2023 Obj: The Board will continue to maintain a concerted effort to control office efficiency. The Board networks with all stakeholders to resolve the many issues that have negative impacts on the agency's budget. As the Board knows additional requirements, and changes in IT security compliances will affect the budget. Vacancy savings and the lessor volume of appeals will absorb additional costs.							
		2024 Obj: The Board will employ temporary staffing to accomplish non-technical functions and operational requirements. Future legislation may change appeal deadlines thereby requiring changes in staff positions or outsourcing some work activities							
Performance Measures:				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
ML Budget Type									
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Enhance training for staff members. This performance measure is for the percentage of staff members who have completed training.	80	100	95	100	100
				By providing more public service information on the Board's website and instructional materials to the assessor's offices, the taxpayers can become more educated in the property valuation process. Experience has proven the more the taxpayer learns about ad valorem taxation, the taxpayer is less likely to file an appeal if he/she knows they are paying their fair share of taxes.					
Objectives:	2	2022 Obj: Obtain funding for replacement of appeals sytem.							
		2023 Obj: Build custom software application for the SBOE appeals program. Update IT security protection through purchase and deployment of the latest software and hardware.							
		2024 Obj: Update IT security protection through purchase and deployment of the latest software and hardware.							
Performance Measures:				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
ML Budget Type									
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Funding issues may change due to legislative requirements. Therefore, it is imperative to maintain the current level of funding. This measure is a percent of completion.	90	100	90	100	100
				The Board will employ temporary staffing to accomplish non-technical functions and operational requirements. Future legislation may change appeal deadlines thereby requiring changes in staff positions or outsourcing some work activities.					
◆ Goal:	4	To Complete the processing of the Booard's rules.							
Objectives:	1	2022 Obj: Currently updating rules to comply with GRRC and AG requirements.							
		2023 Obj: Maintain rules submittal timeline. Rules are currently being vetted by appropriate agencies for approval.							
		2024 Obj: Complete the rules approval process and implementation.							
Performance Measures:				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
ML Budget Type									
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	An exception to the Governor's morartorem for 2020 was reuquested, however the time had expired for the Notice of Proposed Rulemaking. A new docket opening has been completed. The Board will continue to seek input for modifications to expired rules. This performance measure is a percentage of the project completion.	75	100	80	100	100
◆ Goal:	5	To obtain legislation that will reduce the number of unnecessary appeals.							
Objectives:	1	2022 Obj: Closely monitor legislative changes and impacts to the Board's fiscal requirements.							
		2023 Obj: Work with stakeholders to develop a simplified appeals process to comply with existing and future legislative calendars.							
		2024 Obj: Seek legislation to provide definitive interpretation of the various statutes.							
Performance Measures:				FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate	
ML Budget Type									
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Become fully involved with all stakeholders in the appeal process. The stakeholders are the legislative body, which makes changes to the Arizona Revised Statutes, the Department of Revenue that provides	75	100	90	100	100

ML Budget Type

FY 2021  
Actual

FY 2022  
Estimate

FY 2022  
Actual

FY 2023  
Estimate

FY 2024  
Estimate

guidelines and implementing instructions for new legislation, County Assessors, County Boards of Supervisors and property owners who are the taxpayers. This performance measure is outcome of efforts employed.



## Budget Related Performance Measures

### State Board of Equalization

<b>Agency:</b>	0.0	STATE BOARD OF EQUALIZATION
<b>Contact:</b>	George Shook, Acting Chairman (602) 364-1601	
<b>2nd Contact:</b>	George Shook, Acting Chairman (602) 364-1611	
<b>Statute:</b>	A.R.S. §§ 42-16151 et al.	

ML	Budget	Type	Performance Measure	FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	Cost per appeal (in dollars)	103	103	137	125	125
			Board member compensation is included in the cost per appeal.					
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Appeals received	2326	2150	2035	2500	2500
			Petitions received by the SBOE may contain multiple parcels.					

# Revised Performance Measure Descriptions

The following performance measures are budget related. Unlike non-budget related performance measures, agencies can't change the last published description themselves. Therefore, they've entered a revised description which should be reviewed. If appropriate, update the performance measure's description with the agency's revised description in OSPB's "centralized" AZIPS. Be sure your team leader, OSPB management and JLBC have approved of the change, since this will be published. This report checks for revisions across all agencies. Please communicate with the agency about the outcome of their request to add, change or delete performance measures and/or their descriptions.

**Agency:** EQA State Board of Equalization

**Program:** 0 State Board of Equalization

**Subprogram:** 0 State Board of Equalization

**Goal:** 2 To maintain sufficient funding in order for the State Board of Equalization to be prepared for annual changes in caseloads. This will also ensure that the SBOE is able to adequately staff all hearings in Maricopa and Pima Counties and meet statutory deadlines.

**Objective:** 1 Default Objective Description

**Performance Measure Last Published Description & Agency's Revised Description**

**PM  
Type**

**Original:** 2 Appeals received

IP

**Revised:** 2 Appeals received. Valuation and classification of all property, and subsequent appeal are performed in the year preceding the tax year.

**Original:** 1 Cost per appeal (in dollars)

EF

**Revised:** 1 Cost per appeal (in dollars); this can be modified as cost per parcel of property appealed to the Board; example would be expenses divided by total parcel counts. For appeal year 2019 the cost per appeal would be \$196 per appeal and \$81 per parcel.

## Agency 5-Year Plan

**Issue 1** Replace the Board's Information Technology system. The goal is to improve Information Security to provide protection for the agency and the public.

**Description:** Microsoft no longer supports the current custom application software. A newer application is required to accommodate current and future Information Security requirements. The SBOE has accomplished the first step and completed Phase 1 of the application replacement process. The SBOE initiated the rebuild of a new software application program in CY 2021. The application will be enhance the application in CY 2022.

**Solutions:**

1. Funding must be obtained to continue the rebuild of the new software application. At present, the SBOE is using year-end residuals to fund the project. However, the heightened requirements for data protection and information security has caused the SBOE to anticipate software upgrades and server replacement in the very near future. All software upgrades require annual renewal of licenses. These amounts must be identified and built into future budgets.

**Issue 2** Information Security must be upgraded. This is a work in progress with the ever changing IT security requirements to protect all computer applications.

**Description:** This agency will upgrade and update all hardware and software to the latest technology required to implement the State's Information Security plans.

**Solutions:**

1.1 The Board will utilize all state ASET available assets and resources to become compliant with all information security requirements.

**Issue 3** The Board has completed construction of a permanent hearing room in the capital Annex building at 400 W. Congress, Tucson, AZ. This project is 98% complete as of FY 2020. Enhancements of the electrical wiring is expected to be completed in FY23.

**Description:** This project resulted from the opportunity to obtain space at the location where all appeals in Pima County take place. Prior to having a permanent room the Board was only able to obtain hearing rooms from other agencies at the times those rooms were not being used by the agency. Much of this logistics burden has been relieved and the dependency for use of personnel from a gratuitous agency to set up the rooms for hearings and returning files back to Phoenix has been minimized.

**Solutions:**

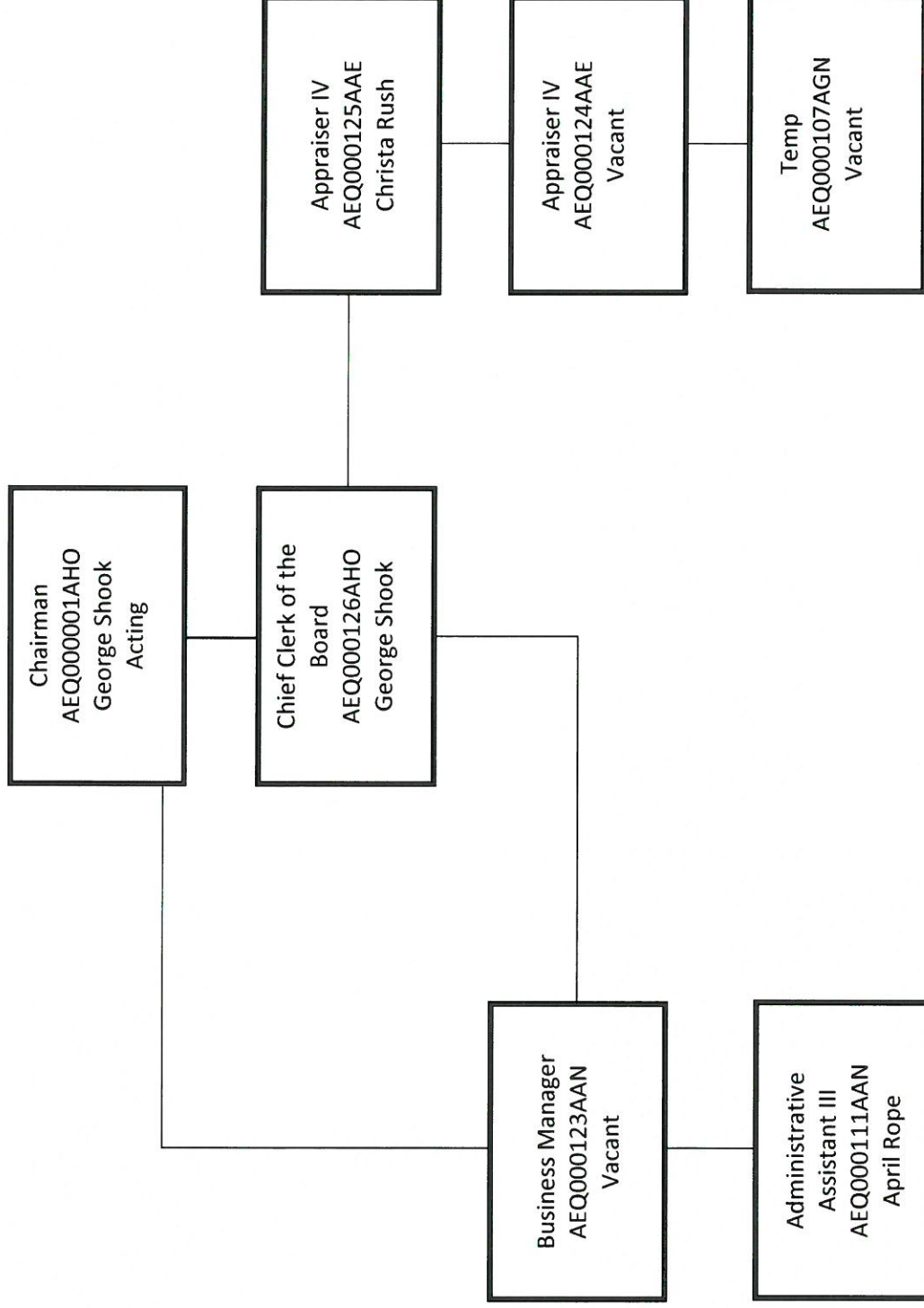
Use of vacancy savings and operational savings allows for the funding of this project without requiring a request for supplementing funds. Enhancement to the project will occur over a two-year period. The room will be furnished, over time, with items obtained from Arizona's Surplus Property.

## Resource Assumptions

	FY2025 Estimate	FY2026 Estimate	FY2027 Estimate
<b>Full-Time Equivalent Positions</b>	7.0	7.0	7.0
<b>General Fund</b>	731.1	731.1	731.1
<b>Other Appropriated Funds</b>	0.0	0.0	0.0
<b>Non-Appropriated Funds</b>	0.0	0.0	0.0
<b>Federal Funds</b>	0.0	0.0	0.0

# BOARD OF EQUALIZATION ORGANIZATIONAL CHART

Fiscal Year 2024





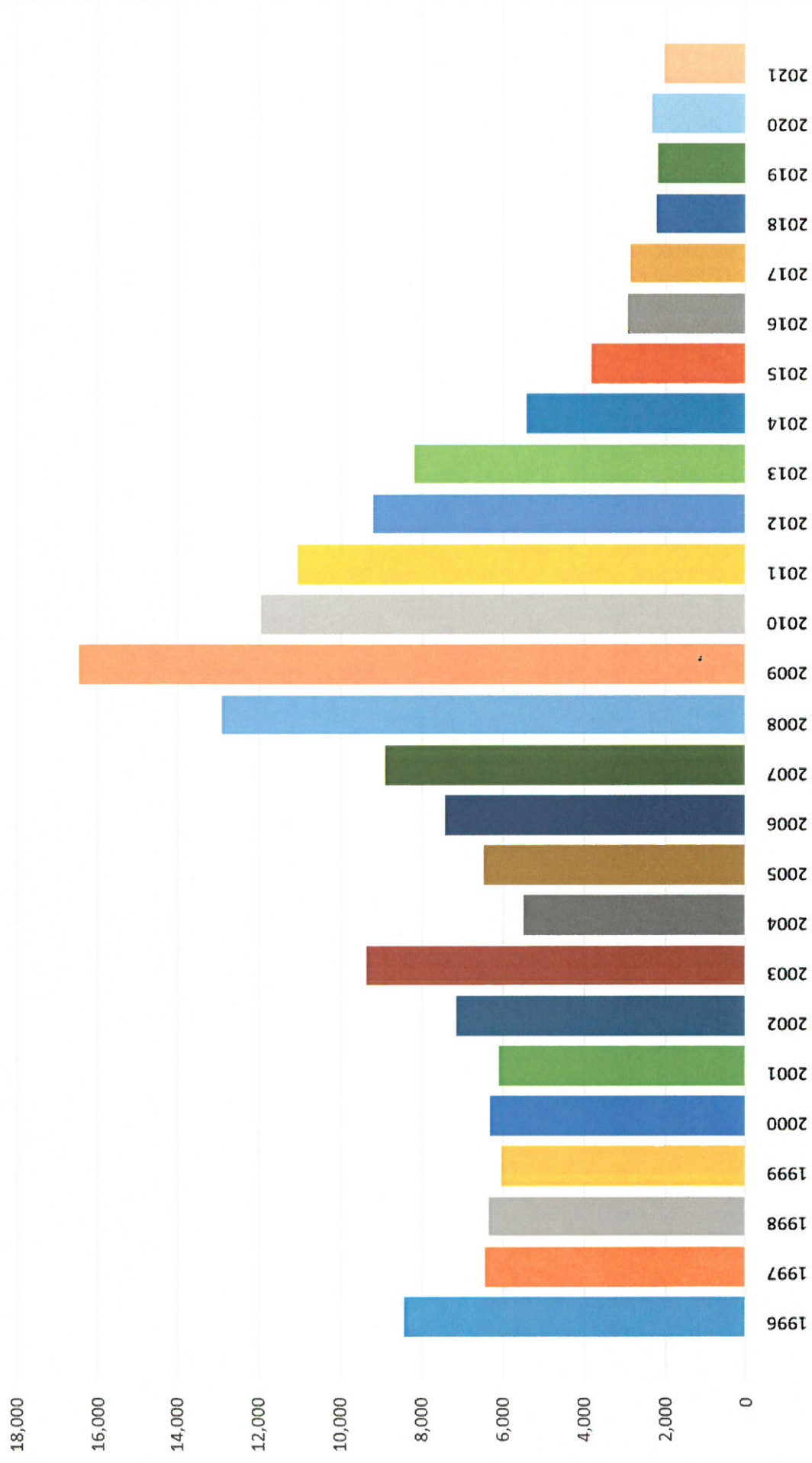


# State Board of Equalization

## APPEAL HISTORY 1996-2021

COUNTY	02	07	08	09	10	11	12	13	15	DOR	TOTAL	# CTY's
YEAR												
1996		5,414	1		3,006	3				13	8,437	5
1997		3,675	191		2,568					7	6,441	4
1998		3,604	172		2,276	82		213		17	6,364	6
1999	2	3,494	152		2,057	169		119		40	6,033	7
2000		3,682	77		2,402	45		112		11	6,329	6
2001		3,743	93		2,094	39		133		8	6,110	6
2002		3,853	101		2,810	95		257		27	7,143	6
2003		6,888	103		2,023	42		272		45	9,373	6
2004		3,490	88		1,654	40		187		15	5,474	6
2005		4,286	37		1,953	24		156		2	6,458	6
2006		4,670	51		2,456	108		139		16	7,440	6
2007		5,802	197	26	2,315	266		263	42	9	8,920	8
2008		9,045	243	23	2,591	483		493	27	16	12,921	8
2009		12,134	360		3,085	468		397		30	16,474	6
2010		8,328	361		2,673	271		317		18	11,968	6
2011		7,275	279		3,250	263				11	11,078	5
2012		5,913	177		2,858	223	25			6	9,202	6
2013		5,104	198		2,530	99	48	199		10	8,188	7
2014		3,109	107		1,892	157	28	133		4	5,430	7
2015		2,131	81		1,235	121	20	213		11	3,812	7
2016		1,420	69		1,255	97	29	61		5	2,936	7
2017		1,034	41		1,657	71	11	61		1	2,876	7
2018		847	60		1,194	77	16	37		0	2,231	6
2019	50	722	49	8	1,270	33	8	38		6	2,184	9
2020	65	1,011	25		1,119	40	7	47		12	2,326	8
2021	38	726	30		1,165	31	5	39		1	2,035	8
<b>TOTALS</b>	<b>117</b>	<b>111,400</b>	<b>3,343</b>	<b>57</b>	<b>55,388</b>	<b>3,347</b>	<b>197</b>	<b>3,886</b>	<b>69</b>	<b>341</b>	<b>178,183</b>	

# APPEAL HISTORY 1996-2021







**State Board of Equalization**

**PARCEL HISTORY 1996 - 2021**

COUNTY	02	07	08	09	10	11	12	13	15	DOR	TOTAL	# CTY's
YEAR												
1996		15,013	15		5,972	3				18	21,021	5
1997		8,763	409		5,947					8	15,127	4
1998		7,679	353		4,284	125		402		23	12,866	6
1999	2	10,945	367		4,389	604		450		40	16,797	7
2000		16,133	96		4,504	48		259		11	21,051	6
2001		18,124	139		3,822	210		463		8	22,766	6
2002		21,429	1,007		5,459	1,307		351		27	29,580	6
2003		29,476	320		5,464	75		2,037		45	37,417	6
2004		14,403	185		3,289	58		1,154		15	19,104	6
2005		10,871	81		4,283	86		215		2	15,538	6
2006		14,642	106		4,684	2,246		305		16	21,999	6
2007		24,762	481	31	4,813	1,343		610	50	9	32,099	8
2008		59,887	715	41	11,331	12,270		1,880	35	16	86,175	8
2009		85,749	1,442		13,045	15,357		1,980		30	117,603	6
2010		47,106	1,216		11,800	5,589		1,457		18	67,186	6
2011		31,831	759		13,537	7,280				11	53,418	5
2012		26,483	673		10,571	9,949	31			6	47,713	6
2013		18,619	910		8,019	3,015	52	1,115		10	31,740	7
2014		9,776	216		5,400	3,008	506	465		4	19,375	7
2015		5,327	129		2,518	2,241	20	638		11	10,884	7
2016		3,334	130		4,098	2,297	123	185		5	10,172	7
2017		3,184	73		4,531	793	11	118		1	8,711	7
2018		1,662	110		2,585	938	18	59			5,372	6
2019	121	1,747	257	8	4,008	714	10	184		6	7,055	9
2020	159	1,694	39		2,247	129	12	94		12	4,386	8
2021	83	1,351	49		2,439	90	7	41		1	4,061	8
<b>TOTALS</b>	<b>282</b>	<b>489,990</b>	<b>10,277</b>	<b>80</b>	<b>153,039</b>	<b>69,775</b>	<b>790</b>	<b>14,462</b>	<b>85</b>	<b>353</b>	<b>735,155</b>	

# PARCEL HISTORY 1996-2021

