

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for submission of proposals for relay service, beginning in June 2015, for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

DOCKET NO. 140029-TP
ORDER NO. PSC-16-0280-PAA-TP
ISSUED: July 21, 2016

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman
LISA POLAK EDGAR
ART GRAHAM
RONALD A. BRISÉ
JIMMY PATRONIS

NOTICE OF PROPOSED AGENCY ACTION ORDER ESTABLISHING FLORIDA
TELECOMMUNICATIONS RELAY INC.'s 2016/2017 BUDGET AND REDUCING THE
SURCHARGE TO \$0.11

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. Background

The Florida Relay System provides deaf and hard of hearing persons access to basic telecommunications services by using a specialized Communications Assistant that relays information between the deaf or hard of hearing person and the other party to the call. The primary function of the Florida Relay System is accomplished by the deaf or hard of hearing person using a Telecommunications Device for the Deaf where the person types a message to the Communications Assistant who in turn voices the message to the other party, or a Captioned Telephone which displays real-time captions of the conversation.

The Telecommunications Access System Act of 1991 (TASA) established a statewide telecommunications relay system which became effective May 24, 1991. TASA is authorized pursuant to Chapter 427, Florida Statutes (F.S.). Section 427.701(1), F.S., provides that the Commission shall establish, implement, promote, and oversee the administration of the statewide telecommunications access system to provide access to telecommunications relay services by

persons who are deaf, hard of hearing or speech impaired, or others who communicate with them. It is estimated that approximately 2.5 to 3 million¹ of the estimated 20 million persons living in Florida have been diagnosed as having a hearing loss. This system provides telecommunications service for deaf or hard of hearing persons functionally equivalent to the service provided to hearing persons.

TASA provides funding for the distribution of specialized telecommunications devices and provision of intrastate relay service through the imposition of a surcharge of up to \$0.25 per landline access line per month. Accounts with over 25 access lines are billed for only 25 lines. Pursuant to Section 427.704(4)(a)1, F.S., a surcharge is collected only from landline access lines.²

We selected Florida Telecommunications Relay, Inc. (FTRI), a non-profit corporation formed by the local exchange telephone companies, to serve as the Telecommunications Access System Act Administrator. On July 1, 1991, the local exchange telecommunications companies began collecting an initial \$0.05 per access line surcharge pursuant to Order No. 24581. Since July 1, 1991 the surcharge, which is currently \$0.12 per month, has changed to reflect FTRI budgetary needs and potential Federal Communications Commission (FCC) mandates.

On March 7, 2016, FTRI filed its proposed budget. FTRI's proposed budget is appended hereto as Attachment A.

Chapter 427, F.S., requires that the relay system be compliant with regulations adopted by the FCC to implement Title IV of the Americans with Disabilities Act. The FCC mandates the minimum requirements for services a state must provide, certifies each state program, and periodically proposes changes in the stipulated services.

The current relay service provider in Florida is Sprint. We awarded the contract to Sprint, effective March 1, 2015, for a period of three years. The contract contains options to extend the contract for four additional one-year periods, and requires mutual consent by both parties to extend the contract.

Our staff sent a data request to FTRI on a number of issues included in its proposed budget. FTRI's responses to our staff's data request are included in the docket file. Based on having more actual data for Fiscal Year 2015/2016, our staff updated the actual FTRI expenses for Fiscal Year 2015/2016. Our staff used actual data from June 2015 through March 2016 and estimated the fourth quarter by averaging the first three quarters of the fiscal year.

In 2013, the Commission's Office of Auditing and Performance Analysis performed a management audit of FTRI. The audit produced seven findings and corresponding recommended

¹ 2015 Florida Coordinating Council for the Deaf and Hard of Hearing Biennial Report to Governor Rick Scott, the Florida Legislature & the Supreme Court and "Demographics and Statistics," Florida Telecommunications Relay, Inc., <http://ftri.org/index.cfm/go/public.view/page/12>, accessed on April 21, 2016.

² Florida Telecommunications Relay, Inc. projects a 4 percent decrease in landline access lines subject to the relay surcharge for the budget year 2016/2017.

actions. To assist the current analysis, our audit staff updated portions of its analysis and conducted a limited assessment of improvements FTRI has implemented in response to the 2013 findings.

Through its recent analysis, our audit staff concluded that FTRI had undertaken largely responsive and reasonable efforts to implement the suggested improvements from 2013. However, our audit staff noted that FTRI's Fiscal Year 2016/2017 proposed expenditures interrupt a three-year trend of reducing total expenditures.

National Deaf-Blind Equipment Distribution Program

FTRI was certified by the FCC to participate in the National Deaf-Blind Equipment Distribution Program (NDBEDP)³ and receive reimbursement from the Federal TRS Fund in 2012. Under current FCC guidelines, FTRI is reimbursed for some expenses related to administering the program, including equipment purchased and distributed, assessment of clients, and training of clients. Administrative costs are capped at 15 percent of the reimbursement expenses.

On March 28, 2016, after it submitted its Fiscal Year 2016/2017 proposed budget, FTRI submitted a letter to this Commission communicating that it will decertify from the NDBEDP. In the letter, FTRI explains that the FTRI Board directed that participation in the NDBEDP not adversely impact FTRI's TASA function in Florida. FTRI further explained that its continued participation in the NDBEDP would result in absorbing some of the cost through its state relay budget. FTRI revenues for Fiscal Year 2015/2016 from the NDBEDP for Q1 and Q2 were \$66,149 and expenses were \$76,702, resulting in a net loss of \$10,553.

FTRI suggested that continued participation in the program may lead to increased losses due to the 15 percent administrative cap. Further, FTRI stated that reimbursable expenses are shifting to lower cost equipment offered through the program, yielding a lower administrative reimbursement using the 15 percent cap.

If FTRI decertifies with the FCC, it is anticipated that the program and its offered services will continue with another entity distributing the NDBEDP equipment for the deaf-blind, low-income Floridians. The FCC will make that determination after reviewing interested applicants' proposals.

We find that the full impact of continuing to participate in the NDBEDP on FTRI's proposed Fiscal Year 2016/2017 budget is a projected \$61,820 loss as presented by FTRI in its Fiscal Year 2015/2016 Estimated Revenue & Expenses.

³ The NDBEDP, also known as iCanConnect, provides equipment needed to make telecommunications, advanced communications, and the Internet accessible to low-income individuals who have both significant vision loss and significant hearing loss. It was established and funded by the FCC in an effort to comply with the 21st Century Video and Communications Accessibility Act, a federal law that requires people with disabilities to have access to modern communications technology that enables distance communication.

This order addresses the FTRI Fiscal Year 2016/2017 budget and the relay surcharge for the upcoming fiscal year. We are vested with jurisdiction pursuant to Chapter 427, F.S.

II. Decision

We find that minutes of use for traditional TRS have been declining. Sprint's projections indicate that traditional minutes will continue to decline during the 2016/2017 Fiscal Year. Traditional relay users are transitioning to Internet Protocol Relay,⁴ Video Relay Service,⁵ Captioned Telephone Service,⁶ Internet Protocol Captioned Telephone Service,⁷ Internet Protocol Speech-to-Speech (STS) service,⁸ and wireless service. The traditional TRS cost as we approved in Sprint's contract remains at \$1.09 per session minute.

CapTel service uses a specialized telephone that provides captioning of the incoming call for a deaf or hard of hearing person. We find that Sprint's projections show that CapTel minutes of use will also decrease during the 2016/2017 Fiscal Year. The CapTel cost which we approved in the Sprint contract remains at \$1.63 per session minute.

Attachment A reflects FTRI's 2016/2017 Fiscal Year proposed budget, which was reviewed and adopted by FTRI's Board of Directors prior to filing with this Commission. The proposed budget includes a decrease in expenses of approximately \$774,299 from the Fiscal Year 2015/2016 budget which we approved. The FTRI 2016/2017 proposed budget projects total operating revenues to be \$8,269,418 and total expenses to be \$7,977,633. FTRI suggested that the Telecommunications Relay surcharge should remain at \$0.12 per access line for the 2016/2017 Fiscal Year.

⁴ IP Relay allows people who have difficulty hearing or speaking to communicate through an Internet connection using a computer and the Internet, rather than a TTY and a telephone.

⁵ Video Relay Service is a form of Telecommunications Relay Service that enables persons with hearing disabilities who use American Sign Language to communicate with voice telephone users through video equipment, rather than through typed text. Video equipment links the VRS user with a TRS operator so that the VRS user and the operator can see and communicate with each other in signed conversation. Because the conversation between the VRS user and the operator flows much more quickly than with a text-based TRS call, VRS has become a popular form of TRS.

⁶ A telephone that displays real-time captions of a conversation. The captions are typically displayed on a screen embedded into the telephone base.

⁷ IP captioned telephone service allows the user to simultaneously listen to, and read the text of, what the other party in a telephone conversation has said, where the connection carrying the captions between the service and the user is via an IP addressed and routed link.

⁸ Speech-to-Speech (STS) relay service utilizes a specially trained CA who understands the speech patterns of persons with speech disabilities and can repeat the words spoken by such an individual to the other party to the call. IP STS uses the Internet, rather than the public switched telephone network, to connect the consumer to the relay provider. Instead of using a standard telephone to make the relay call, an IP STS user can use a personal computer or personal digital assistant (PDA) device and, with the installation of softphone application software, can make a voice call via the Internet to the relay provider. The call is initiated by the user clicking on an icon on his or her computer or PDA; the relay user is then connected to a CA over the Internet and tells the CA the number to be dialed; the CA then connects the IP STS user with the called party and relays the call between the two parties.

Sprint's estimated Fiscal Year 2016/2017 traditional Telecommunications Relay surcharge minutes of use are 1,013,262 at a rate of \$1.09 per minute for a total of \$1,104,456. Sprint's estimated CapTel minutes of use for Fiscal Year 2016/2017 are 1,280,726 at a rate of \$1.63 per minute for a total of \$2,087,583.

The biggest decrease in expense in the budget arises from relay provider services, resulting in \$779,460 in savings when compared to the Fiscal Year 2015/2016 budget. The largest increase in the budget is associated with FTRI Outreach. FTRI's Outreach expense increased by \$153,674 over the Fiscal Year 2015/2016 budget and FTRI's 2015/2016 estimated expenditures for Outreach.

Not including Category I, the relay provider expense, or NDBEDP, FTRI's proposed budget included a net increase in expenses for categories II-V of \$1,386 compared to the budget we approved for Fiscal Year 2015/2016; \$383,346 compared to FTRI's estimated actual for Fiscal Year 2015/2016; and \$305,387 compared to the staff's estimate of actual expense for Fiscal Year 2015/2016.

A comparison of FTRI's Fiscal Year 2015/2016 budget and FTRI's Fiscal Year 2016/2017 proposed budget as filed is shown in Table 1 below.

Table 1
FTRI Fiscal Year 2016/2017 Budget Comparison

	Approved 2015-2016	FTRI Proposed 2016-2017
Operating Revenue:		
Surcharges	\$8,249,890	\$7,762,706
Interest Income	33,941	34,188
NDBEDP ⁹	<u>468,749</u>	<u>472,524</u>
Total Operating Revenue	\$8,752,580	\$8,269,418
Operating Expenses:		
Relay Provider Services	\$3,971,499	\$3,192,039
Equipment and Repairs	1,690,386	1,621,478
Equipment Distribution And Training	1,054,737	950,403
Outreach	574,626	728,300
General & Administrative	991,935	1,012,889
NDBEDP	<u>468,749</u>	<u>472,524</u>
Total Expenses	\$8,751,932	\$7,977,633
Annual Surplus		
	648	291,785
Total Surplus ¹⁰	\$15,723,243	\$16,274,881

Source: FTRI's Fiscal Year 2016/2017 proposed budget.

We find that Category I, the Sprint relay charges, should not be adjusted. The minutes of use have been projected by Sprint. We conclude that it has multi-state experience with such projections and its historic projections have proved to be reasonable.

In addition, we find that FTRI's projection methodology of the revenues for Fiscal Year 2016/2017 is reasonable. We note that the number of access lines assessed the relay surcharge is declining and has been for a number of years. The costs of Florida's relay program are being spread among a fewer number of consumers as the number of landlines decline. In addition, the equipment that can be distributed by FTRI's equipment distribution program is limited by the relay statute.

⁹ National Deaf Blind Equipment Distribution Program.

¹⁰ The FCC may mandate state funding of Video Relay Service, Internet Protocol Relay Service, and Internet Protocol Captioned Telephone Service. It is estimated that at a minimum \$32 million would be needed to adequately fund the state program. The Commission, by Order PSC-06-0469-PAA-TP, issued June 1, 2006, in Docket No. 040763-TP, maintained the Florida Telecommunications Relay Service surcharge at \$0.15/month for one year in lieu of a surcharge reduction, to prepare the state Telecommunications Relay Service Fund for assuming intrastate costs of Video Relay Service and Internet Protocol Relay, and to allow time to determine how the costs should be recovered should the need arise.

In the 2013 management audit report, our audit staff calculated FTRI's "core" operating expenditures per new client added. Core operating expenditures is defined as expenses for equipment, equipment distribution, repairs, training, outreach and general administration. The following chart displays updated results.

Table 2
Florida Telecommunications Relay, Inc.
Core* Operating Expenditures per New Client
Fiscal Year 2010-2017

	FY '10-'11	FY '11-'12	FY '12-'13	FY '13-'14	FY '14-'15	<i>Projected</i> FY '15-'16	<i>Budget</i> FY '16-'17
Total Core* Expenditures	\$5,891,703	\$5,066,067	\$4,634,021	\$4,166,422	\$4,071,914	\$4,007,686	\$4,313,070
Total New Clients	24,399	19,287	15,078	13,671	13,408	13,408**	13,408**
Ratio Expenditures/ New Client	\$241	\$263	\$307	\$305	\$304	\$299	\$322

*Core expenditures include Equipment/Repairs/Distribution/Training, Outreach, and General/Administrative

**Assumed for illustration purposes by Commission audit staff to equal 2014-2015 total

Our staff and FTRI recognized that FTRI provides service to more clients than just the new ones; however, this chart focuses on the dollar impact of FTRI's outreach efforts. Within its Fiscal Year 2016-2017 budget, FTRI proposes to increase core operating expenses, which combined with a continued decline in new clients, would result in a significant increase in costs per new client.

FTRI's budget for Fiscal Year 2016/2017 shall be predicated on the actual expense level for Fiscal Year 2015/2016 as shown in Attachment B. For Fiscal Year 2015/2016, FTRI estimated the actual expenses by including six months of actual data and six months of estimated data based on a combination of actual data and projections of any changes.

On May 16, 2016, FTRI filed its quarterly report with actual data for the third quarter of Fiscal Year 2015/2016. That information was used to update the "actual" amounts for Fiscal Year 2015/2016 with nine months (three quarters) of actual data and three months (one quarter) of estimated data. The fourth quarter was established by averaging the first three quarters of actual data and using it as a proxy for the fourth quarter.

As shown in Attachment B, we made three category exceptions in our calculations of our actual results. First, Category I-Relay Services included the amount requested for Fiscal Year 2016/2017. The second adjustment was to Category IV-Outreach. The outreach money has been committed, so the amount budgeted for this item for Fiscal Year 2015/2016 will substantially be used by year end. The last proposed adjustment was to Category V-Advertising. FTRI currently has one vacancy; however, we recognize that actual advertising expenses for Fiscal Year 2014/2015 were significantly below average during this time period. A better estimate for advertising expenses is an average based on actual expenses for the prior three years.

We find that since the results for Fiscal Year 2015/2016 are based on more actual data, estimates for Fiscal Year 2015/2016 shall be used as the actual results for Fiscal Year 2015/2016, as shown in Attachment B.

FTRI expenses are \$7,199,722. This represents a reduction from FTRI's proposed budget of \$305,387. FTRI is hereby given the flexibility, if needed, to shift up to ten percent from category to category as a management tool. The amount for Category I-Relay Services will remain in the amount projected by FTRI in its budget request.

The surcharge shall be reduced from \$0.12 to \$0.11 for the Fiscal Year 2016/2017, effective September 1, 2016. All telecommunications companies shall begin billing the \$0.11 surcharge for the Fiscal Year 2016/2017, effective September 1, 2016. FTRI may use the money from the reserve account to cover any shortfalls in revenue for Fiscal Year 2016/2017.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the TRS surcharge is reduced to \$0.11 per month for Fiscal Year 2016/2017, effective September 1, 2016. It is further

ORDERED that the incumbent local exchange companies, competitive local exchange companies, and shared tenant providers shall bill the \$0.11 surcharge for fiscal year 2016/2017, effective September 1, 2016. It is further

ORDERED that FTRI reduce its proposed budget by \$305,387.00. It is further

ORDERED that FTRI has the flexibility, if needed, to shift up to ten percent from category to category as a management tool. It is further

ORDERED that FTRI may use funds from the reserve account to cover any shortfalls in revenue for fiscal year 2016/2017. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall remain open to address all matters related to relay throughout the life of the contract.

By ORDER of the Florida Public Service Commission this 21st day of July, 2016.



CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 11, 2016.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

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Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.



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March 7, 2016

Mr. Curtis Williams, Regulatory Analyst IV
Office of Telecommunications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0866

RE: **FTRI FY 2016/2017 Budget**

Dear Mr. Williams:

I am pleased to forward a copy of the FY 2016/2017 budget that was recently approved by the Florida Telecommunications Relay, Inc. (FTRI) Board of Directors. The budget was reviewed by our Budget Committee and was adopted by the Board at a special meeting recently.

The budget adopted by the board for FY 2016/2017 maintains the surcharge at the current rate of 12 cents per access line and at this level is projected to produce revenues of \$7,796,894. As reflected on the attached copy of the approved budget total expenses are projected to be \$7,505,109.

Access lines have decreased at the rate of 4.7% during the past three years (2013, 2014 & 2015) and that trend is expected to continue as more consumers move from landline to other technologies. For the budget period it is projected that access lines will decrease over 4%.

As of February 2016, FTRI has over 507,498 individuals in the client database. FTRI and its regional partners continue to reach out to meet the telecommunications access needs of residents who are deaf, hard of hearing, deaf/blind, or speech disabled. Outreach continues to be a large part of our efforts to attract new clients and educate the general population about the Florida Relay System and the benefits this brings to our citizens.

Should you have questions or desire additional information, please do not hesitate to email me at jforstall@ftri.org.

Sincerely,

A handwritten signature in black ink, appearing to read "James Forstall", is written over a printed name and title.

James Forstall
Executive Director

Enclosure

cc: FTRI Board of Directors

Florida Telecommunications Relay, Inc.
Fiscal Year 2016/2017 Budget @ .12 cents surcharge

	2015/2016 APPROVED BUDGET	2015/2016 ESTIMATED REV & EXPEND	2016/2017 PROPOSED BUDGET	VARIANCE 2015/2016 2016/2017
OPERATING REVENUE				
1 Surcharges	8,249,890	8,086,152	7,762,706	(487,184)
2 Interest Income	33,941	23,174	34,188	247
3 NDBEDP	468,749	155,578	472,524	3,775
TOTAL OPERATING REV	8,752,580	8,264,904	8,269,418	(483,162)
OTHER REVENUE/FUNDS				
4 Surplus Account	15,722,595	15,682,385	15,983,096	260,501
TOTAL REVENUE	24,475,175	23,947,289	24,252,514	(222,661)
OPERATING EXPENSES				
CATEGORY I - RELAY SERVICES				
5 DPR Provider	3,971,499	3,817,071	3,192,039	(779,460)
SUBTOTAL-CATEGORY I	3,971,499	3,817,071	3,192,039	(779,460)
CATEGORY II - EQUIPMENT & REPAIRS				
6 TDD Equipment	0	0	0	0
7 Large Print TDD's	0	0	568	568
8 VCO/HCO - TDD	720	1,150	1,150	430
9 VCO Telephone	0	0	0	0
10 Dual Sensory Equipment	5,000	0	5,000	0
11 CapTel Phone Equipment	0	0	0	0
12 VCP Hearing Impaired	1,440,645	1,414,033	1,434,745	(5,900)
13 VCP Speech Impaired	1,386	554	693	(693)
14 TeliTalk Speech Aid	18,000	10,800	15,000	(3,000)
15 Jupiter Speaker phone	0	0	0	0
16 In-Line Amplifier	0	0	0	0
17 ARS Signaling Equip	6,501	4,204	5,418	(1,083)
18 VRS Signaling Equip	16,080	8,577	15,246	(834)
19 Accessories & Supplies	2,980	1,481	1,886	(1,094)
20 Telecomm Equip Repair	199,074	99,742	141,772	(57,302)
SUBTOTAL-CATEGORY II	1,690,386	1,540,541	1,621,478	(68,908)
CATEGORY III - EQUIPMENT DISTRIBUTION & TRAINING				
21 Freight-Telecomm Equip	74,314	45,072	47,325	(26,989)
22 Regional Distr Centers	978,423	860,762	901,078	(77,345)
23 Workshop Expense	0	0	0	0
24 Training Expense	2,000	936	2,000	0
SUBTOTAL-CATEGORY III	1,054,737	906,770	950,403	(104,334)

Florida Telecommunications Relay, Inc.
 Fiscal Year 2016/2017 Budget @ .12 cents surcharge

	2015/2016 APPROVED BUDGET	2015/2016 ESTIMATED REV & EXPEND	2016/2017 PROPOSED BUDGET	VARIANCE 2015/2016 2016/2017
CATEGORY IV - OUTREACH				
25 Outreach Expense	574,626	574,626	728,300	153,674
SUBTOTAL-CATEGORY IV	574,626	574,626	728,300	153,674
CATEGORY V - GENERAL & ADMINISTRATIVE				
26 Advertising	2,641	1,320	2,633	(8)
27 Accounting/Auditing	24,896	21,398	22,300	(2,596)
28 Legal	72,000	71,550	72,000	0
29 Computer Consultation	23,970	8,084	15,980	(7,990)
30 Dues & Subscriptions	3,034	2,784	2,798	(236)
31 Office Furniture Purchase	250	0	250	0
32 Office Equipment Purchase	12,500	8,069	9,990	(2,510)
33 Office Equipment Lease	1,886	1,878	1,876	(10)
34 Insurance-Hlth/Life/Dsbly	158,262	124,882	165,735	7,473
35 Insurance-Other	8,897	6,064	9,844	947
36 Office Expense	16,524	16,389	17,496	972
37 Postage	9,917	8,087	8,124	(1,793)
38 Printing	1,537	1,289	1,295	(242)
39 Rent	91,280	92,166	93,419	2,139
40 Utilities	5,808	5,254	5,281	(527)
41 Retirement	58,575	57,717	59,694	1,119
42 Employee Compensation	408,471	403,461	430,264	21,793
43 Temporary Employment	8,000	7,230	10,400	2,400
44 Taxes - Payroll	32,507	30,899	32,916	409
45 Taxes - Unemplmt Comp	1,863	1,651	1,663	(200)
46 Taxes - Licenses	65	65	65	0
47 Telephone	18,670	15,765	16,708	(1,962)
48 Travel & Business	16,296	11,430	18,700	2,404
49 Equipment Maint.	1,353	1,281	1,287	(66)
50 Employee Training/Dev	7,000	3,475	5,300	(1,700)
51 Meeting Expense	5,733	5,599	6,871	1,138
52 Miscellaneous Expense	0	0	0	0
SUBTOTAL-CATEGORY V	991,935	907,787	1,012,889	20,954
CATEGORY VI - NDBEDP				
53 NDBEDP - Expense	468,749	217,398	472,524	3,775
SUBTOTAL-CATEGORY VI	468,749	217,398	472,524	3,775
TOTAL EXPENSES	8,751,932	7,964,193	7,977,633	(774,299)
REVENUE LESS EXPENSES	15,723,243	15,983,096	16,274,881	551,638

FTRI Approved Budget

	2015/2016 APPROVED BUDGET	2016/2017 PROPOSED BUDGET	2016/2017 APPROVED BUDGET
			@ \$0.11 ¹¹
1	8,249,890	7,762,706	7,297,393
2	33,941	34,188	34,188
3	468,749		
	8,752,580	7,796,894	7,331,581
4	15,722,595	15,983,096	
	24,475,175	23,779,990	

OPERATING EXPENSES

CATEGORY I - RELAY SERVICES

5	3,971,499	3,192,039	3,192,039
	3,971,499	3,192,039	3,192,039

CATEGORY II - EQUIPMENT & REPAIRS

6	-	-	-
7	-	568	-
8	720	1,150	1,533
9	-	-	-
10	5,000	5,000	-
11	-	-	-
12	1,440,645	1,434,745	1,415,745
13	1,386	693	689
14	18,000	15,000	7,200
15	-	-	-
16	-	-	-
17	6,501	5,418	1,589
18	16,080	15,246	6,968
19	2,980	1,886	481
20	199,074	141,772	89,829
	1,690,386	1,621,478	1,524,034

CATEGORY III - EQUIPMENT DISTRIBUTION & TRAINING

21	74,314	47,325	43,225
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¹¹ \$0.11 was used for ten months and \$0.12 was used for two months

22	Regional Distribution Centers	978,423	901,078	981,481
23	Workshop Expense	-	-	-
24	Training Expense for RDCs	2,000	2,000	624
	SUBTOTAL CAT III	1,054,737	950,403	1,025,330

CATEGORY IV - OUTREACH

25	Outreach Expense	574,626	728,300	574,626
	SUBTOTAL CAT IV	574,626	728,300	574,626

CATEGORY V - GENERAL AND ADMINISTRATIVE

26	Advertising	2,641	2,633	1,340
27	Accounting/Audit	24,896	22,300	26,140
28	Legal	72,000	72,000	71,400
29	Consultation-Computer	23,970	15,980	7,187
30	Dues/Subscriptions	3,034	2,798	3,439
31	Office Furniture	250	250	-
32	Office Equipment Purchase	12,500	9,990	4,507
33	Office Equipment Lease	1,886	1,876	1,695
34	Insurance -Health/Life/Disability	158,262	165,735	114,077
35	Insurance-Other	8,897	9,844	10,748
36	Office Expense	16,524	17,496	14,197
37	Postage	9,917	8,124	4,489
38	Printing	1,537	1,295	719
39	Rent	91,280	93,419	93,921
40	Utilities	5,808	5,281	5,065
41	Retirement	58,575	59,694	59,101
42	Employee Compensation	408,471	430,264	393,852
43	Temporary Employment	8,000	10,400	9,640
44	Taxes - Payroll	32,507	32,916	29,669
45	Taxes - Unemployment Comp	1,863	1,663	2,012
46	Taxes - Licenses	65	65	-
47	Telephone	18,670	16,708	15,595
48	Travel & Business Expense	16,296	18,700	9,755
49	Equipment Maintenance	1,353	1,287	937
50	Employee Training	7,000	5,300	567
51	Meeting Expense	5,733	6,871	3,641
52	Miscellaneous	-	-	-
	SUBTOTAL CAT V	991,935	1,012,889	883,693

CATEGORY VI				
53	NDBEDP	468,749	-	-
	SUBTOTAL CAT VI	468,749	-	-
TOTAL EXPENSES				
		8,751,932	7,505,109	7,199,722
REVENUES LESS EXPENSES				
		648	291,785	131,859