

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: March 11, 2016
TO: Carlotta Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Curtis J. Williams, Office of Telecommunications *CW*
RE: Docket No. 140029-TP - Document Filing

Please file a copy of the attached document from James Forstall regarding FTRI's 2016/2017 Proposed Budget in Docket No. 140029-TP.

Please let me know if you have any questions.

Attachments

cc: Beth Salak
Pamela Page
Greg Fogleman
Jeff Bates

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COMMISSION
CLERK



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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/Dsblty	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