



February 26, 2021

Mr. Curtis Williams, Regulatory Analyst IV  
Office of Industry Development & Market Analysis  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

**Re: Approved FTRI FY 2022 Budget**

Mr. Williams:

Pursuant to FS 427.704(4)(e), the FTRI FY 2022 budget as approved by the Board of Directors on February 18, 2021 is hereby provided in support of the Commission's annual review of the TASA surcharge.

As the administrator of the telecommunications access system which consists of the Florida Relay Service and the specialized equipment distribution program, FTRI continues to effectively manage reasonable administrative costs in the fulfillment of the duties defined in FS 427.705.

Thanks to the Commission, TASA Advisory Committee members, Regional Distribution Centers, and certifiers across the state for supporting the Telecommunications Access System Act, FS 427.

Regards,

A handwritten signature in blue ink that reads "Brett A. Bascom".

Brett A. Bascom  
FTRI Business Manager

Enclosures

Florida Telecommunications Relay, Inc.  
Fiscal Year 2021/2022 Budget @ .10 cents surcharge

	2020/2021 APPROVED BUDGET	2020/2021 ESTIMATED REV & EXPEND	2021/2022 BUDGET	Estimated to Budget VARIANCE 2020/2021 2021/2022	Budget to Budget VARIANCE 2020/2021 2021/2022
<b>OPERATING REVENUE</b>					
1 Surcharges	4,792,249	4,653,281	4,374,084	(279,197)	(418,165)
2 Interest Income	114,589	20,604	22,843	2,239	(91,746)
<b>TOTAL OPERATING REV</b>	<b>4,906,838</b>	<b>4,673,885</b>	<b>4,396,927</b>	<b>(276,958)</b>	<b>(509,911)</b>
<b>OTHER REVENUE/FUNDS</b>					
3 Surplus Account	16,957,128	17,800,593	18,286,093	485,500	1,328,965
<b>TOTAL REVENUE</b>	<b>21,863,966</b>	<b>22,474,478</b>	<b>22,683,020</b>	<b>208,542</b>	<b>819,054</b>
<b>OPERATING EXPENSES</b>					
<b>CATEGORY I - RELAY SERVICES</b>					
4 DPR Provider	2,254,960	2,254,960	1,647,753	(607,207)	(607,207)
<b>SUBTOTAL-CATEGORY I</b>	<b>2,254,960</b>	<b>2,254,960</b>	<b>1,647,753</b>	<b>(607,207)</b>	<b>(607,207)</b>
<b>CATEGORY II - EQUIPMENT &amp; REPAIRS</b>					
5 TTY/TDD	0	0	0	0	0
6 CapTel Phone Equipment	0	0	0	0	0
7 VCP Hearing Impaired	577,203	278,296	577,203	298,907	0
8 VCP Speech Impaired	0	0	0	0	0
9 TeliTalk Speech Aid	32,760	32,250	32,760	510	0
10 In-Line Amplifier	34,950	103,170	34,950	(68,220)	0
11 ARS Signaling Equip	2,592	0	2,592	2,592	0
12 VRS Signaling Equip	16,400	8,200	16,400	8,200	0
13 Accessories & Supplies	518	50	518	468	0
14 Telecomm Equip Repair	108,812	30,192	108,812	78,620	0
<b>SUBTOTAL-CATEGORY II</b>	<b>773,235</b>	<b>452,158</b>	<b>773,235</b>	<b>321,077</b>	<b>0</b>
<b>CATEGORY III - EQUIPMENT DISTRIBUTION &amp; TRAINING</b>					
15 Freight-Telecomm Equip	30,862	20,595	30,862	10,267	0
16 Regional Distr Centers	535,647	161,812	531,618	369,806	(4,029)
17 Training Expense	468	468	468	0	0
<b>SUBTOTAL-CATEGORY III</b>	<b>566,977</b>	<b>182,875</b>	<b>562,948</b>	<b>380,073</b>	<b>(4,029)</b>

Florida Telecommunications Relay, Inc.  
Fiscal Year 2021/2022 Budget @ .10 cents surcharge

	2020/2021 APPROVED BUDGET	2020/2021 ESTIMATED REV & EXPEND	2021/2022 BUDGET	Estimated to Budget	Budget to Budget		
				VARIANCE 2020/2021 2021/2022	VARIANCE 2020/2021 2021/2022		
<b>CATEGORY IV - OUTREACH</b>							
18 Outreach Expense	535,650	433,143	535,650	102,507		0	
<b>SUBTOTAL-CATEGORY IV</b>	<b>535,650</b>	<b>433,143</b>	<b>535,650</b>	<b>102,507</b>		<b>0</b>	
<b>CATEGORY V - GENERAL &amp; ADMINISTRATIVE</b>							
19 Advertising	0	0	0	0		0	
20 Accounting/Auditing	20,823	21,146	21,624	478		801	
21 Legal	28,776	11,022	12,281	1,259		(16,495)	
22 Computer Consultation	5,020	6,431	5,460	(971)		440	
23 Dues & Subscriptions	2,482	1,230	1,380	150		(1,102)	
24 Office Equipment Purchase	7,131	7,730	7,711	(19)		580	
25 Office Equipment Lease	1,751	1,778	1,778	0		27	
26 Insurance-Hlth/Life/Dsblty	181,893	149,461	172,997	23,536		(8,896)	
27 Insurance-Other	9,741	10,253	9,741	(512)		0	
28 Office Expense	12,248	10,466	10,477	11		(1,771)	
29 Postage	4,139	3,025	3,025	0		(1,114)	
30 Printing	1,323	704	1,177	473		(146)	
31 Rent	91,715	91,304	91,304	0		(411)	
32 Utilities	5,408	4,971	4,945	(26)		(463)	
33 Retirement	77,030	67,828	78,849	11,021		1,819	
34 Employee Compensation	431,510	422,417	443,590	21,173		12,080	
35 Taxes - Payroll	31,979	30,840	30,977	137		(1,002)	
36 Taxes - Unemplmt Comp	56	2,957	2,957	0		2,901	
37 Taxes - Licenses	61	61	61	0		0	
38 Telephone	17,030	16,997	19,940	2,943		2,910	
39 Travel & Business	8,111	1,000	8,111	7,111		0	
40 Equipment Maint.	855	598	611	13		(244)	
41 Employee Training/Dev	2,145	3,030	2,145	(885)		0	
<b>SUBTOTAL-CATEGORY V</b>	<b>941,227</b>	<b>865,249</b>	<b>931,141</b>	<b>65,892</b>		<b>(10,086)</b>	
<b>TOTAL EXPENSES</b>	<b>5,072,049</b>	<b>4,188,385</b>	<b>4,450,727</b>	<b>262,342</b>		<b>(621,322)</b>	<b>-12.25%</b>
<b>REVENUE LESS EXPENSES</b>	<b>16,791,917</b>	<b>18,286,093</b>	<b>18,232,293</b>	<b>(53,800)</b>		<b>1,440,376</b>	
				<b>-53,800</b>			

Actual	Actual	Actual	Actual	Actual	Updated: 1/22/2021		Budgeted
					Actual/Estimates	Estimates	
FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	
5,663,980	5,434,653	5,106,749	4,692,126	4,302,014	4,004,571	3,764,297	
5,763,787	5,382,161	5,198,631	4,647,590	4,410,702	3,989,160	3,749,810	
5,677,509	5,483,982	4,652,845	4,625,981	3,126,101	3,948,914	3,711,979	
5,669,304	5,481,714	5,119,770	4,599,385	4,316,876	3,921,177	3,685,906	
5,582,548	5,382,897	5,066,772	4,554,597	5,417,185	3,879,471	3,646,703	
5,626,389	5,411,053	5,026,677	4,603,406	4,224,918	3,971,423	3,733,138	
5,680,982	5,333,032	5,021,265	4,724,755	4,181,940	3,931,024	3,695,162	
5,683,945	5,368,156	4,978,308	4,545,659	4,192,897	3,941,323	3,704,844	
5,640,987	5,267,429	4,968,714	4,464,100	4,150,942	3,901,885	3,667,772	
5,623,961	5,469,947	4,907,157	4,308,972	4,108,643	3,862,124	3,630,397	
5,598,573	5,203,327	4,807,765	4,379,513	4,075,376	3,830,853	3,601,002	
5,512,584	5,156,204	4,725,778	4,352,451	4,064,799	3,820,911	3,591,656	
67,724,529	64,334,555	59,580,431	54,498,535	50,572,393	47,002,837	44,182,667	
5,643,711	5,361,213	4,965,036	4,541,545	4,214,366	3,916,903	3,681,889	
67,724,529	64,334,555	59,580,431	54,498,535	50,572,393	47,002,837	44,182,667	
-5.24%	-5.01%	-7.39%	-8.53%	-7.20%	-7.06%	-6.00%	
\$8,045,674.05	\$7,006,033.04	\$5,898,462.67	\$5,395,354.97	\$5,006,666.91	\$4,653,280.87	\$4,374,084.02	
12 cents	11 cents	10 cents	10 cents	10 cents	10 cents	10 cents	
2016	2017	2018	2019	2020	2021	2022	

Access Lines	Revenue
Estimates	FYE 2022
FYE 2022 w/ 6% decrease	estimate @ 10 w/ 6% decrease
=====	=====
3,764,297	\$372,665
3,749,810	\$371,231
3,711,979	\$367,466
3,685,906	\$364,905
3,646,703	\$361,024
3,733,138	\$369,581
3,695,162	\$365,821
3,704,844	\$366,780
3,667,772	\$363,109
3,630,397	\$359,409
3,601,002	\$356,499
3,591,656	\$355,574
=====	=====
44,182,667	\$4,374,084
FYE 2022 Lines	FYE 2022 Revenue

-6.00% % Change

\$437,408.40 Revenue loss from 1 cent of surcharge

\$4,653,280.87 FYE 2021 Budget rev  
 \$4,374,084.02 FYE 2022 est. rev  
 \$279,196.85



Florida Relay Traffic Forecast

July 1, 2021 - June 30, 2022

Florida TRS	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Total
Forecast Minutes of Use	73,786	75,273	72,237	76,200	72,022	75,377	79,559	79,224	76,035	69,979	71,284	69,492	890,468
Actual Minutes of Use													
Forecast Cost of Service (\$1.35 per Session Minute)	\$ 99,611	\$ 101,619	\$ 97,520	\$ 102,870	\$ 97,230	\$ 101,739	\$ 107,405	\$ 106,952	\$ 102,647	\$ 94,472	\$ 96,233	\$ 93,814	\$ 1,202,132
Florida CapTel													
Forecast Minutes of Use	22,755	22,697	21,651	22,141	21,958	22,856	22,361	20,241	23,259	21,648	21,824	20,290	263,681
Actual Minute of Use													
Forecast Cost of Service (\$1.69 per Session Minute)	\$ 38,456	\$ 38,358	\$ 36,590	\$ 37,418	\$ 37,109	\$ 38,627	\$ 37,790	\$ 34,207	\$ 39,308	\$ 36,585	\$ 36,883	\$ 34,290	\$ 445,621
Forecast Grand Total	\$ 138,067	\$ 139,976	\$ 134,110	\$ 140,288	\$ 134,339	\$ 140,366	\$ 145,195	\$ 141,160	\$ 141,955	\$ 131,057	\$ 133,116	\$ 128,104	\$ 1,647,753

**Line Item Information**  
**FTRI FY 2021/2022 Board Approved Budget**  
*Submitted to the FPSC Staff on Friday, February 26, 2021*

**Definitions:**

**YE Estimate:**

FTRI projects the YE (Year End) Estimate based on Year-to-Date December of the current fiscal year plus calculated projections based on historical data available. Note, due to COVID-19 and limited distribution by Regional Distribution Centers, estimated future distribution would most likely resemble a pre-COVID business environment. FTRI recommends using the FYE 2021 approved budgeted amounts for these items unless there is information that would indicate a more appropriate budget estimate.

**Budget to Actual:**

FTRI understands, based on previous communications with the PSC staff, identifying this as the budgeted amount for a line item that should be no more than the YE estimated amount for the current fiscal year.

**Common Industry Acronyms Used:**

DPR – Dual Party Relay

AIMS – Automated Information Management System-FTRI uses this computer software to maintain information for the Equipment Distribution System.

TRS – Telecommunications Relay Service

FPSC – Florida Public Service Commission

FTRI – Florida Telecommunications Relay, Inc.

IP-CTS – Internet Protocol Captioned Telecommunications Service

CTS – Captioned Telecommunications Service

TDD – Texting Device for the Deaf, also known as a TTY

TTY – Text Telephone, also known as a TDD

VCO – Voice Carry-Over phone

HCO – Hearing Carry-Over phone

VCO/HCO – A Combined Voice Carry-Over and Hearing Carry-Over phone.

NDBEDP – National Deaf Blind Equipment Distribution Program.

NDBEDP is also known as iCanConnect

VCP or VCPH – Volume Control Phone

VCPS – Volume Control Phone for Speech Impaired

GEWA – brand name of the Jupiter Speaker Phone

ARS – Audible Ring Signaling device

TRS – when used to describe equipment- Tactile Ring Signaling Device

TRS can also be used to describe Telecommunications Relay Service

VRS – when used to describe equipment – Visual Ring Signaling Device

VRS can also be used to describe Video Relay Service

RDC – Regional Distribution Center (contracted with FTRI)

#### **Line Item Notes:**

1. GL# 3050 Surcharge Revenue

FTRI is showing a decrease of \$297,197 in surcharges from FY 2020/2021 Estimated Revenue. As we do each year, actual access lines reported to us by the telephone companies are logged into a spreadsheet (Attachment A). For the months remaining in the current fiscal year-end, an estimate is made on expected access lines to be reported using a conservative estimate based on previous years. FTRI has conservatively selected a decrease of 6 percent for this estimate, although historically over the past 5 years the decrease has been more than 6 percent. Additionally, FTRI applies the conservative estimated decrease of 6 percent to actual to date and year end estimated access lines to calculate the budget year estimated access lines. FTRI applies the current surcharge rate to those estimated access lines for the budget year and the corresponding administrative allowance of 1 percent. FTRI is recommending that we maintain the surcharge at 10 cents per access line.

2. GL#3450 Interest Income.

Interest Income is estimated to increase \$2,239 from FY 2020/2021 Estimated Revenue. FTRI earns interest from Regions Bank Non-Profit Public Funds Money Market account. Our Regions Bank Public Funds checking is not an interest-bearing account and requires maintaining a \$500,000 minimum balance. Interest rate from July 2020 to September 2020 was 0.15% and is currently 0.15% as of January 2021.

4. GL# 5110 Dual Party Relay Provider

The DPR Provider account year end estimate is the same as budgeted for 2020/2021. No year-end estimate was provided by SPRINT. March 1, 2018 began a new contract with SPRINT and the FPSC with higher rates. Traditional TRS minutes are billed at \$1.35 per minute. while CapTel minutes are billed at \$1.69 per minute. Each year FTRI receives a budget estimate from the DPR provider. Attachment B is the spreadsheet provided by Sprint.

#### **EQUIPMENT – CAT II**

NOTE: Due to COVID-19 and related shutdown, FTRI has experienced a significant change in numbers of clients served and equipment distributed. The distribution of vaccine and CDC recommended steps citizens are taking to limit the virus spread may be sufficient for services to return to a more normal (pre-COVID 19) level. Therefore, FTRI is budgeting equipment at the same level as the 2020/2021 approved budget levels.

5. GL# 5210 TTY/TDD Equipment.

Telecommunications Devices for the Deaf have traditionally been TTY (text telephones for the Deaf). Over the past decade or more, these units have become less preferred by Deaf consumers and replaced by newer technology. FTRI provides refurbished units to clients, as requested. No new units are budgeted.

6. GL# 5226 CapTel Equipment.

The CapTel Equipment, 840 Plus is budgeted at \$0. FTRI has enough inventory on hand and is refurbishing returned units.

7. GL# 5240 (corded) and 5241 (cordless) VCP Hearing Impaired

The VCP Hearing Impaired line item shows a \$298,907 decrease from FY 2020/2021 Estimated Expenditures. The trailing 12-month data at the time of budget preparation, January 2020 to December 2020 units purchased, was during COVID-19 pandemic and the number of equipment distributed is not indicative of normal operations. FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

8. GL# 5250 VCP Speech Impaired

FTRI is budgeting to the approved budget amount of \$0. The PSC reduced this line item in last year's budget as the newer technology equipment FTRI was interested in distributing as a pilot program was not approved by the PSC. Over the past decade or more, new technology has become available to assist speech impaired to connect with the communications systems everyone uses. Smart Phones, Tablets, Captioning services are some of the new technology.

9. GL# 5253 TeliTalk Speech Aid

The TeliTalk Speech Aid line item shows a \$510 increase from FY 2020/2021 estimated expenditures. Budget is determined by using the TTM (trailing twelve month) historical consumer demand. During COVID-19 pandemic, the number of equipment distributed is not indicative of normal operations. FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

10. GL# 5255 In-Line Amplifier

The In-Line Amplifier YE estimate is based on recent demand and higher than last year's budgeted amount due to inclusion of new technology (SA-40 bluetooth unit and the XLC-GO bluetooth unit). The XLC-GO is a new item and has been requested often as it works with the XLC8 volume control phone and it's base. During COVID-19 pandemic, the number of equipment distributed is not indicative of normal operations. FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

11. GL#5261 ARS Signaling Equipment (Audible Ring Signaling)

The ARS Signaling Equip line item shows a \$2,592 increase from FY 2020/2021 Estimated Expenditures. Specifically, the CR200 signaling device that is both audible and visual (flashing light) and the audible SR200 device have been included in this line item. COVID-19 pandemic also impacting this line item, FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

12. GL# 5262 VRS Signaling Equipment (Visual Ring Signaling)

The VRS Signaling Equip line item shows a \$8,200 increase from FY 2020/2021 Estimated Expenditures. The Bellman-Symfon Visual flashing unit and the Sonic Alert TR-75 are budgeted. FTRI expects to distribute 50 of the Bellman-Symfon units by June 2021 instead of the 100 units budgeted for FYE 2021, due to the COVID-19 pandemic.

13. GL# 5265 Accessories & Supplies

The Accessories & Supplies line includes specific purchases for line filters and dual line adapters. This item shows a \$468.00 increase from FY 2020/2021 Estimated Expenditures. COVID-19 pandemic also impacting this line item, FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

14. GL#5270-5274 Telecom Equipment Repair

The Telecom Equip Repair line item shows a \$78,620 increase from FY 2020/2021 Estimated Expenditures. COVID-19 pandemic also impacting this line item, FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

15. GL# 5310 Freight-Telecom Equipment

The Freight-Telecomm Equip line item shows a \$10,267 increase from FY 2020/2021 Estimated Expenditures. As XLC7-BT, XLC-3.4, BT-914,CL-60, Alto, Alto-Plus units warranty expire these units are shipped back for repair. New units are shipped to RDCs and various clients as ordered. The trailing 12-month average is used in projecting the budget, however COVID-19 has greatly reduced equipment distribution. FTRI recommends using the same budget as FYE 2021.

16. GL# 5320-5327 Regional Distribution Centers

The Regional Distribution Centers line item shows a \$369,806 increase from FY 2020/2021 Estimated Expenditures. The data at the time of budget preparation occurred during COVID-19 pandemic, the number of services is not indicative of normal operations. FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

Additionally, FTRI was asked to provide a financial break-even analysis of the RDC fee structure and present it along with the budget. The information collected by the Executive Director, is attached. Only three RDCs responded, although many more were

asked to provide the information. FTRI does not believe the information received from RDCs is sufficient to provide a meaningful analysis. Additionally, the situation with COVID makes it difficult to determine what an RDCs break-even may be for the program. FTRI has attached a funding model from Executive Director Bankston. FTRI would like to request a postponement of this analysis until an Executive Director is hired and the COVID situation allows for a more normal business environment.

The below breakdown shows the costs included in this line item. These include air card connectivity and laptops for access to FTRI's client database and maintenance and modifications to AIMS. All costs are specifically related to RDC fulfillment of the agreement to provide FTRI services.

	FY 2020-2021 (estimated)	FY 2021-2022 (proposed)
RDC contracts	\$ 133,670	\$ 471,451
AIMS air card \$675 per month	\$ 7,071	\$ 6,929
RDC AIMS Hardware	\$ 720	\$ 720
AIMS Project for RDC	\$ 20,351	\$ 49,090
Auditing	\$ 0	\$ 3,429
	\$ 161,812	\$ 531,619

#### 17. GL# 5340 Training Expense

The Training Expense line item shows a \$0 increase from FY 2020/2021 Estimated Expenditures. FTRI plans to hold smaller regional trainings via webinars and, when possible face-to-face meetings when in area for audits or other purposes, to enhance the FTRI program and its relationship with RDCs. Cost budgeted is for Go-To-Meeting web access.

#### 18. GL# 5410-5417 Outreach Expense

The Outreach Expense account shows a \$102,507 increase from FY 2020/2021 Estimated Expenditures due to no travel and very limited RDC outreach activity. FTRI plans to continue advertising the program using newspaper insert ad (FSI) and Social Media. During the COVID-19 pandemic the number of RDC services and outreach activities is not indicative of normal operations. FTRI is recommending to budget at the same level as the FY 2021 approved budget amount.

#### 19. GL# 5501 Advertising

Line item shows a \$0 increase from FY 2020/2021 Estimated Expenditures. FTRI budgeted to actual for advertising of possible open positions due to staff turnover. FTRI advertises using low cost employment ads, usually Craigslist at \$15 per placement, or free ad placements such as INDEED on-line service.

## 20. GL# 5504 Accounting

The Accounting/Auditing line item shows a \$478 increase from FY 2020/2021 Estimated Expenditures. FTRI's CPA firm provided a quote for our annual audit of the 2020/2021 fiscal year at \$17,000 in line with last year. This line item also includes expenses for payroll processing and payroll tax reporting. FTRI is budgeting 8 employees for payroll expenses.

## 21. GL# 5507 Legal

The Legal account shows a \$1,259 increase from FY 2020/2021 Estimated Expenditures. FTRI is billed for legal services monthly at \$250 per hour for the first 12 hours of service per month with hours over 12 billed at \$225 per hour.

## 22. GL# 5510 Computer Consultation

The Computer Consultation line item shows a decrease of \$971 for the budget year end 2022. YE estimate for FY ending 2021 is the average of the first six months and extrapolated for the full 12 months. FTRI was quoted 48 hours of technical support, network administration, and desktop troubleshooting.

## 23. GL# 5519 Dues & Subscriptions

The Dues & Subscriptions expense account shows a \$150 increase from FY 2020/2021 Estimated Expenditures. Dues and subscriptions to organizations that we partner with and are directly involved in the communities we serve allowing staff and management to be informed about those communities.

## 24. GL# 5530-5531 Office Equipment and Computer Software

The Office Equipment Purchase line item shows a \$19 decrease from FY 2020/2021 Estimated Expenditures. FTRI expects replacement of two (2) workstations. Purchase of Office 365 software, renewing Firewall support, antivirus software is also budgeted.

## 25. GL# 5541 Office Equipment Lease

Office Equipment Lease shows an increase of \$0 from FY 2020/2021 estimated expenditures. FTRI leases a copier and the Pitney Bowes postage equipment.

## 26. GL# 5544 Insurance-Hlth/Life/Dsblty

The amount budgeted for 2021/2022 Insurance-Hlth/Life/Dsblty account shows a \$23,536 increase from FY 2020/2021 estimated expenditures. A portion of this increase is attributed to Executive Director position being unfilled for a portion of the year. FTRI estimated a 10% increase in premium based on response from our insurance agency. Employees contribute 5% of the premium for single coverage and 10% of the difference between single and dependent coverage. During the budget year 2021/2022 FTRI anticipates staff of 8 employees. FTRI has an insurance renewal date of June 1.

27. GL# 5547 Insurance-Other

The Insurance-Other line item shows a \$512 decrease from FY 2020/2021 Estimated Expenditures due to a slight increase in premium. FTRI estimates that insurance will remain close to the actual 2020/2021 estimated amount for the budget year 2021/2022.

28. GL# 5551 Office Expense

The Office Expense line item shows an \$11 increase from FY 2020/2021 estimated expenditures. This line item includes office supplies, paper, office cleaning, pest control, security system service, shredding services.

29. GL# 5554 Postage Expense

The Postage line item shows no change from FY 2020/2021 estimated expenditures. Application request mailings in addition to business reply mail permit fees and postage deposits \$500 each and supplies for the meter.

30. GL# 5557 Printing expense

The Printing line item shows \$473 increase from FY 2020/2021 estimated expenditures. This line item includes printing of FTRI's annual report, business cards, letterhead, envelopes.

31. GL# 5560 Rent expense

The Rent line item shows a \$0 increase from FY 2020/2021 estimated expenditures. FTRI renewed its lease in 2017 at the same rate as the previous lease. This rate has remained steady for the past 5 years and is not expected to increase. The slight increase is due to FTRI's offsite storage facility, Secure Records Solutions.

32. GL# 5561 Utility expense

The Utilities line item shows \$26 decrease from FY 2020/2021 estimated expenditures.

33. GL# 5563 Retirement

The Retirement line item shows a \$11,021 increase from FY 2020/2021 estimated expenditures. FY 2020/2021 estimate is lower than anticipated due to employee turnover. Sean Bankston resigned in December 2020. Retirement is based on salary, budgeted salary increases, and related pension costs for administration of the program through FTRI's plan administrator NTCA. FY 2021/2022 budget includes 8 employees' projected salary.

34. GL# 5566 Employee Compensation

Employee Compensation line item shows a \$21,173 increase from FY 2020/2021 estimated expenditures. FY 2020/2021 estimate is lower than anticipated due to



employee turnover. FTRI started July 2017 with 10 employees out of 15 authorized positions and cut back to 9 positions during 2018. Eight (8) employees are budgeted for FY 2021/2022 with an estimated 3% merit increase pool.

35. GL # 5572 Taxes-Payroll

The Taxes-Payroll line item shows a \$137 increase from FY 2020/2021 estimated expenditures. Taxes are budgeted at 7.65% of payroll expense. FTRI has pre-tax section 125 benefits that lower taxable income for employees paying Health Premiums as well as our 403b fully employee funded retirement program that is pre-tax. Eight (8) employees are budgeted for 2021/2022 budget year.

36. GL# 5575 Taxes-Unemployment Compensation

The Taxes-Unemployment Compensation line item shows a \$0 decrease from FY 2020/2021 estimated expenditures. Taxes Unemployment Compensation is budgeted close to the year-end estimate. The tax is on the first \$7,000 of income for each employee, therefore the more turnover the higher the cost both in annual rate and number of employee accounts charged. Currently FTRI has been assigned a new rate that is effective January 1, 2021 of .0528.

37. GL# 5578 Taxes-Licenses

The Taxes-Licenses line item shows \$0 increase from FY 2020/2021 YE estimated. Taxes-Licenses fee is for FTRI's annual report to the department of state corporate filing.

38. GL# 5581 Telephone Expense

The Telephone line item shows a \$2,943 increase from FY 2020/2021 estimated expenditures.

39. GL# 5584 Travel & Business Expense

The Travel & Business line item shows a \$7,111 increase from FY 2020/2021 estimated expenditures. Travel is based on six trips for staff or managers to meet with RDCs and/or vendors and one trip to TEDPA (For the Telecommunications Equipment Distribution Program Association) annual conference. Due to COVID-19 there was very limited travel in the current fiscal year ending June 2021.

40. GL# 5591 Equipment Maintenance

Equipment Maintenance line item shows a \$13 increase from FY 2020/2021 estimated expenditures. FTRI budgeted close to the estimated YE 2020/2021 amount.

#### 41. GL# 5592 Employee Training

The Employee Training/Dev line item shows a \$885 decrease from FY 2020/2021 estimated expenditures. FTRI budgeted for two staff retreats that may be held off-site. FTRI included for 2 staff to attend training sessions as they become available as needed. Professional development training through the LinkedIn program is included for all staff.


Last revised 2.11.2021

Florida Telecommunications Relay, Inc.  
RDC Funding Model -Break Even and Analysis  
Supplement to Budget Notes  
2021/2022 Budget Year

FTRI was asked to provide a financial break-even analysis of the RDC fee structure and present it along with the budget. The information collected by the Executive Director, is attached. Only three RDCs responded, although many more were asked to provide the information. FTRI does not believe the information received from RDCs is sufficient to provide a meaningful analysis.

FTRI has attached a funding model from Executive Director Bankston.

FTRI would like to request a postponement of this analysis until an Executive Director is hired and the COVID situation allows for a more normal business environment.



**Florida  
Telecommunications  
FTRI Relay, Inc.**

	Annual Cost	Allocation Rate	Allocated Cost	Monthly Base Funding
FTE w/ benefits	\$ 39,000	0.2	\$ 7,800	\$ 650
Space (300 sq ft @ \$13 sq ft/year)	\$ 3,900	0.2	\$ 780	\$ 65
Utilities	\$ 780	0.2	\$ 156	\$ 13
Overhead @ 7%	\$ 3,058	0.2	\$ 612	\$ 51
<b>Total Monthly Base Funding</b>				<b>\$ 779</b>

**Base Funding Model Planning Assumptions**

- a. \$20 / New, Modified, Exchange service rate
- b. \$15 / Follow-up service rate
- c. \$10 / Return service rate
- d. 80% of total costs covered via service rates, 20% covered through base funding allocation
- e. Base funding + new rate structure equates to 34% average funding increase for RDCs using FY20 service levels