

State of Florida



# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

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**DATE:** June 3, 2021

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Office of Industry Development and Market Analysis (Williams, Fogleman)<sup>CH</sup>  
Office of the General Counsel (Murphy) *TL*

**RE:** Docket No. 20210050-TP – Commission approval of Florida Telecommunications Relay, Inc.'s fiscal year 2021/2022 proposed budget.

**AGENDA:** 06/15/21 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** La Rosa

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** Anticipate the need for sign language interpreters and assisted listening devices. Please place near the beginning of the agenda to reduce interpreter costs.

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## Case Background

The Telecommunications Access System Act of 1991 (TASA) established a statewide telecommunications relay system. Section 427.704(1), Florida Statutes (F.S.), provides that the Florida Public Service Commission (Commission or FPSC) 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. TASA provides for the purchase and distribution of specialized telecommunications devices as defined in Section 427.703(11), F.S. As defined by Section 427.703(16), F.S., this system provides telecommunications service for deaf or hard of hearing persons functionally equivalent to the service provided to hearing persons.

The telecommunications access system provides deaf or 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 telecommunications access system is accomplished by the deaf or hard of hearing person using a Telecommunications Device for the Deaf (TDD). The person using the TDD types a message to the Communications Assistant who in turn voices the message to the other party or types the message to a Captioned Telephone which displays real-time captions of the conversation.

Florida Telecommunications Relay, Inc. (FTRI), a non-profit corporation formed by the local exchange telephone companies, was selected by the Commission to serve as the telecommunications access system administrator. FTRI is primarily responsible for the purchase and distribution of specialized telecommunications equipment. As part of this process, FTRI contracts with other organizations to distribute equipment and provide customer training on the proper use of the equipment and the relay service. FTRI also conducts marketing to raise awareness of available specialized equipment and related relay service. Relay services are paid for by FTRI as part of its responsibilities.

FTRI, as the TASA Administrator, is funded through the Telecommunications Relay Service (TRS) surcharge. This surcharge was capped by the Florida Legislature at a maximum of \$0.25 per landline access line per month. The Florida Legislature also limited collection of the surcharge to only the first 25 lines of each account. Only local exchange telecommunications companies are required to collect and remit this surcharge to FTRI. The initial TRS surcharge was set at \$0.05 per access line per month.<sup>1</sup> Since then, the FPSC has changed the surcharge to meet FTRI's budgetary needs. The monthly surcharge is currently \$0.10 per access line.

As part of its oversight responsibilities for the telecommunications access system, the Commission reviews and approves a budget submitted by FTRI on an annual basis. Attachment A is FTRI's proposed budget for Fiscal Year 2021/2022, which was approved by its Board of Directors. FTRI also compared its proposed budget to the Commission-approved budget, as well as the estimated revenue and expenses, for Fiscal Year 2020/2021. FTRI's estimated revenue and expenses were based on actual data from the first two quarters and estimated data for the third and fourth quarter.

Staff sent data requests to FTRI on a number of issues included in its Fiscal Year 2020/2021 estimate of expenses and its proposed Fiscal Year 2021/2022 budget. FTRI's responses to staff's data requests are included in the docket file. On April 16, 2021, FTRI filed third quarter financial information. With this updated information, staff formulated its own estimated expenses for Fiscal Year 2020/2021. Staff's estimate is reflected in Attachment B.

This recommendation addresses FTRI's proposed budget and staff's recommended TRS surcharge for Fiscal Year 2021/2022. The TRS surcharge is the only rate the Commission establishes for telecommunications companies. The Commission is vested with jurisdiction pursuant to Chapter 427, F.S.

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<sup>1</sup> Order No. 24581, issued May 24, 1991, Docket No. 910496-TP.

## Discussion of Issues

**Issue 1:** Should the Commission approve Florida Telecommunications Relay, Inc.'s proposed budget as presented in Attachment A for Fiscal Year 2021/2022, effective August 1, 2021, and should the Commission maintain the current Telecommunications Relay Service (TRS) surcharge at \$0.10 per month?

**Recommendation:** Staff recommends the Commission approve FTRI's proposed budget expenses of \$4,450,727 for Fiscal Year 2021/2022. Staff recommends the Commission order all local exchange companies to continue billing the \$0.10 TRS surcharge for Fiscal Year 2021/2022. Staff further recommends the Commission require FTRI to conduct a financial break-even analysis of the Regional Distribution Center fee structure and present the results to the Commission with its Fiscal Year 2022/2023 budget filing. (Williams, Fogleman, Murphy)

### **Staff Analysis:**

#### **Traditional Telecommunications Relay Service**

The traditional TRS cost to FTRI as approved in Sprint Communications Company, L.P.'s (Sprint) contract is currently \$1.35 per session minute. Sprint's projections indicate that traditional minutes will decrease by 19 percent during Fiscal Year 2021/2022 from the current fiscal year. Traditional relay users are transitioning to the following services:

- Internet Protocol (IP) Relay<sup>2</sup>
- Video Relay Service (VRS)<sup>3</sup>
- IP Captioned Telephone Service<sup>4</sup>
- Internet Protocol Speech-to-Speech (STS) Service<sup>5</sup>
- Wireless Service<sup>6</sup>

#### **CapTel Service**

The CapTel cost to FTRI as approved in the Sprint contract is currently \$1.69 per session minute. CapTel service uses a specialized telephone that provides captioning of the incoming call for a deaf or hard of hearing person. Sprint's projections show that CapTel minutes of use will decline by 41 percent from the current fiscal year during Fiscal Year 2021/2022. CapTel users are transitioning to Internet Protocol Captioned Telephone Service and wireless services.

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<sup>2</sup> IP Relay allows people who have difficulty hearing or speaking to communicate using a computer and the Internet, rather than a Text Telephone (TTY) and a telephone line.

<sup>3</sup> VRS 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 by signed conversation.

<sup>4</sup> IP captioned telephone service allows users to simultaneously listen 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.

<sup>5</sup> STS service utilizes a specially trained Communications Assistant 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.

<sup>6</sup> Wireless services offer applications such as text, instant messaging, and FaceTime.

### **Florida Telecommunications Relay, Inc. Budget**

Attachment A reflects FTRI's Fiscal Year 2021/2022 proposed budget, which was reviewed and adopted by FTRI's Board of Directors prior to filing with the Commission. The FTRI proposed budget projects total operating revenue of \$4,396,927 and total expenses of \$4,450,727, representing a \$53,800 shortfall. FTRI does not request transferring funds from the surplus account to offset the shortfall. FTRI requests that the TRS surcharge be maintained at \$0.10 per access line for Fiscal Year 2021/2022.

FTRI's proposed budget represents a projected decrease in revenue of \$509,911 (10 percent) from that included in the Fiscal Year 2020/2021 Commission-approved budget. This projected revenue decrease is attributed to an expected six percent decrease from the current fiscal year in access lines that are assessed the TRS surcharge.

FTRI's proposed budget also includes a decrease in expenses of \$621,322 (12.25 percent) from the Fiscal Year 2020/2021 Commission-approved budget. The most significant decline in FTRI's proposed budget expense (\$607,207) relates to an expected decline in minutes of use.

Sprint's estimated Fiscal Year 2021/2022 traditional TRS minutes of use are 890,468, at a rate of \$1.35 per minute, for the TRS related expense of \$1,202,132. Sprint's estimated CapTel minutes of use are 263,681, at a rate of \$1.69 per minute, for the CapTel related expense of \$445,621. The total estimated expense for TRS and CapTel for Fiscal Year 2021/2022 is \$1,647,753. For comparison, the Fiscal Year 2020/2021 Commission-approved budget reflected traditional TRS minutes of 1,105,917 and CapTel minutes of 450,871. The total expense for TRS and CapTel for Fiscal Year 2020/2021 was \$2,254,960.

### **Analysis**

Based upon current industry trends, FTRI estimates that access lines will decrease at the rate of approximately six percent from the current fiscal year as more consumers transition from landline phones. Holding the TRS surcharge constant, a decrease in access lines results in a decrease in revenues to support FTRI's activities.

Staff developed an estimate of FTRI's expenses for Fiscal Year 2020/2021. This data is presented in Attachment B. Staff used actual data from the first three quarters of the fiscal year, and took an average of those three quarters to estimate the fourth. Staff's estimates were then used as one element in evaluating FTRI's proposed budget. Attachment B also includes FTRI's budgeted information for comparison purposes. Staff also analyzed past Commission-approved FTRI budgets to identify and evaluate ongoing cost reduction measures.

Staff notes that Fiscal Year 2020/2021 was out of the norm due to the COVID-19 pandemic. FTRI experienced significant reductions in equipment distributed, consumer inquiries, and related expense, which it contributes to the pandemic. As a result, FTRI's support for its proposed Fiscal Year 2021/2022 budget request is based largely on pre-pandemic levels instead of Fiscal Year 2020/2021 estimates.

Taking into consideration the challenges related to the pandemic, staff supports FTRI's approach to focus on pre-pandemic budget levels. As stated earlier, staff developed expense estimates for

Fiscal Year 2020/2021. However, we acknowledge that the estimates are based on historical data impacted by COVID-19.

Staff supports FTRI's approach to place greater focus on pre-pandemic data and the Fiscal Year 2020/2021 Commission-approved budget. Below is staff's review of selected items from FTRI's proposed budget expense by category.

### **Category I – Relay Services**

Category I captures expenses for traditional TRS and CapTel service currently provided by Sprint. The proposed budget recognizes a \$607,207 expense reduction from the Fiscal Year 2020/2021 Commission-approved budget, primarily due to declining minutes and service cost associated with TRS and CapTel service.

The relay service expenses are based on the minutes of use as projected by Sprint and relay service contract rates. Sprint's historical projections have proven to be reasonable and it has multi-state experience with such projections. Staff believes that the estimates for Fiscal Year 2021/2022 are reasonable and should be used for budgetary purposes. However, staff notes that the current relay service contract, along with the current contract rates, expires on February 28, 2022. The Commission has issued a request for proposals to provide relay services beginning March 1, 2022, and will be considering a new relay service contract that may have rates that are different from the current contract.<sup>7</sup>

### **Category II – Equipment & Repairs**

Category II expenses reflect the purchase of equipment to be distributed to clients and the repairs that FTRI must make to keep the equipment in working order. FTRI used contract pricing for equipment multiplied by the number of units it plans to order over the course of the year. These contracts for equipment between FTRI and equipment vendors are separate from the contract for relay service approved by the Commission. FTRI's proposed budget represents no change in expense from the Fiscal Year 2020/2021 Commission-approved budget.

FTRI's Fiscal Year 2020/2021 Commission-approved budget for equipment and repairs was \$773,235. FTRI's estimated 2020/2021 expenses are \$452,158. Staff's estimated expense is \$437,740, representing a difference of \$14,418.

In its budget filing, FTRI explained that due to the impact of recommended COVID-19 guidelines by the Centers for Disease Control and Prevention (CDC), it experienced a significant change in the number of clients served and equipment distributed during Fiscal Year 2020/2021. As a result, FTRI explained that it budgeted for equipment and repairs for Fiscal Year 2021/2022 at the Fiscal Year 2020/2021 budget level, rather than the actual pandemic-affected level. FTRI further explained that it believes the distribution of vaccine and new CDC guidelines may be sufficient for services to return to previous levels.

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<sup>7</sup> Docket No. 20210049-TP.

Staff recommends approval of FTRI's budgeted amount for equipment and repairs. Further, staff encourages FTRI to increase efforts and develop more creative ways to inform consumers about the program to increase equipment distributed.

### **Category III – Equipment Distribution & Training**

Category III reflects the cost of distributing equipment throughout the state and the training of consumers in the use of that equipment. FTRI's proposed budget reflects a slight decrease in expense from the Fiscal Year 2020/2021 Commission-approved budget.

#### **Regional Distribution Centers**

Expenses related to Regional Distribution Centers (RDCs) are the largest component of Category III expenses. FTRI's proposed budget for RDCs is \$531,618, which is \$4,029 lower than the Fiscal Year 2020/2021 Commission-approved budget. Staff notes that FTRI's proposed budget exceeds FTRI's Fiscal Year 2020/2021 estimated expenditures by \$369,806.

Consistent with its explanation for Category II Equipment & Repairs, FTRI explains that the impact of COVID-19 and related CDC guidelines resulted in expenses significantly lower than the Fiscal Year 2020/2021 Commission-approved budget. FTRI also states that it anticipates equipment distribution to resume to pre-COVID-19 levels.

In support of its Fiscal Year 2020/2021 proposed budget, FTRI previously indicated that it intended to "expand the quantity of Regional Distribution Centers (RDCs) while working with the existing RDCs to evaluate and implement a business model that enables them to provide FTRI services at break-even." Staff did not recommend approval of FTRI's proposed Fiscal Year 2020/2021 RDC expense of \$664,128. However, in consideration of FTRI's intent to increase the number of RDCs, and recognizing the importance of adequately funding equipment distribution channels, staff recommended, and the Commission approved continued funding at FTRI's estimated 2019/2020 expense level of \$535,647.

FTRI previously indicated, as part of last year's budget request, that the fee per service structure was not financially performing at a break-even point for the RDCs. FTRI contracts with the non-profit RDCs to perform equipment distribution and training throughout Florida. The amount of funds for FTRI's contracts with RDCs varies based on the number of clients they assist. More funds are provided for connecting a new client, while fewer funds are provided to assist existing clients in the system.

The Commission determined that FTRI did not present sufficient cost detail regarding the compensation to RDCs and their associated costs. The Commission concluded that additional information was needed to confirm the appropriate reimbursement rate FTRI pays RDCs. The Commission requested FTRI to provide a financial break-even analysis related to the RDC's fee structure and present the results to the Commission with its Fiscal Year 2021/2022 proposed budget filing. The analysis was not included with the proposed budget filing.

In response to a staff data request regarding the break-even analysis, FTRI stated that only three of the twenty-three RDCs responded. FTRI explained that it does not believe the information received is sufficient to provide a meaningful analysis. FTRI further responded that the impact of

the pandemic has made it difficult to determine RDCs break-even. FTRI requested a postponement of the analysis until a more normal business environment returns.

Staff understands that the Fiscal Year 2020/2021 break-even analysis was adversely impacted by the pandemic. Considering the continued decline in equipment distributed and client inquiries, staff believes it is critical that FTRI renew its effort to evaluate the RDC model. Therefore, FTRI should be ordered to submit the RDC break-even analysis with its Fiscal Year 2022/2023 budget filing. Further, it would be beneficial for FTRI to provide a status update to staff and the TASA Advisory Committee at the October 2021 TASA Advisory Committee meeting. Staff believes FTRI's proposed budget for Category III expense is reasonable.

#### **Category IV – Outreach**

Outreach efforts are designed to promote FTRI's equipment distribution services and to raise awareness about Florida relay service. FTRI's proposed Fiscal Year 2021/2022 outreach budget remains unchanged from the Commission-approved outreach budget for Fiscal Year 2020/2021.

FTRI employs various forms of communication in its outreach strategy. FTRI plans to continue advertising in newspapers using free-standing insert ads (flyers) in markets where such ads continue to be effective. However, FTRI acknowledges that it has witnessed rapid changes in the newspaper industry. In response, FTRI will utilize other print tools such as direct mail post cards and coupon book advertisements. FTRI also plans to continue expanding its digital marketing campaign, including increased use of banner ads on websites, as well as targeted email and social media campaigns.

The Commission has previously encouraged FTRI to research and consider more technologically advanced and cost-effective forms of outreach in addition to traditional newspapers. Most recently, during the Commission's February 16, 2021 Internal Affairs meeting, the Commission discussed FTRI exploring improvements to its website. Specifically, the Commission encouraged FTRI to consider the addition of an online chat function to help with customer inquiries, as well as the creation of an online consumer portal similar to what is utilized by the Florida Department of Children and Families. Through such a portal consumers could enter personal qualifying information and be automatically advised of available equipment and directed to the appropriate RDC for service.

Staff recommends that FTRI, in consultation with the TASA Advisory Committee, explore the development of such online mechanisms to facilitate a potentially effective means of obtaining needed services by qualifying customers. Consistent with the RDC break-even analysis, it would be beneficial for FTRI to provide a status update to staff and the TASA Advisory Committee at the October 2021 TASA Advisory Committee meeting. Staff believes FTRI's proposed budget for Category IV expense is reasonable.

#### **Category V – General & Administrative**

Category V reflects the expenses associated with FTRI's operations, such as office and furnishings, employee compensation, contracted services (auditors, attorney and computer consultants), computers, and other operating expenses. FTRI is proposing \$931,141, which

represents a \$10,086 decrease in Category V expense for Fiscal Year 2021/2022. Staff believes FTRI's Category V expenses are reasonable.

**Conclusion**

Staff recommends the Commission approve FTRI's proposed budget expenses of \$4,450,727 for Fiscal Year 2021/2022. Staff recommends the Commission order all local exchange companies to continue billing the \$0.10 TRS surcharge for Fiscal Year 2021/2022. Staff further recommends the Commission require FTRI to conduct a financial break-even analysis of the Regional Distribution Center fee structure and present the results to the Commission with its Fiscal Year 2022/2023 budget filing.

**Issue 2:** Should this docket be closed?

**Recommendation:** If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. (Murphy)

**Staff Analysis:** At the conclusion of the protest period, if no protest is filed this docket should be closed upon the issuance of a consummating order.

**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	17,222,460	17,800,593	18,286,093	485,500	1,063,633
<b>TOTAL REVENUE</b>	<b>22,129,298</b>	<b>22,474,478</b>	<b>22,683,020</b>	<b>208,542</b>	<b>553,722</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	2020/2021	2021/2022	Estimated to Budget	Budget to Budget
	APPROVED	ESTIMATED	BUDGET	VARIANCE	VARIANCE
	BUDGET	REV & EXPEND	BUDGET	2020/2021	2020/2021
				2021/2022	2021/2022
<b>CATEGORY IV - OUTREACH</b>					
18 Outreach Expense	535,650	433,143	535,650	102,507	0
SUBTOTAL-CATEGORY IV	535,650	433,143	535,650	102,507	0
<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
SUBTOTAL-CATEGORY V	941,227	865,249	931,141	65,892	(10,086)
TOTAL EXPENSES	5,072,049	4,188,385	4,450,727	262,342	(621,322)
REVENUE LESS EXPENSES	17,057,249	18,286,093	18,232,293	(53,800)	1,175,044

### STAFF'S BUDGET COMPARISON

	2020/2021 APPROVED BUDGET	2020/2021 FTRI ESTIMATED	2020/2021 FPSC STAFF ESTIMATED	2021/2022 FTRI PROPOSED BUDGET
<b>REVENUE</b>				
Surcharge	4,792,249	4,653,281	4,653,281	4,374,084
Interest	114,589	20,604	20,604	22,843
<b>TOTAL OPERATING REVENUE</b>	4,906,838	4,673,885	4,673,885	4,396,927
Surplus Account	17,222,460	17,800,593	17,800,593	18,286,093
<b>TOTAL REVENUE</b>	22,129,298	22,474,478	22,474,478	22,683,020

#### OPERATING EXPENSES

<b>CATEGORY I - RELAY SERVICES</b>				
DPR Provider	2,254,960	2,254,960	2,254,960	1,647,753
<b>SUBTOTAL CATEGORY I</b>	2,254,960	2,254,960	2,254,960	1,647,753

<b>CATEGORY II - EQUIPMENT &amp; REPAIRS</b>				
TDD Equipment	-	-	-	-
Large Print TDD	-	-	-	-
VCO/HCO-TDD	-	-	-	-
VCO-Telephone	-	-	-	-
Dual Sensory Equipment	-	-	-	-
CapTel Phone Equipment	-	-	-	-
VCP Hearing Impaired	577,203	278,296	273,557	577,203
VCP Speech Impaired	-	-	-	-
TeliTalk Speech Aid	32,760	32,250	30,100	32,760
Jupiter Speaker Phone (InferaRed/Ha	-	-	-	-
In Line Amplifier	34,950	103,170	95,509	34,950
ARS-Signaling Equipment	2,592	-	-	2,592
VRS-Signaling Equipment	16,400	8,200	3,584	16,400
Equipment Accessories/Supplies	518	50	67	518
Telecom Equipment Repair	108,812	30,192	34,923	108,812
<b>SUBTOTAL CAT II</b>	773,235	452,158	437,740	773,235

<b>CATEGORY III - EQUIPMENT DISTRIBUTION &amp; TRAINING</b>				
Freight - Telecomm Equipment	30,862	20,595	20,443	30,862
Regional Distribution Centers	535,647	161,812	153,495	531,618
Workshop Expense	-	-	-	-
Training Expense for RDCs	468	468	624	468
<b>SUBTOTAL CAT III</b>	566,977	182,875	174,561	562,948

### STAFF'S BUDGET COMPARISON

	2020/2021 APPROVED BUDGET	2020/2021 FTRI ESTIMATED	2020/2021 FPSC STAFF ESTIMATED	2021/2022 FTRI PROPOSED BUDGET
Outreach Expense	535,650	433,143	422,917	535,650
<b>SUBTOTAL CAT IV</b>	<b>535,650</b>	<b>433,143</b>	<b>422,917</b>	<b>535,650</b>

<b>CATEGORY V - GENERAL AND ADMINISTRATIVE</b>				
Advertising	-	-	-	-
Accounting/Audit	20,823	21,146	26,471	21,624
Legal	28,776	11,022	14,183	12,281
Consultation-Computer	5,020	6,431	5,789	5,460
Dues/Subscriptions	2,482	1,230	1,513	1,380
Office Furniture	-	-	-	-
Office Equipment Purchase	7,131	7,730	4,644	7,711
Office Equipment Lease	1,751	1,778	1,820	1,778
Leasehold Improvements	-	-	-	-
Insurance -Health/Life/Disability	181,893	149,461	138,799	172,997
Insurance-Other	9,741	10,253	10,179	9,741
Office Expense	12,248	10,466	8,783	10,477
Postage	4,139	3,025	647	3,025
Printing	1,323	704	-	1,177
Rent	91,715	91,304	91,724	91,304
Utilities	5,408	4,971	4,261	4,945
Retirement	77,030	67,828	57,112	78,849
Employee Compensation	431,510	422,417	390,992	443,590
Temporary Employment	-	-	-	-
Taxes – Payroll	31,979	30,840	30,947	30,977
Taxes - Unemployment Comp	56	2,957	1,520	2,957
Taxes – Licenses	61	61	81	61
Telephone	17,030	16,997	18,364	19,940
Travel & Business Expense	8,111	1,000	-	8,111
Equipment Maintenance	855	598	601	611
Employee Training	2,145	3,030	2,493	2,145
Meeting Expense	-	-	-	-
Miscellaneous	-	-	-	-
<b>SUBTOTAL CAT V</b>	<b>941,227</b>	<b>865,249</b>	<b>810,923</b>	<b>931,141</b>

<b>TOTAL EXPENSES</b>	<b>5,072,049</b>	<b>4,188,385</b>	<b>4,101,101</b>	<b>4,450,727</b>
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<b>REVENUES LESS EXPENSES</b>	<b>(165,211)</b>	<b>485,500</b>	<b>572,784</b>	<b>(53,800)</b>
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