

2021-2023 Oregon Board of Physical Therapy Biennium Budget Executive Summary

The Board has adopted a deficit budget for the 2021-2023 Biennium. This is the second biennium of a deficit budget, which has been done intentionally to reduce excess reserves before consideration of a fee increase. As noted the last several biennia, the Board has been anticipating the need to increase fees in either the 2021-2023 or 2023-2025 biennium; current projections will most likely require that action before the end of the 2021-2023 biennium.

License and application fees have not been raised since 2004, and were actually reduced by 15% in 2015-2017. The Board has also not been collecting all pass-through fees already adopted in rule in 2004, with the exception of part of the background verification check fee on initial application.

The Board requires a reserve fund to cover infrequent or unplanned expenses. The board should maintain an ending balance of 8-10 months of operating expenses, consistent with recommendations for State agencies with biannual renewals. The Board will drop substantively below this threshold by the end of 2021-2023.

- **Overall income is projected to be essentially flat with the prior biennium, at \$1,220,471, up \$761 over 19-21.**
 - Based on historical trends, and the assumption that the pandemic deflated applications, licensing revenue is being projected up 4% over 19-21.
 - The overall income is flat, as the Board will no longer be sharing an IT position with the HRLB Boards, as was done in 19-21, which will result in a reduction of revenue of ~\$121,444.

- **Expenses are up by \$148,990 for a 9% increase over the budget for the prior biennium, at \$1,768,363.**
 - Based on projected State government inflationary factors, personal services inflationary costs are projected at 10%, medical costs and contract providers at 5.7%, and other services and supplies at 4.3% for the 21-23 biennium.
 - Many core service rates have increased. For example, Assistant Attorney General fees are increasing 13%, from \$214 to \$241 per hour, and rent is increasing per 17% per square foot. Additionally, with the potential move of the HRLB Boards to another location, the Board may need to move to a different location, which would incur additional, unbudgeted expenses.
 - Personal services expenses, inclusive of medical costs, are projected up only 5% over 19-21, or \$54,839.31. This includes retaining and re-purposing existing staff previously supporting services provided to HRLB Boards. While not adding staff, this will allow for net increase in staffing capacity to support Board programs and strategic initiatives.

- The Board is anticipating significant increase in the Risk Pool charges paid to DAS, increasing to a projected \$35,000 from \$13,600, in the 19-21 biennium.
- Required IT Costs have increased significantly. The State of Oregon is standardizing on Office 365, migrating all agencies to central email servers, and requiring specific telecommunications devices for secure access. These changes have resulted in an increase on related expenses of ~\$12,000. The Board is also moving management of file servers to secure central management, and may no longer be able to share IT costs with HRLB boards at some point in the 21-23 Biennium, as those Boards are currently proposed to migrate to the Health Licensing Office, which is homed in the Oregon Health Authority. The Board has budgeted to absorb the full cost of servers, at and additional ~\$24,000 for the biennium.
- The Budget also accounts for an increase of ~\$12,000 to add continuous annual monitoring through the NPDB.

Oregon Board of Physical Therapy
2021-2023 Biennium Budget

July 2021 through June 2023

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Accrual Basis

	FY 21-22	FY 22-23	BI 21-23
Ordinary Income/Expense			
Income			
4000 · Income			
4100 · Physical Therapists			
4132 · PT Renewal Ver & Proc Fees	258,823.53	0.00	258,823.53
4112 · PT App Ver & Proc Fees	26,370.60	26,370.60	52,741.20
4110 · PT Exam Applications	28,116.00	28,116.00	56,232.00
4120 · PT Endorsement Applications	49,686.00	49,686.00	99,372.00
4125 · PT Temporary Permits	936.00	936.00	1,872.00
4130 · PT Renewals	833,040.00	1,462.00	834,502.00
4140 · PT Delinquent Renewals	2,080.00	2,080.00	4,160.00
4150 · PT Duplicate Licenses	0.00	0.00	0.00
4170 · PT Civil Penalties	1,300.00	1,300.00	2,600.00
Total 4100 · Physical Therapists	1,200,352.13	109,950.60	1,310,302.73
4200 · Physical Therapist Assistants			
4232 · PTA Renewal Ver & Proc Fees	50,427.27	0.00	50,427.27
4212 · PTA App Ver & Proc Fees	5,368.44	5,368.44	10,736.88
4227 · PTA Temp-EOBED	0.00	0.00	0.00
4210 · PTA Exam Applications	9,360.00	9,360.00	18,720.00
4220 · PTA Endorse Applications	8,320.00	8,320.00	16,640.00
4225 · PTA Temporary Permits	0.00	0.00	0.00
4230 · PTA Renewals	134,160.00	824.00	134,984.00
4240 · PTA Delinquent Renewals	728.00	728.00	1,456.00
4250 · PTA Duplicate Licenses	0.00		0.00
4270 · PTA Civil Penalties	0.00		0.00
Total 4200 · Physical Therapist Assistants	208,363.71	24,600.44	232,964.15
4300 · PT & PTA Combined			
4360 · OHA Workforce Data Survey Fee	23,514.44	0.00	23,514.44
4350 · PT Compact Fees	10,000.00	10,000.00	20,000.00
4330 · PTand/or PTA Mailing Diskette	4,160.00	4,160.00	8,320.00
Total 4300 · PT & PTA Combined	37,674.44	14,160.00	51,834.44
4400 · PT/PTA License Verification Fee	10,000.00	10,000.00	20,000.00
4500 · Miscellaneous Income			
4583 · 83300 IT Services	0.00	0.00	0.00
4500 · Miscellaneous Income - Other	156.00	156.00	312.00
Total 4500 · Miscellaneous Income	156.00	156.00	312.00
4900 · Bank Interest Income	0.00	0.00	0.00
Total 4000 · Income	1,456,546.28	158,867.04	1,615,413.32
Total Income	1,456,546.28	158,867.04	1,615,413.32
Gross Profit	1,456,546.28	158,867.04	1,615,413.32
Expense			

	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>BI 21-23</u>
5100 · Payroll Costs			
5132 · FICA (SS + Medicare)	26,820.60	28,552.00	55,372.60
5133 · FICA Administrative Fee	15.00	15.00	30.00
5110 · Gross Salaries	350,596.00	373,232.00	723,828.00
5136 · Mass Transit Tax	2,747.00	2,852.00	5,599.00
Total 5140 · Employee Benefits	173,069.00	181,935.00	355,004.00
5150 · Employee Training	10,000.00	10,000.00	20,000.00
5190 · Board Stipends	15,000.00	15,000.00	30,000.00
5199 · Other Payroll Expenses	2,400.00	2,500.00	4,900.00
Total 5100 · Payroll Costs	<u>580,647.60</u>	<u>614,086.00</u>	<u>1,194,733.60</u>
Total 5600 · Travel Costs	21,300.00	21,300.00	42,600.00
6100 · General Office Expenses			
6110 · Copier	960.00	960.00	1,920.00
6120 · Printing/Copying	3,600.00	2,000.00	5,600.00
6140 · Office Supplies	2,100.00	2,200.00	4,300.00
6145 · Other	5,000.00	2,000.00	7,000.00
6150 · Board Meeting Expenses	1,200.00	1,200.00	2,400.00
6155 · Parking Validation Stickers	1,650.00	1,650.00	3,300.00
6180 · Telecommunications	7,400.00	7,400.00	14,800.00
6185 · Bank Charges/Fees	4,000.00	4,000.00	8,000.00
6186 · Liability Insurance (Risk Mgmt)	17,500.00	17,500.00	35,000.00
Total 6100 · General Office Expenses	<u>43,410.00</u>	<u>38,910.00</u>	<u>82,320.00</u>
6190 · Dues and Subscriptions	10,000.00	10,000.00	20,000.00
Total 6200 · Postage	2,000.00	2,000.00	4,000.00
6300 · Publications	320.00	320.00	640.00
6400 · Contracted Services			
6405 · Merchant Account Fees	32,000.00	6,000.00	38,000.00
6410 · Investigators	1,500.00	1,500.00	3,000.00
6420 · Computer Support	24,000.00	24,000.00	48,000.00
6430 · Attorney General-Legal Counsel	40,000.00	40,000.00	80,000.00
6440 · Audit Charges	8,000.00	5,000.00	13,000.00
6450 · Accountant / CPA	500.00	500.00	1,000.00
6460 · Payroll Service Charges	3,000.00	3,000.00	6,000.00
6470 · Payroll Expenses			
6490 · DAS Charges (Miscellaneous)	1,735.00	1,735.00	3,470.00
6495 · EmpDept/HearingOfficerPanel	2,500.00	2,500.00	5,000.00
6499 · Other Services	0.00	24,000.00	24,000.00
Total 6400 · Contracted Services	<u>113,235.00</u>	<u>108,235.00</u>	<u>221,470.00</u>
6500 · Rent and Occupancy			
6510 · Rent	22,000.00	22,000.00	44,000.00
6500 · Rent and Occupancy - Other	0.00	0.00	0.00
Total 6500 · Rent and Occupancy	<u>22,000.00</u>	<u>22,000.00</u>	<u>44,000.00</u>
Total 6600 · Background Checks	42,400.00	42,400.00	84,800.00
6650 · Investigation Expenses	100.00	100.00	200.00

	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>BI 21-23</u>
Total 6800 · Computers & Accessories	<u>36,800.00</u>	<u>36,800.00</u>	<u>73,600.00</u>
Total Expense	<u>872,212.60</u>	<u>896,151.00</u>	<u>1,768,363.60</u>
Net Ordinary Income	<u>584,333.68</u>	<u>-737,283.96</u>	<u>-152,950.28</u>
Net Income	<u><u>584,333.68</u></u>	<u><u>-737,283.96</u></u>	<u><u>-152,950.28</u></u>