

Physical Therapist Licensing Board  
Budget Comparison  
2013/2015 to 2015/2017

	TOTAL		TOTAL	
	Jul '13 - Jun 15	Jul '15 - Jun 17	\$ Difference	% Change
Ordinary Income/Expense				
Income				
4000 · Income				
4100 · Physical Therapists				
4110 · PT Exam Applications	36,000.00	61,440.00	25,440.00	70.7
4120 · PT Endorsement Applications	60,000.00	108,000.00	48,000.00	80.0
4125 · PT Temporary Permits	2,400.00	4,200.00	1,800.00	75.0
4130 · PT Renewals	660,000.00	663,852.00	3,852.00	0.6
4140 · PT Delinquent Renewals	6,000.00	2,400.00	-3,600.00	-60.0
4150 · PT Duplicate Licenses	0.00	1,200.00	1,200.00	
4160 · PT Wali Certificate	0.00	0.00	0.00	
4170 · PT Civil Penalties	12,000.00	11,520.00	-480.00	-4.0
4190 · PT NSF Check Fee	0.00	0.00	0.00	
4195 · PT Other	0.00	240.00	240.00	
Total 4100 · Physical Therapists	776,400.00	852,852.00	76,452.00	9.8
4200 · Physical Therapist Assistants				
4210 · PTA Exam Applications	12,000.00	18,000.00	6,000.00	50.0
4220 · PTA Endorse Applications	12,000.00	19,752.00	7,752.00	64.6
4225 · PTA Temporary Permits	2,400.00	1,392.00	-1,008.00	-42.0
4230 · PTA Renewals	120,000.00	82,868.00	-37,132.00	-30.9
4240 · PTA Delinquent Renewals	2,400.00	600.00	-1,800.00	-75.0
4250 · PTA Duplicate Licenses	0.00	600.00	600.00	
4260 · PTA Wall Certificate	0.00	0.00	0.00	
4270 · PTA Civil Penalties	2,400.00	2,472.00	72.00	3.0
4290 · PTA NSF Check Fee	0.00	0.00	0.00	
4295 · PTA Other	0.00	0.00	0.00	
Total 4200 · Physical Therapist Assistants	151,200.00	125,684.00	-25,516.00	-16.9
4300 · PT & PTA Combined				
4330 · PT and/or PTA Mailing Diskette	24,000.00	17,184.00	-6,816.00	-28.4
Total 4300 · PT & PTA Combined	24,000.00	17,184.00	-6,816.00	-28.4
4400 · PT/PTA License Verification Fee	24,000.00	26,280.00	2,280.00	9.5
Total 4400 PT/PTA License Verification Fee	24,000.00	26,280.00	2,280.00	9.5
4500 · Miscellaneous Income				
4510 · Photocopy Charges	0.00	0.00	0.00	
4500 · Miscellaneous Income - Other	0.00	0.00	0.00	
Total 4500 · Miscellaneous Income	0.00	0.00	0.00	
4900 · Bank Interest Income	0.00	0.00	0.00	
Total 4000 · Income	975,600.00	1,022,000.00	46,400.00	4.8
Total Income	975,600.00	1,022,000.00	46,400.00	4.8
Expense				
5100 · Payroll Costs				
5132 · FICA (SS + Medicare)	33,600.00	35,457.00	1,857.00	5.5
5133 · FICA Administrative Fee	0.00	30.00	30.00	

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5134 · Unemployment Taxes	0.00	0.00	0.00	
5110 · Gross Salaries	441,600.00	468,271.00	26,671.00	6.0
5130 · Payroll Taxes	0.00	0.00	0.00	
5135 · Unemployment Benefits	0.00	0.00	0.00	
5136 · Mass Transit Tax	3,120.00	3,304.00	184.00	5.9
5140 · Employee Benefits				
5141 · PERS ER Paid EE Cont	26,400.00	27,739.00	1,339.00	5.1
5142 · PERS ER Admin Contribution	63,000.00	61,556.00	-1,444.00	-2.3
5143 · Obligation Bond Debt Repayment	27,960.00	29,343.00	1,383.00	4.9
5144 · Workers Compensation	360.00	360.00	0.00	0.0
5146 · PEBB Medical/Dental Insurance				
5146-1 · PEBB Insurance	98,400.00	110,418.00	12,018.00	12.2
5146-2 · PEBB Insurance Refund	0.00	-4,158.00	-4,158.00	
5146 · PEBB Medical/Dental Insurance - Other	0.00	0.00	0.00	
Total 5146 · PEBB Medical/Dental Insurance	98,400.00	106,260.00	7,860.00	8.0
Total 5140 · Employee Benefits	216,120.00	225,258.00	9,138.00	4.2
5150 · Employee Training	4,800.00	4,800.00	0.00	0.0
5190 · Board Stipends	14,400.00	12,600.00	-1,800.00	-12.5
5199 · Other Payroll Expenses	0.00	2,400.00	2,400.00	
Total 5100 · Payroll Costs	713,640.00	752,120.00	38,480.00	5.4
5600 · Travel Costs				
5610 · Instate Travel				
5612 · Lodging	4,800.00	3,600.00	-1,200.00	-25.0
5614 · Airfare/Mileage	9,600.00	8,400.00	-1,200.00	-12.5
5616 · Meals	2,400.00	2,400.00	0.00	0.0
Total 5610 · Instate Travel	16,800.00	14,400.00	-2,400.00	-14.3
5620 · Out of State Travel				
5622 · Lodging	2,400.00	2,400.00	0.00	0.0
5624 · Airfare/Mileage	2,400.00	3,600.00	1,200.00	50.0
5626 · Meals	780.00	1,200.00	420.00	53.8
Total 5620 · Out of State Travel	5,580.00	7,200.00	1,620.00	29.0
Total 5600 · Travel Costs	22,380.00	21,600.00	-780.00	-3.5
6100 · General Office Expenses				
6110 · Copier	1,200.00	1,200.00	0.00	0.0
6120 · Printing/Copying	12,000.00	9,600.00	-2,400.00	-20.0
6140 · Office Supplies	3,600.00	3,600.00	0.00	0.0
6150 · Board Meeting Expenses	1,800.00	1,800.00	0.00	0.0
6155 · Parking Validation Stickers	1,200.00	1,200.00	0.00	0.0
6180 · Telecommunications	8,400.00	7,200.00	-1,200.00	-14.3
6185 · Bank Charges/Fees	6,000.00	6,000.00	0.00	0.0
6186 · Liability Insurance (Risk Mgmt)	3,600.00	4,200.00	600.00	16.7
Total 6100 · General Office Expenses	37,800.00	34,800.00	-3,000.00	-7.9
6190 · Dues and Subscriptions	6,000.00	6,000.00	0.00	0.0

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6200 · Postage				
6210 · Mail/Mail Room Charges	6,000.00	6,000.00	0.00	0.0
6220 · Newsletters	4,800.00	4,800.00	0.00	0.0
6220 · Other	6,000.00	0.00	-6,000.00	-100.0
Total 6200 · Postage	16,800.00	10,800.00	-6,000.00	-35.7
6300 · Publications				
6330 · Other	0.00	480.00	480.00	
Total 6300 · Publications	0.00	480.00	480.00	
6400 · Contracted Services				
6405 · Merchant Account Fees	16,800.00	16,800.00	0.00	0.0
6410 · Investigators	6,000.00	3,000.00	-3,000.00	-50.0
6420 · Computer Support	12,000.00	12,000.00	0.00	0.0
6430 · Attorney General-Legal Counsel	71,380.00	64,800.00	-6,580.00	-9.2
6440 · Audit Charges	9,600.00	9,600.00	0.00	0.0
6450 · Accountant / CPA	1,200.00	1,200.00	0.00	0.0
6460 · Payroll Service Charges	3,600.00	3,600.00	0.00	0.0
6490 · DAS Charges (Miscellaneous)	0.00	600.00	600.00	
6495 · EmplDept/HearingOfficerPanel	7,200.00	7,200.00	0.00	0.0
6499 · Other Services	24,000.00	24,000.00	0.00	0.0
Total 6400 · Contracted Services	151,780.00	142,800.00	-8,980.00	-5.9
6500 · Rent and Occupancy				
6510 · Rent	36,000.00	36,000.00	0.00	0.0
Total 6500 · Rent and Occupancy	36,000.00	36,000.00	0.00	0.0
6600 · Background Checks				
6630 · Vantage Data	10,800.00	10,800.00	0.00	0.0
Total 6600 · Background Checks	10,800.00	10,800.00	0.00	0.0
6650 · Investigation Expenses	0.00	600.00	600.00	
6800 · Computers & Accessories				
6810 · Software	2,400.00	2,400.00	0.00	
6820 · Hardware	2,400.00	3,600.00	1,200.00	50.0
Total 6800 · Computers & Accessories	4,800.00	6,000.00	1,200.00	25.0
Total Expense	1,000,000.00	1,022,000.00	22,000.00	2.2
Net Ordinary Income	-24,400.00	0.00	24,400.00	

## **Oregon Physical Therapist Licensing Board 2015-2017 Budget Comparative Narrative to 2013-2015**

### 4000 - Total Income

Total income was originally budgeted at **(\$1,209,128)** a projected increase of 24% over the prior biennium. Prior income analysis has been based on percentages of trended increases applied to budgeted income not to actual income. Over the past three biennium, actual income has exceeded the budgeted income figures by an average of 7%. Actual income has increased by an average of 4.3% annually over the past 5 years. This is based on a number of factors including primarily a rise in the number of licensed therapist from 4,043 in July 2009 to 5,012 in July 2014. The following are other assumptions lending themselves to the 24% projected increase: continuing increase in exam applications of 4% annually. Exam Income (PT's **\$61,440** and PTA's **\$18,000**) also anticipates up to 40 new applicants each year graduating from the new PT program at George Fox University. Endorsement income (PT's **\$108,000** and PTA's **\$19,752**) has been averaging a historic growth of 15% per year; with the implementation of the fixed date testing the Board has seen a surge in requests for temporary permits for PTs while applicants wait to sit for the national exam. This does not hold true for PTAs as the local school graduation dates fall closer to the national exam fixed dates. The 2015 -2017 income budget for other categories was derived using historical trends on actual income figures and on a line item basis. For a reasonableness comparison; if you take the fiscal yearend 2014 actual income of \$566,049 and apply a 4.3% average growth rate annually for 2015 – 2017, you get a 2015 -2017 projected income totaling \$1,258,000.

At its January 9, 2015 meeting the Board reviewed the proposed income figures as they related to expense. The original budget projected a net income after expense of just over \$187,000. After consideration of Board current reserve levels, the Board determined that they will balance the budget by lowering projected income of renewal fees during the biennium to bring the net operating income to zero. The projection for PT renewal income was lowered from \$804,000 to \$664,000. The projection for PTA renewal income was lowered from \$129,650 to \$83,000. This income reduction will be reflected in the calculation of renewal fees charged to PTs and PTAs during the 2016 renewal cycle.

### 5100 – Payroll Cost

Overall Payroll Costs **(\$752,120)** are up 5.4% over the prior biennium. Payroll costs consist primarily of salaries and benefits. Salaries make up the greatest portion of payroll costs. Actual proposed salaries for 2015-2017 **(\$468,271)** are up 6.0% over the prior biennium. All three of the Board staff positions have had new job descriptions written, reviewed and approved by Department of Administrative Services (DAS) Human Resource Services Department (HRSD). DAS has also set the compensation and classification for these positions. The projected increases adhere to the DAS policies, guidelines and salary schedules as adopted by the Board. The current projections assume an annual cost of living increases, and a merit increase for the Licensing Coordinator.

The Director and Clinical Advisor/Investigator are at the top of range and not eligible for merit. Over the biennium, the Board is planning a project that will move the Board to a paperless file system. There are two steps to this project. The first is a detailed file review and cleanup of paper licensee files, purging old unnecessary documents followed by the scanning of the active files. There is \$4,800 built into this biennium's salary budget for the use of the Board's on call hourly staff person to complete this project.

#### 5140 – Employee Benefits

Benefit costs (**\$225,258**) are set by PEBB State contracts and collective bargaining agreements. Costs are estimated to be up a total of 4.2% which is close to the current trends in premiums and coverage's. For the 2015-2017 biennium, a rate of 5% has been used to project annual medical/dental rate increases (**\$106,260**). Offsetting part of these costs is the 3% or 5% employee contribution paid towards medical premiums by the employees, depending on their plan choice. The increases in medical and dental insurance costs make up the largest portion of the 4.2% increase. The actual PERS Employer Administrative Contribution (**\$61,556**) is a projected decrease over the biennium slightly. This cost is calculated as a percent of covered salaries. The analysis, along with the projected rates is provided by the State's actuarial firm (Mercer). The rate is set to decrease from 14.26% in the current biennium to 13.28% in the 2015-2017 biennium. The Board has no control over the PERS Employer Administrative Contribution. Board Stipends are down due to an over projection in the 2013-2015 budget. The Board has 8 volunteer members of whom only 7 elect to accept the Stipend.

#### 5600 – Travel Costs

Travel costs are identified in two separate categories. In-State (**\$14,400**) and Out-of-State (**\$7,200**) travel. While In-State travel cost are down due to the rotation of one of the traveling Board member off the Board and being replaced by a non-traveling member; Out-of-State travel costs are anticipated to increase because of two new members who may want the opportunity or need to travel on Board business. Additionally there was a slight increase in the federal mileage reimbursement rates.

#### 6100 – General Office Expense

General office (**\$34,800**) expense is made up of several expenses categories. In comparison the total expense for this classification has dropped nearly 8% for 2015-2017. This is an area the Board staff has done an outstanding job in managing expenses. Most of the expense categories remain flat with no projected increases. The areas where you see projected savings are in; Printing and Copying, the Board has moved from three Newsletters per year to publishing two Newsletters. Also the Board is utilizing Licensees email addresses to communicate through blast emails as opposed to paper mailings. The telecommunication expense (**\$7,200**) is down but only because the estimates used in the 2013-2015 budget were overstated. There is a slight increase projected for the Risk Management Liability Insurance (**\$4,200**) based on trends.

#### 6200 - Postage

There are no significant changes anticipated for postage and mail room service fees for the 2015-2017 biennium. This is an expense incurred for in-house mailings, mail

delivery and handling. There is a large decrease in the overall expense classification of nearly \$6,000. This was an error in the 2013-2015 budget process where copying, postage and mailing of the annual renewal applications were accounted for both in 6220 Postage Other and in 6120 Printing and Copying.

#### 6400 – Contracted Services

The category Contracted Services (**\$142,800**) will have an overall decrease again this biennium of nearly 6%. The decrease is the net effect of expense classifications. Contract Investigator (**\$3,000**) fees are down by \$3,000 based on experience over the past biennium. The need to contract with outside investigators has not occurred and so the expense anticipated for the new biennium was cut in half, allowing for contract help if the need were to arise. The Board has moved to a new pilot program with the Department of Justice where the Board legal fees are billed at a quarterly flat rate. The rate is calculated using the average of actual billings over the prior two bienniums. The Boards legal fees (**\$64,800**) for the 2015 - 2017 biennium should drop by about 9%, based on the Board's most recent experience; all other contracted service expense accounts remain flat for the 2015-2017 biennium.

#### Total Expense

The total projected expense for the 2015-2017 biennium (**\$1,022,000**) is up by 2.2% or a total of \$22,000. This percentage of increase is below the 3% general inflationary figure used by other State Boards and Agencies and is not subject to the 9% inflationary increase for DAS services also built into the budgets for other State Boards and Agencies bringing their overall inflationary factor closer to 5%.

#### Rule Making Process

ORS 182.462 outlines the procedures for the adoption of the Board budget. In accordance to ORS 182.462, once the Board approves a proposed budget, Notice of Rulemaking Hearing will be posted in the Oregon Bulletin and also sent to the Legislature, all Interested Parties, and to all Licensees of the Board. The Board will have a public hearing on the budget and take into consideration any testimony prior to final adoption of the proposed budget. The Board adopted budget with narrative is posted on the Board's website at [www.ptboard.state.or.us](http://www.ptboard.state.or.us).