



**BOARD OF PODIATRIC MEDICINE
SEPTEMBER 9, 2016**

SUBJECT: QUARTERLY BUDGET REPORT – FY 15-16 FOURTH QUARTER

ACTION: RECEIVE AND FILE

5A

RECOMMENDATION

Receive and file the quarterly budget report and FY 15-16 – Fourth Quarter (Q4).

ISSUE

This report provides the Board with the most updated and available financial analysis for BPM through the fourth quarter of FY 15-16.

DISCUSSION

The Board of Podiatric Medicine (BPM) is on task with maintaining a financially sound budget for FY 2015-16. Through continued efficient delivery of public services and minimization of financial costs BPM has continued to maintain fiscal and financial discipline.

1. EXPENDITURE REPORT

On June 30, 2016 BPM concluded the fourth quarter of FY 15-16. The expense report below shows 12 months of charges for personnel services at \$465,534, and operating expenses & equipment at \$583,037, and these total \$1,048,571. BPM is left with a surplus of \$433,429 or 29.3% of its full budget for FY 15-16. As you can see by the Board of Podiatric Medicine's Budget Report, FY 2015-16 Expenditure Projection, (Attachment A), BPM spent \$927,674 in FY 14-15, or approximately 12% less than FY 15-16. These numbers are well within expected levels and continue to indicate that BPM has closed FY 15-16 as expected.

2. REVENUE REPORT

Receipts continue to reflect the ratios that BPM has received in the past with the major sources of income coming from licensees' initial licensing fees and biennial

renewal fees. BPM's revenue for FY 15-16 totals \$988,792 which is about 9% more than the \$909,252 received for FY 14-15. This data indicates that BPM is well within expected income levels and indicates that BPM is meeting expected targets.

3. FUND CONDITION

As with past practice and in accord with sound governmental financial planning principals, the fund analysis assumes full budget expenditure of \$1,482,000 for FY 15-16. As you can see by the "Podiatric Medicine Analysis of Fund Condition," (Attachment B), it appears that BPM's Fund Condition will currently have reserves to cover 7.4 months. As the projections continue, it appears BPM is expecting a diminishing reserve. Months in reserve for FY 2016-17 are projected to be 3.2 and for FY 2016-17, by 2017, BPM is predicted to be in the negative reserve with a reserve of -1.1 months. BPM will be working with DCA Budgets, and all other resources to address this concern.

4. SUMMARY

There have been no significant changes to the expenditures or revenues for BPM this year. It is important to note that costs for shared service expenditures with the Medical Board, Attorney General, enforcement probation receipts, pro rata interagency charges, and board expenditures are all within expected amounts. BPM will continue monitoring expenses and revenues and focus on the issues surrounding its apparently diminishing fund condition.

NEXT STEPS

As FY 15-16 progresses, we continue to monitor expenses and revenues and report on a quarterly basis.

- A. Attachment A - Board of Podiatric Medicine's Budget Report, FY 2015-16 Expenditure Projection
- B. Attachment B - Podiatric Medicine Analysis of Fund Condition

Prepared by: Kathleen Cooper, JD



Kathleen Cooper, JD
Interim Executive Director

**BOARD OF PODIATRIC MEDICINE
BUDGET REPORT
FY 2015-16 EXPENDITURE PROJECTION
FM 13**

Updated 8/26/2016

OBJECT DESCRIPTION	FY 2014-15		FY 2015-16				
	ACTUAL	PRIOR YEAR	BUDGET	CURRENT YEAR	PERCENT	PROJECTIONS	UNENCUMBERED
	EXPENDITURES	EXPENDITURES	ACT	EXPENDITURES			
MONTH 13	FM 13	2015-16	FM 13	SPENT	TO YEAR END	BALANCE	
PERSONNEL SERVICES							
Civil Service - Perm	165,367	165,367	234,000	206,520	88%	206,520	27,480
Temp Help (907)	13,437	13,437	24,000	13,438	56%	13,438	10,562
Statutory Exempt (EO)	83,400	83,400	82,000	88,969	108%	88,969	(6,969)
Board Member Per Diem	3,900	3,900	8,000	8,000	100%	8,000	0
Overtime	0	0	0	731		731	(731)
Staff Benefits	118,738	118,738	131,000	147,876	113%	147,876	(16,876)
TOTALS, PERSONNEL SVC	384,842	384,842	479,000	465,534	97%	465,534	13,466
OPERATING EXPENSE AND EQUIPMENT							
General Expense	9,238	9,238	6,000	6,758	113%	6,758	(758)
Fingerprint Reports	4,508	4,508	0	5,323		5,323	(5,323)
Minor Equipment	4,183	4,183	0	99		99	(99)
Printing	3,855	3,855	1,000	9,656	966%	9,656	(8,656)
Communication	6,608	6,608	0	5,450		5,450	(5,450)
Postage	4,041	4,041	2,000	4,409	220%	4,409	(2,409)
Travel In State	11,854	11,854	4,000	10,152	254%	10,152	(6,152)
Training	0	0	1,000	0	0%	0	1,000
Facilities Operations	46,467	46,467	52,000	45,894	88%	45,894	6,106
C & P Services - Interdept.	1,500	1,500	11,000	20	0%	20	10,980
C & P Services - External	4,500	4,500	17,000	5,778	34%	5,778	11,222
DEPARTMENTAL SERVICES:							
OIS Pro Rata	55,110	55,110	67,000	66,551	99%	66,551	449
Indirect Distrib Co	59,063	59,063	64,000	63,933	100%	63,933	67
Shared Services (MBC only)	35,990	35,990	39,000	35,990	92%	35,990	3,010
DOI-ISU Pro Rata	1,780	1,780	2,000	1,966	98%	1,966	34
Communications PRO	2,065	2,065	4,000	4,000	100%	4,000	0
PPRD Pro Rata	1,997	1,997	0				0
INTERAGENCY SERVICES:							
Consolidated Data Center	0	0	4,000	2	0%	2	3,998
Data Processing	4,560	4,560	0	3,505		3,505	(3,505)
Central Admin Svc-ProRata	47,324	47,324	49,000	48,623	99%	48,623	377
EXAM EXPENSES:							
C/P Svcs-External Expert Examiners	0		20,000	0	0%	0	20,000
ENFORCEMENT:							
Attorney General	148,637	148,637	339,000	170,325	50%	170,325	168,675
Office Admin. Hearings	12,815	12,815	86,000	14,538	17%	14,538	71,462
Court Reporters	1,700	1,700	0	754		754	(754)
DOI - Investigation	29,290	29,290	46,000	33,565		33,565	12,435
Investigative Services	45,459	45,459	189,000	45,458	24%	45,458	143,542
Major Equipment	288	288	0	288		288	(288)
TOTALS, OE&E	542,832	542,832	1,003,000	583,037	58%	583,037	419,963
TOTAL EXPENSE	927,674	927,674	1,482,000	1,048,571	155%	1,048,571	433,429
Sched. Reimb. - Fingerprints	(3,773)	(3,773)	(4,000)	(4,410)	110%	(4,000)	0
Sched. Reimb. - Other	(2,115)	(2,115)	0	(1,880)			0
Unsched. - Investigative Cost Recovery	(59,900)	(59,900)	0	(42,053)			0
NET APPROPRIATION	861,886	861,886	1,478,000	1,000,228	68%	1,044,571	433,429
SURPLUS/(DEFICIT):							29.3%

0295 - Podiatric Medicine Analysis of Fund Condition

(Dollars in Thousands)

2016-17 Budget Act

	ACTUAL 2014-15	ACTUAL 2015-16	Budget Act CY 2016-17	Gov's Budget BY 2017-18
BEGINNING BALANCE	\$ 948	\$ 994	\$ 931	\$ 409
Prior Year Adjustment	\$ -2	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 946	\$ 994	\$ 931	\$ 409
REVENUES AND TRANSFERS				
Revenues:				
125600 Other regulatory fees	\$ 8	\$ 5	\$ 8	\$ 8
125700 Other regulatory licenses and permits	\$ 80	\$ 89	\$ 89	\$ 89
125800 Renewal fees	\$ 812	\$ 883	\$ 883	\$ 883
125900 Delinquent fees	\$ 5	\$ 7	\$ 7	\$ 7
150300 Income from surplus money investments	\$ 3	\$ 5	\$ 3	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 1	\$ -	\$ -	\$ -
Totals, Revenues	\$ 909	\$ 989	\$ 990	\$ 987
Totals, Resources	\$ 1,855	\$ 1,983	\$ 1,921	\$ 1,396
EXPENDITURES				
Disbursements:				
8880 FSCU (State Operations)	\$ 1	\$ 3	\$ 1	
1111 Program Expenditures (State Operations)	\$ -	\$ -	\$ 1,511	\$ 1,541
1110 Program Expenditures (State Operations)	\$ 860	\$ 1,049	\$ -	\$ -
Total Disbursements	\$ 861	\$ 1,052	\$ 1,512	\$ 1,541
FUND BALANCE				
Reserve for economic uncertainties	\$ 994	\$ 931	\$ 409	\$ -145
Months in Reserve	11.3	7.4	3.2	-1.1

NOTES: A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ON-GOING.
 B. ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR BEGINNING BY+1.
 C. ASSUMES INTEREST RATE AT 0.3%
 D. REFLECTS FM13 ACTUALS