

## Notes to Budget – 2016

The notes contain an explanation for only those budget items that have changed from the 2015 or require further explanation in order to understand the line item.

### Revenue

<b>Membership Fees</b>	The College currently has 672 members. Once the annual renewal process is complete, we will know how many members, if any, will not renew their membership. We have budgeted for 675 at \$1,700 per member to account for other potential resignations.
<b>Application Fees</b>	35 new members. I have budgeted 32 x \$200.00 and 3 x \$500.00 on the assumption that the new application fees will be approved at the February Council meeting.
<b>Examination Fees</b>	35 new members x \$1600.00 = \$56,000. (This includes the Michener students and those who apply from out-of-province). In terms of the supplemental examination, the budgeted line item includes:  3 - Written component      \$1,500.00 (3 x \$500.00)  3 – OSCE                              \$4,800      (3 x \$1,600.00)  10 - Jurisprudence              \$2,500      (10 x \$250.00)
<b>Incorporation Fees</b>	99 corporations x \$475.00 renewal fee (\$47,025.00) plus 11 new corporations at an initial fee of \$950.00 (\$10,450.00). Commencing in September 2015, the renewal fee is due on September 30 <sup>th</sup> for all corporations as opposed to the date on which a certificate of authorization was first authorized.
<b>First Time Registrants</b>	32 new first time registrants x \$850.00. The by-law stipulates that the \$850.00 applies if the applicants pay their first time fees after July 1 <sup>st</sup> . This number represents the Michener graduates as well as out of-province candidates.
<b>Late Fee penalty</b>	10 members x \$200.00 = \$2,000.00

### Other Revenue

<b>Interest</b>	The amount budgeted is based on an approximate \$425,000 surplus in 2015 x .05-.09% (cashable vs. non-cashable) interest rate. This amount arises from the College's GIC's.
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## **Legal Recovery**

In 2015, \$101,500 in legal recovery was ordered. We have actually recovered \$71,000 of the \$101,500 ordered. One of the reasons for this is because members make incremental payments in relation to their discipline order. One of the cost orders is proving difficult to collect on although we have recovered a good portion of the ordered amount. The projection for 2016 is based on the number of discipline matters that are outstanding. The monies are reflected in the year they are ordered.

## **Expenses**

### **Committees**

#### **Council**

The budgeted amount is based on the 2015 forecast plus the requirement to occasionally rent space outside of the office building. The per diem is 3 meetings x 10 members' billing x \$150.00 /day = \$4,500.00. The 2015 projections would have been affected by Christine Burton resigning her position on Council mid-way through the year and a by-election taking place in two districts during the year. There are approximately 5 Council members that could potentially need to stay in a hotel. If the cost is \$155.00 per night at the Doubletree x 5 people x 3 meetings = \$2325.00 plus tax and parking. An amount of \$1500.00 was allocated for travel and parking over and above the cost of the room rental.

#### **Discipline**

There are currently 2 referrals to discipline thus far for 2016. This could increase over the year so I have estimated a total of 10 hearing days.

The breakdown is as follows:

1. Lodgings - 5 panel members x \$ 200.00/night x 10 = \$10,000
2. Per diem – 4 x \$150.00/day x 10 = \$6,000 + \$1,000 for decision writing for a total of \$7,000.
3. Meeting room - \$500.00/day per room x 2 breakout rooms (the first one is \$175.00/day and the second \$300/day) x 10 days = \$9,750 plus water, coffee, tea and lunch for discipline panel estimated to be \$175 per day = \$1,750 for a grand total of \$11,500.
4. Court Reporter's time is included in the rental of the premises where the discipline matters occur.
5. Legal fees – included in overall legal fees
6. The amount of \$5,534 under education and development represents the amount paid to the College of Physiotherapists for the Clinic Regulation Project. This amount should not appear under discipline – it has nothing to do with it. The amount allocated for 2016 for this project has therefore been moved to the budget line item to "Consulting - General".

I have also allocated an amount for education and development in the amount of  $\$531 \times 5 = \$2,655.00$ .

**Executive**

The travel and lodgings line item should be less this year since only one member of Executive will require hotel accommodations (same comments as Council). Therefore the budgeted amount is less than the 2015 projections for this line item.

**Quality Assurance**

The per diems for 2015 were higher due to the random practice assessments. This occurs every second year and will not occur in 2016.

**Strategic Planning & Registrar's Performance & Compensation**

There are 5 members on the proposed Committee but one is a public member. The College therefore pays for 4 members per diem  $\times \$150.00/\text{day} \times 5$  meetings -  $\$3,000.00$

**Audit**

The audit committee is proposed to consist of 3 members with one being a public member. Therefore, the per diem is  $2 \times \$150.00 = 300.00 \times 5$  meetings -  $\$4,500.00$ .

**Practice Working Group**

The budget reflects  $4$  members  $\times 150.00 \times 5$  days in total =  $3,000$ .

**Special Projects**

**HPRAC Follow Up**

The review is completed and we are awaiting the report. At the time of preparing the budget, the College has absolutely no idea of the outcome of the review. We therefore do not know what follow up work will need to be done in relation to the report. The budgeted amount represents an amount that may be required as a follow up to the report for a portion of the year.

**Registration Examination**

This amount is based on a number of items. The contract price with Dr. Harley from January 1, 2015 – December 31, 2016 is  $\$58,000$ , plus tax and disbursements. In 2015, the cost of the OSCE for Dr. Harley's services was  $\$15,750$  plus disbursements and HST of  $\$4482$ . In 2016, there is only one instalment required for the contract of  $\$14,500$  plus the cost of the OSCE. Although this is one less payment of  $\$14,500$  as compared to 2015, there have been more Committee meetings. Therefore the amount in this line item is the same as the 2015 projections.

This line item in the budget also includes room rental and catering for Committee meetings, the Committee members' per diem and disbursement expenses for meetings, preparing new questions, assessment at the OSCE examination and its supplemental, Angoff



	not Encon since the group benefits plan is no longer with them	
For 2016 at current rate	\$2,158.00 x 12	\$25896.00
30% increase		\$ 4,400.00
		<u>\$30,296.00</u>

\*Amount increased when Tera joined the plan

### Legal Fees

General Administration

The budgeted amount is based on 2015 forecast.

Council and Other Committees

This amount is based on the 2015 forecast. A few comments to note:

Discipline

Forecasted amounts in 2015 represents the busiest year the College has experienced in at least in the past 10 years for ICRC and discipline. It is impossible to accurately forecast the amount for legal fees as it is completely dependent on the number and type of complaints the College receives and how many referrals are made to discipline.

Currently there are 2 referrals to discipline that need to be dealt with. There maybe a couple more over the year. The budgeted numbers are based on 10 days of hearing as follows:

10 days of hearing in total x 2 lawyers (discipline counsel and Independent legal counsel (ILC) to the tribunal), combined \$725.00/hourly rate x 8 hours x 10 days = \$58,000, plus 4 total days preparation time x 8 hours at \$725/hour = \$23,200 plus disbursements of \$5,000 and HST of \$11,206 for a total of \$97,406, rounded to \$100,000.

ICRC

ICRC costs have been budgeted based on the 2015 projections plus 15%.

### General Administration

**Credit Card Charges**

Based on 2015 charges of \$29,492 and a slight increase in revenue from 2015 to 2016, the budget is set at \$30,000 based on the 2015 forecast. Most members pay their fees and any monies owing to the College by credit card.

**Insurance**

This amount includes the College's commercial insurance and office's and director's liability and errors and omissions insurance.

**Rent**

January 1, 2016 – December 31, 2016 = \$4,537.60 x 12 = \$54,451. The amount of rent was slightly reduced due to a reduction in overhead costs. This amount also includes the rental of a storage locker in the basement for all our old complaints/discipline files as well as documentation relating to College meetings since its inception and the Board of Regents.

**Resource Materials**

This budget item deals with the purchase of any necessary text books such as the Compendium for usage by the Standing Drug Committee and updates for the loose leaf service by Richard Steinecke entitled A Complete Guide to the Regulated Health Professions Act.

**Capital Assets**

In 2015, we needed to purchase a new server. In 2015, monies were allocated in the budget for the purchase of new computer equipment. This did not occur. There is a very good chance that they will need to be replaced in 2016 so the same amount has been left in the budget.

**Database Dev. & Website**

This includes all changes to the website, initial and final reports for the Health Professions Database project, monthly data feed sent to the MOH in Kingston, annual renewals, statistical reports, labels, election materials, updates to the web, to name but a few. This year was an especially difficult year in that our ISP provider, who also hosted our e-mail and website, suddenly closed its doors. We needed to find a new internet provider and a new host for our website. The amount budgeted is based on the 2015 forecasted amount, although the amount could be less than 2016 assuming we do not have similar issues.