

DOCKET 950495-WS

EXHIBIT NO 67

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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 950495 - WS  
APPLICATION FOR A GENERAL RATE INCREASE

VOLUME I  
BOOK 11 OF 22

MINIMUM FILING REQUIREMENTS  
PREFILED DIRECT TESTIMONY

Containing

DALE G. LOCK, CCP

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 950495 EXHIBIT NO 67  
COMPANY/  
WITNESS: SSU/Therma  
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**DIRECT TESTIMONY OF DALE G. LOCK, CCP**  
**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**ON BEHALF OF**  
**SOUTHERN STATES UTILITIES, INC.**  
**DOCKET NO. 950495-WS**

1 Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

2 A. My name is Dale G. Lock and my business address is 1000 Color Place,  
3 Apopka, Florida 32703.

4 Q. WHAT IS YOUR POSITION WITH SOUTHERN STATES  
5 UTILITIES, INC.?

6 A. My position is Manager of Human Resources for Southern States Utilities,  
7 Inc. which I will refer to as "SSU" or the "Company".

8 Q. WHAT IS YOUR EDUCATIONAL BACKGROUND AND WORK  
9 EXPERIENCE?

10 A. I am a Certified Compensation Professional by the American  
11 Compensation Association with 20 years of human resources management  
12 experience, 13 years of which are in the regulated utility industry. I  
13 obtained my Bachelor of Science degree in 1973 and a Masters in Science  
14 degree in Industrial Psychology from the University of Central Florida in  
15 1977. I was employed for six years in the Human Resources department  
16 of Florida Power Corporation where I was responsible for administering  
17 compensation, benefits and policies. I also spent five years with General  
18 Telephone of Florida where I was responsible for employment test  
19 development and validation; compensation, supervisory and management  
20 skills assessment; and EEO and affirmative action programs. I also  
21 worked for the University of Central Florida for five years where I was  
22 responsible for all aspects of personnel administration. Finally, I spent

1 three years with Assessment Designs, Inc. where I designed management  
2 and supervisory skills assessment center simulation exercises and  
3 performed assessor training.

4 **Q. WHAT ARE YOUR PRESENT DUTIES AS MANAGER OF HUMAN**  
5 **RESOURCES ?**

6 A. I began my employment with Southern States in February 1993 as Human  
7 Resources Administrator. In November 1994, I was promoted to the  
8 position of Manager of Human Resources. My duties include the  
9 development and administration of SSU's human resources programs and  
10 policies in the areas of recruitment, equal employment opportunity,  
11 employee relations, training, benefits, compensation, job evaluation, and  
12 performance appraisal. I am responsible for the content and administration  
13 of our employee benefits programs including the Defined Benefit Pension  
14 Plan, 401(k) Savings Plan, Medical/Life/Dental Plans, Short Term  
15 Disability, Group Long Term Disability Plan and Pre-tax Dependent &  
16 Medical Reimbursement Account, Employee Assistance Program,  
17 Unemployment and Worker's Compensation.

18 **Q. WHAT ARE YOUR PROFESSIONAL AFFILIATIONS?**

19 A. I am a member of the American Compensation Association, the Society for  
20 Human Resources Management and the Industrial Relations Research  
21 Association.

22 **Q. HAVE YOU EVER TESTIFIED BEFORE THE FLORIDA PUBLIC**

1           **SERVICE COMMISSION?**

2           A.    Yes. I testified on behalf of Southern States in Docket No. 930945-WS,  
3           the statewide jurisdiction docket.

4           **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

5           A.    I will describe Southern States' experience with FASB 106, provide  
6           information supporting Southern States' requested payroll costs, and give  
7           an overview of Southern States' human resources, payroll and training  
8           departments' operations which are designed to maximize efficiencies,  
9           reduce costs and provide our customers with a labor force capable of  
10          providing safe, efficient and sufficient service statewide.

11          **Q.    COULD YOU BRIEFLY DESCRIBE THE HISTORY OF FASB 106,**  
12          **CONCENTRATING SPECIFICALLY ON HOW IT HAS IMPACTED**  
13          **SOUTHERN STATES?**

14          A.    In December, 1990, the Financial Accounting Standards Board adopted  
15          SFAS No. 106 which was generally effective for fiscal years beginning  
16          after December 15, 1992. I will refer to SFAS No. 106 as "FASB 106."  
17          FASB 106 addresses the recognition and measurement of post-retirement  
18          benefits other than pensions, which I will refer to as "OPEBS." OPEBS  
19          are benefits that the employee receives from the employer when the  
20          employee retires and are made up of medical care, dental care, life  
21          insurance and other miscellaneous benefits. FASB 106 changed the  
22          accounting for OPEBS from the "pay as you go" method (cash basis) to

1 an accrual basis which recognizes the expense when the employee earns  
2 the benefits. In other words, FASB 106 requires Southern States to  
3 recognize OPEB costs as a liability on the Company's financial statements  
4 when they are earned, over the employee's working life similar to pension  
5 benefits and not when the benefits are paid.

6 **Q. HAS SOUTHERN STATES ADOPTED FASB 106?**

7 **A.** Yes. The Company adopted FASB 106 on January 1, 1993.

8 **Q. IS SOUTHERN STATES REQUESTING RECOVERY OF ITS OPEB**  
9 **COSTS IN THIS PROCEEDING?**

10 **A.** Yes. Southern States seeks OPEB cost recovery since the expense for  
11 OPEBs should be recovered as the employer accrues them. OPEB  
12 expenses should be paid for by the ratepayers for whom the employee is  
13 performing services rather than future ratepayers. Southern States' OPEB  
14 costs for the year ended December 31, 1994 were \$848,032. Exhibit  
15 \_\_\_\_\_ (DGL-1) contains a copy of the actuarial valuation report of our  
16 OPEB costs projected for the year ended December 31, 1994. The  
17 valuation study was performed by Godwins, Booke and Dickinson.

18 **Q. WHAT IS THE PROJECTED 1995 NET PERIODIC OPEB COST**  
19 **INDICATED IN THE MFRS?**

20 **A.** The actuarially estimated 1994 net periodic OPEB cost is \$848,032. We  
21 are not yet in receipt of the 1995 actuarial valuation report as of the time  
22 of submission of the application for a rate increase in this proceeding. In

1 1995, to reflect prior Commission orders, SSU budgeted only \$787,150 for  
2 above the line cost and \$60,882 for below the line cost based upon a  
3 weighted average of Commission disallowances in those prior proceedings.  
4 In other words, SSU did not increase this budgeted cost in the MFRs to  
5 reflect the prior total company OPEB costs of \$992,525 which the  
6 Commission had previously authorized in the Marco Island rate  
7 proceeding, Docket No. 920655-WS. The company will update the 1995  
8 and 1996 OPEB costs upon receipt of the actuarial valuation which is  
9 expected in late June.

10 Since the Company is requesting final revenue requirements for the  
11 projected year ending December 31, 1996, we have increased the 1995  
12 OPEB costs indicated in the MFRs (\$787,150) for that period by 8%. The  
13 8% increase reflects the 1996 rate of medical inflation projected by  
14 Godwins, Boone and Dickinson. Using an 8% medical inflation factor  
15 results in a 1996 total OPEB cost of \$850,122. We believe the 1996  
16 projection to be a conservative estimate based upon preliminary analyses  
17 of 1995 OPEB costs conducted by Godwins, Boone and Dickinson.

18 **Q. HAS THE COMMISSION AUTHORIZED SOUTHERN STATES TO**  
19 **RECOVER OPEB COSTS IN THE PAST?**

20 **A.** Yes. As I just mentioned, most recently, in Order No. PSC-93-1070-FOF-  
21 WS in Docket No. 920655-WS, (Marco Island), the Commission approved  
22 total Company OPEB costs of \$992,525. The Commission's determination

1 related to a projected test year ended April 30, 1993. As I also indicated  
2 earlier, SSU did not include the \$992,525 in the MFRs. However, we  
3 intend to request that the Commission permit SSU to recover the actual  
4 OPEB costs to be reflected in the Godwin's Actuarial Valuation report for  
5 1995, increased by 8%, in final rates. If the actuarial valuation we will  
6 receive shortly exceeds the foregoing OPEB cost indicated for 1996 in the  
7 MFRs, SSU will so notify the Commission and parties to this proceeding  
8 and will request that the difference be used as an offset to any deduction,  
9 if any, which the Commission may make to SSU's requested revenue  
10 requirements.

11 **Q. PLEASE DESCRIBE SOUTHERN STATES' EFFORTS TO**  
12 **CONTROL OPEB COSTS SINCE THE COMMISSION ISSUED ITS**  
13 **ORDER IN DOCKET NO. 920655-WS.**

14 **A.** Before describing our efforts since the order was issued, it must be  
15 understood that the record in Docket No. 920655-WS confirmed that  
16 Southern States already had taken significant steps in 1992 and 1993 to  
17 control OPEB costs prior to the issuance of that order. These cost control  
18 measures included: significant steps to reduce costs by adopting and  
19 communicating specific cost containment measures such as increasing  
20 employee deductible amounts, decreasing SSU's reimbursement amounts  
21 for using out-of-network medical providers and user cost sharing by  
22 significantly increasing both retiree and active employee premium



1 contributions. Since then we have implemented further cost control  
2 measures in each of the plan years for 1994 and 1995. Some highlights  
3 of additional cost containment measures are as follows: significant medical  
4 plan and coverage re-design to reduce excessive utilization costs;  
5 additional new coverages provided for preventive care and physicals;  
6 adoption of more aggressive managed care with professional utilization  
7 review and use of a primary care physician as a gatekeeper; hospital,  
8 surgical and mental health care precertification requirements; increased  
9 deductible and coinsurance amounts; introduction of a two (2) tier plan;  
10 and escalated premium structure and conversion from an insured plan to  
11 a lower cost, self-funded plan governed by ERISA. I note that if it were  
12 not for SSU's size, we would not have been able to convert to a lower cost  
13 self-funded plan at all. The specific control measures implemented during  
14 the period 1992 through 1995 are provided in Exhibit \_\_\_\_ (DGL-2).

15 As further confirmed during Docket No. 920655-WS, Southern  
16 States' OPEB benefits program as a whole provided somewhat lower  
17 benefits to our retirees than the average plan of 77 utilities nationwide,  
18 eight of which were Florida utilities. In fact, Southern States' medical  
19 plan benefits to retirees at age 65 and over were the least generous of the  
20 Florida utilities. Since that docket, we have not increased medical plan  
21 benefits to active employees nor retirees and have been very aggressive in  
22 medical plan cost control measures. In view of the forgoing, I believe it

1 is likely that SSU's benefits remain below the average of utilities  
2 nationwide.

3 **Q. DO YOU HAVE ANY OTHER INFORMATION WHICH**  
4 **CONFIRMS THE REASONABLENESS OF THE OPEB COSTS**  
5 **SOUGHT BY SOUTHERN STATES FOR THE YEAR ENDING**  
6 **DECEMBER 31, 1996?**

7 **A.** Utilities have traditionally attempted to offset lower pay rates than general  
8 industry by providing superior employee benefits. SSU's medical plan  
9 benefits, however, are only average when compared to general industry.  
10 SSU's medical, life, dental and long term disability costs as a percent of  
11 payroll, are 11.1%. This ratio of medical benefits dollars as a percent of  
12 total payroll dollars is identical to the national average of 11.1% for 1,057  
13 employers reported in the most recent 1994 national Chamber of  
14 Commerce Employee Benefits Survey. Further evidence of the  
15 effectiveness of our benefits cost containment measures is the fact that  
16 SSU's medical related benefits increased by 2.28% from 1992 to 1993  
17 while the same 1,057 Chamber of Commerce surveyed companies  
18 increased medical related benefits costs by 7.7% in the same period.  
19 Based on these facts, we believe that SSU's medical benefits are  
20 consistent with the average for all industry and are thus reasonable. Further  
21 SSU's medical cost containment measures have been more successful than  
22 general industry as a whole.

1 Q. COULD YOU DESCRIBE SOUTHERN STATES' REQUESTED  
2 PAYROLL AMOUNT FOR THE PROJECTED YEAR ENDING  
3 DECEMBER 31, 1996, INCLUDING AN EXPLANATION OF THE  
4 COMPANY'S PROJECTION OF PAYROLL INCREASES SINCE  
5 THE HISTORIC YEAR ENDED DECEMBER 31, 1994?

6 A. Yes. For purposes of this filing, Southern States began with the actual  
7 payroll for the historic year ended December 31, 1994. Pay increases for  
8 merit increases are budgeted at 3% for both the years 1995 and 1996.  
9 Three percent was the percentage of 1994 actual merit spending. Pay  
10 increases for promotion are budgeted at 1.0% in both 1995 and 1996, again  
11 based on 1% actual promotion increase spending in 1994. Pay increases  
12 for license attainment are budgeted at .25% in both 1995 and 1996 again  
13 based on the same percent of 1994 actual spending. The step adjustment  
14 pay increases for hourly non-technical employees have been phased out  
15 following the last increase given on March 2, 1995. The market  
16 adjustments recommended in the Hewitt Study will replace the step  
17 adjustment increases. Market and equity adjustments are budgeted at 1.5%  
18 in 1995 and 1996.

19 In addition to the 1.5% equity adjustments budgeted, SSU is  
20 seeking an additional 4.77% market pay adjustment to bring SSU and  
21 Buenaventura Lakes employees closer to competitive market levels. This  
22 market adjustment represents a significant addition to payroll expense

1 included in the Company's request for the projected test year ending  
2 December 31, 1996.

3 **Q. WHY IS SSU PROPOSING MARKET BASED SALARY**  
4 **ADJUSTMENTS?**

5 A. Hewitt Associates conducted an independent external market compensation  
6 study for SSU which incorporated pay data from eighteen different survey  
7 sources. Hewitt compared SSU's pay for 50 different benchmark job  
8 classifications against other state and national employer actual average pay.  
9 Hewitt used data from employers who operate within the geographic  
10 locations where SSU recruits and hires employees. I will refer to this  
11 study as the "Hewitt Study." A copy of the Hewitt Study is provided as  
12 Exhibit \_\_ (DGL-3). The most notable below market pay rates were for  
13 those paid to: plant operators, plant maintenance, rate department and  
14 customer service personnel. These job categories comprise over 60% of  
15 all SSU positions. To ensure the survey comparisons were relevant, all  
16 plant operations, maintenance and meter reading jobs were compared  
17 exclusively against the Florida League of Cities Wage Survey. Florida  
18 cities and counties are among our toughest competitors for employees. In  
19 1994, Florida cities and counties paid from 11% to 22% more than SSU  
20 for the same job. Overall, SSU's pay rates for the job categories analyzed  
21 were found to be on average 17.3% below the surveyed market.

22 **Q. HAVE YOU EXCLUDED RATE DEPARTMENT POSITIONS FROM**

1           **YOUR REQUESTED 1996 PAYROLL ADJUSTMENTS, AND IF SO,**  
2           **WHY?**

3           A.    The SSU company-wide comparison of average pay to market average pay  
4           was recalculated excluding the Rate Department positions.    The  
5           comparison group for the majority of Rate Department positions was the  
6           electric utility industry.    Because the Rate Department positions were so  
7           far below the comparison market it was believed that including the Rate  
8           Department positions would skew the study results.    This is confirmed by  
9           the fact that by excluding solely the Rate Department positions, the SSU  
10          company-wide comparison number drops to 16.03% below the average  
11          market pay.    According to Hewitt, when actual pay levels are within +/-5%  
12          of the market, they can be considered to be fully competitive.    Assuming  
13          that pay rates within 5% of the market are reasonably competitive, even  
14          after excluding Rate Department positions, SSU currently is still more than  
15          11.03% below competitive market pay levels.

16          **Q.    HAS SSU CONDUCTED ANY ANALYSIS TO COMPARE THE**  
17          **COMPANY'S SALARY STRUCTURE, AVERAGE SALARY AND**  
18          **TURNOVER RATES TO THE SALARY STRUCTURE, AVERAGE**  
19          **SALARY AND TURNOVER RATES OF OTHER COMPANIES?**

20          A.    Yes, and in summary, SSU's salary structure and average salaries are far  
21          below market while SSU's employee turnover rates exceed the market  
22          significantly.

1                   Salary Structure. Salary structure refers to the pay ranges to which  
2 jobs are assigned, in other words, the minimum and maximum of pay  
3 ranges to which specific jobs are assigned. The SSU salary range  
4 structures were originally established based upon 1988 salary survey data.  
5 The last time SSU revised these salary ranges was in 1990 when they were  
6 adjusted upward by 2%. No adjustments in salary structure have been  
7 made since then.

8                   According to the Hewitt survey data, southern U.S. companies, on  
9 average, raised their salary structure annually by 2.5% for hourly and 3.2%  
10 for exempt employees in 1992, 2.6% hourly and 3.0% exempt in 1993, and  
11 2.3% hourly and 3.0% exempt in 1994. All Florida companies on average  
12 raised their salary structures by 2.1% hourly and 2.4% exempt in 1992,  
13 2.2% hourly and 2.7% exempt in 1993, and 3.0% hourly and 3.1% exempt  
14 in 1994. The foregoing demonstrate that for these three (3) years the  
15 Florida labor market experienced a 7.8% compound growth rate in salary  
16 range structures. This indicates that Florida employers on the average  
17 increased their salary pay grade minimums and maximums by 7.8% in  
18 those three years. During this same period, SSU was unable to increase  
19 the salary ranges for our positions, thus SSU fell farther behind the  
20 competitive labor market.

21                   Salaries. According to the Hewitt survey data, in 1993, average  
22 overall salary increase budgets in Florida were 4.0% hourly and 4.4%

1 exempt and, in 1994, 4.1% hourly and 4.4% exempt. In the two years  
2 from 1993 to 1994, the average Florida employee thus received an 8.57%  
3 compound increase in earnings. At SSU, during this same two year 1993-  
4 1994 interval, SSU's more conservative salary increase budgets for merit,  
5 equity and step adjustments reflected a compound growth rate of 7.2%.  
6 The actual growth in SSU's actual average pay increased by only 1.44%  
7 or from \$27,168 in 1993 to \$27,560 in 1994. This fact confirms that,  
8 proportionately, SSU is filling more lower paid operator, maintenance and  
9 customer service classifications than higher paid positions. Despite SSU  
10 efforts to keep up with external market annual pay rate increases in the  
11 past few years, SSU's pay rates have remained significantly below the  
12 external labor market. As I indicated above, the average SSU employee  
13 earned a base compensation of \$27,168 as of 12/31/93. In contrast, in the  
14 most recent 1993 National Association of Water Companies (NAWC)  
15 survey of Investor-Owned Water Utilities, the average compensation for  
16 employees of investor-owned water utilities in the southern United States  
17 was \$34,585.97. Average compensation nationally for investor-owned  
18 water utility employees in 1993 was \$39,109.15.

19 SSU has not been financially able to implement company-wide  
20 salary adjustments due to our current and historically low earnings  
21 position.

22 Turnover. As a result of our non-competitive wage and salary

1 scale, SSU also has experienced high rates of turnover, as well as  
2 difficulty recruiting. The percentage of turnover in 1992 was 13.2%, with  
3 62 out of 469.5 employees separating from SSU's service. The percentage  
4 of turnover in 1993, was 13.5 %, with 66 of 489 employees separating  
5 from SSU's service. Excluding the Venice Gardens sale and customer  
6 service office consolidation which took place in 1994, the percentage of  
7 turnover was 11.54% with 58 out of 502.5 employees separating from  
8 SSU's service in that year. SSU turnover to date in 1995 has been 11%  
9 on an annualized basis, with 13 employees separating from service in the  
10 first quarter.

11 These turnover rates are substantially higher than the national and  
12 southern United States averages. According to data published by the  
13 Bureau of National Affairs ("BNA"), which tracks monthly turnover and  
14 reports the national average for all companies nationwide, all U.S.  
15 companies averaged 10.8% turnover in 1994. The significance of this  
16 statistic is that it includes turnover experienced by retailers and the fast  
17 food industry which have turnover rates which can exceed 100%.  
18 Approximately 65% of SSU's preventable turnovers in 1993 and in 1994  
19 were employees who had less than 3 years of service. In fact, in 1993,  
20 nearly 31% of the personnel who separated had less than 1 year of service.  
21 In 1993, we compared our average annual turnover to that of other  
22 utilities: Orlando Utilities Commission 4.8%, Florida Cities 3.96%, Collier



1 County's Utility Division 9.72% and Minnesota Power 5.4%. Obviously,  
2 our 13.5% turnover rate is abysmal by comparison to these other utilities.  
3 High turnover contributes to higher recruitment costs as well as lowered  
4 employee productivity and added retraining costs. Ultimately, SSU's  
5 customer service and operating efficiency suffer when trained employees  
6 cannot be retained.

7 **Q. HAS SSU DONE ANYTHING IN THE PAST TO CONTROL**  
8 **TURNOVER?**

9 A. Yes. As new inexperienced employees are hired at entry level rates, they  
10 are compressed at the low end of their respective pay ranges. To improve  
11 retention of these employees and offset lower salary range compression,  
12 administrative and clerical employees in salary grades 10 and below  
13 previously were compensated with up to three step adjustments, one in  
14 each successive six month period. Each step adjustment was equivalent  
15 to approximately 3.5%. In anticipation of SSU's implementation of the  
16 market based adjustments indicated in the Hewitt Study, the step  
17 adjustment program was discontinued after the last step increases on  
18 March 2, 1995.

19 Also, in response to the loss of field employees, and as a means of  
20 improving competitive pay, plant operators and distribution and plant  
21 maintenance employees are given hourly pay adjustments for attainment  
22 of additional or higher level licenses. The intent of this pay practice is to

1 give new hires an incentive to attain the training necessary to obtain  
2 licenses on an expedited basis and reward them for doing so. However,  
3 the job specific market data available in the Hewitt Study indicates that  
4 these licensing adjustments alone have not been sufficient to bring SSU  
5 pay levels into line with the market.

6 **Q. HAS TURNOVER FOR FIELD PERSONNEL DECREASED SINCE**  
7 **THE LICENSING ADJUSTMENTS WERE IMPLEMENTED?**

8 A. Yes, there has been a modest improvement. Turnover has been reduced  
9 to 11% in 1995 from the 13% levels in 1992. The Hewitt study, however,  
10 demonstrates that for many SSU positions, we are still far below  
11 competitive market levels and must remedy the problem to bring turnover  
12 to acceptable levels. Please note the double digit percentage increases  
13 indicated in the Hewitt Study which would be required for SSU to bring  
14 operators to competitive market rates in comparison with the Florida  
15 League of Cities Survey.

16 **Q. HAS SSU DONE ANYTHING FURTHER TO CONTROL PAYROLL**  
17 **COSTS?**

18 A. Yes. As a result of SSU's poor 1994 financial results, \$600,000 was cut  
19 from the 1995 labor budget in anticipation of savings resulting from a  
20 hiring freeze which was put into effect on 1/1/95. All 1995 vacancies are  
21 now being subjected to re-justification and committee review to determine  
22 that refilling is absolutely essential to meet regulatory compliance

1 requirements or to avoid the cessation of critical work.

2 Also, each year reductions are made in the labor budget to account  
3 for turnover. In 1995, \$125,000 was cut from the budget to account for  
4 payroll lapse as a result of historical turnover and ongoing vacancy levels.  
5 As I indicated earlier, the turnover rate has been high in the past so this  
6 reduction to accommodate the high turnover rate is larger than it would be  
7 if turnover rates were reduced to more normal levels -- as SSU hopes will  
8 occur if the Commission approves our request for salary adjustments  
9 consistent with the Hewitt Study.

10 **Q. DOES SOUTHERN STATES PROPOSE TO IMPLEMENT THE**  
11 **CHANGES SUGGESTED BY THE HEWITT STUDY?**

12 **A.** Yes. In 1995, SSU began implementing competitive market adjustments  
13 equal to 1.5% of payroll in order to accommodate a portion of the  
14 adjustments indicated in the Study. Southern States believes it is necessary  
15 to acknowledge and remedy the salary deficiencies identified in the Hewitt  
16 Study and reduce resulting high turnover rates as quickly as possible.  
17 SSU's inability to adequately adjust salaries to competitive market levels  
18 has been occasioned by our very poor financial results. However, we  
19 believe that the high turnover levels we have been experiencing cannot  
20 continue indefinitely without adversely impacting quality of service and  
21 ultimately costing SSU and our customers more in the long run than the  
22 salary adjustments we are proposing. Already, our deficient salary levels

1 have resulted in SSU's inability to recruit and retain employees. The high  
2 rates of turnover have caused increased recruitment and re-training costs  
3 as well as reduced efficiencies and lowered productivity due to a loss of  
4 trained personnel. Ultimately these costs harm our customers. Once  
5 Southern States' salary structure is adjusted to better reflect market  
6 realities, we believe that reduced productivity during training and  
7 orientation, deficiencies in experience and training levels of our employees,  
8 employee recruitment costs, and other costs will be mitigated. For these  
9 reasons, we have projected adjustments of our salary structures. In 1996,  
10 adjustments of \$711,405 or 4.77 % for SSU and \$27,916 or 4.76%, for  
11 former employees of Orange Osceola Utilities who will be SSU employees  
12 by 1996 (serving the Buenaventura Lakes facilities) were budgeted  
13 separately to achieve one-half of the balance of the pay adjustments  
14 necessary to bring SSU into a competitive market position. As I  
15 previously indicated, our ultimate objective is to pay within 5% of the  
16 comparable labor market so adjustments in future years also will be  
17 required.

18 **Q. PLEASE INDICATE WHETHER SSU MAINTAINS THE SAME**  
19 **EMPLOYEE POLICIES AND BENEFITS FOR ALL SSU**  
20 **EMPLOYEES.**

21 **A.** SSU maintains the same employee policies and benefits for all of its  
22 employees, wherever in Florida they may be located or providing service.

1           These policies and benefits will apply to the current employees of Orange  
2           Osceola Utilities who will become SSU employees. Employee policies  
3           and benefit programs are developed, implemented and administered by the  
4           Human Resources Department in Apopka.

5                     For example, with regard to timekeeping practices specifically, SSU  
6           has established uniform policies regarding work hours, overtime, breaks,  
7           meals, shift differentials, sick time off, vacations, etc. The interpretation  
8           and application of these policies or any pertinent laws or administrative  
9           rules regarding working hours is the responsibility of the HR Department  
10          in Apopka.

11                    Payscale also are uniform within the same job classification,  
12          regardless of where an employee is based, with the exception of Marco  
13          Island which has a geographic wage deferential for licensed operators.  
14          Payscale, wage and salary administration, job classification, job  
15          description, job evaluation, job placement, performance appraisals, annual  
16          merit increases, promotional/demotional salary adjustments, salary surveys,  
17          and incentive pay plans are centrally developed, implemented, and/or  
18          administered by the HR Department in Apopka. I will discuss these issues  
19          later in this testimony.

20                    Benefit programs include, but are not limited to, comprehensive and  
21          major medical benefits; a medical/dependent care flexible reimbursement  
22          account; life insurance; accidental death and dismemberment insurance;

1 long-term disability insurance; 401(k) savings defined contribution plan;  
2 defined pension plan and employee assistance plan.

3 Additional policies and programs developed, implemented and  
4 administered statewide from Apopka by the HR Department include, but  
5 are not limited to, the following list: Equal Employment Opportunity,  
6 Hiring Practices, Sexual Harassment, Alcohol and Drugs, Smoking Policy,  
7 Conflict of Interest, Pre-Employment Physical, Relocation Policies,  
8 Employee Records Administration, Training and Educational Assistance,  
9 Safety and Health Standards, Separations Procedures, Employee Discipline,  
10 Death of an Employee, Death of a Retiree, Exit Interview Process, and  
11 Discipline.

12 **Q. CAN YOU IDENTIFY ANY RECENT CHANGES BY SOUTHERN**  
13 **STATES' HUMAN RESOURCES DEPARTMENT WHICH HAVE**  
14 **ASSISTED THE COMPANY IN CONTROLLING COSTS?**

15 **A.** Yes. In 1995, Southern States became a self-insurer for our medical plan.  
16 Were it not for SSU's size, we would not be able to enjoy the lowered  
17 costs associated with a self insured medical plan. According to our medical  
18 plan consultants, only employers with 500 or more employees can cost  
19 effectively self fund a medical plan. Self funding the medical plan will in  
20 the long term not only reduce SSU's costs, but also allow us to provide  
21 more affordable medical benefits to our employees and lower costs to our  
22 customers. A conglomeration of small independent utilities could never

1           attain the economies of scale that SSU has achieved in its benefit  
2           programs.

3                       As another example of cost savings, in 1993, SSU consolidated its  
4           employee 401(k) Savings Plan and Pension Plan under one lower cost plan  
5           administrator. Consolidation of both plan assets under one investment  
6           fund manager and single plan administrator lowered asset fees which are  
7           incrementally reduced based on a larger combined dollar volume of assets  
8           under management. This consolidation also reduced plan record keeping  
9           fees and administrative and testing charges.

10       **Q.    DOES THE APOPKA OFFICE APPROVE ALL HIRING AND**  
11       **TERMINATION OF EMPLOYEES?**

12       **A.    Yes. The HR Department in Apopka assists company supervisors with all**  
13       disciplinatory actions. The HR manager reviews and approves the hiring and  
14       termination of all employees. In fact, all aspects of the hiring process are  
15       controlled by the recruiter position within HR. Given the location of  
16       SSU's statewide facilities, we consider our hiring pool to also be  
17       statewide. When a vacancy exists or a new position is requested, the  
18       requesting supervisor must complete a "Position Requisition" form. HR  
19       reviews Position Requisitions to ensure that they are authorized. All  
20       recruiting advertisements are written by the HR Department and placed in  
21       appropriate periodicals and newspapers by HR. A statewide recruiting  
22       budget (to cover the cost of ads, physicals, drug screens, criminal record

1 checks, interview expenses and any relocations) is developed annually and  
2 administered by HR. Across the state, candidates are instructed to apply  
3 in person, or send a resume, to the Apopka office. Applications and  
4 resumes are pre-screened by the HR department. A panel of qualified  
5 candidates is recommended to be interviewed. A Team Interview  
6 composed of panelists from the hiring department or a cross-section of  
7 departments and facilitated by HR is conducted on selected candidates.  
8 The team reaches a hiring decision and recommends selection of a  
9 candidate. HR conducts background and reference checks on finalist  
10 candidates. A "Recommendation to Hire" form is submitted to HR which  
11 reviews the recommendation and supporting documentation (application,  
12 reference checks, etc.), obtains any additional information to ensure that  
13 a proper hiring decision has been made, approves hiring and approves or  
14 negotiates a starting pay rate with the potential employee.

15 Following verbal acceptance of an offer by the candidate, a written  
16 offer of employment (contingent on successfully completing a job-related  
17 physical examination and drug screen) is prepared by HR and signed by  
18 the candidate accepting the offer. Once the letter is signed by the new  
19 employee, the employee is referred to the company-designated physician  
20 for a post-offer physical examination and drug screening, consistent with  
21 established corporate policy. The results of the physical are phoned in and  
22 sent to HR by the medical provider. Results of the drug screen are phoned



1 in to HR by the Company's Medical Review Officer. HR informs the  
2 local manager of the results of both the physical and drug screen. HR  
3 informs any candidate who tests positive on a drug screen of these results  
4 in writing through registered mail, indicating that the offer of employment  
5 has been withdrawn because the candidate failed to meet the conditions of  
6 employment and explaining the candidate's rights of appeal and retesting.  
7 If the medical provider suggests that the candidate may not be physically  
8 able to safely perform in the vacant position, HR assumes responsibility  
9 for determining whether there may be some "reasonable accommodation"  
10 (under the Americans with Disabilities Act) that might be made to allow  
11 the candidate to perform the essential functions of that job. HR hosts a  
12 formal orientation in Apopka for all new employees once every quarter.  
13 New employees from throughout the state travel to Apopka for this  
14 orientation which lasts about 6 hours.

15 **Q. ARE THERE ANY OTHER ACTIVITIES OF THE HUMAN**  
16 **RESOURCES DEPARTMENT WHICH DEMONSTRATE HOW**  
17 **SSU'S SERVICES APPLY STATEWIDE TO ALL SERVICE**  
18 **AREAS?**

19 **A.** The HR department is responsible for employee relations activities through  
20 the state. All disciplinary actions are discussed, tracked and reviewed by  
21 HR to ensure consistency and the fair treatment of all employees.  
22 Recommendations to discharge any employees must be submitted to the

1           Manager of Human Resources for review and then approved by the  
2           President. No discharge is approved without full and complete  
3           investigation and documentation by the HR Department.

4           Employee complaints are frequently addressed by HR either directly  
5           (in person or by phone) or through the "Pipeline" program which is  
6           administered by the Communications department and offers employees an  
7           avenue to anonymously submit any complaints or problems through  
8           Communications to senior management. HR investigates, documents and  
9           resolves charges of sexual, racial, age or disability discrimination or  
10          harassment, initiating corrective action when necessary and warranted. HR  
11          is constantly seeking avenues to keep their fingers on "the pulse" of SSU's  
12          proactive employee relations program. Drug testing mandated by the  
13          Department of Transportation (DOT) and by the Florida Drug-Free  
14          Workplace Act, is monitored and controlled by HR. Drug testing is  
15          accomplished on a number of occasions: Post-Offer, Assignment into a  
16          position covered by DOT regulations, Post-Accident (DOT regulated  
17          employees), Random (DOT), Routine Fitness for Duty (DOT), Return to  
18          Duty and Reasonable Cause testing. All "reasonable cause" drug testing  
19          must be recommended by the local manager to the Manager of Human  
20          Resources and approved by the Vice President of Finance and Accounting.

21          The HR department also administers and controls the staffing  
22          budget for the entire company, statewide, without exception. All operating

1 regions and support divisions, departments and locations submit  
2 justification for current positions as well as requests for additional staff.  
3 Overtime, on-call hours and shift differential hours also are requested in  
4 the process. New authorizations must be approved by the President.

5 Finally, the HR department researches and analyzes new or existing  
6 legislation and develops the corporate-wide response to these new laws  
7 with the assistance of outside counsel, if necessary. Most recently, this  
8 analysis has included the Americans with Disabilities Act, Civil Rights  
9 Acts and the Family Medical Leave Act. Local Managers and employees  
10 at all SSU facilities throughout the state, without exception, are provided  
11 information and training on these new laws, as appropriate. In addition,  
12 HR serves as a consultant to other departments, examining legislation and  
13 assisting in the interpretation of that legislation and the development of  
14 Company-wide responses to these laws in concert with other departments.  
15 Examples include: the new Family Medical Leave Act, Americans with  
16 Disabilities Act, Department of Transportation (DOT) Regulations  
17 concerning Commercial Drivers Licenses, DOT Regulations on LP Gas  
18 Pipeline Safety, Bloodborne Pathogens Rule, Safety Procedures, Confined  
19 Space Entry, Florida Worker's Compensation Law, Equal Employment  
20 Opportunity Law, and other legislation. SSU compliance with these  
21 requirements, and necessary reports to government agencies, are  
22 determined on a company-wide basis, not by plant.

1       **Q.   PLEASE DESCRIBE HOW THE INFORMATION YOU HAVE JUST**  
2       **PROVIDED TO THE COMMISSION RELATES TO SOUTHERN**  
3       **STATES' ABILITY TO PROVIDE SAFE, EFFICIENT, AND**  
4       **SUFFICIENT SERVICE TO ITS CUSTOMERS.**

5       A.   Human Resources is responsible for ensuring that employees are qualified  
6       and able to successfully and efficiently perform the functions of their  
7       positions. HR works with each department to set the minimum training,  
8       experience and educational requirements for each company position and  
9       determines the proper pay grade assignment using a formal job evaluation  
10      program. HR ensures that all employees meet the qualifications for the  
11      positions for which they are hired and ensures that proper job related  
12      training is conducted to keep employees competent to meet their assigned  
13      responsibilities. HR ensures that fair employment laws are adhered to and  
14      that discipline is fair and necessary to the proper conduct of the business.  
15      Through adequate compensation and benefits, the HR department strives  
16      to recruit, motivate and retain qualified employees necessary to provide  
17      efficient, quality water and wastewater to our customers. All these  
18      elements are the essential tasks entrusted to the HR department.

19      **Q.   PLEASE DESCRIBE HOW SSU PROVIDES EMPLOYEE**  
20      **TRAINING?**

21      A.   All aspects of the training and development of SSU's employees (with the  
22      exception of "on-the-job" training) originate from the Apopka office. The

1 training function is accomplished by personnel from Apopka and is  
2 conducted on site, at individual plants throughout the state, as well as at  
3 centralized locations at or near the headquarters in Apopka; depending on  
4 the topic and the target audience.

5 As explained by SSU witness Raphael A. Terrero, the Technical  
6 Services and the Environmental Compliance and Permitting departments  
7 (both located in Apopka) provide technical training on water and  
8 wastewater operations-related topics.

9 SSU also provides management and supervisory training as well as  
10 training on Customer Service Techniques, Telephone Etiquette, Computer  
11 Use, Computer Software (Word Perfect, Quattro Pro, Windows and others),  
12 Leadership, Organizational Development, Team Building and a variety of  
13 other topics.

14 The Communications Department hosts a Quarterly Manager's  
15 Meeting at a location near the Apopka headquarters. All local managers  
16 throughout the state travel to this location every quarter to receive training  
17 on a number of topics and to receive presentations from various  
18 departments. This includes the training of managers and employees  
19 concerning corporate policies, programs and procedures which affect all  
20 employees at all SSU facilities throughout the state.

21 The HR department is responsible for HR-related training of  
22 managers and all employees. This includes, but is not limited to, Drug

1 Awareness to comply with the Florida Drug-Free Workplace Act, benefits  
2 information sharing including 401(k) savings plan enrollments, general  
3 benefits awareness and education, medical plan and wellness, personnel  
4 and pay policies, supervisory training, for example, how to interview,  
5 discipline, etc., familiarization with new legislation, for instance, ADA,  
6 Family Medical Leave Act, etc., formal employee orientations held in  
7 Apopka each quarter for new employees, and communication of personnel  
8 policies and other topics.

9 SSU also offers company-wide training and education assistance  
10 programs to reimburse employees for external training/education. Courses  
11 which satisfy the requirements for a college degree are covered, as is  
12 education that satisfies the requirements for license(s) in:

- 13 Water Treatment (A, B, and C)
- 14 Wastewater Treatment (A, B, and C)
- 15 Distribution Systems (A, B, and C)
- 16 Collection Systems (A, B, and C)
- 17 Backflow Prevention/Tester
- 18 Backflow Assembly/Repair and Maintenance
- 19 Cross Connection Control Management

20 These courses are available either by correspondence course or in  
21 a classroom setting at local junior colleges or vocational-technical schools  
22 approved by either the Florida Department of Professional Regulation, in

1 the case of water and wastewater treatment courses, or the Florida Water  
2 and Pollution Control Operators' Association or University of Florida  
3 TREEO Center in the case of Distribution, Collection, Backflow and Cross  
4 Connection licenses. All requests for outside training and education are  
5 submitted to the local supervisor and then to HR for review, approval and  
6 processing for payment.

7 The Information Systems department provides specific training  
8 pertaining to mainframe computers, the PC network, data security and  
9 specialized software and provides programming services to any facility or  
10 department wherever located, on request.

11 Other Apopka based divisions and departments provide training on  
12 technical areas within their respective disciplines as well. For example,  
13 the Finance Department, which also is located at SSU's Headquarters in  
14 Apopka, provides training annually on the preparation of all budgets,  
15 annual reports, purchasing, risk management and other finance-related  
16 topics in Apopka and at a central location within each region. Other  
17 Apopka based departments may be called upon periodically to provide  
18 training on a subject within their respective areas of expertise. These  
19 include, but are not limited to, Safety, Rates, Customer Service,  
20 Engineering, Legal, Environmental Services, Operations Administration,  
21 Corporate Development and other areas. Attached as Exhibit \_\_ (DGL-4)  
22 is a copy of a recent schedule of training events conducted by Apopka

1 based personnel for SSU employees.

2 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

3 **A. Yes, it does.**



**DOCKET** 950495-WS  
**EXHIBIT NO.** 142  
**CASE NO.** 96-04227

**EXHIBIT** (DGL-1)  
**PAGE** 1 **OF** 34

Actuarial Report as of January 1, 1994 for the  
Postretirement Medical, Dental, and Death Benefit Programs of  
Southern States Utilities

FLORIDA PUBLIC SERVICE COMMISSION  
**DOCKET** 950495 **EXHIBIT NO.** 142  
**COMPANY/** SSU/LOCK  
**WITNESS:** \_\_\_\_\_  
**DATE:** 4/29/96

**DOCUMENT NUMBER-DATE**  
*GODWINS BOOKE & DICKENSON*  
06022 JUN 28 88

**GODWINS BOOKE & DICKENSON**

13535 Feather Sound Drive, Suite 600  
Clearwater, FL 34622-5545  
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(813) 571-1440

December 21, 1994

Ms. Dale G. Lock  
Human Resources Administrator  
Southern States Utilities  
1000 Color Place  
Apopka, FL 32703

Dear Dale:

We respectfully present in this report the results of our actuarial valuation of the Company's postretirement medical, dental, and death benefit programs. This report's principal purpose is to provide information regarding:

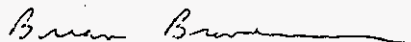
- the financial statement implications of applying FASB Statement No. 106 in 1994,
- the deductible limit for funding your 501(c)(9) trust,
- the projected FAS Expense for 1995, and
- a comparison of actual and expected plan experience.

It is important to note that the Company's true liability for postretirement medical, dental, and death benefits depends greatly upon future experience and is very difficult to predict accurately. For example, the Company's liability for postretirement medical care benefits depends greatly upon factors such as future medical inflation, actual incidence of claims and the retirement and termination patterns of participants. Due to the uncertainty of these events, Part II of this report analyzes the sensitivity of the results to variations in future plan experience.

For your convenience, we have summarized the highlights and essential results of the valuation in the *Summary of Results* found in Part I. The Table of Contents following this letter outlines the text and tables included in this report.

Respectfully submitted,

Godwins Booke & Dickenson



Brian S. Broverman, F.S.A.  
Principal

cc: Dwight S. Bell  
Godwins Booke & Dickenson

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**Part I. Summary of Results**

**A. Financial Information**

	01/01/94	01/01/93
<b>1. FAS 106 Expense</b>		
a. Medical and Dental	\$ 814,480	\$ 941,710
b. Death Benefits	<u>33,552</u>	<u>31,423</u>
c. Total	\$ 848,032	\$ 973,133
<b>2. Succeeding Year Cash Flow Projection</b>		
a. Medical and Dental	\$ 77,086	\$ 70,000
b. Death Benefits	<u>3,537</u>	<u>2,500</u>
c. Total	\$ 80,623	\$ 72,500
<b>3. Accumulated Postretirement Benefit Obligation</b>		
a. Medical and Dental	\$ 3,863,738	\$ 4,058,182
b. Death Benefits	<u>219,794</u>	<u>148,688</u>
c. Total	\$ 4,083,532	\$ 4,206,870
<b>4. Expected Postretirement Benefit Obligation</b>		
a. Medical and Dental	\$ 6,559,374	\$ 7,087,009
b. Death Benefits	<u>292,754</u>	<u>209,133</u>
c. Total	6,852,128	\$ 7,296,142
<b>5. Plan Assets</b>		
a. Total	<u>\$ 500,040</u>	<u>\$ 0</u>
<b>6. Balance Sheet Asset (Liability) Medical + Dental + Death</b>		
a. Beginning of Year	\$ (400,633)	\$ 0
b. Net Employer Contributions in Year	N/A	572,500
c. (Financial Statement Expense for Year)	<u>(848,032)</u>	<u>(973,133)</u>
d. End of Year ([a] + [b] + [c])	N/A	\$ (400,633)
<b>7. Assumed Discount Rate</b>	7.0%	7.0%

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**B. Valuation Data**

	01/01/94	01/01/93
<b>1. Number of Participants - Medical and Dental</b>		
a. Active	451	421
b. Retired	<u>16</u>	<u>14</u>
c. Total	467	435
<b>2. Number of Participants - Death Benefits</b>		
a. Active	451	421
b. Retired	<u>16</u>	<u>14</u>
c. Total	467	435

**C. Projected FAS 106 Valuation Results**

	01/01/95
1. FAS 106 Expense	\$ 898,156
2. Accumulated Postretirement Benefit Obligation	\$4,692,140
3. Expected Postretirement Benefit Obligation	\$7,248,332

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**D. Deductible Limit for Funding 501(c)(9) Trust**

	Year Beginning 01/01/94
1. Current Service Cost	\$ 230,658
2. Interest Cost	\$ 138,605
3. Expected Return on Assets	(25,002)
4. Amortization	<u>152,781</u>
	\$ 497,042

**Southern States Utilities  
Postretirement Medical, Dental, and Death Benefit Programs**

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**Part II. Actuarial Commentary**

**A. Sensitivity Analysis**

The Company's true liability for postretirement benefits depends greatly upon future economic and demographic factors which are difficult to predict accurately. The estimates in this report are based on the actuarial assumptions that are outlined in Part V. These assumptions are hereafter referred to as the current assumptions. Different assumptions could yield significantly different results. The following table illustrates the sensitivity of the results to changes in the key assumptions.

<b>Medical and Dental Benefits</b>			
	<b>Service Cost &amp; Interest Cost</b>	<b>APBO</b>	<b>EPBO</b>
<b>Current Assumptions</b>	\$660,338	\$3,863,738	\$6,559,374
<b>1% Increase in Medical and Dental Trend Assumptions</b>	\$801,794 +21%	\$4,542,966 +18%	\$8,042,732 +23%

As shown above, the postretirement medical and dental results are very sensitive to changes in assumptions. We believe that there are many different sets of reasonable assumptions. However, we also believe that a reasonable range of results exists. For example, we think a reasonable estimate of the 1994 FAS 106 expense for postretirement medical and dental benefits may be from \$500,000 to \$900,000.

**B. Beginning Medical and Dental Claim Level**

The beginning medical and dental claim level is a major determinant of the FAS 106 annual expense for post retirement medical and dental benefits.

The beginning claim level that is used for this report is based on a combination of actual claim data for the period 1/1/93 - 9/30/94 for active employees and retirees and manual rates which represent the expected claims based benefits, demographics, and geographic cost factors. Overall, medical claims were 7% less than the manual rates so we used manual rates less 7% for retirees under 65 and over 65. The beginning dental claim level is based on the overall actual dental claims experience for actives and retirees combined.



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**C. Medical Trend Rate**

The medical trend rate is an important assumption in projecting medical claim levels. Varying this assumption produces dramatically different results for liabilities and expense amounts as shown in [A] above. The calculations in this report are based on an assumed annual medical trend rate of 10% beginning in 1994 grading down to an ultimate rate of 5% in 1999. This implicitly assumes that medical costs will increase as a percent of GDP from 14.6% in 1993 to 17.2% in the year 1999 and that they will remain constant thereafter.

**D. Gain and Loss Recognition**

FAS 106 specifies a corridor approach as the minimum for recognizing gains and losses. Under this approach, cumulative gains and losses are not recognized until they exceed 10% of the APBO (or market-related value of plan assets if greater). Once the cumulative gain or loss exceeds this threshold, the excess is amortized over the average future service to expected retirement of active plan participants.

Any systematic approach to recognizing gains and losses can be used instead of the minimum method if the alternative method satisfies the following conditions:

1. The minimum amortization is recognized in any period in which it is greater than the amount that would be recognized under the alternative method,
2. the method is applied consistently from year to year and on a similar basis for gains and losses, and
3. the method is disclosed.

**E. Changes in Assumptions**

The medical and dental trend rates were reduced by 1% for 1994 from the amounts used in the previous valuation. Ultimate trend rates remain unchanged.

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**Part III. Actuarial Certification**

We have made an actuarial valuation of the Company's postretirement medical and dental benefit programs as of January 1, 1994. The employee data and the financial and claims information that were used in this valuation were submitted to us by the plan sponsor, or at the plan sponsor's direction. The demographic data was collected as of the valuation date. We did not audit any of the submitted data. On the basis of our review of the data, however, we believe that the information is sufficiently complete and reliable for the purposes of this valuation.

In our opinion, the assumptions and methodology underlying this valuation are consistent with the criteria outlined under FAS No. 106 and conform to the Actuarial Standard of Practice No. 6, Measuring and Allocating Actuarial Present Values of Retiree Health Care and Death Benefits and Actuarial Compliance Guideline No. 3, published by the Actuarial Standards Board.

We have no relationship with the client which may impair or appear to impair the objectivity of our work.

**Godwins Booke & Dickenson**

*Brian S. Broverman*

Brian S. Broverman, F.S.A.  
Enrollment Number 93-2784  
One Corporate Drive, Suite 600  
Clearwater, Florida 34622-5596  
(813) 573-2884

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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## Part IV. Review of Regulatory Issues and Other Responsibilities

### A. Regulatory Issues

#### 1. Document and SPD

The document and SPD should accurately reflect the retiree benefit plan and should unambiguously reserve the employer's right to modify or terminate the plan.

A recent ruling in the 3rd Circuit (PA, NJ, DE) prohibited an employer from modifying its postretirement benefits, even though the employer had clearly reserved the right to do so. The ruling was based on the fact that the plan document did not have the appropriate language regarding amendment procedures and did not identify the person who had the authority to amend the plan. The court did not allow the employer to terminate plan benefits until it adopted a proper amendment procedure.

#### 2. FAS 112

FAS 112, which is effective for fiscal years beginning after 12/15/93, requires employers to show a liability for benefits provided to nonactive employees who are not retired. This includes employees who are terminated, laid off, disabled, on leave of absence, as well as surviving spouses and dependents.

Employers who provide benefits to long term disabled employees may have a choice to classify these benefits as postretirement benefits subject to FAS 106, or postemployment benefits subject to FAS 112. FAS 106 allows amortization of the transition obligation and includes a provision for delayed recognition of gains and losses.

#### 3. Medicare Primary for Disabled, Non-working Employees

Effective August 10, 1993, Medicare is the primary payor on benefits for most disabled, non-working, employees who are covered under Medicare because of disability. Under a recently issued procedure, employers can have Medicare adjust payments so the employer plan pays secondary, effective August 10, 1993.

#### 4. Other Health Care Issues not Directly Related to Postretirement Benefits

- Coverage under Qualified Medical Child Support Orders
- Mandated coverage of pre-adoptive children
- Pediatric vaccines vested as of May 1, 1993
- Medicaid's ability to use COBRA or forced enrollment to cost shift to employers
- Self-funded must pay New York hospital surcharge or face stiff penalties
- Family and Medical Leave Act
- No required COBRA coverage for employees on Medicare because of kidney disease

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**B. Other Responsibilities**

1. Disclosure information required by FAS 106 must be included in year-end financial statements.
2. FAS expense must be calculated on an estimated and ultimately a final basis for accruing cost throughout the year.
3. Retiree contribution rates should be updated to meet the intent of the postretirement plan.
4. Plan Administrator must provide the following:
  - a. For completion of the actuarial valuation report
    - i. Active and retiree census data
    - ii. Experience data on active and retiree plans
    - iii. Expense data
    - iv. Descriptions of plan changes
  - b. For completion of fiscal year end disclosure information
    - i. *Descriptions of plan changes or significant events during the fiscal year*
    - ii. Retiree contributions paid to employer for medical and death benefit coverages
    - iii. Employer cash payments for retiree medical and death benefits for the fiscal year
      - If self-insured or participating insurance contract, cash payments should equal retiree claims plus applicable administrative expenses, stop loss insurance premiums, and other expenses related to the plan.
      - If insured on a pooled basis, cash payments should equal age-adjusted premiums.
  - iv. Trust deposits and asset value at year-end.

**Southern States Utilities**  
**Postretirement Medical, Dental, and Death Benefit Programs**

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**Part V. Valuation Methods and Assumptions**

**A. Valuation Methods**

The Projected Unit Credit method is used to calculate all of the expense amounts that are included in this report. The calculations are performed in accordance with the methodology set forth in FASB Statement No. 106, Employers' Accounting for Postretirement Benefits Other Than Pensions. Generally, the method is intended to match revenues with expenses and attributes an equal amount of an employee's projected benefit to each year from date of plan entry to the date that he is first eligible to retire with full benefits.

All of the calculations in this report assume that the plan will continue without change except that retiree cost-sharing provisions, including contributions, will increase over time at the same rate as the total plan cost. This assumption does not necessarily imply that there is an obligation to do so.

**B. Valuation of Assets**

A 501(c)(a) trust has been established effective December 30, 1993. Assets held in the trust fund are valued on a market value basis.

**C. Employees Included in the Calculations**

All active employees who have met the plan's participation requirements as of the valuation date are included in the calculations. Former employees or their survivors who are entitled to a benefit under the provisions of the plan are also included.

**D. Actuarial Assumptions**

1.	Discount Rate	7.0%		
2.	Medical Trend Rate (for gross eligible charges)	Year	Medical	Dental
		1994	10%	7%
		1995	9%	6.5%
		1996	8%	6%
		1997	7%	5.5%
		1998	6%	5%
		1999+	5%	5%
3.	Increase in Retiree Contribution Amounts for Postretirement Health Care Benefits	Year	Medical	Dental
		1994	10%	7%
		1995	9%	6.5%
		1996	8%	6%
		1997	7%	5.5%
		1998	6%	5%
		1999+	5%	5%

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4.	Beginning Medical and Dental Claim Level Per Person (used for the twelve month period beginning on the valuation date)	Retiree or Spouse Age	Annual Cost Medical    Dental
		57	\$3,305    \$106
		62	4,034    106
		67	998    106
		72	1,154    106
		77	1,338    106
		82	1,422    106
		87	1,455    106
5.	Mortality	1983 Group Annuity Mortality Table for males, set back six years for females	
6.	Disability	None	
7.	Sample Termination Rates	Age	Annual Rate
		25	11.63%
		30	10.89%
		35	10.14%
		40	9.40%
		45	6.87%
		50	4.33%
		55	1.80%
8.	Retirement Rates	Age	Annual Rate
		55-59	2%
		60-61	10%
		62	30%
		63-64	20%
		65	100%
9.	Percentage of Future Retirees Who Elect Postretirement Health Care Coverage	90%	
10.	Percentage of Future Retirees with Postretirement Health Care Coverage Who Elect Family Coverage		
	a. Male Retirees	85%	
	b. Female Retirees	85%	
11.	Expenses	5% Included in beginning claim level	
12.	Assumed rate of annual compensation increase	Not applicable	

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**Part VI. FASB Statement 106 Information<sup>1</sup>**

The substantive plan which is the basis for this accounting is the plan described in Part VII together with the following assumptions about future modifications.

1. Retiree cost-sharing provisions (deductible, coinsurance, etc.) will increase over time at the same rate as the total cost of the plan.
2. Retiree contributions will increase at the same rate as the total cost of the plan.

**A. Net Periodic Postretirement Benefit Cost**

	<i>Fiscal Year Beginning</i>	
	01/01/94	01/01/93
1. Service cost	\$ 406,205	\$ 470,846
2. Interest cost	283,026	291,943
3. (Expected return on assets)	(\$25,002)	(0) <sup>2</sup>
4. Amortization of unrecognized amounts:		
a. Transition obligation (asset)	210,344	210,344
b. Prior service cost	0	0
c. Net (gain) or loss	<u>(26,541)</u>	<u>0</u>
5. Total	\$ 848,032	\$ 973,133

<sup>1</sup> Unless specifically noted otherwise, all of the information in this Part is for the combined postretirement medical, dental and death benefit programs.

<sup>2</sup> The expected return on assets of \$0 consists of an actual return on assets of \$40 and an asset (gain) or loss of \$40.



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**B. Reconciliation of Funded Status**

	01/01/94	01/01/93
1. Fair value of assets	\$ 500,040	\$ 0
2. Accumulated postretirement benefit obligation		
a. Retirees and beneficiaries eligible for benefits	\$ 536,229	
b. Active employees fully eligible for benefits	\$ 1,613,307	0
c. Terminated employees fully eligible for benefits	0	0
d. Active employees, not fully eligible for benefits	<u>1,933,996</u>	<u>0</u>
e. Total	\$ <u>4,083,532</u>	\$ <u>4,206,870</u>
3. Funded Status ((1) - (2))	\$ (3,583,492)	\$ 4,206,870
4. Unrecognized transition obligation (asset)	3,996,526	4,206,870
5. Unrecognized prior service cost	0	0
6. Unrecognized net (gain) or loss	<u>(813,667)</u>	<u>0</u>
7. Balance sheet asset (liability) ((3) + (4) + (5) + (6))	\$ (400,633)	\$ 0

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**C. Other Accounting Information**

	01/01/94	01/01/93
1. Market related value of assets	\$ 0	\$ 0
2. Unrecognized net (gain) or loss to amortize <sup>3</sup>	\$ 1,704,560	\$ 0
3. Average future service (in years)		
a. To expected retirement	15.27	15
b. To full eligibility	8.63	10
4. Medical Trend Rate		
a. First year rate	10%	12%
b. Ultimate rate	5%	5%
c. Select period	5 years	7 years
5. Dental Trend Rate		
a. First year rate	7%	8.5%
b. Ultimate rate	5%	5%
c. Select Period	4 years	7 years
6. General Inflation	4%	4%
7. Weighted average assumed discount rate	7.0%	7.0%
8. Assumed rate of annual compensation increases	N/A	N/A
9. Weighted average expected long-term rate of return on plan assets (after-tax)	N/A	N/A
10. Estimated income tax rate included in rate of return	N/A	N/A
11. Effect of a 1% increase in assumed trend rate on postretirement medical and dental care:		
a. Service and interest cost	+21%	+21%
b. APBO	+18%	N/A

<sup>3</sup> Minimum amortization of the unrecognized net (gain) or loss, calculated in accordance with paragraph 59 of FAS 106, is equal to (i) the excess, if any, of the absolute value of the amount in line (C)(2) over 10% of the greater of the amounts in lines (B)(2)(f) and (C)(1), divided by (ii) the number of years in line (C)(3)(a).

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12. Amount of benefits of employees and retirees covered by insurance contracts issued by the Employer and related parties	None	None
13. Amortization methods and periods used to amortize:		
a. Transition obligation	Straight Line 20 years from 1/1/93	Straight Line 20 years from 1/1/93
b. Prior service cost	N/A	N/A
c. Net (gain) or loss	Minimum Method described in FAS 106	Minimum Method described in FAS 106
14. Employer commitments to make future plan amendments (that serve as the basis for the Employer's accounting for the plan)	None	None

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**Part VII. Summary of Current Plan Provisions**

**A. Postretirement Medical and Dental Benefits**

1. Eligibility

Employees who retire at age 55 or later with 5 or more years of service are eligible to receive postretirement medical benefits.

2. Benefits Covered

Eligible retirees are covered by a comprehensive medical plan with a \$200 deductible and a cap on out-of-pocket cost when claims paid reach \$5,000. Benefits are generally paid at 90% for network providers and 70% for non-network providers.

Dental benefits have a \$100 deductible, waived for preventive treatment. Coinsurance is 100% for preventive, 80% for basic, and 50% for major services. Maximum annual benefit is \$1,500.

3. Coordination with Medicare

The benefits under this plan are coordinated with Medicare for retirees and spouses age 65 or older on a "Carve-out" basis. That is, employer payments will equal the payment amount calculated in the absence of Medicare minus the amount paid by Medicare.

4. Surviving Spouses

Surviving spouse may continue in the plan for 90 days by paying the full cost, then they are offered COBRA contribution coverage.

5. Retiree Contributions

		Annual Contribution for 1995	
		<u>Retiree Only</u>	<u>Retiree and Spouse</u>
Medical	\$	263	\$ 974
Dental	\$	27	\$ 54

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**Postretirement Medical, Dental, and Death Benefit Programs**

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**B. Postretirement Death Benefits**

1. Eligibility

Same as medical and dental.

2. Benefits Provided

Eligible retirees are provided with a death benefit of \$10,000.

3. Retiree Contributions

Annual retiree contribution is \$10.

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**Part VIII. Demographic Information**

**A. Number of Participants and Dependents**

	01/01/94	01/01/93
1. Number of Active Employees Submitted	435	421
2. Number of Costed Participants and Dependents		
a. Active employees		
(1) Fully eligible	44	
(2) Not fully eligible	<u>391</u>	<u>          </u>
(3) Total active employees	435	421
b. Retirees and beneficiaries eligible for benefits	<u>16</u>	<u>14</u>
c. Total costed participants	451	435

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**B. Age/Service Distribution - Actives**

Age	Completed Years of Employment									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
< 20	0	0	0	0	0	0	0	0	0	0	0
20-24	9	0	0	0	0	0	0	0	0	0	9
25-29	38	12	0	0	0	0	0	0	0	0	50
30-34	50	22	4	0	0	0	0	0	0	0	76
35-39	48	16	6	2	0	0	0	0	0	0	72
40-44	42	19	4	5	1	0	0	0	0	0	71
45-49	33	15	5	3	7	2	0	0	0	0	65
50-54	16	11	4	2	4	2	0	0	0	0	39
55-59	9	8	5	3	1	1	0	0	0	0	27
60-64	4	5	3	4	3	2	3	0	0	0	24
65-69	0	0	0	1	1	0	0	0	0	0	2
70-74	0	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>249</b>	<b>108</b>	<b>31</b>	<b>20</b>	<b>17</b>	<b>7</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>435</b>

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**C. Summary Statistics**

1. As of January 1, 1994

	Number of Employees Costed	Percentage of Total	Average Past Service	Average Attained Age	Average Future Service to Full Eligibility	Average Future Service to Retirement
Males	300	69.0%	7.0	41.8		
Females	135	31.0%	5.1	39.4		
TOTAL	435	100.0%	6.4	41.0	8.63	15.27



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**D. Age Distribution - Retirees**

Age	Male		Female		Total	
	Married/ Family	Single	Married/ Family	Single	Married/ Family	Single
< 55	0	0	0	0	0	0
55-59	2	0	1	3	3	3
60-64	4	2	0	1	4	3
65-69	1	0	0	0	1	3
70-74	1	0	1	0	2	0
75-79	0	0	0	0	0	0
80-84	0	0	0	0	0	0
85-89	0	0	0	0	0	0
90-94	0	0	0	0	0	0
95+	0	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>10</b>	<b>6</b>

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**Part IX. Appendices**

**A. Gain/Loss Calculation**

1. Expected APBO as of 12/31/93	
a. APBO as of 01/01/93	\$ 4,206,870
b. Service cost for 01/01/93 to 12/31/93	470,846
c. Interest cost for 01/01/93 to 12/31/93	291,943
d. (Actual Net cash outflow for retirees in 1993)	(72,500)
e. Effect of plan changes as of 12/31/93	<u>0</u>
f. Expected APBO as of 12/31/93 ([a] + [b] + [c] + [d] + [e])	\$ 4,897,159
2. Actual APBO as of 12/31/93	\$ 4,083,532
3. Net liability (gain) or loss for 1993 ([2] - [1f])	\$ (813,627)
4. Net (gain) or loss for 1993 on the market related value of assets	\$ (40)
5. Unrecognized (gain) or loss as of 01/01/93	\$ 0
6. Amortization of (gain) or loss in 1993	\$ 0
7. Unrecognized (gain) or loss as of 12/31/93 ([3] + [4] + [5] - [6])	\$ (813,667)
8. 10% of APBO (or market related value of assets, if greater) as of 12/31/93	\$ 408,353
9. (Gain)/loss in excess of corridor	\$ 405,274
10. Average remaining service period	15.27
11. Minimum required amortization ([9] + [10])	\$ (26,541)

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**B. Cash Flow Projections**

Year	Expected, Net Cash Outflow			
	Medical	Death	Life	Total
1994	74,257	2,830	3,537	80,624
1995	102,079	3,842	4,409	110,330
1996	139,889	4,785	5,248	149,922
1997	153,407	5,969	6,273	165,649
1998	179,063	7,400	7,484	193,947
1999	211,696	8,812	8,737	229,245
2000	225,670	9,976	9,854	245,500
2001	248,381	11,508	11,200	271,089
2002	257,414	13,260	12,632	283,306
2003	299,222	14,777	13,961	327,960

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**C. Funding Calculation**

1. Assumption differences from FAS 106
  - a. No future medical or dental trend
  - b. Discount rate based is after-tax and assumed to be 5%.
  - c. APBO determined as of January 1, 1993 is amortized over 15 years, the future working lifetime of active employees.

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**D. Detail Results by Benefit**

1994	Medical	Dental	Life	Total
EPBO	\$6,183,244	\$376,130	\$292,754	\$6,852,128
APBO	\$3,638,014	\$225,724	\$219,794	\$4,083,532
Service Cost	\$370,428	\$22,146	\$13,631	\$406,205
Interest Cost	\$252,062	\$15,702	\$15,262	\$283,026
Expected Return on Assets	(\$22,274)	(\$1,382)	(\$1,346)	(\$25,002)
Amortization of Gain/Loss	(\$23,645)	(\$1,467)	(\$1,429)	(\$26,541)
Amortization of Transition Obligation	\$195,144	\$7,766	\$7,434	\$210,344
FAS 106 Expense	\$771,715	\$42,765	\$33,552	\$848,032

1993	Medical	Dental	Life	Total
EPBO	\$6,820,449	\$266,560	\$209,133	\$7,296,142
APBO	\$3,902,865	\$155,317	\$148,688	\$4,206,870
Service Cost	\$440,172	\$17,004	\$13,670	\$470,846
Interest Cost	\$270,846	\$10,778	\$10,319	\$291,943
Expected Return on Assets	\$0	\$0	\$0	\$0
Amortization of Gain/Loss	\$0	\$0	\$0	\$0
Amortization of Transition Obligation	\$195,144	\$7,766	\$7,434	\$210,344
FAS 106 Expense	\$906,162	\$35,548	\$31,423	\$973,133

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### E. Glossary of Postretirement Welfare Benefit Terms

This Glossary contains definitions and examples of a number of terms frequently used when discussing postretirement welfare benefits. It is intended to assist people currently unfamiliar with FAS 106 accounting rules and does not represent a complete or exhaustive description of the topic.

#### Expected Postretirement Benefit Obligation (EPBO)

The **actuarial present value** as of the valuation date of the net postretirement benefits expected to be paid to all current plan participants, including both active and retired employees. It equals the present value of future benefits minus the present value of future retiree contributions.

#### Actuarial Present Value

The value of a series of expected future payments, projected based on a number of actuarial assumptions, and discounted back to the valuation date.

Example: A \$100 payment which has a 25% chance of occurring one year from now would have an actuarial present value of  $(\$100)(.25) + 1.08 = \$23.15$ , assuming an 8% discount rate.

#### Accumulated Postretirement Benefit Obligation

The portion of the EPBO that is **attributable** to employee service prior to the valuation date. For active employees who have reached full **eligibility** and retirees, the APBO equals the EPBO.

#### Attribution

The process of assigning postretirement benefits to years to service. For most plans, FASB requires postretirement benefits to be attributed to years of service from date of hire to full **eligibility** date on a pro rata basis.

Example: The attribution period for an employee age 40 who was hired at age 35 and will reach full eligibility at age 55 is 20 years (55-35). If the Total Plan Liability equals \$20,000 for this employee, then the Accrued Liability is  $5/20 \times \$20,000 = \$5,000$ .

#### Current Service Cost

The portion of the EPBO attributable to the current year of service. Current Service Cost is one component of **FASB Expense**. Employees who have reached full **eligibility** and retirees have no current service cost.

Example: For the employee mentioned above, the Current Service Cost is  $(1/20) \times (\$20,000) = \$1,000$ .

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### Full Eligibility

The point in time when an employee has met all of the age and service requirements to qualify for full benefits from the plan.

Example: Plan A requires 10 years of service and attainment of age 55 to qualify for postretirement benefits. Full eligibility would be as follows:

	<u>Full Eligibility</u>
1. Employee Age 40 with 10 years of service	Age 55
2. Employee Age 52 with 5 years of service	Age 57

Example: Plan B is the same as Plan A but requires contributions from anyone retiring with less than 30 years of service. Full eligibility would be:

	<u>Full Eligibility</u>
1. Employee Age 40 with 10 years of service	Age 60
2. Employee Age 52 with 5 years of service	Age 65
	(expected retirement age)

### Funded Status

The excess of the **Plan Assets** over the **APBO**.

### Plan Assets

Assets that have been segregated and restricted (usually in a trust) to provide for postretirement benefits.

### Actual Return on Plan Assets

A component of FASB Expense for funded plans equal to the increase in value of **Plan Assets** over the accounting period, adjusted for contributions and payments.

### Interest Cost

A component of FASB Expense which equals the discount rate times the **APBO** adjusted for cash flow.

### Transition Asset (Obligation)

The funded status of the plan as of the date the FAS 106 accounting rules are adopted.

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**Amortization of Transition Asset (Obligation)**

A level amortization of the **Transition Asset (Obligation)** over the average future working lifetime of current employees. If the average working lifetime is less than 20 years, then a 20-year amortization may be used. Amortization of Transition Asset (Obligation) is a component of **FASB Expense**.

Example: An employer adopts the new *FASB accounting rules 01/01/93* and has a Transition Obligation of \$44 million at that date. Average future working lifetime of current employees is 22 years. The Transition Obligation is \$44 million and the amortization is \$2 million per year from 1993 through 2014.

**Amortization of Gains and Losses**

Gains and losses arise when actual experience differs from the actuarial assumptions used to calculate the EPBO. Net gains or losses are generally only recognized if they exceed 10% of the APBO (or the market related value of plan assets, if greater). Once they do, they are amortized over the average future working lifetime of current employees.

**FAS 106 Expense**

The expense accrual for postretirement benefits required by FASB, generally effective in 1993. The components of the FAS 106 Expense generally include:

- Current Service Cost**
- Interest Cost**
- Amortization of Transition Obligation**
- Actual Return on Plan Assets**
- Amortization of Gains or Losses**

FAS 106 refers to this amount as the *Net Periodic Postretirement Benefit Cost*.



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**F. Retiree Health/Life Accounting Example—Amortization of Transitional Liability (FAS 106)**

**Assumptions:**

Actuarial Expense - Service Cost	\$ 3,000,000
- Interest	<u>5,000,000</u>
	8,000,000
- Amortization of Transitional Liability	<u>2,000,000</u>
	<u>\$10,000,000</u>

Transitional Liability = \$40,000,000  
 Employer adopts FAS 106 for first time this year.  
 Employer cash payments for retiree health/life = \$1,500,000  
 Retiree contributions (paid to employer) for retiree health/life = \$500,000

**Accounting Entries:**

- Step 1 - Enter actuarial expense of \$10,000,000
- Step 2 - Enter employer cash payments for retiree health/life benefit of \$1,500,000 (entered throughout year when paid)
  - A. If self-insured or participating insurance contract, cash payments should equal retiree claims plus applicable administrative expenses and stop loss insurance payments.
  - B. If insured on a pooled basis, cash payments should equal age-adjusted premiums.
- Step 3 - Enter retiree contributions of \$500,000 as contributions are received

Retiree Expense	Retiree Liability	Cash
(1) \$10,000,000	(1) \$10,000,000	
	(2) \$1,500,000	(2) \$1,500,000
	(3) \$500,000	(3) \$500,000

**End of Year Balances:**

Expense = \$10,000,000 (actual expense)  
 Liability = \$9,000,000 (actual expense less net cash payments-does not balance to actuarial liability)

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**G. Retiree Health/Life Accounting Example—Immediate Expensing of Transitional Liability (FAS 106)**

**Assumptions:**

Actuarial Expense - Service Cost	\$3,000,000
- Interest	<u>5,000,000</u>
	<u>\$8,000,000</u>

Transitional Liability = \$40,000,000  
 Employer adopts FAS 106 for first time this year.  
 Employer cash payments for retiree health/life = \$1,000,000  
 Retiree contributions (paid to employer) for retiree health/life = \$500,000

**Accounting Entries:**

- Step 1 - Enter transitional liability/expense of \$40,000,000.
- Step 2 - Enter normal actuarial expense of \$8,000,000 (no expense for amortizing transitional obligation).
- Step 3 - Enter employer cash payments for retiree health/life benefit of \$1,500,000.
- Step 4 - Enter retiree contributions of \$500,000 as contributions are received.

Transitional Retiree Expense	Normal Retiree Expense	Retiree Liability	Cash
(1) \$40,000,000	(2) \$8,000,000	(1) \$40,000,000 (2) \$8,000,000 (3) \$1,500,000 (4) \$500,000	(3) \$1,500,000 (4) \$500,000

**End of Year Balances:**

Transitional Retiree Expense = \$40,000,000 (shown after Net Income on Income Statement)  
 Normal Retiree Expense = \$8,000,000  
 Liability = \$47,000,000 (may cause problems with bank loan covenants).

## MEDICAL PLAN COST CONTAINMENT MEASURES

Highlights of Medical Plan cost savings measures in the plan years 1992, 1993, 1994 and 1995 are outlined below:

### January 1, 1992 Plan Year

A number of plan design and coverage changes were implemented in 1992 to offset the trend of escalating medical inflation. Some of the most significant changes are listed as follows:

1. Employee Deductibles were increased from \$100/\$300 to \$200/\$600 with no 4th quarter carry-over allowed.
2. Co-insurance, was not allowed to be carried over from the 4th quarter to the next calendar year.
3. Dental Deductibles were increased from \$50/\$100 to \$100/\$300.
4. The waiting period for new employee participation in the medical insurance plan was increased from 30 days to 90. Also, a six month waiting period was introduced for receiving basic and major dental treatment pre-existing conditions clause changed from 3 months to 6 months.

### January 1, 1993 Plan Year

SSU's medical plan claims experience and total costs as of year end 1992 had decreased by 10.5% from 1991 total year costs. As a result, in 1993 the employee premiums were unchanged from 1992 levels.

Further cost containment measures were undertaken in the plan design and medical coverages in 1993 as follows:

1. The amount of benefits immediately payable for pre-existing conditions was decreased from \$1,500 in the first year of coverage to \$0.
2. Benefits payable for mental/nervous disorders and substance abuse were decreased from \$10,000 per calendar year/\$25,000 lifetime to \$2,500 calendar year/\$5,000 lifetime. Plan participants were required to be referred for in- or out-patient treatment by an Employee Assistance Program gatekeeper in order to receive any paid medical benefits.



In 1995, a calendar year deductible of \$150 (single)/\$450(family) was applied to all medical plans. Prior to 1995, only those who used the services of non-network physicians had to pay a deductible. Preventive care was added with a \$300 calendar year maximum per individual. A Preferred Pharmacy Program is also in place which provides substantial discounts at a network of pharmacies. A summary of the 1995 Plan provisions follows this page.



**GREAT-WEST CARE MULTI-OPTION MEDICAL PLAN SUMMARY**  
 (continued)  
**SOUTHERN STATES UTILITIES**

GREAT WEST CARE EXCLUSIVE UNDER THIS PLAN ALL CARES APPROVED BY THE PRIMARY CARE PHYSICIAN SELECTED		GREAT WEST CARE HIGHEST BENEFITS ARE PAYABLE WHEN USING THE SERVICES OF NETWORK PROVIDERS		
APPROVED BENEFITS	NON-APPROVED BENEFITS	BENEFITS	NETWORK BENEFITS	NON-NETWORK BENEFITS
Preferred Pharmacy 100% After \$10 Generic and \$15 Name Brand Co-Pay	Non-Preferred Pharmacy 50% After \$10 Generic and \$15 Name Brand Co-Pay	Prescription Drug Card Preferred Pharmacy Plan	80% After Deductible	80% After Deductible
<b>HOSPITAL SERVICES</b>				
(Annual Deductible Applies, Except as Noted)		(Annual Deductible Applies, Except as Noted)		
90%	60%	Room & Board (Semi-Private)	85%	70%
90%	60%	Surgery (In or Outpatient)	85%	70%
90%	60%	Maternity & Newborn Nursery	85%	70%
90% After Deductible	60%	Emergency Room (Severe Conditions Requiring Immediate Treatment)	80%	80%
90%	60%	Inpatient Mental, Nervous and Substance Abuse	80% After Deductible	60% After Deductible
If approved by employee assistance program \$2,500/\$5,000	If approved by employee assistance program \$2,500/\$5,000	Calendar Year Lifetime Maximum	If approved by employee assistance program \$2,500/\$5,000	If approved by employee assistance program \$2,500/\$5,000
90%	60%	Family Planning Tubal Ligations, Vasectomies and Infertility Testing	85%	70%
90%	60%	Durapain, Speech/Hearing and Occupational Therapy	85%	70%
90%	60%	Spinal Adjustment and Treatment \$500 Calendar Year Maximum \$1,500 Lifetime Maximum	85%	70%

BOTH PLANS INCLUDE LIFE, AD&D INSURANCE, DENTAL & MAIL-ORDER DRUG BENEFITS

## Competitive Pay Data and Analysis For Selected Positions

Southern States Utilities

April 1995



Hewitt Associates

Hewitt Associates LLC

An international firm of consultants and actuaries specializing in the design, financing, communication, and administration of employee benefit and compensation programs

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## About This Material

Hewitt Associates LLC was asked by Southern States Utilities (SSU) to compare SSU's current compensation levels and salary structure to targeted pay levels in the market place. This analysis is designed to measure the market competitiveness of both the salary structure and SSU's actual pay levels and to provide information for adjusting the structure if appropriate. The process involved collecting competitive market compensation information from published surveys for 46 positions; conducting a custom survey for 4 positions; and using variance, regression, and graphic analyses, to compare SSU's current compensation information to market compensation information.

Of the positions where we used published survey to collect competitive market compensation information, we found solid data for 42 positions. These positions are classified as "benchmark" jobs. For the other four positions, we found some matches that provide useful reference information; however, the job matches for these positions are not as strong as for the others. We have classified these four positions as "reference points."

This report is divided into three sections:

- Summary of Results
- Market Pricing
- Custom Survey

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**Summary of Results**

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## Summary of Results

### Market Pricing Summary

A description of the methodology for developing the Estimated Market Values (EMV's) for SSU's jobs and detailed worksheets for each job are contained in the section headed Market Pricing. This section provides a summary of the findings.

### General Observations

Using available published surveys and a custom survey, market data for 50 jobs was compiled and compared to SSU's base salaries and salary range midpoints. This analysis shows that most of the SSU jobs (39 of 50) are paid base salaries below the "market." SSU's base pay levels on average are 8.8% below the market for this group. However, the range of SSU pay levels in comparison to the market is quite wide—from 40.1% below market to 31.4% above market.

A similar situation was found when comparing midpoints to market. For midpoints, SSU is 13.3% below the market on average, with a range from 36.9% below to 22.7% above market.

This information is summarized in Exhibit #1 on page 3. When developing the EMV's, in most cases, several surveys were referenced for each job. Exhibit #2 on page 4 also shows the lowest and highest market values reported for each job.

As a general rule, when actual midpoints and/or pay levels are within a range of  $\pm 5\%$  of the market, pay can be considered to be fully competitive. Over one-half of SSU's actual pay levels and midpoints fall outside the  $\pm 10\%$  range. The conclusion that can be drawn from this is that while SSU pay rates and midpoints, on average, are relatively low when compared to the market, some rates are significantly high or low. Since the salary structure has not been adjusted in some time, this finding is not surprising. Likewise, since the structure likely has an influence on actual pay levels, it also is not surprising to see the pay levels fall behind market levels.

Another factor that influences these findings is the way SSU has valued jobs in the past. The current findings compare SSU pay practices directly with the market. The existing system places considerable emphasis on internal relationships rather than external comparisons. The difference in these two approaches undoubtedly account for some of the wide variations between SSU's practices and the EMV's.

**Some Specific Observations**

- The Corporate Receptionist's base salary and midpoint are significantly above the market.
- The Customer Service Representative I's base salary is significantly below the market and the midpoint is relatively low.
- The Welder's base salary is significantly above the market.
- The Design Drafter I's base salary is significantly below the market and the midpoint is relatively low.
- The PC Support Specialist's base salary is relatively low versus the market, and the midpoint is significantly low.
- The Supervisor of Billing's base salary and midpoint are significantly below the market.
- The Programmer Analyst I's base salary and midpoint are significantly below the market.
- The Communication Manager's midpoint is significantly below the market.
- All of the Rate positions' base salaries and midpoints are significantly below market.

## Actual Pay and Midpoints Compared to Market

SSU Position	SSU Base	SSU Midpoint	EMV Base	SSU Actual vs. Market +/-	SSU Mid vs. Market +/-
Office Clerk	16.1	14.9	16.1	0.0%	- 7.5%
Corporate Receptionist	21.3	21.1	17.2	+23.8%	+22.7%
Data Entry Operator I	16.0	16.0	17.5	- 8.6%	- 8.6%
Maintenance Tech I	17.5	18.3	18.2	- 3.8%	+ 0.5%
Meter Reader I	16.1	17.1	18.9	-14.8%	- 9.5%
Secretary I	19.4	19.6	19.3	- 0.5%	+ 1.6%
Accounting Clerk I	18.3	18.3	19.5	- 6.2%	- 6.2%
Customer Service Rep I	16.6	18.3	21.7	-23.5%	-15.7%
Assistant Buyer	20.6	19.6	23.4	-12.0%	-16.2%
Computer Operator I	21.2	21.1	23.7	-10.5%	-11.0%
Secretary II	21.4	21.1	24.0	-10.8%	-12.1%
Operator I	21.9	22.8	24.4	-10.2%	- 6.6%
Sr Maintenance Tech*	21.5	21.1	25.4	-15.4%	-16.9%
Senior Computer Operator	24.0	26.6	26.0	- 7.7%	+ 2.3%
Customer Service Rep III	21.7	21.1	26.4	-17.8%	-20.1%
Welder*	35.6	28.7	27.1	+31.4%	+ 5.9%
Design Drafter I	19.6	24.7	27.3	-28.2%	- 9.5%
Supervisor, Admin Services	26.1	24.7	27.7	- 5.8%	-10.8%
Operator II	24.8	24.7	27.9	-11.1%	-11.5%
Executive Secretary	24.1	22.8	28.1	-14.2%	-18.9%
HR Assistant	24.7	26.6	28.4	-13.0%	- 6.3%
Accountant I	27.5	28.7	30.2	- 8.9%	- 5.0%
Electrician	27.9	26.6	30.7	- 9.1%	-13.4%
Chief Drafter	36.3	31.1	31.7	+14.5%	- 1.9%
PC Support Spec	27.0	22.8	32.0	-15.6%	-28.8%
Operator III	27.0	26.6	33.0	-18.2%	-19.4%
Accountant II	33.3	36.2	33.9	- 1.8%	+ 6.8%
Sprvsr, Customer Service	34.1	28.7	34.4	- 0.9%	-16.6%
Supervisor of Billing*	28.3	26.6	34.9	-18.9%	-23.8%
HR Analyst—Benefits	—	36.2	35.0	—	+ 3.4%
Project Engineer I	35.1	36.2	36.2	- 3.0%	0.0%
HR Analyst—Generalist	29.8	31.1	37.1	-19.7%	-16.2%
Programmer Analyst I	30.2	31.1	38.5	-21.6%	-19.2%
Purchasing Administrator	36.2	39.1	41.5	-12.8%	- 5.8%
Trng and Dvlpmnt Admin	43.1	42.3	43.6	- 1.1%	- 3.0%
Rate Analyst I	26.3	28.7	43.9	-40.1%	-34.6%
Sr Programmer Analyst	49.1	42.3	48.1	+ 2.1%	-12.1%
Sr Systems Analyst Engin*	51.0	49.3	50.1	+ 1.8%	- 1.6%
Manager, Admin Services	45.2	42.3	51.7	-12.6%	-18.2%
Mgr, Gen Acct/Asst Ctrlr	60.2	53.3	52.0	+15.8%	+ 2.5%
Rate Analyst II	35.3	36.3	52.2	-32.4%	-30.5%
HR Administrator	51.0	42.6	52.3	- 2.5%	-18.5%
Sr Project Engineer	53.8	49.3	52.4	- 2.7%	- 5.9%
Mgr, Fin Plng/Asst Treas	49.2	49.3	57.0	-13.7%	-13.5%
Manager, HR	59.9	49.3	59.7	+ 0.3%	-17.4%
Communications Manager	65.0	49.3	62.5	+ 4.0%	-21.1%
Manager, Info Services	65.1	53.3	62.8	+ 3.7%	-15.1%
Sr. Rate Engineer	55.7	49.3	62.9	-11.4%	-21.6%
Staff Attorney	60.7	57.0	67.9	-10.6%	-16.1%
Director Rates	60.0	57.0	90.4	-33.6%	-36.9%
Average				- 8.8%	-13.3%

\* Represents a "reference point" position—data presented for reference only. This is not a benchmark position.

## Actual Pay and Midpoints Compared to High &amp; Low Market Values

SSU Position	SSU Base	SSU Midpoint	EMV Base	Lowest Mkt Value	Highest Mkt Value
Office Clerk	16.1	14.9	16.1	14.1	17.2
Corporate Receptionist	21.3	21.1	17.2	16.9	18.3
Data Entry Operator I	16.0	16.0	17.5	17.2	17.6
Maintenance Tech I	17.5	18.3	18.2	17.0	20.7
Meter Reader I	16.1	17.1	18.9	18.4	21.1
Secretary I	19.4	19.6	19.3	16.8	20.6
Accounting Clerk I	18.3	18.3	19.5	17.5	21.0
Customer Service Rep I	16.6	18.3	21.7	20.5	23.7
Assistant Buyer	20.6	19.6	23.4	22.5	24.0
Computer Operator I	21.2	21.1	23.7	20.9	25.8
Secretary II	21.4	21.1	24.0	19.2	25.4
Operator I	21.9	22.8	24.4	23.8	24.8
S Maintenance Tech*	21.5	21.1	25.4	—	—
Senior Computer Operator	24.0	26.6	26.0	25.8	26.1
Customer Service Rep III	21.7	21.1	26.4	25.5	29.1
Welder*	35.6	28.7	27.1	—	—
Design Drafter I	19.6	24.7	27.3	27.2	27.5
Supervisor, Admin Services	26.1	24.7	27.7	26.1	29.0
Operator II	24.8	24.7	27.9	27.3	28.6
Executive Secretary	24.1	22.8	28.1	24.5	29.8
HR Assistant	24.7	26.6	28.4	26.4	29.4
Accountant I	27.5	28.7	30.2	28.0	31.9
Electrician	27.9	26.6	30.7	25.0	33.1
Chief Drafter	36.3	31.1	31.7	30.3	38.4
PC Support Spec	27.0	22.8	32.0	26.2	37.4
Operator III	27.0	26.6	33.0	32.0	33.9
Accountant II	33.3	36.2	33.9	32.1	38.0
Sprvsr, Customer Service	34.1	28.7	34.4	29.6	39.1
Supervisor of Billing*	28.3	26.6	34.9	—	—
HR Analyst—Benefits	—	36.2	35.0	33.1	38.9
Project Engineer I	35.1	36.2	36.2	31.2	38.1
HR Analyst—Generalist	29.8	31.1	37.1	30.3	43.0
Programmer Analyst I	30.2	31.1	38.5	35.7	42.7
Purchasing Administrator	36.2	39.1	41.5	35.2	49.4
Trng and Dvlpmnt Admin	43.1	42.3	43.6	41.6	46.2
Rate Analyst I	26.3	28.7	43.9	—	—
Sr Programmer Analyst	49.1	42.3	48.1	46.6	51.8
Sr Systems Analyst Engin*	51.0	49.3	50.1	—	—
Manager, Admin Services	45.2	42.3	51.7	48.8	54.6
Mgr, Gen Acct/Asst Ctrlr	60.2	53.3	52.0	47.3	56.9
Rate Analyst II	35.3	36.3	52.2	—	—
HR Administrator	51.0	42.6	52.3	47.6	66.0
Sr Project Engineer	53.8	49.3	52.4	47.6	54.8
Mgr, Fin Plng/Asst Treas	49.2	49.3	57.0	56.2	57.7
Manager, HR	59.9	49.3	59.7	56.0	65.0
Communications Manager	65.0	49.3	62.5	53.6	75.8
Manager, Info Services	65.1	53.3	62.8	54.9	69.4
Sr Rate Engineer	55.7	49.3	62.9	—	—
Staff Attorney	60.7	57.0	67.9	63.3	73.5
Director Rates	60.0	57.0	90.4	—	—

\* Represents a "reference point" position—data presented for reference only. This is not a benchmark position.

### Custom Survey Summary

Details concerning the custom survey of rate positions are contained in a subsequent section headed Custom Survey, but the results are summarized below. The results of the custom survey indicates that SSU base salaries and midpoints are significantly below the market.

### Overview of Survey Results

Position Title	# Co's	# Incumb	Avg Sal	Avg Mid	SSU Base	SSU Mid	EMV Base*	SSU	SSU
								Actual vs. Market +/-	Mid vs. Market +/-
Rate Analyst I	4	6	\$42.9	\$43.3	\$26.3	\$28.7	\$43.9	-40.1%	-34.6%
Rate Analyst II	4	7	\$59.4	\$55.1	\$35.3	\$36.3	\$52.2	-32.4%	-30.5%
Sr. Rate Engineer	4	7	\$60.1	\$57.2	\$55.7	\$49.3	\$62.9	-11.4%	-21.6%
Director—Rates	4	4	\$86.4	\$82.7	\$60.0	\$57.0	\$90.4	-33.6%	-36.9%
Average								-29.4%	-30.9%

\* The survey data has been aged forward to 7/95 to be consistent with the market pricing data. The EMV for Rate Analyst II contains a private source of data in addition to the custom survey data.

### Bonus Results

In most cases, bonuses were paid to at least one of the rate positions. Where bonus data was reported, the average annual bonus ranges from \$2,100-\$15,000.

### Considerations

The market indicates that SSU's base pay and midpoints for rate positions are significantly below the market; however, several factors need to be considered before making adjustments. Similar positions typically will be found only in other utilities, and the target market for these positions has been identified by SSU as electric utilities. While this may be the marketplace where these jobs exist, electric utilities traditionally have been relatively "high" payors. Although this strategy is changing, pay levels in electric utilities may be higher than needed to attract and retain qualified employees.

Therefore, SSU may want to consider a different pay philosophy for setting compensation levels for rate positions. For example, the pay philosophy for the rate positions might be to pay below (e.g., 15% to 20%) the electric utility market average. The objective is to find a level that will give SSU management a level of comfort that they can attract and retain qualified employees in the rate jobs while not paying more than necessary. This same judgement could be applied to other jobs where the primary "market" has been defined as utilities, especially electric utilities.



**Summary of Data Analysis**

Using the information developed from the market pricing process, we conducted three other analyses. Exhibit #3, on page 8, shows a graphic analysis using trend lines to compare SSU's actual pay and midpoints to the market data. This analysis illustrates the relationship between three lines: SSU average salaries, SSU midpoints, and market average base salaries.

The graph shows that average salary is low throughout all grades, with the gap between SSU average pay and the market becoming wider as the grade level increases. The midpoint line shows that the lower grade midpoints are consistent with market, but as the grade levels increase, the relationship between midpoint and market becomes progressively wider.

The graph also shows that SSU's midpoint values fall below average salary levels in Grade 9 and above. This could be an indication that while SSU's salary structure is low, efforts have been made to keep actual pay levels at a more competitive position.

We also conducted a statistical analysis of the data. Overall, the R<sup>2</sup> (an indication of the relationship between two variables, with 1.0 being "perfect") - indicates that SSU's current midpoints, while somewhat low, move in a consistent relationship to the market. Likewise, actual salaries follow the same trend—both in relation to the market and to SSU's midpoints. The chart below presents the results of the statistical analysis.

**R<sup>2</sup> Summary**

Variables	R <sup>2</sup>
SSU Midpoints vs Grades	96%
SSU Average Salary vs Grades	93%
Market vs Grades	91%

Exhibit #4, on pages 9 and 10, shows the market ratio (average salaries divided by EMV's) and compa ratio (midpoints divided by EMV's) by salary grade. The chart shows the midpoints for grades 10, 12, 13, and 22 to be 15% or more below market. The midpoints in other grades were relatively close to market. The chart also shows the actual pay for jobs in Grades 6, 16, and 22 to be 15% or more below market.

**Indicated Actions**

The findings from this study point out several possible actions SSU may want to consider. The findings show that SSU midpoints are approximately 13.3% below competitive pay levels, on average. However, midpoint values for jobs in lower grades are closer to market averages than those in higher grades.

This indicates that simply raising the structure by a constant percentage will not bring pay targets (midpoints) to the desired level (market average). Rather, to have midpoint values reflect market averages, lower graded jobs should be moved less than higher graded jobs.

However, the situation is complicated further by the **distribution** of midpoint values around the market values. While **average** midpoint values are about 13.3% below the market, there are a number of jobs that are graded **considerably** higher or lower than the market. The current grade assignments represent a combination of influences that include the use of an internally oriented point factor job evaluation system, some historical considerations, and the time that has passed since the structure was adjusted to the market.

**Costing**

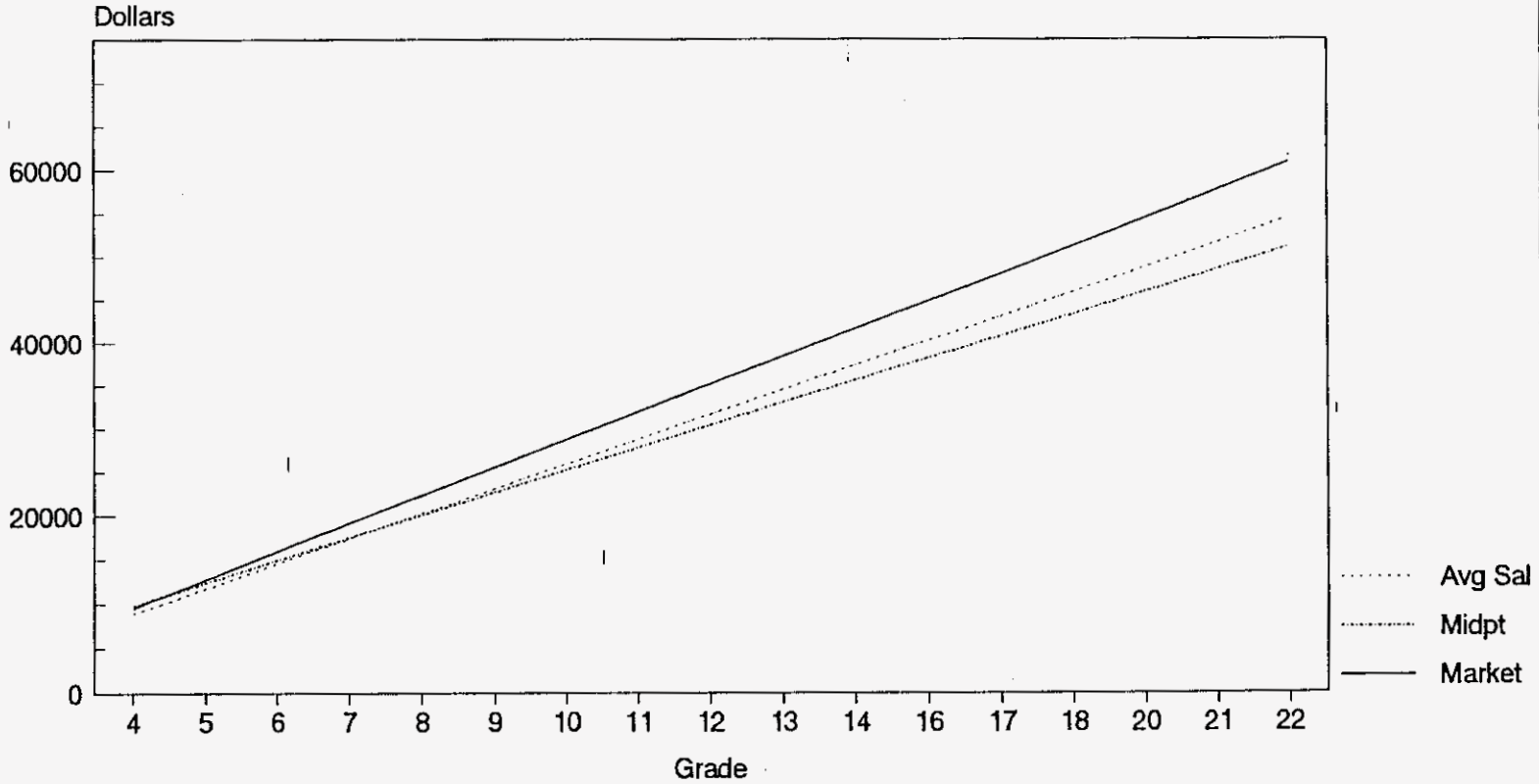
For your convenience, we have provided Exhibit #5, which shows the average percentage cost to bring benchmarks and reference points to market. The overall percentage cost to bring the surveyed positions to market is 17.3%; however, this is an average and should be used with caution. Factors such as number of incumbents in each position and where pay is positioned in the salary range for the incumbents need to be considered when determining actual costs. Additionally, the rate positions, as mentioned earlier, may not require adjustment to the EMV we calculated, and they are significantly influencing the overall percentage. If the rate positions are removed from the calculation, SSU would need to adjust the salaries of the remaining jobs by 12.9% to bring them to "market averages."

**Next Steps**

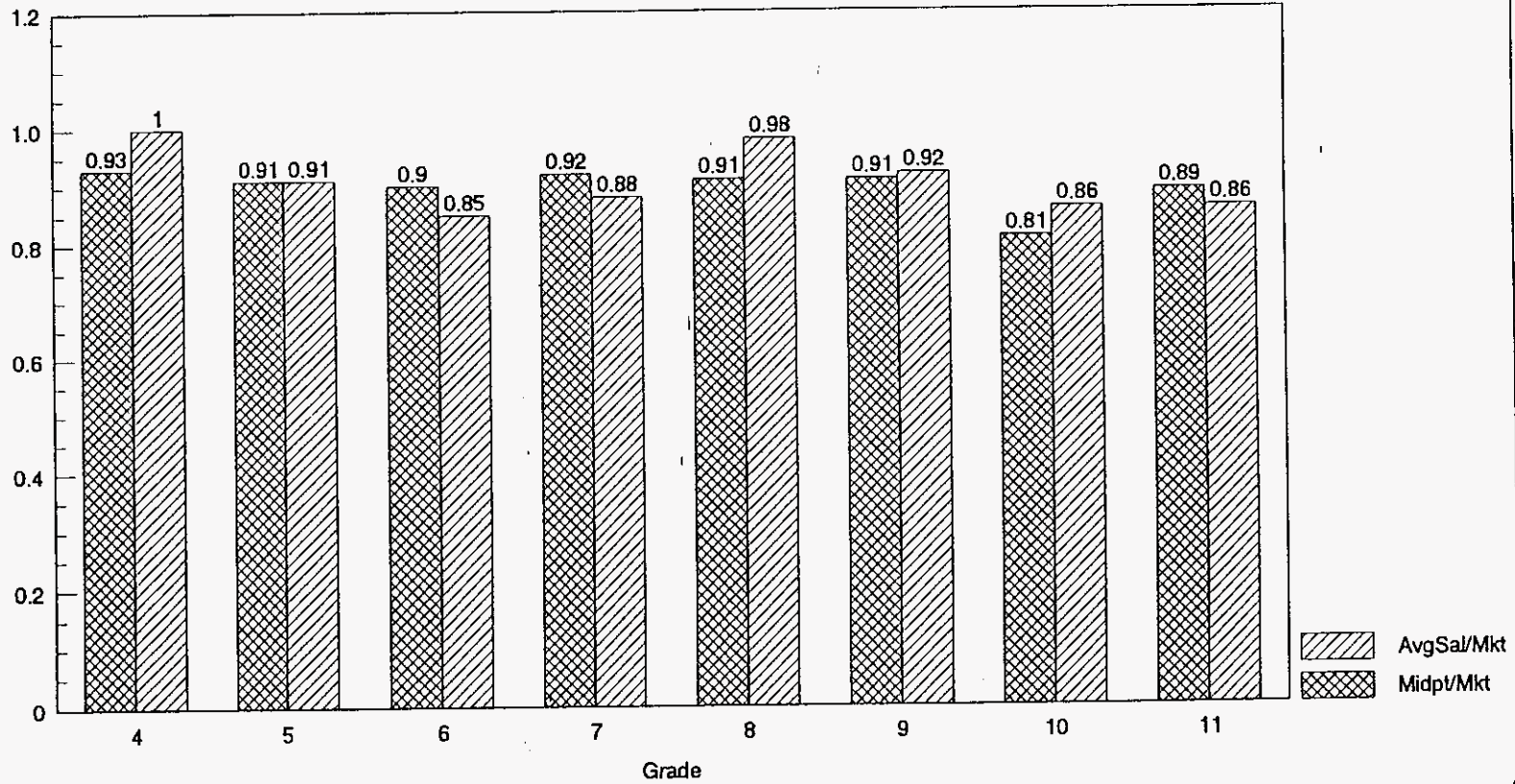
Based on our discussions with selected members of SSU's management team, we understand that SSU's objective is to maintain a structure that correlates with external market averages. Using this structure, jobs can be slotted into appropriate grades by comparing the EMV's to the midpoint values in the structure. Since the midpoint is designed to reflect SSU's desired competitive position, each job is placed into the salary grade with the midpoint closest to the EMV.

The section beginning on page 12 provides a proposed salary structure and shows how the benchmark jobs could be assigned to salary grades. Exhibit #7 then compares these new midpoints to market values.

### Southern States Utilities Comparison of SSU Salaries and Midpoints with Market Averages



### Southern States Utilities Market Ratio and Compa Ratio Comparisons Grades 4 - 11



### Southern States Utilities Market Ratio and Compa Ratio Comparisons Grades 12 - 22

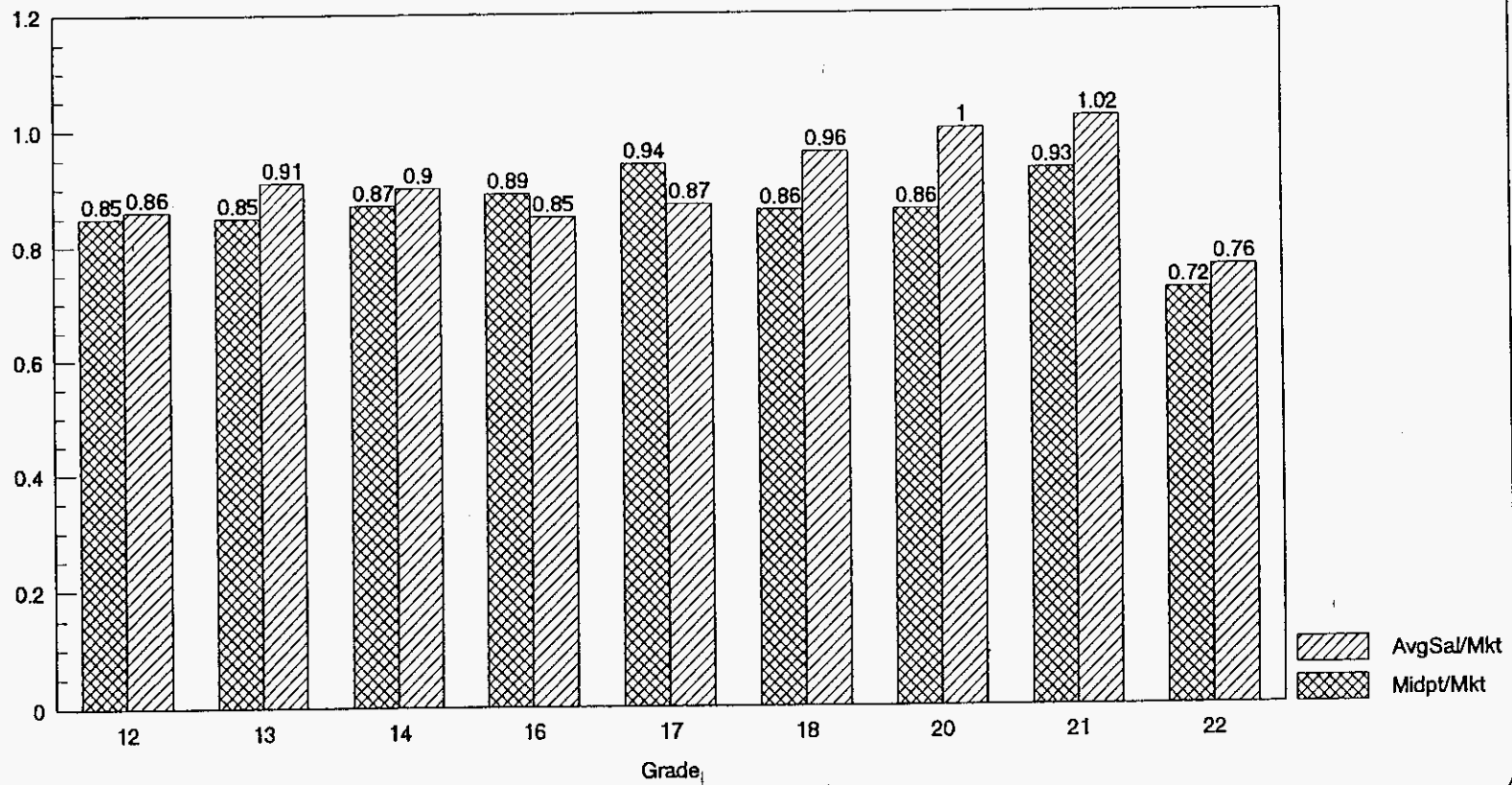


Exhibit #4

## Cost to Bring Actual Pay to Market

SSU Position	SSU Base	EMV Base	% Cost to Bring to Market
Office Clerk	16.1	16.1	—
Corporate Receptionist	21.3	17.2	—
Data Entry Operator I	16.0	17.5	9.4%
Maintenance Tech I	17.5	18.2	4.0%
Meter Reader I	16.1	18.9	17.4%
Secretary I	19.4	19.3	—
Accounting Clerk I	18.3	19.5	6.6%
Customer Service Rep I	16.6	21.7	30.7%
Assistant Buyer	20.6	23.4	13.6%
Computer Operator I	21.2	23.7	11.8%
Secretary II	21.4	24.0	12.1%
Operator I	21.9	24.4	11.4%
Sr Maintenance Tech*	21.5	25.4	18.1%
Senior Computer Operator	24.0	26.0	8.3%
Customer Service Rep III	21.7	26.4	21.7%
Welder*	35.6	27.1	—
Design Drafter I	19.6	27.3	39.3%
Supervisor, Admin Services	26.1	27.7	6.1%
Operator II	24.8	27.9	12.5%
Executive Secretary	24.1	28.1	16.6%
HR Assistant	24.7	28.4	15.0%
Accountant I	27.5	30.2	9.8%
Electrician	27.9	30.7	10.0%
Chief Drafter	36.3	31.7	—
PC Support Spec	27.0	32.0	18.5%
Operator III	27.0	33.0	22.2%
Accountant II	33.3	33.9	1.8%
Sprvsr, Customer Service	34.1	34.4	.9%
Supervisor of Billing*	28.3	34.9	23.3%
HR Analyst—Benefits	—	35.0	—
Project Engineer I	35.1	36.2	3.1%
HR Analyst—Generalist	29.8	37.1	24.5%
Programmer Analyst I	30.2	38.5	27.5%
Purchasing Administrator	36.2	41.5	14.6%
Trng and Dvlpmnt Admin	43.1	43.6	1.2%
Rate Analyst I	26.3	43.9	66.9%
Sr Programmer Analyst	49.1	48.1	—
Sr Systems Analyst Engin*	51.0	50.1	—
Manager, Admin Services	45.2	51.7	14.4%
Mgr, Gen Acct/ Asst Ctrlr	60.2	52.0	—
Rate Analyst II	35.3	52.2	47.9%
HR Administrator	51.0	52.3	2.5%
Sr Project Engineer	53.8	52.4	—
Mgr, Fin Plng/ Asst Treas	49.2	57.0	15.9%
Manager, HR	59.9	59.7	—
Communications Manager	65.0	62.5	—
Manager, Info Services	65.1	62.8	—
Sr Rate Engineer	55.7	62.9	12.9%
Staff Attorney	60.7	67.9	11.9%
Director Rates	60.0	90.4	50.7%
Average			17.3%

\* Represents a "reference point" position—data presented for reference only. This is not a benchmark position.

**Proposed 1995 Salary Structure and Grade Assignments**

## Proposed 1995 Salary Structure and Grade Assignments

### Salary Structure

Based on the results of the market pricing analysis, a new salary structure was created for SSU using the established EMV's as the basis for determining the new midpoints. A constant 10% midpoint to midpoint differential was used, which determined the number of grades in the new structure. Finally, a range spread of 50% was applied to all grades. The revised structure contains 16 grades as shown below:

### New Salary Structure

Grade	Salary Range			Midpoint Differential	Range Spread
	Minimum	Midpoint	Maximum		
16	\$54,300	\$67,900	\$81,500	10.05%	50%
15	\$49,400	\$61,700	\$74,100	9.98%	50%
14	\$44,900	\$56,100	\$67,300	10.00%	50%
13	\$40,800	\$51,000	\$61,200	9.91%	50%
12	\$37,100	\$46,400	\$55,700	9.95%	50%
11	\$33,700	\$42,200	\$50,600	10.18%	50%
10	\$30,700	\$38,300	\$46,000	10.06%	50%
9	\$27,900	\$34,800	\$41,800	9.78%	50%
8	\$25,300	\$31,700	\$38,000	10.07%	50%
7	\$23,000	\$28,800	\$34,600	9.92%	50%
6	\$20,900	\$26,200	\$31,400	10.08%	50%
5	\$19,000	\$23,800	\$28,600	10.19%	50%
4	\$17,300	\$21,600	\$26,000	9.64%	50%
3	\$15,700	\$19,700	\$23,600	10.06%	50%
2	\$14,300	\$17,900	\$21,500	9.82%	50%
1	\$13,000	\$16,300	\$19,500		50%

### Grade Assignments

Each benchmark and reference point job was assigned to a grade by comparing the EMV to the closest midpoint value. Exhibit #6 shows the grade and range assignments for the benchmark and reference point jobs.

Exhibit #7 compares SSU's actual pay and revised midpoints to the market. While the percentages for actual pay to market is the same as the previous analysis in Exhibit #1, the revised midpoint versus market percentage has changed. The revised midpoints are less than one-half a percent below the market, on average, and the largest deviation from the market is 4.6%, indicating the revised midpoints are consistent with the market. By utilizing the revised structure, SSU could have a true market driven structure.





## Actual Pay and Revised Midpoints Compared to Market

SSU Position	SSU Base	New SSU Midpoint	EMV Base	SSU Actual vs. Market +/-	New SSU Mid vs. Market +/-
Office Clerk	16.1	16.3	16.1	0.0%	+ 1.2%
Corporate Receptionist	21.3	17.9	17.2	+23.8%	+ 4.1%
Data Entry Operator I	16.0	17.9	17.5	- 8.6%	+ 2.3%
Maintenance Tech I	17.5	17.9	18.2	- 3.8%	- 1.6%
Meter Reader I	16.1	19.7	18.9	-14.8%	+ 4.2%
Secretary I	19.4	19.7	19.3	- 0.5%	+ 2.1%
Accounting Clerk I	18.3	19.7	19.5	- 6.2%	+ 1.0%
Customer Service Rep I	16.6	21.6	21.7	-23.5%	- 0.5%
Assistant Buyer	20.6	23.8	23.4	-12.0%	+ 1.7%
Computer Operator I	21.2	23.8	23.7	-10.5%	+ 0.4%
Secretary II	21.4	23.8	24.0	-10.8%	- 0.8%
Operator I	21.9	23.8	24.4	-10.2%	- 2.5%
Sr Maintenance Tech*	21.5	26.2	25.4	-15.4%	+ 3.1%
Senior Computer Operator	24.0	26.2	26.0	- 7.7%	+ 0.8%
Customer Service Rep III	21.7	26.2	26.4	-17.8%	- 0.8%
Welder*	35.6	26.2	27.1	+31.4%	- 3.3%
Design Drafter I	19.6	26.2	27.3	-28.2%	- 4.0%
Supervisor, Admin Services	26.1	28.8	27.7	- 5.8%	+ 4.0%
Operator II	24.8	28.8	27.9	-11.1%	+ 3.2%
Executive Secretary	24.1	28.8	28.1	-14.2%	+ 2.5%
HR Assistant	24.7	28.8	28.4	-13.0%	+ 1.4%
Accountant I	27.5	28.8	30.2	- 8.9%	- 4.6%
Electrician	27.9	31.7	30.7	- 9.1%	+ 3.3%
Chief Drafter	36.3	31.7	31.7	+14.5%	0.0%
PC Support Spec	27.0	31.7	32.0	-15.6%	- 0.9%
Operator III	27.0	31.7	33.0	-18.2%	- 3.9%
Accountant II	33.3	34.8	33.9	- 1.8%	+ 2.7%
Sprvsr, Customer Service	34.1	34.8	34.4	- 0.9%	+ 1.2%
Supervisor of Billing*	28.3	34.8	34.9	-18.9%	- 0.3%
HR Analyst—Benefits	—	34.8	35.0	—	- 0.6%
Project Engineer I	35.1	34.8	36.2	- 3.0%	- 3.9%
HR Analyst—Generalist	29.8	38.3	37.1	-19.7%	+ 3.2%
Programmer Analyst I	30.2	38.3	38.5	-21.6%	- 0.5%
Purchasing Administrator	36.2	42.2	41.5	-12.8%	+ 1.7%
Trng and Dvlpmnt Admin	43.1	42.2	43.6	- 1.1%	- 3.2%
Rate Analyst I	26.3	42.2	43.9	-40.1%	- 3.9%
Sr Programmer Analyst	49.1	46.4	48.1	+ 2.1%	- 3.5%
Sr Systems Analyst Engin*	51.0	51.0	50.1	+ 1.8%	+ 1.8%
Manager, Admin Services	45.2	51.0	51.7	-12.6%	- 1.4%
Mgr, Gen Acct/Asst Ctrlr	60.2	51.0	52.0	+15.8%	- 1.9%
Rate Analyst II	35.3	51.0	52.2	-32.4%	- 2.3%
HR Administrator	51.0	51.0	52.3	- 2.5%	- 2.5%
Sr Project Engineer	53.8	51.0	52.4	- 2.7%	- 2.7%
Mgr, Fin Plng/Asst Treas	49.2	56.1	57.0	-13.7%	- 1.6%
Manager, HR	59.9	61.7	59.7	+ 0.3%	+ 3.4%
Communications Manager	65.0	61.7	62.5	+ 4.0%	- 1.3%
Manager, Info Services	65.1	61.7	62.8	+ 3.7%	- 1.8%
Sr Rate Engineer	55.7	61.7	62.9	-11.4%	- 1.9%
Staff Attorney	60.7	67.9	67.9	-10.6%	0.0%
Director Rates	60.0	67.9	90.4	-33.6%	**
Average				- 8.8%	- 0.5%

\* Represents a "reference point" position—data presented for reference only. This is not a benchmark position.

\*\* Director Rates slotted into Grade 16; EMV was not used.

**Market Pricing**

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## **Market Pricing**

### **Methodology**

This section describes the process used in collecting the market information.

### **Survey Sources**

Published salary surveys have been used to develop the market data package. A list of the published surveys we have used is included in the "Survey Sources" section of this material. We primarily used data from "general industry" and where applicable the utility industry.

### **Job Matching**

The market data package was developed by matching SSU's jobs with those included in the salary surveys. The matches were established on the basis of job duties and responsibilities, not on the basis of job titles. Job matches were reviewed and verified by SSU personnel. An adjustment was made to one SSU job to reflect additional responsibilities in the survey job which were not included in the SSU job.

### **Scope Measures**

The scope measures represent the different categories in which the market information is collected and reported in the published surveys. These factors allow us to compare SSU to the survey participants and to ensure that the organizational matches, as well as the position matches, are valid.

Based on SSU's definitions of the market, where possible we used the appropriate geographic locations for each position. In some cases, information on the specific market identified was not available and we used the closest geographic region where data was available.

### **Updating Compensation Values**

Because the effective dates of market data vary according to the surveys, all data have been updated to a common date, July 1, 1995. The annual adjustment factor used was 4.0%. This percentage is based on Hewitt Associates' annual salary increase survey.

### **Estimated Market Value**

The Estimated Market Value is the single number representing a close approximation of the market value of a job. Since multiple survey sources and scope measures have been used for each job, we collected a range of market information by job. All of the market values collected were weighted based on the degree of job match and numerically averaged to calculate the Estimated Market Value for each job.



- Dietrich—SS      *Dietrich Associates, Inc.: Support Services Survey.*  
This publication provides salary information for 116 administrative jobs in 243 firms across the United States. Data is reported by industry group based on employment size, geographic region, and metropolitan area. (Data effective May 1994.)
- ECS—MMR      *Executive Compensation Service, Inc.: Middle Management Report.* This two volume survey presents compensation data on 121 middle management positions from 1,849 organizations. Data is included for 21 selected industries; within the industry breakouts, jobs are scoped primarily by sales volume. Regional information is included in a separate volume. (Data effective February 1994.)
- ECS—OPR      *Executive Compensation Service, Inc.: Office Personnel Report.* The annual edition of this report presents compensation data on 72 nonexempt office personnel positions. Information was provided by 2,590 organizations. The data is displayed nationally, regionally, by state, and metropolitan areas. (Data effective May 1994.)
- ECS—P&S      *Executive Compensation Service, Inc.: Professional and Scientific Personnel Report.* This survey contains compensation data on 115 professional and scientific jobs; that is, jobs which require special training and/or experience. Information was provided by 1,901 companies representing 165,785 incumbents. The data is displayed on a national, regional, sub-regional, and city-wide basis. Industry-specific data is included in a separate volume. (Data effective March 1994.)
- ECS—SMR      *Executive Compensation Service, Inc.: Supervisory Management Report.* This report contains cash compensation data on 94 supervisory level positions. Each position reported has three levels of responsibility including Lead, Shift Supervisor, and Assistant Department Head. Information was provided by 1,510 companies representing more than 46,972 supervisors. The data is displayed on a national, regional, and metropolitan basis, as well as by industry. (Data effective January 1994.)

- ECS—TST      *Executive Compensation Service, Inc.: Technician and Skilled Trades Personnel Report.* This study presents compensation data on 86 technical and skilled trades positions. Information was provided by 995 companies representing 159,641 incumbents. The data is displayed on a national, regional, sub-regional, and city-wide basis. (Data effective June 1994.)
- FLC—CSS      *Florida League of Cities—Cooperative Salary Survey.* This survey is printed in three sections based on population. The survey provides data on 140 positions generally representative of a city or county. (Data effective October 1, 1993.)
- LANG—Legal      *Abbott, Langer and Associates: Compensation of Legal & Related Jobs.* This three volume survey reports data on 13 jobs from 445 organizations in business, industry, government, and nonprofit organizations. Data is reported by geographic area, type of industry, size of organization, and size of department. (Data effective May 1994.)
- TP—FBS      *Towers Perrin—The Florida Benchmark Survey.* This report provides base, bonus, and total compensation information for 130 positions. The data is presented by revenues, industry, and geographic location. The survey contains data from 132 organizations covering 62,620 incumbents. (Data effective January 1, 1994.)
- WMM—FAL      *William M. Mercer, Incorporated: Finance, Accounting & Legal Compensation Survey Results.* This report contains cash compensation data for 95 jobs in the finance, accounting, and legal professions. In addition, compensation information is displayed for 12 executive general management jobs. Compensation information was submitted by 1,370 reporting locations representing 51,564 individual salary rates. Data is displayed for each job on a nationwide basis, by type of industry, as well as for individual cities where sufficient data is available. (Data effective March 1994.)

- WMM—HRM      *Society for Human Resource Management/William M. Mercer, Incorporated: Human Resource Management Compensation Survey Results.* This study reports compensation data for 58 jobs in the area of human resource management. Information was submitted by 1,385 participants reporting more than 20,000 individual salary rates. Data is displayed for each job on a nationwide basis, by type of industry, as well as for individual cities. (Data effective February 1994.)
- WMM—IS        *William M. Mercer, Incorporated: Information Systems Compensation Survey Results.* This report contains competitive salary information for 117 positions in the information systems area. Compensation information was submitted by 1,098 reporting locations representing 138,747 individual salary rates. Data is displayed for each position on a nationwide basis, by type of industry, by type of environmental complexity, as well as for individual cities. (Data effective April 1994.)
- WMM—MLM      *William M. Mercer, Incorporated: Materials and Logistics Management Compensation Survey Results.* This report contains compensation information for 61 positions in the area of materials and logistics-management. Data was submitted by 169 firms reporting 5,901 individual salary rates. The salaries are displayed for each position on a nationwide basis, by type of industry, as well as for individual cities. (Data effective January 1994.)



**Market Pricing Worksheets**

The market pricing worksheets used to generate the EMV for each position are provided beginning on page 20. Explanations of the market pricing worksheets columnar headings are listed below:

<i>Survey Source:</i>	The source of the salary information.
<i>Survey Position Title and Industry Classification:</i>	The position title and industry cut from the published survey.
<i>Survey Scope:</i>	The parameter data that details the relative size of the comparator companies, or other section of the data.
<i>Number Reported:</i> <i>Cos. (Companies):</i>	The number of companies that responded to the survey position.
<i>Inc. (Incumbents):</i>	The number of position incumbents for which survey information was reported.
<i>Data Type:</i>	The median, average, weighted average, regression, or third quartile value, as noted.
<i>Survey Effective Date:</i>	The date as of which the compensation data reported in the survey is effective.
<i>Unadjusted Data "Base":</i>	The raw base salary data reported for the position.
<i>Update Factor:</i>	The percentage factor used to adjust the data from the effective date of the survey to July 1, 1995.
<i>Compensation Data "Base":</i>	The "aged" or adjusted base salary data.
<i>Weight:</i>	The weight assigned to each survey to be used for calculating the estimated market value for the position.

MARKET PRICING WORKSHEET (DATA EFFECTIVE 7/94)											ESTIMATED MARKET VALUE (\$ 000s)	
JOB TITLE <u>OFFICE CLERK</u>											BASE <u>\$16.1</u>	
COMPANY <u>SSU</u>											BENCHMARK <u>X</u>	
SURVEY INFORMATION											REFERENCE POINT _____	
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS	
			Con.	Inc.					"BASE"	WEIGHT		
BUR	CLERK -GENERAL INDUSTRY	FLORIDA	33	885	M	2/94	\$13.3	1.05667	\$14.1	1		
BLS	GENERAL CLERK II -GENERAL INDUSTRY	ORLANDO	N/A	174	M	1/94	\$14.8	1.06000	\$15.7	3		
AMS	GENERAL CLERK - LEVEL 1 -GENERAL INDUSTRY	SOUTHEAST	8	75	A	4/94	\$14.7	1.05000	\$15.4	1		
TP - FBS	GENERAL CLERK (INTERMEDIATE) -GENERAL INDUSTRY	ORLANDO	15	372	M	1/94	\$16.2	1.06000	\$17.2	3		
TP - FBS	GENERAL CLERK (INTERMEDIATE) -GENERAL INDUSTRY	FLORIDA	65	2,060	M	1/94	\$16.0	1.06000	\$17.0	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE CORPORATE RECEPTIONIST  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE 1 \$17.2

BENCHMARK X  
REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BIAS"	UPDATE FACTOR	COMPENSATION DATA			
			Cor.	Inc.					"BASE"	WEIGHT		
BLR	RECEPTIONIST-SWITCHBOARD OPERATOR -GENERAL INDUSTRY	FLORIDA	85	327	M	2/94	\$16.3	1.05667	\$17.2		1	
TP-FBS	RECEPTIONIST -GENERAL INDUSTRY	ORLANDO	14	166	M	1/94	\$16.3	1.06000	\$17.3		2	
TP-FBS	RECEPTIONIST -GENERAL INDUSTRY	FLORIDA	63	341	M	1/94	\$15.9	1.06000	\$16.9		1	
BLS	SWITCHBOARD OPERATOR-RECEPTIONIST -GENERAL INDUSTRY	ORLANDO	N/A	316	M	1/94	\$15.9	1.06000	\$16.9		2	
ECS-OPR	RECEPTIONIST/TELEPHONE OPERATOR -GENERAL INDUSTRY	FLORIDA	30	72	M	5/94	\$16.3	1.04667	\$17.1		1	
DIETRICH-SS	RECEPTIONIST/SWITCHBOARD -GENERAL INDUSTRY	SOUTHEAST	37	61	M	5/94	\$17.5	1.04667	\$18.3		1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

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MARKET PRICING WORKSHEET (DATA EFFECTIVE 7/94)										ESTIMATED MARKET VALUE (\$ 000s)	
JOB TITLE <u>DATA ENTRY OPERATOR I</u>										BASE <u>\$17.5</u>	
COMPANY <u>SSU</u>										BENCHMARK <u>X</u>	
REFERENCE POINT _____											
SURVEY INFORMATION				DATA TYPE*	SURV EPT. DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS	
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT		
BLS	KEY ENTRY OPERATOR - LEVEL I -GENERAL INDUSTRY	ORLANDO	N/A 342	M	1/94	\$16.6	1.06000	\$17.6	3		
AMS	DATA ENTRY OPERATOR -GENERAL INDUSTRY	SOUTHEAST	12 66	A	4/94	\$16.4	1.05000	\$17.2	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/93)

JOB TITLE: MAINTENANCE TECHNICIAN I  
COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASIS: \$18.2

BENCHMARK: X

REFERENCE POINT: \_\_\_\_\_

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLES AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE	SURV. DATE	UNADJ. DATA BASIS*	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Con.	Inc.					BASIS*	WEIGHT	
RLR	GENERAL MAINTENANCE WORKER -GENERAL INDUSTRY	FLORIDA	56	613	M	2/94	\$17.2	1.03667	\$18.2	2	
RLS	GENERAL MAINTENANCE WORKER -GENERAL INDUSTRY	OKLAHOMA	N/A	691	M	1/94	\$16.0	1.06000	\$17.0	2	
RCS-1ST	MAINTENANCE MECHANIC-LEVEL I -GENERAL INDUSTRY	LOWER 48 STATES	5	13	M	6/94	\$19.8	1.04333	\$20.7	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

**MARKET PRICING WORKSHEET**  
(DATA EFFECTIVE 7/95)

JOB TITLE: METER READER I

COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)  
BASE: \$18.9  
BENCHMARK: X  
REFERENCE POINT: \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV REP DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
FLC-CSS	METER READER -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	10	36	A	10/93	\$17.2	1.07000	\$18.4	3		
FLC-CSS	METER READER -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	49	134	A	10/93	\$17.2	1.07000	\$18.4	1		
FLC-CSS	METER READER -CITY/COUNTY GOVERNMENT 50,000 + POPULATION	FLORIDA	36	278	A	10/93	\$19.7	1.07000	\$21.1	1		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SECRETARY I  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000+)

BASE \$19.3

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION											COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV ETP DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		
			Co.	Inc.					"BASE"	WEIGHT	
BUR	SECRETARY B -GENERAL INDUSTRY	FLORIDA	60	1,755	M	2/94	\$15.9	1.05667	\$16.8	1	
BLS	SECRETARY I -GENERAL INDUSTRY	ORLANDO	N/A	290	M	1/94	\$19.4	1.06000	\$20.6	2	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

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**MARKET PRICING WORKSHEET**  
(DATA EFFECTIVE 7/95)

JOB TITLE ACCOUNTING CLERK I

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$19.5

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

**SURVEY INFORMATION**

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Cos.	Inc.					"BASE"	WEIGHT	
FLC-CSS	ACCOUNT CLERK CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	41	762	A	10/93	\$19.6	1.07000	\$21.0	2	
AMS	ACCOUNTING CLERK-LEVEL I -GENERAL INDUSTRY	SOUTHEAST	6	13	A	4/94	\$16.7	1.05000	\$17.5	1	
BLS	ACCOUNTING CLERK II -GENERAL INDUSTRY	ORLANDO	N/A	1,167	M	1/94	\$18.0	1.06000	\$19.1	3	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE CUSTOMER SERVICE REPRESENTATIVE I  
COMPANY SSU

BASE \$21.7  
BENCHMARK X  
REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION				# REPORTED	DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	Co.						Loc.	"BASE"	
TP-FBS	CUSTOMER SERVICE REPRESENTATIVE -GENERAL INDUSTRY	FLORIDA	51	3,896	M	1/94	\$20.8	1.06000	\$22.0	2	
TP-FBS	CUSTOMER SERVICE REPRESENTATIVE -GENERAL INDUSTRY	ORLANDO	8	224	M	1/94	\$19.3	1.06000	\$20.5	1	
FLC-CSS	CUSTOMER SERVICE REPRESENTATIVE -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	37	129	A	10/93	\$19.2	1.07000	\$20.5	2	
FLC-CSS	CUSTOMER SERVICE REPRESENTATIVE -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	8	24	A	10/93	\$20.5	1.07000	\$21.9	1	
FLC-CSS	CUSTOMER SERVICE REPRESENTATIVE -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	27	294	A	10/93	\$19.6	1.07000	\$21.0	2	
ECS-P & S	CUSTOMER SERVICE REPRESENTATIVE LEVEL I -GENERAL INDUSTRY	FLORIDA	13	118	M	3/94	\$22.5	1.05333	\$23.7	2	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE ASSISTANT BUYER

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$23.4

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EIT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
TP-FBS	PURCHASING CLERK -GENERAL INDUSTRY	ORLANDO	8	44	M	1/94	\$22.5	1.06000	\$23.9	3		
TP-FBS	PURCHASING CLERK -GENERAL INDUSTRY	FLORIDA	46	190	M	1/94	\$21.2	1.06000	\$22.5	2		
ECS-OPR	PURCHASING CLERK-SENIOR -GENERAL INDUSTRY	FLORIDA	11	19	M	5/94	\$22.9	1.04667	\$24.0	2		
AMS	PURCHASING CLERK-LEVEL 3 -GENERAL INDUSTRY	SOUTHEAST	11	19	A	4/94	\$21.6	1.05000	\$22.7	1		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE: COMPUTER OPERATOR I

BASE \$23.7

COMPANY SSU

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
RI-R	COMPUTER OPERATOR -GENERAL INDUSTRY	FLORIDA	58 234	M	2/94	\$19.8	1.05667	\$20.9	1	
FLC-CSS	COMPUTER OPERATOR -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	6 9	A	10/93	\$24.1	1.07000	\$25.8	2	
FLC-CSS	COMPUTER OPERATOR -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	31 37	A	10/93	\$22.8	1.07000	\$24.4	1	
FLC-CSS	COMPUTER OPERATOR -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	42 123	A	10/93	\$22.2	1.07000	\$23.8	1	
RLS	COMPUTER OPERATOR-LEVEL II -GENERAL INDUSTRY	ORLANDO	N/A 143	M	1/94	\$21.3	1.06000	\$22.6	2	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE OPERATOR I  
COMPANY SSU

BASE \$24.4  
BENCHMARK X  
REFERENCE POINT

SURVEY INFORMATION				DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
FLC-CSS	PLANT OPERATOR C -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	44 232	A	10/93	\$22.5	1.07000	\$24.1	3	
FLC-CSS	PLANT OPERATOR C -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	8 58	A	10/93	\$22.2	1.07000	\$23.6	1	
FLC-CSS	PLANT OPERATOR C -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	36 530	A	10/93	\$23.2	1.07000	\$24.8	3	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT                       
(DGL-3)  
PAGE 38 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SENIOR MAINTENANCE TECHNICIAN

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$25.4

BENCHMARK

REFERENCE POINT

X

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Cos.	Inc.					"BASE"	WEIGHT	
ECS-1ST	MAINTENANCE MECHANIC-LEVEL II -GENERAL INDUSTRY	LOWER 50 STATES	18	442	M	6/94	\$24.3	1.04333	\$25.4	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE

EXHIBIT \_\_\_\_\_ (DGL-3)  
PAGE 39 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE: SENIOR COMPUTER OPERATOR

COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE: \$26.0

BENCHMARK: X

REFERENCE POINT:

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Cos.	Inc.					"BASE"	WEIGHT		
TP-FIS	COMPUTER OPERATOR (SENIOR) -GENERAL INDUSTRY	ORLANDO	11	51	M	1/94	\$24.6	1.06000	\$26.1	3		
TP-FIS	COMPUTER OPERATOR (SENIOR) -GENERAL INDUSTRY	FLORIDA	61	285	M	1/94	\$24.6	1.06000	\$26.1	2		
ECS-OPR	COMPUTER OPERATOR - SENIOR -GENERAL INDUSTRY	FLORIDA	13	32	M	5/94	\$24.8	1.04667	\$26.0	2		
AMS	COMPUTER OPERATOR - LEVEL III -GENERAL INDUSTRY	SOUTHEAST	20	81	A	4/94	\$24.6	1.05000	\$25.8	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

EXHIBIT \_\_\_\_\_ (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/94)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE CUSTOMER SERVICE REPRESENTATIVE III  
COMPANY SSU

BASE \$26.4

BENCHMARK  
REFERENCE POINT X

SURVEY INFORMATION					DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED						"BASE"	WEIGHT	
			Con.	Inc.							
ECS-P & S	CUSTOMER SERVICE REP - LEVEL II GENERAL INDUSTRY	SOUTHEAST	42	344	M	3/94	\$27.6	1.05333	\$29.1	1	
AMS	CUSTOMER SERVICE REP - LEVEL III GENERAL INDUSTRY	SOUTHEAST	20	148	M	4/94	\$24.3	1.05000	\$25.5	3	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE



MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE WELDER  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$27.1

BENCHMARK

REFERENCE POINT X

SURVEY INFORMATION											COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		
			Cos.	Inc.					"BASU"	WEIGHT	
ECS-1ST	WELDER - LEVEL 2 -GENERAL INDUSTRY	U.S.	65	934	M	6/94	\$26.0	1.04333	\$27.1	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT \_\_\_\_\_ (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000+)

JOB TITLE DESIGN DRAFTER I

BASE \$27.3

COMPANY SSU

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cot.	Inc.					"BASE"	WEIGHT	
BLR	DRAFTER -GENERAL INDUSTRY	FLORIDA	30	133	M	2/94	\$25.7	1.05667	\$27.2	2	
BLS	DRAFTER-LEVEL 3 -GENERAL INDUSTRY	ORLANDO	N/A	114	M	1/94	\$25.9	1.06000	\$27.5	1	
ECS-P & S	DESIGN/DRAFTER -GENERAL INDUSTRY	FLORIDA	f	28	M	3/94	\$26.0	1.05333	\$27.4	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT (DGL-3)  
PAGE 43 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SUPERVISOR, ADMINISTRATIVE SERVICES

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$27.7

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION											COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		
			Cos.	Inc.					"BASE"	WEIGHT	
TP-FBS	MAIL ROOM SUPERVISOR -GENERAL INDUSTRY	ORLANDO	8	8	M	1/94	\$24.6	1.06000	\$26.1	3	
TP-FBS	MAIL ROOM SUPERVISOR -GENERAL INDUSTRY	FLORIDA	33	38	M	1/94	\$27.2	1.06000	\$28.8	3	
AMS	MAIL ROOM SUPERVISOR -GENERAL INDUSTRY	SOUTHEAST	13	14	A	4/94	\$27.6	1.05000	\$29.0	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

EXHIBIT (DGL-3)  
PAGE 49 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE OPERATOR II  
COMPANY SSU

BASE \$27.9  
BENCHMARK X  
REFERENCE POINT

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED						"BASE"	WEIGHT	
			Con.	Inc.							
FLC-CSS	PLANT OPERATOR B -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	36	133	A	10/93	\$25.5	1.07000	\$27.3	1	
FLC-CSS	PLANT OPERATOR B -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	37	297	A	10/93	\$26.7	1.07000	\$28.6	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT (DGL-3)  
PAGE 45 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE EXECUTIVE SECRETARY

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$28.1

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Cos.	Inc.					"BASE"	WEIGHT	
BLR	EXECUTIVE SECRETARY -GENERAL INDUSTRY	FLORIDA	73	591	M	2/94	\$23.2	1.05667	\$24.5	1	
TP-FBS	SECRETARY (EXECUTIVE) -GENERAL INDUSTRY	ORLANDO	17	270	M	1/94	\$28.1	1.06000	\$29.8	2	
TP-FBS	SECRETARY (EXECUTIVE) -GENERAL INDUSTRY	FLORIDA	89	827	M	1/94	\$27.3	1.06000	\$28.9	1	
BLS	SECRETARY IV -GENERAL INDUSTRY	ORLANDO	N/A	98	M	1/94	\$27.6	1.06000	\$29.3	2	
FLC-CSS	EXECUTIVE SECRETARY -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	8	11	A	10/93	\$25.4	1.07000	\$27.2	2	
FLC-CSS	EXECUTIVE SECRETARY -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	51	146	A	10/93	\$25.5	1.07000	\$27.3	1	
FLC-CSS	EXECUTIVE SECRETARY -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	45	456	A	10/93	\$27.2	1.07000	\$29.1	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT (DGL-3)  
PAGE 4 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE HR ASSISTANT  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$28.4  
BENCHMARK X  
REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Con.	Inc.					"BASE"	WEIGHT		
WMM-IIRM	ENTRY LEVEL GENERALIST -GENERAL INDUSTRY	U.S. 150-650 EMPLOYEES	14	20	M	2/94	\$27.8	1.05667	\$29.4	1		
ECS-P & S	HUMAN RESOURCES GENERALIST-LEVEL I -GENERAL INDUSTRY	U.S.	200	322	M	3/94	\$25.1	1.05333	\$26.4	1		
AMS	PERSONNEL ASSISTANT -GENERAL INDUSTRY	SOUTHEAST	14	20	A	4/94	\$27.5	1.05000	\$28.9	2		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE

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EXHIBIT (DGL-3)

**MARKET PRICING WORKSHEET**  
(DATA EFFECTIVE 7/95)

JOB TITLE ACCOUNTANT I

COMPANY SSU

ESTIMATED MARKET VALUE: (\$ 000s)

BASE \$30.2

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EMP DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
ECS - P & S	ACCOUNTANT-LEVEL 1 -GENERAL INDUSTRY	FLORIDA	7	11	M	3/94	\$28.1	1.05333	\$29.6	2		
WMM - PAL	ASSOCIATE ACCOUNTANT -GENERAL INDUSTRY	U.S. UNDER \$200 MIL REVS	33	55	M	3/94	\$26.6	1.05333	\$28.0	1	AVERAGE REVS = \$88.4 MIL	
AMS	ACCOUNTANT-LEVEL 2 -GENERAL INDUSTRY	SOUTHEAST	14	50	A	4/94	\$29.3	1.05000	\$30.8	1		
FLC - CSS	ACCOUNTANT -CITY/COUNTY GOVERNMENT 10,000 - 50,000 POPULATION	ORLANDO AREA	7	9	A	10/93	\$28.7	1.07000	\$30.7	3		
FLC - CSS	ACCOUNTANT -CITY/COUNTY GOVERNMENT 10,000 - 50,000 POPULATION	FLORIDA	45	59	A	10/93	\$27.1	1.07000	\$29.0	2		
FLC - CSS	ACCOUNTANT -CITY/COUNTY GOVERNMENT 50,000 + POPULATION	FLORIDA	37	187	A	10/93	\$29.8	1.07000	\$31.9	2		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

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EXHIBIT (DGL-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE ELECTRICIAN

BASE \$30.7

COMPANY SSU

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
TP-FHS	BUILDING ELECTRICIAN -GENERAL INDUSTRY	ORLANDO	7 170	M	1/94	\$29.8	1.06000	\$31.6	2	
TP-FHS	BUILDING ELECTRICIAN -GENERAL INDUSTRY	FLORIDA	28 262	M	1/94	\$29.8	1.06000	\$31.6	1	
FLC-CSS	ELECTRICIAN - JOURNEY LEVEL -CITY / COUNTY GOVERNMENT 10,000 - 50,000 POPULATION	FLORIDA	28 53	A	10/93	\$23.4	1.07000	\$25.0	1	
FLC-CSS	ELECTRICIAN - JOURNEY LEVEL -CITY / COUNTY GOVERNMENT 50,000 + POPULATION	FLORIDA	39 221	A	10/93	\$26.8	1.07000	\$28.7	1	
HL5	MAIN ELECTRICIAN -GENERAL INDUSTRY	ORLANDO	N/A 272	M	1/94	\$31.2	1.06000	\$33.1	2	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT \_\_\_\_\_  
(DGL-3)  
PAGE 49 OF 81



MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE CHIEF DRAFTER

BASE \$31.7

COMPANY SSU

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Con.	Inc.					"BASE"	WEIGHT	
TP-FBS	DRAFTER (SENIOR) -GENERAL INDUSTRY	ORLANDO	10	44	M	1/94	\$28.6	1.06000	\$30.3	3	
TP-FBS	DRAFTER (SENIOR) -GENERAL INDUSTRY	FLORIDA	19	94	M	1/94	\$28.6	1.06000	\$30.3	2	
ECS-P & S	CHIEF DRAFTER -GENERAL INDUSTRY	SOUTHEAST	16	101	M	3/94	\$36.3	1.05333	\$38.4	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD=THIRD QUANTILE

EXHIBIT                      (D6-1-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE PC SUPPORT SPECIALIST

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE 332.0

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Con.	Inc.					"BASE"	WEIGHT	
TP-FBS	PC TECHNICIAN -GENERAL INDUSTRY	ORLANDO	3	6	M	1/94	\$35.3	1.06000	\$37.4	1	SMALL SAMPLE SIZE
TP-FBS	PC TECHNICIAN -GENERAL INDUSTRY	FLORIDA	35	124	M	1/94	\$24.7	1.06000	\$26.2	2	
AMS	PC SPECIALIST -GENERAL INDUSTRY	SOUTH EAST	11	15	M	4/94	\$33.7	1.05000	\$35.4	2	
WMM-IS	MICRO SYSTEMS SUPPORT ASSISTANT -GENERAL INDUSTRY	U.S.	163	399	M	4/94	\$29.9	1.05000	\$31.4	1	NO SCOPE DATA AVAILABLE

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$33.0

BENCHMARK X

REFERENCE POINT

JOB TITLE OPERATOR III

COMPANY SSU

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
FLC-CSS	PLANT OPERATOR A -CITY/COUNTY GOVERNMENT 10,000 - 50,000 POPULATION	FLORIDA	29	68	A	10/93	\$29.9	1.07000	\$32.0	1		
FLC-CSS	PLANT OPERATOR A -CITY/COUNTY GOVERNMENT 50,000 + POPULATION	FLORIDA	33	154	A	10/93	\$31.7	1.07000	\$33.9	1		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE

EXHIBIT \_\_\_\_\_  
(DGL-3)  
PAGE 52 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE ACCOUNTANT II  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE 333.9  
BENCHMARK X  
REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Con.	Inc.					"BASE"	WEIGHT		
TP - FBS	ACCOUNTANT (INTERMEDIATE) -GENERAL INDUSTRY	ORLANDO	11	61	M	1/94	\$32.3	1.06000	\$34.2	3		
TP - FBS	ACCOUNTANT (INTERMEDIATE) -GENERAL INDUSTRY	FLORIDA	69	264	M	1/94	\$31.2	1.06000	\$33.1	2		
ECS - P & S	ACCOUNTANT - LEVEL II -GENERAL INDUSTRY	FLORIDA	12	37	M	3/94	\$31.4	1.05333	\$33.1	2		
WMM - PAL	ACCOUNTANT -GENERAL INDUSTRY	U.S. UNDER \$200 MIL REVS	63	137	M	3/94	\$30.5	1.05333	\$32.1	1		
AMS	ACCOUNTANT - LEVEL 3 -GENERAL INDUSTRY	SOUTHEAST	17	88	A	4/94	\$36.2	1.05000	\$38.0	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

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EXHIBIT (D6L-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

BASE 134.4

BENCHMARK X

REFERENCE POINT

JOB TITLE SUPERVISOR, CUSTOMER SERVICE

COMPANY SSU

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Cos.	Inc.					"BASE"	WEIGHT	
ECS-SMR	CUSTOMER SERVICE SUPERVISOR -GENERAL INDUSTRY	FLORIDA	11	31	M	1/94	\$36.9	1.06000	\$39.1	1	
BLR	CUSTOMER SERVICE SUPERVISOR -GENERAL INDUSTRY	FLORIDA	23	64	M	2/94	\$28.0	1.05667	\$29.6	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

EXHIBIT (D&L-3)  
PAGE 54 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SUPERVISOR OF BILLING  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$34.9

BENCHMARK

REFERENCE POINT X

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA BASE*	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					BASE*	WEIGHT	
DIETRICH-SS	BILLING SUPERVISOR -GENERAL INDUSTRY	U.S.	33 40	M	5/94	\$33.4	1.04667	\$34.9		RAW DATA REDUCED BY 10% TO REFLECT DUTIES NOT FOUND IN SSU POSITION

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$35.0

BENCHMARK X

REFERENCE POINT

JOB TITLE HR ANALYST-BENEFITS

COMPANY SSU

SURVEY INFORMATION											COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EST DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		
			Cos.	Inc.					"BASE"	WEIGHT	
TP-FBS	BENEFITS ANALYST -GENERAL INDUSTRY	ORLANDO	6	10	M	1/94	\$31.8	1.06000	\$33.7	3	
TP-FBS	BENEFITS ANALYST -GENERAL INDUSTRY	FLORIDA	28	39	M	1/94	\$36.7	1.06000	\$38.9	2	
WMM-HRM	BENEFITS ADMINISTRATOR -GENERAL INDUSTRY	U.S. \$30 MIL-\$100 MIL REVS	12	12	M	2/94	\$33.3	1.05667	\$35.2	1	
ECS-P & S	BENEFITS ADMINISTRATOR -LEVEL 2 -GENERAL INDUSTRY	FLORIDA	6	7	M	3/94	\$31.4	1.05333	\$33.1	2	
AMS	BENEFITS SPECIALIST -GENERAL INDUSTRY	SOUTHEAST	16	22	A	4/94	\$33.4	1.05000	\$35.1	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE PROJECT ENGINEER I

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$36.2

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED						"BASE"	WEIGHT	
			Con.	Inc.							
ECS-P & S	CIVIL ENGINEER - LEVEL I -GENERAL INDUSTRY	SOUTHEAST	14	30	M	3/94	\$29.6	1.05333	\$31.2	2	
ECS-P & S	MECHANICAL ENGINEER - LEVEL I -GENERAL INDUSTRY	SOUTHEAST	33	131	M	3/94	\$35.3	1.05333	\$37.2	2	
DIETRICH-E	CIVIL ENGINEER - LEVEL I -UTILITIES	U.S.	N/A	N/A	A	3/94	\$35.9	1.05333	\$37.8	1	
DIETRICH-E	MECHANICAL ENGINEER - LEVEL I -UTILITIES	U.S.	N/A	N/A	A	3/94	\$36.2	1.05333	\$38.1	1	
BLR	ENGINEER C -GENERAL INDUSTRY	FLORIDA	35	484	M	2/94	\$35.8	1.05667	\$37.8	3	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

EXHIBIT (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE HR ANALYST-GENERALIST

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000+)

BASE \$37.1

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Cos.	Inc.					"BASE"	WEIGHT		
TP-FBS	HR GENERALIST -GENERAL INDUSTRY	ORLANDO	3	4	M	1/94	\$34.7	1.06000	\$36.8		1	SMALL SAMPLE SIZE
TP-FBS	HR GENERALIST -GENERAL INDUSTRY	FLORIDA	25	45	M	1/94	\$40.6	1.06000	\$43.0		2	
ECS-P & S	HR GENERALIST LEVEL 2 -GENERAL INDUSTRY	FLORIDA	8	10	M	3/94	\$28.8	1.05333	\$30.3		2	
WMM-HRM	GENERALIST -GENERAL INDUSTRY	U.S. \$30 MIL - \$100 MIL REVS	16	29	A	2/94	\$37.0	1.05667	\$39.1		1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE PROGRAMMER ANALYST I

BASE \$38.5

COMPANY SSU

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
ECS - P & S	PROGRAMMER ANALYST - LEVEL II -GENERAL INDUSTRY	FLORIDA	8 60	W	3/94	\$33.9	1.05333	\$35.7	2	
WMM - IS	APPLICATIONS SYSTEM ANALYST/ PROGRAMMER B -GENERAL INDUSTRY	U.S.	484 5,774	A	4/94	\$34.7	1.05000	\$36.4	1	
AMS	APPLICATIONS PROGRAMMER / ANALYST LEVEL II -GENERAL INDUSTRY	SOUTHEAST	6 38	A	4/94	\$34.2	1.05000	\$35.9	2	
TP - FBS	PROGRAMMER ANALYST (INTERMEDIATE) -GENERAL INDUSTRY	ORLANDO	7 95	M	1/94	\$40.3	1.06000	\$42.7	3	
TP - FBS	PROGRAMMER ANALYST (INTERMEDIATE) -GENERAL INDUSTRY	FLORIDA	63 528	M	1/94	\$36.2	1.06000	\$38.4	2	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE

EXHIBIT \_\_\_\_\_  
PAGE 59 OF 81  
(DGL-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE PURCHASING ADMINISTRATOR  
COMPANY SSU

BASE \$415  
BENCHMARK X  
REFERENCE POINT

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV. EFF. DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Con.	Inc.					"BASE"	WEIGHT		
FLC-CSS	PURCHASING AGENT CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	ORLANDO AREA	7	7	A	10/93	\$33.1	1.07000	\$35.4	3		
FLC-CSS	PURCHASING AGENT -CITY/COUNTY GOVERNMENT 10,000-50,000 POPULATION	FLORIDA	38	38	A	10/93	\$32.9	1.07000	\$35.2	2		
FLC-CSS	PURCHASING AGENT -CITY/COUNTY GOVERNMENT 50,000+ POPULATION	FLORIDA	44	63	A	10/93	\$46.2	1.07000	\$49.4	2		
WMM-MLM	SENIOR BUYER -GENERAL INDUSTRY	FLORIDA	11	N/A	M	1/94	\$46.4	1.06000	\$49.2	2		
AMS	PURCHASING AGENT -GENERAL INDUSTRY	SOUTHEAST	10	22	A	4/94	\$39.4	1.05000	\$41.4	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

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EXHIBIT (DEL-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE TRAINING & DEVELOPMENT ADMINISTRATOR

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$43.6

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Co.	Inc.					"BASE"	WEIGHT	
ECS - P & S	EMPLOYEE TRAINING SPECIALIST LEVEL 3 -GENERAL INDUSTRY	SOUTHEAST	34	66	M	3/94	\$43.9	1.05333	\$46.2	1	
WMM - IIRM	SENIOR TRAINING SPECIALIST -GENERAL INDUSTRY	U.S. 250-650 FTE'S	18	26	M	2/94	\$39.4	1.05667	\$41.6	1	
AMS	TRAINING & DEVELOPMENT SPECIALIST -GENERAL INDUSTRY	SOUTHEAST	14	24	A	4/94	\$40.8	1.05000	\$42.8	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

EXHIBIT \_\_\_\_\_  
(PAGE 3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE RATE ANALYST I

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$43.9

BENCHMARK

REFERENCE POINT X

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cot.	Inc.					"BASE"	WEIGHT	
CUSTOM	RATE ANALYST I -UTILITIES	FLORIDA	4	6	A	5/94	\$42.9	1.04667	\$44.9	3	
TP - UTIL	ASSOCIATE RATE ANALYST -UTILITIES	U.S.	13		M	9/93	\$38.2	1.07333	\$41.0	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE  
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EXHIBIT (D61-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SENIOR PROGRAMMER ANALYST

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$48.1

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Co. Inc.					"BASE"	WEIGHT	
BLR	SENIOR PROGRAMMER/ANALYST -GENERAL INDUSTRY	ORLANDO	15 32	M	2/94	\$44.6	1.05667	\$47.1	3	
WMM-IS	APPLICATIONS SYSTEM ANALYST/ PROGRAMMER SENIOR -GENERAL INDUSTRY	U.S.	677 16,589	M	4/94	\$47.5	1.05000	\$49.9	1	
ECS-P & S	PROGRAMMER ANALYST-LEVEL IV -GENERAL INDUSTRY	FLORIDA	7 28	W	3/94	\$49.2	1.05333	\$51.8	2	
AMS	APPLICATIONS PROGRAMMER/ANALYST LEVEL IV -GENERAL INDUSTRY	SOUTHEAST	9 105	A	4/94	\$44.0	1.05000	\$46.2	2	
TP-FBS	PROGRAMMER ANALYST (SENIOR) -GENERAL INDUSTRY	ORLANDO	8 104	M	1/94	\$44.9	1.06000	\$47.6	3	
TP-FBS	PROGRAMMER ANALYST (SENIOR) -GENERAL INDUSTRY	FLORIDA	57 657	M	1/94	\$44.9	1.06000	\$47.6	2	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD=THIRD QUARTILE

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EXHIBIT (DGL-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE: SENIOR SYSTEMS ANALYST ENGINEERING

COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000+)

BASE: \$50.1

BENCHMARK

REFERENCE POINT: X

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Cos.	Inc.					"BASE"	WEIGHT		
WMM-IS	ENGINEER/ANALYST SENIOR -GENERAL INDUSTRY	U.S.	23	1,109	M	4/94	\$47.7	1.05000	\$50.1	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT (DGL-3)  
PAGE 64 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE: MANAGER, ADMINISTRATIVE SERVICES  
 COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE: \$51.7  
 BENCHMARK: X  
 REFERENCE POINT: \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Con.	Inc.					"BASE"	WEIGHT		
ECS-MMR	ADMINISTRATIVE SERVICES MANAGER -GENERAL INDUSTRY	SOUTHEAST	18	25	M	2/94	\$51.7	1.05667	\$54.6		1	
DIETRICH-SS	MANAGER, ADMINISTRATIVE SERVICES -GENERAL INDUSTRY	SOUTHEAST	18	21	M	5/94	\$46.6	1.04667	\$48.8		1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE



MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE MANAGER, GENERAL ACCOUNTING / ASSISTANT CONTROLLER

BASE \$52.0

COMPANY SSU

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
WMM-PAL	GENERAL ACCOUNTING MANAGER -GENERAL INDUSTRY	U.S. UNDER \$200 MIL REVS	61	73	M	3/94	\$54.0	1.05333	\$56.9	1		
ECS-MMR	GENERAL ACCOUNTING MANAGER -GENERAL INDUSTRY	U.S. UNDER \$100 MIL REVS	164	171	M	2/94	\$49.0	1.05667	\$51.8	1		
DIETRICH-SS	GENERAL ACCOUNTING MANAGER -GENERAL INDUSTRY	SOUTHEAST	24	36	M	5/94	\$45.2	1.04667	\$47.3	1		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE

MARKET PRICING WORKSHEET (DATA EFFECTIVE 7/95)											ESTIMATED MARKET VALUE (\$ 000s)	
JOB TITLE <u>RATE ANALYST II</u>											BASE <u>\$52.2</u>	
COMPANY <u>SSU</u>											BENCHMARK <u>X</u>	
REFERENCE POINT _____												
SURVEY INFORMATION					DATA TYPE*	SURV EPT DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS	
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.						"BASE"	WEIGHT		
PRIVATE	RATE ANALYST (JOURNEY) -UTILITIES	SOUTHEAST	12	24	M	6/92	\$42.1	1.12300	\$47.3	2		
CUSTOM	RATE ANALYST II -UTILITIES	FLORIDA	4	7	A	5/94	\$59.4	1.04667	\$62.2	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUANTILE  
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EXHIBIT (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE HUMAN RESOURCES ADMINISTRATOR  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$52.3

BENCHMARK X

REFERENCE POINT \_\_\_\_\_

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
WMM-HRM	EMPLOYEE BENEFITS MANAGER -GENERAL INDUSTRY	U.S. 250-650 EMPLOYEES	14 15	M	2/94	\$51.1	1.05667	\$54.0	1	
ECS-MMR	EMPLOYEE BENEFITS MANAGER -GENERAL INDUSTRY	SOUTHEAST UNDER 2,000 EMPLOYEES	10 11	M	2/94	\$49.0	1.05667	\$51.8	2	
TP-FBS	BENEFITS MANAGER -GENERAL INDUSTRY	FLORIDA	27 27	M	1/94	\$44.9	1.06000	\$47.6	3	
TP-FBS	BENEFITS MANAGER -GENERAL INDUSTRY	ORLANDO	5 5	M	1/94	\$62.3	1.06000	\$66.0	1	SMALL SAMPLE SIZE

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD=THIRD QUANTILE

EXHIBIT (DGL-3)  
PAGE 68 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE SENIOR PROJECT ENGINEER  
COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$52.4

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION					DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos.	Inc.					"BASE"	WEIGHT	
BLR	PROJECT ENGINEER -GENERAL INDUSTRY	SOUTH	106	715	M	2/94	\$51.9	1.05667	\$54.8	2	
DIETRICH-E	ENGINEER - LEVEL IV -GENERAL INDUSTRY	U.S.	483	19,472	M	3/94	\$45.2	1.05333	\$47.6	1	

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT (DGL-3)  
PAGE 693 OF 81

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$57.0

BENCHMARK X

REFERENCE POINT

JOB TITLE MANAGER, FINANCIAL PLANNING / ASSISTANT TREASURER

COMPANY SSU

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV. DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Cor.	Inc.					"BASE"	WEIGHT		
ECS-MMR	FINANCIAL ANALYSIS MANAGER -GENERAL INDUSTRY	U.S. UNDER \$300 MIL SALES	91	105	M	2/94	\$53.2	1.05667	\$56.2	1		
WMM-FAL	FINANCIAL ANALYSIS PROJECT LEADER -GENERAL INDUSTRY	U.S.	231	670	M	3/94	\$54.8	1.05333	\$57.7	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT (D6-L-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/94)

JOB TITLE COMMUNICATIONS MANAGER

COMPANY SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$62.5

BENCHMARK X

REFERENCE POINT

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Co.	Inc.					"BASE"	WEIGHT		
ECS-MMR	PUBLIC RELATIONS MANAGER -GENERAL INDUSTRY	U.S.	143	154	M	2/94	\$59.3	1.05667	\$62.7	1		
ECS-MMR	GOVERNMENT AFFAIRS MANAGER -GENERAL INDUSTRY	U.S.	76	95	M	2/94	\$71.7	1.05667	\$75.8	1		
DIETRICH-SS	DIRECTOR OF COMMUNICATIONS -GENERAL INDUSTRY	U.S.	48	50	M	5/94	\$55.2	1.04667	\$57.8	1		
TP-FBS	PUBLIC RELATIONS MANAGER -GENERAL INDUSTRY	FLORIDA	31	33	M	1/94	\$50.6	1.06000	\$53.6	1		

\* M-MEDIAN; A-AVERAGE; W-WEIGHTED AVERAGE; R-REGRESSION; 3RD-THIRD QUARTILE

EXHIBIT \_\_\_\_\_ (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

JOB TITLE SENIOR RATE ENGINEER  
COMPANY SSU

BASE \$62.9  
BENCHMARK \_\_\_\_\_  
REFERENCE POINT X

SURVEY INFORMATION												COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA			
			Cos.	Inc.					"BASE"	WEIGHT		
CUSTOM	RATE ENGINEER II -UTILITIES	FLORIDA	4	7	A	5/94	\$60.1	1.04667	\$62.9	1		

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE  
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EXHIBIT \_\_\_\_\_ (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$62.8

BENCHMARK X

REFERENCE POINT

JOB TITLE MANAGER, INFORMATION SERVICES

COMPANY SSU

SURVEY INFORMATION

SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV. EFF. DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
			Co.	Inc.					"BASE"	WEIGHT	
TP-FBS	MISGROUP MANAGER -GENERAL INDUSTRY	FLORIDA	39	92	M	1/94	\$65.5	1.06000	\$69.4	1	
ECS-MMR	INFORMATION SYSTEMS MANAGER -GENERAL INDUSTRY	U.S. UNDER \$100 MIL REVS	138	140	M	2/94	\$60.0	1.05667	\$63.4	2	AVERAGE REVS = \$45 MIL
BLR	DATA PROCESSING MANAGER -GENERAL INDUSTRY	U.S.	799	1,109	M	2/94	\$52.0	1.05667	\$54.9	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE  
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EXHIBIT \_\_\_\_\_ (DGL-3)  
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MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE: STAFF ATTORNEY  
COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE: \$67.9

BENCHMARK: X

REFERENCE POINT: \_\_\_\_\_

SURVEY INFORMATION											COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED		DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		
			Cor.	Inc.					"BASE"	WEIGHT	
ECS-P & S	ATTORNEY-LEVEL 2 -GENERAL INDUSTRY	U.S.	163	444	M	3/94	\$60.1	1.05333	\$63.3	1	
WMM-PAL	ATTORNEY -GENERAL INDUSTRY	U.S.	387	1,528	M	3/94	\$69.8	1.05333	\$73.5	1	
DIETRICH-SS	ATTORNEY -GENERAL INDUSTRY	U.S.	44	219	M	5/94	\$61.0	1.04667	\$63.8	1	
LANG-LEG	ATTORNEY -GENERAL INDUSTRY	U.S.	N/A	132	M	5/93	\$65.2	1.08667	\$70.9	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUANTILE

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EXHIBIT (D&I-3)

MARKET PRICING WORKSHEET  
(DATA EFFECTIVE 7/95)

JOB TITLE: DIRECTOR RATES  
COMPANY: SSU

ESTIMATED MARKET VALUE (\$ 000s)

BASE \$90.4

BENCHMARK

REFERENCE POINT X

SURVEY INFORMATION				DATA TYPE*	SURV EFF DATE	UNADJ. DATA "BASE"	UPDATE FACTOR	COMPENSATION DATA		COMMENTS
SURVEY SOURCE	SURVEY POSITION TITLE AND INDUSTRY CLASSIFICATION	SURVEY SCOPE	# REPORTED Cos. Inc.					"BASE"	WEIGHT	
CUSTOM	DIRECTOR RATES -UTILITIES	FLORIDA	4 4	A	5/94	\$86.4	1.04667	\$90.4	1	

\* M=MEDIAN; A=AVERAGE; W=WEIGHTED AVERAGE; R=REGRESSION; 3RD=THIRD QUARTILE  
6952CCPD.002/06-B 04/95

EXHIBIT (DGL-3)  
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**Custom Survey**

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## **Custom Survey**

### **Why a Custom Survey**

Four rate positions were identified to be included in the market pricing activity. These positions included:

Rate Analyst I  
Rate Analyst II  
Rate Engineer  
Director of Rates

Because there was a lack of data in published salary surveys for these positions, SSU requested that Hewitt Associates conduct a custom survey from selected organizations. Because of short time frames, it was determined that a fax survey would be the most effective way to collect the data.

### **Survey Companies**

SSU developed a list of seven companies to target for participation in the Custom Survey. The following Companies provided data for the survey:

Avatar Utilities  
Florida Power Corporation  
Florida Power & Light Company  
Gulf Power Company  
Seminole Electric Cooperative Incorporated  
Tampa Electric Corporation

One company, Palm Coast Utilities, did not participate in the survey, because they do not have rate positions.

### **Survey Methodology**

A survey questionnaire was developed by Hewitt Associates and sent by fax to each participant. The questionnaire provided a brief description for each of the four rate positions. The information requested included:

- Number of incumbents;
- Salary range midpoint;
- Lowest salary;
- Average salary;
- Highest salary; and
- Bonus or incentive eligibility and amount.

A copy of the survey questionnaire is included in Exhibit #8 on pages 73 and 74.

The participants were requested to supply compensation information effective May 1994. Each participant was requested to return the survey via fax within a few days.

As the completed questionnaires were received, Hewitt Associates reviewed the data for consistency. In general, the data was closely related for all the survey companies.

The data collected in the survey was used to determine an Estimated Market Value (EMV) for each rate position. The methodology used to determine the EMV is the same as described in the previous section under methodology. Some published data was used in the calculation of the EMV for the Rate Analyst I and Rate Analyst II positions. The market pricing worksheets are included in the Market Pricing worksheet section.

Exhibit #8

### Survey of Rate Positions in the Utilities Industry

#### Rate Analyst I

Responsible for conducting rate design studies, cost of service studies, running the department's computerized Revenue Requirement Account System and the rate design system programs to develop the data necessary to file rate applications and reports before the State and County regulatory authorities. This position requires a four year college degree in Business, Accounting, Finance, or related area with one to four years of utility experience.

Number of Incumbents: \_\_\_\_\_

Salary Range Midpoint: \$ \_\_\_\_\_

Actual Salary Data:

Lowest Salary	Average Salary	Highest Salary
\$ _____	\$ _____	\$ _____

Bonus or Incentive Eligible? \_\_\_\_\_ Amount: \$ \_\_\_\_\_

#### Rate Analyst II

Responsible for conducting rate design studies, cost of service studies, running the department's computerized Revenue Requirement Account System and the rate design system program. Utilizes data associated with the purchase/modification/acquisition of plants and capital equipment to file rate applications before State and County regulatory authorities. Assists in the administration of rate applications. This position requires a four year college degree in Business, Accounting, Finance, or related area with a minimum of three years of utility experience.

Number of Incumbents: \_\_\_\_\_

Salary Range Midpoint: \$ \_\_\_\_\_

Actual Salary Data:

Lowest Salary	Average Salary	Highest Salary
\$ _____	\$ _____	\$ _____

Bonus or Incentive Eligible? \_\_\_\_\_ Amount: \$ \_\_\_\_\_

Exhibit #8

**Senior Rate Engineer**

Responsible for conducting engineering, evaluation and rate studies relating to company revenue requirements. This position utilizes data associated with the purchase/modification/acquisition of plants and capital equipment to submit, support and complete rate applications and annual engineering and other reports before State and County regulatory authorities. Assists with billing and rate administration. This position requires a four-year college degree in Business, Accounting, Economics, Finance, or Engineering and two to four years experience in utility accounting, rates or engineering.

Number of Incumbents:                     

Salary Range Midpoint: \$                     

Actual Salary Data:

Lowest Salary	Average Salary	Highest Salary
\$ <u>                    </u>	\$ <u>                    </u>	\$ <u>                    </u>

Bonus or Incentive Eligible?                      Amount: \$                     

**Director, Rates**

Monitors and directs the research, analysis and preparation of rate cases, indexing and pass-throughs, consistent with State regulations and in accordance with established company policies and procedures. This position requires a four-year degree in Accounting, Finance, Business, Economics, Mathematics or related field and a minimum of eight years of rate making and design experience in a regulated utility environment.

Number of Incumbents:                     

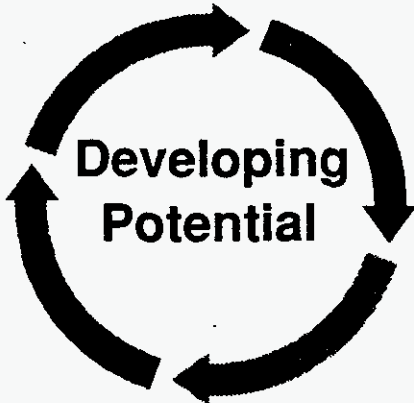
Salary Range Midpoint: \$                     

Actual Salary Data:

Lowest Salary	Average Salary	Highest Salary
\$ <u>                    </u>	\$ <u>                    </u>	\$ <u>                    </u>

Bonus or Incentive Eligible?                      Amount: \$





## SSU COMPANY-WIDE GENERAL TRAINING SCHEDULE

January - March, 1995

**Registration>>>Be sure to fill out the Registration Form (attached as the last page) and return it to Jim Blondin before February 3rd. It is your best way to help in determining what training courses will be offered and when they will be offered.**

### Training Registration Form

How would you like to influence the training at SSU? You have that opportunity in your hands right now. Attached are descriptions of some courses that are available and a Course Registration Form. Please take a few minutes to fill out the form and return it to Jim Blondin by February 3rd. It will help shape our training efforts for years to come. Future training schedules will reflect your "votes" on the forms that are received.

### Windows Training

The Company is continuing to upgrade to Windows based software. The Microsoft Office "suite" includes Windows 3.1, Word for Windows 6.0, Excel 5.0 for Windows and PowerPoint 2.0. Basic Windows training for those in Apopka is near completion. Other areas will



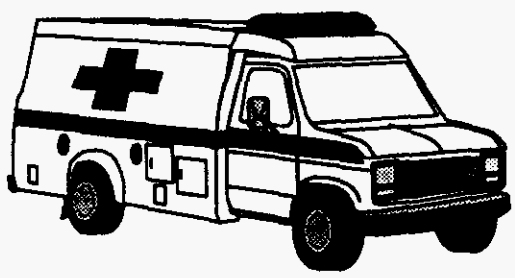
be trained near the time when the upgrade takes place.

One-hour training sessions are planned for Apopka regarding various subjects related to the Microsoft Office Suite. For example, a session regarding "mail merging" with Microsoft Word 6.0.

In some cases, learning on our own to perform a task in this software takes a considerable amount of time to perfect. However, with the guidance of someone who already invested the time, the amount of time to learn such a task can be shortened considerably. In addition, people gain confidence if they know they can try new things under the guidance of another. Are you are willing to share something that you believe would help others with this software? If you are willing to share with others, let Jim Blondin know right away. Don't worry if you've never made a presentation. Jim will help you prepare for it.



The MBTI is most effective when given to a relatively large group. Since the minimum group size is 15, be sure to sign up right away.



**Train-the-Safety-Trainer**

The intent of this training is to assist our Safety Training Coordinators. This seminar was well received by those who attended last August.

The session will be conducted in the Kravitz Training Room from 8:30 to 3:30 on March 28. If you have any questions or a problem with this schedule, contact Jim Barratt at Ext. 292.

Registration>>>You may register for any of the sessions below by calling our receptionist (Barbara Valdez) at Ext. 0. Dates (and times) are subject to change -- so be sure to call before attending. Please have the courtesy to give notice 24 hours in advance if you are unable to attend a course for which you signed up so we can get someone else in your place.

<u>DATES</u>	<u>TITLE</u>	<u>LOCATION</u>	<u>TIMES</u>
January 26	Safety Training	Deltona	8:00 -- 10:30
January 26	Safety Training	Deltona	1:00 -- 3:30
January 27	Safety Training	Apopka (modified sched)	7:00 -- 8:00
January 27	Excel 5.0 (beginning)	Apopka (I.S. Conf Rm.)	1:30 -- 4:30
January 31	Safety Training	Seaboard	9:00 -- 11:30
January 31	Safety Training	Lakeland	1:30 -- 4:00
February 1	Safety Training	University Shores	9:00 -- 11:30
February 2	Safety Training	Pamona Park	8:30 -- 11:00
February 3	Introduction to Windows	Rm 261 Mid- FL Tech	8:30 -- 3:30
February 6	Intermediate Excel	Rm 261 Mid- FL Tech	8:30 -- 3:30
February 8	Safety Training	Marco Island	8:00 -- 10:30
February 8	Safety Training	Marco Island	1:00 -- 3:30
February 9	Advanced Excel	Rm 261 Mid-FL Tech	8:30 -- 3:30
February 9	Safety Training	Lehigh	8:00 -- 10:30
February 9	Safety Training	Lehigh	1:00 -- 3:30
February 14	Safety Training	Martin County	1:00 -- 3:30
February 15	Safety Training	Apopka (makeups)	8:00 -- 10:30
February 16	Everybody Has A Customer (day 1 of 2)	Apopka (Kravitz Tng Rm.)	8:30 -- 4:30
February 21	Safety Training	Marion Oaks	1:00 -- 3:30
February 22	Safety Training	Citrus Springs	8:00 -- 10:30
February 22	Safety Training	Citrus Springs	1:00 -- 3:30
February 23	Everybody Has A Customer (day 2 of 2)	Apopka (Kravitz Tng Rm.)	8:30 -- 4:30
February 23	Safety Training	Spring Hill	8:00 -- 10:30
February 23	Safety Training	Spring Hill	1:00 -- 3:30
February 24	Intermediate Word	Rm 261 Mid-FL Tech	8:30 -- 3:30
February 27	Advanced Word	R m 261 Mid-FL Tech	8:30 -- 3:30
February 28	MBTI (Myers-Briggs) in Organizations	Apopka (Kravitz Tng Rm.)	1:30 -- 4:45
March 7	Safety Training	Sunny Hills	1:30 -- 4:00
March 14	Safety Training	Apopka (makeups)	8:00 -- 10:30
March 14	New Employee Orientation	Apopka (Kravitz Tng Rm.)	9:30 -- 3:00
March 28	Train the Safety Trainer	Apopka (Kravitz Tng Rm)	8:30 -- 3:30

#### Additional Sessions

If you are planning training sessions of interest to others, please forward the information so it can be included in the next edition of this schedule. Please give suggestions about such sessions and any other comments about this Bulletin to Jim Blondin.

## Descriptions of Available Courses

### Training for New Employees

#### **Employee Orientation**

This training is comprised of a review of SSU's compensation practices and benefits, an introduction to organizational development, a tour of Apopka Offices and issuance of ID badges, and overviews of key company functions such as rates, customer service, purchasing, environmental services, corporate development and safety.

#### **Everybody Has a Customer**

"Everybody Has A Customer" (EHAC) training helps us deal better with each other. The two-day course gives tools for understanding behaviors; building rapport with others; recovering from others' actions so that future actions are not affected; and giving service in ways that let employees in other departments know that we care and are trying to cooperate. It is essential training for everyone.

### General Employee Training

#### **Corporate Economics**

This is a nuts-n-bolts course is based on CareerTrack's "Finance for Nonfinancial Professionals." The video tape enhanced course is separated into three sessions (Speaking Accounting, Reading Financials). *Videos: approximately 1 hour and 30 minutes each.*

#### **Managing Stress**

Is stress bad for us? What's the relationship between stress and personality types? How does stress affect the organization and what are stress management techniques that can be applied at work? What can I personally do about my own stress? This workshop offers answers to these and other questions that affect our lives both at work and away. *Video: Managing Stress -- 26 minutes.*

#### **Myers-Briggs (Personality Types)**

Myers-Briggs is a personal questionnaire. It asks you to answer questions about your preferred ways of (1) doing things, (2) taking in information and (3) deciding things. Most people find it a revealing and fun experience. It is very useful in (1) understanding why others don't think the way we do, (2) understanding why others don't do things the way we think they should and (3) how to deal with others more effectively.

#### **Problem Solving**

Have you ever felt overwhelmed by a project and wondered if there was a systematic way for groups to analyze problems and situations and arrive at consensus? Based on The New Rational Manager, this half-day workshop is an overview of problem solving and decision making principles. It describes: (1) how resolving problems falls into four specific thinking patterns, (2) the four basic steps in each pattern and, (3) the process questions for each thinking pattern. *Videos: Creative Problem Solving -- 26 minutes and Problem Solving Strategiew: The Synectics Approach -- 28 minutes.*

#### **Speaking in Public**

This workshop is designed to help those who are new to speaking in public. It will help those who will be making presentations outside the company (e.g., speakers bureau) and inside the company (e.g., managers meetings). It provides tips for dealing with fear and things you can do in advance of your presentation, just

before your presentation, during your presentation and when you've finished your presentation. *Video: Be Prepared to Speak -- 27 minutes.*

### **Telephone Etiquette**

Because people cannot observe facial expressions and body language via telephone conversations, less than 50% of the potential message is communicated. **Telephone etiquette will help anyone who uses the telephone** (1) create a positive, professional image, (2) enhance listening skills and, (3) increase confidence and competence when dealing with people by telephone. *Videos: Who Are You, By the Way? -- 10 minutes and Professional Telephone Skills -- approximately 2 hours.*

### **Time Management**

Have you ever wished for more than 24 hours in a day? Would you like to know how can you get more done? How effectively do you manage your time? Are you doing things that you like to do at the expense of things that are more important to do? How many of our activities occupy most of our time? Learn answers to these and other time saving questions in the Time Management workshop.

## **Supervisory Training**

### **Coaching**

Getting the best out of people in today's uncertain world means empowering employees by involving them in decision-making and that means assuming a leadership role emphasizing "helping" and "facilitating" rather than "assigning" and "controlling." This workshop helps leaders (1) understand the importance of coaching as a managerial tool, (2) learn the five steps in the coaching process and, (3) identify potential barriers to coaching and suggests some strategies for overcoming those barriers.

### **Delegating**

One of the most important of all organizational skills is the leader's ability to delegate authority among those who work for him/her. Most all of us can recall examples of improper and ineffectual delegating from our experience. If there is no question that delegating is beneficial to the organization, why is it so often mishandled? This workshop examines the hidden traps that can undermine our efforts and provides basic steps that will aid the leader in building a stronger and more efficient department. *Video: Delegating -- 28 minutes.*

### **Effective Meetings**

Much time is wasted by many people in meetings. This happens because the wrong people are at a meeting, the wrong number of people are attending, conflicts slow down the process, there is a lack of leadership and/or there has been too little preparation for the meeting. Learn how to conduct meetings that don't waste the time of many.

### **Managerial Impact (The Sid Story)**

The purposes of this workshop are twofold: first, to highlight the personal impact that leaders have on productivity and second, to develop the leaders' recognition of themselves as motivators. It is based on the film titled "The Sid Story." Its objectives are for viewers to: (1) establish a positive work climate in which employees know what is expected, (2) see the advantages of being out in the operations they supervise looking for things being done right and, (3) provide Planned Spontaneous Recognition.

**Positive Discipline**

Virtually all employees come to work to do a good job. Sometimes, however, there becomes a need to deal with an infraction. Do you know the process to effectively (and properly) respond to a disciplinary situation? Corrective action should be viewed as part of a learning process designed to encourage an individual to improve performance or to become more aware of the need to conform with established Company policy. This workshop discusses the theory and shows how the use of SSU's policy can help bring about change(s) that affect both the company and the employee in a positive manner. *Video: Discipline Without Punishment -- 21 minutes.*

**Team Building**

Good teams don't just happen! Team building involves trust building which usually takes time to develop. There are several stages through which teams evolve before they generate synergy. You should be able to recognize and understand these in order to proactively change your group into a team. This workshop provides insight into the stages of team building and strategies to enhance the team's development. *Video: Team Building -- 21 minutes.*

**Sign-Up Form**  
Mid-Florida Technical Institute



Name of Class: \_\_\_\_\_

Date of Class: \_\_\_\_\_

Cost Center: \_\_\_\_\_

Supervisor Approval: \_\_\_\_\_

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**Sign-Up Form**  
Mid-Florida Technical Institute



Name of Class: \_\_\_\_\_

Date of Class: \_\_\_\_\_

Cost Center: \_\_\_\_\_

Supervisor Approval: \_\_\_\_\_

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**Sign-Up Form**  
Mid-Florida Technical Institute



Name of Class: \_\_\_\_\_

Date of Class: \_\_\_\_\_

Cost Center: \_\_\_\_\_

Supervisor Approval: \_\_\_\_\_





	1st or 2nd <u>Qtr.</u>	3rd or 4th <u>Qtr.</u>	<u>Never</u>
<b>Effective Supervisory Methods</b>			
Communications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dynamics of Diversity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Empowerment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Group Dynamics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Handling Conflict	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership Skills for Women	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managing Organizational Change	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motivation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Setting Goals and Objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical Person in a Leadership Role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Quality Management (TQM)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Other</b>			
Business Writing Skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Company policies and procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Department's Functions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ (Your Name and SSU Location)			