

**Brandy Butler**

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**From:** Asha Maharaj-Lucas  
**Sent:** Monday, July 09, 2018 3:27 PM  
**To:** Braulio Baez; Apryl Lynn; Mark Futrell; Keith Hetrick; Mary Anne Helton; Cindy Muir; CLK - Agenda Staff; Cayce Hinton; Greg Fogleman; Mark Long; Curtis Williams; Jeff Bates; Pamela Page; Commissioners & Staffs  
**Cc:** Kate Hamrick; Nancy Harrison; Jacqueline Moore  
**Subject:** FW: Oral Modification - Item 3

**From:** Braulio Baez  
**Sent:** Monday, July 09, 2018 3:21 PM  
**To:** Cayce Hinton; Mark Futrell  
**Cc:** Kate Hamrick; Asha Maharaj-Lucas; Greg Fogleman; Curtis Williams; Pamela Page; Debra Betton  
**Subject:** RE: Oral Modification - Item 3

Approved

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**From:** Cayce Hinton  
**Sent:** Monday, July 09, 2018 3:18 PM  
**To:** Braulio Baez; Mark Futrell  
**Cc:** Kate Hamrick; Asha Maharaj-Lucas; Greg Fogleman; Curtis Williams; Pamela Page; Debra Betton  
**Subject:** Oral Modification - Item 3

Staff requests approval to make an oral modification to Item 3 on the July 10, 2018 Agenda, Docket No. 20180099-TL, Commission approval of Florida Telecommunications Relay, Inc.'s 2018-2019 proposed budget. These modifications better clarify staff's recommendation for continued analysis of Insurance and Retirement expenses.

Staff's proposed oral modification is as follows:

**Page 4, Recommendation Statement**

**Recommendation:** Staff recommends that the Commission reduce FTRI's proposed budget expenses for Fiscal Year 2018/2019 by \$19,823 for legal expense and by \$39,469 for insurance expense. Staff also recommends that the Commission allow FTRI to transfer \$203,746 from the Reserve Account to offset projected expense increases resulting from the new relay contract, and \$57,723 in additional expense primarily related to equipment, employee compensation, and auditing. Staff recommends that the Commission order all local exchange companies to continue billing the \$0.10 surcharge for Fiscal Year 2018/2019. Staff further recommends that the Commission order FTRI to continue to require detailed, itemized bills from its legal counsel and to continue in-house analyses for Insurance-Health/Life/Disability and Retirement expenses **every three years**. Staff recommends that FTRI be ordered to provide updated results of its **Retirement** analyses to staff by January 31, 2019. (Williams, Bates, Fogleman, Long)

**Page 11, paragraph 3**

In its proposed 2018/2019 budget, filed on April 16, 2018, FTRI included a budget for insurance of \$192,496, which is an increase of 5.12 percent from Fiscal Year 2017/2018 estimated expenditures. However, FTRI's insurance budget was based on an estimate from its previous insurance provider. Since changing insurance providers, FTRI has provided a revised insurance estimate of \$153,027, a decrease of 16.4 percent from its Fiscal Year 2017/2018 estimated expenditures. Staff recommends that FTRI's proposed Fiscal Year 2018/2019 budget line item for insurance be reduced by \$39,469, to the proposed amount of \$153,027 to reflect the updated estimate provided by FTRI. Staff recommends that FTRI continue to conduct in-house analyses for Insurance expense and submit its findings to the Commission **every three years**. Staff recommends that FTRI submit the results of the analyses to staff by January 31, **2019 2021**.

**Page 13, paragraph 1**

offset projected expense increases resulting from the new relay contract, and \$57,723 in additional expense primarily related to equipment, employee compensation, and auditing. Staff recommends that the Commission order all local exchange companies to continue billing the \$0.10 surcharge for Fiscal Year 2018/2019. Staff further recommends that the Commission order FTRI to continue to require detailed, itemized bills from its legal counsel and to continue in-house analyses for Insurance-Health/Life/Disability and Retirement expenses **every three years**. Staff recommends that FTRI be ordered to provide updated results of its **Retirement** analyses to staff by January 31, 2019. (Williams, Bates, Fogleman, Long)

Cayce Hinton

Director, Office of Industry Development and Market Analysis  
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(850)413-6950

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