

CENTURYTEL INC

FORM 11-K

(Annual Report of Employee Stock Plans)

Filed 6/28/1995 For Period Ending 12/31/1994

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Industry	Communications Services
Sector	Services
Fiscal Year	12/31

Securities and Exchange Commission

Washington, D.C. 20549

Form 11-K

**[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 1994

OR

**[] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Commission file number 1-7784

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

CENTURY TELEPHONE ENTERPRISES, INC. **DOLLARS AND SENSE PLAN**

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office:

CENTURY TELEPHONE ENTERPRISES, INC.
100 CENTURY PARK DRIVE
MONROE, LA 71203

Independent Auditors' Report

The Board of Directors
Century Telephone Enterprises, Inc.:

We have audited the accompanying statements of net assets available for benefits of Century Telephone Enterprises, Inc. Dollars and Sense Plan as of December 31, 1994 and 1993, and the related statement of changes in net assets available for benefits for the year ended December 31, 1994. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Century Telephone Enterprises, Inc. Dollars and Sense Plan as of December 31, 1994 and 1993, and the changes in net assets available for benefits for the year ended December 31, 1994, in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The fund information in the statement of net assets available for benefits and the statement of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for plan benefits of each fund. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our

funds, net	-	(510,524)	(484,315)	114,952	(81,370)	534,896	513,734	(96,821)	9,448
<hr/>									
Net increase (decrease)	6,993,300	5,275,898	(196,767)	739,064	238,161	364,455	609,757	(37,268)	-
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Net assets available for benefits:									
Beginning of year	31,255,818	15,304,043	4,779,814	2,891,461	2,999,749	2,194,149	2,164,399	922,203	-
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End of year	\$ 38,249,118	20,579,941	4,583,047	3,630,525	3,237,910	2,558,604	2,774,156	884,935	-
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See accompanying notes to financial statements.

CENTURY TELEPHONE ENTERPRISES, INC. DOLLARS AND SENSE PLAN

Notes to Financial Statements
December 31, 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROVISIONS OF THE PLAN

Basis of Presentation

The Century Telephone Enterprises, Inc. Dollars and Sense Plan (the Plan) was established on May 1, 1986. The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in net assets available for benefits.

The assets of the Plan are invested by the Trustee in various investment programs (funds) which are described in Note 2.

The following description of the Plan provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

Participation

Participation in the Plan is available to each employee of Century Telephone Enterprises, Inc. and its participating subsidiaries (the Company), other than those who are classified as associate employees, temporary employees, or employees who are covered under a collective bargaining agreement. In order to participate in the Plan, an employee must execute a Salary Deferral Agreement with the Company.

In the Salary Deferral Agreement, an employee agrees to a deferral of between one percent and ten percent of compensation, excluding bonuses, overtime pay and certain other non-salary compensation. The amount of compensation deferred by each participant is credited to an account (Participant Contribution Account) maintained for each participant by the Trustee. The Participant Contribution Account is self-directed.

As of the end of each payroll period, the Company contributes to the account (Employer Contribution Account) of each participant a contribution equal to 50% (45% prior to April 1994) of each such participant's contribution during such payroll period, however, this matching contribution applies only to the first 6% of such participant's compensation contributed to the Plan. The Board of Directors of the Company may, at its discretion, elect at the end of each year to contribute an additional amount to the Plan. Company contributions may be made in cash or Century Telephone Enterprises, Inc. Common Stock (Century Common Stock). If made in cash, such cash is applied by the Trustee to the purchase of Century Common Stock.

An employee is permitted to transfer to the Plan as a contribution his interest in another plan qualified under Section 401(k) of the Internal Revenue Code, as amended (the Code). Such contribution must qualify as a "rollover" amount described in Section 402(a)(5) of the Code, or a "rollover" contribution described in Section 408(d)(3) of the Code. Such a rollover will be credited to a rollover account on behalf of the participant (the Participant Rollover Account).

The interest of a participant in his Participant Contribution Account, his Participant Rollover Account and his Employer Contribution Account is fully vested and non-forfeitable at all times.

Reports to Participants

All participants are furnished with quarterly statements which set forth the status of their accounts in the Plan.

Distributions

If the employment of a participant with the employer ceases because of death, retirement, disability, termination of employment or for any other reason, the participant's entire interest in the Plan will be distributed to him or to his beneficiary in a lump sum. If the participant dies without designating a beneficiary, his interest in the Plan will be paid to his spouse, if any.

Withdrawals

No withdrawals will be permitted from an Employer Contribution Account. A withdrawal may be made from a Participant Contribution Account or a Rollover Account only as a result of financial hardship related to unreimbursable educational expenses, medical expenses which are not reimbursable by insurance, the need to pay for the funeral expenses of a family member, or the prevention of eviction or foreclosure from the Participant's principal residence. The determination of the existence of a financial hardship and the amount required to be distributed to meet the need created by the hardship shall be made uniformly and without discrimination at the sole discretion of the Plan Administrator.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974.

Loans to Participants

The Plan has a provision whereby a participant can borrow from his Participant Contribution Account or Participant Rollover Account. The maximum loan is 50% of the account balance, up to \$50,000. The loans are repaid through payroll deductions and the interest rate is the Wells Fargo Bank Prime Rate plus 3%. The loan repayment period may not exceed five years except for loans for the purchase of the Participant's principal residence which may be for any period not to exceed ten years.

Trustee

The Trustee of the Plan, as of December 31, 1994, was Wells Fargo Bank, N.A. The Board of Directors of the Company may remove the Trustee and appoint a successor trustee. The Company and the Trustee have entered into a Trust Agreement which provides for the establishment of a Trust for the purpose of holding and investing the contributions to the Trust pursuant to the provisions of the Plan.

Administration

The Company has appointed a committee to administer the Plan. The individuals who administer the Plan serve at the discretion of the Board of Directors of the Company and may be removed by the Board of Directors at any time. The cost of plan administration is paid by the Company.

Market Value Determination

Investments in Century Common Stock are valued at the closing market quote on December 31, 1994 and 1993, respectively. Other investments in the funds, which consist of units of mutual funds, are valued by the Trustee based on the market value at year-end of the underlying assets of each fund. Loans to participants are valued at principal amount outstanding which approximates market value.

(2) DESCRIPTION OF THE FUNDS

The following is a description of each of the funds available to Plan participants as of December 31, 1994:

- (a) Century Common Stock Fund - consists of shares of Century Common Stock (52.8% and 47.4% of net assets at December 31, 1994 and 1993, respectively).
- (b) Asset Allocation Fund - consists primarily of investments in common stocks, U. S. Treasury bonds and money market instruments (12.0% and 15.3% of net assets at December 31, 1994 and 1993, respectively).
- (c) Growth Stock Fund - consists primarily of equities expected to generate above average growth in revenues and earnings (9.5% and 9.3% of net assets at December 31, 1994 and 1993, respectively).
- (d) S & P 500 Stock Fund - consists primarily of investments in the same stocks and in substantially the same percentages as the S & P 500 Index (8.5% and 9.6% of net assets at December 31, 1994 and 1993, respectively).
- (e) Money Market Fund- consists primarily of short-term investments in various money market instruments (6.7% and 7.0% of net assets at December 31, 1994 and 1993, respectively).
- (f) Bond Index Fund - consists primarily of investments in government and corporate bonds (2.3% and 3.0% of net assets at December 31,

1994 and 1993, respectively).

(g) Loan Fund - represents loans to participants from the participants' investment accounts (7.2% and 6.9% of net assets at December 31, 1994 and 1993, respectively).

A participant may instruct that his contribution be allocated among the various funds. A participant may change his investment allocation instructions at any time, however, a participant can only change his contribution percentage on a quarterly basis.

All amounts allocated to a participant's Employer Contribution Account are invested in Century Common Stock. Participants who have not attained age 55 have no power to transfer amounts from an Employer Contribution Account to an investment fund other than the Century Common Stock Fund. Participants who have attained age 55 may redirect the investment of the balance in their Employer Contribution Account.

(3) INCOME TAXES

The Plan and related trusts meet the necessary requirements of Internal Revenue Code Section 401(a) and, accordingly, the trust underlying the Plan is exempt from income taxation pursuant to Internal Revenue Code Section 501(a). A favorable determination letter was obtained in March 1988 prior to required amendments to the Company due to the Tax Reform Act of 1986 and restatement due to the change in the Trustee. The Plan is in the process of obtaining a determination letter for the restated Plan.

(4) RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is the Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Company to Wells Fargo Bank, N.A. for investment management services amounted to \$124,644 for the year ended December 31, 1994.

(5) CONCENTRATION OF INVESTMENTS

As of December 31, 1994, 52.8% of the net assets available for benefits were invested in Century Common Stock. The remaining net assets available for benefits were invested in mutual funds managed by Wells Fargo Bank, N.A.

(6) COMPANY/PARTICIPANT DIRECTED FUNDS

The Century Common Stock Fund includes contributions from the Company and participants. Participant contributions are directed solely by the participants. Contributions from the Company are directed by the Company, except for contributions made on behalf of participants who are age 55 or older. Such contributions can be redirected by these participants to the funds of their choice. All other funds are participant directed.

The Trustee does not maintain separate records for the Company directed and the participant directed portions of the Century Common Stock Fund, therefore, the Statement of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits includes the combined balances and activity for the Century Common Stock Fund.

Schedule I CENTURY TELEPHONE ENTERPRISES, INC. DOLLARS AND SENSE PLAN

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1994

Identity of issuer, borrower, lessor or similar party	Description of Investment	Cost	Current Value	
Investment in Century Common Stock	1,539,007 units/			
	684,989 shares	\$ 17,812,671	20,207,164	Note 2
Loan Fund	-	2,774,156	2,774,156	Note 2
Investments in Mutual Funds for Qualified Employee Benefit Plans:				
Asset Allocation Fund	484,439 units	4,850,221	4,582,797	Note 2
Growth Stock Fund	323,547 units	3,357,213	3,630,195	Note 2
S & P 500 Stock Fund	318,366 units	3,223,751	3,237,778	Note 2

Money Market Fund	2,558,322 units	2,558,322	2,558,322	Note 2
Bond Index Fund	98,983 units	971,501	884,911	
		\$ 35,547,835	37,875,323	
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Note 1: The above data is based on information which has been certified as accurate and complete by the trustee, Wells Fargo Bank, N.A. Wells Fargo Bank, N. A. sponsors these funds and, accordingly, is a party-in-interest. Additionally, Century Telephone Enterprises, Inc., as sponsor of the Plan, is considered a party-in-interest.

Note 2: These investments are greater than 5% of net assets available for benefits.

Schedule II
CENTURY TELEPHONE ENTERPRISES, INC.
DOLLARS AND SENSE PLAN

Item 27d - Schedule of Reportable Transactions

For the Year Ended December 31, 1994

Description of Transaction	Purchase Price	Redemption or Selling Price	Lease Rental	Expense Incurred	Cost of Asset	Current Value of Asset at Date of Acquisition or Disposition	Net Gain (Loss)
	(Note 2)					(Note 3)	
Category (3) - A series of transactions							

in excess of 5% of beginning of							

year Plan assets available for benefits							

Investments in Century Common Stock							
(108 purchases, 124 sales)	\$ 4,596,569	2,101,946	-	-	1,918,473	-	183,473
Investments in Mutual Funds for							
Qualified Employee Benefit Plans:							
Asset Allocation Fund							
(96 purchases, 106 sales)	1,142,334	966,962	-	-	990,702	-	(23,740)
Growth Stock Fund							
(101 purchases, 105 sales)	1,218,860	547,101	-	-	524,144	-	22,957
S & P 500 Stock Fund							
(92 purchases, 112 sales)	987,246	665,079	-	-	652,987	-	12,092
Money Market Fund							
(94 purchases, 79 sales)	1,625,491	1,316,478	-	-	1,316,478	-	-

Notes: (1) The above data is based on information which has been certified as accurate and complete by the trustee, Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. sponsors these funds and, accordingly, is a party-in-interest. Additionally, Century Telephone Enterprises, Inc., as sponsor of the Plan, is considered a party-in-interest.

(2) The purchase price denotes cost and current value of the security on the transaction date.

(3) Current value is substantially the same as purchase price or selling price of the security on the transaction date.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administration Committee has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

Century Telephone Enterprises, Inc. Dollars and Sense Plan

June 28, 1995

/s/ Ray B. Finney
Ray B. Finney
Plan Administration Committee Member

CENTURY TELEPHONE ENTERPRISES, INC.

Index to Exhibit

23.1 Consent of KPMG Peat Marwick

EXHIBIT 23.1

INDEPENDENT AUDITORS' CONSENT

The Board of Directors
Century Telephone Enterprises, Inc.:

We consent to incorporation by reference in the Registration Statements (No. 33-5836 and No. 33-48554) on Form S-8 of Century Telephone Enterprises, Inc. of our report dated June 16, 1995, relating to the statements of net assets available for benefits of Century Telephone Enterprises, Inc. Dollars and Sense Plan as of December 31, 1994 and 1993, and the related statement of changes in net assets available for benefits for the year ended December 31, 1994, and related financial statement schedules as of and for the year ended December 31, 1994, which report appears in the December 31, 1994, annual report on Form 11-K of Century Telephone Enterprises, Inc. Dollars and Sense Plan.

KPMG PEAT MARWICK LLP

/s/ KPMG PEAT MARWICK LLP

*Shreveport, Louisiana
June 27, 1995*

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