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**Janie A. Miller, Secretary
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Regulation Cabinet**

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December 16, 2002

Ms. Barbara May
665 Bradfordsville Road
Lebanon, Kentucky 40033

Mr. T. Ray Mattingly
780 St. Mary Road
Lebanon, Kentucky 40033

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Lebanon, Kentucky 40033

Mr. Jeff Preston
11950 Danville Highway
Gravel Switch, Kentucky 40328

Mr. Anthony Lyvers
2825 Rubin Smith Road
Loretto, Kentucky 40037

Dear Ms. May and Gentlemen:

This letter responds to Ms. May's request for clarification of Commission Staff's letter of December 10, 2002.

Ms. May presents the following question: May a person concurrently serve as the general manager or superintendent of a water district and as its secretary/treasurer?

Based upon the same reasoning set forth in its letter of December 10, 2002, Commission Staff is of the opinion that a person may not serve as the manager of a water district and also as its secretary/treasurer. As explained in that letter, the office of general manager or superintendent is functionally incompatible with membership on a water district's board of commissioners. KRS 278.040(5) provides that the commissioners shall elect from their membership a chairman, treasurer and secretary. As the secretary and treasurer are members of the board of commissioners, the offices of general manager and secretary/treasurer would be functionally incompatible.

In her letter, Ms. May suggests that one person may hold the positions of secretary and treasurer. Commission Staff believes that such a combination of positions is contrary to law. KRS 74.050 provides that "[t]he treasurer of the commission shall pay out the funds of the commission only upon presentation of warrants signed by the chairman and countersigned by the secretary of the commission." This statute strongly suggests that no commissioner can hold more than

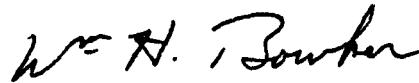


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one position on the board of commissioners. To do otherwise would be inconsistent to the division of authority that KRS 74.050 establishes.

This letter represents Commission Staff's interpretation of the law as applied to the facts presented. This opinion is advisory in nature and not binding on the PSC should the issues herein be formally presented for Commission resolution. Questions concerning this opinion should be directed to Gerald Wuetcher, Assistant General Counsel, at (502) 564-3940, Extension 259.

Sincerely,

A handwritten signature in black ink that reads "W. H. Bowker". The signature is written in a cursive, slightly slanted style.

William H. Bowker
Deputy Executive Director