

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE BY LAKE VILLAGE WATER)
ASSOCIATION, INC., OF A TARIFF)
AMENDMENT ADJUSTING RATES AND) CASE NO. 89-075
IMPOSING CONSTRUCTION SURCHARGE)

O R D E R

IT IS ORDERED that Lake Village Water Association, Inc. ("Lake Village") shall file the original and eight copies of the following information with the Commission, and all parties of record, by June 1, 1989. Careful attention should be given to copied material to ensure that it is legible. If the information cannot be provided by this date, Lake Village should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. Provide a copy of the bond amortization schedule showing the scheduled principal and interest payments.

2. Provide a copy of the bond ordinance and copies of any correspondence with the Farmers Home Administration regarding the insufficient reserve fund balances.

3. Per the 1988 Annual Report, Lake Village reported test-year income from penalties and surcharge of \$22,927. As provided during the field review, Lake Village collected \$14,743 from the imposed surcharge. Describe the penalties that constitute the remaining income totalling \$8,184.

4. Provide a schedule of the city of Danville's water rates.

5. Provide a copy of the depreciation schedule showing all fixed assets, date of purchase, accumulated depreciation, and test-year depreciation expense.

6. Reconcile the following accounts from Lake Village's records to the Annual Report.

| | <u>Per the Cash Disbursements Ledger</u> |
|-------------|--|
| \$ 2,844.35 | Account 921 Office Supplies & Expense |
| 3,350.95 | Account 930 Misc. General Expense |
| 1,295.58 | Account 941 Telephone Expense |
| 2,587.00 | Account 941.1 Utilities |

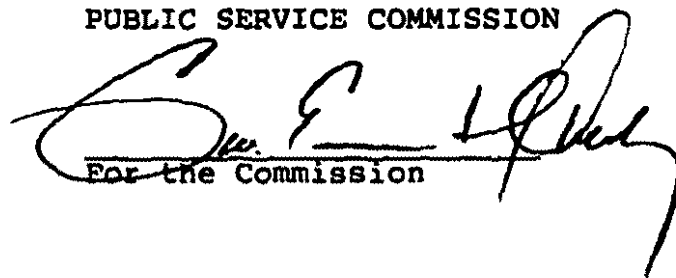
| | <u>Accountant's Adjusting Entries</u> |
|--------------------|---|
| <.27> | AJE 1 - Account 930 Misc. General Expense |
| 12.00 | AJE 2 - Account 930 Misc. General Expense |
| <110.99> | AJE 7 - Account 921 Office Supplies & Expense |
| <60.82> | AJE 7 - Account 941 Telephone Expense |
| <411.66> | AJE 7 - Account 941.1 Utilities |
| 56.51 | AJE 8 - Account 921 Office Supplies & Expense |
| 385.11 | AJE 8 - Account 941.1 Utilities |
| <244.26> | AJE 11 - Account 930 Misc. General Expense |
| <u>\$ 9,703.50</u> | |

| | <u>Per the Annual Report</u> |
|--------------------|---|
| \$ 8,397.91 | Account 921 Office Supplies & Other Expense |
| 2,982.80 | Account 930 Misc. General Expenses |
| <u>\$11,380.71</u> | |

7. Provide copies of the accountant's workpapers detailing the Adjusting Journal Entries contained in Exhibit H of the application.

Done at Frankfort, Kentucky, this 15th day of May, 1989.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:

Executive Director