



May 11, 2006

Mr. Beth O'Donnell, Executive Director
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602-0615

Re: Marion County Water District
Case No. 2006-00037

RECEIVED
MAY 12 2006
PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

In response to the correspondence request for data from the Commission Staff dated April 27, 2006, we offer the enclosed original and five (5) copies of responses for the above-referenced case number. The Marion County Water District has responded to each and every item as requested based on their supporting documentation and records.

Should you have any questions or need additional information, please contact James L. Mudd with the Marion County Water District at 270-692-2004, or myself at 502-839-1310.

Sincerely,

A handwritten signature in cursive script that reads 'Deron S. Byrne'.

Deron S. Byrne, P.E.

/dsb

cc: James L. Mudd, Manager
Marion County Water District

TABLE OF CONTENTS

ITEM NO. 1a, 1b, 1c RESPONSES.....	TAB 1
ITEM NO. 2a, 2b RESPONSES.....	TAB 2
ITEM NO. 3 RESPONSE.....	TAB 3
ITEM NO. 4a, 4b RESPONSES.....	TAB 4

**Marion County Water District
Supplemental Information
Public Service Commission
Case No. 2006-00037**

	Originally Submitted	Current Rates
Average Hourly Wage	11.83	14.60
Average Hourly Health Insurance Costs		3.99
	<u>11.83</u>	<u>18.59</u>
 Additional Costs		
FICA Taxes	7.65%	7.65%
Unemployment Taxes	2.35%	2.38%
Retirement	8.48%	13.19%
Workers Compensation Insurance	4.02%	4.05%
	<u>22.50%</u>	<u>27.27%</u>
 Wage Plus Related Costs	14.49	23.66
 Hourly Costs Adjusted For Actual Hours Worked (1796 hours worked, 284 hours paid leave)		27.40

Explanation:

The original numbers submitted were generated by our auditors a few years ago to give us a general idea of what we should charge. Since these were dated numbers, we used a multiplier of 1.5 to arrive at a reasonable current charge per hour. Upon receiving your request, we have taken a hard look at our current costs. In doing so, we realized that we did not include any costs for health insurance which is a major employee benefit. We further realized that we should exclude vacation, holiday and sick days to arrive at the actual cost per hour worked by the employees. All additional costs related to wages are derived from the actual cost being currently paid. In summary, our average cost per hour worked including all fringe benefits is \$27.40 per hour.

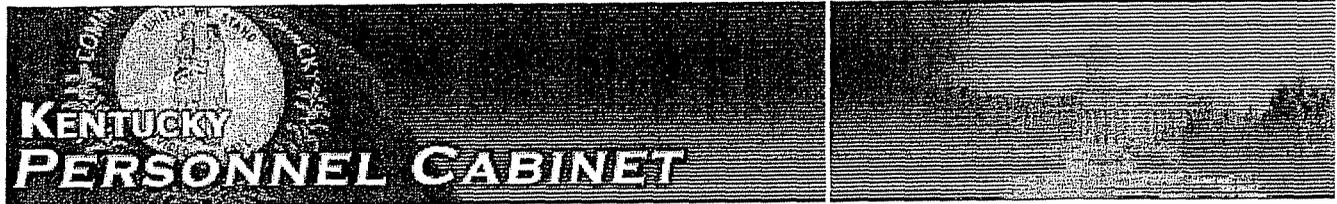
**Responsible Witness: Charles White
White & Company PSC
219 South Proctor Knott Avenue
Lebanon KY 40033
Phone: 270-692-2102**

COMPANY: 96485

CURRENT BILLING CYCLE: 05/01/2006

	Admin Fee	Total Health
COMPANY CREDIT:	\$0.00	\$0.00

SSN	Employee Name	Plan Choice	Option	Coverage Level	Cross Reference	Employee Health	Employer Health	Total Health
143 - KY EMPLOYEE HEALTH PLAN For 05/01/2006								
407-25-8728	BALLARD, DARREL J	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	SINGLE	N	\$0.00	\$488.96	\$488.96
407-74-4937	CAREY, SANDRA G	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	SINGLE	N	\$0.00	\$488.96	\$488.96
404-31-3453	KELTY, CHARLES G	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	PARENT PLUS	N	\$0.00	\$733.44	\$733.44
405-78-3540	MATTINGLY, MARY G	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	SINGLE	N	\$0.00	\$488.96	\$488.96
407-82-8499	MUDD, JAMES L	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	FAMILY	N	\$0.00	\$1,222.40	\$1,222.40
400-04-8536	THOMPSON, GLENN G	143 - KY EMPLOYEE HEALTH PLAN	CW ENHANCED	FAMILY	N	\$0.00	\$1,222.40	\$1,222.40
TOTALS for 05/01/2006:						\$0.00	\$4,645.12	\$4,645.12



2006 Employee Contributions

Monthly Employee Contribution - Non-Smoker

	Single	Parent Plus	Couple	Family	Family Cross-Reference
Commonwealth Essential	Not offered	\$55.00	\$259.52	\$320.14	\$0
Commonwealth Enhanced	\$0.00	\$114.00	\$357.72	\$429.24	\$9.72*
Commonwealth Premier	\$18.20	\$170.38	\$398.66	\$474.74	\$33.08*

*Contribution is per employee

[^Top](#)

Monthly Employee Contribution - Smoker

	Single	Parent Plus	Couple	Family	Family Cross-Reference
Commonwealth Essential	Not offered	\$85.00	\$289.52	\$350.14	\$15.00*
Commonwealth Enhanced	\$15.00	\$144.00	\$387.72	\$459.24	\$24.72*
Commonwealth Premier	\$33.20	\$200.38	\$428.66	\$504.74	\$48.08*

*Contribution is per employee

[^Top](#)

Last Updated 10/7/2005

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Kentucky Employees Retirement System
County Employees Retirement System
State Police Retirement System

KENTUCKY RETIREMENT SYSTEMS
Perimeter Park West
1260 Louisville Road
Frankfort, Kentucky 40601



William P. Hanes, Esq.
Executive Director
Phone 502-696-8800
FAX # 502-696-8822
www.kyret.com

MEMORANDUM

TO: Agencies participating in the County Employees Retirement System

FROM: William P. Hanes, Esq., Executive Director
Kentucky Retirement Systems

DATE: November 18, 2005

SUBJECT: Contribution Rates for Fiscal Year 2006-2007

The Kentucky Retirement Systems Board of Trustees adopted the following employer contribution rates at their November 17, 2005 meeting in accordance with KRS 61.565 and the recommendation of the actuary:

CERS nonhazardous	13.19%
CERS hazardous	28.21%

These rates will be effective July 1, 2006.

Please distribute copies of this memorandum to the individuals responsible for your budget. Employer contribution rates for all systems may be amended if legislation affecting the rates is implemented in upcoming sessions of the General Assembly.

Item 2:

a. In the case of higher labor for clerical and office expense for after hours than during regular hours. In the Connection/Turn-on Charge, the customer primarily contacts the service personnel that are on call. Upon this request, the service man has to contact one of the office personnel to verify any reason why this customer should not be connected, such as a bad debt. If there is no response why the customer cannot be connected, the service man then turns the service on. The customer is then instructed by the service man to come to the district office the following business day to inform office personnel of all billing information such as correct name, address, phone #, etc. In turn the office personnel have to fill out all documents and monitor this customer to make sure all information is gathered. Therefore, this takes more time for office personnel.

Office personnel do not physically come in after hours.

b. In the case of why the labor for clerical and office expense is higher for the Reconnection Fee After Hours. At this point, the District does not have a Field Collection Charge. Therefore, when a service man is requested to reconnect a customer after hours, the service is turned back on and the customer is instructed to make payment by 12:00 noon the following day or the service shall be terminated again. Therefore the following business day of the original reconnect, the service man informs the office personnel what transaction took place on the reconnect. In turn the office personnel have to document all these transactions and monitor the customer account to make sure payment is made on time and if not, then documents have to be prepared for the second termination. Thus with these types of situations, there is more time and supplies spent by office personnel to acquire payment for a Reconnection Fee After Hours.

Responsible Witness: James L. Mudd

Item 3:

In the case of the cost justification page for the Meter Test Request. After investigation of this charge, the District found a miscalculation of this charge. Please find a revised Non-Recurring Charge Cost Justification work sheet.

Responsible Witness: James L. Mudd

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: METER TEST REQUEST

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>0</u>
_____	<u>0</u>
_____	<u>0</u>

B. Labor (Time and Wage)

<u>2 HRS. @ \$22.00</u>	<u>44.00</u>
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Total Field Expense \$ 44.00

2. Clerical and Office Expense

A. Supplies \$ 0

B. Labor 7.50

Total Clerical and Office Expense \$ 7.50

3. Miscellaneous Expense

A. Transportation \$ 6.50

B. Other (Itemize)

_____	<u>0</u>
_____	<u>0</u>
_____	<u>0</u>

Total Miscellaneous Expense \$ 6.50

Total Nonrecurring Charge Expense \$ 58.00

Item 4:

- a. In the case of the Returned Check Fee. When a check is returned by the bank, office personnel in turn have to process the check by mailing a letter to the customer informing them of the returned check. This process involves postage and time required to draft this letter. When a check is returned to the District, its account is charged back for the amount of the check. Also if payment is not made in the allotted five (5) days for the returned check, then additional time is spent by office personnel to process the termination for non-payment. Time is also used by the office manager to track this transaction each month in the District's bank statements.
- b. In the case of the bank charge. The District's bank does not charge a return check fee at this time.

Responsible Witness: James L. Mudd

Marion County Water District is an Equal Opportunity Provider and Employer

Complaints of discrimination should be sent to:
USDA, Director, Office of Civil Rights, Washington, D. C. 20240-9410