

Kentucky Rural Water Association

Helping water and wastewater utilities help themselves

November 2, 2011

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PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen, Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602-0615

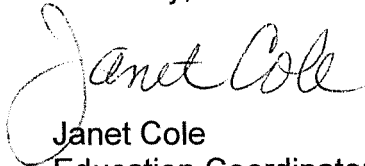
Dear Mr. Derouen:

Kentucky Rural Water Association conducted a training session on August 11, 2011 at the North Marshall Water District in Benton, Kentucky. This class offered six (6) hours of instruction for new Board Commissioner training. We respectfully request that this training be approved for newly appointed commissioners as referenced in KRS 74.020 and for existing commissioners as continuing education credit.

Please find enclosed an agenda and a copy of all handouts provided to participants including the PowerPoint presentations. Biographies for both instructors are also included.

With this letter and enclosures, Kentucky Rural Water Association is requesting the approval of six (6) credit hours for commissioners attending this session. If additional information is needed, please do not hesitate to contact our office.

Sincerely,



Janet Cole
Education Coordinator

Enclosures
(Original and 5 packets)

**Board Commissioner Training
North Marshall Water District**

Presented by

Kentucky Rural Water Association

August 11, 2011

AGENDA

Instructors: Gary Larimore and Andy Lange

9:00 a.m. – 4:00 p.m.
(One hour break for lunch)

Welcome / Introductions

Opening Comments and Overview

State of the Commonwealth – Kentucky Water Statistics Update

Legal Nature of Water Districts

Financial Conditions, Rates, Tariffs and the PSC

Customer Service

Other Issues

Biography Gary Larimore

Gary Larimore has been Executive Director of the Kentucky Rural Water Association since its formation in March, 1979. He received both Bachelor of Science and Master of Public Service Degrees from Western Kentucky University in Bowling Green, Kentucky.

Mr. Larimore is responsible for the administration and day-to-day operation of the Association's office and supervision of a nineteen-member staff. These duties include budgeting and financial management, personnel management, and acting as the primary representative with the membership, the board of directors, National Rural Water Association, various funding agencies, and other outside organizations. Additionally, Mr. Larimore serves as Secretary/Treasurer of the Kentucky Rural Water Finance Corporation, which was incorporated in 1995 for the purpose of assisting communities in obtaining competitive financing. Other primary duties include representing the Association's legislative and regulatory interests as a full-time lobbyist and working with water-related groups and organizations.

Mr. Larimore is the co-author of the *Kentucky Rural Wastewater Manual for Policymakers*, June 1993; *Kentucky Rural Water Assistance Manual*, January, 1990; *Water System Decision Makers – An Introduction to Water System Operation and Maintenance*, January 1988; and *Conserving Water and Energy – A Manual for Managers of Rural Water Utilities*, September, 1982. He has served on a variety of National Rural Water Association (NRWA) committees.

Biography Andrew C. Lange

Andy Lange is the Assistant Director for the Kentucky Rural Water Association (KRWA) and has been employed there since 1989. Prior to joining KRWA, Mr. Lange worked for the Barren River Area Development District for five (5) years, providing administrative and financial assistance to local governments in the ten-county BRADD region. Mr. Lange has earned a Bachelor of Science in Geography and a Master of Public Administration from Western Kentucky University in Bowling Green, Kentucky.

As Assistant Director, Mr. Lange is involved with all management and administrative activities of the Association. He was originally responsible for performing loan sub-servicing under the Asset Management Program contract with National Rural Water Association (NRWA) for eight (8) years, ending in 1997. He also currently oversees KRWA's partnership with Western Kentucky University (WKU). These programs are the WKU Small System Circuit Rider, the Utility Management Institute (UMI), and the Technology Demonstration Project. Mr. Lange received the "Field Representative of the Year" award at NRWA's 1996 Annual Conference.

Mr. Lange's other responsibilities at KRWA include: coordinating and monitoring internal membership activities, producing and editing KRWA printed publications, and assisting in the administration of KRWA finance programs. In addition, Mr. Lange has been involved in the production of over seventy-five operation and maintenance manuals for water systems, has produced the final report for the Kentucky River Authority Water Counts project, and has participated in, and written, Operation Review studies for three (3) water and wastewater utilities since 1995.

North Marshall Water District

Training Provided by Kentucky Rural Water Association

August 11, 2011

Commissioners Earning New Board Member Training

Name	Hours Earned
Kendra Capps	6
Larry Joe Draffen	6
James Leonard	6
Jerry Miller	6

Commissioner Earning Continuing Education Credit

Name	Hours Earned
Billy Driskell	6

North Marshall Water District

Water District Rate Comparisons

Residential Customers

	5000 gallons	Annual Cost
North Marshall (Current)	\$26.14	\$313.68
North Marshall (4622 gal.)	\$25.14*	\$301.68
North Marshall (Old Rates)	\$21.78	\$261.36
State Average	\$38.77	\$465.24
State Avg. Use (4470 gal.)	\$32.57*	\$390.84
Area Water Districts		
Lyon County	\$28.70	\$344.40
West McCracken	\$31.87	\$382.44
Jonathan Creek	\$34.87	\$418.44
Barkley Lake	\$39.98	\$479.76
Crittenden-Livingston	\$52.40	\$628.80

* Based on actual usage

North Marshall Water District

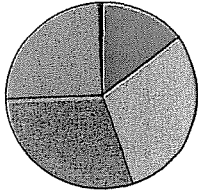
Financial Trends

YEAR	Conn.	Operating Revenue	Operating Expense	Difference
2004	5076	\$1,097,029	\$1,000,590	+\$96,439
2005		\$1,156,923	\$1,014,220	+\$142,703
2006		\$1,114,730	\$1,081,349	+\$33,381
2007		\$1,215,938	\$1,170,462	+\$45,476
2008		\$1,173,218	\$1,280,064	-\$106,846
2009		\$1,223,973	\$1,361,211	-\$137,238
2010	5338	\$1,257,648	\$1,441,497	-\$183,849
'04 - '10	+ 5%	+ 15%	+ 44%	
		(Estimated)	(Estimated)	
2011		\$1,509,178	\$1,514,982	-\$5,804
		20 % Rate Increase	Current Rate of Increase	

Source: PSC Annual Reports

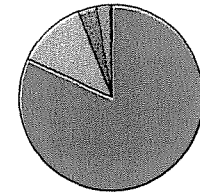
423 Public Water Systems in Kentucky

159,945 United States



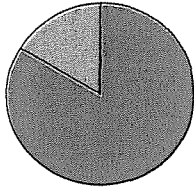
63	Very Small	(<500)
129	Small	(501-3,300)
123	Medium	(3,301-10,000)
105	Large	(10,001-100,000)
3	Very Large	(>100,000)

131,073
19,480
5,142
3,832
418



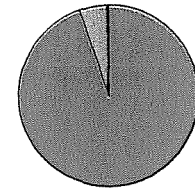
51 Distinct Non-community Systems

107,072 United States



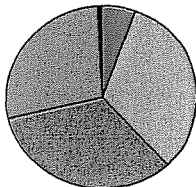
42	Very Small	(<500)
9	Small	(501-3,300)
-	Medium	(3,301-10,000)
-	Large	(10,001-100,000)
-	Very Large	(>100,000)

101,362
5,449
228
31
2



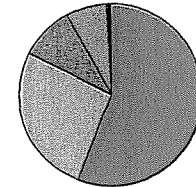
372 Distinct Community Water Systems

52,873 United States



21	Very Small	(<500)
120	Small	(501-3,300)
123	Medium	(3,301-10,000)
105	Large	(10,001-100,000)
3	Very Large	(>100,000)

29,711
14,031
4,914
3,801
416



Examples:

202 Municipal Utilities

1	Very Small	(<500)
89	Small	(501-3,300)
60	Medium	(3,301-10,000)
51	Large	(10,001-100,000)
1	Very Large	(>100,000)

Columbus

Louisville Water Company

117 Water Districts

3	Very Small	(<500)
21	Small	(501-3,300)
52	Medium	(3,301-10,000)
40	Large	(10,001-100,000)
1	Very Large	(>100,000)

Cunningham, Milburn, Sedalia

Northern Kentucky Water District

22 Water Associations

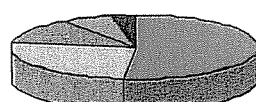
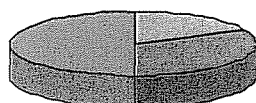
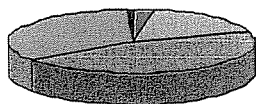
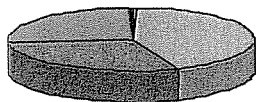
-	Very Small	(<500)
4	Small	(501-3,300)
7	Medium	(3,301-10,000)
11	Large	(10,001-100,000)
-	Very Large	(>100,000)

31 Privately-owned

17	Very Small	(<500)
6	Small	(501-3,300)
4	Medium	(3,301-10,000)
3	Large	(10,001-100,000)
1	Very Large	(>100,000)

Saint Anne Convent

Kentucky-American Water Company



Non-recurring Charges - Water Districts

Utility	County	ADD	Water Conn.	Res. Tap Fee	Res. Deposit	Service Charge	After Hours	Meter Test	Ret'd Check	Re-Conn Charge	After Hours	Line Inspect.	Field Charge
Adair County	Adair	LC	5750	600	50	30	50	50	25	30	50		
Allen County	Allen	BR	4849	500	40	30	42	45	25	50	62		
Barkley Lake	Trigg	PE	5625	450	75	25		25	35	40	75		
Bath County	Bath	GA	3708	400	50	20	30	20	20	20	30	20	20
Big Sandy	Boyd	FI	4298	835	50	15	50	40	20	30	50		
Black Mt	Hartan	CV	2572	400	75	25	50	20	32	25	50		
Boone County	Boone	NK	23097	625					20	25	37.50		
Bracken County	Bracken	BT	2343	600	100	40		40	30	40		40	
Breathitt County	Breathitt	KR	755	400		25	50	40	30	50	65		
Bullock Pen	Grant	NK	6787	1000	100	35		50		50			
Caldwell County	Caldwell	PE	1935	600	50	25			20	25			
Cannonsburg	Boyd	FI	5340	1100	50	25	55	70	25	25	55	40	
Carroll County	Carroll	NK	3010	465	55	40	70	60	20	40	80	40	
Cawood	Hartan	CV	1448	550	50	25			25	25			
Christian County	Christian	PE	5600	550	50	30	40	30					
Cointh	Grant	NK	1137	800	80	40	57	50	34	44	63		
Crittenden-Livingston	Livingston	PE	3352	500	60	25	35	45	25	45	55		25
Cumberland County	Cumberland	LC	2400	600	50	25	50	25	25	50	100		25
Cumberland Falls Hwy	Whitley	CV	2997	551	85	25		25	25	25			
Cunningham	Cartishe	PU	152	300		10				10			
Dexter-Almo Heights	Calloway	PU	758	700	75	25			25				
East Casey County	Casey	LC	4291	445	50	32		42	22	32			
East Clark County	Clark	BG	2360	907	90	30	95	55	25	55	100		30
East Laurel	Laurel	CV	5253	530	60	40		25	25	40	80	20	
East Logan	Logan	BR	2846	700		50	90	50	20	50	90	50	
East Pendleton	Pendleton	NK	1783	747.91	85			30	25	40	55		30
Edmonson County	Edmonson	BR	9860	375		27.50		50	20	35			
Eikhorn	Franklin	BG	495	400	20			5		15		25	
Estill County	Estill	BG	4000	660		15		15	25	25			15
Farmdale	Franklin	BG	2700	590	60	7.50		25	10	15		10	
Fountain Run	Monroe	BR	525	450		10		18	15	20			
Gallatin County	Gallatin	NK	2010	530		35			25	35			35
Garrison Quincy Hts	Lewis	BT	1100	600	50	15	25	15	20	30	40		15
Graves	Graves	PU	3003	450	40	25	75	25	25	25	75		
Grayson County	Grayson	LT	7048	550		25	100	50	25	50	125	75	25
Green Hills	Hartan	CV	479	415	50								
Green River valley	Barren	BR	6570	625	50	25	50	50	20	50	75		
Green-Taylor	Green	LC	4846	500	40	15	25	12	20	30	50		15
Hardin County #1	Hardin	LT	9811	650		11	46		25	37			
Hardin County #2	Hardin	LT	15300	600		25	40	25	15	25	40		25
Henderson County	Henderson	GR	6285	475		25	40	50	20	50	65	40	25

Non-recurring Charges - Water Districts

Utility	County	ADD	Water Conn.	Res. Tap Fee	Res. Deposit	Service Charge	After Hours	Meter Test	Ret'd Check	Re-Conn Charge	After Hours	Line Inspect.	Field Charge
Hendron	McCracken	PU	2647	450		15	35	15	15	15	35		
Henry County	Henry	KI	8200	1120		25		20	25			25	
Hickory	Graves	PU	1250	400	25					15			
Hyden-Leslie County	Leslie	KP	3308	300	30	7				15			
Jessamine County	Jessamine	BG	1341	800	75			55	15	25	30		
Jessamine-S. Elkhorn	Jessamine	BG	2581	850					5	25			
Jonathan Creek	Marshall	PU	2260	700		35		50	25	60			35
Knott County	Knott	KR	927	600		50			30	50			50
Knox County	Knox	CV	2664	400	40	15	30	40	25	30	50		15
Larue County	Larue	LT	3219	625	60			20	15	25	40		
Laurel County #2	Laurel	CV	5860	525	30	25		25	35	50	75		
Ledbetter	Livingston	PE	1230	850	50	25	40	25	35	50	65		25
Leitcher County	Leitcher	KR	1138	350	60				20	45			
Lyon County	Lyon	PE	2450	600		30		50	30	50			30
Madison County	Madison	BG	10847	856	50	27		25	20	42	67		
Magoffin County	Magoffin	BS	3466	600	70	35		50	30	35			5
Marion County	Marion	LT	5595	500	60	35		80	25	35	85		
Marion County	Marion	BS	3554	350	45	15	25	20	10	15	25	35	15
McCreary County	McCreary	LC	6140	350	30	25		35	10	30			
McKinney	Lincoln	BG	1850	500		10		25		20			
Meade County	Meade	LT	3600	632	50	25	50	50	25	50			25
Milburn	Carlisle	PU	154	430	67.50					15			
Monroe County	Monroe	BR	3300	550	60	40	65	50	25	50	75	50	25
Montgomery County	Montgomery	GA	701	750	60	10		40	10	25			
Morgan County	Morgan	GA	2351	590	50				10	25			
Mountain	Pike	BS	17186	675	75	30		30	25	30	50		
Muhlenberg County	Muhlenberg	PE	6046	570		35			25	35			35
Muhlenberg County #1	Muhlenberg	PE	2212	350	35	25		25	25	25			
Murray #2	Calloway	PU	260	700	35	15		30		25			
Murray #3	Calloway	PU	326	300		10		15	5				
Nepo	Hopkins	PE	1549	700	20	15	20	15	25	25			15
Nicholas County	Nicholas	BG	1500	625	70			20	20	25			
North Hopkins	Hopkins	PE	1100	400	50					25			
North Logan	Logan	BR	540	514.35	90	25	45	32	25	50	75		
North Marshall	Marshall	PU	5385	600	40	25	67	50	25	50	92		
North McLean	McLean	GP	1300	660.50	35					30			
North Mercer	Mercer	BG	4318	650		23			15	50			
North Nelson	Nelson	LT	4005	800	50	25		45	20	50			15
Northeast Woodford	Woodford	BG	900	600	21.16				20	70			
Northern Kentucky	Kenton	NK	30000	750		25	40		20				
Ohio County	Ohio	GP	5900	650	90	35	45	65	25	65			

Non-recurring Charges - Water Districts

Utility	County	ADD	Water Conn.	Res. Tap Fee	Res. Deposit	Service Charge	After Hours	Meter Test	Ret'd Check	Re-Conn Charge	After Hours	Line Inspect.	Field Charge
Oldham County	Oldham	KI	7769	1020	30	25		10	25	50			25
Parksville	Boyle	BG	1579	550		40	60	50	25	50	70		
Peaks Mill	Franklin	BG	1100	600		25		25	10	50			12.50
Pendleton County	Pendleton	NK	2144	715		22.50		30	15	45			22.50
Powell's Valley	Powell	BG	2340	750.90	68	20	30	25	20	40	50		20
Rattlesnake Ridge	Carter	FI	2495	700	65	45	55	50		45	55		
Reid Village	Montgomery	GA	1161	650	65	20				25			
Sandy Hook	Elliott	FI	1201	500					15	25			
Sedalia	Graves	PU	148	350		15		20	10	30			15
Sharpsburg	Bath	GA	1450	600	50	20	25	20	20	20	25		20
Simpson County	Simpson	BP	3200	450		25	65	50	25			50	
South 641	Calloway	PU	378	750	55	15	35	15	25	30	50		
South Anderson	Anderson	BG	2706	1000	66	25	50	50	25	50	75		25
South Hookins	Hookins	PE	3014	800		25	35	50	25	25	35		25
South Woodford	Woodford	BG	1535	400				15	5	20			
Southeast Daviess	Daviess	GR	6293	725	35	35	80			20	80		
Southern	Floyd	BS	7483	450	45	25	35	30	20	25	35		
Southern Madison	Madison	BG	4563	700		30	39	56	25	38.50			
Symsonia	Graves	PU	360	615					25	40			
Todd County	Todd	PE	3276	550		25		10	10	100			
Trimble County	Trimble	KI	1400	525	63	45		75	15	90		65	
U.S. 60	Shelby	KI	1896	515	35								
Union County	Union	GR	2241	500		25				25			
Warren County	Warren	BR	2000	450		25	65	50	25	25	65	50	
Webster County	Webster	GP	1919	500		25	40	25	25	40	50		20
West Carroll	Carroll	NK	1001	794	50	25			5	25			15
West Daviess	Daviess	GP	4561	725	35	35	80	10		20	80		
West McCracken	McCracken	PU	1498	700		40	60	100	20	75			
West Shelby	Shelby	KI	1800	525		25		25	15	25	35	25	
Western Fleming	Fleming	BT	1478	600		25	35		20	50	60	40	
Western Lewis-Red	Mason	BT	2400	775	55	50		50	30	50			
Western Mason	Mason	BT	1040	750		25			25	25			
Western Pulaski	Pulaski	LC	7600	525		25	35	35	25	35			
Whitley County	Whitley	CV	3181	300		10		10	10	15			5
Wood Creek	Laurel	CV	5177	530		40		25	25	40	80	20	
count				117	73	98	50	87	99	109	52	19	35
Average				594	55	26	49	36	21	36	61	38	22
Median				600	50	25	46	30	25	32	61	40	25

Water District	Revenue		Operating	Commodities				Total	Employees & Commissioners			Contracted Services			Total	Other Expenses			Water District		
	Residential	Total	Expenses	Water	Power	Chemicals	Supplies		Salaries	Comm.	Fringe	Legl/Acct	Other	Testing		Subtotal	Insurance	Travel		Other	
Allen	1,608,310	2,054,000	1,568,576	608,940	47,245		30,342	686,527	351,329	17,400	311,539	30,252	46,837	42,312	119,401	799,669	20,391	38,953	23,630	Allen	
Barkley Lake	1,633,414	1,923,433	1,589,497		225,806	131,429	194,155	551,470	557,606	10,750	336,905	18,872	17,834		36,706	941,967	31,255	51,592	15,113	Barkley Lake	
Bath	1,053,802	1,560,679	1,260,665	661,750	59,725	5,350	17,781	744,606	261,015	20,131	132,597	4,080		13,635	17,715	431,458	13,346	18,827	52,328	Bath	
Big Sandy	1,610,468	1,958,151	1,628,139	741,329	56,409		207,903	1,005,641	319,862	30,000	110,121	16,433	23,501	5,316	45,250	905,233	27,937	25,270	64,058	Big Sandy	
Black Mt.	1,051,153	1,153,141	1,016,986	485,654	35,931	805	49,217	571,607	235,619		46,420	19,750	915	14,588	34,853	316,892	11,440	21,293	92,754	Black Mt.	
Boone	6,659,388	10,350,435	8,869,186	6,103,579			845,977	6,949,556	927,040	30,000	376,340	42,896	131,632	29,247	203,775	1,537,155	15,910	60,174	276,391	Boone	
Bracken	1,022,688	1,163,211	760,456	379,595	35,947		6,967	422,509	177,499	11,000	49,461	9,140	19,190	4,916	33,246	271,206	16,530	9,750	40,440	Bracken	
Breathitt	304,003	362,096	450,799	67,337	27,837		51,808	146,982	99,281		41,316		98,493	2,160	101,653	242,250	3,324	10,891	40,312	Breathitt	
Bullock Pen	2,492,201	2,832,666	2,346,541	859,050	70,231	82,214	130,280	1,141,775	630,961	14,000	319,427	56,503	84,091	18,665	189,259	1,123,647	25,090	33,050	22,967	Bullock Pen	
Caldwell	939,039	956,054	664,111	240,570			37,054	277,624	197,854	4,788	45,584	19,572	31,269		50,841	299,067	13,500		79,830	Caldwell	
Cannonsburg	1,507,941	1,943,720	1,763,502	737,078	57,356		139,205	933,639	384,835	30,000	88,320		25,805		25,805	528,960	13,261	21,326	266,326	Cannonsburg	
Carroll	866,120	1,484,074	930,775	6,804	123,332	972	135,163	266,271	376,583	16,200	116,668	13,311	57,536	7,125	77,972	587,423	20,574	25,424	31,033	Carroll	
Cawood	564,032	660,172	566,582	15,171	64,593	35,571	23,129	138,464	251,274		63,362	7,090	11,978	12,517	31,585	346,221	15,635	1,456	64,806	Cawood	
Christian	2,561,815	2,902,196	1,752,743	731,648	83,881	3,136	98,348	917,013	470,158	30,000	156,765	29,094	6,331	1,224	36,649	693,572	56,192	23,300	11,141	Christian	
Columbia/Adair	2,042,565	2,264,861	1,916,687	898,795	35,479		188,500	1,122,774	351,323	112,700	144,212	7,000	31,972	7,010	45,982	654,217	23,596	65,619	50,150	Columbia/Adair	
Corinth	474,969	582,142	483,535	216,443	1,650		16,483	234,576	135,652	11,695	36,807	25,412	11,492	2,253	39,157	223,311	6,126	11,541	7,971	Corinth	
Critt-Liv.	1,502,934	1,994,020	1,042,837	1,322	70,255	92,453	181,145	345,175	471,260		101,453		24,900	11,956	36,856	609,589	27,632	25,638	24,773	Critt-Liv.	
Cumberland	783,827	918,104	898,212	126,566	60,289	30,180	70,163	287,198	291,377	8,375	11,861		30,942		30,942	342,555	20,367	17,595	30,437	Cumberland	
Cumb. Falls	1,304,329	1,438,018	1,246,733	562,359	26,058		99,849	688,266	313,910	10,800	146,111	32,964	5,821		38,785	509,606	20,009	20,030	8,522	Cumb. Falls	
Cunningham	30,421	32,946	24,026		2,552	631	1,469	4,652					10,941	1,178	12,119	12,119	2,095		5,170	Cunningham	
Dexter-Almo	157,079	196,347	162,555	93,433	901		7,933	102,267	34,048	5,400			7,193	2,057	9,255	48,703	3,351	2,617	6,211	Dexter-Almo	
E. Casey	1,447,250	1,577,988	1,195,233	565,877	58,964		123,357	748,198	197,535		93,218	13,772	72,544		86,316	377,069	17,139	25,293	32,535	E. Casey	
E. Clark	1,331,685	1,381,318	813,354	284,657	19,649		43,568	347,874	229,518	27,600	85,503	17,209	57,173		74,382	417,003	21,639	20,127	6,712	E. Clark	
E. Laurel	1,707,490	2,073,926	1,878,121	917,204	46,074		227,683	1,190,961				9,100	626,982		636,082	636,082	22,789		28,269	E. Laurel	
E. Logan	1,494,573	1,578,306	1,156,159	598,018	12,216		218,592	828,826		18,200		13,694	233,796		247,490	265,690	10,517		51,126	E. Logan	
E. Pendleton	793,379	925,923	729,457	219,211	34,892	517	26,366	280,986	254,695	13,900	85,569	72	31,365	5,419	36,856	391,020	12,623	13,828	31,000	E. Pendleton	
Edmonson	2,580,903	2,762,853	1,662,120		221,236	102,117	99,010	422,363	680,354	18,000	246,974	8,051	159,721	22,627	189,399	1,134,727	31,235	25,043	47,852	Edmonson	
Elkhorn	215,452	215,452	235,782	133,849	7,311		8,282	149,442	17,782	7,200			55,777	1,338	57,115	82,097	2,325		912	Elkhorn	
Estill	1,237,960	1,410,291	1,251,762	579,539	54,322	49,925		683,786	245,911	15,507	171,551	10,780	18,432		29,212	462,181	14,039	21,169	70,567	Estill	
Farmdale	482,500	599,480	622,543	365,259	21,699		10,314	397,272	99,512	14,600	50,133	7,750		325	8,075	172,320	10,576	7,583	21,921	Farmdale	
Fountain Run	163,062	233,166	205,026	97,786	224		7,061	105,071	59,957	6,000	8,000		14,870	2,179	17,349	91,306	2,544	4,097	1,203	Fountain Run	
Gallatin	739,433	875,158	537,113	6,877	56,882	2,323	48,801	114,883	210,715	5,900	116,262	18,482		8,825	27,307	360,184	18,715	17,051	26,280	Gallatin	
Garrison-Q	398,220	440,677	342,787	20,306	26,131	6,035	39,450	91,922	142,767	6,050	15,297	3,200	16,432	4,828	24,460	188,574	21,973	4,581	46,727	Garrison-Q	
Graves	797,780	931,571	848,315	142,519	56,855	79,931	32,651	311,956		25,475			454,814		454,814	480,289	11,636		14,111	Graves	
Grayson	2,466,528	3,043,731	1,842,966	325,165	71,068		188,832	585,065					1,107,979		1,107,979	1,107,979	37,924	52,975	59,822	Grayson	
Green Hills	185,496	204,714	174,505	52,657	24,404	556	10,864	88,481	50,610				21,529		21,529	72,139	6,278	4,718	3,859	Green Hills	
Green River	1,881,827	3,073,660	2,249,433		2,323	263,185	183,934	593,852	825,872	15,000	331,644	44,551	253,430		297,981	1,470,497	49,860	80,393	61,690	Green River	
Green-Taylor	1,802,456	1,935,188	1,628,397	653,801	86,795		119,551	860,147	370,681	10,200	217,347	10,500	7,088	10,888	28,456	634,684	24,814	35,400	72,425	Green-Taylor	
2008 Data	LEGEND:		Exp > Rev	Drinking Water Producers						Contract Operations/Management								> 10%			2008 Data

Water District	Revenue		Operating Expenses	Commodities				Total	Employees & Commissioners			Contracted Services			Total	Other Expenses			Water District	
	Residential	Total		Water	Power	Chemicals	Supplies		Salaries	Comm.	Fringe	Leg/Agct	Other	Testing		Subtotal	Maintenance	Travel		Misc.
Hardin #1	2,596,088	3,929,238	2,321,721	81,381	245,210	151,721	55,121	533,433	865,349	30,200	563,043	38,081	84,396	58,226	178,703	1,637,295	59,142	43,817	48,936	Hardin #1
Hardin #2	5,674,456	7,845,516	4,317,143		355,777	206,630	248,031	810,438	1,685,515	30,340	938,796	16,700	327,044		343,744	2,973,395	76,770	110,811	310,729	Hardin #2
Henderson	2,299,255	2,392,374	1,785,008	946,339	41,463		177,510	1,165,312	336,489	7,560	167,252	19,292		667	19,959	531,260	30,016	38,009	30,411	Henderson
Hendron	630,091	726,532	697,502	308,461	35,984	1,680	64,885	411,010	165,253	7,200	41,768	8,904	24,181	3,230	36,315	250,536	13,043	14,929	7,984	Hendron
Henry	2,390,965	2,895,805	1,915,179		390,487	58,591	208,698	657,776	642,723	26,100	262,850	38,323	164,554	15,318	218,195	1,149,868	30,135	26,261	49,136	Henry
Hickory	191,781	304,383	339,495	14,978	35,696	38,228	23,350	112,252		3,600			201,068		201,068	204,666	5,785		10,792	Hickory
Hyden-Leslie	988,183	1,254,299	833,055	6,849	122,385	49,750	44,679	223,663	338,204	4,500	132,646	8,500	2,505	19,221	30,226	505,576	33,289	19,933	50,534	Hyden-Leslie
Jessamine	455,014	999,182	941,627	488,525				488,525	73,092	18,000	20,686	25,725	211,516		237,241	349,019	14,773		99,310	Jessamine
Jess-S. Elkhorn	1,628,659	1,771,754	1,545,072	918,563			68,341	986,904	209,800	28,904	46,428	17,905	205,769	7,508	231,182	518,314	20,546	13,465	7,713	Jess-S. Elkhorn
Jonathan Creek	614,626	888,971	576,165		59,751	9,865	142,902	212,518	141,795	24,600	57,634	4,321	92,087	4,115	100,523	324,552	17,521	16,042	5,532	Jonathan Creek
Knott	476,808	476,808	370,886	58,763	75,165		66,081	200,009	76,093		14,409	8,930		10,477	19,407	109,909	9,379	10,867	44,722	Knott
Knox	1,036,046	1,150,174	811,333	176,807	44,592	44,372	41,756	307,527	231,927		155,273	12,333		16,124	28,457	415,657	15,986	15,641	56,522	Knox
Larue	1,083,949	1,141,543	758,039	313,411	21,540		75,203	410,154	201,642	10,800	80,962	15,600			15,600	309,004	17,987	20,394		Larue
Laurel	988,482	1,367,396	1,130,260	29,095	93,006	146,010	67,612	335,723	444,539	7,770	210,827	12,229	11,711	37,700	61,640	724,776	15,248	21,247	33,266	Laurel
Ledbetter	367,774	420,295	322,082	81,776	15,699	23,475	16,385	137,335	107,620	5,100	44,480	6,811	1,859	3,617	12,287	169,487	14,617	400	163	Ledbetter
Letcher	564,830	624,722	658,040	183,278	33,236		155,686	372,200	192,164		42,806		16,573		15,573	250,543	15,190	13,559	8,549	Letcher
Lyon	842,327	881,448	649,886	279,601	10,140		75,861	365,602	101,173	10,800	35,761	71,620	5,636		77,258	224,992	13,441		45,951	Lyon
Madison	3,165,366	3,895,665	3,053,102	1,958,644	40,827		82,698	2,082,169	553,359	14,400	150,290	30,870	18,443	10,148	59,461	777,510	31,346	51,582	110,396	Madison
Magoffin	1,112,406	1,265,944	1,164,934	497,993	41,818		64,486	604,297	356,862		104,229	5,219			5,219	466,310	26,110	26,835	41,582	Magoffin
Marion	1,801,288	2,194,894	1,913,091	1,316,825	40,434		100,441	1,457,700	216,023	37,150	76,425	6,295	60,604		66,899	396,497	17,457	22,206	19,251	Marion
Martin	1,784,521	1,862,263	1,480,665	38,262	230,785	56,678	165,696	491,421	462,773	59,515	190,839	39,000	44,889	27,154	110,843	823,970	29,330	42,304	93,599	Martin
McCreary	1,870,770	2,888,410	2,150,547		282,330	209,854	190,575	682,759	619,699	14,000	346,619	48,003	189,622	13,015	250,640	1,230,958	32,568	55,932	139,363	McCreary
McKinney	702,331	746,446	636,730	263,499			105,654	369,153	126,208	15,700	1,584	5,110	92,027	1,544	98,981	245,473	5,755	4,275	12,024	McKinney
Meade	1,744,683	1,810,470	1,355,208	496,203	23,595		86,858	606,656	439,588	18,600	135,705	6,252	65,958	6,645	78,855	672,748	27,312	24,118	24,374	Meade
Milburn	49,094	51,683	57,118	16,730	1,378		18,423	36,531					17,797	496	18,293	18,293	1,137	958	138	Milburn
Monroe	1,111,460	1,193,915	938,004	356,768	48,122		62,072	466,962	259,424	6,000	71,612	8,000	54,371	6,992	69,363	406,399	16,987	19,757	27,833	Monroe
Montgomery	218,619	247,538	240,165	96,731			6,077	102,808	67,874	5,400	10,066		10,317	4,074	14,391	97,731	6,814		32,765	Montgomery
Morgan	991,457	1,083,662	896,544	461,612			103,177	564,789	182,872		54,414	18,260	13,299	2,350	33,909	251,195	8,767	3,399	88,463	Morgan
Mountain	6,371,465	8,094,318	6,666,090							29,924		113,997	6,437,592		6,551,489	8,580,413			85,677	Mountain
Muhlenberg	2,371,398	2,995,614	2,635,154	838,528	77,086	13,781	76,663	1,006,058	777,269	17,000	505,004	21,650	38,165	12,038	71,853	1,371,126	32,989	45,334	148,649	Muhlenberg
Muhlenberg #3	563,756	866,755	811,410	418,880	20,890		24,395	462,165	200,814	18,000	76,120	6,000		13,518	19,518	311,452	3,669	3,929	11,951	Muhlenberg #3
Murray #2	52,743	52,743	55,784	28,603			3,357	31,960					18,090	1,013	17,993	17,993	1,071		3,900	Murray #2
Murray #3	62,777	69,083	71,456	33,222			4,678	37,900	23,386				2,400	2,935	5,335	28,721	4,525		311	Murray #3
Nebo	642,659	944,766	819,196	519,958	9,078		43,602	572,638	120,136	11,000	29,661	9,864	29,118		38,980	199,777	7,449	10,811	28,521	Nebo
Nicholas	612,240	662,726	429,934	169,734	15,891		33,906	219,531	94,930	7,500	29,387	5,150	19,693	4,918	30,061	161,878	11,352	6,637	30,536	Nicholas
N. Hopkins	642,726	697,201	510,172	290,163	9,531		72,779	372,473	76,756	10,800		14,150	1,575	1,388	17,113	104,669	4,791	10,350	13,159	N. Hopkins
N. Logan	245,295	472,338	341,985	216,803	3,513		24,428	244,744	23,400	13,200	11,335	14,001	10,912	2,085	26,998	74,933	3,266	11,243	18,319	N. Logan
N. Marshall	864,738	1,223,973	1,044,296		126,930	19,012	152,408	298,350	188,857	32,700	165,352	5,300	73,195	8,198	86,603	673,512	29,619	28,371	16,841	N. Marshall
2008 Data	LEGEND: Exp > Rev			Drinking Water Producers						Contract Operations/Management					2 - 10%			2008 Data		

Water District	Revenue		Operating Expenses	Commodities				Total	Employees & Commissioners			Contracted Services			Total	Other Expenses			Water District	
	Residential	Total		Water	Power	Chemicals	Supplies		Salaries	Comm.	Fringe	Log/Acco.	Other	Testing		Subtotal	Insurance	Transp.		Misc.
N. McLean	521,780	579,735	450,435	237,872	4,045	706	19,341	261,964	119,764	9,000	4,553	11,836	13,439	3,837	29,112	162,429	6,609	13,895	5,536	N. McLean
N. Mercer	1,314,193	1,412,796	1,197,117	496,401	30,511		67,719	594,631	312,007	14,400	106,149	10,125	71,964	13,023	95,112	527,668	19,627	22,576	32,615	N. Mercer
N. Nelson	1,198,580	1,303,295	947,733	500,142	20,341		72,439	592,922	193,392	7,200	40,138	16,950	63,686		80,536	321,266	9,322	14,217	9,861	N. Nelson
NE Woodford	602,602	620,068	485,954	356,373	8,032		21,913	386,318	18,200			5,200	63,683		68,783	86,983	5,998		6,665	NE Woodford
N. Kentucky	23,746,320	41,046,714	23,563,528		2,519,330	1,857,067	1,749,723	6,126,120	8,395,310	36,000	3,569,006	166,055	251,638	3,092,836	3,510,529	15,510,845	488,977	458,135	1,059,360	N. Kentucky
Ohio	2,674,181	3,423,633	2,132,042	259,439	183,894	61,323	205,697	710,353	775,685		286,433	64,975	110,183	22,554	197,712	1,253,830	22,226	79,837	65,794	Ohio
Oldham	2,211,072	3,481,734	2,138,970	9,744	295,369	86,490	36,037	427,640	740,731	31,900	465,812	24,439	202,374	82,369	309,182	1,547,625	27,991	45,841	69,873	Oldham
Parksville	604,647	666,780	569,609	174,211	27,277		33,454	234,942	215,451		44,308	21,735		16,880	40,615	300,374	12,406	12,710	9,177	Parksville
Peaks Mill	495,162	518,736	316,397	150,103	10,969	1,122		162,194	22,512	10,800	2,987	6,837	85,309		92,146	128,445	10,133		15,620	Peaks Mill
Pendleton	955,324	1,188,274	908,790	384,244	20,137		41,972	446,353	265,714	23,600	82,286	17,600	28,461	3,306	49,367	420,967	16,220	15,968	9,302	Pendleton
Powell's Valley	861,702	1,003,162	792,109	264,298	55,970		70,898	391,166	180,443	10,800	122,694	2,375	25,385		27,760	341,897	22,223		37,023	Powell's Valley
Rattle Ridge	1,816,441	1,891,334	1,357,268	8,467	220,374	25,008	249,481	503,330	521,926	24,178	176,984	12,764	250		13,014	736,102	50,781	23,672	43,383	Rattle Ridge
Reid Village	362,923	416,043	357,875	131,029			9,254	140,283	99,503	3,500	32,748	3,375	9,000	1,655	14,030	149,781	9,171	9,092	49,548	Reid Village
Sandy Hook	405,931	493,053	390,754		43,381		59,255	102,636	163,355		36,049	7,975	1,381		9,356	208,760	60,226	15,127	4,005	Sandy Hook
Sedalia	25,688	31,326	35,522	4,771		2,926	2,785	10,482					14,585	1,773	16,358	16,358	2,839		5,669	Sedalia
Sharpsburg	594,841	613,090	547,082	258,308	13,839		21,125	293,272	92,699	59,255	40,800				-	192,754	15,586		45,470	Sharpsburg
Simpson	1,024,084	1,653,091	1,203,048	651,223	24,147		28,720	704,090	186,028	10,800	105,440	11,750	126,557	4,331	142,638	444,906	13,520	22,263	18,270	Simpson
S. 641	120,915	138,626	95,108	35,355	3,898		368	39,621	25,092		237		4,409		4,409	29,738	4,514	4,084	17,151	S. 641
S. Anderson	1,116,520	1,180,640	897,815	372,973	28,668		97,771	499,412	209,048	18,000	62,018	16,233	34,376	3,184	53,793	342,859	9,850	21,603	24,901	S. Anderson
S. Hopkins	745,643	1,145,774	1,144,498	558,196	31,838	898	83,467	674,399	257,179	8,600	112,287	10,800	4,250	6,155	21,205	399,271	18,895	27,478	24,464	S. Hopkins
S. Woodford	753,049	771,186	627,064	378,985	16,977		62,502	458,464	35,822	10,800		5,745	82,045		87,790	134,412	9,692		24,193	S. Woodford
SE Daviess	1,327,209	1,779,646	1,572,242	892,521	36,610		129,396	1,058,527	238,401	53,798	129,351	6,450		6,810	13,260	434,810	24,819	27,982	29,164	SE Daviess
Southern	2,470,167	3,146,302	2,192,347	372,302	59,096	45,543	574,026	1,050,967	694,918	18,200	222,189	23,115	7,202		30,317	965,824	12,415	1,857	121,854	Southern
S. Madison	1,337,190	1,538,920	1,305,297	692,392	38,172		33,794	764,358	291,416	14,400	100,217	18,297		14,246	32,543	438,576	13,964	13,222	69,237	S. Madison
Symsonia	72,935	76,303	73,652			6,871	11,014	17,885	39,132		7,043		3,806		3,806	49,981	2,006		3,786	Symsonia
Todd	1,642,824	1,736,033	1,204,856	680,251	24,501		74,811	779,563	245,486	18,000	41,009	15,392		18,305	33,697	338,192	21,672	21,369	14,660	Todd
Trimble	583,583	768,657	515,993		51,582	2,366	101,732	155,680	269,950	9,000	27,581	12,935	2,080	5,618	20,633	327,164	11,562	16,613	19,954	Trimble
U.S. 60	938,292	1,017,463	662,462	293,620	28,425		69,395	391,440		10,075		23,583	167,739	4,825	196,147	206,222	9,310		55,499	U.S. 60
Union	640,926	1,115,112	934,457	355,165	45,351		162,314	562,830	164,048	14,400	111,205	21,712	9,014		30,726	320,379	12,849	8,793	29,908	Union
Warren	5,219,437	7,632,678	4,834,643	1,825,613	433,914		176,545	2,436,072	1,024,043	14,600	593,378	21,922	393,074	19,651	434,647	2,066,668	31,123	158,187	31,284	Warren
Webster	737,434	1,657,013	957,368		97,216	124,514	119,434	341,164	370,967	16,800	122,645	7,000		6,439	13,439	523,851	23,664	26,141	12,163	Webster
W. Carroll	386,716	417,420	354,480	113,909	9,844		24,869	148,622		9,000		4,430	170,612	5,735	180,777	169,777	7,768		6,313	W. Carroll
W. Daviess	939,632	1,230,920	1,160,985	617,944	23,806		108,406	750,156	195,602	45,553	105,905	5,950		5,535	11,485	358,845	17,002	16,377	18,995	W. Daviess
W. McCracken	419,615	586,974	497,714	184,209	7,635	724	20,069	212,717	173,076	1,650	55,391	8,295		3,913	12,208	242,325	3,276	16,838	22,563	W. McCracken
W. Shelby	604,518	1,181,359	899,160	463,675	28,763		38,500	530,938	207,258	18,000	62,367	23,695			23,695	311,320	17,573	17,799	21,599	W. Shelby
W. Fleming	556,487	801,728	582,414	66,487	80,015	77,659	48,041	272,202	155,711	10,800	60,150	14,838	44,553		59,391	286,052	9,041		13,113	W. Fleming
W. Lewis	602,116	720,496	411,174	35,719	39,288	16,345	31,295	122,647	166,820	11,100	50,416	51			51	228,387	15,219		45,221	W. Lewis
W. Mason	423,672	482,032	353,540	17,320	31,317		28,449	77,086	117,133	7,850	59,481	16,385	34,886		51,271	235,715	13,550	17,415	7,774	W. Mason
2008 Data	LEGEND:		Exp > Rev	Drinking Water Producers						Contract Operations/Management				> 10%			2008 Data			

Water District	Revenue		Operating Expenses	Commodities				Total	Employees & Commissioners			Contracted Services			Total	Other Expenses			Water District		
	Residential	Total		Water	Power	Chemicals	Supplies		Salaries	Comm.	Fringe	Leg/Acct	Other	Testing		Subtotal	Insurance	Trens		Misc	
W. Pulaski	2,134,930	2,324,087	1,829,241	975,740	50,346		130,334	1,156,420	260,096	11,600	85,361	46,781	101,429	13,555	161,765	518,822	29,392	37,996	62,166	W. Pulaski	
Whitley	1,564,081	1,676,477	1,297,174	714,187	4,681	706	56,077	775,651	191,281	10,999	61,808	16,200	38,515		54,715	318,803	26,497	31,689	147,434	Whitley	
Wood Creek	1,590,263	3,755,253	2,735,981		367,418	287,365	365,382	1,020,165	1,388,160		97,716	17,700		1,056	18,756	1,502,632	48,033	71,868	93,282	Wood Creek	
2008 Data	LEGEND:		Exp > Rev	Drinking Water Producers																	2008 Data
(117) Totals	\$ 160,761,969	\$ 213,852,861	\$ 154,015,853	\$ 42,250,797	\$ 9,294,335	\$ 4,147,288	\$ 11,522,148	\$ 67,214,568	\$ 38,171,825	\$ 1,632,293	\$ 15,867,267	\$ 1,791,144	\$ 14,379,595	\$ 3,873,582	\$ 20,944,321	\$ 75,715,706	\$ 2,628,161	\$ 2,684,592	\$ 5,861,562	Totals (117)	
Average:	\$1.42 M	\$1.69 M	\$1.37 M	27%	6%	3%	7%	48.8%	25%	1%	10%	1.2%	9.3%	2.5%	13.0%	49.2%	1.6%	1.7%	1.9%		

Connections:	Residential	Total
	482,320	509,248
	95%	

\$ per connection / per month

Residential	Total	Expenses
\$ 28.69	\$ 36.26	\$ 26.16

Utilities in Kentucky & the U.S.



North Marshall Water District
August 11, 2019



National Trends

Environmental Regulation

Pre-1900	Private/Unregulated
1900-1975	Urban/Self-Monitored
1950-	Suburban/Rural Expansion
1970-	Regulation by Experts
1980-	Increased Utility Involvement



National Trends

Environmental Protection Agency

1974	Safe Drinking Water Act (SDWA)
1986	Reauthorized (Bad!)
1996	Reauthorized (Better)
1976	Clean Water Act (CWA)
	Various Amendments



Kentucky Trends

Environmental Regulation

Safe Drinking Water Act (SDWA)

Kentucky was granted "Primacy" over the SDWA regulations by the USEPA. The Kentucky Division of Water (DOW) is the state agency that is responsible for the implementation of all of these rules and regulations.



Kentucky Trends

Environmental Regulation

Kentucky Public Service Commission (PSC)

The PSC has regulated water districts (rates, tariffs and customer service) since the beginning of their formation in the 1950s.

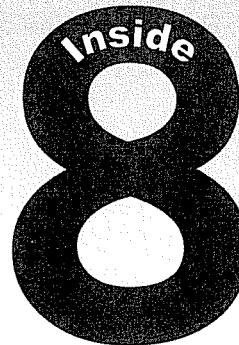
Forms of Water Utilities

- 1) Municipal (KRS 96)
 - ◊ 6th Class Cities
 - ◊ Mayor/Council
 - ◊ Utility Commission
- 2) Water District
 - ◊ KRS 74
- 3) Water Association
 - ◊ KRS 273
- 4) Investor Owned/Private
- 5) Water Commission
 - ◊ KRS 74.420-520

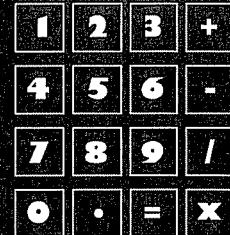


Forms of Wastewater Utilities

- | | |
|--------------------------------|---|
| 1) Municipal (KRS 96) | 5) Joint Sewer Agency |
| ▪ 6th Class Cities | ▪ KRS 76 |
| ▪ Mayor/Council | 6) Regional WW Commission |
| ▪ Utility Commission | ▪ KRS 76 |
| 2) Sanitation District | 7) Sanitation Authority |
| ▪ KRS 67 or 220 | ▪ Interlocal Coop. Act (KRS 65.210-300) |
| 3) Sewer District | ▪ KRS 273 |
| ▪ KRS 74 | ▪ KRS 58 |
| 4) Metropolitan Sewer District | 8) Investor Owned Sewer |
| ▪ KRS 76 | |



the NUMBERS



What is a Public Water System?

Community (Utility)

- ♦ serves 25 persons or 15 connections
- ♦ year-round
- ♦ i.e.; municipalities, mobile home parks, condos, residential institutions, housing developments, privates, districts, associations

Non-Community

- ♦ serves 25 person or 15 connections
- ♦ less than year-round, at least 60 days
- ♦ i.e.; motels/resorts, schools (non-resident), restaurants, parks, camps, industries, churches, public buildings, clubs, airports, marinas, medical care facilities



Nationally (2010)

Public Water Systems

Community (Utility)	52,873
Non-Community	107,072
Non-Transient	19,400
Transient	87,672
Total	159,945



Nationally

Community Water Systems (Utilities)


Category	Population	Connections
Very Small	500 or less	200 or less
Small	501 - 3,300	201 - 1,320
Medium	3,301 - 10,000	1,321 - 4,000
Large	10,001 - 100,000	4,001 - 40,000
Very Large	>100,000	>40,000



Nationally (2010)

Community Water Systems (Utilities)


		% CWS	% pop.
Very Small	29,711	56%	2%
Small <small>500 or less</small>	14,031	27%	7%
Medium <small>501 - 3,300</small>	4,914	9%	10%
Large <small>3,301 - 10,000</small>	3,801	7%	36%
Very Large <small>10,001 - 100,000</small>	416	1%	46%
	52,873		



Kentucky (2010)

Public Water Systems


	Kentucky		United States	
Very Small <small>500 or less</small>	63	15%	29,711	56%
Small <small>501 - 3,300</small>	129	30%	14,031	27%
Medium <small>3,301 - 10,000</small>	123	29%	4,914	9%
Large <small>10,001 - 100,000</small>	105	25%	3,801	7%
Very Large <small>> 100,000</small>	3	1%	416	1%
	423		52,873	



Kentucky (2010)

Community Water Systems (Utilities)

	MUN	WD	WA	PRI	TOTAL	%
Very Small <small>500 or less</small>	1	3	-	17	21	5
Small <small>501 - 3,300</small>	89	21	4	6	120	32
Medium <small>3,301 - 10,000</small>	60	52	7	4	123	33
Large <small>10,001 - 100,000</small>	51	40	11	3	105	28
Very Large <small>> 100,000</small>	1	1	-	1	3	1
	202	117	22	31	372	




Kentucky (2010)

Community Water Systems (Utilities)

	Connections	
Municipal	202	900,577
Water District	117	517,442
Water Association	22	71,564
Private	31	153,095
	1,642,678	$\times 2.5 = 4,106,695$

95% of total population served by CWS




Kentuckians Served

by Community Water Systems (Utilities)

1999	3,300,000 served	85%
2001	3,500,000 served	87%
2004	3,750,000 served	90%
2006	3,800,000 served	92%
2010	4,100,000 served	95%

The Progress Continues!




Kentucky (2010)

Community Water Systems (Utilities)

Serving More Than 1500 Connections

Municipal	65 of 202	32%
Water District	61 of 117	52%
Water Association	11 of 22	50%
Private	4 of 31	13%
	141 of 372	38%



Kentucky (2010)

Wastewater Utilities (WWU)

	Connections	
Municipals	206	758,114
Water Districts	23	22,542
Sanitation Districts	14	140,952
Privates	44	9,491
	931,099	$\times 2.5 = 2,327,748$

54% of total population served by WWU



FACT!

Kentucky is the only state in the United States where more than half (68%) of its public water systems rely on surface water as its source for drinking water.

Nationally: 78% of CWS rely on groundwater.
91% of PWS rely on groundwater.



Natural Consolidation

YEAR	INCWS	NIINCWS	CWS	PWS	CHANGE
1975	1058	252	868	2178	
1980	805	252	755	1812	-17%
1990	400	215	639	1254	-31%
2000	199	85	497	781	-38%
2010	49	26	409	484	-38%
Today	32	19	372	423	-13%

Board and Manager



Effective Communications for Utility Boards and Managers

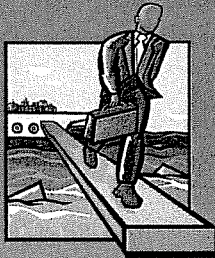
Board and Manager



“The problem with communication...is the illusion that it has been accomplished.”

George Bernard Shaw

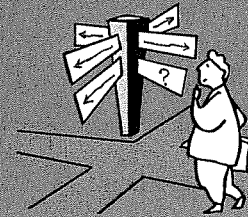
Is this how your Manager feels?



Board and Manager



Board member! Is this how you feel?



Board and Manager



Effective Communication
is a Two-way Street!

Board Management

Management Board

Board and Manager



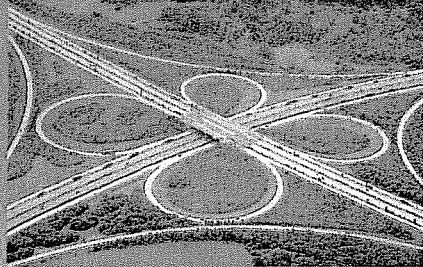
A Good Board...

...hires an effective Manager.

Board and Manager



Is Effective Communication Just a Two-way Street?



Board Manager



A Good Board...

- Seeks to Understand the "Big Picture"
- Sets and Approves Reasonable Policies
- Reviews and Follows Policies!
- Gives Manager Direction and Flexibility
- Fairly Evaluates the Manager
- Doesn't Micro-manage!

Board Manager



A Good Manager...

...develops an effective
Board.

How?

Board Manager



A Good Manager...

- Provides Accurate Information to the Board
- Helps Board Set Reasonable Policies
- Implements and Follows Policies!
- Employs and Directs the Staff
- Is Professional in all Relationships
- Doesn't Micro-manage!

Board Manager



Board Policies

- Budgets (Operating & Capital)
- Personnel
- Compensation & Classification
- Purchasing
- Investment
- Rates and Charges
- Customer Service

Board Manager



Budgets

- Budgets are the Board's ultimate policy tool – no activity can legally be accomplished without budget authorization from the Board.

Board Manager



Budgets

- Budgets should be prepared by Management with Staff input and Board oversight and approval.
- Budget Committee?

Board / Manager



Budgets

- Budgets are not chiseled in stone – they should be flexibly-followed.

If conditions warrant change, amend the budget!

Board / Manager



Budgets

- A Capital Budget is a longer-term plan for improvements and additions to the utilities infrastructure.
- 3 years? 5 years? 10 years? 20 years?

Board / Manager



Personnel

- Personnel Policies (including Classification & Compensation Plans) are a Manager's most important Policy tool!

Board / Manager



Personnel

- Personnel Policies should be developed with significant input from the Board, Management, and Staff.
- They should always be reviewed by an attorney with experience in personnel and labor laws.

Board / Manager



Purchasing

- Consider adopting the Kentucky Model Procurement Code (KRS Chapter 45A).
- Establish a Small Purchases Policy and set minimum threshold amounts.

Board / Manager



Investments

- Adopt a written Investment Policy that establishes how, when and where surplus funds are invested.

Board Manager



Rates and Charges

- Adopt cost-based rates and charges.
- Review rates and rate structures periodically.
- Keep your customers informed.

Board Manager



Customer Service

- Keep your customers informed!
- Keep your customers informed!!
- Keep your customers informed!!!

Board Manager



Customer Service

- Develop a customer-first approach.
 - New-Customer Package
 - Public Relations and Promotion
 - Stress Customer-Friendliness

If you make doing business easy for your customer, you make doing business easier!

Board Manager



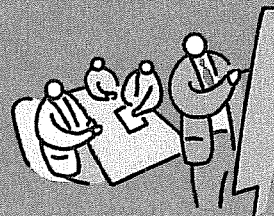
Board Reports

- What does the Board want to see?
- What does the Board need to see?
 - Technical Reports?
 - Financial Reports?
 - Management Reports?

Board Manager



Boardsmanship



Roles and Responsibilities of Utility Board Members

To Govern...

not

...Manage.

Boardmanship



Specific Duties of a Board

- Hire, evaluate and compensate a Manager
- Adopt Policies
- Adopt and Amend Budgets
- Adopt Long-range Plans
- Adopt Rates, Rules & Regulations (Tariffs)

Boardmanship



Individual Board Members...

**...act in the best interest
of the utility.**

Boardmanship



Specific Duties of Board Members

- Stay informed
- Attend meetings regularly
- Perform tasks assigned by Board
- Support decisions of the Board
- Keep Board matters confidential
- Avoid Conflict of Interest

Boardmanship



Board Officers

Offices of a Water District (KRS 74.020(5))

Chairman

Vice Chairman (Optional – No statutory authority)

Secretary

Treasurer

Boardmanship



Board Officers

Chairman or President

- Preside over meetings
- Sign warrants (KRS 74.050)
- Prepare meeting agendas
- Call special meetings
- Execute documents approved by Board
- Perform other duties assigned by Board
- Perform other duties specified in Bylaws or Ordinance

Boardmanship



Board Officers

Vice Chairman or Vice President

No statutory duties (Water District or Utility Commission)

Preside over meetings in absence of Chairman or President

Perform other duties assigned by Board

Perform other duties specified in Bylaws or Ordinance

Boardsman@hlp



Board Officers

Secretary

Cause the Minutes of all meetings to be prepared

Act as custodian of official records

Countersign warrants (KRS 74.050)

Authenticate official records

Perform other duties assigned by Board

Perform other duties specified in Bylaws or Ordinance

Boardsman@hlp



Board Officers

Treasurer

Cause all funds to be disbursed according to law and procedures adopted by Board

Perform other duties assigned by Board

Perform other duties specified in Bylaws or Ordinance

Boardsman@hlp



Legal Standard of Care

The "PIG" Rule

If it seems "piggish" to you, it probably is!

...so keep your snout in your own trough!



Boardsman@hlp



Legal Standard of Care

Water Districts and Utility Commissions

No statutory standard of care but the case law standard requires...

Good faith

Reasonable care and diligence

Acting within the scope of authority

The statutory standard of care for water association directors is instructive for water districts and utility commissions.

Boardsman@hlp



Legal Standard of Care

"Informed Basis" KRS 273.215(2)

A director shall be considered to discharge his duties on an informed basis if he makes, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, inquiry into the business and affairs of the corporation or into a particular action to be taken or decision to be made.

Boardsman@hlp



Legal Standard of Care

Reliance on Information KRS 275.214(3)

A director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

Officers or employees of the corporation whom the director honestly believes to be reliable and competent;

Legal counsel, public accountants or other experts as to matters the director honestly believes to be within that expert's area of expertise; or

A committee of the board of directors of which he is not a member if the director honestly believes the committee merits confidence.

Boardmanship



Legal Standard of Care

Exceptions may be made in instances where a director possesses special knowledge that indicates alternative action is prudent and necessary.

Boardmanship



Board Meetings

- Regular Meetings
- Special Meetings
- Preparing for Meetings
- Conduct of Meetings
- Action by Individual Board Members Outside of Meetings

Boardmanship



Board Meetings

Regular Meetings

- Adopt a regular meeting schedule
 - Set time, date and location
- Inform the Media (radio, print, television)
- Inform the Public (bills, website, newsletter)

Boardmanship



Board Meetings

Special Meetings

- Who calls a special meeting?
- Notice of meeting
 - Board Members, Media, General Public
- Agenda – action limited to agenda items
- How much advance notice is required?

Boardmanship



Board Meetings

Preparing for Meetings

- Develop an Agenda
- Prepare an Information Packet for Board Members
 - Delivered in advance (between two days and one week)
- Contents
 - Meeting Agenda
 - Minutes of prior meeting
 - Operational, Management & Financial Reports
 - Other information

Boardmanship



Board Meetings

Conduct of Meetings

- Follow the Agenda
- Use Parliamentary Procedure
- Voting by Chairman or President?
- Public Comment
- Closed (Executive) Session

Boardmanship



Board Meetings

Action By Individual Board Members Outside of Meetings

- Officers
- Other Board Members

Boardmanship



Board Minutes

A Board "speaks only through its minutes."

Boardmanship



Board Minutes

Preparation of Minutes

Who prepares minutes?

- Board Secretary or Staff

Who edits minutes?

- Staff or legal counsel

Are meetings recorded on audio and/or video?

Signing and Approval of Minutes

Boardmanship



Board Minutes

A complete set of approved Minutes should be maintained at the utility office for inspection by the general public and the media.

When are the Minutes considered in "final form" and available for public inspection?

Boardmanship



Parting Thought

Every utility's Board should develop and adopt a "Board Governance & Policy Manual."

Questions?

Boardmanship

