

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
LETCHER COUNTY WATER & SEWER DISTRICT)	2022-00431



RESPONSE OF LETCHER COUNTY WATER & SEWER DISTRICT
TO THE COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION DATED JUNE 7, 2023

Letcher County Water & Sewer District
Case No. 2022-00431
Commission Staff's Third Request for Information

1. Refer to Letcher District's response to Commission Staff's Second Request for Information, Item 5.a. Provide an itemized list of the revenues that were recorded in Other Miscellaneous Income of \$58,272.

Response: This amount was the result of an insurance settlement the District received related to a case of property damage.

2. Refer to Letcher District's response to Commission Staff's First Request for Information (Staff's First Request), Item 17, 17_LCWSD_NonRecurring_Charge.pdf and to Letcher District's filed water tariff at sheet No.6, D. Special Non-Recurring Charges.

a. Provide a table that identifies the number of occurrences for each tariffed nonrecurring charge that was assessed during the calendar year 2021.

Response:

Late Fee's	7,964
Reconnect Fee's	155
Returned Check	16

b. Provide a table that lists the total amount collected for each tariffed nonrecurring charge that Letcher District assessed in the calendar year 2021.

Response:

Late Fee's	\$35,060.58
Reconnect Fee's	\$5,271.35
Returned Checks	\$453.11

3. Refer to Letcher District's response to Staff's First Request, Item 15.a., 15a_LCWSD_New_Connections.pdf.

a. Identify by meter size the number of new connections (meter tap-ons) that Letcher District installed in calendar year 2021.

Response: 36 tap-ons all Meter Size 5/8" x 3/4"

b. For each meter size Identify the total amount of tap-on fees Letcher District collected in calendar year 2021.

Response: See Letcher's response to Staff's First Request, Item 15.b_LCWSD_Tap_Fee_Collected. As indicated in that response, the amount for 2021 was \$23,281.35.

4. Refer to Letcher District's response to Staff's First Request, Item 15.c., 15a_LCWSD_New_Connections.pdf. Identify the revenue account in the 2021 Annual Report where Letcher District recorded its tap-on fees collected in calendar year 2021.

Response: Nonutility Income (421).

5. Refer to Letcher District's response to Staff's First Request, Item 1. Provide an itemized schedule that includes a detailed description of each entry made to the following operating expense accounts and copies of the supporting invoices.

- a. Account 620.50 – Materials and Supplies \$106,088.
- b. Account 636.00 – Contract – Other \$53,512.

Response: See: 5a_LCWSD_Materials_&_Supplies_Invoices
5a_LCWSD_Miscellaneous_Invoices
5a_LCWSD_Repairs_Maintenance_Invoices
5b_LCWSD_Contract_Labor_2021

Supplied are the invoices that are the bulk of the \$106,088 that comprise Account 620.50. The other accounts in the Materials and Supplies - Account 620.50 are self-explanatory items such as Postage, Training, etc., that are immaterial amounts in the overall account total. See: LCWSD_WTB_to_PSC_reconciliation_2021

6. Refer to Letcher District's response to Staff's First Request, Item 2, Excel Workbook: 2_LCWSD_Staffing_Records.xlsx; Tab 2023. Provide the salary that Letcher District is paying its General Manager in Calendar year 2023.

Response: \$81,901.04

7. Refer to Letcher District's response to Staff's First Request, Item 4.

a. Confirm that Letcher District's employees who elected to receive health insurance benefits in calendar year 2023 receive single coverage. If this cannot be confirmed, identify by employee position the type (i.e., Single, Family, Employee/Spouse, or Parent Plus) of health insurance coverage that they elected to receive.

Response: All of Letcher District's employees have single coverage health insurance.

b. For each employee benefit listed in Letcher District's response to Item 7a. above, provide the total monthly insurance premium per employee, the employer premium contribution, and the employee premium contribution.

Response: See: 7b_LCWSD_Insurance

8. Provide a detailed explanation of the relationship between the Letcher County Fiscal Court and Letcher District regarding the General Auditing Standards Board (GASB) 68 reporting requirements for county Employee Retirement System (CERS).

Response: Employees of the Letcher County Water and Sewer District participate in the Letcher County Fiscal Court's pension and health insurance plans. The fiscal court provides invoices to Letcher County Water and Sewer District identifying their financial obligation of the monthly health insurance and pension expenses. Upon receiving the invoices Letcher County Water and Sewer District remits a check to the Letcher County Fiscal Court for the amount indicated on the invoice.

9. Identify the party that is responsible for complying with the requirements of GASB 68.

Response: Letcher County Fiscal Court is responsible for complying with GASB 68 requirements.

10. Identify the actual CERS employer contribution paid and reported by Letcher District in calendar year 2021.

Response: See: 10_LCWSD_Retirement_2021

Each invoice in this file is what Letcher County Water and Sewer District receives from the Letcher County Fiscal Court each month. The top of each invoice is the amount for CERS that Letcher County Water and Sewer District owes the Fiscal Court for each month.

11. Identify the operating expense account where Letcher District reported its CERS contribution.

Response: Employee Pensions and Benefits (604).