

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING) CASE NO.
OF POWELL'S VALLEY WATER DISTRICT) 2023-00387

VERIFICATION OF KENDELL KNOX

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF Powell)

Kendell Knox, Manager of Powell's Valley Water District, states that he has supervised the preparation of certain responses to the second Request for Information in the above-referenced case and that the matters and things set forth are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

Kendell Knox
Kendell Knox

The foregoing Verification was signed, acknowledged and sworn to before this ___ day of April, 2024. By Kendell Knox.

Ashley Road

Commission expiration: February 17, 2024

POWELL'S VALLEY WATER DISTRICT
CASE NO. 2023-00387 RESPONSE TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

1. Refer to Application, Schedule of Adjusted Operations and References. For each reference item that states an allocation to sewer as shown below, confirm that the water annual report contains the amount that would be allocated to sewer. If not confirmed, explain why not.

Description	Reference	Amount Allocated to Sewer
Salaries and Wages - Employees	S	\$21,385
Salaries and Wages - Commissioners	U	464
Employee Pension and Benefits	V	4,991
Employee Pension and Benefits	W	11,872
Contractual services - Acct	J	231
Postage	J	538
Telephone	J	343
Transportation Expense	J	840
Insurance - General Liability & Other	J	559
Insurance - Workers Comp	J	394
Insurance - Other	J	427
Total		\$42,044

Response: Confirmed. Note that the expense amount is based on the proforma expense amount.

Witness: Kendell Knox

2. Refer to Table above, confirm expenses reported in sewer annual report do not include the amounts listed in the table above.

Response: Confirmed

Witness: Kendell Knox

3. Refer to General Ledger Account 00620-0008, Operating & Maintenance Supply.

a. Explain, in general, the designation of payments to Whitaker Bank for the General Ledger Account 00620-0008 and why amounts are listed for Whitaker Bank rather than the entity from which the goods or services was purchased.

Response: The designation of payments to Whitaker Bank for the General Ledger Account 00620-008 is usually on the Visa card that the district has. In the GL it will show as Whitaker Bank instead of who we purchased from.

Witness: Kendell Knox

b. For each item listed in the table below provide the following: a copy of each invoice, a description of item purchased, purpose of purchase, and whether each item should have been capitalized. Additionally, for duplicate dollar items (Ditch Witch and Whitaker Bank), explain whether the amounts are installments made for a single item purchase. If Powell's Valley District believes its classification as an expense verses capital is proper, explain why.

Description	Reference Number	Transaction Date	Amount
389 14024 Whitaker Bank, Inc	Draft 8/25/2	8/25/2022	3,056.61
411 13993 Marty's Refrigeration, I	CK# 18468	8/30/2022	2,250.00
410 14057 Ditch Witch Mid-States	CK #18478	9/13/2022	5,383.39
410 14170 Ditch Witch Mid-States	CK# 18517	10/12/2022	5,383.39
389 14368 Whitaker Bank, Inc	Draft 10/25/	10/25/2022	5,514.00
72 14300 Kentucky Auto Parts Sale	CK# 18562	11/14/2022	4,566.94
389 14372 Whitaker Bank, Inc	Draft 11/25/	11/25/2022	5,514.00

Response:

- **Whitaker Bank \$3056.61- this item was paid on the visa card from Whitaker Bank. I have attached an invoice for this amount.**

- **Marty's Refrigeration- The district had to get a new ice machine so the water and sewer split the cost**

- Ditch Witch-the check dated 9/13/2022 ck# 18478 was voided due to being lost in the mail. I have attached the invoice and something from Whitaker Bank showing we put a stop payment on the check number
- Ditch Witch- the check dated 10/12/2022 ck# 18517 was sent out replacing the first one that was lost.
- Whitaker Bank- 10/25/2022 \$5514.00 this item was paid on the visa card from Whitaker Bank, it wasn't supposed to be entered until the next month and I accidentally added it with that month's statement.
- Kentucky Auto Parts- one of the districts trucks were broken down and had to get a new transmission.
- Whitaker Bank- 11/25/2022 \$5514.00 this item was paid on the visa card from Whitaker Bank, invoices for each amount are attached. See file attached file titled, **3_B_Invoices.pdf**

Witness: Kendell Knox

4. Refer to General Ledger Account 00642-0001, Backhoe Expense. For each item listed in the table below, provide the following: a copy of each invoice, a description of item purchased, purpose of purchase, and whether each item should have been capitalized. If Powell's Valley District believes its classification as an expense verses capital is proper, explain why.

Transaction Date	Description	Reference Number	Amount
01/31/22	349 13200 Ledford Backhoe Services	CK# 18245	\$3,450.00
03/29/22	349 13376 Ledford Backhoe Services	CK# 18299	\$4,400.00
04/25/22	349 13485 Ledford Backhoe Services	CK# 18318	\$3,350.00
05/23/22	349 13583 Ledford Backhoe Services	CK# 18341	\$3,050.00
06/24/22	349 13686 Ledford Backhoe Services	CK# 18378	\$2,800.00
07/29/22	349 13827 Ledford Backhoe Services	CK# 18425	\$3,250.00
08/19/22	349 13962 Ledford Backhoe Services	CK# 18449	\$1,800.00
09/30/22	349 14122 Ledford Backhoe Services	CK# 18506	\$3,850.00
10/21/22	349 14208 Ledford Backhoe Services	CK# 18523	\$2,300.00
12/07/22	349 14398 Ledford Backhoe Services	CK# 18588	\$3,950.00

Response: The district believes these should be classified as an expense and not capitalized because he is contracted out to do the work that is needed for the district. See the attached files titled: 4_Invoices.pdf

Witness: Kendell Knox

5. Refer to the Powell's Valley Water District's response to the Commission Staff's First Request for Information, Item 21. Using the format below, provide the number of occurrences for each nonrecurring charge that was recorded during the test year and the total amount recorded for each nonrecurring charge for the water division. If the revenue for any nonrecurring charge was zero, include that charge and indicate that no revenue was recorded. Include the general ledger account numbers where each nonrecurring charge is recorded.

	Occurrences	Current Charge	Total Collected
Broken Lock Fee	7	100.00	700.00
Connection/Turn-on Charge	230	20.00	4600.00
Connection/Turn-on Charge (After Hours)		50.00	
Field Collection Charge		20.00	
Meter Relocation Charge		20.00	
Meter Re-read Charge		20.00	
Meter Test Charge	2	45.00/745.00	790.00
Reconnection Charge	383	40.00	15,320.00
Reconnection Charge (After Hours)		50.00	
Returned Check Charge	9	2.00	18.00
Service Call/Investigation		20.00	
Service Call/Investigation (After Hours)	4	50.00	200.00

Response: See also the attached files containing the updated cost justification sheets for nonrecurring charges requested in Staff's first request for information item 21.

Witness: Kendell Knox