

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF	)	CASE NO.
ALLEN COUNTY WATER DISTRICT	)	2025-00014

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RESPONSE OF ALLEN COUNTY WATER DISTRICT  
TO THE COMMISSION STAFF'S SECOND REQUEST FOR  
INFORMATION DATED APRIL 8, 2025

**Commission expiration:**



**Allen County Water District  
Case No. 2025-00014  
Commission Staff's Second Request for Information**

**Witnesses:** Samantha Keri Hill #2-8  
Robert K. Miller # 1 and 9

1. Refer to the Application, Attachment 4, Revenue Requirements Table. Also Refer to Allen District's response to Commission Staff's First Request for Information (Staff's First Request), Item 1b, 1b\_Trial\_Balance\_2023.xlsx, Account 419 Interest and Dividend Income. In the Revenue Requirement table, Allen District reported test year interest income of \$2,605; however, the test year trial balance reports interest income of \$121,796. Reconcile and explain the discrepancy between these amounts.

**Response: Interest Income was listed incorrectly in the Revenue Requirements Table as \$2,605. Instead, Interest Income should have been listed as \$121,796.**

2. Refer to Allen District's response to Staff's First Request, Item 6, 6\_Payroll\_2023.xlsx, Row 5 Janitorial Pay. Provide an explanation for the purpose of the designation of Janitorial pay.

**Response: Allen County Water District did have a janitor up until 2022 that would work 16 hours a week. He decided to leave his position in March 2022 and instead of hiring an outside source we ask if any of our employees would like to take on the janitorial role for the office and the shop for extra money. We had two people to want to split the work for the office until 2023 and one employee at the shop wanted to take on the duties. In 2023, one of the employees in the office decided to give up janitorial duties. As of now we only have a designated person to clean the shop and everyone at the office cleans their own space because the office employee that was designated to clean was terminated.**

3. Refer to Allen District's response to Staff's First Request, Item 6. 6\_Payroll\_2023.xlsx, Row 13, Bonus. Provide an explanation for the Bonus pay, including board minutes approving the benefit, how eligibility is determined, and how compensation is calculated. In the response, provide a copy of any written utility policy explaining the bonus.

**Response: Allen County Water District Board of Commissioners vote to give their employees a Christmas incentive every year and they decide on the**

**amount across the board for the employees after taxes. See previously submitted files:**

<b>12_Meeting_Minutes_2023</b>	<b>November 14, 2023</b>
<b>12_Meeting_Minutes_2024</b>	<b>November 12, 2024</b>

4. Refer to Allen District's response to Staff's First Request, Item 6. 6\_Payroll\_2023.xlsx. Provide the number of compensated straight time annual hours for a full-time hourly employee.

**Response: Allen County Water District full-time employees work 2080 hours per calendar year. However, each fulltime employee that has been employed for 1 year receives 40 vacation hours and 40 sick hours per calendar year and each full-time employee that has been employed with the company for 2-10 years receives 80 vacation hours and 40 sick hours per calendar year. Every full-time employee that has been employed for over 10 years receives 120 vacation hours and 40 sick hours per calendar year. Every full-time employee can roll over up to 80 hours per calendar year of sick hours. If an employee does not use his vacation time; then that time gets paid out to those employees. For instance, one employee has been with the company for 24+ years (Field Operator 3) and never takes a vacation, so he would get a total of 2200 hours paid out for the year. Employees cannot roll over vacation time.**

**See file: 4\_Policy\_Excerpt**

5. Refer to Allen District's response to Staff's First Request, Item 6. 6\_Payroll\_2025.xlsx. Provide the current Annual Salary for the General Manager, Finance/Office Manager, and the Field Operations Manager.

**Response: Allen County Water District Salaries for 2025 are:**

<b>General Manager</b>	<b>\$76,310.21 (\$36.69 per hour)</b>
<b>Field Operations Manager</b>	<b>\$61,360.00 (\$29.50 per hour)</b>
<b>Finance/Office Manager</b>	<b>\$61,360.00 (\$29.50 per hour)</b>

6. Refer to Allen District's response to Staff's First Request, Item 12. 12\_Meeting\_Minutes\_2025. The attached 2025 minutes include the minutes for the month of January. Commission Staff notes that Staff's First Request, Item 12 is a continuing request through the date of issuance of Commission Staff's Report. Update this request accordingly.

**Response: See file 6\_Meeting\_Minutes\_2025**

7. Refer to Allen District's response to Staff's First Request, Item 14. Commission Staff requested fiscal court minutes providing the appointment and compensation authorization for the Board of Commission members. In its response, Allen District provided the fiscal court minutes providing the appointment of commissioners. However, it did not provide any minutes providing compensation authorization. Provide the fiscal court minutes authorizing compensation for the Board of Commission members.

**Response: See file 7\_Fiscal\_Court\_Minutes**

8. Refer to Allen District's response to Staff's First Request, Item 1a, 1a\_General\_Ledger\_2023.xls, Account 620.5 Materials – Transmission Distribution Operations, and Account 620.7 Materials – Customers' Accounts. Also refer to the chart below.

Account Number	Date	Number	Name	Amount
620.5	2/7/23	15301	Allen County Fiscal Court	\$ 3,591.00
620.5	3/2/23	15358	USA Bluebook	3,064.87
620.7	2/7/23	15304	Data Prose	4,516.94

- a. Provide copies of each invoice for the items listed.

**Response: See file 8a\_Invoices**

- b. Describe each purchase and state whether the item should have been capitalized.

**Response:**

**Allen County Fiscal Court**

The invoice for the Allen County Fiscal Court in the amount of \$3,591.00 was for water that was purchased for our customers for a period of time during the artic freeze between December 2022 and January 2023. We had several customers that were without water because their personal lines had frozen and/or busted so we were trying to help them out. We stored the water in the shop for easy access for them to come by and pick up at their convenience. We used code 620.5 because items were located at the shop, and this was the first time we had ever done this. This should not be capitalized.

**USA Bluebook**

The invoice for the USA Bluebook in the amount of \$3,064.87 was for materials that are used at the shop daily and that are needed for our

**employees' PPE. This should not be capitalized.**

**Data Prose**

**The invoice for Data Prose in the amount of \$4,516.94 is for our third-party billing company. Code 620.7 is the original code that we used for postage for mailing bills but after audit this was switched to a contracted service which is code 636. This invoice should have been coded 636. This should not be capitalized.**

- c. If Allen District believes its classification of each purchase as an expense is proper, explain the reasoning.

**Response: Each of these expenditures were for supplies or contractual services that are appropriately expensed in the current period.**

- d. If Allen District believes that one or more of the transactions should be capitalized, provide the appropriate NARUC useful life for the item.

**Response: None of these items should be capitalized.**

- 9. Refer to Allen District's response to Staff's First Request, Item 20b and 20d. Reference is made to Ohio District in 20b and Webster District in 20d. Confirm whether these responses are meant for Allen District and that the responses given pertain to the utilities referenced in the responses or to Allen District.

**Response: The response to Question #20b was incorrect. It should have read as follows: "Material changes to Allen District's system would cause a new COSS to be prepared."**

**The response to Question #20d was also incorrect. It should have read as follows: "Allen District was unable to locate a copy of the prior COSS."**