

NORTH MARSHALL WATER DISTRICT
CASE NO. 2025-00102 RESPONSE TO
COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION

1. Provide the following information related to billing and general ledger software:

a. State whether the billing software and general ledger/financial management software are separate or integrated.

Response: Integrated.

Witness: Shannon Elam

b. Provide the brand or common name for each software.

Response: Ampstun

Witness: Shannon Elam

c. State whether each software is locally installed on a utility-owned computer or is a subscription service that is internet-based.

Response: Subscription service that is internet-based.

Witness: Shannon Elam

d. If locally installed, state the installation date for each software.

Response: N/A

Witness: Shannon Elam

e. State whether each system is still serviced by the manufacturer and whether the utility maintains a service contract.

Response: Yes and Yes

Witness: Shannon Elam

2. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected. Employee names should be redacted from all documents.

a. The general ledger in Excel spreadsheet format with all transactions for each of the years ended December 31, 2023, December 31, 2024, and 2025 year to date.

Response: See the attached files titled:
2_(a)_NMWD_2023_Ledger_Analysis.xlsx
2_(a)_NMWD_2024_Ledger_Analysis.xlsx
2_(a)_NMWD_2025_Ledger_Analysis_YTD.xlsx

Witness: Shannon Elam

b. The trial balance in Excel spreadsheet format for each of the years ended December 31, 2023, and December 31, 2024.

Response: See the attached files titled:
2_(b)_NMWD_2023_Trial_Balance.xlsx
2_(b)_NMWD_2024_Trial_Balance.xlsx

Witness: Shannon Elam

c. Refer to the Application, Attachment_1_-6_NMWD_List_of_attachments.pdf, Attachment 4, Schedule of Adjusted Operations (SAO). Provide a cross-reference that matches each test year general ledger account to each revenue and expense line that is reported in the SAO and reconcile amounts that do not match the respective SAO line item.

Response: See the attached file titled:
2_(c)_NMWD_2023_SAO_Info.xlsx

Witness: Shannon Elam

3. Refer to the Application, SAO, Adjustment I. Provide the following information regarding the proposed rate case amortization expense.

a. State whether the cost for this case is a fixed amount or indicate whether the quoted amount may increase or decrease.

Response: The District enlisted the services of KRWA, the agreement is provided in response to item 3.b. The District does not anticipate a variation from the contracted amount.

Witness: Shannon Elam

- b. Provide a copy of the quote for the preparation of the rate case.

**Response: See the attached file titled:
3_(b)_KRWA Rate Study.pdf**

Witness: Shannon Elam

- c. Confirm that the anticipated rate case expense will be paid for by North Marshall District and not paid for by a third party, i.e. grant funding. If not confirmed, provide the source of funding.

Response: Confirmed

Witness: Shannon Elam

4. Using a table format, provide an Excel spreadsheet with all formulas, rows, and columns fully accessible and unprotected that lists each position (Position 1, Position 2, etc.) job title, hours worked, pay rate, total wages paid, and total FICA cost for each employee for the years ended December 31, 2023, and December 31, 2024. Overtime hours worked and paid at rates greater than the straight time pay rate should be separated from on-call hours paid. Include the date the employee was hired and, if applicable, the employee's termination date. The table should include a column for total wages by employee (regular wages and overtime) and a row for all employees' total hours worked, wages, and FICA. Employee names should be redacted from all documents.

- a. If a position is recently vacated but the intent is to fill it, note the vacancy and the amount of time that the position has been vacant.

**Response: See the attached file titled:
4_NMWD_Employee_Data.xlsx**

Witness: Shannon Elam

b. Identify the number of full and part-time positions that North Marshall

District considers full staffing level.

**Response: See the attached file titled:
4_NMWD_Employee_Data.xlsx**

Witness: Shannon Elam

c. Provide a summary of overtime hours worked and costs as a result

of vacant positions and thus, will be eliminated when the vacant positions are filled.

**Response: See the attached files titled:
4_NMWD_Employee_Data.xlsx**

Witness: Shannon Elam

d. For any bonuses provide written personnel policies including a

description of the bonus measurement determinates.

**Response: See the attached file titled:
4_NMWD_Employee_Data.xlsx**

Witness: Shannon Elam

e. Identify if there has been a wage rate increase in 2025 and, if so, provide the Board minutes that authorize the new pay rate.

**Response: See the attached files titled:
4_NMWD_Employee_Data.xlsx**

Witness: Shannon Elam

f. Distribute the increase of \$116,654, from test year \$670,301 to the

pro forma \$786,955 in pro forma labor costs in the following table.

Description	Amount	Percent
Reported Test Year Wages	670,301	
Tap Fees/Capitalized	(19,750)	
Wage Rate Inflation		94%
Merit/Promotional Increases		2%
Positions Added Since Beginning of Test Year		3%

Turnover During Test Year
Pro Forma Wages

1%

\$786,955

Response: Two employees retired in 2024, a Class III operator and the general manager, both positions were filled. Two other employees left the system in 2024 and both positions were filled. All employees received a cost of living raise in December of percent. One Water Operator completed classes and received a pay raise for the certification upgrade in 2024. Another Water Operator completed classes and received a pay raise for certification upgrade in 2025.

The District has added three full-time positions. The District hired a new employee full-time for leak detection. The District reclassified a part time employee to a full-time maintenance employee who will focus on valve exercising. The District reclassified a part time employee to a full-time maintenance employee who will focus on the required lead and copper survey, when completed this position will transition to leak detection and general maintenance.

Witness: Shannon Elam

5. Provide a complete description of each employee benefit, paid to or on behalf of each employee for the calendar year 2023. Supplemental coverage for which the employee pays 100 percent of the cost should also be included. Employee names should be redacted from all documents.

a. Provide a copy of one invoice for 2024 and 2025 for each employee benefit described above.

Response: See the attached files titled:

5_(a)_NMWD_2024_Ameritas_Invoice.pdf

5_(a)_NMWD_2024_Cincinnati_Invoice.pdf

5_(a)_NMWD_2024_KACO_Invoice.pdf

5_(a)_NMWD_2024_Lincoln_Invoice.pdf

5_(a)_NMWD_2025_Ameritas_Invoice.pdf

5_(a)_NMWD_2025_Cincinnati_Invoice.pdf

5_(a)_NMWD_2025_KACO_Invoice.pdf

5_(a)_NMWD_2025_Lincoln_Invoice.pdf

5_North_Marshall_Water_2022-2023_Benefits_Guide.pdf

5_North_Marshall_Water_2023-2024_Benefits_Guide.pdf

Witness: Shannon Elam

b. State whether there were significant changes to any benefit coverage described above subsequent to the test year.

Response: There were no significant changes in benefit coverage subsequent to the test year.

Witness: Shannon Elam

c. Provide a copy of the most recent invoice for each employee benefit described above.

Response: See the response to 5(a).

Witness: Shannon Elam

d. Using the same table that lists each position and wage information, list each employee benefit (medical, dental, life, and others), the employee's contribution, the employer premium contribution, and any adjustments based on Bureau of Labor Statistics (BLS) contribution rate for insurance premiums, if applicable. If health insurance is provided, designate the coverage type (i.e., single, family, couple, or parent plus). If benefits other than medical insurance are provided, include a total column for the cost of all benefits, excluding the BLS adjustment.

Response: See the application Attachment 12 - NMWD Rate Study 25-102.xlsx, Wages tab. Also see the attached files titled: 4_NMWD_Employee_Data.xlsx

Witness: Shannon Elam

6. Provide certificates of insurance and most recent invoices for general liability, workers' compensation, automobile, property, and casualty for 2023, 2024, and 2025.

Response: See the attached files titled: 6_North_Marshall_Water_District_COI.pdf

Witness: Shannon Elam

7. Provide the minutes from North Marshall District's commissioner meetings for the calendar years 2023, 2024, and year to date 2025. Consider this a continuing request through the date of issuance of Commission Staff's Report.

a. Designate each action that authorizes hiring.

Response: See the attached files titled:

7_NMWD_Minutes_January_2023.pdf
7_NMWD_Minutes_February_2023.pdf
7_NMWD_Minutes_March_2023.pdf
7_NMWD_Minutes_April_2023.pdf
7_NMWD_Minutes_May_2023.pdf
7_NMWD_Minutes_June_2023.pdf
7_NMWD_Minutes_July_2023.pdf
7_NMWD_Minutes_August_2023.pdf
7_NMWD_Minutes_September_2023.pdf
7_NMWD_Minutes_October_2023.pdf
7_NMWD_Minutes_November_10_2023.pdf
7_NMWD_Minutes_November_28_2023.pdf
7_NMWD_Minutes_December_2023.pdf
7_NMWD_Minutes_January_2024.pdf
7_NMWD_Minutes_February_2024.pdf
7_NMWD_Minutes_March_2024.pdf
7_NMWD_Minutes_April_2024.pdf
7_NMWD_Minutes_May_2024.pdf
7_NMWD_Minutes_June_2024.pdf
7_NMWD_Minutes_July_2024.pdf
7_NMWD_Minutes_August_2024.pdf
7_NMWD_Minutes_September_2024.pdf
7_NMWD_Minutes_October_2024.pdf
7_NMWD_Minutes_November_21_2024.pdf
7_NMWD_Minutes_November_22_2024.pdf
7_NMWD_Minutes_December_2024.pdf
7_NMWD_Minutes_January_2025.pdf
7_NMWD_Minutes_February_2025.pdf
7_NMWD_Minutes_March_2025.pdf
7_NMWD_Minutes_April_2025.pdf

Witness: Shannon Elam

b. Designate each action that authorizes adjustments to wage rates and any other compensation or fringe benefit actions.

Response: Employee compensation is determined by the general manager and approved by the NMWD Board when approving the annual budget. See the following files provided in response to 7. (a) titled:

7_NMWD_Minutes_October_2023.pdf

7_NMWD_Minutes_November_21_2024.pdf

Witness: Shannon Elam

8. Provide a document that lists the name of each commissioner for each of the calendar years 2023 and 2024 and state, individually, the total amount of each benefit paid to, or on the behalf of, each commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.), their term (beginning and ending), and current authorized annual compensation.

Response: See the attached file titled:

8_NMWD_Commissioners.xlsx

Witness: Shannon Elam

a. Provide documentation from the Fiscal Court that authorizes each commissioner's appointment and compensation.

Response: See the attached files titled:

8_(a)_Fiscal_Court_Appointments_NMWD.pdf

Witness: Shannon Elam

b. Provide training records for each commissioner for 2022, 2023, and 2024 or a statement that the individual has not attended training.

Response: See the attached files titled:

8_(b)_2022_PSC_Training_-_Dossett.pdf

8_(b)_2022_PSC_Training_-_Draffen.pdf

8_(b)_2022_PSC_Training_-_Driskill.pdf

8_(b)_2022_PSC_Training_-_Leonard.pdf

8_(b)_2022_PSC_Training_-_Shadowen.pdf

8_(b)_2023_PSC_Training_-_Draffen.pdf

8_(b)_2023_PSC_Training_-_Leonard.pdf

8_(b)_2023_PSC_Training_-_McCoy.pdf
8_(b)_2023_PSC_Training_-_Shadowen.pdf
8_(b)_2024_PSC_Training_-_Draffen.pdf
8_(b)_2024_PSC_Training_-_Driskill.pdf
8_(b)_2024_PSC_Training_-_Leonard.pdf
8_(b)_2024_PSC_Training_-_McCoy.pdf
8_(b)_2024_PSC_Training_-_Shadowen.pdf

Witness: Shannon Elam

9. Refer to the Application, SAO, Adjustment D. Provide the number of tap installations of each size during the test year.

Response:

<u>Meter</u>	<u>connections</u>
5/8 X 3/4"	37
1"	3
1 1/2"	1
2"	1

Witness: Shannon Elam

10. Refer to the Application, SAO, Adjustment D. Also refer to the Application, Attachment_7_-_2023_NMWD_Fixed_Assets_Schedule.xls, Adjusted Tab, Account 33300004 Meters. In the Fixed Asset account there are three meters recorded being placed into service during 2023. However, the SAO Adjustment D proposes the reclassification of water tap labor and materials to capitalize new meter connections. Confirm the three new meters added in 2023 are capitalized meters installed during 2023. If not, explain what they are and why they are identified as meters.

Response: Confirmed they are capitalized meters. The account number is 33400004. The first entry posted for 2023 was for the purchase of 200 used meters from the city of Irvington. The second entry for 2023 was for ten three-inch meter parts. The third 2023 entry was for twenty-five 5/8 x 3/4-inch meters.

Witness: Shannon Elam

11. Refer to North Marshall District's Tariff, PSC Ky. No. 4, Original Sheet No.

11, Billing, Meter Readings and Related Information, Frequency of meter reading.

a. Provide the date that North Marshall District's billing cycle begins (meter read date).

Response: The District reads its meters bi-monthly on the first of the month of the billing cycle. NMWD scheduled billing cycle for the remainder of 2025 will occur in June, August, October and December.

Witness: Shannon Elam

b. State whether the date that the billing cycle begins is the date that would be best stated as the effective date of any order the Commission issues concerning rates in this case.

Response: The District requests the PSC grant an effective date on the first of the month of the next billing cycle from when the adjustment in rates is approved.

Witness: Shannon Elam

12. State the last time North Marshall District performed a cost-of-service study (COSS) to review the appropriateness of its current rates and rate design.

a. Explain whether North Marshall District considered filing a COSS with the current rate application and the reasoning for not filing one.

Response: The District contracted with KRWA to develop rates based on a COSS for the preparation of this case. The District Board members carefully reviewed the rate study provided by KRWA and determined that the rates developed by the COSS would create an overly burdensome impact on the District's customers. The Board directed the general manager, to submit an application with the PSC requesting an across-the-board percentage increase to rates.

Witness: Shannon Elam

b. Explain whether any material changes to North Marshall district's system would cause a new COSS to be prepared since the last time it completed one.

Response: The District has not experienced material changes to its operations that would necessitate the preparation of a COSS.

Witness: Shannon Elam

c. If there have been no material changes to North Marshall District's system, explain when North Marshall District anticipates completing a new COSS.

Response: See the response to 12. (a).

Witness: Shannon Elam

d. Provide a copy of the most recent COSS that has been performed for North Marshall District's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

**Response: See the attached file titled:
12_d_NMWD COSS rate study.xlsx**

Witness: Sam Reid

13. Refer to the Application, Current Billing Analysis 2023 Usage and Existing Rates and Proposed Billing Analysis 2023 Usage and Proposed Rates.

a. Provide the billing analysis in Excel Spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

**Response: See the application Attachment 12 file titled:
Attachment 12- NMWD Rate Study 2025-102.xlsx, Tab ExBA and Tab PrBA%.**

Witness: Sam Reid

b. Describe adjustments to the billing analysis and the justification for each adjustment.

**Response: See the attached files titled:
13_b_Adjustment Report - Water Commercial - 2023.pdf
13_b_Adjustment Report - Water Residential - 2023.pdf**

Witness: Shannon Elam

c. Provide an analysis of the proposed pro forma adjustment to metered revenues.

**Response: See the application Attachment 12 file titled:
Attachment 12- NMWD Rate Study 2025-102.xlsx, Tab ExBA.**

Witness: Sam Reid

14. Refer to the Application, SAO. Provide an analysis of the components of Other Water Revenues of \$600 and state whether each component will recur.

Response: The District, during the test year, had an agreement with the Marshall Sanitation District to perform disconnects due to non-payment of sewer bills. The District revised its agreement with Marshall Sanitation District, therefore this will no longer occur.(approved by the PSC- see TFS2025-00191). The District will now be billing and collecting for the Sanitation District.

Witness: Shannon Elam

15. Provide the number of occurrences and dollar amounts for late fees that were recorded during the calendar years 2023 and 2024.

**Response: See the attached files titled:
15_NMWD_Late_Fees.xlsx**

Witness: Shannon Elam

16. Provide a schedule listing the number of occurrences for each nonrecurring charge recorded during the test year and the total revenue recorded for each nonrecurring charge. 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.

**Response: See the attached files titled:
16_NMWD_2023_Non_Recurring_charges.xlsx**

Witness: Shannon Elam

17. Provide updated cost justification sheets to support each nonrecurring charge listed in North Marshall District's tariff.

**Response: See the attached file titled:
17_NMWD_Nonrecurring_Cost_Justification.pdf**

Witness: Shannon Elam

18. Provide updated cost justification sheets to support each Meter Connection/Tap-on Charge listed in North Marshall District's tariff.

**Response: See the attached files titled:
18_NMWD_meter_Cost_Justification.pdf**

Witness: Shannon Elam

