

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALLEGED FAILURE OF SOUTHERN MADISON)	
WATER DISTRICT TO FILE REQUIRED)	CASE NO.
REPORT PURSUANT TO KRS 278.230(3) AND)	2021-00389
807 KAR 5:006, SECTION 4)	

ORDER

The Commission, on its own motion, initiates this investigation into the alleged failure of Southern Madison Water District (Southern Madison District) to file the required annual financial and statistical report (Annual Report) of utility operations for calendar year 2020.

KRS 278.230(3) directs every utility, when required by the Commission, to file with it any report or other information that the Commission reasonably requires. Commission regulation 807 KAR 5:006, Section 4(2), requires every utility to file with the Commission, on or before March 31 of each year, a financial and statistical report of its utility operations for the preceding calendar year on forms furnished by the Commission. KRS 278.990(1) provides that a utility, and any officer, agent, and employee of the utility that willfully violates any provision of KRS Chapter 278 or any Commission regulation shall be subject to a civil penalty not less than \$25 and not more than \$2,500. When the act that a utility is required to do is merely clerical in nature, willfulness or deliberant intent can be inferred from the fact of noncompliance.¹

¹ See Case No. 2011-00317, *Investigation of the Failure of Atrium Wireless Partners, LLC to File Required Reports* (Ky. PSC Dec. 21, 2011); Case No. 2012-00499, *Alleged Failure of Longview Land Company, LLC to File Required Reports* (Ky. PSC Mar. 19, 2013); Case No. 2017-00045, *Alleged Failure*

Southern Madison District owns, controls, operates, and manages facilities in the Commonwealth of Kentucky which are used for and in connection with the diverting, developing, pumping, impounding, distributing, or furnishing of water to or for the public, for compensation. It is, therefore, a utility subject to Commission jurisdiction pursuant to KRS 278.010(3)(d).

On January 15, 2021, the Commission provided to Southern Madison District an electronic link to the standard form for the Annual Report for utility operations for calendar year 2020. On March 29, 2021, Southern Madison District's auditor requested, on behalf of Southern Madison District, an extension of time until June 30, 2021, to file the 2020 Annual Report. On April 8, 2021, the Commission notified Southern Madison District and its auditor that Southern Madison District was granted an extension until May 31, 2021, to file the 2020 Annual Report. On May 21, 2021, Southern Madison District's auditor, on behalf of Southern Madison District, requested an additional extension of time until June 30, 2021, to file the 2020 Annual Report. On May 26, 2021, the Commission notified Southern Madison District and its auditor that the request for a second extension of time was denied, and that the utility should file the 2020 Annual Report with as much information that was known at that time, with a subsequent amendment when additional information was updated. On July 29, 2021, the Commission sent a demand letter by email and certified mail notifying Southern Madison District that the 2020 Annual Report was overdue. The July 29, 2021 letter further stated that failure to file the 2020 Annual Report may result in the Commission initiating an investigation and, upon a finding that

of Lewis Sanitation Company, Inc. d/b/a Garden Heights Sewer Division to File Required Report (Ky. PSC May 2, 2017).

Southern Madison District willfully violated KRS Chapter 278 and 807 KAR 5:006, Section 4, could result in the assessment of a civil penalty up to \$2,500 for each offense, pursuant to KRS 278.990. The Commission's correspondence with Southern Madison District is attached as an Appendix to this Order.

According to Commission records, Southern Madison District has not filed its Annual Report for 2020 calendar year operations. Southern Madison District's failure to file this report by March 31, 2021, is prima facie evidence that Southern Madison District willfully failed to comply with KRS 278.230(3). Based on the above, the Commission finds that Southern Madison District should file with the Commission, no later than November 9, 2021, its Annual Report for the 2020 calendar year. The Commission further finds that a hearing should be scheduled by separate Order for the purpose of showing cause why Southern Madison District should not be subject to the penalties of KRS 278.990(1) for its failure to comply with KRS 278.230(3) and 807 KAR 5:006, Section 4.

IT IS THEREFORE ORDERED that:

1. Southern Madison District shall file with the Commission, no later than November 9, 2021, its Annual Report for the 2020 calendar year.
2. A formal hearing shall be scheduled by separate Order for the purpose of showing cause why Southern Madison District should not be subjected to the penalties of KRS 278.990 for its failure to comply with 278.230(3) and 807 KAR 5:006, Section 4.
3. If Southern Madison District desires to waive its right to a hearing in this matter, Southern Madison District shall, no later than November 9, 2021, file the required report and pay a penalty of \$500. Payment of the penalty shall be made by certified check or money order made payable to the Treasurer, Commonwealth of Kentucky, and shall

be delivered to the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602-0165.

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By the Commission

ENTERED
OCT 14 2021 rCS
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2021-00389

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00389 DATED OCT 14 2021

SIXTEEN PAGES TO FOLLOW

From: PSC Reports

Sent: Monday, August 16, 2021 9:17 AM

To: 'smwdctb@windstream.net' <smwdctb@windstream.net>

Cc: 'deborah@whiteandassociatespsc.com' <deborah@whiteandassociatespsc.com>;
'artie@whiteandassociatespsc.com' <artie@whiteandassociatespsc.com>; Bruner, Brandon S (PSC)
<brandon.bruner@ky.gov>

Subject: FW: Past Due Annual Financial and Statistical Report for Southern Madison Water District.

Good morning,

I received an inquiry from your CPA Friday after 4:00 (I've copied to the lowermost email below) and I had a voice mail at 3:48 as well. I assume the reference you made indicating they contacted me was that email and voicemail. My recommendation, as expressed previously, would have been to submit with as much information that is known and request to amend later, if necessary. I'm asking the PSC Executive Director to chime in at this point since the utility did not follow my recommendation and nothing has been submitted by any date previously requested. Someone will be back with you asap.

Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: PSC Executive Director

Sent: Monday, August 16, 2021 8:43 AM

To: PSC Reports <PSC.Reports@ky.gov>

Subject: FW: Past Due Annual Financial and Statistical Report for Southern Madison Water District.

From: smwdctb@windstream.net <smwdctb@windstream.net>

Sent: Monday, August 16, 2021 8:16 AM

To: PSC Executive Director <PSCED@ky.gov>

Subject: Past Due Annual Financial and Statistical Report for Southern Madison Water District.

Good Morning; I contacted our CPA Mr. Rupert "Artie" White from White & Associates, PSC concerning our 2020 Report. He informed me that he would have Ms. Debbie Maynard from his office to contact and send you our report. I received an email from Ms. Maynard at 4:18 Friday evening August 13th that she had tried to call and email Mr. Jeff Cline concerning the report and that she had not sent anything in. I informed her that she needed to contact your office at PSCED@ky.gov. not Mr. Cline. At this time I have not heard anything from her if she did that. I hope she did please let me know what I need to do.

Thanks

Charles (Tommy) Bussell
Manager
S.M.W.District

From: Deborah Maynard <deborah@whiteandassociatespsc.com>

Sent: Friday, August 13, 2021 4:11 PM

To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>

Cc: artie@whiteandassociatespsc.com

Subject: Southern Madison Water District annual report and audit

Mr. Cline,

We are the audit firm who has been working on the Southern Madison Water District Audit. There has been a big problem with their financials. They implemented a new accounting software in May of last year and Celia has been attempting to reconcile the bank accounts from May to December. We contacted them in January to do the audit and put them on our schedule. We typically start the audit the beginning of March and complete it before the deadline of March 31st; however when we received the financials they were out of balance \$138,73.97. We discussed with Celia and she was not even aware of this out of balance. She told me she had not been able to reconcile all of the cash accounts except maybe two of them all year. She did not feel the software was posting items as they should be for the billing software, etc. She said she had been working with the software people, Ampstun Software, and they were of no help to her. She finally did get someone from the software company get the financials closer to balance and they are only out of balance now 17 cents.

We then attempted to help her get the cash accounts to reconcile but there were too many errors to attempt to make entries for. We now have reconciled the cash accounts and made

journal entries to balance to those accounts; however, we do not know the other side of the journal entries until we perform audit fieldwork procedures.

We have begun cash, payroll, and expenditure testing, but now we are in school district audits which begin August 1 and we are auditing 17 school districts; therefore, we will only be able to audit Southern Madison Water District on Saturdays. We are committed to complete this audit; however the financials are a mess and there is no way we can even begin to tell you the time frame or the outcome. We really just wish they had asked for our opinion and/or help before March 1st.

While we understand there are reasons for penalizing water districts, Southern Madison Water District typically has not been a problem to get it completed by the deadline this is just an unusual problem and Celia is not experienced or knowledgeable enough in accounting to deal with the issues she has with this software situation.

If I can be of further help or you would like to talk to me further, please feel free to email me or call me at 859-797-9993.

Thanks so much,

Deborah Maynard, CPA
White & Associates, PSC

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Charles Bussell
Superintendent
Southern Madison Water District
P. O. Box 220
Berea, KY 40403



9590 9402 5628 9308 7027 87

2. Article Number (Transfer from service label)

7019 1120 0001 6832 6780

COMPLETE THIS SECTION ON DELIVERY:

A. Signature

X

 Agent Addressee

B. Received by (Printed Name)

Tommy Bussell

C. Date of Delivery

7-30-21

 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Registered Mail Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

JDC

From: [PSC Reports](#)
To: smwdctb@windstream.net
Bcc: [PSC Reports](#)
Subject: Past Due Reporting
Date: Thursday, July 29, 2021 2:19:00 PM
Attachments: [Notice to Southern Madison Water District for Failure to File 2020 Annual Financial and Statistical Report.pdf](#)

Please refer to the attached PDF for a copy of a letter issued today by the Public Service Commission in regards to past due reporting.



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Kent A. Chandler
Vice Chairman

Talina R. Mathews
Commissioner

July 29, 2021

TRANSMITTED VIA EMAIL AND CERTIFIED MAIL

Charles Bussell
Superintendent
Southern Madison Water District
P. O. Box 220
Berea, KY 40403

Re: Failure to File Annual Financial and Statistical Report

Dear Mr. Bussell:

Pursuant to KRS 278.230(3) and 807 KAR 5:006, Section 4, utilities are required to file an annual financial and statistical report of its utility operations. This report is to cover the preceding year's activities and is due by March 31 annually. As of this date, Southern Madison Water District has not filed their 2020 report.

This letter serves as notice that if the utility fails to file its annual report for the calendar year 2020 by August 13, 2021, the Commission may open an investigation to show cause why the utility should not be penalized for failing to file the report in violation of KRS Chapter 278 and 807 KAR 5:006, Section 4. This could result in a civil penalty in the amount of \$2,500 for each offense, pursuant to KRS 278.990.

Questions concerning this letter should be directed to PSCED@ky.gov.

Sincerely,


Linda C. Bridwell
Executive Director

From: [PSC Reports](#) on behalf of [PSC - Reports](#)
To: "artie@whiteandassociatespsc.com"; smwdgals@windstream.net; smwdctb@windstream.net
Cc: [Deborah Maynard](#); [PSC Reports](#)
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension Rejected
Date: Thursday, May 27, 2021 9:00:00 AM

Good morning,

We appreciate any understanding and efforts made to comply with reporting requirements. The utilities that have not submitted by May 31 will have an opportunity to respond to a formal inquiry they will receive on or around June 15.

Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: artie@whiteandassociatespsc.com <artie@whiteandassociatespsc.com>
Sent: Thursday, May 27, 2021 8:49 AM
To: smwdgals@windstream.net; smwdctb@windstream.net
Cc: Deborah Maynard <deborah@whiteandassociatespsc.com>; [PSC Reports <PSC.Reports@ky.gov>](#); [Cline, Jeff D \(PSC\) <JeffD.Cline@ky.gov>](mailto:Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>)
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension Rejected

Tommy,

As you can see from the email from Jeff Cline below, the PSC has rejected the extension of time to file the 2020 Annual Financial and Statistical Report and has threatened penalties toward your organization if not filed. We understand that the financial staff has encountered difficulties in having the districts financial statements available for audit because of the change in accounting software and we have been helping you in anyway we can to expedite that process. Deborah Maynard, who is the supervisor for this audit, has had to postpone our other clients due to the district not having the financial statements ready for audit. It is the districts responsibility to have the appropriate financial statements and support available for audit for us to comply with the districts and the PSC's reporting requirements and that has not been the case to date. I will not have my staff waste their time in preparing this report with the financial information available and then have to amend and fix it when the audit is completed.

If you have any questions let me know.

Rupert "Artie" White, CPA
White & Associates, PSC
Certified Public Accountants
1407 Lexington Road
Richmond, Kentucky 40475
Office: 859.624.3926
Fax: 859.625.0227

----- Original Message -----

Subject: Southern Madison Water District - 2020 Annual Report Extension

Rejected

From: PSC Reports <PSC.Reports@ky.gov>

Date: Wed, May 26, 2021 2:58 pm

To: Deborah Maynard <deborah@whiteandassociatespsc.com>

Cc: "smwdgals@windstream.net" <smwdgals@windstream.net>, "smwdctb@windstream.net" <smwdctb@windstream.net>, "artie@whiteandassociatespsc.com" <artie@whiteandassociatespsc.com>, "matthew@whiteandassociatespsc.com" <matthew@whiteandassociatespsc.com>, "corey@whiteandassociatespsc.com" <corey@whiteandassociatespsc.com>

Dear Ms. Maynard:

I have been advised the request for an additional extension of time has been rejected and the 2020 Annual Financial and Statistical Report should be submitted no later than May 31, 2021. Please file the report with as much information that is known and you may then amend the report with the necessary updated information at a later date. In the event you wish to amend after submission, please issue a request to PSC.Reports@ky.gov and indicate which specific report schedules may need to be placed back into edit mode.

If the report is not submitted timely, the Commission will issue a formal inquiry on or around June 15, 2021, for the utility's failure to meet the requirements of [807 KAR 5:006, Section 4\(2\)](#), and determine whether the utility shall be subjected to penalties implemented pursuant to KRS [278.990](#).

Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Deborah Maynard <deborah@whiteandassociatespsc.com>

Sent: Friday, May 21, 2021 3:47 PM

To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>

Cc: smwdgals@windstream.net; smwdctb@windstream.net;

artie@whiteandassociatespsc.com;

matthew@whiteandassociatespsc.com;

corey@whiteandassociatespsc.com

Subject: RE: Southern Madison Water District - 2020 Annual Report Extension

One bank account reconciliation is completed through September, 2020 and there is one other smaller account which is off. We are hoping to have those reconciled next week and start the fieldwork. Celia is off probably until Wednesday so we are asking for another

extension until the end of June. It must be finished by then because we start school board audits July 1. Thanks so much for your help in this matter.

Deborah Maynard, CPA

From: Cline, Jeff D (PSC) [<mailto:JeffD.Cline@ky.gov>]
Sent: Tuesday, March 30, 2021 10:24 AM
To: Deborah Maynard
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension

Good morning,

Completely understand but unfortunately the Gross Reports is due March 31 with no exceptions because of a Statutory requirement. You are able to amend the Gross Report NLT May 24, 2021, however, to have the figure accurately reflected for upcoming Assessment. I'd recommend submitting on time and amend if necessary, NLT May 24.

Hope this helps

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Deborah Maynard <deborah@whiteandassociatespsc.com>
Sent: Tuesday, March 30, 2021 9:52 AM
To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension

Per Celia, the Gross Receipts Report has not been sent as yet because they do not feel comfortable how the new software is posting the billing to the general ledger so the revenues numbers might not be correct.

Please advise,

Debbie

From: Cline, Jeff D (PSC) [<mailto:JeffD.Cline@ky.gov>]
Sent: Tuesday, March 30, 2021 7:13 AM
To: Deborah Maynard
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension

Haven't stumbled upon it yet

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration

211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Deborah Maynard <deborah@whiteandassociatespsc.com>
Sent: Monday, March 29, 2021 5:21 PM
To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>
Subject: RE: Southern Madison Water District - 2020 Annual Report Extension

Has Tommy sent the Gross Receipts Report already? I don't see how he can if you don't feel they are reporting May thru December correctly. Please advise,

Debbie

From: Cline, Jeff D (PSC) [<mailto:JeffD.Cline@ky.gov>]
Sent: Monday, March 29, 2021 4:30 PM
To: Deborah Maynard
Cc: artie@whiteandassociatespsc.com; PSC Reports
Subject: Southern Madison Water District - 2020 Annual Report Extension

Good afternoon,

If you haven't already, please email the 1-page Gross Report to PSC.Reports@ky.gov and your extension request will be addressed upon our processing the Gross Report.

Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Deborah Maynard <deborah@whiteandassociatespsc.com>
Sent: Monday, March 29, 2021 4:14 PM
To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>
Cc: artie@whiteandassociatespsc.com
Subject: PSC Report

Celia with Southern Madison Water District has advised us they began a new billing and accounting software in May, 2020 and she has been unable to reconcile the financial statements. We are attempting to help her with this situation by reviewing the financial information from the software and putting the two together. We

have advised her she will need an extension and she advised us we were to request.

Therefore, we are requesting an extension of the PSC report due 3/31. We would hope to have them completed by June 30, 2021 or earlier if possible. Please advise if there is anything additional we would need to do.

Thanks so much,

Deborah Maynard, CPA, Senior Auditor
White & Associates PSC

From: [PSC Reports](#)
To: [Deborah Maynard](#)
Cc: artie@whiteandassociatespsc.com; smwdctb@windstream.net
Subject: Southern Madison Water District - 2020 Annual Report Extension
Date: Thursday, April 8, 2021 11:41:49 AM

Good morning,

Please be advised that you now have until **May 31, 2021**, to electronically submit the 2020 Annual Reports. This extension shall not be cited as precedent in support of future requests and the Commission expects you to make every effort to eliminate the need for an extension for subsequent reports.

Please do not hesitate contacting me via email at PSC.Reports@ky.gov if you have any questions.

Kind Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>
Sent: Monday, March 29, 2021 4:30 PM
To: Deborah Maynard <deborah@whiteandassociatespsc.com>
Cc: artie@whiteandassociatespsc.com; PSC Reports <PSC.Reports@ky.gov>
Subject: Southern Madison Water District - 2020 Annual Report Extension

Good afternoon,

If you haven't already, please email the 1-page Gross Report to PSC.Reports@ky.gov and your extension request will be addressed upon our processing the Gross Report.

Regards,

Jeff D. Cline
Kentucky Public Service Commission
Division of General Administration
211 Sower Blvd
P. O. Box 615
Frankfort, KY 40602

www.psc.ky.gov

From: Deborah Maynard <deborah@whiteandassociatespsc.com>
Sent: Monday, March 29, 2021 4:14 PM
To: Cline, Jeff D (PSC) <JeffD.Cline@ky.gov>
Cc: artie@whiteandassociatespsc.com
Subject: PSC Report

Celia with Southern Madison Water District has advised us they began a new billing and accounting software in May, 2020 and she has been unable to reconcile the financial statements. We are

attempting to help her with this situation by reviewing the financial information from the software and putting the two together. We have advised her she will need an extension and she advised us we were to request.

Therefore, we are requesting an extension of the PSC report due 3/31. We would hope to have them completed by June 30, 2021 or earlier if possible. Please advise if there is anything additional we would need to do.

Thanks so much,

Deborah Maynard, CPA, Senior Auditor
White & Associates PSC

From: Cline, Jeff D (PSC)
To: ["smwdctb@windstream.net"](mailto:smwdctb@windstream.net)
Subject: Water Utility's 2020 Annual and Gross Reports Due March 31, 2021
Date: Friday, January 15, 2021 3:13:00 PM

This correspondence is to serve as a reminder for **Southern Madison Water District (ID 30600)** that the 2020 **Water District** Report of Gross Operating Revenues ("Gross Report") and the Annual Financial and Statistical Report ("Annual Report") are required to be filed with the Kentucky Public Service Commission ("KPSC") **no later than March 31, 2021**. **Each report may be submitted entirely electronically and no hard copies are required.**

Please note: If your company provides more than one service type, separate notices will be issued for each service type to the default regulatory email on file with the KPSC.

Any officer, agent, or employee of a utility failing to comply with reporting requirements may be subject to a civil penalty assessed by the commission up to the amount of two thousand five hundred dollars (\$2,500) for each offense or a criminal penalty of imprisonment for up to six (6) months, or both, as provided under KRS 278.990.

If you are not the individual that completes Gross and Annual Reporting to the KPSC on behalf of Southern Madison Water District, please forward to your designated staff as this notice contains pertinent required and time-sensitive information.

Gross Report

One signed and notarized Gross Report for calendar year 2020 is required to be filed pursuant to KRS 278.140 and 807 KAR 5:006, Section 4(1). **A blank copy of a Gross Report may be filled out, signed/notarized and submitted via email to PSC.Reports@ky.gov**. If you submit via email, no hard copy is required. Ensure that the Gross Report complete, including utility's default regulatory email address, pursuant to 807 KAR 5:006, Section 3(2). Please do not upload a copy of the Gross Report with the e-filed Annual Report.

Refer to the following links for printing the Gross Report in the format of your choice:

PDF version: <http://psc.ky.gov/agencies/psc/forms/gor01.pdf>

Word version: <http://psc.ky.gov/agencies/psc/forms/gor01.doc>

Annual Report

The Annual Report should be completed in the KPSC's e-filing system for calendar year 2020 pursuant to 807 KAR 5:006, Section 4(2). A hard copy is not required.

An **Oath Page** should accompany your Annual Report which can be created at the **Create and Upload Page** located at last schedule on the left side of the screen of the Annual Report e-filing system. After your Annual Report Oath Page is printed, signed and notarized, simply scan and upload it back into the system under this same schedule. If you do not have scanning capabilities, you may mail a hard copy Oath Page to the address provided at the bottom of this email and we will upload on your behalf.

Further, there is an **Upload Supporting Documents** page to allow you a method to upload additional pages related to your Annual Report, if necessary. This page is the 2nd to last schedule shown on the left side of the screen, directly above the Create and Upload Oath Page schedule.

In the event you had an Audit performed and the **Audit Report** is ready at the time of your Annual Report

submission, a PDF copy of the report should be uploaded to be included with the Annual Report submission under this schedule. If you have an Audit performed but the Audit Report is not yet available, you may go ahead and submit your Annual Report. When the Audit Report is available, simply request for the Supporting Documents schedule to be placed back into edit mode by generating an email to PSC.Reports@ky.gov. We will then open up the schedule to allow you to upload the Audit Report.

Refer to the following link to log into the KPSC e-filing system for submitting the Annual Report:

KPSC E-Filing System: <https://psc.ky.gov/Security/account/login.aspx>

Water District Board Members Requirements for Appointments, Reappointments, Resignations, etc.

Pursuant to KRS 74.020(9), water districts are required to notify the KPSC, within thirty (30) days of the occurrence of a vacancy on its board of commissioners resulting from the expiration of a term or the death, resignation, or removal of the incumbent. The notice shall include the name of the commissioner who last held the position and the date on which the unexpired term will end.

Further, the Statute also requires water districts to notify the KPSC, within thirty (30) days of the appointment/reappointment of a commissioner and the appropriate fiscal court's approval of that appointment/reappointment. The notice shall include the appointed person's name and the date of the expiration of their term.

You may verify the current water district board members we have on file for your utility on our web site at:

<https://psc.ky.gov/WaterTraining/Commissioner/Commissioners?UtilID=30600>

If you see any discrepancy for your utility, please reach out to me at JeffD.Cline@ky.gov or (502) 782-2623.

It is now possible to electronically create a record for each term of your board members in our database acknowledging appointments/reappointments. To do so, when you first log into the KPSC e-filing system, click the "Water Commissioners" button. If you do not have access, you may edit your e-filing account and select new role for "Appointments – Water Commissioners" at the bottom of the registration page and save changes to your account.

Alternatively, you can reach the same destination to create a record for each term of your board members within the Annual Report itself, by clicking the schedule for "Commissioners", and then the link to "Modify Water Commissioners".

Please note, if you utilize the electronic database for commissioner terms, it is still necessary to follow-up with written documentation to accompany any changes to meet the requirements of KRS 74.020(9), including documentation from the Fiscal Court.

Annual Report Tips and Problem Solving

Making use of the checklist located at the 3rd to last schedule shown on the left side of the screen, just above the Upload Supporting Documents schedule, will help you eliminate cross-reference issues found in your report prior to submission. Also, be sure to click the Save button on each page when completing your Annual Report prior to moving on to the next page. After you save each page of your Annual Report, we recommend scrolling back to the top of each individual page and look for any description shown in red indicating errors that should be corrected prior to final submission.

Other helpful tips and instructions are available on our web site at:

<http://psc.ky.gov/agencies/psc/AnnualReport/AnnRptInstructions.pdf>

Extension Requests

Requests for an extension of time for submitting the Gross Report will be denied as the KPSC does not have the statutory authority to grant such an extension, and prompt filing is essential. For good cause shown, however, the KPSC may occasionally allow an extension of time for filing the Annual Report. The written request must provide a reasonable explanation and be submitted prior to the March 31 deadline.

Requests for extension of time to file an Annual Report should be submitted electronically by generating an email to PSC.Reports@ky.gov after submission of the Gross Report. Hard copy extension requests for filing an Annual Report are not necessary and may delay response.

Should you have any questions regarding reporting requirements, please do not hesitate contacting us at PSC.Reports@ky.gov.

Sincerely,

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Kentucky Public Service Commission
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