



Control Number: 48697



Item Number: 56

Addendum StartPage: 0

ANSWERS TO COMMISSION STAFF'S QUESTIONS (STAFF 4-1 THROUGH STAFF 4-5)

Staff 4-1: Please provide the number of individual sales made by Anderson Plumbing Company during the test year.

Response: During this test year we did not have an updated system in place that could render exactly how many individual sales the company had made, that is why we believe providing the profit loss sheet separating these expenses were beneficial.

Staff 4-2: Please provide the number of individual sales made by Anderson Plumbing Company for each week during the test year.

Response: As noted above we did not have the best system to calculate these or an updated register in the store to keep these numbers. Some customers were charged through the older registers sales, and some accounts were handled in Quick-books.

Staff 4-3: Please provide the average amount of each retail transaction made at Anderson Plumbing Company during the test year.

Response: An average amount of each retail transaction would range around \$10.00. Most customers would only come into the store to buy a stick of pipe, glue, or a coupling to fix a water break issue on their property. We were trying to help local customers from driving far into town for when they needed anything small related to plumbing.

Staff 4-4: Please clarify if any employee salaries are included in the Cost of Goods Sold on the Statement of Income for the Plumbing Company.

Response: The Cost of Goods Sold on the Statement of Income does not include office salaries because we used that amount off of our yearly tax return which office salaries are itemized separately. This was also taken off Quick-books and broken out on our Allocation of Payroll Expenses.

Staff 4-5: Please clarify whether all five employee salaries are included in the \$96,351 for office salaries, or if one or more salary included in the employee labor expense.

Response: 3 employees during this test year were paid at the time salary each week totaling the \$96,351 amount. 2 employees were paid hourly wages listed as labor expense of \$41,827. Here are the employees listed below whom had hourly wages.

Ryan Sechelski was paid hourly at this time but worked full time hours because he was needed in the field more for water operations. He was moved to salary the next test year soon after to take on daily water company duties such as monitoring the plants and making repairs with the owner and one other technician (Salvador Cervantes).

Shawn Klawinsky was a part time employee only working minimal hours a week due to it being very slow in the office/store. Hours for her only ranged around 20-30 hours per week.

Usually the one person in the office on staff salary could manage taking customers water payments, phone calls, and keep bookkeeping most days it was not too busy. Different times out of the month slowed down when customers payments were not due. Plumbing sales were always very minimal as some days during the week no sales were even made.

The owner was always trying to only have minimal employees working due to low funds the company had to still stay operating let alone be able to make system improvements.

Conclusion: During this test year only 5 employees managed and operated 4 towns keeping the systems running, repairs, new installs, and handling customers in the store. 3 employees in the field full time, 2 in the office, and 1 of those only being part time. We believe the salaries provided and all the details of costs given have rendered that our Anderson Water Company side was being very minimal and fair to what it would take to operate without the Anderson Plumbing Company sales involved. We have given a complete break down of time slots to show how much time each employee gives to each. All employees, if the plumbing store was not in operations, would have had the same salaries and time rendered on the job to run the Anderson Water Company's daily duties alone. We do fully understand why the PUC has needed to ask and verify all of these questions to the subject matter.