

Exhibit No.:
Issue: Time Reporting
Witness: Nila S. Hagemeyer
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
File No.: SR-2010-0320
Date Testimony Prepared: December 21, 2010

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

REBUTTAL TESTIMONY

OF

NILA S. HAGEMEYER

TIMBER CREEK SEWER COMPANY

FILE NO. SR-2010-0320

**Jefferson City, Missouri
December 2010**

1 **REBUTTAL TESTIMONY**

2 **OF**

3 **NILA S. HAGEMEYER**

4 **TIMBER CREEK SEWER COMPANY**

5 **FILE NO. SR-2010-0320**

6 Q. Please state your name and business address.

7 A. Nila S. Hagemeyer, P.O. Box 360, Jefferson City, Missouri 65102.

8 Q. Are you the same Nila S. Hagemeyer who filed Direct Testimony in this case?

9 A. Yes.

10 **PURPOSE OF TESTIMONY**

11 Q. What is the purpose of your Rebuttal Testimony?

12 A. The purpose of my Rebuttal Testimony is to address the Direct Testimony of
13 Timber Creek Sewer Company's (Timber Creek or Company) General Manager, Derek Sherry,
14 regarding the issue of maintaining time sheets.

15 **TIME REPORTING**

16 Q. What is the Company's position for not maintaining time sheets?

17 A. At page 9, lines 20-22, of Mr. Sherry's Direct Testimony, he states
18 "Timber Creek has historically paid all staff on a salary basis as exempt employees – not eligible
19 for overtime and, consequently, has not required time records." At page 10, lines 2-13,
20 Mr. Sherry cites the following reasons for not maintaining time records: liability exposure
21 regarding potential claims under the Fair Labor Standards Act, the increased time and effort

1 required by the Company's four employees in keeping time records, and the overtime worked by
2 employees after hours or on weekends for which they are not currently being compensated.

3 Q. Does the Company's employees' status as exempt or non-exempt change Staff's
4 recommendation with regard to establishing and maintaining a time reporting mechanism for
5 each employee?

6 A. No. Regardless of employees' exempt or non-exempt classification, Staff
7 recommends that all employees maintain time records.

8 Q. Does Staff intend for the Company to establish an elaborate time reporting system
9 that would require the Company's employees extensive time and effort to develop and maintain?

10 A. No. In my Direct Testimony, page 5, lines 8-9, I stated that time reporting is not
11 intended to be burdensome. Recording appropriate descriptions of work performed, broken into
12 specific time increments, should not take more than a few minutes each day per employee. A
13 simple, inexpensive notebook or spreadsheet could be used for recording purposes. The
14 Company would then have documentation on the specific activities and actual number of hours
15 worked by its employees.

16 Q. Is Mr. Sherry requesting additional revenue to pay for overtime?

17 A. Yes. On page 10, lines 14-19 of his Direct Testimony, Mr. Sherry is requesting
18 \$10,033 to pay overtime for two positions – the Plant and Collection System Operator and the
19 Office Manager, along with increased workers' compensation and general liability insurance.
20 Staff witness Bret G. Prenger will be addressing this issue in his Rebuttal Testimony.

21 Q. Has Staff included an amount for overtime in its calculations?

1 A. Yes. It is my understanding that Staff witness Bret G. Prenger has included a
2 level of overtime in the amount of \$7,000 in total payroll costs included in this case based on
3 estimates provided by the Company for 2009.

4 Q. Does this conclude your Rebuttal Testimony?

5 A. Yes, it does.

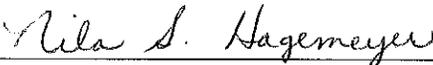
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of)
Timber Creek Sewer Company Request for a) Case No. SR-2010-0320
Rate Increase.)

AFFIDAVIT OF NILA S. HAGEMEYER

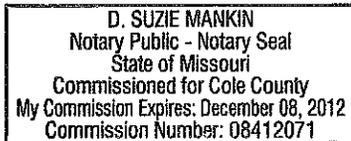
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Nila S. Hagemeyer, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Rebuttal Testimony in question and answer form, consisting of 3 pages to be presented in the above case; that the answers in the foregoing Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.



Nila S. Hagemeyer

Subscribed and sworn to before me this 20th day of December, 2010.





Notary Public