

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

The City of Houston Lake, Missouri,  
Complainant,

vs.

Case No. WC-2014-0260


Missouri-American Water Company,  
Respondent.

**AFFIDAVIT OF JOYCE A. KULLMAN**

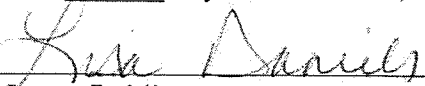
STATE OF MISSOURI )  
 )ss  
COUNTY OF Platte )

Michael Hallauer, being first duly sworn on his oath, states:

1. My name is Joyce A. Kullman. I am the Collector for the City of Houston Lake, Missouri.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of The City of Houston Lake, Missouri consisting of 5 pages and Schedule JAK-1, for introduction into evidence in the above-referenced docket.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

  
Joyce A. Kullman

Subscribed and sworn to before me this 17<sup>th</sup> day of December, 2014.

  
Notary Public

My commission expires: 3-11-17

LISA DANIELS  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Platte County  
My Commission Expires: 3/11/2017  
Commission # 13760001

LISA DANIELS  
Notary Public - Notary Seal  
STATE OF MISSOURI

My Comm  
Comm

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Exhibit No.  
Issue: Gross Receipt Tax  
Witness: Joyce A. Kullman  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Houston Lake  
Case No.: WC-2014-0260  
Date Testimony Prepared: Nov. 14, 2014

Before the Missouri Public Service Commission

Direct Testimony

of

Joyce A. Kullman

December 17, 2014

DIRECT TESTIMONY  
OF  
JOYCE A. KULLMAN  
ON BEHALF OF THE CITY OF HOUSTON LAKE, MISSOURI  
BEFORE THE  
MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. WC-2014-0260

1   **Q.   PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR**  
2       **THE RECORD.**

3   A.   Joyce A. Kullman. I am the Collector for the City of Houston Lake, Missouri. My  
4       business address is 5417 NW Adrian Dr., Kansas City, Missouri 64151.

5   **Q.   PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**  
6       **BACKGROUND.**

7   A.   In 1985 I received a Bachelor's of Science from the University of Missouri –  
8       Columbia.

9   **Q.   WHAT ARE YOUR PRIMARY DUTIES AS THE COLLECTOR FOR THE**  
10       **CITY OF HOUSTON LAKE?**

11   A.   As part of my duties as the Collector I am charged with depositing all checks and  
12       cash that the City of Houston Lake receives. In addition, I prepare a monthly  
13       collector's report detailing the deposits for city officials for review at their monthly  
14       meetings. As the Collector I have access to and am responsible for ensuring  
15       maintenance of the City's records as they relate to the income and revenues the  
16       City receives, which includes said records compiled during my term as well as

1 said records compiled prior to my term. I also assist the mayor and city treasurer in  
2 preparing the city's annual budget.

3 **Q. HOW LONG HAVE YOU BEEN THE COLLECTOR FOR THE CITY OF**  
4 **HOUSTON LAKE?**

5 A. Since August of 1999 approximately.

6 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE MISSOURI**  
7 **PUBLIC SERVICE COMMISSION?**

8 A. No.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

10 A. I will support the position of the City of Houston Lake that the City did not receive  
11 the 10% gross receipts tax from Missouri-American Water on Missouri-American  
12 Water's sale of water to the residents of Houston Lake from approximately 2003  
13 to approximately October of 2013.

14 **GROSS RECIEPTS TAX ON WATER**

15 **Q. ARE YOU FAMILIAR WITH WHAT THE CURRENT GROSS RECIEPTS**  
16 **TAX IS ON THE SALE OF WATER WITHIN THE LIMITS OF THE CITY**  
17 **OF HOUSTON LAKE?**

18 A. Yes.

19 **Q. WHAT IS THE CURRENT GROSS RECIEPTS TAX ON THE SALE OF**  
20 **WATER WITHIN THE LIMITS OF THE CITY OF HOUSTON LAKE?**

21 A. Ten percent.

1    **Q.    ARE YOU FAMILIAR WITH THE ENTITY THAT CURRENTLY**  
2       **PROVIDES WATER TO THE RESIDENTS OF HOUSTON LAKE?**

3    A.    Yes.

4    **Q.    WHAT ENTITY CURRENTLY PROVIDES WATER TO THE**  
5       **RESIDENTS OF HOUSTON LAKE?**

6    A.    Missouri-American Water Company.

7    **Q.    SINCE YOU BEGAN YOUR EMPLOYMENT AS THE COLLECTOR FOR**  
8       **THE CITY OF HOUSTON LAKE, HAS MISSOURI-AMERICAN WATER**  
9       **ALWAYS BEEN THE ENTITY THAT HAS PROVIDED WATER TO THE**  
10       **RESIDENTS OF HOUSTON LAKE?**

11   A.    Missouri-American Water Company has been the entity that has provided water to  
12       the residents of Houston Lake since I began my employment as the Collector for  
13       the City of Houston Lake in approximately 1999.

14   **Q.    DURING YOUR TERM AS THE COLLECTOR OF HOUSTON LAKE,**  
15       **HAS MISSOURI-AMERICAN WATER PAID THE GROSS RECEIPTS**  
16       **TAX OF TEN PERCENT ON ITS SALE OF WATER WITHIN HOUSTON**  
17       **LAKE?**

18   A.    Missouri-American Water remits payments to Houston Lake quarterly on the gross  
19       receipts tax assessed on its sale of water within Houston Lake. When the quarterly  
20       checks are received from Missouri-American Water they do not include the  
21       amount of gross receipts received by Missouri-American Water on its sale of  
22       water to the residents of Houston Lake. Because of that, I do not know if the

1 payments made to Houston Lake by Missouri-American Water are in the sum of  
2 ten percent of its gross receipts.

3 **Q. IN YOUR CAPACITY AS THE COLLECTOR FOR HOUSTON LAKE,**  
4 **HAVE YOU MAINTAINED AN ACCOUNTING LISTING OUT THE**  
5 **PAYMENTS THAT HOUSTON LAKE HAS RECEIVED FROM**  
6 **MISSOURI-AMERICAN WATER REGARDING THE GROSS RECEIPT**  
7 **TAX ON ITS SALE OF WATER TO THE RESIDENTS OF HOUSTON**  
8 **LAKE?**

9 A. Yes. Attached to this testimony as Schedule JAK-1, is an accounting I have  
10 maintained which details the payments that Houston Lake has received from  
11 Missouri-American Water regarding the gross receipt tax on its sale of water to the  
12 residents of Houston Lake from 2003 to and including the first quarter of 2013.

13 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

14 A. Yes.

	A	B	C	D	E	F	G	H	I	J	K	L
1	Houston Lake Missouri American Water payments											
2	Rev. 8/11/13											
3												
4	Date		Amount		Check #		Period		Company Name			
5	1/31/2003		\$979.37		67028260		does ot designate					
6	4/3/2003		\$1,038.20		67034696		1st QTR FT 2003		American Water			
7	7/31/2003		\$609.59		67042020		June 03 Franchise tax		American Water			
8	10/27/2003		\$126.15		67047504		Sep03 Franch Tax		American Water			
9												
10	1/6/2004		\$89.99		67052335		FR Tax 12/03		American Water			
11	4/26/2004		\$115.63		67058887		Franch Tax 1Q2004		American Water			
12	7/14/2004		\$58.09		67063569		GR Tax 06/04		American Water			
13	10/18/2004		\$90.87		67069123		GR tax 09/04		American Water			
14												
15	1/11/2005		\$90.87		67074778		GR Tax 12/04		American Water			
16	4/1/2005		\$83.89		67079729		GR Tax 03/05		American Water			
17	7/20/2005		\$81.97		67086664		GR Tax 06/05		American Water			
18	10/19/2005		\$95.43		67091747		GR Tax 09/05		American Water			
19												
20	1/24/2006		\$84.70		67097013		GR Tax Q4 - 05		American Water			
21	4/13/2006		\$84.44		67100980		GR Tax 03/06		American Water			
22	10/30/2006		\$194.11		67111534		GR Tax 2Q06, GR Tax 3Q06		American Water			
23												
24	1/10/2007		\$88.46		67115039		GR Tax 4Q 06		American Water			
25	4/12/2007		\$83.15		67120122		GR 1Q 1/1/07-3/31/07		American Water			
26	7/19/2007		\$110.11		67125556		GR Tax HOLK 2Q 06/07		American Water			
27	10/17/2007		\$128.53		67130752		GR Tax 3Q 2007		American Water			
28												
29	1/23/2008		\$69.06		67136457		GR Tax 4Q 2007		American Water			
30	4/25/2008		\$130.63		67141611		GR Tax 1Q 2008		American Water			
31	7/15/2008		\$64.78		67146033		GR Tax 2Q 2008		American Water			
32	10/14/2008		\$141.94		67150916		GR Tax 3Qtr 2008		American Water			
33												
34	1/12/2009		\$104.28		67155873		GR Tax 1208		American Water			
35	4/22/2009		\$127.05		67161108		GR Tax 1QTR 2009		American Water			
36	7/16/2009		\$130.02		67165077		GR Tax 2QTR 2009		American Water			
37	10/26/2009		\$135.05		67168618		GR Tax 0909		American Water			
38												
39	1/25/2010		\$121.87		67171582		GR Tax 4th QTR 1209		American Water			
40	4/21/2010		\$112.49		67174642		GR Tax 1st QTR 03/10		American Water			
41	no check											
42	10/18/2010		\$170.47		67181387		GR Tax 3rd QTR 9/2010		American Water			
43												

	A	B	C	D	E	F	G	H	I	J	K	L
44	<b>Date</b>		<b>Amount</b>		<b>Check #</b>		<b>Period</b>				<b>Company Name</b>	
45												
46	1/24/2011		\$151.12		67184625		GR Tax 4th QTR 2010				American Water	
47	4/20/2011		\$143.62		67187414		GR Tax 1st QTR 2011				American Water	
48	7/27/2011		\$142.33		67190487		GR Tax 2nd QTR 2011				American Water	
49	10/20/2011		\$166.52		67193487		GR Tax 3rd QTR 2011				American Water	
50												
51	1/26/2012		\$144.75		67196987		GR Tax 4th QTR 2011				American Water	
52	4/24/2012		\$131.78		67199697		GR Tax 1st QTR 2012				American Water	
53	7/24/2012		\$187.51		67202595		GR Tax 2nd QTR 2012				American Water	
54	10/25/2012		\$233.65		1700001846		GR Tax 3rd QTR 2012				American Water	
55												
56	1/25/2013		\$161.92				GR Tax 4th QTR 2012				American Water	
57	4/22/2013		\$194.56		1700007815		GR Tax 1st QTR 2013				American Water	