

**MT. SHERMAN WATER ASSOCIATION
BOARD OF DIRECTOR'S MEETING
MONDAY MAY 14, 2001**

Dear Directors:

Enclosed please find the transaction report for the Month of April 2001.

We pumped 1454900 gallons of water and sold 1139007 for a loss of 315893 or 22%.

I received several calls toward the end of April complaining of an odor in the water on the lower end of the system. I reported all calls to Ivan.

Enclosed is a list of our account balances:

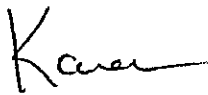
Soil & Water	8273.80
Depreciation	50831.61
Meter Dep.	4990.00

Please remember Joyce Schultz in your thoughts. Bill will be greatly missed by us all.

Our small loan to Arkansas Soil and Water is now paid off. I will bring details to the meeting.

If you have any questions before the meeting please feel free to give me a call.

Thank You,



**Karen Edgmon, Billing Clerk
Mt. Sherman Water Association**

Transaction Report
4/1'1 Through 4/30'1

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5/9'1
Checking

Date	Num	Description	Memo	Category	Clr	Amount
		BALANCE 3/31'1				3,229.23
4/4'1				WATER SALES		1,281.73
4/5'1				insuff. check		-36.66
4/11'1	2893	CAMPBELL INS. C...		INSURANCE		-626.00
4/12'1				WATER SALES		2,306.88
4/13'1				WATER SALES		260.00
4/16'1		FHA		LOAN PAYMENT		-1,020.00
4/18'1				WATER SALES		1,359.78
4/18'1				transer		3,500.00
4/18'1	2894	TRI CO TELEPHO...		UTILITIES:Telep...		-57.29
4/18'1	2895	CARROLL ELECT...		UTILITIES:electric		-854.35
4/18'1	2896	Hughes Supply		MAINTENANCE...		-3,564.13
4/18'1	2897	WATER PRODUCT...		MAINTENANCE...		-2,430.54
4/18'1	2898	Karen Edgmon		CONTRACT LA...		-665.00
4/18'1	2899	DEPT FIN AND AD...		SALES TAX		-445.00
4/25'1				WATER SALES		1,274.78
4/27'1	2900	IVAN REYNOLDS		CONTRACT LA...		-1,100.00
4/27'1	2901	AR Soil & Water		MISCELLANEO...		-20.00
4/30'1				interest		4.18
		TOTAL 4/1'1 - 4/30'1				-831.62
		BALANCE 4/30'1				2,397.61
		TOTAL INFLOWS				9,987.35
		TOTAL OUTFLOWS				-10,818.97
		NET TOTAL				-831.62

Mt Sherman Water Assn.
Board Meeting May 14th 2001
Operators Report

Received keyed locks and changed all the locks, brought spare keys for the board to hold.

Cleaned the well houses of any mouse infestations and bought mouse traps for them.

Cut the brush, cleaned and locked the booster pump on Shiloh.

Received the easement from Spencer Coffey, signed and Notarized. We are ready to acquire materials and change the Line to the edge of Larry Madewells field from a 2 inch to a 3 Inch line.

I talked with Jerry Johnson and we did the math and he is going to send in his money.

I added a valve in front of the Blow-Off at Junior Proctors, it was seeping. I also added a valve at the Blow-off at the end of the system by the old Strawhacker place and added a Valve past Keith Edgemons place at the end of the line. Each of those sounded like they were seeping.

Prepared the Consumer Confidence Report to be placed in the Newton County Times for public notification.

I talked to Ken Seay and he is building on the line to Bens Place and needs to know his Pro-Rata cost, if anything.

By Ivan Reynolds