

MT. SHERMAN WATER ASSOCIATION
P.O. BOX 356
JASPER, AR 72641

March 8, 2005

Dear Directors:

Enclosed please find the transaction report, board minutes and Director's report for the month of February.

Enclosed is copy of check to pay dishonesty bookkeeper bond.

Note time change for March meeting will be Monday March 14th at 5:00 P.M. due to Ozark Mountain Regional Water Board Meeting.

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

Thank You,

A handwritten signature in blue ink, appearing to read "Karen".

Karen Edgmon
Billing Clerk
Mt. Sherman Water Association

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Date	Num	Description	Memo	Category	Clr	Amount
		BALANCE 1/31/05				17,509.30
2/4/05	DEP			Water Sales		804.43
2/8/05	DEP			Water Sales		1,196.90
2/10/05	3397	Bank Of The Ozarks	box rent	Misc		-27.00
2/11/05	DEP			Water Sales		1,858.77
2/14/05	3398	Karen Edgmon		Rent		-60.00
2/14/05	3399	Karen Edgmon		Contract Labor		-731.50
2/14/05	3400	Dept. Of Finance & Adm.		Sales Tax		-515.00
2/15/05	DEP			Water Sales		1,047.78
2/16/05	EFT	F H A		Loan		-1,020.00
2/18/05	DEP			Water Sales		1,127.56
2/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-33.42
2/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-29.17
2/23/05	DEP			Water Sales		1,304.52
2/24/05	DEP			Water Sales		659.72
2/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-803.33
2/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-48.58
2/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-19.07
2/25/05	3401	Jasper Post Office	postage	Postage and Delivery		-69.00
2/28/05	DEP			Interest Inc		3.08
2/28/05	3402	Ivan Reynolds		Contract Labor		-1,100.00
		TOTAL 2/1/05 - 2/28/05				3,546.69
		BALANCE 2/28/05				21,055.99
		TOTAL INFLOWS				8,002.76
		TOTAL OUTFLOWS				-4,456.07
		NET TOTAL				3,546.69

Mount Sherman Water Association – MEETING MINUTES

Scribe:	Odie J. Watts	
Date:	February 14, 2005	Time: 5:00PM – 5:53 PM

Board Members:

Key	Board Member Attendees: Key: * Attended, # Absent	Phone
*	Bowen, Jim – BOARD PRESIDENT	446-2171
*	Edgmon, Karen – BOOKKEEPER	861-5641
#	Lee, Koby – BOARD MEMBER	861-5158
*	Reynolds, Ivan – WATER OPERATOR	446-5352
*	Stivers, Betty – BOARD MEMBER	446-5744
*	Szabrowicz, Ben – BOARD MEMBER	446-6007
*	Voshell, Calvin – BOARD MEMBER	446-2270
*	Watts, Odie – SECRETARY	861-5848

Customers and Guests:

Key	Board Meeting Attendees:
	No guests or customers attended meeting.

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting called to order by Jim Bowen, President at 5:00 PM
2. Meeting Minutes	The minutes from the January 10, 2005 meeting were approved at written. Motion to approve the minutes – Calvin Voshell. Second by Betty Stivers. No Abstentions.
3. Financial and Water Association Director's Report	The financial report for the period January 1 through January 31, 2005 was presented by Karen Edgmon: ▪ Reported a lien has been filed against Monica Self for unpaid water bill in the amount of \$120.00 plus \$16.00 filing fee. Lien was filed at the Newton County Clerk's Office. Collection will be upon sale of property. ▪ Discussed delinquent bills. Indicated that payments have been received on at least 2 of the 90 day delinquent bills. One of the 90 + delinquent bills is for Monica Self (see above) and one was for Betty Garratt who is making payments on the bill. Indicated that next month should show a drop in delinquent accounts. ▪ Motion to approve the reports – Calvin Voshell. Second by Betty Stivers. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operator's report. ▪ Pulled Georgia Brown's meter at her request. The property has sold but the new owners have not requested connection as yet. ▪ Responded to a call of water running down the road by Barbara Hurd's place. Found and repair leak at the meter. Approximately 5,000 gallons had run through her meter. She was not at home at the time the repairs were made. ▪ Took a final reading for the Joe Carr meter and the same reading to begin Charlene Edgmon. ▪ Responded to a call of bad tasting water from Sam Freeman and was told the plumbing sat idle for several weeks. He was told he needed to flush his lines to achieve a chlorine residual. ▪ Was approach by Dick DeMuth about adding a co-op meter that would serve 5

Mount Sherman Water Association – MEETING MINUTES

Agenda	Main Points, Conclusions/Discussions, Decisions
	houses. Explained co-op meter policy and that members should come to the monthly meeting to discuss getting the co-op meter installed. Motion to approve Operator's Report – Calvin Voshell. Second by Betty Stivers. No Abstentions.
5. Old Business	▪ Action Item 2: IN WORK. Ivan indicated the marking of meter boxes is a work in progress. ▪ Action Item 12: ON HOLD. Ben reported no change in status. Will get an update for next meeting. ▪ Action Item 13: ON HOLD. Ben reported no change in status. Will get an update for next meeting ▪ Action Item 15: CLOSED. Karen reported she has filed the lien at the Newton County Clerk's office (see above). ▪ Action Item 16: CLOSED. Ivan indicated that no leaks have been found or reported that could account for the 25% water loss reported during October, November, and December, 2004. Indicated that the water loss could be due to people leaving their water dripping during cold weather because the drip will not be enough to register on their meter. Pointed to the fact that the water loss has dropped significantly.
6. New Business	Due to a meeting conflict with the Ozark Mountain Water Alliance next month Jim Bowen requested that the Mt. Sherman Water Association meeting take place a 5:00 PM instead of 5:30 PM. All agreed.
7. Adjournment	Meeting adjourned at 5:53 PM.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for MARCH 14, 2005 at 5:00 PM at the Mt. Sherman Volunteer Fire Department main station.

Action Items for Discussion and Update at Next Meeting:

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI 2	7/12/04	Obtain enamel paint and begin marking each meter box. As of meeting on 11/8/04 reported the work was still in progress.	Ivan Reynolds	12/13/04	IN WORK
AI 12	11/8/04	Coordinate with Roger Faulk on tree removal.	Ben Szabrowicz	12/13/04	ON HOLD
AI 13	11/8/04	Get 2 – 3 estimates for completing the fencing of property after tree removal.	Ben Szabrowicz	12/13/04	ON HOLD
AI 15	1/10/05	File lien against property of Monica Self for non-payment of water bill. Lien was filed at Newton County Clerk's Office (see above).	Karen Edgmon	2/14/05	CLOSED
AI 16	1/10/05	Locate and repair leak that is causing a 25% water loss rate as noted in the past 3 Association Director Reports. No leaks found or reported (see above).	Ivan Reynolds	2/14/05	CLOSED

MT. SHERMAN WATER ASSOCIATION
 Director's Report
 For the Month of February 05
 Printed: 02/28/05 20:11

 DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,179,300	100.0%
Water Sold to Customers	948,515	80.4%
Utility Use(fire,flushing)	0	0.0%
Water Unaccounted For(lost)	230,785	19.6%
Average Use Per Account	3,172	

SUMMARY BY SERVICE

	Water	Sewer	Fire Dues	Trash	Other	Sales Tax
Charges	7275.49	0.00	0.00	0.00	74.50	505.96
Average	24.33	0.00	0.00	0.00	0.25	1.49
Active	299	0	0	0	299	339
Inactive	41	340	340	340	41	1

ACCOUNTS RECEIVABLE ANALYSIS

	Amount	Accounts
Balance Due BOM (begin/Month)	10,157.19	303
Credit Balances BOM	(78.26)	5
Debit Balances BOM	10,235.45	298
Payments	8,352.99	296
Charges for Services	7,855.95	
Penalty Charges	224.07	32
Adjustments	(108.27)	7
Total Delinquent EOM (end/month)	1,223.57	18
Delinquent EOM (30-60 days)	395.77	8
Delinquent EOM (60-90 days)	244.78	5
Delinquent EOM (over 90)	583.02	5
Credit Balances EOM	(92.29)	7
Debit Balances EOM	9,868.24	296
Balance Due EOM	9,775.95	303
Disconnections	5	
Disconnected & Uncollected	0.00	
New Customers Added	0	

NOTICE OF PREMIUM DUE

CONSIDER
GOD'S
WONDERS
430-33-0684, 429-29-6203
HCR 70 BOX 481 870-861-5641
JASPER, AR 72641

81-727-829

8136

PAY
to the order of

CNA Surety \$170.10
One Hundred Seventy dollars and 10/100 DOLLARS

0601 68599926

02/11/2005
04/16/2005

BANK OF THE OZARKS
WWW.BANKOZARKS.COM
Member FDIC

\$170.1

for Bookkeeper Burt

Karen Edgmon

⑆08 2907273⑆8 136⑆0000065086⑆

\$170.10

We show one individual in this business.
To ensure proper coverage, verify the
total number of employees (and owners, if
they are covered) & fax, call or write
us if the number has changed.

Bond/Policy#: **0601 68599926**
Effective Date: 04/16/2005 Anniversary Date: 04/16/2006
Penalty: \$25,000.00
Name: KAREN EDGMON
Description: AR DISHONESTY B-BOOKKEEPER

Written By: WESTERN SURETY COMPANY

Your agent has requested that we bill your bond/policy directly from our office. PLEASE PAY THE AMOUNT INDICATED to CNA Surety. Prompt payment allows us to issue or continue your bond/policy coverage.

If you have any questions, please contact your agent with whom the bond/policy was written.

Phone: (870)741-5423
Agency: 03-16562

Campbell Ins. Agency, Inc.
P. O. Box 1695
Harrison, AR 72602-1695

Please detach and return the original coupon below with your payment

CNA Surety

Bond/Policy#: **0601 68599926** Effective Date: 04/16/2005
Name: KAREN EDGMON
Description: AR DISHONESTY B-BOOKKEEPER
Written By: WESTERN SURETY COMPANY
Agency: **03-16562** Campbell Ins. Agency, Inc.

Amount Due: \$170.10

Billing Date: 02/11/2005

Make Check Payable To CNA Surety



Check here and include change
in # of covered employees or
other comments below:

CNA Surety
8137 Innovation Way
Chicago, IL 60682-0081