

MT. SHERMAN WATER ASSOCIATION
BOARD OF DIRECTOR'S MEETING
MONDAY APRIL 11, 2005
5:30 P.M.

Dear Directors:

Enclosed please find the transaction report, board minutes, and director's report for the month of March 2005.

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

3/1/05 Through 3/31/05

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Date	Num	Description	Memo	Category	Clr	Amount
BALANCE 2/28/05						21,055.99
3/1/05				Water Sales		353.31
3/7/05	DEP			Water Sales		1,030.49
3/7/05	3403	Capitol Supply		Maintenance		-918.33
3/7/05	3404	L M S	water bill forms	Supplies, Bus		-109.90
3/7/05	3405	Ar Rural Water Association		Membership		-225.00
3/7/05	3406	Karen Edgmon		Contract Labor		-731.50
3/7/05	3407	Karen Edgmon		Rent		-60.00
3/7/05	3408	Newton County Times		Public Notice		-65.25
3/8/05	3409	Mike Rocolle		Refund Of Meter Deposit		-26.34
3/8/05	3410	Joseph Carr		Refund Of Meter Deposit		-47.07
3/9/05	DEP			Water Sales		1,039.14
3/11/05	DEP			Water Sales		1,393.06
3/11/05	3411	Arkansas One Call	June	Dues and Subscriptions		-11.40
3/14/05	3412	Karen Edgmon	reimburse	Regional Water Association		-25.31
3/15/05	EFT	F H A		Loan		-1,020.00
3/15/05	3413	Karen Edgmon	reimburse surety bond	Office		-170.10
3/16/05	DEP			Water Sales		1,118.32
3/16/05	3414	Dept. Of Finance & Adm.		Sales Tax		-511.00
3/17/05	3415	Depreciation Account	savings account	Transfer		-6,000.00
3/17/05	3416	Soil & Water Account	savings account	Transfer		-3,000.00
3/18/05	DEP			Water Sales		1,071.76
3/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-30.19
3/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-33.42
3/23/05	DEP			Water Sales		1,288.21
3/24/05	DEP			Water Sales		531.58
3/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-50.45
3/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-17.41
3/25/05	EFT	Carroll Electric		Utilities:Gas & Electric		-780.41
3/29/05	3417	Jasper Post Office	postage	Postage and Delivery		-106.00
3/31/05	DEP			Interest Inc		3.19
3/31/05	DEP			Water Sales		412.75
TOTAL 3/1/05 - 3/31/05						-5,697.27
BALANCE 3/31/05						15,358.72
TOTAL INFLOWS						8,241.81
TOTAL OUTFLOWS						-13,939.08
NET TOTAL						-5,697.27

Mount Sherman Water Association – MEETING MINUTES

Scribe:	Odie J. Watts	
Date:	March 14, 2005	Time: 5:00PM – 5:35 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 February 14, 2005 meeting were approved at written. Motion to approve the minutes – Calvin Voshell. Second by Koby Lee. 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 nothing significant in this month's financial report. Indicated more money would be moved to savings account next month. ▪ Reported the "Dishonesty Bookkeeper" bond policy of \$170.10 has been paid. ▪ Discussed delinquent bills. Indicated that payments were being received and the amount of delinquency bills were coming down. ▪ Motion to approve the reports – Calvin Voshell. Second by Koby Lee. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operator's report. ▪ Performed maintenance on the chlorinator ejector and replaced the feed tube. ▪ Received call about low pressure at Gary Fowler's and found a break past the meter at the Philips place. Told neighbors to boil the water and sent in a water sample. Still awaiting results from the sample. ▪ The group on the proposed line to Dick DeMuth gave the go-ahead to pursue the project. Engineering plans must be developed and submitted to ADH for approval. Also an agreement for pro rata must be executed between them and the Mt. Sherman Water Association. See New Business regarding discussion on this agreement. Motion to approve Operator's Report – Betty Stivers. Second by Koby Lee. 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 that trees cannot be removed until the property boundary issues are resolved. According to the latest survey, the property

Mount Sherman Water Association – MEETING MINUTES

Agenda	Main Points, Conclusions/Discussions, Decisions
	owned by the Mt. Sherman Water Association set in an area in which it is shared by 3 other property owners. Currently there has been no action to resolve the boundary issues between these 3 property issues. ▪ Action Item 13: ON HOLD. Since the property issues are left to be resolved no trees will be removed and no fencing will be installed around the Water Association property.
6. New Business	▪ Regarding the Dick DeMuth project Jim Bowen requested the following stipulations be added to the agreement between Mr. DeMuth, those who will participate in the pro-rata arrangement, and the Board Members of the Mt. Sherman Water Association: ○ Stipulate that all plans will be presented to the Water Association Board for approval. ○ Stipulate that water will not be transported through lines that are NOT owned by the Mt. Sherman Water Association. ○ Stipulate that the Contractor will present a fully itemized cost estimate of the project for the Board's approval. ○ Stipulate that the contractor will guarantee his work to the Mt. Sherman Water Association for a period of 1 year following completion of that work. ○ Stipulate that for each new meter installation the customer will pay the Mt. Sherman Water Association the sum of \$260.00. The customer will pay labor and installation charges to the installation contractor. If the customer is already a member of the Mt. Sherman Water Association the \$75.00 deposit will be waived. ○ ACTION ITEM: Ivan Reynolds will develop the agreement and will present the agreement, along with the above stipulations, to the Board before any work on the project is started. ▪ Regarding the property boundary issues surrounding the Water Association property Jim Bowen will contact Johnny Cooper (ACTION ITEM) and have a single strand fence installed around the property which will be used to mark the boundary until the surrounding property owners resolve the boundary dispute and the tree removal and fencing project can be completed. ▪ Regarding the discussion about what to charge customers and current members of the Water Association for new meter installations, the Board agreed that all board members should read and be ready to discuss changes to the Mt. Sherman Water Association Operating Policy document at the next meeting (ACTION ITEM). Those board members who do not have a copy of those Operating Policies should contact Karen Edgmon.
7. Adjournment	Meeting adjourned at 5:35 PM.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for April 11, 2005 at 5:30 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

Mount Sherman Water Association – MEETING MINUTES

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI 17	3/14/05	Develop plans and agreements regarding the Dick DeMuth project and present them to the Board for approval. <i>(See above under New Business).</i>	Ivan Reynolds	4/11/05	OPEN
AI 18	3/14/05	Contact Johnny Cooper and have the Water Association property fenced with a single strand until the property boundaries are resolved.	Jim Bowen	4/11/05	OPEN
AI19	3/14/05	Obtain copy of the Mt. Sherman Water Association Operating Policy (Revised 10/7/97) and be prepared to discuss changes to that policy at the April 11, 2005 meeting.	All Board Members	4/11/05	OPEN

MT. SHERMAN WATER ASSOCIATION
 Director's Report
 For the Month of March 05
 Printed: 03/30/05 20:48

 DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,295,000	100.0%
Water Sold to Customers	1,059,975	81.9%
Utility Use (fire, flushing)	0	0.0%
Water Unaccounted For (lost)	235,025	18.1%
Average Use Per Account	3,545	

SUMMARY BY SERVICE

	Water	Sewer	Fire Dues	Trash	Other	Sales Tax
Charges	7725.66	0.00	0.00	0.00	75.00	536.38
Average	25.84	0.00	0.00	0.00	0.25	1.58
Active	299	0	0	0	300	339
Inactive	41	340	340	340	40	1

ACCOUNTS RECEIVABLE ANALYSIS

	Amount	Accounts
Balance Due BOM (begin/Month)	9,775.95	303
Credit Balances BOM	(92.29)	7
Debit Balances BOM	9,868.24	296
Payments	7,885.81	297
Charges for Services	8,337.04	
Penalty Charges	212.47	35
Adjustments	(494.52)	7
Total Delinquent EOM (end/month)	1,086.43	15
Delinquent EOM (30-60 days)	342.26	7
Delinquent EOM (60-90 days)	325.19	5
Delinquent EOM (over 90)	418.98	3
Credit Balances EOM	(148.26)	9
Debit Balances EOM	10,093.39	294
Balance Due EOM	9,945.13	303
Disconnections	0	
Disconnected & Uncollected	0.00	
New Customers Added	0	

	<u>Application</u>	<u>Account Number</u>	<u>Type Description</u>	<u>Current Balance</u>	<u>Avg. Curr Balance YTD</u>	<u>Account Status</u>	<u>Interest Rate</u>	<u>Date Opened</u>	<u>Date Closed</u>
Primary Owner	Time Deposit	26093	PUBLIC FUNDS TC	\$10,739.20	\$10,739.20	Active	1.05%	08/14/2001	
Primary Owner	Time Deposit	26094	PUBLIC FUNDS TC	\$10,739.20	\$10,739.20	Active	1.05%	08/14/2001	
Primary Owner	Time Deposit	26095	PUBLIC FUNDS TC	\$10,739.20	\$10,739.20	Active	1.05%	08/14/2001	
Primary Owner	Time Deposit	26096	PUBLIC FUNDS TC	\$10,739.20	\$10,739.20	Active	1.05%	08/14/2001	
Primary Owner	Time Deposit	26603	PUBLIC FUNDS TC	\$10,293.28	\$10,293.28	Active	1.2%	10/24/2002	
Primary Owner	Time Deposit	26692	PUBLIC FUNDS TC	\$10,299.18	\$10,299.18	Active	0.85%	03/13/2003	
Primary Owner	Time Deposit	26749	PUBLIC FUNDS TC	\$10,231.69	\$10,231.69	Active	1.05%	07/16/2003	
Primary Owner	Time Deposit	6102001697	PUBLIC FUNDS TC	\$10,215.37	\$10,215.37	Active	1.3%	02/17/2004	

Certificate of Deposits

Check Register

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Soil & Water

4/7/2005

Date	Num	Transaction	Payment	C	Deposit	Balance
3/17/2005	DEP	cat: [Checking]			3,000.00	3,466.09
3/31/2005	DEP	cat: Interest Inc			0.48	3,466.57

Check Register

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Depreciation Account

4/7/2005

Date	Num	Transaction	Payment	C	Deposit	Balance
3/17/2005	DEP	cat: Transfer			6,000.00	33,278.57
3/31/2005	DEP	cat: Interest Inc			13.95	33,292.52



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**United States Department of Agriculture
Rural Development
Harrison Area Office**

Thursday, February 6, 2003

Mt. Sherman Water
Ms. Karen Edgmon
PO Box 356
Jasper, AR 72641

**RE: 2004 End of Year Financial
Report**

Dear Ms. Edgmon:

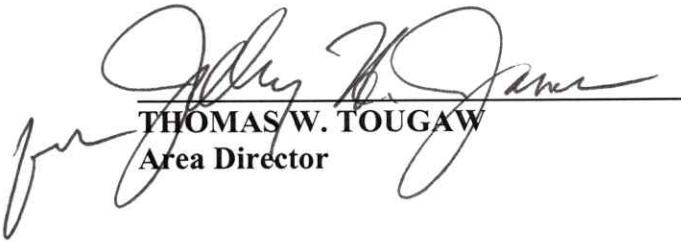
Thank you for returning your 2004 End of Year Financial Report. We have reviewed the figures and financial statements and compared them side by side with your 2003 EOY financials and we offer the following comments:

The report indicates an increase in revenue of approximately 1%. The report also indicates an increase in expenses of 13%. The report indicates that the water system has had a good financial year. The report further indicates that all reserves are fully funded to date and insurance, bonding, and payments are all current.

The report reflects the dedication of you and your staff to provide a valuable service to the public. Your continued efforts to maintain and protect the facility evidence your commitment to provide good stewardship of facility resources. We appreciate your hard work.

If you have questions, or need assistance please call our office.

Sincerely,


THOMAS W. TOUGAW
Area Director

USDA Service Center ■ 402 North Walnut, Room 219 ■ Harrison, AR 72601
Phone: (870) 741-8600 • Fax: (870) 741-2865 • TDD: Dial 711 Request 870-741-4050

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