

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356
JASPER, AR 72641

Dear Directors:

Enclosed please find the transaction report, director's report and board minutes for the month of June 05.

I mailed the letter with all the information to Lytle James by certified mail on 6-15-05. Mrs. James picked up the letter on 6-23-05. As of July 4th I have not received anything from them. My daughter is checking the mail daily and if something does come back I will notify Jim and make sure a copy of the letter gets to the board meeting.

I had a couple of complaints from customers on top of Low Gap due to Porter Young getting water from fire hydrant. It dropped their pressure really low at inconvenient times. I called Ivan and he got in touch with Mr. Young.

I have had four people that are interested in joining the water system that live down the Murray road from Shiloh. Our line currently runs to Castle Bluff. The potential customers are Nina Rylee, Lydia Rylee, Pete Edgmon and Dessie Taylor.

If you have any questions please feel free to call me. I will be back home sometime Friday evening.

Thank You,

Karen

Karen Edgmon, Billing Clerk

Transaction Report

6/1/05 Through 6/30/05

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Date	Num	Description	Memo	Category	Clr	Amount
BALANCE 5/31/05						20,959.78
6/2/05	3437	Newton County Times		Public Notice		-62.75
6/2/05	3438	Lauren Edgmon		Printing and Reproduction		-30.00
6/2/05	3439	Tom Brisco	repair wiring well pump	Maintenance		-114.06
6/3/05	DEP			Water Sales		691.33
6/7/05	DEP			Water Sales		1,597.47
6/7/05	3440	Arkansas One Call	February/June	Dues and Subscriptions		-22.80
6/10/05	DEP			Installation		260.00
6/13/05	DEP			Water Sales		1,747.96
6/13/05	3441	Karen Edgmon		Contract Labor		-731.50
6/13/05	3442	Karen Edgmon		Rent		-60.00
6/15/05	DEP			Water Sales		844.59
6/15/05	EFT	F H A		Loan		-1,020.00
6/15/05	3443	Odie Watts	reimburse for copies/Clerk's...	Printing and Reproduction		-4.00
6/15/05	3444	Danny Clark Jr.		Contract Labor		-30.00
6/15/05	3445	Jasper Post Office	postage	Postage and Delivery		-73.88
6/17/05	3446	Dept. Of Finance & Adm.		Sales Tax		-506.00
6/20/05	DEP			Water Sales		1,659.30
6/21/05	3447	Jimmie Beets		Maintenance		-20.00
6/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-29.31
6/22/05	EFT	Tri Co. Telephone		Utilities:Telephone		-33.42
6/23/05	DEP			Water Sales		1,678.77
6/23/05	3448	Ivan Reynolds	reimburse	Contract Labor		-1,100.00
6/24/05	DEP			Water Sales		86.31
6/27/05	EFT	Carroll Electric		Utilities:Gas & Electric		-58.95
6/27/05	EFT	Carroll Electric		Utilities:Gas & Electric		-20.28
6/27/05	EFT	Carroll Electric		Utilities:Gas & Electric		-1,261.54
6/27/05	3449	River Valley Win Works		Maintenance		-547.88
TOTAL 6/1/05 - 6/30/05						2,839.36
BALANCE 6/30/05						23,799.14
TOTAL INFLOWS						8,565.73
TOTAL OUTFLOWS						-5,726.37
NET TOTAL						2,839.36

MT. SHERMAN WATER ASSOCIATION
Director's Report
For the Month of June 05
Printed: 06/26/05 07:13

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,763,600	100.0%
Water Sold to Customers	1,177,456	66.8%
Utility Use (fire, flushing)	0	0.0%
Water Unaccounted For (lost)	586,144	33.2%
Average Use Per Account	3,925	

SUMMARY BY SERVICE

	Water	Sewer	Fire Dues	Trash	Other	Sales Tax
Charges	8234.48	0.00	0.00	0.00	75.25	558.47
Average	27.45	0.00	0.00	0.00	0.25	1.63
Active	300	0	0	0	300	342
Inactive	43	343	343	343	43	1

ACCOUNTS RECEIVABLE ANALYSIS

	Amount	Accounts
Balance Due BOM (begin/Month)	11,117.55	303
Credit Balances BOM	(186.38)	5
Debit Balances BOM	11,303.93	298
Payments	8,305.73	272
Charges for Services	8,868.20	
Penalty Charges	305.90	47
Adjustments	(8.50)	1
Total Delinquent EOM (end/month)	1,381.37	22
Delinquent EOM (30-60 days)	435.28	12
Delinquent EOM (60-90 days)	293.60	6
Delinquent EOM (over 90)	652.49	4
Credit Balances EOM	(116.19)	4
Debit Balances EOM	12,093.61	296
Balance Due EOM	11,977.42	300
Disconnections	1	
Disconnected & Uncollected	0.00	
New Customers Added	1	

Mount Sherman Water Association – MEETING MINUTES

Scribe:	Odie J. Watts	
Date:	June 13, 2005	Time: 5:30PM – 6:01 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 5:30 PM
2. Meeting Minutes	The minutes from the May 9, 2005 meeting were approved at written. Motion to approve the minutes – Betty Stivers. Second by Koby Lee. No Abstentions.
3. Financial and Water Association Director's Report	The financial report for the period May 1 through May 31, 2005 was presented by Karen Edgmon: ▪ Reported that non-profit directors & officers liability policy rate has increased by 15%. ▪ Recorded a 26.2% water loss rate. Jim Bowen calculated the loss equated to \$1,290. ▪ Based on calculation made by Jim Bowen the Board agreed that charges to the customer will be \$3.00 per thousand for all charges over \$100.00 when the customer experiences a leak. ▪ Books are currently in the process of being audited. No problems reported to date. ▪ Karen reported she will be unable to attend the July meeting. ▪ Motion to approve the reports – Koby Lee. Second by Betty Stivers. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operator's report. ▪ The elbow for the highway bore at Low Gap split and came apart. Replaced the elbow and blocked it with concrete. ▪ The 3" line at the "Y" in Low Gap blew apart. Lengthened the curve and backed it with concrete. ▪ The line on Kyles Landing road was cut by a bulldozer. It was only about 3" deep. Repaired the line. Noted that Tim Ray needs to be approached for an easement so the line can be moved. Ivan will pursue the easement, develop bids, costs estimates, etc. (ACTION ITEM). ▪ Assisted telephone company by locating water line by Ward Edgmon's mill. ▪ Put in new service for Ken Ladd.

Mount Sherman Water Association – MEETING MINUTES

Agenda	Main Points, Conclusions/Discussions, Decisions
	- Received 5 chlorine cylinders and returned 5 empties. - Looking for another leak on the Mt. Sherman side of the system. Motion to approve Operator's Report – Koby Lee. Second by Ben Szabrowicz. No Abstentions.
5. Old Business	- Action Item 2: COMPLETE. Ivan reported all "active" meter boxes have been marked. Inactive meter boxes are not marked. - Action Item 12: ON HOLD. Tree removal from the MSWA property is still awaiting property boundary dispute settlement. A letter has been prepared for mailing to Lytle James to see if the property boundary dispute can be settled. Hope to have a settlement by July 11, 2005. - 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 MSWA property. - Action Item 17: ON HOLD. The Demuth extension project is pending the Engineering Report and approval by the Arkansas Department of Health. Jim Bowen has a copy of the letter from the Arkansas Department of Health to the Project Engineer. The letter stipulates all the items that must be completed before work can proceed on the project. Jim Bowen indicated he would take on the task to obtain copies of the Engineering Report and the Report by the Arkansas Department of Health. As of June 13, the plans have not been returned by the Arkansas Department of Health. - Action Item 25: COMPLETE. Karen has developed and distributed a boil order phone tree. - Action Item 26: CANCELED. Karen and Jim Bowen agreed that calculating water loss rates 2 times per month would not be practical. - Action Item 28: COMPLETE. Jim Bowen calculated the cost of water production at \$3.00 per thousand. This is the cost that will be passed on to the customer when the customer experiences a leak. - Action Item 29: COMPLETE. Odie Watts has written a letter to Lytle James in an attempt to settle the property boundary dispute. The letter was signed and passed to Karen to be mailed. A copy of the letter is on file.
6. New Business	Jim Bowen reported that Mt. Sherman Water Association will be one of the first to receive water from the new Water Alliance system.
7. Adjournment	Meeting adjourned at 6:01 PM.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for July 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 5/9/05 Ivan reported the work was still in progress.	Ivan Reynolds	12/13/04	CLOSED
AI 12	11/8/04	Coordinate with Roger Faulk on tree removal. See related Action Items 18 and 21.	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. See related Action Items 18 and 21.	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. (See above discussion under "Water Operator's Report"). Present the proposal to the Board during the May 9, 2005 meeting complete with all the required stipulations which are outlined in the meeting minutes from the March 14, 2005 meeting. As of 6/9/05 the Board is awaiting action from the Project Engineering and reports from both the Engineer and the Arkansas Department of Health.	Ivan Reynolds	5/9/05	ON HOLD
AI 25	4/11/05	Develop a new "Boil Order" phone tree and pass it to the Board for approval	Karen Edgmon	6/13/05	CLOSED
AI 26	5/9/05	Calculate water loss rates at least 2 times per month so problems can be detected and corrected sooner.	Karen Edgmon and Ivan Reynolds	6/13/05	CANX
AI 27	5/9/05	Obtain copies of the Demuth Project report from the project engineer and the Arkansas Department of Health. Present the reports to the Board for approval.	Jim Bowen	6/13/05	OPEN
AI 28	5/9/05	Calculate the production cost per 1,000 gallons of water so that costs can be used to adjust customer bills in accordance with the MSWA Operating Policy. Include the cost to be charged to the customer in the Operating Policy at the appropriate places. Also, on the "Director's Report" report the cost of water loss based on the production cost per 1,000 of water.	Karen Edgmon	6/13/05	CLOSED
AI 29	5/9/05	Write letters to Edward Kilgore, Ronnie Kilgore, Lytle James, and Jim Culver inviting them to the Board meeting on June 13. Purpose of the letter is to try to resolve the property boundary dispute.	Odie Watts	6/13/05	CLOSED

Mount Sherman Water Association – MEETING MINUTES

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Key	Board Meeting Attendees:
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Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Annual Board Election Meeting was called to order by Jim Bowen, President at 6:01 PM
2. Nominations and Voting	The following nominations were made and unanimously accepted by the Board Members as noted: - Jim Bowen – President. Nominated by Karen Edgmon, 2nd by Betty Stivers. No abstentions or discussion. - Odie Watts – Secretary. Nominated by Karen Edgmon, 2nd by Betty Stivers. No abstentions or discussion. - Vice President – Betty Stivers. Nominated by Ben Szabrowicz, 2nd by Odie Watts. No abstentions or discussion.
3. Next Meeting	The next annual board election meeting will be held on June 12, 2006.

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Mt Sherman Water Association
Board Meeting June 13, 2005
Water Operators Report

The elbow for the highway bore just before Low Gap Cemetery split and the came apart. I replaced the pvc elbow with a cast iron elbow and blocked it with six bags of Quikrete. The three inch line at the y in Low Gap blew apart. Its in a hard arc. I lengthened the curve and backed it With six bags of Quikrete for weight to keep it from shifting. The line is buried approximately 18 inches deep. I issued a boil order and the sample came back safe.

The water line on Kyles Landing road was cut by a Bulldozer in the water ditch and it was only about three inches Deep . Dug it up with a shovel and made the repair with 2 2 inch repair couplings.

Assisted Tri Co Tele By locating the water line by Ward Edgemon Wood Products.

Put in a new service for Ken Ladd on Shiloh.

I received 5 Chlorine Cylinders from Capitol Supply and

Returned 5 emptys.

I'm looking for another leak on the Mt Sherman side of the system.

I received the parts order from River Valley Winwater.

By Ivan Reynolds

Water Operator