

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

Monday, February 13th 2006

5:30 P.M.

Jan 06

Dear Directors:

Enclosed please find the transaction report, board minutes and director's report.

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

Thank You,

Karen

Karen Edgmon

Billing Clerk

Mt. Sherman Water Association

Transaction Report

1/1/06 Through 1/31/06

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Date	Num	Description	Memo	Category	Clr	Amount
		BALANCE 12/31/05				29,071.69
1/2/06	3512	Mt. Sherman Fire Dept.		Dues and Subscriptions		-25.00
1/4/06	DEP			Water Sales		812.82
1/6/06	DEP			Water Sales		1,544.45
1/12/06	DEP			Water Sales		780.00
1/12/06	DEP			Water Sales		1,557.72
1/13/06	3513	Newton County Times		Public Notice		-63.00
1/13/06	3514	Ar Rural Water Association		Membership		-225.00
1/13/06	3515	Karen Edgmon		Contract Labor		-731.50
1/13/06	3516	Karen Edgmon		Rent		-60.00
1/17/06	EFT	F H A		Loan		-1,020.00
1/18/06	DEP			Water Sales		1,581.87
1/18/06	3517	Dept. Of Finance & Adm.		Sales Tax		-549.00
1/24/06	DEP			Water Sales		2,921.80
1/24/06	EFT	Tri Co. Telephone		Utilities:Telephone		-29.23
1/24/06	EFT	Tri Co. Telephone		Utilities:Telephone		-33.57
1/24/06	3518	Jasper Post Office	postage	Postage and Delivery		-90.00
1/26/06	EFT	Carroll Electric		Utilities:Gas & Electric		-53.19
1/26/06	EFT	Carroll Electric		Utilities:Gas & Electric		-55.31
1/26/06	EFT	Carroll Electric		Utilities:Gas & Electric		-1,050.94
1/26/06	3519	Ivan Reynolds	reimburse	Contract Labor		-1,100.00
1/27/06	DEP			Water Sales		356.13
1/28/06	3520	Walmart	Ozark Mtn. Regional Water	Misc		-38.40
		TOTAL 1/1/06 - 1/31/06				4,430.65
		BALANCE 1/31/06				33,502.34
		TOTAL INFLOWS				9,554.79
		TOTAL OUTFLOWS				-5,124.14
		NET TOTAL				4,430.65

MT. SHERMAN WATER ASSOCIATION
Director's Report
For the Month of January 06
Printed: 01/26/06 20:38

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,500,100	100.0%
Water Sold to Customers	983,960	65.6%
Utility Use (fire, flushing)	0	0.0%
Water Unaccounted For (lost)	516,140	34.4%
Average Use Per Account	3,258	

SUMMARY BY SERVICE

	Water	Sewer	Fire Dues	Trash	Other	Sales Tax
Charges	7460.20	0.00	0.00	0.00	75.50	518.30
Average	24.70	0.00	0.00	0.00	0.25	1.48
Active	302	0	0	0	302	350
Inactive	49	351	351	351	49	1

ACCOUNTS RECEIVABLE ANALYSIS

	Amount	Accounts
Balance Due BOM (begin/Month)	11,994.78	303
Credit Balances BOM	(35.75)	5
Debit Balances BOM	12,030.53	298
Payments	8,774.79	287
Charges for Services	8,054.00	
Penalty Charges	346.79	42
Adjustments	(154.50)	6
Total Delinquent EOM (end/month)	2,171.36	22
Delinquent EOM (30-60 days)	511.62	9
Delinquent EOM (60-90 days)	377.08	7
Delinquent EOM (over 90)	1,282.66	6
Credit Balances EOM	(38.64)	4
Debit Balances EOM	11,504.92	300
Balance Due EOM	11,466.28	304
Disconnections	0	
Disconnected & Uncollected	0.00	
New Customers Added	1	

Mount Sherman Water Association – MEETING MINUTES

Scribe:	Odie J. Watts	
Date:	January 9, 2006	Time: 5:30PM – 6:30 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 – VICE PRESIDENT	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 customers or guests attending this meeting.	

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting called to order by Jim Bowen, President at 5:27 PM
2. Meeting Minutes	The minutes from the December 12, 2005 meeting were approved at written. Motion to approve the minutes – Koby Lee. Second by Betty Stivers. No Abstentions.
3. Financial and Water Association Director's Report	Karen Edgmon reviewed the financial report for the period December 1 through December 31, 2005. Nothing substantial occurred during the month regarding the financial status of the Association and the Board held no discussion of the report. From the Water Association Director's Report the water loss rate of 26.8% was noted. Ivan indicated that someone had ran over the observation meter on the DeMuth line causing a leak. Discussion was held on the water loss rate. Jim Bowen indicated that he would advise Tim May that a 20% loss rate should be built into the MSWA usage calculations. Ivan indicated that leaks were due primarily to the age and the quality of the materials used throughout the system. Discussion was held as to building the water loss rate into the overall cost of supplying water. Odie Watts will build a cost calculator to be used to determine the cost of supplying water at 1000 gallon units (Action Item). 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 James project is complete. The 1 year warranty period begins on 1/9/06. • Removed and replace the Ron Carey meter. Mr. Carey has until Friday, January 12, 2006 to pay his water bill or the meter will be pulled. • Checked the Journagin meter for a leak due to high usage and found no leak. • Informed Lacy Keenan that our responsibility stopped at the end of the meter setter and her leak was her opportunity to make a repair. • Will attend a 3 day Water Operators License requirement course at the Baxter County Training Facility the 17th through the 19th of January. This is a requirement for license renewal.

Mount Sherman Water Association – MEETING MINUTES

Agenda	Main Points, Conclusions/Discussions, Decisions
	Motion to approve Operator's Report – Betty Stivers. Second by Koby Lee. No Abstentions.
5. Old Business	▪ Action Item 13: ON HOLD. The fencing project has been put on hold pending both the vulnerability assessment and an appraisal by the Water Authority. Jim Bowan indicated the Water Authority may end up paying for the fencing project. ▪ Action Item 17: PENDING. The Demuth extension project is complete. Just waiting on final paper work to be completed. ▪ Action Item 30: OPEN. 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. Have met with Tim Ray who indicated he will grant easement. ▪ Action Item 34: PENDING. Called the ARWA and we are on their list for them to do a vulnerability assessment. ▪ Action Item 35: PENDING. Will meet with all the potentially added water customers to begin the process of determining engineer and costs of adding new customers. ▪ Action Item 38: PENDING. The topo map was received. Will contact the vendor and ask for some changes to the map layout and size. ▪ Action Item 39: OPEN. Develop a metric to measure water loss and assign the loss rate a cost figure to be used in the cost of water production.
6. New Business	Karen Edgmon indicated that the charity customer has been in contact and has promised payment. The customer has until January 13, 2006 to make payment or the meter will be pulled.
7. Adjournment	Meeting adjourned at 6:05 PM.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for February 13, 2006 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 13	11/8/04	Get 2 – 3 estimates for completing the fencing of property after tree removal. Pending completion of AI 12.	Ben Szabrowicz	12/13/04	ON HOLD
AI 17	3/14/05	Dick Demuth is complete. Pending completion of final paper work.	Ivan Reynolds	5/9/05	PENDING
AI 30	6/13/05	The line on Kyles Landing road was cut by a bulldozer. It was only about 3" deep. Repaired the line. Waiting to meet with Tim Ray for an easement so the line can be moved. Ivan will pursue the easement, develop bids, costs estimates, etc.	Ivan Reynolds	7/11/05	OPEN
AI 34	8/8/05	On the ARWA to-do list. Waiting on them to arrange a date for their offer to do a vulnerability assessment of our water facilities.	Ivan Reynolds	9/12/05	PENDING
AI 35	9/12/05	Ivan Reynolds will work with Quentin Rylee to organize a meeting of the 4 potential customers at the end of Murray Road to discuss engineering, easements, and costs.	Ivan Reynolds	10/10/05	PENDING

Mount Sherman Water Association – MEETING MINUTES

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI 38	8/8/05	Contact a map vendor and determine the cost of providing the MSHA with a map of all the meter locations based on GPS readings were provided by Ivan Reynolds. The original map was received and paid for. Would like to know if the vendor could resize the map and make the locations more visible.	Odie Watts	9/12/05	PENDING
AI 39	1/9/06	Develop a metric to measure water loss and assign the loss rate a cost figure to be used in the cost of water production.	Odie Watts	10/10/05	OPEN

Month/Year	Accounts	Water Supplied	Water Lost	Water Loss Rate	Income	Expenses	Delinquent Acct	# Delinquent	Delinquent Rate	Cost Per Gal (W/O Loss)	Expenses (With Loss)	Cost Per Gal (W/Loss)
8/1/04	339	1,576,600	146,040	9.3%	\$8,899.53	\$9,326.10	\$577.49	15	4.4%	\$0.0059	\$10,189.97	\$0.0065
9/1/04	339	1,430,560	146,470	10.2%	\$10,171.20	\$4,820.90	\$697.63	19	5.6%	\$0.0034	\$5,314.49	\$0.0037
10/1/04	339	2,926,200	1,687,261	57.7%	\$9,525.43	\$8,367.27	\$624.39	16	4.7%	\$0.0029	\$13,191.88	\$0.0045
11/1/04	339	1,072,700	188,569	17.6%	\$9,129.75	\$10,816.85	\$1,214.85	21	6.2%	\$0.0101	\$12,718.33	\$0.0119
12/1/04	339	1,388,500	330,640	23.8%	\$8,682.14	\$5,510.51	\$1,377.37	22	6.5%	\$0.0040	\$6,822.71	\$0.0049
1/1/05	340	1,040,300	170,890	16.4%	\$8,306.34	\$4,437.71	\$1,537.66	25	7.4%	\$0.0043	\$5,166.69	\$0.0050
2/1/05	340	1,179,300	230,785	19.6%	\$8,002.76	\$4,456.07	\$1,223.57	18	5.3%	\$0.0038	\$5,328.11	\$0.0045
3/1/05	340	1,295,000	235,025	18.1%	\$8,241.81	\$13,939.08	\$1,086.43	15	4.4%	\$0.0108	\$16,468.83	\$0.0127
4/1/05	340	1,340,000	314,800	23.5%	\$8,748.57	\$6,694.78	\$1,081.02	20	5.9%	\$0.0050	\$8,267.55	\$0.0062
5/1/05	342	1,651,400	432,920	26.2%	\$8,467.08	\$4,919.81	\$1,168.50	20	5.8%	\$0.0030	\$6,209.55	\$0.0038
6/1/05	343	1,763,600	586,144	33.2%	\$8,565.73	\$5,726.37	\$1,381.37	22	6.4%	\$0.0032	\$7,629.57	\$0.0043
7/1/05	343	2,447,700	292,698	12.0%	\$10,842.35	\$7,795.52	\$1,279.59	18	5.2%	\$0.0032	\$8,727.71	\$0.0036
8/1/05	345	2,541,300	1,104,528	43.5%	\$13,180.89	\$5,677.26	\$1,437.47	15	4.3%	\$0.0022	\$8,144.77	\$0.0032
9/1/05	345	1,659,000	354,100	21.3%	\$10,560.59	\$7,614.64	\$1,813.22	21	6.1%	\$0.0046	\$9,239.92	\$0.0056
10/1/05	348	1,381,200	286,730	20.8%	\$9,125.62	\$9,695.05	\$2,069.52	24	6.9%	\$0.0070	\$11,707.69	\$0.0085
11/1/05	348	1,692,500	429,770	25.4%	\$9,283.58	\$7,103.38	\$2,325.40	27	7.8%	\$0.0042	\$8,907.11	\$0.0053
12/1/05	349	1,225,000	328,060	26.8%	\$9,551.28	\$8,968.61	\$2,307.72	25	7.2%	\$0.0073	\$11,370.44	\$0.0093
1/1/06	351	1,500,100	516,140	34.4%	\$9,560.27	\$5,159.14	\$2,171.36	22	6.3%	\$0.0034	\$6,934.25	\$0.0046
TOTALS	343	29,110,960	7,781,570	26.7%	\$168,844.92	\$131,029.05	\$1,409.70	20	5.9%	\$0.0045	\$162,339.61	\$0.0056

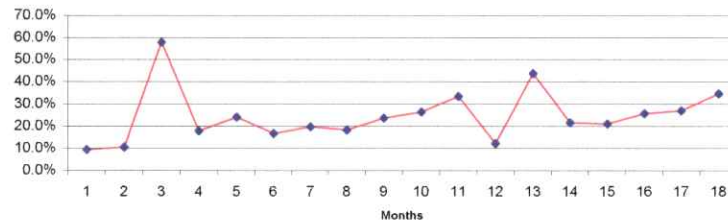
Cost of Water Supplied Without Loss
Profit/Loss From Water Sales Without Loss
Cost Per 1000 Gallons (Without Loss)

\$131,029.05
\$37,815.87
\$4.50

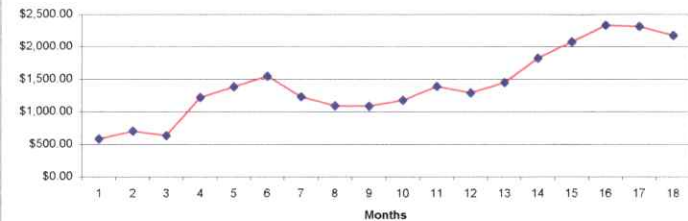
Add Cost of Lost Water as Expense to Water Sold
Profit/Loss From Water Sales With Loss
Cost of Lost Water
Cost Per 1000 Gallons (With Loss)

\$162,339.61
\$6,505.31
\$35,025.01
\$5.58

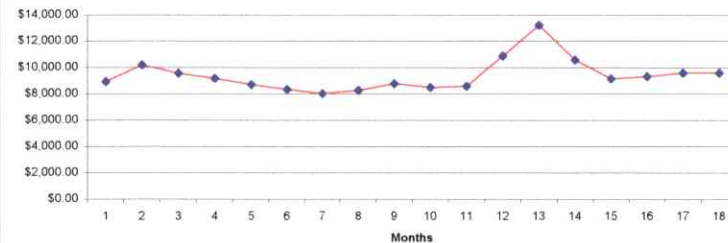
Water Loss Rate



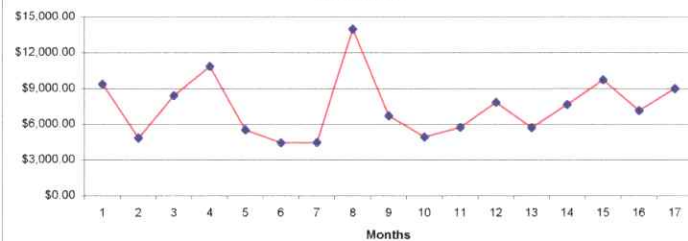
Delinquent Accounts



Income



Expenses



**NOTE: For October 2004 I removed \$7,000 Income from Ark Soil & Water and \$14,159.92 paid on Loan to Ark Soil & Water

Mt Sherman Water Assn Board
Meeting Feb 13 2006
Operators Report

The Shiloh Booster Pump Experienced an electrical Failure and I replaced one of the Time Release Delay Relays and the pump worked on Automatic for several Days and experienced an electrical short that called for The pump to operate continuously causing the Shiloh Tank to top off and over flow, resulting in the water Loss of approximately 250,000 gallons. I'm in the Process of determining which parts need to be kept on hand As the most likely to fail.

Tim and Mona Ray Have the Easement form to be filled Out and Filed for Mt Sherman Water Assn to place our water line on their property. As soon as the form is returned I'll make arrangements to do installation.

I have not heard from Quentin Rylee about going over the route for a proposed water line down Murray Road as Of yet.

I'll be ordering Chlorine Cylinders this Month and Returning the emptys.

By Ivan Reynolds

Water Operator