

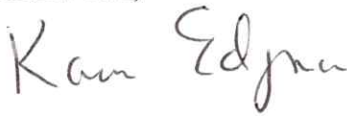
MT. SHERMAN WATER ASSOCIATION
BOARD OF DIRECTOR'S MEETING
MONDAY, JUNE 8TH 2009
5:30 P.M.

Dear Directors:

Enclosed please find the transaction report, director's report and board minutes for the month of May 2009.

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

Thank You,

A handwritten signature in cursive script that reads "Karen Edgmon".

Karen Edgmon
Billing Clerk
Mt. Sherman Water Association

Register Report

5/1/09 Through 5/31/09

Date	Num	Description	Memo	Category	Clr	Amount
		¹ BALANCE 4/30/09				12,124.76
5/4/09	DEP			Water Sales		1,204.76
5/8/09	DEP			Water Sales		1,728.38
5/11/09	3977	Dept. Of Finance & Adm.		Sales Tax		-536.00
5/11/09	3978	Karen Edgmon		Contract Labor		-981.50
5/11/09	3979	Karen Edgmon		Rent		-75.00
5/11/09	3980	River Valley Win Works		Maintenance		-543.54
5/15/09	EFT	F H A		Loan		-1,020.00
5/16/09	3981	Walmart	fax machine, computer supp	Office		-112.61
5/18/09	DEP			Water Sales		0.00
5/18/09	3982	Stormy King		Contract Labor		-45.00
5/22/09	DEP			Water Sales		1,490.37
5/22/09	EFT	Tri Co. Telephone		Utilities:Telephone		-36.76
5/22/09	EFT	Tri Co. Telephone		Utilities:Telephone		-33.53
5/22/09	3983	Jim Culver	mowing pump house	Contract Labor		-100.00
5/22/09	3984	Leslie Daniels	meter reader	Contract Labor		-200.00
5/22/09	3985	Leslie Daniels	meter reader	Maintenance		-75.00
5/25/09	3986	Ivan Reynolds		Contract Labor		-1,100.00
5/25/09	3987	Ivan Reynolds		Maintenance		-35.00
5/26/09	EFT	Carroll Electric		Utilities:Gas & Electric		-23.18
5/26/09	EFT	Carroll Electric		Utilities:Gas & Electric		-66.08
5/26/09	EFT			Utilities:Gas & Electric		-1,570.84
5/27/09	DEP			Water Sales		1,548.36
5/27/09	3988	Tiff City Pump		Maintenance		-14,143.74
5/27/09	3989	Jasper Post Office		Postage and Delivery		-168.00
5/28/09	DEP		Money Market Act	Transfer		5,000.00
5/29/09	DEP			Water Sales		85.08
5/31/09	DEP			Invest Inc		1.21
		TOTAL 5/1/09 - 5/31/09				-9,807.62
		BALANCE 5/31/09				2,317.14
		TOTAL INFLOWS				11,058.16
		TOTAL OUTFLOWS				-20,865.78
		NET TOTAL				-9,807.62

MT. SHERMAN WATER ASSOCIATION
Director's Report
For the Month of May 09
Printed: 05/27/09 20:53

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,193,000	100.0%
Water Sold to Customers	1,203,990	100.9%
Utility Use(fire,flushing)	0	0.0%
Water Unaccounted For(lost)	(10,990)	-0.9%
Average Use Per Account	3,786	

SUMMARY BY SERVICE

	Water	Sewer	Fire Dues	Trash	Other	Sales Tax
Charges	8537.59	0.00	0.00	0.00	95.10	584.67
Average	26.85	0.00	0.00	0.00	0.30	1.55
Active	318	0	0	0	317	377
Inactive	63	381	381	381	64	4

ACCOUNTS RECEIVABLE ANALYSIS

	Amount	Accounts
Balance Due BOM (begin/Month)	9,500.95	321
Credit Balances BOM	(1,133.50)	21
Debit Balances BOM	10,634.45	300
Payments	8,557.04	286
Charges for Services	9,217.36	
Penalty Charges	236.40	41
Adjustments	(43.50)	7
Total Delinquent EOM (end/month)	1,049.21	22
Delinquent EOM (30-60 days)	392.89	12
Delinquent EOM (60-90 days)	415.20	7
Delinquent EOM (over 90)	241.12	3
Credit Balances EOM	(955.10)	16
Debit Balances EOM	11,309.27	307
Balance Due EOM	10,354.17	323
Disconnections	1	
Disconnected & Uncollected	0.00	
New Customers Added	2	

Scribe:	Odie J. Watts	
Date:	May 11, 2009	Time: 5:35 PM – 6:15 PM

Board Members:

Key	Board Member Attendees: Key: * Attended, # Absent	Phone
*	Bowen, Jim – BOARD PRESIDENT	446-2171
*	Edgmon, Karen – CHIEF FINANCIAL OFFICER	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 / TREASURER	861-5848

Customers and Guests:

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

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting was called to order by Jim Bowen, President at 5:35 P.M.
2. Meeting Minutes	The minutes from the April 13, 2009 meeting were approved at written. The minutes were accepted with no abstentions. Motion to approve the minutes – Betty Stivers, Second by Ben Szabrowicz. No Abstentions.
3. Financial and Water Association Director's Report	Karen Edgmon presented the Financial report for the period April 1 and April 30, 2009. - There were no notable comments made concerning the report. - Noted that the new meter readers were working out fine and looking forward to putting the camera system in place. - Noted that she paid the Arkansas 1 Call bill. - Noted that she reimbursed Odie Watts for a memory upgrade to the water computer. - Noted that she paid an overdue bill to River Valley which was late in getting to her. - Noted that the water loss rate was only 3.9%. Motion to approve the reports – Calvin Voshell, Second by Ben Szabrowicz. No Abstentions.
4. Water Operator's Report	Ivan Reynolds reviewed the Water Operator's Report: - Acquired 5 new chlorine cylinders and sent five empty cylinders to Fabri-Clean. - Checked on a lead at Roy Self's driveway where the ground in his driveway had sunk. The leak was uphill after his water meter and left a note. Shut off his meter. - Notified one of Coy Brasel's renters of a leak at their home. They said they would notify Coy. - Still working on the Low Gap line and have been rained out quite a bit. - Tiff City Pump has not completed the turn around of our pump as yet. - Made a copy of two key for the meter readers to access private property. - Repaired a leak in the influent line that feeds the booster pump for the chlorination system.

Agenda	Main Points, Conclusions/Discussions, Decisions
	Going to need the tree climber again to remove limbs that can scratch the Fed-Ex truck when it arrives with Chlorine. Motion to approve the report was made by Betty Stivers and Seconded by Calvin Voshell. No abstentions.
5. Old Business	- Action Item 41: IN WORK. Water Operator was asked to perform an inventory of all physical assets and to enter the inventory to the inventory control system. Odie Watts will work with Water Operator to get the inventory control system ready. As of 10/9/06 the inventory is complete and the software to enter the information was made available. No change in status as of March 12, 2007. Ivan has delivered the inventory to Karen. There is still some remaining information to collect. Action Item will remain open as of December 12, 2007. Action Item will remain open as of January 14, 2008. Action Item will remain open as of February 11, 2008. Work is progressing as of March 10, item to remain open. Item will remain open as of August 11, 2008. The Board requested Karen to bring in our insurance policy to see if we could determine the value of our physical assets so the work on the inventory can be finalized. No change in status as of November 10, 2008. No change in status as of 12/8/08. No change in status as of 1/22/09. No change in status as of 2/9/09. No change in status as of 3/23/09. No change in status as of 4/13/09. Decision was made to close this item since inventory has been completed. - Action Item 43: Design is finished on the booster station upgrade and cost should be available for board approval by the December, 2007 meeting. Ivan expects cost in time for January meeting. Design plans will not be ready until February 2008 meeting. No update from Electrician as of February 11, 2008 and will remain open. As of March 10, 2008 information should be arriving within the week and be presented at April meeting. No cost estimate has been received so item will remain open as of August 11, 2008. Since there has been nothing received in the way of estimates for this work the Board asked Ivan to contact a different vendor. No change in status as of November 10, 2008. No change in status as of 12/8/08. No change in status as of 1/22/09. No change in status as of 2/9/09. No change in status as of 3/23/09. No change in status as of 4/13/09. No change in status as of 5/11/09. - Action Item 46: Opened on May 12, 2008 and assigned to Ivan Reynolds. Ivan will contact ESI to see if there were any cost reduction options and/or alternate grant funding sources for the Murray Road and Low Gap extension projects. At the moment, based on the latest ESI report and cost estimates, the projects will not be cost effective. As of May 12, 2008 Ivan has talked to Lavery's office and the paper work will be sent from ESI for signature and a cover letter for the grant agencies. Tim Mays will send copies to Jim Bowen. Item will remain open as of August 11, 2008. ESI indicated to Ivan that they are approximately 70% complete with the design work. See above comments from the Water Operator's Report. The Low Gap project is at the Health Department for review. As of November 10 the extension has been approved. As of 12/8/08 the Board approved assuming a \$40,000 loan in order to get the grant of \$140,000 to complete the Murray Extension. See the comments above under Water Operator's Report. Item will remain open as of 1/22/09. Item will remain open as of 2/9/09. Item will remain open - see water operator's report of 3/23/09. Item will remain open - see water operator's report of 4/13/09. As of 5/11/09 reports have been made to the Arkansas Health Department and are waiting on response. - Action Item 47: Ivan will contact a vendor to determine the cost of pulling the pump from well #2 and having it rebuilt. As of July 14, 2008 Ivan has talked to Lane Western Representative about doing the work. As of August 11, 2008 there has been no progress on the estimate. As of November 10, 2008 contact has been made with the vendor but the vendor has not visited the wells to offer any cost figures. No change in status as of 12/8/08. Ivan reported that he will search for a new vendor as of 1/22/09 because there has been no action taken by the current

Agenda	Main Points, Conclusions/Discussions, Decisions
	vendor. As of 2/9/09 the pump at well #2 has been pulled by Tiff City Pump and has been sent off for testing. Upon its return will be ready for installation into well #1. As of 3/23/09 the pump has been pulled and is awaiting transport to be tested. As of 4/13/09 the pump is awaiting testing. As of 5/11/09 no change in status. Action Item 49: Opened on 3/9/09 for Ivan Reynolds to contact propane suppliers for cost of propane tank to be placed at the pumping stations. He will also contact sources for generator and electrical switching equipment for the pumping stations. As of 4/13/09 the item will remain open. As of 5/11/09 no change in status.
6. New Business	Jim Bowen requested the Board consider changing the Karen Edgmon's job title from Bookkeeper to Financial Officer and to change Odie Watts' job title from Secretary to Secretary / Treasurer. A motion was made by Odie Watts to change the job titles and was seconded by Ben Szabrowicz. There were no abstentions
7. Adjournment	Meeting adjourned at 6:15 P.M.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for June 8, 2009 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 41	9/11/06	Water Operator was asked to perform an inventory of all physical assets and to enter the inventory to the inventory control system. Odie Watts will work with Water Operator to get the inventory control system ready.	Ivan Reynolds and Odie Watts	10/9/06	CLOSED
AI 43	4/9/07	Ivan will contact an electrician to determine the cost of updating the control panel at the booster pump station.	Ivan Reynolds	5/14/07	IN WORK
AI46	4/14/08	Ivan will get back to ESI to look at other sources of grants to fund the Murray Road and Low Gap extensions and to determine if there are any cost reduction avenues open that might make the project more cost effective.	Ivan Reynolds	5/12/08	IN WORK
AI47	6/9/08	Ivan will contact a vendor to determine the cost of pulling the pump from well #1 and having it rebuilt.	Ivan Reynolds	7/14/08	IN WORK
AI49	2/9/09	Ivan will contact propane suppliers for cost of tank to be placed at the pumping stations. He will also contact sources for generator and electrical switching equipment for the pumping stations.	Ivan Reynolds	3/9/09	IN WORK