

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

BOARD OF DIRECTOR'S MEETING

MONDAY, OCTOBER 8TH 2012

5:30 P.M.

Dear Directors:

Enclosed please find the transaction report, board minutes and director's report for the month of September 2012.

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

Thank You,



Karen Edgmon

Financial Officer

Mt. Sherman Water Association

9/29/2012

Transaction - MTD
9/1/2012 through 9/29/2012

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Date	Account	Num	Description	Memo	Category	Tag	Clr	Amount
BALANCE 8/31/2012								29,269.86
9/6/2012	Checking XX3...		Deposit	DEPOSIT	Other Inc		c	75.00
9/6/2012	Checking XX8...		Deposit	DEPOSIT	Other Inc		c	2,132.42
9/7/2012	Checking XX8...4505		Check #4505	CHECK #4505	Jesper Post Office			-224.00 Postage
9/7/2012	Checking XX8...4506		Check #4506	CHECK #4506	Buffalo River Ranch			-125.00 mowing
9/10/2012	Checking XX8...		Ac-internet Ch...	AC-INTERN...			c	-5.00
9/10/2012	Checking XX8...4507		Check #4507	CHECK #4507	Nelson Phillips		c	-560.00 Backhoe
9/12/2012	Checking XX8...		Nps Treas Misc	AC-NPS TR...	Other Inc		c	204.16
9/12/2012	Checking XX8...		Deposit	DEPOSIT	Other Inc		c	2,245.41
9/13/2012	Checking XX8...4509		Check #4509	CHECK #4509	Ken Edgman		c	-981.50
9/13/2012	Checking XX8...4510		Check #4510	CHECK #4510	" "		c	-75.00
9/14/2012	Checking XX8...		Deposit	DEPOSIT	Other Inc		c	1,571.49
9/17/2012	Checking XX8...4514		Check #4514	CHECK #4514	Leslie Dennis		c	-200.00
9/17/2012	Checking XX8...4515		Check #4515	CHECK #4515	Leslie Dennis		c	-175.00
9/18/2012	Checking XX8...4513		Check #4513	CHECK #4513	Ken Edgman		c	-50.00 Fire Dept
9/20/2012	Checking XX8...4508		Check #4508	CHECK #4508	DFP A		c	-832.00
9/24/2012	Checking XX8...		Deposit	DEPOSIT	Other Inc		c	3,706.83
9/24/2012	Checking XX8...4512		Check #4512	CHECK #4512	Odessa KHS		c	-50.00
9/24/2012	Checking XX8...4511		Check #4511	CHECK #4511	Mr. Sherman Fire		c	-538.59
9/25/2012	Checking XX8...		Ac-ritter Com...	AC-RITTER ...			c	-33.84
9/25/2012	Checking XX8...		Ac-ritter Com...	AC-RITTER ...			c	-35.90
9/26/2012	Checking XX8...		Ac-carroll Ele...	AC-CARROL...			c	-2,334.20
9/26/2012	Checking XX8...		Ac-carroll Ele...	AC-CARROL...			c	-119.09
9/26/2012	Checking XX8...		Deposit	DEPOSIT	Other Inc		c	2,315.45
9/26/2012	Checking XX8...		Ac-carroll Ele...	AC-CARROL...			c	-13.61
9/26/2012	Checking XX8...4518		Check #4518	CHECK #4518	Tucker Reynolds		c	-30.00
9/26/2012	Checking XX8...4517		Check #4517	CHECK #4517	" "		c	-1,100.00
9/27/2012	Checking XX8...4519		Check #4519	CHECK #4519	Jimma Bees		c	-20.00
9/28/2012	Checking XX8...4516		Check #4516	CHECK #4516	Sen's		c	-81.82
9/1/2012 - 9/29/2012								4,666.21

BALANCE 9/29/2012 **33,936.07**

TOTAL INFLOWS **12,250.76**

TOTAL OUTFLOWS **-7,584.55**

Scribe:	Odie J. Watts	
Date:	September 12, 2012	Time: 5:29 PM – 6:15 PM

Board Members:

Key	Board Member Attendees: Key: * Attended, # Absent	Phone
*	Edgmon, Karen – CHIEF FINANCIAL OFFICER	861-5641
*	Ferguson, Ron – BOARD MEMBER	446-2910
*	Lee, Koby – BOARD MEMBER	861-5158
*	Reynolds, Ivan – WATER OPERATOR	446-5352
*	Shechtman, Barry – BOARD MEMBER	446-6630
*	Stivers, Betty – VICE PRESIDENT	446-5744
*	Szabrowicz, Ben – BOARD MEMBER	446-6007
*	Voshell, Calvin – PRESIDENT	446-2270
*	Watts, Odie – SECRETARY / TREASURER	446-2838

Customers and Guests:

Key	Board Meeting Attendees:
	Frank Sullivan and wife attended the meeting to ask the Board for help in resolving their water issues. Frank indicated that their bill has jumped to over \$400 and they can't determine why. Frank indicated he has checked for leaks but has found none. He also said that his meter is running even though it is shut off. The Board requested Ivan to go to the Sullivan residence and help determine what the problems might be. Ivan will check the meter, pressure reducing valve, and advise Frank on where to install a shutoff valve so the line to the Sullivan house can be isolated without shutting off the meter. As for the large bill, the Board approved Karen to recalculate the outstanding balance and to arrange a payment schedule to include selling them water at cost and eliminating any late fees. The Sullivans left the meeting in agreement that they would appreciate Ivan's help in fixing their problems and that they would comply with the payment scheduled determined by Karen. The case will be discussed at the October meeting to determine if the issues have been resolved.

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting was moved from September 10 to September 12 due to scheduling conflicts. The September 12 th Meeting was called to order by Calvin Voshell, Board President, at 5:29 P.M.
2. Meeting Minutes	Meeting minutes from the August 13th meeting were reviewed and approved. Motion to approve the minutes – Ron Ferguson, 2 nd by Betty Stivers. No Abstentions.
3. Financial and Water Association Director's Report	Transaction reports for August 1 through August 31, 2012 were reviewed and approved. ▪ The insurance premium was paid for the bonding insurance covering the water Board liability. The Board asked Karen to determine what the insurance limits were covered by this policy. (ACTION ITEM). ▪ The back hoe operator was paid for work performed. ▪ The bill for the observation meters was paid. ▪ Karen reviewed all cash reserve assets with the Board: CD's - \$61,102.46, EE Bonds - \$30,703.20, Money Market Account - \$12,653.17, and Checking Account - \$29,269.86 for a total cash reserve of \$133,728.69 as of September 1, 2012. ▪ The problems with the Horseshoe Canyon account have yet to be fully resolved. Karen needs Ivan to give her the reading from the old meter that was pulled and replaced so she can get an accurate accounting of water consumed. (ACTION ITEM) Motion to approve the financial and director's reports – Betty Stivers, 2nd by Koby Lee. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operator's Report: ▪ Installed a meter for Joe Khalish and rechecked for tiny flow which was a problem on the customer side. ▪ Changed meters for James Holt and Rhonda Roberts due to not registering. ▪ Removed meter from Bill Montgomery residence after his passing. ▪ Removed the Tim Peeler meter after his move. ▪ Collected a past due from Bill Sloss. ▪ Had a sanitary survey by the ADH. This is a 3 year inspection and right now things look good. A formal report will be received and presented to the Board. ▪ Fixed leak at the highway crossing by Kelloggs rentals. Also added an observation meter on the north side of highway 74 in the process.

Agenda	Main Points, Conclusions/Discussions, Decisions
	▪ Tri County Telephone has marked the next observation meter set that will be installed soon. ▪ Lost 90,000 of water over the past reporting period. ▪ The suggestion was made to disconnect the phone service at pump house #2 but later learned that the phone line was actually the pump monitoring line and could not be disconnected. There is no phone service to pump house #2. Motion to approve the financial and director's reports – Koby Lee, 2nd by Ben Szabrowicz. No Abstentions.
5. Old Business	▪ Action Item 57: Opened and revised on 3/12/10 for Ivan Reynolds to purchase and install approximately 50, one inch meters to tighten up leak detection within the system. This action item was first opened on 7/9/10 but has been revised and remains open. See new business. Ivan will continue working on purchasing and installing the observation meters. He plans to install at least 50 more meters in the system to help isolate leaks. 14 meters have been installed to date. The action item was updated as of 3/9/12. The Board approved Ivan to purchase 25 observation setters and related materials and begin installing them ASAP. An additional 25 meters will be purchased and installed at a later date. Material for 25 meters has arrived as of May 14, 2012. Estimate 4 meters per month will be installed. Monthly progress reports will be made to the Board. Ivan Reynolds was absent from the June, 2012 meeting so no status report was given. No change in status as of 7/9/12. No status change as of 8/13/12. As of 9/12/12 at least one meter has been installed and another is planned soon. ▪ Action Item 58: Karen Edgmon will determine if EE Bonds are included in total cash assets of the Water Association. Karen presented the Board with cash asset breakdown as of 9/1/12. See the above Financial Report numbers. Item closed as of 9/12/12. ▪ Action Item 59: Ivan Reynolds and Karen Edgmon will work together to reconcile the billing for the Horseshoe Canyon Ranch account after their meter was changed. As of 9/12/12 Karen requested Ivan to provide her with the reading from the old meter before it was pulled. Item remains open as of 9/12/12. ▪ Action Item 60: Pull the phone at Well House #2 since it is no longer needed. As of 9/12/12 it was determined that there is no phone service to the Well House but the phone line that is there is actually the pump monitoring feed line and can not be removed. Item is closed. ▪ Action Item 61: Item assigned to Ivan Reynolds to work through the older system meters and replace those that do not appear to be recording correctly. This item is in work and as of 9/12/12 there is no significant change in status. ▪ Action Item 62: Item assigned to Karen Edgmon to research and report to the Board the insurance liability limits involved with the insurance premium we just paid to

Agenda	Main Points, Conclusions/Discussions, Decisions
	cover the Board and Water Association from any law suits that might be brought as a part of operation of the Water System.
6. New Business	- The Board agreed to drop Wesley Bushnell from the Board rolls. He only attended one meeting and has not be active since that initial meeting. - Odie Watts asked the Board their opinion on pursuing an Automatic Bill Paying option for our customers. The Board believed the option would not be used by the majority of our customers and would not make it cost effective. No further action will be taken.
7. Adjournment	Meeting adjourned at 6:45 P.M.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for October 8, 2012 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
AI57	7/19/10	Install 25, one inch meters to tighten up leak detection within the system. Make progress reports to Board on monthly basis.	Ivan Reynolds	ASAP	IN WORK
AI58	8/13/12	Determine if the EE Bonds held by the MSWA are counted as part of the overall assets of the organization.	Karen Edgmon	9/12/12	CLOSED
AI59	8/13/12	Reconcile the meter readings for the Horseshoe Canyon Ranch so their billing issues can be resolved.	Ivan Reynolds and Karen Edgmon	9/12/12	OPEN
AI60	8/13/12	Contact E-Ritter and have the phone service disconnected at pump house #2.	Karen Edgmon	9/12/12	CLOSED
AI61	8/13/12	Work through the system to replace older meters that may not be recording properly.	Ivan Reynolds	ASAP	IN WORK
AI62	9/12/12	Determine what the liability limits are on the insurance paid to protect Board and Water Association from any Law Suits that might be initiated against the organization.	Karen Edgmon	10/8/12	OPEN



DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,606,200	100.0%
Water Sold to Customers	1,214,850	75.6%
Utility Use (fire, flushing)	0	0.0%
Water Lost	391,350	24.4%
Average Use Per Account	4,090	
Accounts Using Water	297	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	8,683.71	0.00	0.00	97.20	652.50	0.00	635.83
Amount	325	0	0	324	261	0	321
Average	26.72	0.00	0.00	0.30	2.50	0.00	1.98

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on September 2012 Bills	16,524.83	328
Credit Balances	-1,181.51	19
Debit Balances	17,706.34	309
Payments	-12,584.25	285
Adjustments	-25.61	8
Balance after Payments and Adj	3,914.97	50
Current	468.16	31
30 to 60 Days Old	909.27	7
60 to 90 Days Old	312.47	3
Over 90 Days Old	2,225.07	9
Penalty Charges	447.53	55
Charges for Services	10,069.24	325
Balance Due	14,431.74	

Mt Sherman Water Board Meeting

Water Operators Report Oct. 8th, 2012

By Ivan Reynolds

I replaced Frank Sullivan meter setter and found his Water leak toward the house. It has been repaired and they have their own shut off valve to protect them during Away time and for maintenance.

The written results of the Sanitary Survey have been received and there are no action items.

The Horseshoe Canyon meter readings have been resolved.

I am in the process of winterizing .

Placed a meter at the Bohannon house for the Real Estate Company.

Met with the builder for a house before Wishon trailer. I left a member ship application and expect to be putting in a new service.

Installed new service for Steven Jones on Kyles Landing Road. He is building a cabin.