

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

BOARD OF DIRECTOR'S MEETING

MONDAY

JUNE 10TH 2013

5:30 P.M.

Dear Directors:

Enclosed please find the director's report, board minutes and financial information for May 2013.

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

Thank You,

A handwritten signature in blue ink, appearing to read 'K Edgmon'.

Karen Edgmon

Financial Officer

Mt. Sherman Water Association



DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,341,800	100.0%
Water Sold to Customers	1,031,140	44.0%
Utility Use (fire, flushing)	0	0.0%
Water Lost	1,310,660	56.0%
Average Use Per Account	3,495	
Accounts Using Water	295	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	9,460.64	0.00	0.00	97.50	650.00	0.00	686.72
Net	326	0	0	325	260	0	322
Average	29.02	0.00	0.00	0.30	2.50	0.00	2.13

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on May 2013 Bills	12,807.61	328
Credit Balances	-1,591.95	24
Debit Balances	14,399.56	304
Payments	-11,111.44	286
Adjustments	-74.09	6
Balance after Payments and Adj	1,622.08	50
Current	-1,356.34	32
30 to 60 Days Old	327.22	4
60 to 90 Days Old	204.82	3
Over 90 Days Old	2,446.38	11
Penalty Charges	262.84	57
Charges for Services	10,894.86	326
Balance Due	12,779.78	

Scribe:	Odie J. Watts	
Date:	April 8, 2013	Time: 5:30 PM – 6:05 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:
	Ken and Shiela Ladd attend the meeting. They came with questions about the new Regional Water system and its prospective dates for becoming operational.

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting was called to order at 5:30 by Calvin Voshell, President.
2. Meeting Minutes	The Meeting minutes from the March 11, 2013 meeting were reviewed and approved. Motion to approve the minutes – Koby Lee 2 nd by Betty Stivers. No Abstentions.
3. Financial and Water Association Director's	Transaction reports for March 1 through March 31, 2013 were reviewed and approved. The following are the most significant expenditures. A detailed expenditure report is on file:

Agenda	Main Points, Conclusions/Discussions, Decisions
Report	- Water loss rate was calculated at 39.2%. At least two major leaks attributed to the high loss rate. - Paid annual fees to the Arkansas Rural Water Association. - Paid annual fees for Book Keepers bonding insurance. Motion to approve the financial and director's reports – Ben Szabrowicz 2nd by Barry Shechtman. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the monthly Water Operator's Report. Most significant items in the report are listed below: - Ground thawing caused a leak near Kenny Clark's meter. Required an extension and a repair coupling to get it back in service. 4" line at Raymond White's gate to his pasture split and required a swag and a long trench to get to the leak. Replaced 54 inches of pipe to complete the repair. Raymond furnished the backhoe and helped with the repair. - Changed Paul Descombes meter and helped him find his leak. - Changed David Clark's meter. - Rechecked Jim Bowen's meter and helped find his leak. Motion to approve the Water Operator's report – Barry Shechtman 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. No status change as of 10/8/12. No new progress to report as of 11/19/12. No change in status as of 12/10/12. No change in status to record for 12/10/12. As of 2/11/13 status remains as "in work". As of 3/11/13 status remains as "in work". As of 4/8/13 status remains "in work." - Action Item 61: Item assigned to Ivan Reynolds to work through the older system

Agenda	Main Points, Conclusions/Discussions, Decisions
	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. As of 11/19/12 the Board requested Ivan to furnish the Board with the number of older meters he intends to replace. Estimate 40 meters will be replaced. Board approved purchase of 50 meters. 40 will be installed and 10 will be maintained in inventory. See above comments under Water Operator's Report. Meters are on order but have not arrived as yet. No change in status to record during the 12/10/12 meeting. As of 2/11/13 the meters have arrived and are being installed as replacements for some of the older meters in the system. Estimate completion in February or early March, 2013. No change in status as of 3/11/13. As of 4/8/13 over half of the proposed meter changes have been accomplished. Work will continue as time permits. ▪ Action Item 69: Item assigned to Odie Watts to update the MSWA Operating Policies to reflect the new water rates that will go into effect for the April, 2013 billing cycle. Operating policies have been changed and copied for file. Item closed as of 4/8/13. ▪ Action Item 70: Item assigned to Ron Ferguson to contact a company he has been researching who specializes in leak detection and see if they can come to one of our monthly meeting and advise us as to what we can do to better manage our water losses. Ron Ferguson was absent from meeting on 4/8/13 so no report was available. ▪ Action Item 71: Item assigned to Karen Edgmon to contact our business customers and advise them that the water rates for water used over and above the base rate will increase from \$4.50 per 1,000 gallons to \$6.00 per 1,000 gallons. Karen has contacted all the commercial customers and advised them of the new water rates. Item closed as of 4/8/13.
6. New Business	Guests Ken and Shiela Ladd asked questions about the new water system and were given a full update by Ivan Reynolds. Expectations are now that the new water system will come on line somewhere around June 1, 2013.
7. Adjournment	Meeting adjourned at 6:05 P.M.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for May 13, 2013 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
AI61	8/13/12	Work through the system to replace older meters that may not be recording properly.	Ivan Reynolds	ASAP	IN WORK
AI70	3/11/13	Contact a Leak Detection company and invite them to our Board meeting to discuss what they might be able to do to help curb our water losses.	Ron Ferguson	4/8/13	OPEN
AI71	3/11/13	Notify our business customers and advise them of the rate increase to be applied to water usage over and above their base rates.	Karen Edgmon	4/8/13	CLOSED

MT. SHERMAN WATER ASSOCIATION

Ck# 4640	Karen Edgmon	\$981.50	Contract Labor
Ck# 4641	Karen Edgmon	75.00	rent
Ck# 4637	Jimmie Beets	20.00	mowing/Shiloh tank
Ck# 4636	Vicky Nelson	57.26	refund meter deposit
Ck# 4642	Fabri Clean	500.55	maintenance
Ck# 4643	MSVFD	575.54	fire dept. fees
Ck# 4645	Odie Watts	50.00	reimburse/Secretary
Ck# 4644	Karen Edgmon	50.00	fire dept. fees
Ck# 4639	River Valley WinWater	1407.57	maintenance
Ck# 4648	Leslie Daniels	200.00	Contract Labor
Ck# 4649	Leslie Daniels	100.00	maintenance
Ck# 4646	D F & A	670.00	sales tax
Ck# 4647	America's First Ins.	136.00	insurance
Ck# 4650	Ivan Reynolds	1100.00	Contract Labor
Ck# 4651	Ivan Reynolds	30.00	maintenance

BANK OF THE OZARKS (0727)

**MT SHERMAN WATER ASSOCIATION
GENERAL ACCOUNT
P O BOX 356
JASPER, AR 72641**

Checking Activity

Account Number *****8454
INT CHKG-STATE & PS

Transactions From Statement Period Ending 5/31/2013

Account Summary

Ending Statement Balance on Friday, May 31, 2013

\$27,008.89

Account Activity

Date	Description	Debit	Credit	Balance
05/02/2013	Check #4640	\$981.50		\$22,887.71
05/02/2013	Check #4641	\$75.00		\$22,812.71
05/03/2013	Check #4637	\$20.00		\$22,792.71
05/07/2013	Check #4636	\$57.26		\$22,735.45
05/08/2013	DEPOSIT		\$2,133.62	\$24,869.07
05/10/2013	AC-INTERNET CHARGES-FUNDS XFERINETFEES	\$5.00		\$24,864.07
05/13/2013	Check #4642	\$500.55		\$24,363.52
05/14/2013	DEPOSIT		\$1,013.03	\$25,376.55
05/14/2013	Check #4643	\$575.54		\$24,801.01
05/14/2013	Check #4645	\$50.00		\$24,751.01
05/15/2013	DEPOSIT		\$1,135.77	\$25,886.78
05/15/2013	Check #4644	\$50.00		\$25,836.78
05/16/2013	Check #4639	\$1,407.57		\$24,429.21
05/16/2013	Check #4648	\$200.00		\$24,229.21
05/16/2013	Check #4649	\$175.00		\$24,054.21
05/17/2013	RETURNED DEPOSIT FEE	\$4.00		\$24,050.21
05/17/2013	RETURNED DEPOSIT ITEM 1040 JUANITA CAROL BANFIELD	\$50.00		\$24,000.21
05/21/2013	Check #4646	\$670.00		\$23,330.21
05/21/2013	Check #4647	\$136.00		\$23,194.21
05/22/2013	DEPOSIT		\$1,075.76	\$24,269.97
05/23/2013	DEPOSIT		\$1,507.40	\$25,777.37
05/23/2013	AC-RITTER COMM -RITTER PMT	\$34.57		\$25,742.80
05/23/2013	AC-RITTER COMM -RITTER PMT	\$35.96		\$25,706.84
05/24/2013	DEPOSIT		\$34.40	\$25,741.24
05/24/2013	DEPOSIT		\$3,541.43	\$29,282.67
05/24/2013	AC-CARROLL ELEC-CEC-CASH TRANS	\$26.76		\$29,255.91
05/24/2013	AC-CARROLL ELEC-CEC-CASH TRANS	\$107.45		\$29,148.46
05/24/2013	AC-CARROLL ELEC-CEC-CASH TRANS	\$1,630.64		\$27,517.82
05/31/2013	DEPOSIT		\$620.03	\$28,137.85
05/31/2013	Check #4650	\$1,100.00		\$27,037.85
05/31/2013	Check #4651	\$30.00		\$27,007.85

Thursday, June 06, 2013

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BANK OF THE OZARKS (0727)

**MT SHERMAN WATER ASSOCIATION
GENERAL ACCOUNT
P O BOX 356
JASPER, AR 72641**

Checking Activity

Account Number ****8454
INT CHKG-STATE & PS

Transactions From Statement Period Ending 5/31/2013

05/31/2013	INTEREST PAYMENT	\$1.04	\$27,008.89
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Balance By Day

1. 5/2/2013: \$22,812.71	2. 5/3/2013: \$22,792.71	3. 5/7/2013: \$22,735.45
4. 5/8/2013: \$24,869.07	5. 5/10/2013: \$24,864.07	6. 5/13/2013: \$24,363.52
7. 5/14/2013: \$24,751.01	8. 5/15/2013: \$25,836.78	9. 5/16/2013: \$24,054.21
10. 5/17/2013: \$24,000.21	11. 5/21/2013: \$23,194.21	12. 5/22/2013: \$24,269.97
13. 5/23/2013: \$25,706.84	14. 5/24/2013: \$27,517.82	15. 5/31/2013: \$27,008.89

Mt Sherman Water Association Board Meeting

June 10, 2013 Water Operators Report

By Ivan Reynolds

Christopher Witten acquired an easement for water line Service from Ronnie Wishon. We are scheduling the work for later in the week.

William Garvin gave an easement water line service to Russell and Brenda Black who purchased Porter Youngs place. They signed up for two meters and William Garvin took a Membership application form and is considering a dry tap For his property.

I talked to Josh Freeman from the Arkansas Rural Water and He will be here week after next. I am currently looking on Shiloh for leaks. Also I have identified and am currently finishing the meter change outs.

Scribe:	Odie J. Watts	
Date:	May 13, 2013	Time: 5:30 PM – 6:05 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:
	No customers or guests were present at the meeting.

Minutes and Business Discussions:

Agenda	Main Points, Conclusions/Discussions, Decisions
1. Call to Order	Meeting was called to order at 5:30 by Betty Stivers, Vice President. Calvin Voshell was absent.
2. Meeting Minutes	The Meeting minutes from the April 8, 2013 meeting were reviewed and approved. Motion to approve the minutes – Koby Lee 2 nd by Ron Ferguson. No Abstentions.
3. Financial and Water Association Director's	Transaction reports for April 1 through April 30, 2013 were reviewed and approved. Nothing of significance to report. A detailed expenditure report is on file: Water loss rate was calculated at 37.8%. Most of the high water loss was

Agenda	Main Points, Conclusions/Discussions, Decisions
Report	attributable to a leak that occurred on the last day of March, 2013. Only normal contract labor payments were made during the month. Motion to approve the financial and director's reports – Ben Szabrowicz 2nd by Koby Lee. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the monthly Water Operator's Report. Most significant items in the report are listed below: - Changed 17 of the older meters slated for replacement. - Replaces meter loop and meter box at Michael Halpins property. - Still looking for water leaks. - Shortened the water line to Joe Paul James' residence because of construction. - Adjusted pressure for Steel Creek lines to better regulate showers and toilets. Motion to approve the Water Operator's report – 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. No status change as of 10/8/12. No new progress to report as of 11/19/12. No change in status as of 12/10/12. No change in status to record for 12/10/12. As of 2/11/13 status remains as "in work". As of 3/11/13 status remains as "in work". As of 4/8/13 status remains "in work." As of 5/13/13 status remains "in work". No more meters have been installed. - 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. As of 11/19/12 the Board requested Ivan to furnish the Board with the number of older meters he intends to replace. Estimate 40 meters will be replaced. Board approved purchase of 50 meters. 40 will be installed and 10 will be maintained in inventory. See above

Agenda	Main Points, Conclusions/Discussions, Decisions
	comments under Water Operator's Report. Meters are on order but have not arrived as yet. No change in status to record during the 12/10/12 meeting. As of 2/11/13 the meters have arrived and are being installed as replacements for some of the older meters in the system. Estimate completion in February or early March, 2013. No change in status as of 3/11/13. As of 4/8/13 over half of the proposed meter changes have been accomplished. Work will continue as time permits. As of 5/13/13 the project is approximately 60% complete and will continue as time permits. Action Item 70: Item assigned to Ron Ferguson to contact a company he has been researching who specializes in leak detection and see if they can come to one of our monthly meeting and advise us as to what we can do to better manage our water losses. Ron Ferguson was absent from meeting on 4/8/13 so no report was available. Ron Ferguson reported he has contacted at least 3 companies who do leak detection work but was not satisfied with their responses. He will continue to research companies who do this sort of work. Ivan Reynolds will contact the Arkansas Rural Water group in Little Rock to see if they can assist in the effort to find someone to do leak testing.
6. New Business	The Mt. Sherman VFD has volunteered to paint all the fire hydrants if the Water Board would purchase the paint. A vote was made of the Board and all agreed to allow the Fire Dept to purchase the paint on the Tanner Hardware account and proceed with the project.
7. Adjournment	Meeting adjourned at 6:05 P.M.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for June 10, 2013 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
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AI61	8/13/12	Work through the system to replace older meters that may not be recording properly.	Ivan Reynolds	ASAP	IN WORK

Item No.	Opened Date	Description	Assigned To	Target Date	Status
AI70	3/11/13	Contact a Leak Detection company and invite them to our Board meeting to discuss what they might be able to do to help curb our water losses.	Ron Ferguson Ivan Reynolds	4/8/13	OPEN