

Feb

MT. SHERMAN WATER ASSOCIATION

P.O. BOX 356

JASPER, AR 72641

BOARD OF DIRECTOR'S MEETING

MONDAY, MARCH 10TH 2014

5:30 P.M.

Dear Directors:

Enclosed please find the Board Minutes, director's report and transaction report for the month of February 2014.

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

Thank You,



Karen Edgmon

Financial Officer

Mt. Sherman Water Association

Scribe:	Odie J. Watts	
Date:	February 10, 2014	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 attended this meeting.

Minutes and Business Discussions:

Agenda	
1. Call to Order	Meeting was called to order at 5:30 by Calvin Voshell – President.
2. Meeting Minutes	The Meeting minutes from the January 13, 2013 were reviewed and approved. Motion to approve the minutes was made by Betty Stivers with 2 nd by Ben Szabrowicz with no abstentions.
3. Financial and Water Association Director's	The Director's report for January 1 through January 31, 2013 was reviewed along with the financial report for the same period. Nothing significant to report.

Agenda	
Report	▪ Purchased a \$10,000 CD at the 1st National Bank ▪ Water loss rate was reported to be 41.7%. Most of the leakage was due to extremely cold weather. See the Water Operator's report. ▪ Received a renewal notice from Water Works. Board agreed to NOT renew the service agreement since the program is running well and no problems are anticipated. Should a problem develop the issue will be handled as needed. Motion to approve the financial and director's reports – Koby Lee, 2nd by Betty Stivers. No Abstentions.
4. Water Operator's Report	Ivan Reynolds presented the Water Operators Report: • Pulled 2 meters for lack of payment and collected and reinstalled both of them. • Several reports of frozen pipes, replaced Youngers meter due to freezing and breaking. • The Horseshoe Canyon Ranch line cam apart in the slide area and repairs were made. • The highway bore to Elvin Samuels started leaking due to the line pushing apart. Repaired the line and added a 2" valve and an Observation Meter. • Now averaging 52,000 gallons per day for the past 19 days. Motion to approve the financial and director's reports – Ben Szabrowicz, 2nd by Betty Stivers. 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. As of January 13, 2014 there are approximately 17 more observation meters to install. Until completed this action item will remain in IN WORK Status. Installed another meter leaving approximately 16 more to install. ▪ 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. As of January 13, 2014 there are approximately 11 more older meters to replace. Until this action item is completed it will remain in IN WORK status. No change in status as of 2/10/14. ▪ Action Item 72: Item assigned to Ivan Reynolds to contact ESI Engineering to determine when and where the master meter will be set to monitor water usage from the OMPWA supply source. The master meter is currently housed in the facility near the Harvey Gash residence. The OMPWA is awaiting funding to build a permanent structure for the master meter which will be relocated once that facility is

Agenda	
	built. No estimate as to when the new facility will be funded or constructed. Item was not discussed at the 10/14/13 meeting. No change in status as of 11/11/13. As of 12/16/13 according to Mr. Ed Manor who attended the 12/16/13 meeting, the Master Meter is set to be installed just as soon as the installation can be funded and the weather permits. The Action Item will be placed on HOLD status. No change in status as of January 13, 2014. No change in status as of 2/10/14. ▪ Action Item 76: Item assigned to Karen Edgmon to determine the cost of raising the Board's liability insurance policy limits to \$1 million dollars. The cost will be approximately \$800 per year increase but can not be changed until the current policy expires. Barry Shectman checked with State Farm Insurance and Karen will follow up to determine what their annual cost for liability might be. Status was changed to PENDING. As of 12/16/13 the Action Item is still PENDING. As of January 13, 2014 the Action Item is still PENDING. Anticipate having a quote on raising the liability limit during the March 10, 2014 meeting. ▪ Action Item 78: Item assigned to Ivan Reynolds to contact Carroll Electric to determine how we can minimized electrical connections at the pumping facilities to minimize electricity consumption. No change in status as of 11/11/13. No change in status as of 12/16/13. The electrical charges paid by the MSWA are the minimums and there is not much savings to be realized. As of January 13, 2014 this action item is PENDING. After discussing this item the Board agreed to CLOSE the item since electrical costs are minimal. ▪ Action Item 79: Item assigned to Ivan Reynolds to contact Hillard Kilgore to determine if he would consider giving an easement to the MSWA to lay a water line through his proper so the line can be used to tap into a larger supply line which would resolve the problems being encountered by Mr. Patton. This action item is PENDING. No change in status as of 11/11/13. No change in status as of 12/16/13. No change in status as of 1/13/14. No change in status as of 2/10/14. ▪ Action Item 81: Item assigned to Odie Watts to update the Operating Policy to include the agreed upon policy of not automatically agreeing to sell water at cost to a customer when they experience a leak and a resulting high water bill. The policy is now to ask the customer to petition the Board to forgive any penalty charges and sell them the water at cost should a customer experience a high water bill.
6. New Business	• Karen Edgmon suggested the Board adapt a change to its Operating Policy to NOT automatically agree to sell water to a customer at cost and forgive any penalty charges should the customer experience a leak and a resulting higher than normal water bill. Board agreed to change the Operating Policy and assigned the Policy change to Odie Watts who will present the changed Operating Policy to the Board during the March 10, 2014 meeting. • Koby Lee notified the Board that she is resigning from the Board. She has purchased a house in Harrison and will be leaving the area as soon as possible. Her future participation with the MSWA will be minimal. Good Luck to Koby and

Agenda	
	thanks for her support and participation on the MSWA Board of Directors over the past years. She will be missed
7. Adjournment	Meeting adjourned at 6:05 P.M.
8. Next Meeting	NOTE MEETING START TIME: The next meeting is scheduled for March 10, 2014 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
AI72	8/12/13	Coordinate with ESI Engineering regarding the location and installation dates for the master meter which will be used to measure incoming water from the OMRPWA.	Ivan Reynolds	ASAP	ON HOLD
AI76	10/14/13	Determine the cost of increasing the Board's Liability Insurance limits up to \$1 million.	Karen Edgmon/Barry Schechtman	11/11/13	PENDING
AI78	9/9/13	Coordinate with Carroll Electric on reducing electrical service at the pumping station since the 3-phase power to the pump is no longer required.	Ivan Reynolds	11/11/13	CLOSED
AI79	10/14/13	Talk to Hillard Kilgore to determine the possibility of pursuing an easement to the Patton water problems can be resolved.	Ivan Reynolds	10/14/13	PENDING
AI81	2/10/14	Revise the MSWA Operating Policy to indicate the need for a customer to partition the Board for a reduction in penalties and cost of water in the event of a higher than normal water bill due to leak, etc.	Odie Watts	3/10/14	OPEN



DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,721,221	100.0%
Water Sold to Customers	1,216,850	70.7%
Utility Use (fire, flushing)	0	0.0%
Water Lost	504,371	29.3%
Average Use Per Account	4,315	
Accounts Using Water	282	

Master Meter 12026999

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	10,661.80	0.00	0.00	97.80	650.00	0.00	880.64
Count	328	0	0	326	260	0	324
Age	32.51	0.00	0.00	0.30	2.50	0.00	2.72

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on February 2014 Bills	11,627.27	331
Credit Balances	-1,892.94	26
Debit Balances	13,520.21	305
Payments	-11,314.24	283
Adjustments	10.61	3
Balance after Payments and Adj	323.64	39
Current	-870.36	22
30 to 60 Days Old	639.27	5
60 to 90 Days Old	169.37	7
Over 90 Days Old	385.36	5
Penalty Charges	273.56	37
Charges for Services	12,290.24	328
Balance Due	12,887.44	

Check #	Payee	Amount	Service
4785	Jasper PO	\$102.00	post card stamps
4793	Karen Edgmon	981.50	contract labor
4794	Karen Edgmon	75.00	rent
4788	Bank/Ozarks	40.00	safe deposit box rent
4784	ARWA	425.00	membership
4787	Ozark Mtn. Regional	5959.63	water service
4790	Karen Edgmon	50.00	MSFD fees
4791	Odie Watts	50.00	reimbursement/Secretary
4786	Dept. of Treasury	220.00	penalty/filing 990 form
4792	Dept. of Fin. & Adm.	800.00	sales tax
4795	Leslie Daniels	200.00	contract labor
4796	Leslie Daniels	175.00	maintenance
4797	Ivan Reynolds	1100.00	contract labor
4798	Ivan Reynolds	75.00	maintenance fee
4789	MSVFD	644.08	fire dept. fees

Friday, March 07, 2014

Page 1 of 2

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 2/20/2014

Account Summary

Ending Statement Balance on Friday, February 28, 2014

\$29,395.35

Account Activity

Date	Description	Debit	Credit	Balance
02/04/2014	AC-1400 TREAS 310 MISC PAYMR*IV*215- 0*PI*187.80\		\$187.80	\$29,766.76
02/04/2014	Check #4785	\$102.00		\$29,666.76
02/06/2014	Check #4793	\$981.50		\$28,685.26
02/06/2014	Check #4794	\$75.00		\$28,610.26
02/07/2014	DEPOSIT		\$1,023.09	\$29,633.35
02/07/2014	Check #4788	\$40.00		\$29,593.35
02/10/2014	AC-INTERNET CHARGES-FUNDS XFERINETFEES	\$5.00		\$29,588.35
02/10/2014	Check #4784	\$425.00		\$29,163.35
02/11/2014	DEPOSIT		\$2,000.39	\$31,163.74
02/11/2014	Check #4787	\$5,959.53		\$25,204.21
02/11/2014	Check #4790	\$50.00		\$25,154.21
02/11/2014	Check #4791	\$50.00		\$25,104.21
02/13/2014	Check #4786	\$220.00		\$24,884.21
02/19/2014	DEPOSIT		\$3,463.51	\$28,347.72
02/19/2014	Check #4792	\$800.00		\$27,547.72
02/19/2014	Check #4795	\$200.00		\$27,347.72
02/19/2014	Check #4796	\$175.00		\$27,172.72
02/20/2014	AC-HARLAND CLARKE -CHK ORDER	\$50.49		\$27,122.23
02/20/2014	Check #4797	\$1,100.00		\$26,022.23
02/20/2014	Check #4798	\$75.00		\$25,947.23
02/24/2014	DEPOSIT		\$2,257.14	\$28,204.37
02/25/2014	AC-RITTER COMM -RITTER PMT	\$34.74		\$28,169.63
02/26/2014	AC-RITTER COMM -RITTER PMT	\$40.04		\$28,129.59
02/25/2014	Check #4789	\$644.08		\$27,485.51
02/26/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$35.04		\$27,450.47
02/26/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$118.74		\$27,331.73
02/26/2014	AC-CARROLL ELEC-CEC-CASH TRANS	\$157.73		\$27,174.00
02/28/2014	DEPOSIT		\$25.00	\$27,199.00
02/28/2014	DEPOSIT		\$196.57	\$27,395.57
02/28/2014	DEPOSIT		\$2,185.74	\$29,581.31

Friday, March 07, 2014

Page 2 of 2

BANK OF THE OZARKS (0727)

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

Checking Activity

Account Number
 INT CHKG-STATE & PS

****8454

Transactions From Statement Period Ending 2/28/2014

02/28/2014	Check #4799	\$187.00	\$29,394.31
02/28/2014	INTEREST PAYMENT		\$20,395.35
			\$1.04

Balance By Day

1. 2/4/2014: \$29,666.76	2. 2/6/2014: \$28,610.26	3. 2/7/2014: \$29,593.35
4. 2/10/2014: \$29,163.35	6. 2/11/2014: \$25,104.21	6. 2/13/2014: \$24,884.21
7. 2/19/2014: \$27,172.72	8. 2/20/2014: \$25,947.23	9. 2/24/2014: \$28,204.37
10. 2/25/2014: \$27,485.51	11. 2/26/2014: \$27,174.00	12. 2/28/2014: \$29,395.35

Mt Sherman Water Association Board Meeting

Mar 10, 2014 Water Operators Report by

Ivan Reynolds

Dustin Lager Cabin sold and the new owner is wanting to Hookup to the system. Jim Culver wants water at the old Gladys Villines Place and I am working with them.

Allen Lavenue will get a new meter soon for the new House being built .

I pulled Johnnie Kellogg meter, requested.

I installed a meter for Crystal Dillow and collected the past due.

I Checked on a leak at Joey Mitchell's and they were going to Make the repair.

I replaced Byron Manns meter, the bottom froze and broke.

I pulled Rex Folks meter, requested.

I checked on low pressure at Shiloh and reset electrical, aok.

I installed a meter for Jay Khalish.