

COMPTON WATER ASSOCIATION
Board of Directors and Business Meeting
Held at Compton School, Compton Arkansas
June 13, 2017 - 7:00 p.m.

Roger Jones called meeting of June 13, 2017 Compton Water Association to order. Roger Jones called roll to determine if a Quorum is present. Members present: Mitch Jones, Roger Jones, Karl Lehr. Quorum established.

REPORTS:

MINUTES: Katrina Davidson

DIRECTORS REPORT: Katrina Davidson

BOOKKEEPER REPORT: Katrina Davidson

WATER OPERATOR REPORT: Wayne Hartlerode

A motion was made by Mitch Jones to accept the reports into the minutes. Karl Lehr seconded the motion.
All in favor; motion carries.

OLD/UNFINISHED BUSINESS:

Topic: Solution to theft of water.

Robert Howell has come up with an idea where they can do the welding in a shop instead of doing the work in the field. Robert personally bought the supplies to do a trial test.

Roger: You water operator will have to put your heads together and see how it works on one. If it works and is effective then we need to get it done.

Karl: The security comes from the fact that it is locked verses welded?

Robert: It has to be locked anyway because we have to do blow offs on a regular schedule. We have to uncap so welding is not an option.

Topic: Cross Connections.

Roger: Do we have confirmation that that is for sure happening?

Wayne: No direct proof, we have some things that look pretty suspicious. Right now the Health Dept requires a cross connection program.

Roger: So it is legal to have connections to both? To our system and to a spring or well.

Wayne: I actually don't think it is. You have to either be on a system or spring/well.

Roger: Why have cross connection protection?

Wayne: The turkey houses right now that are under the umbrella of cross connection inspection...

Roger: They are inspected by someone else?

Wayne: They are. I just tried to get a guy to come out and do that. This guy would charge us \$100 and line up all the farmers. I will check on getting someone else, but they do have to be checked.

Roger: It is our responsibility?

Wayne: It is actually on that customer. However, that comes back to us, if we do not control that customer?

Roger: If you don't require that he gets it. Is there any problems with that?

Wayne: The last test everything passed without a problem. The only time we are going to experience cross connection is when we experience low pressure from a telemetry switch not working or a blow out on a 6" line. Some of the turkey houses are able to hook to springs at some point, if they had one of these certified check valves then they can do that.

Roger: But even with that there is a possibility of cross contamination.

Wayne: Yes so they have to test them to make sure they are holding up when the pressure is in reverse.

Roger: So this is just normal course of business then.

NEW BUSINESS:

Topic: Veronica Clark sent in her resignation.

Motion was made by Mitch Jones to accept her resignation. Karl Lehr seconded the motion.
All in favor; motion carries.

Topic: Job Descriptions for paid employees of CWA.

Roger: This is something that we talked about for continuity of the system. (Attached)

Topic: Water supplied to VFDs.

Katrina: I spoke with Lane Weaver the Kingston Fire Chief and he said they do not come get our water it just happened there was a fire up here and they were going to fill up and was not able to since the water level due to the telemetry switch was down. I called around to area water associations and they confirmed that they do what we do, give their local VFD's 2000 gallons.

Roger: Sounds like this is not a big deal. That we are doing what is normal. Our hands are tied; we can not lock it off.

Katrina: I just asked Lane to let us know if they take water so we are not running after a false leak.

Topic: Telemetry Switch at Fire Tower Tank.

Wayne: The old switch worked off oil pot that's in the ground that is susceptible to freezing, it does not work properly, we have always had problems with it, it now does not work. I have hooked up controller through a USB and my smart phone and I can turn it on and off with my phone. I can view the master meter as well with this. I can not check the levels however and Robert goes every morning and night and reads the levels on Fire Tower tank and reports them to me.

Roger: When this is fixed you won't be burdened with that?

Wayne: It is supposed to be a fool proof system.

Roger: Do you think if you go ahead and reinstall that then we will get it to fool proof where it needs to be?

Wayne: In the long run it will pay for itself. If you don't know how much water is in the tank you could be dumping water on the ground. Consistency is the big problem.

Roger: When do you think that is going to be resolved?

Wayne: The guy gave me a bid today and its not pretty.

Karl: How much will it be and how long will it take to install it or get it installed?

Wayne: They could start on this pretty quick. The cost of that is \$7900 for at the pump house. 39% initially. The one at the tank....

Roger: \$13,000-\$14,000.

Wayne: It has an alarm and checks the levels.

Roger: Is this something that has to be done right away or something we can nurse along? Give me a timeline and importance.

Number 1 it isn't efficient. Will our system eventually go down?

Wayne: If we do not get a warning from customers with low pressure and have to do system wide boil orders again. We could go a few more months limping along.

Roger: If you could produce the exact money and time period. Do we have the money to do that?

Katrina: If we are not having to get a truck we could possibly do payments but a lump sum is really tough.

Mary Decker interrupts. Roger explains we have an audit and it is acceptable by the State. Roger resumes the meeting.

Wayne: We can limp along until we get some revenue built up.

Roger: I think we are going to have to.

Karl: Will a new telemetry switch not be subject to the problem of the old one where you talked about oil and dirt? Do they install it or do you?

Wayne: They install most of it I would have to get them a platform so they can attach the box to it.

Karl: The second payment is 30 days after the first I don't think we should even worry about a payment plan just a copayment.

Roger: \$14,000

Karl: Is that for the whole system.

Wayne: That would be everything we need to make it functional.

Roger: It is very important and it is our biggest expense excluding the painting of the new tank that we have facing us.

Wayne: I can try to get another bid.

Roger: Anytime we do something like this we need to get at least 2 bids.

Karl: Isn't their a provision that if it is over \$500 or some other amount that you have to get 3 bids?

Roger: I don't know our purchasing requirement as far as that goes. Yes Wayne see what you can do and get a couple more bids.

Topic: Purchasing Truck.

Roger: It is something that we need. We need to get some more out of this one.

Wayne: Finding a truck with the given parameters is impossible.

Roger: I think I have heard of a program that allows special purchases of a work type truck for municipalities. That is something we might investigate.

Karl: You might go under the title surplus equipment from the Federal Government.

Mitch: Got a transfer case for the truck we have.

Roger: So we are limping along.

Katrina: Apparently it seems like there is supposedly a lot of money coming in but I think what people don't realize is we had to put \$800 in tires on the truck this month. I look and think we will be able to put money towards the account we need to get this tank painted but maintenance is needed to function.

Topic: Steve Henderson leak.

Katrina: I got a call on my personal cell phone at 6:30 in the morning a guy was wondering if we were going to charge some guys that were brush hogging and ran over a meter that was covered up from the ice storm damage. It was not the brush hogger's property, they did not know it was there, they bumped it, we had a leak and this neighbor called and asked if they were going to get charged. I said I would bring it before the Board.

Roger: How much did the leak cost?

Karl: Which side of the meter was it?

Wayne: It was actually an old blow off on the end of a line. It was totally covered by ice storm damage.

Roger: Obviously they did not run completely over it if it was covered.

Wayne: It was in a spot that you can not even get to off a county road. It is way out in the Henderson Ranch, I don't think anything has been done with that part of the line for a long time.

Karl: Is that a meter that someone is charged?

Roger: How do we ascertain how much the leak was?

Wayne: He just hasn't got there with the painting and marking and putting post.

Roger: We don't know how much has leaked?

Katrina: He was just comparing it to the Dempsey Gibbins leak. Dempsey's was out in the open, he admitted he knew it was there.

Mitch: This is apples and oranges. It was in the middle of nowhere. There was brush covering it, nobody knew it was there.

Wayne: You might go as far to say it was our negligence to not have that thing.....these things are going to happen. I have seen logging trucks doing the same thing.

Roger: If it wasn't marked?

Robert: You won't see that on a blow off.

Wayne: It was not marked and had a big pile of brush on it. We will eventually get to have them all marked and such.

Roger: It is really hard to assign blame here.

Karl: I think since there wasn't any notice, I think this is a thing that Compton Water consumes.

REQUEST TO BE ON AGENDA

1. NONE

Motion was made by Mitch Jones to adjourn, second by Karl Lehr; all in favor, motion carries.



Roger Jones, President

June 13, 2017



Board Member

June 13, 2017



Compton Water Association, Inc.

DIRECTOR'S REPORT

April 2017 Billing cycle

800-227-5128

Printed Thursday, April 27, 2017 @ 11:7

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,712,450	100.0%
Water Sold to Customers	1,169,000	68.3%
Utility Use (fire, flushing)	2,500	0.1%
Water Lost	540,950	31.6%
Average Use Per Account	3,711	
Accounts Using Water	315	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	26,373.30	0.00	0.00	103.20	54.00	0.00	2,110.47
Count	344	0	0	344	54	0	343
Average	76.67	0.00	0.00	0.30	1.00	0.00	6.15

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on April 2017 Bills	31,767.87	352
Credit Balances	-364.26	4
Debit Balances	32,132.13	348
Payments	-26,829.81	331
Adjustments	20.70	2
Balance after Payments and Adj	4,958.76	38
Current	1,333.87	11
30 to 60 Days Old	1,531.67	5
60 to 90 Days Old	442.69	11
Over 90 Days Old	1,650.53	11
Penalty Charges	334.10	43
Charges for Services	28,640.97	344
Balance Due	33,933.83	

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,824,620	100.0%
Water Sold to Customers	1,036,000	56.8%
Utility Use (fire, flushing)	4,000	0.2%
Water Lost	784,620	43.0%
Average Use Per Account	3,310	
Accounts Using Water	313	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	24,807.85	0.00	0.00	103.20	54.00	0.00	1,985.99
Count	344	0	0	344	54	0	343
Average	72.12	0.00	0.00	0.30	1.00	0.00	5.79

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on May 2017 Bills		33,933.83	354
Credit Balances	-361.79		5
Debit Balances	34,295.62		349
Payments		-26,677.88	312
Adjustments		408.22	2
Balance after Payments and Adj		7,664.17	54
Current	3,945.01		27
30 to 60 Days Old	1,065.84		8
60 to 90 Days Old	855.98		5
Over 90 Days Old	1,797.34		14
Penalty Charges		523.75	53
Charges for Services		26,951.04	344
Balance Due		35,138.96	

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 06/13/17
 Accrual Basis

Compton Water Association, Inc.
Profit & Loss
 January through May 2017

	Jan - May 17
Ordinary Income/Expense	
Income	
FEES CHARGED	
Miscellaneous Revenue	575.00
Water Meter Sets	3,200.00
Reconnect Fees	825.00
Total FEES CHARGED	4,600.00
Water Revenue	
Misc Fees	266.39
Penalty	2,060.85
Safe Water	514.09
Sales Tax	9,961.13
Water Sales	124,392.94
Total Water Revenue	137,195.40
Total Income	141,795.40
Gross Profit	141,795.40
Expense	
compton water	-19,251.89
Business Expenses	
Bank Charges	266.74
Banking NSF	8.00
Business Expenses - Other	145.84
Total Business Expenses	420.58
CONTRACT LABOR	
Katrina Davidson	7,200.00
Justin Robinson Meter Reader	1,350.00
Wayne Hartlerode Water Operator	8,000.00
Wayne Hartlerode Backhoe	850.00
CONTRACT LABOR - Other	5,621.25
Total CONTRACT LABOR	23,021.25
Contract Services	
Arkansas One Call	34.20
Outside Contract Services	1,500.00
Total Contract Services	1,534.20
EQUIPMENT	
Equipment Purchase	632.67
Misc. Equip for Repairs	2,447.62
Leak Repairs	-270.00
Mower	156.83
Other Repairs	1,119.79
Total EQUIPMENT	4,086.91
Facilities and Equipment	
Building Rent	408.48
Truck Expense	370.96
Total Facilities and Equipment	779.44
Interest Expense	3,069.13
Operations	
Advertising	629.48
Postage, Mailing Service	1,167.39
Supplies	748.18
Telephone, Telecommunications	1,044.37
Utilities, Electric, Gas	994.75
Water Works Computer Program	310.50
Total Operations	4,894.67
Other Types of Expenses	
Insurance Hartford Workmans Com	1,095.00
	1,095.00

1:40 PM
06/13/17
Accrual Basis

Compton Water Association, Inc.
Profit & Loss
January through May 2017

	<u>Jan - May 17</u>
Total Other Types of Expenses	1,095.00
S W BOONE Water	57,454.98
SALES TAX	
Arkansas State Tax	6,508.30
Boone County	5.92
Carroll County	32.43
Madison County	358.15
Newton County	1,126.35
Total SALES TAX	<u>8,031.15</u>
VEHICLE	
Fuel	1,152.76
Insurance	1,493.00
Maintenance	874.55
Total VEHICLE	<u>3,520.31</u>
Total Expense	<u>88,655.73</u>
Net Ordinary Income	<u>53,139.67</u>
Net Income	<u><u>53,139.67</u></u>

Compton Water Association, Inc.
Balance Sheet
 As of May 31, 2017

	May 31, 17
ASSETS	
Current Assets	
Checking/Savings	
CFB 72245 Depreciation Checking	2,932.97
CFB 8350 Checking	8,130.43
CFB 72187 Meter Dep Checking	15,998.05
CFB 72161 Loan Res. Checking	1,336.87
Water Revenue; Water Sales	-542.20
Total Checking/Savings	27,856.12
Accounts Receivable	
Accounts Receivable	8.20
Total Accounts Receivable	8.20
Total Current Assets	27,864.32
TOTAL ASSETS	27,864.32
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Water Meter Acct Deposit	15,806.05
Total Other Current Liabilities	15,806.05
Total Current Liabilities	15,806.05
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	50,390.00
Arkansas Natural Resources 2	16,813.00
Total ARKANSAS NATURAL RESOURCES	67,203.00
USDA Rural Development 01	31,693.54
USDA Rural Development 04	1,088.10
USDA Rural Development Loan 05	16,654.17
USDA Rural Development Debt 09	102,996.61
Total Long Term Liabilities	219,635.42
Total Liabilities	235,441.47
Equity	
Opening Balance Equity	-421,084.91
Unrestricted Net Assets	160,368.09
Net Income	53,139.67
Total Equity	-207,577.15
TOTAL LIABILITIES & EQUITY	27,864.32

May 17, 2017

To Compton Water Association Board of Directors

Roger Jones

Mitch Jones

John Henderson

Karl Lehr

I am submitting my resignation as Treasurer of Compton Water Association as of this date. I have faithfully worked for and served this Board since January of 2010 and after 7 years, it's time for me to move on. Compton Water has undergone major transformation, recovered from insolvency and has grown into a strong business, and with proper leadership as you all have so faithfully shown, it will continue to stay solid. I have sincerely enjoyed working with all of you, you have made my position easy and stood alongside of me with a form of team work that isn't often seen.

Please continue with the same vision you currently have, moving forward is your only option. I wish you all the best!

A handwritten signature in cursive script that reads "Veronica Clark".

Veronica Clark

HC 65 Box

Kingston, AR 72742

COMPTON WATER ASSOCIATION

P. O. Box 825, Compton, AR 72624

870-420-3930

www.comptonwater@gmail.com

BOOKKEEPER/SECRETARY

- Fielding calls
- Sending work orders to the water operator
- Payroll
- Billing
- Compose Newsletter
- Enter Meter readings
- Manage CWA website (uploading documents)
- Check Mail
- Prepare Meeting Agendas
- Write minutes on meetings
- Calling required boil order notices (Health Dept., Radio stations, call-list)
- Stamping all outgoing bill and newsletters (takes several hours)
- Ordering office supplies
- Bankdrafts
- Reconciling Accounts
- Making Deposits
- Gather Tax Info for Accountants
- Register receipts (gas, supplies etc)
- Supply meter sheets to Meter Reader
- Send Delinquent Notices
- Responding to AG letters
- Pay bills
- New services
- Disconnects
-

COMPTON WATER ASSOCIATION

P. O. Box 825, Compton, AR 72624

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METER READER

1. Read meters.
2. Check meters for leaks (spinning).
3. Clean/Roundup around meters.
4. Cut brush/clear path getting to meters.
5. Contact Secretary and/or Water Operator on Emergency water leak.
6. Remain aware of Dangers (snakes in meter, spiders under lids, etc)
7. Having appropriate equipment: supplies, bug spray, Round-up, pepper spray, shop towels, tools, lid hooks)
8. Clean/Wash truck and refuel before returning truck after finishing up reading meters. (Return to Well House)
9. Receive and prepare meter sheets before starting on 15th of each month...Get sheets the day before on the 14th.
10. Contact and meet with Secretary to turn meter sheets after finishing the meter readings.

COMPTON WATER ASSOCIATION

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WATER OPERATOR IN TRAINING

1. Being available 24-7
2. Assisting Water Operator on leaks first then helping with and learning operator skills with Health Dept., State, water rules and regulations etc.
3. Doing any and all small maintenance painting, meter maint., truck, tools, valve location, valve care etc. Pump house repairs, grass, paint and weed eat.
4. Assist and care for entire water system in any way that I can.
5. Read and study Operator manual, attend classes and test for Water Operator Certification.
6. Place boil order signs.
7. Back up Meter Reader.
8. Truck maintenance: oil change, cleaning and light mechanical.