

COMPTON WATER ASSOCIATION
Monthly Meeting Minutes
Held at Compton School, Compton Arkansas
February 11, 2014 - 7:00 P. M.

Mitch Jones called meeting of February 11, 2014 to order and asked John Berry for a quorum. Present were Roger Jones, Sandy Irwin, John Henderson, John Berry and Mitch Jones. Quorum established.

REPORTS:

MINUTES: Minutes were read by Secretary, approved and accepted as read from January 14, 2014. Roger Jones made motion to approve minutes, second by John Henderson, all approved, motion carries.

DIRECTORS REPORT: John Berry reported amounts of water supplied to system from the Directors Report (attached to minutes). He reported water losses were coming down.

WATER OPERATOR REPORT: Wayne Hartlerode – reported meters frozen and a lot of water loss there (William McClaine, Mable Bentley). He reported leaks were difficult to locate because of the frozen ground, ice and snow.

METER READER REPORT: Tom Gandy – Not in attendance. John Berry stated nothing to report.

BOOKKEEPER REPORT: Bookkeeper reported balances in Loan Reserve (\$23,399.30), Meter Reserve (\$9,086.73), Depreciation (4,004.64) and Checking Accounts (\$8,517.73). Also submitted was a P & L and Balance Sheet from January to February 2014.

Motion was made by John Henderson and seconded by Roger Jones to accept all reports and place them into minutes, all in favor, motion carries.

UNFINISHED BUSINESS:

COPIER AND FAX: It was discussed to increase the amount of money spent on the copier be increased from \$550.00 to \$639.99 due to shipping and additional supplies needed: Motion made by Roger Jones and second by John Henderson, all in favor, motion carries.

FIRE TOWER TANK: There was a potential overrun of costs on painting tank of approximately \$10,000.00 and the increase was for a 25 year quality of paint instead of 15 year quality paint and a grant was issued by Arkansas Water Sewer for these additional costs. Wayne asked when tank was originally painted and no documents could be found to establish when it was painted prior; he asked about prior warranty and was there any warranty left. John reported that Arkansas Rural Water will also inspect the final on the tank as well as ESI Engineering Services Inc.

NEW BUSINESS:

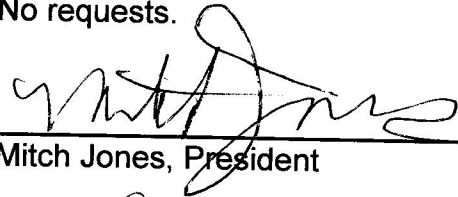
1. John wanted to report on the 2012 gift cards given to Tom Gandy, Meter Reader, Veronica Oitker, Secretary/Bookkeeper and Bobby Hudson, Water Operator for Christmas gifts. Wanda

Roudabush spoke from the audience and said 'that's was not right – they were public funds'. John Berry reported he took money from his personal funds to reimburse the \$150.00 gift to CWA. John Berry reported that for 2013 he and Mitch Jones personally gifted the Meter Reader, Water Operator and Secretary/Bookkeeper for Christmas. Paul Roudabush interrupted the discussion and asked about returning funds to CWA for security that was hired, Berry stated he would not be replacing those funds as it was voted on and a necessary expenditure; Paul Roudabush stated he would be getting a lawyer and we 'would see him again' regarding the issue.

2. Secretary/Bookkeeper reported the State Audit was scheduled and hopefully we would have reports back for 2013 year in June of 2014.
3. Roger Jones made motion to adjourn meeting, second by John Henderson. All in favor, motion carries.

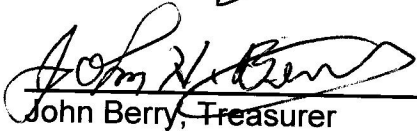
REQUEST TO BE ON AGENDA:

No requests.



Mitch Jones, President

February 11, 2014



John Berry, Treasurer

February 11, 2014

Compton Water Association, Inc.
Profit & Loss
 January through December 2013

	<u>Jan - Dec 13</u>
Ordinary Income/Expense	
Income	
FEES CHARGED	
Request Information	12.90
Miscellaneous Revenue	1,083.40
Water Meter Sets	2,300.00
Reconnect Fees	500.00
Total FEES CHARGED	<u>3,896.30</u>
Interest Accounts	
Interest-Savings	13.41
Total Interest Accounts	<u>13.41</u>
Water Revenue	
Misc Fees	546.49
Penalty	5,065.49
Safe Water	1,169.96
Sales Tax	19,217.43
Water Sales	249,629.53
Total Water Revenue	<u>275,628.90</u>
Total Income	<u>279,538.61</u>
Gross Profit	279,538.61
Expense	
Business Expenses	
Bank Charges	25.00
Total Business Expenses	<u>25.00</u>
CONTRACT LABOR	
Wayne Hartlerode Water Operator	8,000.00
Wayne Hartlerode Backhoe	450.00
J W Sailor Security	150.00
Tim Fletcher Water Operator	8,500.00
Kurtis Villines	112.50
Bill Mcelhaney	715.00
Bob Bartlett	455.00
Bobby Hudson	8,530.00
Tim Fletcher	3,915.00
Tom Gandy	4,500.00
Veronica Oitker	15,900.00
Total CONTRACT LABOR	<u>51,227.50</u>
Contract Services	
Survey Services	500.00
Accounting Fees	325.00
Arkansas Dept of Health	594.00
Arkansas One Call	136.80
Legal Fees	3,230.75
Outside Contract Services	1,650.00
Total Contract Services	<u>6,436.55</u>
EQUIPMENT	
Equipment Purchase	596.47
Misc. Equip for Repairs	993.96
Computer	655.49
Leak Repairs	10,644.73
Mower	31.64
Other Repairs	17.56
Total EQUIPMENT	<u>12,939.85</u>
Facilities and Equipment	
Building Rent	455.04
Storage Unit	300.00

Compton Water Association, Inc.
Profit & Loss
 January through December 2013

	Jan - Dec 13
Total Facilities and Equipment	755.04
Interest Expense	3,435.00
Operations	
Advertising	157.50
Meals, Travel, Lodging	139.56
Books, Subscriptions, Reference	739.95
Postage, Mailing Service	1,550.16
Printing and Copying	146.88
Supplies	3,133.89
Telephone, Telecommunications	1,400.99
Utilities, Electric, Gas	4,316.30
Water Works Computer Program	678.00
Total Operations	12,263.23
Other Types of Expenses	
Insurance Hartford Workmans Com	1,095.00
Dues	30.00
Insurance - Liability, D and O	264.25
Other Costs	15.00
Total Other Types of Expenses	1,404.25
S W BOONE Water	127,091.29
SALES TAX	
Arkansas State Tax	16,871.16
Boone County	13.35
Carroll County	84.67
Madison County	981.48
Newton County	3,039.04
SALES TAX - Other	-1,456.22
Total SALES TAX	19,533.48
Travel and Meetings	
Travel	763.97
Total Travel and Meetings	763.97
VEHICLE	
Fuel	4,100.63
Insurance	1,480.00
Maintenance	2,359.42
Total VEHICLE	7,940.05
VOID CHECKS	0.00
Total Expense	243,815.21
Net Ordinary Income	35,723.40
Other Income/Expense	
Other Expense	
Ask My Accountant	2,167.08
Total Other Expense	2,167.08
Net Other Income	-2,167.08
Net Income	33,556.32

Compton Water Association, Inc.
Balance Sheet
 As of December 31, 2013

	Dec 31, 13
ASSETS	
Current Assets	
Checking/Savings	
CFB 10358 Depreciation Savings	9,004.64
CFB 8350 Checking	24,085.42
CFB 9046 Meter Dep Savings	10,806.73
CFB 8014 Loan Res. Savings	20,369.88
Water Revenue; Water Sales	296.06
Total Checking/Savings	64,562.73
Total Current Assets	64,562.73
TOTAL ASSETS	64,562.73
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
CWA Fire Tower Tank 2013	-500.00
Water Meter Acct Deposit	10,835.00
Total Other Current Liabilities	10,335.00
Total Current Liabilities	10,335.00
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	61,953.00
Total ARKANSAS NATURAL RESOURCES	61,953.00
Other Liabilities	-168.56
USDA Rural Development 01	52,519.93
USDA Rural Development 04	1,176.42
USDA Rural Development Loan 05	17,441.39
USDA Rural Development Debt 09	100,727.35
Total Long Term Liabilities	233,649.53
Total Liabilities	243,984.53
Equity	
Opening Balance Equity	-401,833.02
Unrestricted Net Assets	188,854.90
Net Income	33,556.32
Total Equity	-179,421.80
TOTAL LIABILITIES & EQUITY	64,562.73

Compton Water Association, Inc.
Balance Sheet
 As of January 31, 2014

	Jan 31, 14
ASSETS	
Current Assets	
Checking/Savings	
CFB 10358 Depreciation Savings	9,004.64
CFB 8350 Checking	20,896.85
CFB 9046 Meter Dep Savings	10,806.73
CFB 8014 Loan Res. Savings	20,369.88
Water Revenue; Water Sales	296.06
Total Checking/Savings	61,374.16
Total Current Assets	61,374.16
TOTAL ASSETS	61,374.16
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
CWA Fire Tower Tank 2013	-500.00
Water Meter Acct Deposit	10,835.00
Total Other Current Liabilities	10,335.00
Total Current Liabilities	10,335.00
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	61,953.00
Total ARKANSAS NATURAL RESOURCES	61,953.00
Other Liabilities	
USDA Rural Development 01	-168.56
USDA Rural Development 01	51,545.93
USDA Rural Development 04	1,140.42
USDA Rural Development Loan 05	17,270.39
USDA Rural Development Debt 09	100,024.35
Total Long Term Liabilities	231,765.53
Total Liabilities	242,100.53
Equity	
Opening Balance Equity	-401,833.02
Unrestricted Net Assets	222,411.22
Net Income	-1,304.57
Total Equity	-180,726.37
TOTAL LIABILITIES & EQUITY	61,374.16

Compton Water Association, Inc.
Profit & Loss
 January 2014

	<u>Jan 14</u>
Ordinary Income/Expense	
Income	
FEES CHARGED	
Reconnect Fees	50.00
Total FEES CHARGED	<u>50.00</u>
Water Revenue	
Misc Fees	57.75
Penalty	676.80
Safe Water	94.84
Sales Tax	1,486.25
Water Sales	19,757.51
Total Water Revenue	<u>22,073.15</u>
Total Income	<u>22,123.15</u>
Gross Profit	22,123.15
Expense	
CONTRACT LABOR	
Wayne Hartlerode Water Operator	2,000.00
Bobby Hudson	50.00
Tom Gandy	450.00
Veronica Oitker	1,300.00
Total CONTRACT LABOR	<u>3,800.00</u>
EQUIPMENT	
Other Repairs	22.11
Total EQUIPMENT	<u>22.11</u>
Facilities and Equipment	
Building Rent	75.84
Total Facilities and Equipment	<u>75.84</u>
Operations	
Books, Subscriptions, Reference	425.00
Postage, Mailing Service	401.92
Telephone, Telecommunications	136.30
Utilities, Electric, Gas	413.80
Total Operations	<u>1,377.02</u>
Other Types of Expenses	
Dues	30.00
Total Other Types of Expenses	<u>30.00</u>
S W BOONE Water	14,773.41
SALES TAX	
Arkansas State Tax	1,340.60
Boone County	1.24
Carroll County	6.37
Madison County	76.84
Newton County	230.68
Total SALES TAX	<u>1,655.73</u>
VEHICLE	
Fuel	968.05
Maintenance	725.56
Total VEHICLE	<u>1,693.61</u>
VOID CHECKS	0.00
Total Expense	<u>23,427.72</u>
Net Ordinary Income	<u>-1,304.57</u>
Net Income	<u><u>-1,304.57</u></u>



DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,704,720	100.0%
Water Sold to Customers	1,333,000	49.3%
Utility Use (fire, flushing)	15,000	0.6%
Water Lost	1,356,720	50.2%
Average Use Per Account	4,399	
Accounts Using Water	303	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	21,685.00	0.00	0.00	102.00	45.00	0.00	1,628.87
Count	340	0	0	340	45	0	339
Average	63.78	0.00	0.00	0.30	1.00	0.00	4.80

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on February 2014 Bills	28,606.59	350
Credit Balances	-470.29	6
Debit Balances	29,076.88	344
Payments	-21,368.43	311
Adjustments	-369.39	2
Balance after Payments and Adj	6,868.77	42
Current	1,848.48	11
30 to 60 Days Old	1,386.36	9
60 to 90 Days Old	647.81	6
Over 90 Days Old	2,986.12	16
Penalty Charges	610.40	79
Charges for Services	23,460.87	340
Balance Due	30,940.04	