

COMPTON WATER ASSOCIATION
Monthly Meeting Minutes
Held at Compton School, Compton Arkansas
April 8, 2014 - 7:00 P. M.

Mitch Jones called meeting 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: Veronica was absent due to illness. Minutes were read by Sandy Irwin. Minutes were approved and accepted as read from last meeting. John Henderson made motion to approve minutes, second by Roger Jones, motion carries, approved.

DIRECTORS REPORT: John Berry gave the Directors Report and water loss.

WATER OPERATOR REPORT:

METER READER REPORT: Tom Gandy – not present.

BOOKKEEPER REPORT: Bookkeeper report was submitted and read by Sandy Irwin. She gave account balances: Checking - \$14,869.70, Loan Reserve – 23404.49, Meter Reserve - \$9,908.91, Depreciation \$4,005.53, Fire Tower Tank Rehab - \$108,050.00. September – December 2013 and from January 1 to January 14, 2014.

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

UNFINISHED BUSINESS:

Fire Tank Repainting Project – John reported that within approx 30 days water would be back in the tank. Status is that Health Department has new requirements for overflow from top to bottom. A pressure release valve was put on fire hydrant at BOC utility so lines won't blow.

NEW BUSINESS:

Ratification of past motions, attorney for CWA, Mitch Cash recommended all questions concerning past decisions be ratified or restated as they were in past motions/meetings. The attached motions from previous meetings were ratified, restated and voted upon. Wanda Roudabush took offense at the process and said that these were not legal and the secretary was leaving information out of the minutes as she didn't recall some of these decisions which she voted upon while she was Vice President of CWA Board, therefore the secretary (Oitker) was falsifying information – Roger Jones stated he wouldn't sign anything that was falsified and hasn't signed any such thing to date. Roger Jones said he didn't understand why these meetings were so adversarial, that he thought we should all have the same goal in mind, and be on the same team in moving forward in a positive way, to keep Compton Water in good standing.

Regarding the motion to approve expenses paid to Tim Fletcher, past Water Operator, there was interrupted audience discussion saying it wasn't legal as to how the expenses were approved. John Berry indicated urgency in reimbursing Tim his expenses, as he needed the money, therefore each Board Member was called and asked to approve the expenses and their immediate reimbursement to Tim Fletcher. Garland Matlock asked from the audience, why Tim Fletcher quit, Berry stated that Tim asked for a meeting with Mitch and himself, and indicated his reason for leaving; there was too much work for what the pay was. His resignation was accepted. Someone asked from the Audience, if these expenses were paid back to CWA by the Water Operators, if they didn't stay with CWA for one year, it has been put into Wayne Hartlerode's contract but wasn't put into Tim Fletcher's contract; therefore CWA was out the money.

Moving forward, Sandy read the motion about paying security if so needed at meetings. Paul Roudabush interrupted the meeting with some inaudible loud outbursts towards John Berry and the Board, Mitch Jones asked the meeting to

come to order and outbursts weren't going to be a part of the meeting, in response, Paul Roudabush said, "I don't care if you're packing a damn knife or not, go ahead and pull it on me," to which Jones asked that the meeting proceed and Sandy Irwin commenced with reading the motions.

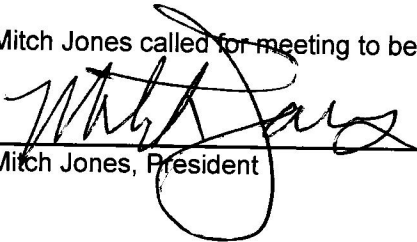
Moving forward, the motions surrounding changing the By Laws, brought audience interruptions and Garland Matlock suggested the Board speak to the Attorney General to get 'free information' to see if By Laws can be changed before money is spent. Mitch Jones said that laws change and if the By Laws aren't adequate to conduct business, then we need to have them looked at and updated. Roger Jones said he had never heard of a 'free legal advice' process and legal advice is necessary to follow proper legal and business channels, therefore an attorney will always be needed to conduct business. Mitch Jones said we need to take opportunity to ask of senators if this is correct. Matlock stated that our Senator or Representative would be able to get us an answer in 24 hours as to whether we can proceed with these By Laws changes. Mitch wanted it in the minutes to proceed to get any type of advice we can get that is free. As requested by the audience, a motion was made by Roger to investigate the Attorney General's office and get opinions for free, Sandy seconded, all in favor, motion carries.

Discussion was had on Secretary and Bookkeeper position, definitions and pay scale. Garland Matlock asked how salaries were based and investigated, it was explained that it was done by inquiring of other water companies and actual hours spent to take care of the secretarial duties and bookkeeping duties. Mary Decker interrupted from the audience and stated that Veronica wasn't doing her job; she suggested taking the secretarial duties away from her and let someone else do them as Oitker wasn't getting all things down in the minutes; the Board moved on. All amendments were voted on and approved and are attached to these minutes.

REQUEST TO BE ON AGENDA:

No requests.

Mitch Jones called for meeting to be adjourned as no further business was at hand.



Mitch Jones, President

April 8, 2014

Roger Jones, Board Member

April 8, 2014

COMPTON WATER ASSOCIATION

P. O. Box 825, Compton, AR 72624

870-420-3930

www.comptonwater@gmail.com

Be it resolved that the By-Laws of the Compton Water Association, Inc. are hereby amended as follows:

Article VIII Section I

At the January 10, 2012 Official monthly Business Meeting of the Compton Water Association a motion was made by John Henderson, Board Member and seconded by Wanda Roudabush, Vice President to change the requirement from 9 Board Members to 5 Board Members in the By Laws.

Article VII Section 1

At the January 10, 2012 Official monthly Business Meeting of the Compton Water Association a motion was made by John Henderson, Board Member and seconded by Wanda Roudabush, Vice President to change the monthly meeting dates to: February, April, June, August, October and December.

Article X Section 3

At the January 10, 2012 Official monthly Business Meeting of the Compton Water Association a motion was made by Wanda Roudabush, Vice President and seconded by John Henderson, Board Member to separate the Secretary/Treasurer position and the Secretary position is a paid position and Treasurer remains a Board Member. Secretary position now a paid position and joins the paid position of Bookkeeper. Secretary is no longer a Board Member and Treasurer Board Member oversees the duties of Secretary/Bookkeeper.

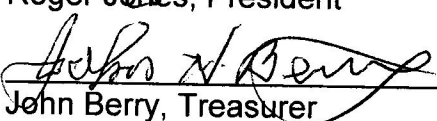
Pursuant to Article XIII a majority of the members present at the January 12, 2012 regular meeting of the corporation voted unanimously to amend the current By Laws with the above changes.



Roger Jones, President

1-28-2014

Date



John Berry, Treasurer

1-28-2014

Date

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P. O. Box 825, Compton, AR 72624

870-420-3930

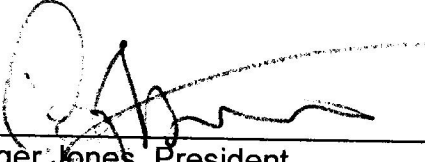
www.comptonwater@gmail.com

Be it resolved that the By-Laws of the Compton Water Association, Inc. are hereby amended as follows:

Article XIV RULES AND REGULATIONS/Meter Location

To change meter connections from the main water line to new meter install from 100 feet to 15 feet. Motion made by John Henderson, second by Wanda Roudabush, Vice President, unanimous vote, motion carries.

Pursuant to Article XIII a majority of the members present on April 12, 2012 at the regular meeting of the corporation voted unanimously to amend the current By Laws with the above changes.



Roger Jones, President

1-28-2014

Date



John Berry, Treasurer

1-28-2014

Date

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April 8, 2014

As established by Legal Council, Mitch Cash Attorney at Law, previous motions and proposed amendments to By Laws should be ratified as voted on in previous meetings. By ratifying these motions, this Board is stating that in previous meetings these have been voted upon and passed and carried out as per the decisions of Compton Water Association Board of Directors.

The attached Documents involving Article VIII Section 1, Article VII Section 1 and Article X Section 3 AND Article XIV are to be read into the minutes and a motion called for and voted upon to ratify.

Motion made by John Henderson, second by Roger Jones,
to approve the attached amendments to the By Laws,
all approved yes. Motion Carries? Yes or no

Mitch Jones
Mitch Jones, President

John N. Berry
John Berry, Treasurer

4-8-14
April 8, 2014

4-8-14
April 8, 2014

Compton Water Assn. Inc.
P. O. Box 825
Compton, AR 72624
870-420-3930
comptonwater@gmail.com

Mitch Jones, President
John D. Henderson, Vice President
John Berry, Treasurer, Director of Operations
Roger Jones, Board Member
Sandy Irwin, Board Member
Tom Gandy, Meter Reader
Veronica Oitker, Bookkeeper
Wayne Hartlerode, Water Operator

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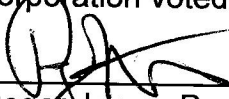
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Roger Jones, President

January 12, 2012



John Berry, Treasurer

January 12, 2012

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April 12, 2012



John Berry, Treasurer

April 12, 2012

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April 8, 2014

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Motion made by Roger Jones to approve the hiring of Mitch Cash as CWA attorney and retroactive from 2011, second John Henderson. All approved yes? Motion carries? Yes or no.

Motion made by John Henderson to approve paying expenses to TIM FLETCHER in 2013 for travel and meals to get his Water Operator License, second by Roger Jones, all approved yes? Motion carries? Yes or no

Motion made by Roger Jones to approve paying expenses to WAYNE HARTLERODE in 2013 for travel and meals to get his Water Operator License, second by John Henderson, all approved yes? Motion carries? Yes or no

Motion made by Roger Jones to approve paying for security at any and all meetings, whereby the Board deems it necessary, second by John Henderson, all approved yes? Motion carries? Yes or no

Motion made by John Henderson to begin the process of writing new By Laws for CWA and using Legal Council to begin and complete the process and to approve expenses incurred for the completion. Second by Roger Jones, all approved yes? Motion carries? Yes or no

Mitch Jones
Mitch Jones, President

4-18-14
April 8, 2014

John Berry
John Berry, Treasurer

4-18-14
April 8, 2014

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,533,170	100.0%
Water Sold to Customers	1,026,000	40.5%
Utility Use (fire, flushing)	8,000	0.3%
Water Lost	1,499,170	59.2%
Average Use Per Account	3,353	
Accounts Using Water	306	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	18,705.00	0.00	0.00	101.70	45.00	0.00	1,405.44
Count	339	0	0	339	45	0	338
Average	55.18	0.00	0.00	0.30	1.00	0.00	4.16

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on April 2014 Bills	27,153.16	347
Credit Balances	-154.23	7
Debit Balances	27,307.39	340
Payments	-21,834.25	316
Adjustments	0.00	0
Balance after Payments and Adj	5,318.91	47
Current	1,792.69	28
30 to 60 Days Old	608.64	4
60 to 90 Days Old	496.64	4
Over 90 Days Old	2,420.94	11
Penalty Charges	361.00	55
Charges for Services	20,257.14	339
Balance Due	25,937.05	

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,910,320	100.0%
Water Sold to Customers	1,135,000	39.0%
Utility Use (fire, flushing)	4,000	0.1%
Water Lost	1,771,320	60.9%
Average Use Per Account	3,673	
Accounts Using Water	309	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	19,817.00	0.00	0.00	102.60	45.00	0.00	1,489.82
Count	342	0	0	342	45	0	341
Average	57.94	0.00	0.00	0.30	1.00	0.00	4.37

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on May 2014 Bills	25,937.05	348
Credit Balances	-55.08	2
Debit Balances	25,992.13	346
Payments	-19,747.25	323
Adjustments	-280.78	4
Balance after Payments and Adj	5,909.02	41
Current	1,908.28	13
30 to 60 Days Old	922.43	12
60 to 90 Days Old	321.69	5
Over 90 Days Old	2,756.62	11
Penalty Charges	421.22	61
Charges for Services	21,454.42	342
Balance Due	27,784.66	

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,622,120	100.0%
Water Sold to Customers	1,319,000	81.3%
Utility Use (fire, flushing)	0	0.0%
Water Lost	303,120	18.7%
Average Use Per Account	4,135	
Accounts Using Water	319	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	21,460.50	0.00	0.00	102.60	45.00	0.00	1,614.23
Count	342	0	0	342	45	0	341
Average	62.75	0.00	0.00	0.30	1.00	0.00	4.73

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on June 2014 Bills	27,784.66	350
Credit Balances	-111.48	7
Debit Balances	27,896.14	343
Payments	-21,016.02	312
Adjustments	-31.35	2
Balance after Payments and Adj	6,737.29	49
Current	2,042.75	22
30 to 60 Days Old	1,133.52	9
60 to 90 Days Old	527.38	6
Over 90 Days Old	3,033.64	12
Penalty Charges	526.14	77
Charges for Services	23,222.33	342
Balance Due	30,485.76	

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,729,470	100.0%
Water Sold to Customers	1,460,000	84.4%
Utility Use (fire, flushing)	0	0.0%
Water Lost	269,470	15.6%
Average Use Per Account	4,650	
Accounts Using Water	314	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	22,822.00	0.00	0.00	102.30	45.00	0.00	1,719.47
Count	341	0	0	341	45	0	340
Average	66.93	0.00	0.00	0.30	1.00	0.00	5.06

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on July 2014 Bills	30,485.76	353
Credit Balances	-58.87	3
Debit Balances	30,544.63	350
Payments	-24,678.93	330
Adjustments	-61.58	4
Balance after Payments and Adj	5,745.25	42
Current	1,838.33	21
30 to 60 Days Old	807.40	9
60 to 90 Days Old	188.82	4
Over 90 Days Old	2,910.70	8
Penalty Charges	463.24	74
Charges for Services	24,688.77	341
Balance Due	30,897.26	

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,827,920	100.0%
Water Sold to Customers	1,473,000	80.6%
Utility Use (fire, flushing)	2,000	0.1%
Water Lost	352,920	19.3%
Average Use Per Account	4,706	
Accounts Using Water	313	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	23,034.50	0.00	0.00	102.90	46.00	0.00	1,730.65
Count	343	0	0	343	46	0	342
Average	67.16	0.00	0.00	0.30	1.00	0.00	5.06

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on August 2014 Bills	30,897.26	352
Credit Balances	-60.49	4
Debit Balances	30,957.75	348
Payments	-25,219.10	326
Adjustments	579.44	12
Balance after Payments and Adj	6,257.60	49
Current	2,610.41	21
30 to 60 Days Old	1,105.09	13
60 to 90 Days Old	313.36	7
Over 90 Days Old	2,228.74	8
Penalty Charges	568.04	61
Charges for Services	24,914.05	345
Balance Due	31,739.69	

Compton Water Association, Inc.
Profit & Loss
 January through August 2014

	Jan - Aug 14
Ordinary Income/Expense	
Income	
FEES CHARGED	
Request Information	4.78
Water Meter Sets	1,250.00
Reconnect Fees	750.00
Total FEES CHARGED	2,004.78
Water Revenue	
Misc Fees	439.63
Penalty	3,847.97
Safe Water	823.44
Sales Tax	12,331.08
Water Sales	163,536.24
Total Water Revenue	180,978.36
Total Income	182,983.14
Gross Profit	182,983.14
Expense	
FIRE TOWER TANK PROJECT	
ESI Engineering Services	14,038.51
Leher Painting Tank	93,277.00
FIRE TOWER TANK PROJECT - Other	1,080.00
Total FIRE TOWER TANK PROJECT	108,395.51
CONTRACT LABOR	
Bill Lonadier Contract Labor	169.00
Van Warren Backhoe	100.00
Wayne Hartlerode Water Operator	10,950.00
Wayne Hartlerode Backhoe	1,372.50
Bob Bartlett	1,370.00
Bobby Hudson	6,900.00
Tom Gandy	1,800.00
Veronica Oitker	10,400.00
Total CONTRACT LABOR	33,061.50
Contract Services	
Accounting Fees	400.00
Arkansas Dept of Health	594.00
Arkansas One Call	136.80
Legal Fees	1,036.69
Outside Contract Services	1,900.00
Total Contract Services	4,067.49
EQUIPMENT	
Equipment Purchase	13.82
Misc. Equip for Repairs	608.00
Leak Repairs	2,568.40
Other Repairs	78.95
Total EQUIPMENT	3,269.17
Facilities and Equipment	
Building Rent	303.36
Storage Unit	150.00
Truck Expense	56.42
Total Facilities and Equipment	509.78
Interest Expense	3,435.00
Operations	
Advertising	2.95
Books, Subscriptions, Reference	725.00
Postage, Mailing Service	1,481.48
Supplies	622.57
Telephone, Telecommunications	1,114.27

2:44 PM
09/09/14
Accrual Basis

Compton Water Association, Inc.
Profit & Loss
January through August 2014

	<u>Jan - Aug 14</u>
Utilities, Electric, Gas	2,940.62
Water Works Computer Program	155.20
Total Operations	7,042.09
Other Types of Expenses	
Gifts	-150.00
Insurance Hartford Workmans Com	1,468.00
Dues	30.00
Total Other Types of Expenses	1,348.00
S W BOONE Water	103,950.18
SALES TAX	
Arkansas State Tax	10,563.32
Boone County	8.93
Carroll County	49.21
Madison County	590.57
Newton County	1,806.47
Total SALES TAX	13,018.50
VEHICLE	
Fuel	4,070.25
Insurance	1,502.50
Maintenance	2,151.09
Total VEHICLE	7,723.84
VOID CHECKS	0.00
Total Expense	285,821.06
Net Ordinary Income	-102,837.92
Net Income	-102,837.92

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

	Aug 31, 14
ASSETS	
Current Assets	
Checking/Savings	
Firetower Rehab Tank Project	50.00
CFB 10358 Depreciation Savings	7,014.64
CFB 8350 Checking	20,131.56
CFB 9046 Meter Dep Savings	9,977.31
CFB 8014 Loan Res. Savings	13,419.30
Total Checking/Savings	50,592.81
Total Current Assets	50,592.81
TOTAL ASSETS	50,592.81
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
CWA Fire Tower Tank 2013	108,000.00
Water Meter Acct Deposit	11,235.00
Total Other Current Liabilities	119,235.00
Total Current Liabilities	119,235.00
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	57,493.00
Arkansas Natural Resources 2	23,175.00
Total ARKANSAS NATURAL RESOURCES	80,668.00
USDA Rural Development 01	44,727.93
USDA Rural Development 04	1,591.42
USDA Rural Development Loan 05	16,073.39
USDA Rural Development Debt 09	94,400.35
Total Long Term Liabilities	237,461.09
Total Liabilities	356,696.09
Equity	
Opening Balance Equity	-425,008.02
Unrestricted Net Assets	221,742.66
Net Income	-102,837.92
Total Equity	-306,103.28
TOTAL LIABILITIES & EQUITY	50,592.81

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,652,050	100.0%
Water Sold to Customers	1,137,000	68.8%
Utility Use (fire, flushing)	3,000	0.2%
Water Lost	512,050	31.0%
Average Use Per Account	3,575	
Accounts Using Water	318	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	19,741.50	0.00	0.00	103.50	41.00	0.00	1,483.64
Count	345	0	0	345	41	0	344
Average	57.22	0.00	0.00	0.30	1.00	0.00	4.31

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on April 2013 Bills		24,033.03	350
Credit Balances	-68.12		4
Debit Balances	24,101.15		346
Payments		-20,966.32	325
Adjustments		418.52	2
Balance after Payments and Adj		3,485.23	40
Current	1,437.79		23
30 to 60 Days Old	848.48		4
60 to 90 Days Old	243.20		7
Over 90 Days Old	955.76		6
Penalty Charges		368.23	59
Charges for Services		21,369.64	345
Balance Due		25,223.10	