

## COMPTON WATER ASSOCIATION

### Monthly Meeting Minutes

Held at Compton School, Compton Arkansas

March 08

April 12, 2011 7:00 p.m.

Meeting was called to order by Roger Jones who asked if there were a quorum present to conduct the meeting; John Berry confirmed there was a quorum. Present were Roger Jones, Wanda Roudabush, John Berry. Also present Veronica Oitker, Bookkeeper.

#### **SPECIAL REPORT:**

Alexa Davis resigned from CWA Board as Board Member for personal reasons. This Board would welcome her return if the opportunity arose. Written resignation submitted, motion made by John Berry to accept it, second by Wanda Roudabush. Unanimous.

Minutes to change signatures on bank accounts was signed and submitted to be sent to banks for changes.

#### **REPORTS:**

##### **MINUTES:**

Minutes from December 2010 were submitted for approval, Wanda made motion to approve John Berry second, minutes approved.

Motion was made to approve minutes for January 2011 by Wanda and approved by John Berry, motion accepted. Meeting canceled due to weather.

Motion was made to approve minutes for February 2011 by Wanda and approved by John Berry, motion accepted. Meeting canceled due to weather.

**JOHN BERRY:** No reports on old business.

**ACCOUNTING:** Veronica submitted monthly reports for December 2010, January 2011 and February 2011 via mail to Board Members and submitted them into the minutes. Motion was made by Wanda and second by John to accept the 3 months into minutes. Motion carried.

**Water Operator:** John went over Directors Report for operator, discussing leaks. Each time there was an earthquake there were significant water leaks to report. Pipe wasn't put in correctly in some areas and laying on rock and the quakes break the lines. Veronica went over the financial aspects of the Directors Report.

**Meter Reader:** Discussion was had on the lost meters, finding abandoned meters, John reported there were meters out there not yet located and he was trying to locate them.

#### **UNFINISHED BUSINESS:**

**2008 2009 taxes:** Reported that Larry Keeter is able to complete these and is getting all info required from us to complete. Motion was made by John Berry to keep Larry Keeter as CPA for 2010 second by Wanda Roudabush, motion carries.

RITTERNET FIBER OPTICS: It was declared the project is completed and all bills paid and repayment is received from Ritternet.

**NEW BUSINESS:**

SALARIES: It was voted in February (via phone) to increase the Water Operators monthly income to \$1,600 per month and retroactive to February. Motion was made by John Berry and second by Wanda, motion carries.

INSURANCE: Our insurance consists of Workmen's Comp, Truck, Liability and Bond Insurance. It was discussed to search for a new carrier and at the same time we need to continue with Bond and Workmen's Comp because they are for the year behind. John is getting information on the value of the buildings and tanks.

CARROLL ELECTRIC: Supplied a light pole and will place it at the well house for night light. Because we are non profit they will set it at no charge. Motion was made by John Berry to use funds to proceed with electrical and light once pole is set, second by Wanda, motion carries.

WATER SYSTEM TO CAPACITY: John Berry reported there was a potential customer who wants us to supply water across Hwy 21 at Red Starr. This would be an extension or expansion of the water system. Discussion was had regarding the high usage of these turkey/chicken houses, the current customers who are on current lines that need attention and improvement. The increase in population on the current lines will tax the system as it is but extension of the lines would be more than this Board can sustain because we are not yet solvent. John will check with Dennis Sternberg regarding our legal commitment to extend lines. A motion was made by Roger Jones to put a moratorium on extension of the water lines; it is allowed to connect a customer on an existing water line until the system can become financially solvent and other more pressing repairs are made, second by John Berry motion carried.

UPDATE ON AUTOMATIC WITHDRAWAL: Oitker reported we were approved by Community First Bank, contracts were sent to us and delivered to the Board for signature.

BILLING CYCLE: John reported that it was voted in prior minutes and by laws regarding collection dates. Motion was made by Roger Jones and second by John Berry to change the shut off notice date to the 25<sup>th</sup> and an unannounced shut off will ensue if not paid by the month. Summation: Bills mailed on the 1<sup>st</sup>, delinquent on 15<sup>th</sup> with a 10% fee charged on the 15<sup>th</sup>, delinquent notice on the 25<sup>th</sup> to pay by the first if not paid then an unannounced shut off will occur, a reconnect fee of \$50.00 will be charged. Motion carried.

LOAN RESERVE: Placed into minutes that February 2011 no loan reserve of \$2,000 was placed into account because of Arkansas Natural Resources payment being made.

STATE OF COMPTON WATER: John Berry introduced a report of what CWA has paid and what is currently owes. Statement attached.

Wanda made motion to adjourn by Roger Jones, second by John Berry, motion carried.



Roger Jones, President

4-12-2011

Date



John Berry, Secretary/Treasurer

4/12/2011

Date

**Compton Water Association, Inc.**  
**Profit & Loss**  
 January 1 through March 27, 2011

	<u>Jan 1 - Mar 27, 11</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>FEES CHARGED</b>	
Miscellaneous Revenue	2,526.03
Water Meter Sets	485.00
Reconnect Fees	150.00
<b>Total FEES CHARGED</b>	3,161.03
<b>Interest Accounts</b>	
Interest-Savings	14.47
<b>Total Interest Accounts</b>	14.47
<b>Water Revenue</b>	
Water Sales	79.00
Water Sales <sup>1</sup>	69,003.71
<b>Total Water Revenue</b>	69,082.71
<b>Total Income</b>	72,258.21
<b>Gross Profit</b>	72,258.21
<b>Expense</b>	
<b>Business Expenses</b>	
Bank Charges	5.00
Banking NSF	5.00
<b>Total Business Expenses</b>	10.00
<b>CONTRACT LABOR</b>	
Bobby Hudson	4,800.00
Tim Fletcher	280.00
Tom Gandy	1,350.00
Veronica Clark	2,400.00
<b>Total CONTRACT LABOR</b>	8,830.00
<b>Contract Services</b>	
Accounting Fees	425.00
Arkansas Dept of Health	297.00
Arkansas One Call	136.80
Arkansas Rural Water Assn.	350.00
<b>Total Contract Services</b>	1,208.80
<b>EQUIPMENT</b>	
Computer	181.90
Leak Repairs	1,401.72
Other Repairs	41.50
<b>Total EQUIPMENT</b>	1,625.12
<b>Facilities and Equipment</b>	
Building Rent	113.76
Storage Unit	100.00
<b>Total Facilities and Equipment</b>	213.76
<b>Interest Expense</b>	3,644.00
<b>Operations</b>	
Postage, Mailing Service	360.00
Printing and Copying	75.10
Supplies	147.18
Telephone, Telecommunications	403.96
Utilities, Electric, Gas	883.84
<b>Total Operations</b>	1,870.08
<b>Other Types of Expenses</b>	
Dues	30.00
Other Costs	100.00
<b>Total Other Types of Expenses</b>	130.00

**Compton Water Association, Inc.**  
**Profit & Loss**  
 January 1 through March 27, 2011

	<b>Jan 1 - Mar 27, 11</b>
<b>S W BOONE Water</b>	
<b>SALES TAX</b>	30,117.12
Arkansas State Tax	3,689.37
Boone County	3.21
Carroll County	18.23
Madison County	218.61
Newton County	700.17
<b>Total SALES TAX</b>	4,629.59
<b>VEHICLE</b>	
Fuel	637.54
Maintenance	608.55
<b>Total VEHICLE</b>	1,246.09
<b>VOID CHECKS</b>	0.00
<b>Total Expense</b>	53,524.56
<b>Net Ordinary Income</b>	18,733.65
<b>Net Income</b>	18,733.65

**Compton Water Association, Inc.**  
**Balance Sheet**  
As of March 27, 2011

	Mar 27, 11
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
CFB 8350 Checking	14,763.47
CFB 72187 Meter Dep Checking	7,733.77
CFB 72161 Loan Res. Checking	10,011.36
<b>Total Checking/Savings</b>	32,508.60
Accounts Receivable	
Accounts Receivable	50.00
<b>Total Accounts Receivable</b>	50.00
<b>Total Current Assets</b>	32,558.60
<b>TOTAL ASSETS</b>	<b>32,558.60</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Southwest Boone Water Assoc	-28,900.00
Water Meter Acct Deposit	855.00
<b>Total Other Current Liabilities</b>	-28,045.00
<b>Total Current Liabilities</b>	-28,045.00
<b>Long Term Liabilities</b>	
<b>ARKANSAS NATURAL RESOURCES</b>	
Arkansas Natural Resources 1	70,842.00
<b>Total ARKANSAS NATURAL RESOURCES</b>	70,842.00
USDA Rural Development 01	84,661.93
USDA Rural Development 04	3,067.42
USDA Rural Development Loan 05	23,084.39
USDA Rural Development Debt 09	123,223.35
<b>Total Long Term Liabilities</b>	304,879.09
<b>Total Liabilities</b>	276,834.09
<b>Equity</b>	
Opening Balance Equity	-314,698.73
Unrestricted Net Assets	51,689.59
Net Income	18,733.65
<b>Total Equity</b>	-244,275.49
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>32,558.60</b>

**DISTRIBUTION EFFICIENCY SUMMARY**

	Gallons	Percent
Water Supplied to System	1,687,660	100.0%
Water Sold to Customers	1,231,000	72.9%
Utility Use (fire, flushing)	42,000	2.5%
Water Lost	414,660	24.6%
Average Use Per Account	4,131	
Accounts Using Water	298	

**SUMMARY BY SERVICE**

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	20,340.50	0.00	0.00	98.70	0.00	0.00	1,534.16
Count	329	0	0	329	0	0	329
Average	61.83	0.00	0.00	0.30	0.00	0.00	4.66

**ACCOUNTS RECEIVABLE ANALYSIS**

Balance Due on February 2011 Bills	26,174.93	335
Credit Balances	-229.01	8
Debit Balances	26,403.94	327
Payments	-23,528.17	307
Adjustments	-5.73	5
Balance after Payments and Adj	2,641.03	43
Current	1,843.21	33
30 to 60 Days Old	328.91	4
60 to 90 Days Old	181.81	2
Over 90 Days Old	287.10	4
Penalty Charges	720.52	87
Charges for Services	21,973.36	329
Balance Due	25,334.91	

**DISTRIBUTION EFFICIENCY SUMMARY**

	Gallons	Percent
Water Supplied to System	1,256,370	100.0%
Water Sold to Customers	999,000	79.5%
Utility Use (fire, flushing)	3,200	0.3%
Water Lost	254,170	20.2%
Average Use Per Account	3,254	
Accounts Using Water	307	

**SUMMARY BY SERVICE**

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	18,105.00	0.00	0.00	99.00	0.00	0.00	1,365.23
Count	330	0	0	330	0	0	330
Average	54.86	0.00	0.00	0.30	0.00	0.00	4.14

**ACCOUNTS RECEIVABLE ANALYSIS**

Balance Due on March 2011 Bills	25,334.91	334
Credit Balances	-385.68	8
Debit Balances	25,720.59	326
Payments	-22,310.43	310
Adjustments	-217.03	2
Balance after Payments and Adj	2,807.45	39
Current	739.34	26
30 to 60 Days Old	1,372.49	6
60 to 90 Days Old	291.93	3
Over 90 Days Old	403.69	4
Penalty Charges	380.10	60
Charges for Services	19,569.23	330
Balance Due	22,756.78	