

COMPTON WATER ASSOCIATION
Monthly Meeting Minutes
Held at Compton School, Compton Arkansas
November 14, 2010 7:00 p.m.

Meeting was called to order by Roger Jones who asked John Berry if there was a quorum present to conduct the meeting; Mr. Berry confirmed there was a quorum. Present were Roger Jones, Wanda Roudabush, John Berry, Alexa Davis. Also present Veronica Oitker, Bookkeeper, Bobby Hudson, Water Operator, Tom Gandy, and Meter Reader.

OLD UNFINISHED BUSINESS:

2008-2009 Income Taxes: John reported on status of income taxes from 2008 – 2009 and that we have an accountant to assist us to complete the taxes, Larry Keeter has agreed to take over the completion of taxes. Oitker reported that information was supplied to Keeter from those years. Penalties were discussed and losing non profit status as a water company was also discussed; without taxes being completed for those years we could lose our non profit status. Keeter gave no time frame but he is moving along.

Random Audit: Random Audit from Arkansas Natural Resources scheduled for Wednesday November 10, 2010 at 9:00 a.m. at Oitker's home, John Berry will also be in attendance. ARNR submitted a list of things to be supplied for the audit, they are interested in all the things CWA is interested in and that is becoming compliant with all necessary audits, maintaining our non profit status, remaining compliant with our lenders, getting into a position to get grants and loans to improve our system.

Ritternet Fiber Optics Project: John reported that he went to landowners to try to stop Ritter from crossing their property in order to get Ritter to be responsible for costs incurred by CWA because of their digging next to our water lines. John finally got to the project manager for Ritter and got him to agree to pay for materials, pay our Water Operator mileage and water loss. We will need to pay for the expenses up front and Ritter will reimburse. John reported that the relationship was working out with Ritter that he and Water Operator spent time each day in the vicinity of the digging to mark lines, find leaks and monitor their actions to reduce our losses.

REPORTS:

MINUTES: Roger Jones asked if minutes from the October meeting had been read and were there any questions or changes, none submitted. Motion was moved by Alexa Davis and second by John Berry to accept minutes, motion carries.

ACCOUNTING: Bookkeeper reported there was a little over \$8,100 dollars in checking, \$5,138 in meter account and \$6,000 in loan reserve account and submitted a Profit and Loss Statement as part of the report. It was reported we were able to meet the SW Boone bill plus pay \$3,000.00 to reduce past due amount. John informed the Board of the relationship with SW Boone was improving each month and that they are reducing penalties each month; we had started out owing them over \$97,000.00 and we were able to reduce the amount by \$16,000.00 since the first of the year.

Directors Report: Was submitted to Board, discussion was had about the report, it's attached to these minutes. Alexa asked about a check she signed from Water Works, Oitker gave explanation it was a purchase of 2 boxes of our blue water bills. Discussion was had about the 100,000 gallons water loss and some of that loss would be passed on to Ritternet.

Water Operator: Bobby reported it had all been said and discussed.

Meter Reader: Tom reported there was nothing to add, all reported.

Minutes: Roger asked if there were any changes to the minutes which were emailed or delivered to all Board Members, no changes were submitted. John made motion to approve minutes and Alexa Davis seconded, all approved, motion passed. Minutes were signed and approved.

NEW BUSINESS:

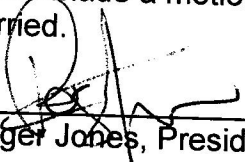
Truck repairs: John reported that there were necessary repairs the truck needed; brakes, ball joints, alignment, 4 shocks and oil changed. Alexa asked about the transfer of the rack from the old white truck to the gray and it hasn't been accomplished, but it's on the list and Gaither Mountain Iron Works will complete it as soon as they can.

Checking Account: Placing another person on the checking account has become necessary. John approached Roger to place his name on the account and he agreed. Motion was made by Alexa Davis and second by John Berry to add Roger on the checking account, all approved, motion carried.

Alexa asked for an updated list of all Board Members be supplied to include their addresses, phone numbers and email addresses.

Roger asked if there were questions or comments from the audience, none submitted.

Alexa made a motion to adjourn the meeting, second by Wanda Roudabush, all approved, motion carried.



Roger Jones, President

Date



John Berry, Secretary/Treasurer

Date

Compton Water Association, Inc.
Balance Sheet
As of November 27, 2010

	Nov 27, 10
ASSETS	
Current Assets	
Checking/Savings	
CFB 8350 Checking	15,178.61
CFB 72187 Meter Dep Checking	5,243.42
CFB 72161 Loan Res. Checking	8,000.50
Total Checking/Savings	28,422.53
Total Current Assets	28,422.53
TOTAL ASSETS	28,422.53
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
USDA Rural Development Loan	1,884.00
Total Accounts Payable	1,884.00
Other Current Liabilities	
Southwest Boone Water Assoc	-17,900.00
Water Meter Acct Deposit	385.00
Total Other Current Liabilities	-17,515.00
Total Current Liabilities	-15,631.00
Long Term Liabilities	
ARKANSAS NATURAL RESOURCES	
Arkansas Natural Resources 1	72,882.00
Total ARKANSAS NATURAL RESOURCES	72,882.00
Total Long Term Liabilities	72,882.00
Total Liabilities	57,251.00
Equity	
Opening Balance Equity	-75,009.64
Unrestricted Net Assets	-11,648.72
Net Income	57,829.89
Total Equity	-28,828.47
TOTAL LIABILITIES & EQUITY	28,422.53

Compton Water Association, Inc.
Profit & Loss
 January 1 through November 27, 2010

	<u>Jan 1 - Nov 27, 10</u>
Ordinary Income/Expense	
Income	
FEES CHARGED	
Miscellaneous Revenue	4,326.21
Water Meter Sets	500.00
Reconnect Fees	475.00
Total FEES CHARGED	5,301.21
Interest Accounts	
Interest-Savings	8.30
Total Interest Accounts	8.30
Water Revenue	232,759.82
Total Income	238,069.33
Gross Profit	238,069.33
Expense	
Business Expenses	
Bank Charges	10.00
Banking NSF	427.65
Total Business Expenses	437.65
CONTRACT LABOR	
Bill Mcelhaney	240.00
Bill Olsen	6,750.00
Bob Bartlett	375.00
Bobby Hudson	9,050.00
Brad Olsen	710.00
C. J. Barron	552.00
Darin Jackson	400.00
Joyce Sattler	2,400.00
Luke Atkinson	144.00
Tim Fletcher	3,149.23
Tom Gandy	2,700.00
Veronica Clark	6,500.00
Total CONTRACT LABOR	32,970.23
Contract Services	
Arkansas Dept of Health	891.00
Arkansas One Call	125.40
Arkansas Rural Water Assn.	525.00
Legal Fees	749.10
Total Contract Services	2,290.50
EQUIPMENT	
Computer	1,560.85
Leak Repairs	7,984.36
Mower	195.66
Other Repairs	496.62
Total EQUIPMENT	10,237.49
Facilities and Equipment	
Building Rent	113.76
Storage Unit	410.00
Truck Expense	2,341.71
Total Facilities and Equipment	2,865.47
Interest Expense	3,741.00
Operations	
Books, Subscriptions, Reference	28.00
Postage, Mailing Service	1,974.51
Printing and Copying	183.20
Supplies	747.67
Telephone, Telecommunications	1,617.78
Utilities, Electric, Gas	2,497.75

Compton Water Association, Inc.
Profit & Loss
 January 1 through November 27, 2010

	Jan 1 - Nov 27, 10
Water Works Computer Program	2,725.87
Operations - Other	191.62
Total Operations	9,966.40
Other Types of Expenses	
Bank Service Fees	286.40
Dues	30.00
Insurance - Liability, D and O	1,069.50
Other Costs	110.00
Total Other Types of Expenses	1,495.90
S W BOONE Water	95,004.49
SALES TAX	
Arkansas State Tax	11,325.33
Boone County	7.62
Carroll County	48.23
Madison County	746.22
Newton County	2,266.15
SALES TAX - Other	101.78
Total SALES TAX	14,495.33
VEHICLE	
Fuel	3,272.36
Insurance	886.00
Maintenance	2,576.62
Total VEHICLE	6,734.98
VOID CHECKS	0.00
Total Expense	180,239.44
Net Ordinary Income	57,829.89
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	57,829.89

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	1,592,230	100.0%
Water Sold to Customers	1,208,000	75.9%
Utility Use (fire, flushing)	1,000	0.1%
Water Lost	383,230	24.1%
Average Use Per Account	3,948	
Accounts Using Water	306	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	20,119.00	0.00	0.00	99.00	0.00	0.00	1,515.42
Count	330	0	0	330	0	0	330
Average	60.97	0.00	0.00	0.30	0.00	0.00	4.59

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on November 2010 Bills	25,351.69	339
Credit Balances	-206.59	10
Debit Balances	25,558.28	329
Payments	-23,013.79	318
Adjustments	-15.16	2
Balance after Payments and Adj	2,322.74	35
Current	850.86	21
30 to 60 Days Old	577.64	4
60 to 90 Days Old	146.22	5
Over 90 Days Old	748.02	5
Penalty Charges	420.43	70
Charges for Services	21,733.42	330
Balance Due	24,476.59	