

COMPTON WATER ASSOCIATION
Monthly Meeting Minutes
Held at Compton School, Compton Arkansas
September 9, 2014 - 7:00 P. M.

Mitch Jones called meeting of September 9, 2014 to order and asked for a quorum from John Henderson. Present were John Henderson, Mitch Jones, Roger Jones, quorum established. Quorum established. Also present, security from Newton County Sheriff's Department.

REPORTS:

MINUTES: Minutes from prior meeting read by Veronica Oitker

DIRECTORS REPORT: Read by Veronica Oitker, April – August 2014 was read. Oitker pointed out high water loss in April and May due to Fire Tower Tank Project and decreased for June, July and August, which were around the 20% mark.

WATER OPERATOR REPORT: Water Operator, Bobby Hudson, not present, emailed a report. He reports what he did day by day, where water leaks were repaired, leak connections and samples. Report read. Water Operator suggests sending a letter when a water member has questions about meters malfunctioning stating that meters do not roll forward, they will cease working or run backwards and it's impossible for them to over read. Water Operator enforces exemption or approval from Health Department to install water if property is 10 acres or less and water lines need to be 150 feet from septic. Motion was made by Roger Jones to adopt both letters to send to customers, John Henderson second, motion carries.

BOOKKEEPER REPORT: Oitker noted the Fire Tower Account is being paid out and will be closed out soon. Depreciation Account, required \$1,000 set aside each in this account until balance reaches \$60,000.00, Checking Account Balance \$20,131.56, Meter Deposit \$9,977.31, Loan Reserve Account has \$13,419.30 approx. \$24,000.00, approx. \$10,000.00 moved to checking to cover unexpected expenses during Fire Tower Tank Rehab project. Replenishment to Loan Reserve Account is approx. \$2,000.00 per month to replenish. USDA wants rate and expenses to be equal, cannot over charge or under charge. Oitker pointed out the Balance Sheet and Profit and Loss Statement will always be changing until the end of the year is completed, monies fluctuate throughout the year. Oitker read expenses from the last Profit and Loss and Balance Sheets were produced. Roger made motion to accept reports into minutes, John Henderson second, all in favor, motion carries.

UNFINISHED BUSINESS:

NEW BUSINESS:


1. Accept resignation of Sandy Irwin, moving to Florida and John Berry moving to Indiana for health reasons. Roger Jones made motion to accept resignations, second by John Henderson, all in favor, motion carries. The Board notes that both resignations are regrettable and John and Sandy will be missed.

2. Mitch Jones made a motion to change the order of officers, Mitch Jones, President, Roger Jones to Treasurer and Operations Manager and John Henderson remain Vice President. John made motion, all in favor. Motion carries.
3. Mitch asked for motion to hire Bobby Hudson as main water operator and Wayne Hartlerode as back up water operator.
4. Roger Jones made motion to change signatures on all accounts to Roger Jones, Mitch Jones and Veronica Oitker and to change all savings accounts to checking accounts as previously voted on. John Henderson second, all in favor, motion carries.
5. Roger gave update on contacting the Attorney General's office regarding changing By Laws as recommend by an audience member in prior meetings; he made calls and never received a phone call from anyone. Garland Matlock said the Attorney General isn't the person to contact, you have to go through your local Representative or Senator, they are the only ones who can give the answer. State Rep or Senator has to present the request on our behalf and Matlock said he can supply the phone numbers and address to CWA, they can also request a legislative audit as well. Roger Jones asked Matlock for information; Wanda Roudabush said there was already information in their office on this matter.
6. Discussion on research fees for FOIA extensive requests, Oitker read a FOIA request presented to President Mitch Jones by Paul Roudabush. Roudabush's letter was read item by item, Oitker indicated that some of the requests were simple and others were more extensive and would require research and is unable to predict how much time each item could take. Roger Jones noted that the amount of time spent on research projects for FOIA is eating so much time and a research fee is necessary. Oitker noted that she would not keep any of the money; it would go into the general fund of CWA. Therefore a research fee of \$10.00 was suggested. Questions from the audience regarding this ensued, some not audible, but answers were given to establish the hourly research fee. Mary Decker consistently interrupted the meeting with off subject questions, President called meeting back into order and stayed on the topic. In response to the interruptions, Roger Jones noted that an agenda is followed; its common decency to allow the meeting to proceed so business can be conducted efficiently. An audience member asked if we had a website or face book page indicating when the meetings are held, CWA doesn't have a web site nor a face book page. Roger Jones made motion, that a research fee be established of \$10.00 per hour on anything in excess of one hour, and ten cents per copy plus postage on FOIA requests.
7. Discussion was had on preserving audio tapes. Suggestion was made to convert them to CD, at a cost of about \$10.00 each. Roger Jones made a motion to convert library of tapes to CD's and it become normal business to convert them when tapes are made. Second by John Henderson, all in favor, motion carries.
8. Water Operator suggested and requested that valves be locked as a security measure and the price is \$38.56 per lock, 6 are needed. It was noted they are not fire department hydrants for the benefit of the fire department members present. Roger made motion to purchase 6 locks for valves, John Henderson seconded, all in favor, motion carries.

REQUEST TO BE ON AGENDA

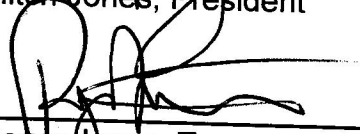
Veronica Oitker requested to be on Agenda, she read a statement and asked it be placed into the minutes of this meeting. Roger Jones made a motion to accept statement into minutes, questioning why such animosity is necessary, John Henderson second, all in favor, motion carries.

Roger Jones made motion to adjourn, John Henderson seconded, all in favor, motion carries.



Mitch Jones, President

September 9, 2014



Roger Jones, Treasurer

September 9, 2014

September 9, 2014

To the Compton Water Association Board of Directors and all in attendance:

I am writing this statement to respond to the slanderous and libelous accusations which have been charged against the position of Bookkeeper and Secretary and me personally, which never seem to cease.

First, I would like to remind all present, that I am employed as contract labor by the Board of Directors of Compton Water, to complete any duties associated with bookkeeping and secretarial requirements of the Association and have done so since 2010. The Secretarial duties were once under the office of Secretary, and were strictly done by that volunteer Board position. As you recall, they include extensive reporting to Arkansas Rural Water, USDA, Arkansas Natural Resources, keeping the meeting minutes plus endless correspondence, which has evolved far beyond volunteerism, therefore the accountability to get these things completed wasn't there, so this Board incorporated the Secretarial Duties and Bookkeeping Duties into one job description and increased the pay.

Second, I have fully met all criteria for keeping the books, without incidence and proven to you upon request and at all meetings the accounting of the money which CWA is responsible for, in addition, I have been under the daily scrutiny of Operations Manager, John Berry.

Recently, I have had phone calls, directly to my home from Water Members, telling me how they appreciate this Board, all it has done and they desire that all who work for CWA and those that sit on the Board should continue doing the great job they are doing, with encouragement to not quit. The prompting of these calls to me was to report that they had received recent communication from Wanda Roudabush saying that minutes and reports have been falsified, that \$36,000 is unaccounted for, that it is necessary to call for a Legislative Audit and that Board Members should be replaced with an immediate election. These people did not participate in her request to sign her petition.

This date, I declare, \$36,000 is not missing, the books do balance and every penny is accounted for, the independent audits that are done annually by Stephen Savage are more than satisfactory, the taxes of CWA are done each year and on time without penalty, your sales tax is paid each month in advance, as well as all other debt and all of this can absolutely proven. I further declare that these accusations made by Wanda Roudabush are slanderous, libelous, and inflammatory and further, are without cause or proof.

I have also been asked my opinion by a reporter and by a water member, as to why County Line Baptist Church and Garland Matlock both have mysterious and unaccounted for, large amounts of water usage, to that I might ask why, I too have a large unexplained water loss of approx 17,000 gallons at my home. All three of these locations, seem to have almost the same amount of water pass through the meter which is unexplained and each seem to say, they didn't use that much water. It was insinuated to me, that this was a sabotaged situation against certain people because they spoke up at meetings, to that I would respond 'ridiculous', and further question why I too, have such high loss during the same time period? I flatly deny that we 'estimate' meters and that meters will run forward and cause high readings. Meters do not roll forward to over charge a customer, the only thing they can do is stop completely or turn backwards. The meter at County Line Baptist Church has been changed at their request and the old meter was found to be working fine. My meter works fine and I have no intention to speculate as to why this has occurred, I do intend to pay my bill in full and without question.

If necessary, my first course of action will be to personally send this statement to each water member of Compton Water Association, at my expense. My second course of action will solely depend on loss of income or reputation from such slanderous, libelous, unfounded and unproven accusations.

I insist this statement become a part of the minutes of the September 9, 2014 meeting, which I have read aloud. If Wanda Roudabush, Mary Decker or Garland Matlock is in attendance of this meeting, they are personally handed a copy of this statement, if they aren't in attendance, it will be mailed to them at my personal expense. At any point, this Board may release me for improper behavior or proven misappropriation of funds and I openly give them that opportunity now. At any point I can also release this Board for the same reasons, which I choose not to do at this opportunity. This Board can be trusted, their decisions are sound and with all diligence they set out to obtain proper answers and directions that are in the best interest of all Water Members. I do not forget for any moment, that their reputations are as important to them as mine is to me.

Hopefully and pleasingly, we can continue to keep CWA in good standing, supply excellent drinking water and it will be 'good business as usual' moving forward.

With all sincerity,



Veronica Oitker
September 9, 2014

DISTRIBUTION EFFICIENCY SUMMARY

	Gallons	Percent
Water Supplied to System	2,183,600	100.0%
Water Sold to Customers	1,400,000	64.1%
Utility Use (fire, flushing)	1,000	0.0%
Water Lost	782,600	35.8%
Average Use Per Account	4,416	
Accounts Using Water	317	

SUMMARY BY SERVICE

	Water	Sewer	Trash	Other1	Other2	Other3	Sales Tax
Charges	22,141.00	0.00	0.00	102.00	44.00	0.00	1,664.55
Count	340	0	0	340	44	0	339
Average	65.12	0.00	0.00	0.30	1.00	0.00	4.91

ACCOUNTS RECEIVABLE ANALYSIS

Balance Due on September 2014 Bills	31,739.69	350
Credit Balances	-106.89	6
Debit Balances	31,846.58	344
Payments	-25,323.97	318
Adjustments	186.40	6
Balance after Payments and Adj	6,602.12	48
Current	2,513.35	22
30 to 60 Days Old	1,153.42	7
60 to 90 Days Old	467.56	7
Over 90 Days Old	2,467.79	12
Penalty Charges	476.97	61
Charges for Services	23,951.55	340
Balance Due	31,030.64	

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

	<u>Jan - Sep 14</u>
Ordinary Income/Expense	
Income	
FEEs CHARGED	
Request Information	4.78
Water Meter Sets	1,250.00
Reconnect Fees	750.00
Total FEEs CHARGED	<u>2,004.78</u>
Water Revenue	
Misc Fees	484.32
Penalty	4,313.06
Safe Water	950.75
Sales Tax	14,439.97
Water Sales	191,634.59
Total Water Revenue	<u>211,822.69</u>
Total Income	<u>213,827.47</u>
Gross Profit	213,827.47
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	<u>108,395.51</u>
CONTRACT LABOR	
Justin Robinson Meter Reader	450.00
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	2,962.50
Bobby Hudson	8,900.00
Tom Gandy	2,250.00
Veronica Oitker	11,700.00
Total CONTRACT LABOR	<u>38,854.00</u>
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	<u>4,067.49</u>
EQUIPMENT	
Equipment Purchase	13.82
Misc. Equip for Repairs	608.00
Leak Repairs	2,568.40
Other Repairs	78.95
Total EQUIPMENT	<u>3,269.17</u>
Facilities and Equipment	
Building Rent	341.28
Storage Unit	150.00
Truck Expense	56.42
Total Facilities and Equipment	<u>547.70</u>
Interest Expense	3,435.00
Operations	
Advertising	2.95
Books, Subscriptions, Reference	725.00
Postage, Mailing Service	1,549.48
Supplies	622.57

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

	<u>Jan - Sep 14</u>
Telephone, Telecommunications	1,244.91
Utilities, Electric, Gas	3,294.43
Water Works Computer Program	155.20
Total Operations	<u>7,594.54</u>
Other Types of Expenses	
Gifts	-150.00
Insurance Hartford Workmans Com	1,468.00
Dues	30.00
Total Other Types of Expenses	<u>1,348.00</u>
S W BOONE Water	114,782.89
SALES TAX	
Arkansas State Tax	12,030.62
Boone County	10.14
Carroll County	55.79
Madison County	666.85
Newton County	2,066.16
Total SALES TAX	<u>14,829.56</u>
VEHICLE	
Fuel	4,070.25
Insurance	1,502.50
Maintenance	2,151.09
Total VEHICLE	<u>7,723.84</u>
VOID CHECKS	0.00
Total Expense	<u>304,847.70</u>
Net Ordinary Income	<u>-91,020.23</u>
Net Income	<u><u>-91,020.23</u></u>

Compton Water Association, Inc.
Balance Sheet
 As of September 30, 2014

	Sep 30, 14
ASSETS	
Current Assets	
Checking/Savings	
Firetower Rehab Tank Project	50.00
CFB 10358 Depreciation Savings	7,014.64
CFB 8350 Checking	31,949.25
CFB 9046 Meter Dep Savings	9,977.31
CFB 8014 Loan Res. Savings	13,419.30
Total Checking/Savings	<u>62,410.50</u>
Total Current Assets	<u>62,410.50</u>
TOTAL ASSETS	<u><u>62,410.50</u></u>
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	<u>119,235.00</u>
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	<u>237,461.09</u>
Total Liabilities	356,696.09
Equity	
Opening Balance Equity	-425,008.02
Unrestricted Net Assets	221,742.66
Net Income	-91,020.23
Total Equity	<u>-294,285.59</u>
TOTAL LIABILITIES & EQUITY	<u><u>62,410.50</u></u>

14603.24