

RURAL WATER DISTRICT NO. 6
MAYES COUNTY
9165 N. 440
Big Cabin OK 74332-8133
(918) 785-2950

MINUTES OF REGULAR MEETING November 9, 2017

The Board of Directors regular meeting of Rural Water District No. 6, Mayes County, OK, was called to order by Vice Chairman Steve Hall, on Thursday, November 9, 2017, at 7:30 pm. in the District Office. The November 9, 2017 regular meeting agenda was posted in compliance with the Oklahoma Open Meeting Act.

Members present: Steve Hall, Joe Paysinger, Clifton Biggs, David Allsup,
Bill Fairsheets, Dale Countryman and Larry Farlow

Members absent: Granville Martin and Herb Goff

Reading of Minutes:

Bill Fairsheets made the motion, seconded by Clifton Biggs to waive the reading of the October 12, 2017 regular meeting minutes. All members present were polled. There were no objections. Motion passed.

Financial Report: (see attached report)

Larry Farlow made the motion, seconded by Bill Fairsheets to approve the financial report and to pay the bills. All members present were polled. There were no objections. Motion passed.

Public Participation (5 minute limit): None

David and/or Brenda Dale - High water usage:

David and Brenda Dale were both present and were appealing their high water usage. Dale and Brenda think the meter is faulty. They informed the Board they have a horse that walks along by the meter can and believe it has caused the electronic meter to fault. Doug explained that we have never had one do this before, when a meter has gone bad. Board discussed the possibility that the meter could be bad. Larry Farlow made the motion to adjust to 8,000 gallons used. Seconded, by Joe Paysinger. All members present were polled. There were no objections. Motion passed.

Discuss and take action on 2017/2018 annual water budget: (see attached report)

Re-submitted new figures for 2017/2018 annual water budget. Joe Paysinger made the motion, seconded by Clifton Biggs. All members present were polled. There were no objections. Motion passed.

Discuss and take action on employee Christmas Bonus:

They discussed giving each employee \$600.00. Larry Farlow made the motion, seconded by Bill Fairsheets. All members present were polled. There were no objections. Motion passed.

Gary Utter, Engineer's report:

Gary discussed Leisure Land project.

Plant and Sewer Reports: (see attached reports)

Doug gave all board members a copy of the plant and sewer reports. He answered any questions that were asked.

Approve Monthly Purchase Orders:

Joe Paysinger made the motion, seconded by Dale Countryman to approve the Monthly Purchase Orders. All members present were polled. There were no objections. Motion passed.

Approve New Memberships, Transfers, etc:

Larry Farlow made the motion, seconded by Bill Fairsheets to approve the following:

New memberships:

None

Cancel Membership:

None

Transfers:

Marshall Lundy to Amber Bennett

Buck & Becky Barber to Jeff Broad & Sandra Bennett

Sandra B. Kirk to Quentin & Trista Kirk

Lioneal Dean & Katharina Reiss to Tim Lyons

Mike & Nelia Cowan to Mike Sadler

Richard H. & Lee Ann Steinbrecher to Larry & Norma Wagoner

Millie Richards to Stacy Wulff

All members present were polled. There were no objections. Motion passed.

Old Business: None

New Business: None

Joe Paysinger made the motion, seconded by Dale Countryman to adjourn. All members present were polled. There were no objections. Motion passed.

Chairman

Secretary

Mayes Co RWD 6

GL INCOME - 11/1/2016 thru 10/31/2017

	Budget	Current Month Actual	Year to Date Actual	Unused Budget	MTD%	YTD%
Operating Revenue						
Water Income	1,300,000.00	124,040.39	1,272,893.30	(27,106.70)	9.5	97.9
Penalties	22,000.00	2,260.11	21,075.12	(924.88)	10.3	95.8
New Memberships	25,000.00	4,000.00	30,400.00	5,400.00	16.0	121.6
Sewer - Pensacola	3,500.00	282.87	3,439.81	(60.19)	8.1	98.3
Total Operating Revenue	1,350,500.00	130,583.37	1,327,808.23	(22,691.77)	9.7	98.3
Operating Expenses						
Water Purchases	32,000.00	2,469.72	29,161.66	2,838.34	7.7	91.1
Salary Expense	275,000.00	30,198.54	267,136.42	7,863.58	11.0	97.1
Payroll Tax Expense	22,000.00	2,319.27	21,658.83	341.17	10.5	98.4
Retirement Expense	10,000.00	1,207.95	10,610.63	(610.63)	12.1	106.1
Loan Payments	190,000.00	15,065.13	178,934.84	11,065.16	7.9	94.2
Utilities	85,000.00	7,537.05	89,577.41	(4,577.41)	8.9	105.4
Telephone	3,000.00	196.26	2,441.20	558.80	6.5	81.4
Maintenance and Materials	100,000.00	2,170.42	165,396.67	(65,396.67)	2.2	165.4
Chemicals and Lab Supplies	125,000.00	16,031.49	107,797.91	17,202.09	12.8	86.2
Office Supplies	5,000.00	73.71	4,413.55	586.45	1.5	88.3
Insurance	150,000.00	8,999.96	134,403.49	15,596.51	6.0	89.6
Engineering	25,000.00	2,670.00	23,470.00	1,530.00	10.7	93.9
Professional Fees	10,000.00	1,000.00	8,908.44	1,091.56	10.0	89.1
Travel Expenses	7,000.00	350.00	5,050.00	1,950.00	5.0	72.1
License Renewal/ Training	600.00		568.00	32.00		94.7
Automobile Expense	10,000.00	1,499.39	13,043.02	(3,043.02)	15.0	130.4
Uniforms and Floormats	7,000.00	555.04	6,987.37	12.63	7.9	99.8
Bank Charges and Fees	2,500.00		1,195.67	1,304.33		47.8
Computer	2,500.00	222.88	2,863.98	(363.98)	8.9	114.6
Postage	8,000.00	600.40	8,908.20	(908.20)	7.5	111.4
Miscellaneous Expense	25,000.00		14,075.21	10,924.79		56.3
Total Operating Expenses	1,094,600.00	93,167.21	1,096,602.50	(2,002.50)	8.5	100.2
Net Operating Income(Loss)	255,900.00	37,416.16	231,205.73	(24,694.27)	14.6	90.4
Other Income						
Interest Income	6,000.00	1,132.26	6,932.50	932.50	18.9	115.5
Miscellaneous Income	7,000.00	330.00	5,055.00	(1,945.00)	4.7	72.2
Net Income(Loss) - Before Depreciation Exp	268,900.00	38,878.42	243,193.23	(25,706.77)	14.5	90.4
Depreciation Expense	296,475.00	24,738.00	296,856.00	(381.00)	8.3	100.1
Net Income(Loss) - After Depreciation Exp	(27,575.00)	14,140.42	(53,662.77)	(26,087.77)	-51.3	194.6
Capital Improvements		13,153.00	239,942.05	(239,942.05)		
Net Income(Loss) - w/ Capital Improvements	(27,575.00)	987.42	(293,604.82)	(266,029.82)	-3.6	1,064.8

Mayes Co. RWD #6 - 2018 Budget

BEGINNING CASH BALANCE		\$1,867,253.62
WATER INCOME		\$1,272,000.00
PROJECTED OPERATING EXPENSES		
WATER PURCHASE	\$32,000.00	
SALARIES	\$275,000.00	
PAYROLL TAXES	\$22,000.00	
CHEMICALS AND SUPPLIES	\$125,000.00	
MAINTENANCE AND MATERIALS	\$100,000.00	
INSURANCE	\$160,000.00	
OFFICE EXPENSES	\$5,000.00	
UTILITIES	\$87,000.00	
TRAVEL EXPENSES	\$6,000.00	
PROFESSIONAL FEES (legal, audit, bank processing)	\$10,000.00	
MISCELLANEOUS	\$25,000.00	
TELEPHONE	\$3,000.00	
LICENSE RENEWAL/TRAINING	\$600.00	
AUTOMOBILE	\$12,000.00	
UNIFORMS & FLOORMATS	\$7,100.00	
BANK CHARGES & FEES (returned checks, service charges)	\$2,500.00	
COMPUTER	\$2,500.00	
POSTAGE	\$8,500.00	
RETIREMENT	\$11,000.00	
ENGINEERING	\$20,000.00	
TOTAL PROJECTED OPERATING EXPENSE	\$914,200.00	
PROJECTED WATER INCOME (LOSS)		\$357,800.00
PROJECTED OTHER INCOME		
INTEREST INCOME		\$6,500.00
PENALTIES		\$22,000.00
SEWER-PENSACOLA		\$3,500.00
MISCELLANEOUS		\$6,000.00
MEMBERSHIP FEES (@36 new)		\$25,000.00
REAP GRANT		
TOTAL OTHER INCOME		\$63,000.00
PROJECTED EARNINGS		\$420,800.00
LESS CASH TO BE EXPENDED FOR LOAN	\$190,000.00	
PROJECTED CAPITAL EXPENSES	\$149,000.00	
TOTAL	\$390,000.00	
PROJECTED INCREASE (DECREASE) IN CASH		\$81,800.00
PROJECTED ENDING CASH BALANCE		\$1,949,053.62

MANAGER'S REPORT

November 09, 2017

For the Month of October, 2017

Meters Set: M. Hauenstein, T. Rosebrough, R. Schroeder, R. Davis, J. Moore

Water Quality:

TOC samples: 48%

TTHM & HAA5: All Passed

Total Coliform All passed

Other:

Projects:

We received the new Grasshopper mowers this week. Next mowing season will now be up to us to take care of everything.

The water line replacement at Leisure Land is almost ready to start. We are getting the county utility permits done now, and have had our pre-construction meeting. As of a couple weeks ago, the county changed their permitting process. There are new applications and rules in place. The only thing affecting us is there is now a \$100 yearly administrative fee for processing the permits.

Last month we repaired 2 water leaks, changed 6 regulators, set 5 meters, and changed 0 cut-off valves, and replaced 2 meter cans. The total water loss for last month was 32%, and the adjusted after leak repairs was 26%. We have held the water loss steady for the last 3 months now and are getting a little closer to finding some more of our water loss. We have done some initial searching in the Boatman area and at least have ruled out about 4 miles of line. We will keep trying to narrow the area down and get this found. We had an issue with the Pensacola pump station again. We have kept having electrical problems every few months. Our electrician has done some investigating and thinks we should add a new surge protector and install a phase monitor. He thinks this will reduce our problems. We also had problems with our main turbidimeter at the plant. These are now obsolete and they are starting to phase them out so it was easier to just switch over to the new style. I have one on order and it should be in within a couple of weeks. We have also had a couple of leaks the last 2 weeks on old service lines. These were not cased under the road and had been repaired a couple of times already. I went ahead and had the road bored and new casing installed so we could put in new service line so we would not have to continue patching these. This takes more time but is worth it in the long run.