

CONCAN WATER SUPPLY CORPORATION
P. O. BOX 185
CONCAN, TEXAS
BOARD MEETING MINUTES
JULY 10, 2023

*CALL TO ORDER: Vice-President Tim Hester called the meeting to order at 3:00 p.m.

*ROLL CALL: Richard Earnest and Terry Carson were absent from the meeting. All other members present.

*INVOCATION: Given by Marshall Darby.

*CUSTOMER RESPONSE TIME: (3 MINUTE TIME LIMIT EACH): None

*READ AND APPROVE MINUTES OF PREVIOUS MEETING: The minutes having been read and there being no additions or corrections, John Schott moved to approve the minutes with Marshall Darby seconding the motion. Motion carried.

*READ AND APPROVE FINANCIAL REPORT: A copy of the Financial Report was distributed to each board member and is attached to these minutes. After discussion of the status of the accounts, John Schott moved to accept the Financial Report as presented with Mike Meadows seconding the motion. Motion carried.

*DISCUSSION ON OUR EQUITY BUY-IN-FEE CALCULATIONS: Marshall Darby contacted Paul King of the TRWA for guidance in the process. He suggested that CWSC leave the existing Buy-In-Fee calculation. If no significant change occurs, it does not have to be re-calculated each year.

*CUSTOMER WILLIAM WENDLAND'S COMPLAINT DURING JULY 4th WEEK-END ON LOW WATER PRESSURE: Joey explained to the Board why the two houses on Agarita, Wendland and Moreno, experienced low pressure problems. These houses both have original one (1) inch lines. Valves have been replaced to alleviate the pressure problems.

Joey also explained the situation with the fire department. The water faucet was installed as a courtesy. It is not metered. CWSC potable water should not be used to fill the trucks. The fire department is asked to fill the trucks at the House Pasture Well #10 which is untreated water.

*PIPELINE STATUS UP-DATE:

Joey drew a diagram showing proposed new line from Frio Fun to Well #6 – 3040 feet. He explained the distribution system.

*STATUS OF WELL #4 AND #4A: Well #4 continues to produce well. Paper work has been filed with the TCEQ for the permitting of Well #4A.

*UPDATE ON VOTING PROCEDURES FROM JOHN SCHOTT: John gave the board information on proposed voting procedures. Board members need to have a number. Credential committee to be formed.

*DISCUSS POSSIBLE RATE CHANGES, NECESSARY UPDATING OF TARIFF: President Dick Earnest will assign committees to explore these two items.

*UPDATE ON TWDB GRANT PROCESS: Norma reported the TWDB Financial Assistance Grant Application had been filed.

*OLD BUSINESS: None

*NEW BUSINESS: None

*ADJOURNMENT: With no further business brought before the Board, Marshall Darby moved the meeting be adjourned with Tim Hester seconding the motion. Motion carried. Meeting adjourned at 4:30 p.m.

Respectfully submitted,
Norma Gayle, Recording Secretary
August 12, 2023

CONCAN WATER SUPPLY INCORPORATED

Balance Sheet

As of June 30, 2023

07/06/23

Accrual Basis

	<u>Jun 30, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1006 · Line of Credit/FSBU	250,000.00
1000 · Checking - FSB	13,186.75
1001 · Membership - FSB	28,275.66
1002 · Capital Acct.- FSB	16,222.81
Total Checking/Savings	307,685.22
Accounts Receivable	
1004 · Accounts Receivable	95,869.11
Total Accounts Receivable	95,869.11
Other Current Assets	
1005 · Returned Checks	3,018.44
Total Other Current Assets	3,018.44
Total Current Assets	406,572.77
Fixed Assets	
1179 · 2022 Chev. Silverado	47,024.43
1178 · 2019 Chevrolet Silverado Pickup	23,958.05
1177 · M62 Kubota Tractor	65,031.89
1150 · Land	12,196.08
1151 · Buildings	218,124.10
1152 · Roadway To Well	1,204.52
1155 · Storage Tanks	754,924.76
1160 · Wells-Pipe Lines	798,438.50
1161 · Developer Assets	474,471.13
1170 · Equipment	432,467.29
1180 · Depreciation Reserve	-1,518,289.00
Total Fixed Assets	1,309,551.75
TOTAL ASSETS	<u>1,716,124.52</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2233 · Chevrolet Silverado 2022	46,524.43
2100 · Payroll Liabilities	3,718.99
2200 · Sales Tax Payable	20,956.98
Total Other Current Liabilities	71,200.40
Total Current Liabilities	71,200.40
Total Liabilities	71,200.40
Equity	
3020 · Estimated Depreciation Equity	91,500.00
3001 · Opening Bal Equity	277,958.06
3002 · Developer Equity	474,471.13
3010 · Retained Earnings	1,220,671.90
Net Income	-419,676.97
Total Equity	1,644,924.12
TOTAL LIABILITIES & EQUITY	<u>1,716,124.52</u>

CONCAN WATER SUPPLY INCORPORATED

Profit & Loss Budget vs. Actual

January through June 2023

	Jan - Jun 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Water Sales	215,942.77	236,500.00	-20,557.23	91.3%
4010 · Late Charges	1,887.30	1,980.00	-92.70	95.3%
4020 · Membership Fees	5,750.00	6,000.00	-250.00	95.8%
4025 · Equity Buy In	3,600.00	4,800.00	-1,200.00	75.0%
4030 · Meter Installation Fees	11,700.00	15,600.00	-3,900.00	75.0%
4035 · TCEQ Inspection Fee	1,200.00	1,600.00	-400.00	75.0%
4040 · AT&T Lease	6,773.66	6,773.66	0.00	100.0%
4062 · Miscellaneous	358.38	300.00	58.38	119.5%
4090 · Interest Earned	1,717.59	600.00	1,117.59	286.3%
4110 · Membership Refunds	-3,307.94	-3,825.00	517.06	86.5%
Total Income	245,621.76	270,328.66	-24,706.90	90.9%
Cost of Goods Sold				
5000 · Management Fee	16,114.98	16,114.98	0.00	100.0%
5010 · Material-Supply Maintenance	62,775.34	24,000.00	38,775.34	261.6%
5020 · Chlorination-Disinfection	1,660.65	2,000.00	-339.35	83.0%
5040 · Water Sampling Fees	1,397.72	2,400.00	-1,002.28	58.2%
5045 · Meter Installation Cost	2,038.19			
5050 · Contract Labor	0.00	3,000.00	-3,000.00	0.0%
Total COGS	83,986.88	47,514.98	36,471.90	176.8%
Gross Profit	161,634.88	222,813.68	-61,178.80	72.5%
Expense				
8115 · Payroll Adjustment	0.00			
8036 · H2O Analytics	131.04	1,800.00	-1,668.96	7.3%
8181 · TCEQ Fees	2,528.33	3,000.00	-471.67	84.3%
8035 · Blackboard	0.00	1,400.00	-1,400.00	0.0%
8145 · Utilities				
8050 · Telephone-Radio	2,719.60	2,700.00	19.60	100.7%
8150 · Electricity	13,153.53	13,200.00	-46.47	99.6%
Total 8145 · Utilities	15,873.13	15,900.00	-26.87	99.8%
8005 · Taxes				
8120 · Payroll Taxes	7,610.58	7,312.92	297.66	104.1%
Total 8005 · Taxes	7,610.58	7,312.92	297.66	104.1%
8560 · Payroll Expenses	0.00			
6999 · Uncategorized Expenses	2,500.00	0.00	2,500.00	100.0%
8000 · Supplies Miscellaneous	239.59	0.00	239.59	100.0%
8025 · Tools	0.00	600.00	-600.00	0.0%
8030 · Office Expense	6,925.37	4,800.00	2,125.37	144.3%
8060 · Insurance				
8062 · Workers Compensation	0.00	500.00	-500.00	0.0%
8061 · Property & Liability	1,420.88	0.00	1,420.88	100.0%
Total 8060 · Insurance	1,420.88	500.00	920.88	284.2%
8090 · Maintenance-Repair	55,489.94	31,200.00	24,289.94	177.9%
8100 · Dues And Publications	1,615.00	1,600.00	15.00	100.9%
8105 · Further Education	783.06	1,250.00	-466.94	62.6%
8110 · Salaries	95,433.21	93,308.52	2,124.69	102.3%
8190 · Professional Fees	990.65	890.00	100.65	111.3%
8200 · Building & Lot Rent	900.00			
8220 · Vehicle Expense	12,014.68	9,900.00	2,114.68	121.4%
8235 · Bank Charges	290.40	300.00	-9.60	96.8%
9000 · Estimated Depreciation	91,500.00	91,500.00	0.00	100.0%
9025 · Capital Equipment	0.00	0.00	0.00	0.0%
9040 · Capital Wells-Pipe Lines	231,665.99	0.00	231,665.99	100.0%
9050 · Capital Storage Tanks	28,400.00	0.00	28,400.00	100.0%
9075 · Capital Buildings	25,000.00	0.00	25,000.00	100.0%
Total Expense	581,311.85	265,261.44	316,050.41	219.1%
Net Ordinary Income	-419,676.97	-42,447.76	-377,229.21	988.7%
Net Income	-419,676.97	-42,447.76	-377,229.21	988.7%