

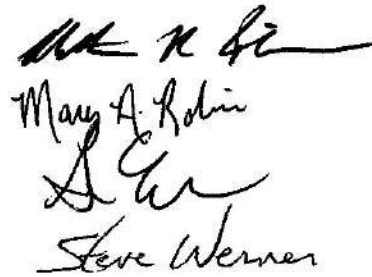
DEBERRY WATER SUPPLY CORPORATION DIRECTORS MEETING

Date: June 10, 2025 @ 6:00 pm

Place: DeBerry Fire Station

Attendees:

Sara Edwards - President
Matt Tillman - Vice-President
Kathryn Yates - Secretary-Treasurer
Steve Werner - Board Member
Mary Robinson - Board Member
4 Members
3 Non-members



Mary A. Robinson
Steve Werner

The DeBerry Water Supply Corporation (Corporation) Directors Meeting was called to order by President Sara Edwards. A quorum of the directors was present.

Public Comment

None

Consent Agenda

The minutes of the May 13, 2025 board meeting were read. Werner made the motion to approve the minutes as read. Edwards seconded the motion. The motion carried with all in favor. The approved minutes will be uploaded to the website.

The bills were reviewed by board members. Werner made the motion to approve payment of the bills. Edwards seconded the motion. The motion carried with all in favor.

The financials for May, 2025 were reviewed. There was a profit for the month of ~\$7700 partly due to new meter and reservice fees of \$8761 and a payment by On Demand (fiber optic contractor) of \$4600 for reimbursement of line repairs. Werner made the motion to approve financials. Edwards seconded the motion. The motion carried with all in favor. Discussion followed on the amount of money that the laying of the fiber optic cables had cost the Corporation. Edwards stated that the fiber optic contractors were being invoiced for all expenses, including water loss, when properly marked Corporation water lines had been cut.

Edwards reported that the audit of the Corporation's books for 2024 is progressing.

Customer Reports

In May, there were two New Meter installs. One was on Highway 79 that required a line extension and the other was on County Road (CR) 339. In addition, there was one Reservice request, Acct# 1002. Also, one membership (Acct# 1029) was transferred due to a property sale and the meter was relocated to the property of the member being served by the meter. It was noted that the cost of the line extension and meter relocation was at the expense of the individual members.

System Update

The Corporation produced 2,702,600 gallons of water and members were billed for 1,296,000 gallons for the period of Apr. 15 - May. 15. Thus, 48% of water produced was sold. After allowing for Water Loss due to leaks, regular flushing,

auto flushing, and Fire Dept use, the Water Accounted for the Corporation is 53.0%. Werner further reported that the average of the “accounted for water” over the last nine months is 55.9% which is a big improvement over the previous twelve months average of 46.4%. Edwards also stated that there is air in the raw water line from Well #3 to the pumphouse. This may be causing the meter at the pumphouse to register more water than the well is actually producing. Edwards stated that a meter needs to be installed at Well #3.

There were six (6) leaks repaired during the month. In addition, Corporation mowing contractor Casey Townsend reported that there may be a leak at the Well #2 site.

Werner reported on the upcoming Lead Service Line Inventory (LSLI) required by the United States Environmental Protection Agency (EPA). This report is an inventory of every service line in our distribution system, including both the Corporation-owned and the customer-owned service lines. Each must be categorized as either lead, non-lead, galvanized requiring replacement, or lead status unknown. He stated that the next report will be submitted to the Texas Commission on Environmental Quality (TCEQ) in October, 2025. He also stated that the Corporation-owned lines have been categorized and encourages all members to provide this category data for their customer-side service lines. All members who have their service lines listed as Unknown will be mailed a letter in October requesting this information.

Finance Committee Report

Finance committee member Betty Bryant presented a report of the tasks assigned to the finance committee by Edwards and Tillman and the two meetings held by the committee addressing these tasks. The report is attached.

The board approved the committee’s request to archive all minutes prior to January 1, 2025 on the Corporation’s website.

It was noted that committee member Jon Edwards had the Subdivision Service Extension Policy published in the Panola Watchman Newspaper in accordance with the Texas Water Code 13.2502.

Edwards stated that current bookkeeper Morgan Irvin has decided to continue to do the billings for the Corporation. Therefore, the finance Committee’s proposal to advertise a job opportunity for a total clerical/office part-time position that combined all office work at a compensation of \$1400 per month was no longer needed.

Yates reported that there is a problem with our billing software WaterWorks. Currently new members cannot be added. Yates has contacted a representative at WaterWorks and they have agreed to update our version of the software and repair our data file at a cost of \$50.00. The board approved this expenditure. Bookkeeper Morgan Irvin reported that the update and data file repair has been done and was successful. Yates also reported that WaterWorks has a billings version that can be accessed remotely by multiple users. Bookkeeper Irvin will contact WaterWorks to get more details on this billings version.

Adjourn

Having no further business, Werner made the motion that the meeting be adjourned with Yates seconding the motion. The motion passed with all directors voting in favor. Meeting was adjourned.

Finance Committee Report/Update(s)

Tasks 1-5 received 5/14/25

Submitted at scheduled Director Meeting on Tuesday, June 10, 2025

The Finance Committee met on May 20, 2025 regarding the email received from President Sara Edwards on May 14, 2025 which contained five tasks which were addressed as follows:

1. Documents to be converted to ADA (American with Disabilities Act) compliance on the deberry.myruralwater.com website.

Betty Bryant submitted a copy of page 2 which was missing from the DWSC 7.18.24 Board Meeting Minutes to be added.

Kathy Yates has gone back and made the January and February 2025 Minutes ADA compliant. All Minutes thereafter for this year have been properly uploaded as well. She has learned that she can archive the older 2024 files that were never made ADA compliant and plans to mention this at the June 10, 2025 Board Meeting.

2. The every other year publication notice in our local newspaper regarding subdivision water service.

Jon Edwards presented page 91 (Notice of Requirement to Comply with the Subdivision Service Extension Policy of the DWSC) from the DWSC Tariff which he has since submitted to the *Panola Watchman Newspaper*. Their invoice, when received, will be proof of this completed task.

3. Finding members to serve on the Credentials Committee for the 2026 election.

The March 1, 2025 Minutes state: "The Credentials Committee for the 2026 Annual Membership Meeting was appointed. Steve Werner will chair the committee with Mary Robinson and Betty Bryant as members."

4. Coming up with a plan to transition to a more efficient customer and systems management process utilizing Ashley Coleman. This outline also mentioned Debbie Goyne and Morgan Irvin who currently work for the DWSC. At the end the task states: "This system should be run by employees and then the board is there for oversight and working on a process to make that happen is the path we need to move towards."

Problems associated with combining the DWSC book work with that of the on-site Gill Water System where Ashley Coleman works were discussed. It was mentioned that before this could even proceed to be a possibility that Gill would have to approve Ashley doing this. Further, how would it work if the DWSC switched from the Colemans to another operator? Would this be a difficult entanglement? Ashley offered to do this for \$2500 per month – which did not include the end of month financial report preparation. It was duly noted that our current structure is not working, but with our budget constraints, cost overruns, dying wells, etc. this amount is just not feasible at this time. Utilizing Debbie and Morgan's skills were discussed as well; however, this would still lead to a split up system without one person in control of all records and data.

*See June 3, 2025 Finance Committee Meeting Recommendation

5. Review various billing systems that are internet based and would allow additional users to see updated real-time information. A quote from RVS was attached and reviewed.

The question was asked: What will new software do for the system that the current software does not?

Kathy Yates and Betty Bryant went to see Ashley Coleman at Gill who currently uses the RVS program. Kathy, who is familiar with WaterWorks, DWSC's current program, did not really find anything that RVS does that Water Works could not do. Among the items Sara Edwards mentioned was Water Data Trends Reports. This data could be exported out of WaterWorks and put into an Excel Spreadsheet. It would require a few more steps, but it is possible. Although WaterWorks is not internet based, remote desktop access is possible per Kathy's conversation with a WaterWorks Rep. A \$50 system upgrade from version 410 to 443, yesterday, June 9th, was successful, correcting known glitches. This new version 443 might have more capabilities that were not available in the past (just not any time to explore that yet). It is suggested that we continue to use WaterWorks a little longer (again due to revenue, budget constraints, and upcoming expenditures) as there is no monthly usage fee, plus DWSC has, on hand, boxes of water billing cardstock which was previously purchased that could be used.

Finance Committee Recommendation

Submitted at scheduled Director Meeting on Tuesday, June 10, 2025

The Finance Committee met on June 3, 2025 regarding the email we received from VP Matt Tillman on May 27, 2025 stating that the current bookkeeper, Morgan Irvin, no longer wants to handle the billing for DWSC (DeBerry Water Supply Corporation).

Possibly separating the monthly financial report preparation duties from the billing duties was discussed. In the best interest of the system going forward, it was determined that putting one person in charge of all office work would give them full control of Dispatch, Bookkeeping, Customer, and Supplier inquiries/requests and enable them (by having access to Paystar, the post office box for retrieval of incoming payments and invoices, customer logs, member information, all financial records - including WaterWorks and Quickbooks, and the corporation's laptop computer) the ability to respond to DWSC customer, supplier, and Board Member inquiries as well as coordinate Work Orders with the Operator.

Upon review of the Revenue Requirement Rate Spreadsheet, which was used to determine the current Minimum Charge for water, it was decided by consensus to put forth a proposal to the Board that by combining the present Dispatch and Bookkeeper budgeted amounts the DWSC could offer compensation starting at \$1400 per month for this total clerical/office part-time position and stay within our system's current budget. Further, as this potential job opportunity was initially mentioned at the May 13, 2025 Director Meeting, the committee proposes advertising it (to generate applicant interest) on the back of the water bills mailed at the end of this month (June) referencing the deberry.myruralwater.com website for position details.

In attendance at the Finance Meeting on June 3, 2025: Kathy Yates, Betty Bryant, Jon Edwards, Les Mangham, and Linda Pippins. Donnie Tynan submitted his input by phone.