

DEBERRY WATER SUPPLY CORPORATION DIRECTORS MEETING

Date: **October 14, 2025 @ 6:00 pm**

Place: De Berry Fire Station



Attendees:

Sara Edwards – President

Matt Tillman – Vice-President

Kathy Yates – Secretary/Treasurer

Mary Robinson – Board Member

Steve Werner – Board Member (arrived at 6:20 PM, due to a schedule conflict)

2 Members and 2 non-Members attended.

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 two previous board meetings were reviewed:

- September 9th monthly board meeting: Edwards moved to approve the minutes, Tillman seconded the motion, and it passed with all in favor.
- September 26th Special Board Meeting, for the primary purpose of reviewing & approving the Board's Response to a PUC Inquiry [PUC = Public Utility Commission of Texas]: Edwards moved to approve the minutes, Yates seconded the motion, which passed with all in favor.
- The approved minutes will be uploaded to the website.
- Note: The PUC Inquiry response was delivered in accordance with the PUC's directed timeline, and the response from the PUC was received a few days before the October 14th board meeting. The Board agreed to officially review the PUC's response letter at the November Board Meeting and attach it to the corresponding Board Meeting minutes.

The bills were reviewed by the Board members. Yates made the motion to approve payment of the bills and Edwards seconded the motion, which carried with all in favor.

The financials for September 2025 were reviewed. Bookkeeper Irvin covered key points of the September 2025 Financial Report. Yates made the motion to approve the Financial Report. Edwards seconded the motion, and the motion carried with all in favor.

Accounting Methods: Yates introduced a proposed measure to implement the Accrual Basis Accounting Method for the recording of the actual monthly Accounts Receivable and Accounts Payable. Yates made the motion to

officially shift to the Accrual Basis Accounting Method, with implementation effective on October 1, 2025. Tillman seconded the motion and the motion carried with all in favor.

Yates made the motion to transfer prior years' Capital Improvement Funds recorded in Account #305 to a Buy-In Equity account. This measure is intended to better partition the Capital Improvement Funds and keep them separate from other funding classes. Edwards seconded the motion which passed with all in favor.

Edwards made a motion to change from a monthly Financial Statement Approval to a quarterly report. The Bookkeeper will still present a monthly Financial Summary at each monthly Water Board meeting. Tillman seconded the motion, which then passed by a vote of 3 to 1.

At this point in time at approximately 6:20 PM, Werner joined the meeting.

Customer Reports

Edwards reported over 40 customer service calls in September. The company responsible for destroying the flush valve on Highway 79 submitted payment for the required repairs. The company had damaged the flush valve as part of a Texas DOT initiative to clear trees from the highway shoulder areas.

System Updates

Werner presented the water loss report, citing a continuation of the improved water accountability figures over the past four months.

For the month of September 2025:

- Water produced (pumped and treated) by the Corporation was 2,074,100 gallons, and water sold was 1,233,200 gallons, resulting in a Percent Sold figure of **59.5%**.
- Water lost or expended to required flushing, Fire Department use, and estimated loss due to known leaks totaled 105,000 gallons, yielding a total accounted figure of **64.5%**.
- Water lost/unaccounted was 735,900 gallons, or 35.5% of the total water produced.

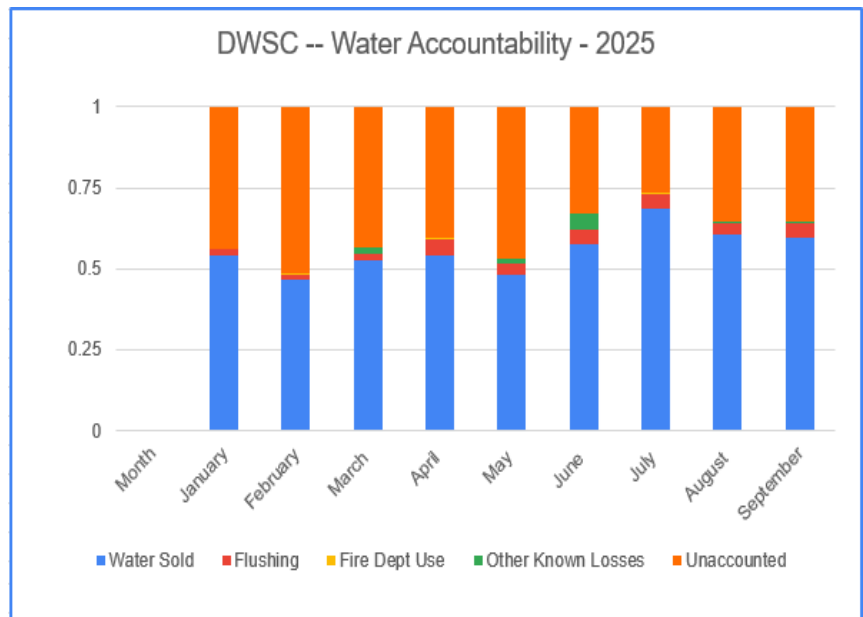


Figure 1 – DWSC -- Water Accountability; Jan-Sep 2025

Werner cited that while the water lost/unaccounted figure is better than previous years' statistics, the losses are still in need of significant improvement. The Board continues with earnest efforts to find and eliminate the leaks and other sources of loss, to improve the financial condition of the DWSC system.

DWSC Annual Elections Timeline

Werner presented a timeline/checklist of the milestones associated with the DWSC Annual Elections, slated to occur at the Annual Meeting on March 7, 2026. The Credentials Committee, consisting of Ms. Betty Bryant and Board Members Robinson and Werner, will monitor the timeline and perform the required preparatory steps in accordance with the "DWSC Election Procedures for the Annual Members' Meeting" official document.

DWSC Water Conservation Plan

Robinson presented the DWSC Water Conservation Plan for review and approval. Robinson had edited and prepared the Plan for review, using inputs from the other Board members. After general discussion of the contents of the Plan, Edwards moved to accept the Plan and Werner seconded the motion. The motion carried with all in favor.

Adjourn

With the Board having no further business, Edwards made the motion that the meeting be adjourned with Robinson seconding the motion. The motion passed with all directors voting in favor. Meeting was adjourned.