OSAGE BEACH/LAKE OZARK
JOINT SEWER BOARD MEETING
AGENDA
MARCH 18, 2014
4:00 p.m.
LAKE OZARK CITY HALL

1. **CALL TO ORDER**

2. **ROLL CALL**
   Mayor, Osage Beach, Penny Lyons
   Mayor, Lake Ozark, Johnnie Franzeskos
   City Administrator, Osage Beach, Nancy Viselli
   City Administrator, Lake Ozark, Dave Van Dee
   Alderman, Lake Ozark, Don Langley
   Alderman, Osage Beach, John Olivarri
   City Engineer, Osage Beach, Nick Edelman
   Public Works Director, Lake Ozark, Matt Michalik
   Gary Hamner

	Page Numbers
3. MINUTES	
Regular Meeting; February 18, 2014	3-4
4. REPORTS	
Bill List	6-16
Revenue Budget Analysis	18
Expenditure Budget Analysis	20
Income & Expense Summary	22
Check Registers & Bank Statements	24-27
February 2014 Alliance and Flow Reports	29-42

5. **OLD BUSINESS**

6. **NEW BUSINESS**
   Agreement of Auditing terms and fees for 2013, 2014 and 2015

7. **DISCUSSION**

8. **ADJOURNMENT**

THE NEXT MEETING WILL BE APRIL 15, 2014, 4:00 PM @ LAKE OZARK CITY HALL

LAKE OZARK - OSAGE BEACH
JOINT SEWER BOARD
Meeting Minutes – February 18, 2014

Call to Order:

Mayor Penny Lyons called the meeting to order at 4:00 p.m. at Lake Ozark City Hall.

Roll Call:

Present: Mayor Penny Lyons
Mayor John Franzeskos
City Administrator, Nancy Viselli
City Administrator, Dave Van Dee
Osage Beach Alderman, John Olivarri
Lake Ozark Alderman, Don Langley
Lake Ozark Public Works Director, Matt Michalik
Osage Beach Public Works Director, Nick Edelman

Absent: Gary Hamner

Others Present: Gary Hutchcraft, Plant Manager
Gary Johnson, Alliance Water Resources
Ed Rucker, Osage Beach City Attorney
Karri Bell, Osage Beach Treasurer

MINUTES OF PAST MEETING:

Mayor Lyons asked for a motion to approve the minutes from the January 21, 2014 meeting. Mayor Franzeskos motioned to approve the minutes second by Alderman Olivarri, all voted and unanimously approved.

PUBLIC COMMENT: None to report

BILLS LIST: Mayor Lyons asked for a motion to approve the Bills List. Public Works Director Michalik motioned to approve the bills list, second by Alderman Olivarri. All voted and unanimously approved.

REPORTS:

REVENUE BUDGET ANALYSIS
EXPENDITURE BUDGET ANALYSIS
INCOME & EXPENSE SUMMARY
CASH FLOW ANALYSIS
BALANCE SHEET
CHECK REGISTERS & BANK STATEMENTS

ALLIANCE REPORT & FLOW CHARTS:

Gary Hutchcraft went over the January 2014 Alliance Report and Flow Chart summary report of operations, a copy of which is included in the meeting packet. There was nothing other to report.

Mayor Lyons asked for a motion to approve the January 2014 Flow Charts. City Administrator Viselli motioned to approve the January 2014 Flow Charts, second by Alderman Olivarri. All voted and unanimously approved.

OLD BUSINESS:

Magruder Litigation Update

Mayor Lyons said she met with attorneys, DNR and Judge Comley this morning at 10:00 a.m. The attorneys are to get together and set stipulations and one of the stipulations is a three (3) day blasting. Mayor Lyons said one of the stipulations we are seeking is funding that we are justified getting from the State. There is another meeting again on May 20th, don't know what time yet.

NEW BUSINESS:

Missouri State Park application for connection for sewer service

Osage Beach Public Works Director Edelman discussed the application with the Board. He said the anticipated design flow would be close to 25% for future expansion that would equal 43,000 gpd which is a little on the high side. The area covers the entire state park. Mayor Lyons asked how and when are they going to pay and who will bill them. Edelman said they will be connected to Osage Beach, be a customer of Osage Beach and collect all fees. They will be billed out of City limits for a flat sewer rate and will be billed as multiple classes. Edelman said we could see another application coming through for Park Place Condos.

Mayor Lyons asked for a motion to accept the Missouri State Park application for connection for sewer service. Lake Ozark Public Works Director Michalik motioned to accept the Missouri State Park application for connection for sewer service, second by City Administrator Van Dee. All voted and unanimously approved.

OTHER DISCUSSION:

ADJOURMENT:

With nothing further to discuss, Mayor Lyons motioned to adjourn the meeting. The meeting was adjourned at 4:20 pm. The next scheduled meeting is Tuesday, March 18, 2014, 4:00 pm. at Lake Ozark City Hall.

Penny Lyons	Mardonna Phillips
Osage Beach Mayor	Lake Ozark Joint Sewer Clerk

This page left blank intentionally.

JOINT SEWER BOARD
BILL LIST
March 18, 2014

OPERATING FUND BILLS PAID PRIOR TO BOARD MEETING:	$	4,225.94
OPERATING FUND BILLS TO BE PAID:	$	28,570.75
EQUIPMENT REPLACEMENT FUND BILLS PAID PRIOR TO BOARD MEETING:	$	-
EQUIPMENT REPLACEMENT FUND BILLS TO BE PAID:	$	-
TOTAL	$	32,796.69

OPERATING FUND BILLS PAID PRIOR TO BOARD MEETING:

Account	Check	Paid To:	Description:		Amount:
4185	3355	Ameren UE	Feb 2014 Electric Bill	$	4,225.94
			TOTAL	$	4,225.94

OPERATING FUND BILLS TO BE PAID:

Account	Check	Paid To:	Description:		Amount:
4000	3356	Equipment Replacement Fund	Payment into ER Fund	$	3,467.17
4170	3357	Alliance Water Resources, Inc.	March 2014 Management Fee	$	24,037.09
4160	3358	Alliance Water Resources, Inc.	Hauled Waste	$	300.00
4020	3359	Alliance Water Resources, Inc.	Maintenance & Repair	$	189.02
4150	3359	Alliance Water Resources, Inc.	Vehicle Maintenance	$	71.95
4220	3360	Zerger & Mauer	Magruder Lawsuit	$	505.52
				$	28,570.75

EQUIPMENT REPLACEMENT FUND BILLS PAID PRIOR TO BOARD MEETING:

Account	Check	Paid To:	Description:		Amount:
				$	-

EQUIPMENT REPLACEMENT FUND BILLS TO BE PAID:

Account	Check	Paid To:	Description:		Amount:
				$	-

Ameren MISSOURI

Please Return This Portion With Your Payment.

AMOUNT DUE	DUE DATE
$3,967.36	Mar 21, 2014
AMOUNT PAYABLE AFTER Apr 1, 2014	ACCOUNT NUMBER
$4,026.87	45800-05832

Amount Enclosed $________

ALLIANCE WATER RESOURCES INC
PO BOX 1985
LAKE OZARK, MO 65049

RECEIVED MAR 11 2014

Ameren Missouri
P.O. Box 66301
St. Louis, MO 63166-6301

40600000 0045800058302 000003967360 000003967360

Keep This Portion For Your Records

ACCOUNT NUMBER	45800-05832
NAME	ALLIANCE WATER RESOURCES INC
[illegible]	3 ANDERSON RD, - LAKE OZARK, MO 65049

BILL DATE	Mar 11, 2014

[illegible]	Mar 21, 2014	$3,967.36
DELINQUENT AFTER	Apr 1, 2014	$4,026.87

Payment Received on Feb 18, 2014 $3,787.70

[illegible]	METER NUMBER	SERVICE FROM - TO	NO. DAYS	METER READING PREVIOUS	[illegible]	READING DIFFERENCE	METER MULTIPLIER	THERM FACTOR	USAGE
Total kWh	11673321	02/06-03/09	31	21052.0000	21473.0000	421.0000	160.0000		67360.0000X
Peak kW	11673321	02/06-03/09	31	0.0000	0.8710	0.8710	160.0000		139.3600A

SUMMARY

	Service To			Service To	
Total kWh	03/09/2014	67360.0000	Peak kW	03/09/2014	139.4000
Total Billing Demand	03/09/2014	139.4000	October Winter Base kW	03/09/2014	146.2000
Winter Base Demand	03/09/2014	139.4000	Base kWh Ratio	03/09/2014	1.0000
Base kWh (HUD)	03/09/2014	67360.0000	Seasonal kWh (HUD)	03/09/2014	0.0000

METERED ELECTRIC SERVICE BILLING

Rate 3M Large General Service — Service From 02/06/2014 To 03/09/2014

Seasonal Energy Charge	0.00 kWh	●	$.03630000	$0.00	
Demand Charge	139.40 kW	●	$1.71000000	$238.37	
Base Energy Chg / Hours Used	20,910.00 kWh	●	$.06230000	$1,302.69	
Base Energy Chg / Hours Used	27,880.00 kWh	●	$.04620000	$1,288.06	
Base Energy Chg / Hours Used	18,570.00 kWh	●	$.03630000	$674.09	
Customer Charge				$88.82	
Fuel Adjustment Charge	67,360.00 kWh	●	$.00270000	$181.87	
Energy Efficiency Pgm Charge	67,360.00 kWh	●	$.00050000	$33.68	
Energy Efficiency Invest Chg	67,360.00 kWh	●	$.00237200	$159.78	
Total Service Amount					$3,967.36

Current Amount Due	$3,967.36
Prior Amount Due	$0.00
Total Amount Due	$3,967.36

The ActOnEnergy® BizSavers® program has CASH INCENTIVES available for your next energy efficiency project! Everything from lighting to controls to new construction. Visit ActOnEnergy.com/BizSavers to learn more.

A late payment charge of 1.5% will be added for any unpaid balance on all accounts after the delinquent date.

Ameren MISSOURI

Please Return This Portion With Your Payment.

☐ Pure Power

AMOUNT DUE	DUE DATE
$258.58	Mar 21, 2014
AMOUNT PAYABLE AFTER Apr 1, 2014	ACCOUNT NUMBER
$262.46	55800-05920

Amount Enclosed $______________

RECEIVED MAR 11 2014

ALLIANCE WATER RESOURCES INC
PO BOX 1985
LAKE OZARK, MO 65049

Ameren Missouri
P.O. Box 66301
St. Louis, MO 63166-6301

10633000 0055800059200 000000258580 000000258580

Keep This Portion For Your Records

[illegible]	55800-05920
[illegible]	ALLIANCE WATER RESOURCES INC
[illegible]	3 ANDERSON RD LAKE OZARK, MO 65049

[illegible]	Mar 11, 2014

[illegible]	Mar 21, 2014	$258.58
[illegible]	Apr 1, 2014	$262.46

Payment Received on Feb 18, 2014 $327.82

Total kWh	98041275	02/06-03/09	31	5093.0000	5490.0000	397.0000	10.0000		3970.0000A
Peak kW	98041275	02/06-03/09	31	0.0000	1.6810	1.6810	10.0000		16.8100A

SUMMARY

	Service To			Service To	
Total kWh	03/09/2014	3970.0000	Winter Base kWh	03/09/2014	1310.0000
Current Base kWh	03/09/2014	1310.0000	Seasonal kWh	03/09/2014	2660.0000

METERED ELECTRIC SERVICE BILLING

Rate 2M Sm Gen Svc - 3 Ph w/Dmd — Service From 02/06/2014 To 03/09/2014

Threshold - Peak Demand	Threshold - Peak Demand		Threshold - Peak Demand	
Base Energy Charge	1,310.00 kWh	@ $.07710000	$101.00	
Seasonal Energy Charge	2,660.00 kWh	@ $.04450000	$118.37	
Customer Charge			$19.54	
Fuel Adjustment Charge	3,970.00 kWh	@ $.00270000	$10.72	
Energy Efficiency Pgm Charge	3,970.00 kWh	@ $.00030000	$1.19	
Energy Efficiency Invest Chg	3,970.00 kWh	@ $.00195500	$7.76	
Total Service Amount				$258.58

Current Amount Due	$258.58
Prior Amount Due	$0.00
Total Amount Due	$258.58

The ActOnEnergy® BizSavers® program has CASH INCENTIVES available for your next energy efficiency project! Everything from lighting to controls to new construction. Visit ActOnEnergy.com/BizSavers to learn more.

Sign up for Pure Power to support clean renewable energy in Missouri and the Midwest. By checking the box, a 1.5 cents per kilowatt hour charge will apply. You may cancel at any time.

A late payment charge of 1.5% will be added for any unpaid balance on all accounts after the delinquent date.

Alliance Water Resources, Inc.

Professional Water and Wastewater Operations
206 South Keene Street
Columbia, Missouri 65201
(573) 874-8080 Fax (573) 443-0833

INVOICE

Invoice No: 5946

Invoice Date: 28-Feb-14

Customer No: 20220

Terms: 30 days

SOLD TO:

Lake Ozark/Osage Beach Joint Utility Board
c/o Karri Bell
City of Osage Beach
1000 City Parkway
Osage Beach, MO 65065

REFERENCE	DESCRIPTION		AMOUNT
	Hauled waste payments for the month of	Feb-14	
	6 Hauled waste load @ $50.00 each		$300.00

TOTAL DUE **$300.00**

Alliance Water Resources, Inc.
Professional Water and Wastewater Operations
206 South Keene Street
Columbia, Missouri 65201
(573) 874-8080 Fax (573) 443-0833

INVOICE

Invoice No: **5947**

01-Mar-14

SOLD TO:

Lake Ozark/Osage Beach Joint Utility Board
c/o Karri Bell
City of Osage Beach
1000 City Parkway
Osage Beach, MO 65065

Customer No: **20220**

Terms: **30 days**

REFERENCE	DESCRIPTION	AMOUNT
	Wastewater Plant operating service for month of: Mar-14	
	Base Fee	$24,037.09

TOTAL DUE **$24,037.09**

Alliance Water Resources, Inc.

Professional Water and Wastewater Operations
206 South Keene Street
Columbia, Missouri 65201
(573) 874-8080 Fax (573) 443-0833

INVOICE

Invoice No: **5948**

Invoice Date: **01-Mar-14**

Customer No: **20220**

Terms: **30 days**

SOLD TO

Lake Ozark/Osage Beach Joint Utility Board
c/o Karri Bell
City of Osage Beach
1000 City Parkway
Osage Beach, MO 65065

REFERENCE	DESCRIPTION	AMOUNT
	O'Reilly Auto Parts - 1 Invoice - 50%	$71.95
	Smith & Loveless Inc. - 1 Invoice - 50%	$77.84
	Cole-Parmer - 1 Invoice - 50%	$111.18
	TOTAL DUE	**$260.97**

O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

OFFICE P.O. BOX 1156, SPRINGFIELD, MO. 65801
PHONE (417) 862-3333

ADDRESS: 4195 OSAGE BEACH PARKWAY
OSAGE BEACH MO 65065-2151

REMIT TO: PO BOX 9464
SPRINGFIELD MO 65801-9464

BILL TO 192182 SHIP TO

ALLIANCE WATER RESOURCES
#3 ANDERSON RD
PO BOX 1985
LAKE OZARK MO 65049 1985

4046-278077
CHARGE SALE
2/19/14
6

COUNTER NO.	SPECIAL INSTRUCTIONS	SHIP VIA	CUSTOMER ORDER NO.	TIME OF ORDER	FILLED BY	CHECKED BY
2051			GARY	11:45:56		

TAX	RC	QTY.	LINE	ITEM NUMBER	UNIT MEAS.	CD.	DESCRIPTION	LIST PRICE	NET PRICE	DISC %	CORE PRICE	EXTENDED PRICE
		Enroll today for the New Parts Payoff program www.FirstCallOnline.com										
T		1	GAT	9550	EA		V-BELT	42.36	24.99			24.99
T		1	WIX	51791	EA		OIL FILTER	25.41	14.99			14.99
T		8	SHE	T15-40-1	EA		1GalMotorOil	30.49	12.99			103.92
				MANUFACTURER'S DEFECT WARRANTY								
		Promotional and/or Advertised Everyday Low Price applied to some items										
TOTALS		10						311.69	143.90			

CUSTOMER COPY "We appreciate your business"

GARY
CUSTOMER SIGNATURE Gary Hutchcraft

SUB-TOTAL	143.90
MISC.	
TAX/FEES	10.76
TOTAL	154.66

CASH TEND.
CHANGE

Visit Us At: www.oreillyauto.com

RECEIVED
FEB 1 9 2014

GL Acct#: 6702-20 $82.71 1220-20 $71.95
Signature: Gary Hutchcraft
Date: 2/19/14

INVOICE 94751

Smith & Loveless Inc.

14040 Santa Fe Trail Drive
Lenexa, KS, USA 66215-1284
Phn: (913) 888-5201
Fax: (913) 888-5520
www.smithandloveless.com

No material may be returned to Smith & Loveless for credit or replacement without a return goods authorization.
Contact Parts Dept., 913-888-5201 ext 243.

SALES ORDER NO. PS73030	DATE INVOICED 02/27/14
PACKING SLIP NO. PS73030*1	DATE SHIPPED 02/27/14
CUSTOMER PURCHASE ORDER NO. VERBAL/GARY	
SALES REPRESENTATIVE MUNICIPAL EQPT CO	CODE CB
SHIPPED VIA UPS GROUND	PPD X / COL
PAYMENT TERMS NET 30	TAX X / TAX CODE MO

SOLD TO
10*13552
ALLIANCE WATER RESOURCES
(see CM comments)
#3 ANDERSON RD
PO BOX 1985
LAKE OZARK MO 65049
USA

SHIP TO
10*13552
ALLIANCE WATER RESOURCES
#3 ANDERSON RD
LAKE OZARK, MO 65049
USA

ITEM	PRODUCT DESCRIPTION	QTY ORDERED	QTY SHIPPED	QTY B.O.	UNIT PRICE	TOTAL PRICE
001	87B309C ELECTRODE HOUSING ASSY RETROFIT APPLICATIONS	1	1		75.60000	75.60
002	87A226 RETAINER RING 3/8" CHILEAN RED	1	1		22.84000	22.84
003	87A225 ADAPTER RING PTD STL 1 IN THK FOR NEW STYLE DOMES & OLD STYLE MOTOR ADPTRS	1	1		47.42000	47.42
Chg	FRP PARTS FREIGHT FREIGHT FOR PARTS ORDERS		1			9.82

VERBAL ORDER PER GARY HUTCHCRAFT 02/24/14
PH: 573-365-0455
EMAIL: ghutchcraft@alliancewater.com
S/N NOT PROVIDED

RECEIVED
FEB 2? 2014

GL Acct#: 6705-20 $83.99 1220-20 $77.84
Signature: Gary Hutchcraft
Date: 2/28/14

REMIT TO:
Smith & Loveless, Inc.
P.O. BOX 2383
Shawnee Mission, KS 66201

ATTN: If we have charged State and local sales taxes, and you are tax exempt, please forward with your remittance a copy of your exemption certificate.

SUBTOTAL	155.68
DISCOUNT	0.00
TAX	6.15
Credit	0.00
US Dollars	161.83

Customer

Cole-Parmer
Delivering Solutions You Trust

Invoice

Phone: 1-847-549-7600
Fax: 1-847-247-2929
Web: WWW.COLEPARMER.COM

Remittance Address
13927 Collections Center Drive Chicago, IL 60693-0139

Federal Tax ID	Duns #
36-2360953	00-885-2253

Invoice #	PO #
8797113	VERBALGHUTCHCRAFT021
Invoice Date	**Invoice Amount**
02/25/2014	$222.37
Reference #	**Terms**
7203666-00	Net 30 Days

Billing Address 645024-02
ALLIANCE WATER RESOURCES PO BOX 1985 LAKE OZARK, MO 65049-1985

Shipping Address 645024-01
ALLIANCE WATER RESOURCES GARY HUTCHCRAFT 3 ANDERSON RD LAKE OZARK, MO 65049 U.S.A.

Shipping Info: SHIPPED 02/25/2014, FDX.GND, 1 CARTON(S), 2 lbs TOTAL WEIGHT, TRACKING NUMBER(S): 961301906005558147990

Invoice Comments: S/N J90733 Service Return: 402130096

Line	Qty Ord	UOM	Item#	Description	Shipped	Back-Ordered	Unit Price	Extended Price
1	1	EA	99999-62	THERMOMETER -20 - 110C NIST TRACEABLE CALIBRATION 1 YR INTERVAL S/N J90733 TEST PTS: 0, 4, 20, 37, 44.5 AND 103C	1			N/C
2	1	EA	17006-05	NIST CERT GLASS THERM 5-9PTS	1		210.000	210.00

SUB-TOTAL	210.00
FREIGHT AMOUNT	12.37
TAX AMOUNT	.00
OTHER CHARGES	.00
PLEASE PAY THIS TOTAL AMOUNT	$222.37
DUE DATE	03/27/2014

RECEIVED
FEB 28 2014

NOTES:
ORDER PLACED BY GARY HUTCHCRAFT, PHONE # 573-365-0455

Would you like to receive your invoices via email or fax rather than a hard copy through the mail? If so, just contact Craig Benfield by phone 888-358-4714 x490214 or by email at craig.benfield@coleparmer.com with your preferred fax number or email address.

FOR COMPLETE LIST OF APPLICABLE TERMS PLEASE VISIT US AT
WWW.COLEPARMER.COM/TERMS

GL Acct#: 6705-20 $111.19 1220-20 $111.18
Signature: Gary Hutchcraft
Date: 2/28/14

ZERGER & MAUER LLP
1100 Main Street
Suite 2100
Kansas City, MO 64105 816/759-3300 Federal ID No. 27-5426971

STATEMENT

PRIVILEGED & CONFIDENTIAL

City of Osage Beach
c/o Nancy Viselli
1000 City Parkway
Osage Beach, MO 65065

Account No. 1014.0002
RE: Magruder

Statement Date: 02/24/2014
Statement No. 3322

Fees

Date	Timekeeper	Description	Rate	Hours	Amount
01/02/2014	MLR	Review and analyze local rules regarding hearing requirement; review and analyze docket from 2008 regarding assignment of judge.	250.00	0.30	75.00
	SEM	Review our brief for filing a reply brief; prepare notes regarding same; attorney conference regarding same; prepare letter to Mayor Lyons, E. Rucker and N. Viselli regarding same.	280.00	0.50	140.00
01/06/2014	MLR	Communicate with circuit court regarding pending motions. NO CHARGE	250.00		
01/07/2014	MLR	Communicate with Miller County court clerk regarding potential hearing date. NO CHARGE	250.00		
01/09/2014	MLR	Review and analyze correspondence from LRC; communicate with client regarding same.	250.00	0.50	125.00
01/10/2014	MLR	Communicate with court regarding hearing date; communicate with opposing counsel regarding same. NO CHARGE	250.00		
01/15/2014	MLR	Communicate with opposing counsel regarding hearing date.	250.00	0.20	50.00
01/22/2014	MLR	Communicate with opposing counsel regarding hearing date. NO CHARGE	250.00		
01/28/2014	MLR	Communicate with the court regarding hearing notice; draft Notice of Hearing.	250.00	0.40	100.00

To ensure proper credit, please include account number and statement date on remittance checks. Thank you.

		Rate	Hours	
	For Current Services Rendered		1.90	490.00

Expenses

01/02/2014	Postage	1.72
01/02/2014	Photocopy charges	5.20
01/22/2014	Postage	0.46
01/22/2014	Photocopy charges	0.40
01/30/2014	Postage	4.14
01/30/2014	Photocopy charges	3.60
	Total Expenses	15.52
	Total Current Work	505.52
	Previous Balance	$15,550.80

Payments

01/24/2014	Payment	-12,216.46
	Balance Due	$3,839.86

This page left blank intentionally.

MONTH-TO-DATE AND YEAR-TO-DATE
REVENUE/BUDGET ANALYSIS
2/28/2014

Account Number	Account Name	2012 Actual	2013 Actual	2014 Budget	2014 Actual as of 2/28/2014	2014 February Revenue	Percent YTD
3020	Osage Beach	403,305.55	452,145.77	456,500.00	75,902.46	37,972.85	17%
3010	Lake Ozark	86,694.44	92,854.22	93,500.00	15,764.58	7,860.48	17%
3100	Interest	537.49	34.50	35.00	2.65	1.24	8%
3060	Waste Haulers' Fee	40,820.00	41,460.00	41,000.00	2,780.00	600.00	7%
	Total Operating Fund	531,357.48	586,494.49	591,035.00	94,449.69	46,434.57	16%
	E/R Fund Income	1,374.82	1,320.11	1,350.00	285.53	10.00	21%
	TOTAL INCOME	532,732.30	587,814.60	592,385.00	94,735.22	46,444.57	16%

This page left blank intentionally.

MONTH-TO-DATE AND YEAR-TO-DATE
EXPENDITURE/BUDGET ANALYSIS
2/28/2014

Account Number	Account Name	2,012.00 Actual	2013 Actual	2014 Budget	2014 Actual as of 2/28/2014	2014 February Expenses	Percent YTD
4000	Equipment Replace Fund	41,606.04	41,606.04	41,606.04	6,934.34	3,467.17	17%
4010	ERF Repayment	27,961.44	27,961.44	0.00	0.00	0.00	0%
4020	*Maintenance & Repair	88,400.79	19,273.37	108,500.00	83.95	0.00	0%
4140	Insurance	20,962.00	15,489.00	18,000.00	0.00	0.00	0%
4150	***Vehicle Repair/Maint	5,649.28	1,352.11	13,000.00	0.00	0.00	0%
4160	Haulers Fees to Contractor	8,000.00	8,000.00	8,000.00	1,090.00	1,090.00	14%
4170	Contract Management	272,948.40	281,409.84	288,500.00	48,074.18	24,037.09	17%
4185	Electric	60,862.46	71,923.84	75,000.00	8,286.44	4,115.52	11%
4200	Audit	1,700.00	1,750.00	1,800.00	0.00	0.00	0%
4220	Professional Service	168,904.97	119,683.73	30,000.00	15,550.80	3,334.34	52%
4240	Capital Purchases	-	5,748.00	30,000.00	0.00	0.00	0%
	Totals	696,995.38	594,197.37	614,406.04	80,019.71	36,044.12	13%
	**E/R Expenses	5,368.50	4,260.00	28,000.00	2,228.18	0.00	8%
	TOTAL EXPENSES	702,363.88	598,457.37	642,406.04	82,247.89	36,044.12	13%

Professional Services

Normal/Magruder Lawsuit	30,000.00

Capitol Purchases

Generator (Saving for Future Purchase)	30,000.00

Equipment & Replacement

Normal E/R	10,000.00
Replace Wooden doors w/ Fiberglass	2,000.00
Rebuild Ducking Skimmer Clarifier #2	3,500.00
Rebuild Arm Support Clarifier #1 & 2	5,000.00
Storage Building	4,500.00
Metal Roof on Blower Building	3,000.00
	28,000.00

***Maintenance & Repair**

UV Spare Parts	5,000.00
Auto Dialer Yearly Software Fee	500.00
Rock for Road	2,000.00
Normal Maintenance	6,000.00
#1 Aeration Basin grit removal	50,000.00
Sandblast/Repair Clarifier #1	45,000.00
	108,500.00

*****Vehicle Repair/Maint**

Vehicle Maintenance	3,000.00
Repair/Repaint Sludge Truck	10,000.00
	13,000.00

This page left blank intentionally.

OPERATING FUND INCOME AND EXPENSE SUMMARY
2/28/2014

Beginning Balance	32,925.98
Income - Osage Beach	37,972.85
Income - Lake Ozark	7,860.48
Income - Other	0.00
Income - Waste Haulers' Fees	600.00
Interest - Checking	1.24
Income - CD Interest	0.00
Transfers From E/R Fund	0.00
Transfers to E/R fund	-3,467.17
Expenses	-32,576.95
Ending Fund Balance	**43,316.43**
NOW Account - Central Bank	46,650.77
Outstanding Checks:	-3,334.34
Deposit in Transit:	0.00
	43,316.43

EQUIPMENT REPLACEMENT FUND INCOME AND EXPENSE SUMMARY
2/28/2014

Beginning Balance	377,172.43
Interest - Checking	10.00
Income - CD Interest	0.00
Transfers From E/R Fund	3,467.17
Transfers to E/R Fund	0.00
Income - Miscellaneous	0.00
Expenses	0.00
Ending Fund Balance	**380,649.60**
NOW Account - First Bank	89,348.63
CD First National Bank, 07/14 #000048178	113,453.04
CD Providence Bank, 07/14	76,390.48
CD First National Bank, 07/14 #000049153	101,457.45
Deposit in Transit	0.00
Outstanding Checks:	0.00
	380,649.60

This page left blank intentionally.

CHECK REGISTER - JOINT SEWER BOARD OPERATION FUND

	reconciled balance 10/31/13				**27,151.76**
3334	Ameren UE	X	3,806.13		23,345.63
3335	Alliance Water Resources, Inc.	X	23,450.82		(105.19)
3336	ER Fund Transfer	X	5,797.29		(5,902.48)
3337	Alliance Water Resources, Inc.	X	1,721.02		(7,623.50)
	Deposit	X		37,962.01	30,338.51
	Deposit	X		7,871.32	38,209.83
	Deposit	X		1,620.00	39,829.83
	Interest	X		2.07	39,831.90
	reconciled balance 11/30/13				**39,831.90**
3338	Zerger & Mauer	X	10,000.00		29,831.90
3339	Ameren UE	X	3,459.48		26,372.42
3340	ER Fund Transfer	X	5,797.29		20,575.13
3341	Alliance Water Resources, Inc.	X	23,450.82		(2,875.69)
3342	Alliance Water Resources, Inc.	X	225.00		(3,100.69)
3343	American Sun Control	X	5,748.00		(8,848.69)
3344	Zerger & Mauer	X	10,000.00		(18,848.69)
	Deposit	X		37,682.89	18,834.20
	Deposit	X		8,150.44	26,984.64
	Deposit	X		1,900.00	28,884.64
	Interest	X		2.18	28,886.82
	reconciled balance 12/31/13				**28,886.82**
3345	Ameren UE	X	4,170.92		24,715.90
3346	ER Fund Transfer	X	3,467.17		21,248.73
3347	Alliance Water Resources, Inc.	X	24,037.09		(2,788.36)
3348	Alliance Water Resources, Inc.	X	83.95		(2,872.31)
3349	Zerger & Mauer	X	12,216.46		(15,088.77)
	Deposit	X		37,929.61	22,840.84
	Deposit	X		7,903.73	30,744.57
	Deposit	X		2,180.00	32,924.57
	Interest	X		1.41	32,925.98
	reconciled balance 1/31/14				**32,925.98**
3350	Ameren UE	X	4,115.52		28,810.46
3351	ER Fund Transfer	X	3,467.17		25,343.29
3352	Alliance Water Resources, Inc.	X	24,037.09		1,306.20
3353	Alliance Water Resources, Inc.	X	1,090.00		216.20
	Deposit	X		37,972.85	38,189.05
	Deposit	X		7,860.48	46,049.53
	Deposit	X		600.00	46,649.53
	Interest	X		1.24	46,650.77
	reconciled balance 2/28/14				**46,650.77**

Central Bank
of Lake of the Ozarks
P.O. Box 4500, Jefferson City, MO 65102
(573) 348-2761
001096

Return Service Requested

1-48

Period	Page
02/01/2014-02/28/2014	1 of 2

Web Address
www

LAKE OZARK OSAGE BEACH JOINT SEWER
TREATMENT PLANT BOARD
1000 CITY PKWY
OSAGE BEACH MO 65065-3058

M

4

Your Financial Summary on February 28, 2014

Account Balances & Other Assets

Checking	$	46,650.77
Total	**$**	**46,650.77**

etailed Explanation of Account Balances and Other Assets

cking

Beginning Balance January 31, 2014	**$**	**32,925.98**

Deposits

Feb. 18 Deposit	7,860.48
Feb. 18 Deposit	37,972.85
Feb. 19 Deposit	600.00
Feb. 28 Interest Earned	1.24
Total +$	**46,434.57**

Checks

Check No.	Date Paid	Amount	Check No.	Date Paid	Amount
3350	Feb. 19	4,115.52	3352	Feb. 20	24,037.09
3351	Feb. 20	3,467.17	3353	Feb. 20	1,090.00

Total	**-$**	**32,709.78**
Ending Balance February 28, 2014	**$**	**46,650.77**

Number of days since last statement/interest cycle 28
Beginning and ending dates for calculation of statement/interest cycle are 02/01/2014 through 02/28/2014
Average collected balance 40,467.00
Interest rate 0.04%
Annual percentage yield earned 0.04%

CHECK REGISTER - JOINT SEWER BOARD EQUIPMENT REPLACEMENT FUND

	reconciled balance 7/31/13				**59,849.63**
	Interest	X		7.50	59,857.13
	Deposit	X		5,797.29	65,654.42
	reconciled balance 8/31/13				**65,654.42**
	Interest	X		8.72	65,663.14
	Deposit	X		5,797.29	71,460.43
	reconciled balance 9/30/13				**71,460.43**
	Interest	X		9.37	71,469.80
	Deposit	X		5,797.29	77,267.09
	reconciled balance 10/31/13				**77,267.09**
	Interest	X		9.26	77,276.35
	Deposit	X		5,797.29	83,073.64
1005	Check	X	4,260.00		78,813.64
	reconciled balance 11/30/13				**78,813.64**
	Interest	X		10.70	78,824.34
	Deposit	X		5,797.29	84,621.63
	reconciled balance 12/31/13				84,621.63
	Interest	X		10.84	84,632.47
	Deposit	X		3,467.17	88,099.64
1006	Check	X	2,228.18		85,871.46
	reconciled balance 1/31/14				**85,871.46**
	Interest	X		10.00	85,881.46
	Deposit	X		3,467.17	89,348.63
	reconciled balance 2/28/14				**89,348.63**

FIRST BANK OF THE LAKE

4558 Osage Beach Pkwy, Suite 100
Osage Beach, MO 65065
(573) 348-2265

536 00010 26
ACCOUNT:
DOCUMENTS:

,: 1
28/2014

75

LAKE OZARK-OSAGE BEACH JOINT
SEWER BD.-TREATMENT PLANT BD.
1000 CITY PKWY
OSAGE BEACH MO 65065-3058

NOTICE OF EXPIRATION OF THE TEMPORARY FULL FDIC INSURANCE COVERAGE FOR NONINTEREST-BEARING TRANSACTION ACCOUNTS

By operation of federal law, beginning Jan. 01, 2013, funds deposited in a noninterest-bearing transaction account (including an Interest on Lawyer Trust Account) no longer will recieve unlimited deposit insurance coverage by the Federal Deposit Insurance Corporation (FDIC). Beginning Jan. 01, 2013, all of a depositor's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount ($250,000), for each deposit insurance ownership category.
For more information about FDIC insurance coverage of noninterest-bearing transaction accounts,
visit http://www.fdic.gov/deposit/deposit /expiration.html

BUSINESS MMDA ACCOU

LAST STATEMENT 01/31/14		85,871.46
2 CREDITS		3,477.17
DEBITS		.00
THIS STATEMENT 02/28/14		89,348.63

- - - - - - - - - - - DEPOSITS - - - - - - - - - -

REF #	DATE	AMOUNT	REF #	DATE	AMOUNT	REF #	DATE	AMOUNT
	02/19	3,467.17						

- - - - - - - - - OTHER CREDITS - - - - - - - - -

DESCRIPTION	DATE	AMOUNT
INTEREST	02/28	10.00

* * * C O N T I N U E D * * *

This page left blank intentionally.

WATER RESOURCES®
Alliance
Professional Water and Wastewater Operations

OPERATING DIVISIONS

MISSOURI

Atchison County
Bonne Terre
Boonville
Bowling Green
Buchanan County #1
Cameron
Cape Girardeau
Craig
East Central Missouri Water & Sewer Authority
Elsberry
Franklin County #1
Franklin County #3
Henry County Water Company
Henry County #3
Lake Ozark/ Osage Beach
Lincoln County #1
Nevada
Parkville
Phelps County #2
Platte County #C-1
Proctor & Gamble
Ralls County #1
Russellville
Sedalia
St Charles County #2
St Genevieve
Versailles

IOWA

Maquoketa
Tipton

TENNESSEE

South Fulton

REPORT OF OPERATIONS

LAKE OZARK/OSAGE BEACH
Joint Wastewater Treatment Plant No. 1

Month of February 2014

Submitted by Alliance Water Resources, Inc. for the

March 2014

Joint Sewer Board Meeting

SUMMARY OF FACILITY OPERATION

The Lake Ozark/Osage Beach Joint WWTP produced superior effluent quality throughout the month and was in full compliance with effluent limitations established in NPDES Permit No.MO-01013241. No leaks, no spills, and no unauthorized releases to waters of the state. No work related lost time accidents have occurred during the month.

Detailed information relating to plant performance and operations is presented as follows.

PLANT EFFLUENT QUALITY

	BOD mg/l	TSS mg/l	pH	E.coli Coliform Colonies/100 ml	Ammonia as N mg/L	O&G mg/L	Metals Selenium ug/L
Monthly Average	2.0	1.7	NA	0	1.2	<5.0	0
Peak Day	2.2	2.0	7.8	0	2.0	<5.0	0
Percent Removal	99.2	99.2	NA	NA	NA	NA	NA

NPDES EFFLUENT LIMITATIONS

	BOD mg/l	TSS mg/l	pH	E.coli Coliform Colonies/100 ml	Ammonia as N mg/L	O&G mg/L	Metals Selenium ug/ L
Monthly Average	30	30	6-9	126	2.7	10	4.0
Weekly Average	45	45		630			
Daily Max					10.6	15	8.1

PLANT HYDRAULIC AND ORGANIC LOADING

The average daily influent flow for the month was 0.806 MGD or 27% of Permitted flow with Lake Ozark contributing 18% of the total flow and Osage Beach contributing 82%. Daily influent flow BOD and TSS data is presented in Table A. Daily flow for the month and rainfall are shown in Figure 2. A three-year flow history for each of the two cities is presented in Table B.

Organic loading for the month was 49432 pounds of BOD.

BIOSOLIDS APPLICATION AND INVENTORY

Plant personnel land applied 0 tanker loads of bio-solids during the month equivalent to a total of 0 gallons and 0 pounds dry weight solids.

0 pounds of dry weight solids have been land applied year to date.

Bio-solids inventory in the storage tanks at the end of the month was 538,125 gallons with a level of 5.0 feet in Tank 1 and 5.5 feet in Tank 2.

WASTEHAULERS

The plant received 6 loads of septage during the month totaling 15,000 gallons.

WWTP OPERATIONS

- Decanting digesters and wasting weekly.
- Normal operations.

WWTP MAINTENANCE AND REPAIR

- Performed routine maintenance throughout the month as per Antero Maintenance Data Management schedule. (New version of Operator 10 Software)
- We noticed that the pista grit system was not working properly on the 17th and troubleshot it and found that the electrode housing assembly was not sealing properly, so we ordered replacement parts. We received most of the replacement parts on the 28th and noticed that it was incomplete. We called them back and informed them of it and they said it must have gotten overlooked and will ship the rest of the parts and should have them by the week of March 10th or before.

SAFETY

- We conducted our monthly routine Safety Meeting on CPR, First Aid and Bloodborne Pathogens Training on the 7th of February.

REGULATORY AGENCY, INSPECTION AND REPORTS

- Mailed DMR to MDNR on the 7th of March.

MISCELLANEOUS AND RECOMMENDATIONS

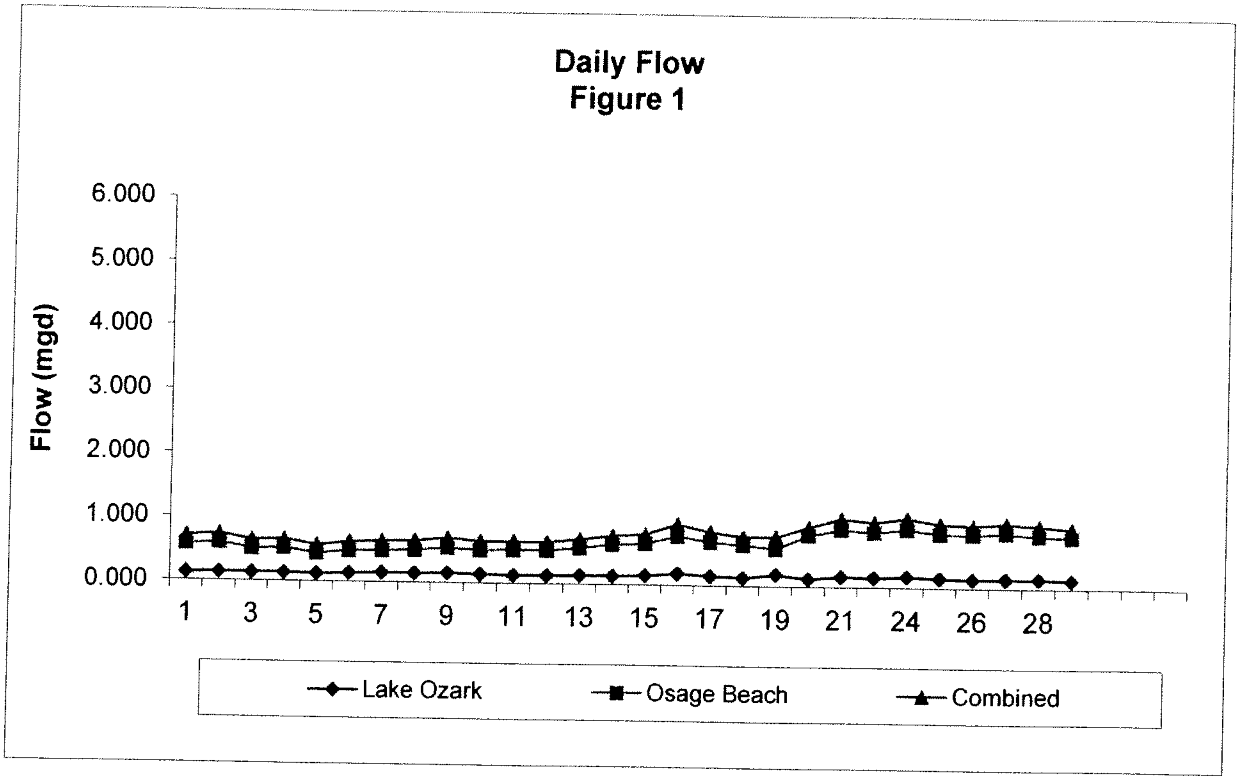
- We again would like to Thank Matt and the City of Lake Ozark for doing the best they could on the road to the Plant during our recent ice storm. Many Thanks!
- We would also like to Thank the City of Osage Beach for allowing our employees to attend the CPR classes at Osage Beach City Hall. Many Thanks!

TABLE A
LAKE OZARK/OSAGE BEACH WWTP

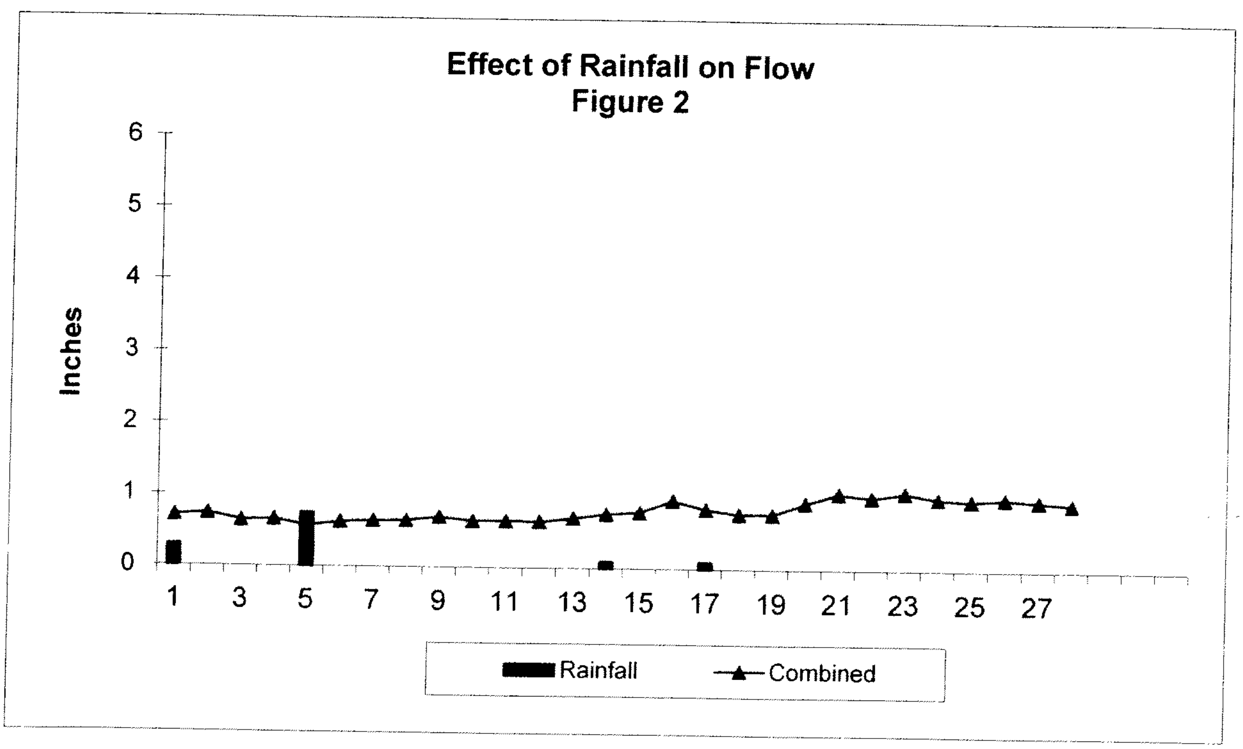
MONTH OF February 2014

DATE		FLOW					BOD 5 MG/L			TSS MG/L		
	RAIN FALL IN.	LO mgd	OB mgd	COMB mgd	% LO	% OB	LO mg/l	OB mg/l	COMB mg/l	LO mg/l	OB mg/l	COMB mg/l
1-Feb	**0.3**	**0.133**	**0.575**	**0.708**	**18.8**	**81.2**						
2-Feb		**0.142**	**0.599**	**0.741**	**19.2**	**80.8**						
3-Feb		0.135	0.511	0.646	20.9	79.1						
4-Feb		0.137	0.525	0.662	20.7	79.3						
5-Feb	0.75	0.128	0.444	0.572	22.4	77.6						
6-Feb		0.139	0.492	0.631	22.0	78.0						
7-Feb		0.152	0.497	0.649	23.4	76.6	148	265	275	110	210	216
8-Feb		**0.146**	**0.508**	**0.654**	**22.3**	**77.7**						
9-Feb		**0.155**	**0.551**	**0.706**	**22.0**	**78.0**						
10-Feb		0.140	0.516	0.656	21.3	78.7						
11-Feb		0.133	0.527	0.660	20.2	79.8						
12-Feb		0.132	0.521	0.653	20.2	79.8						
13-Feb		0.138	0.567	0.705	19.6	80.4						
14-Feb	0.1	0.135	0.627	0.762	17.7	82.3	160	238	213	124	156	170
15-Feb		**0.148**	**0.645**	**0.793**	**18.7**	**81.3**						
16-Feb		**0.186**	**0.770**	**0.956**	**19.5**	**80.5**						
17-Feb	0.1	0.156	0.683	0.839	18.6	81.4						
18-Feb		0.131	0.644	0.775	16.9	83.1						
19-Feb		0.188	0.588	0.776	24.2	75.8						
20-Feb		0.127	0.806	0.933	13.6	86.4						
21-Feb		0.167	0.901	1.068	15.6	84.4	228	270	320	148	224	208
22-Feb		**0.154**	**0.861**	**1.015**	**15.2**	**84.8**						
23-Feb		**0.176**	**0.909**	**1.085**	**16.2**	**83.8**						
24-Feb		0.154	0.848	1.002	15.4	84.6						
25-Feb		0.143	0.837	0.980	14.6	85.4						
26-Feb		0.149	0.864	1.013	14.7	85.3						
27-Feb		0.153	0.825	0.978	15.6	84.4						
28-Feb		0.137	0.803	0.940	14.6	85.4	215	253	243	164	220	236
SUM	1.3	4.114	18.444	22.558								
AVG		0.147	0.659	0.806	18	82	188	257	263	137	203	208

NOTE: BOLD PRINT INDICATES WEEKEND DAYS



Daily Flow
Figure 1
Flow (mgd)
6.000
5.000
4.000
3.000
2.000
1.000
0.000
1 3 5 7 9 11 13 15 17 19 21 24 26 28
Lake Ozark
Osage Beach
Combined



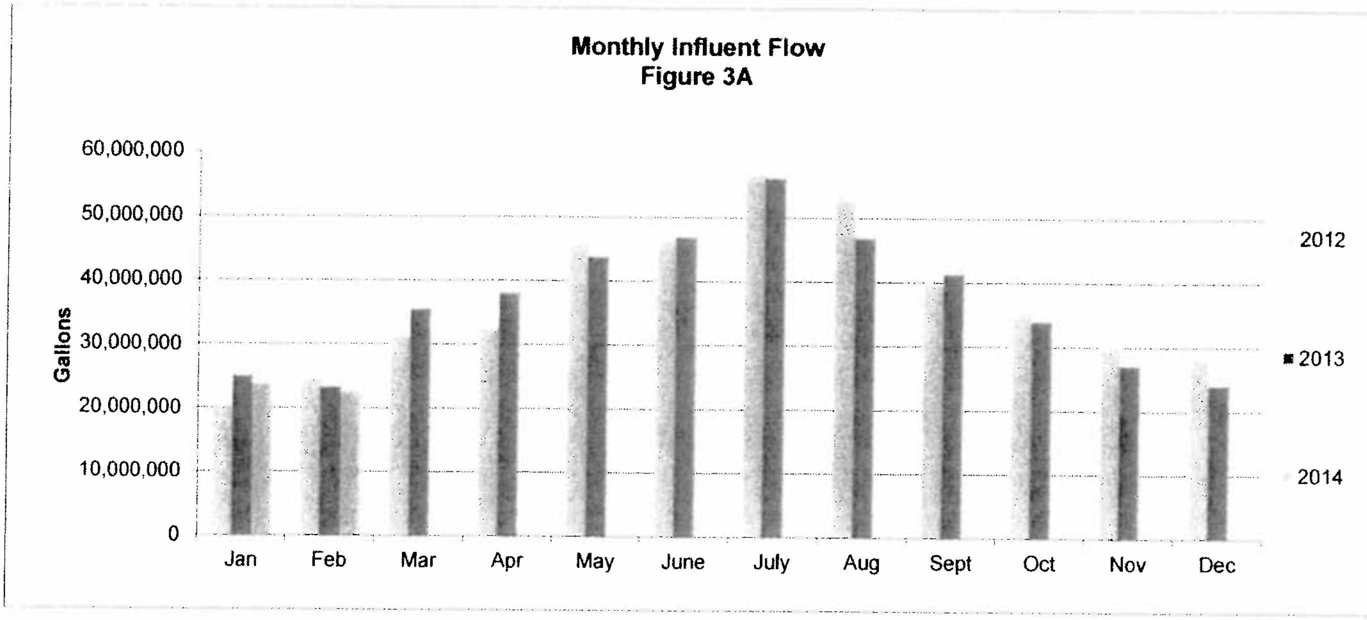
Effect of Rainfall on Flow
Figure 2
Inches
6
5
4
3
2
1
0
1 3 5 7 9 11 13 15 17 19 21 23 25 27
Rainfall
Combined

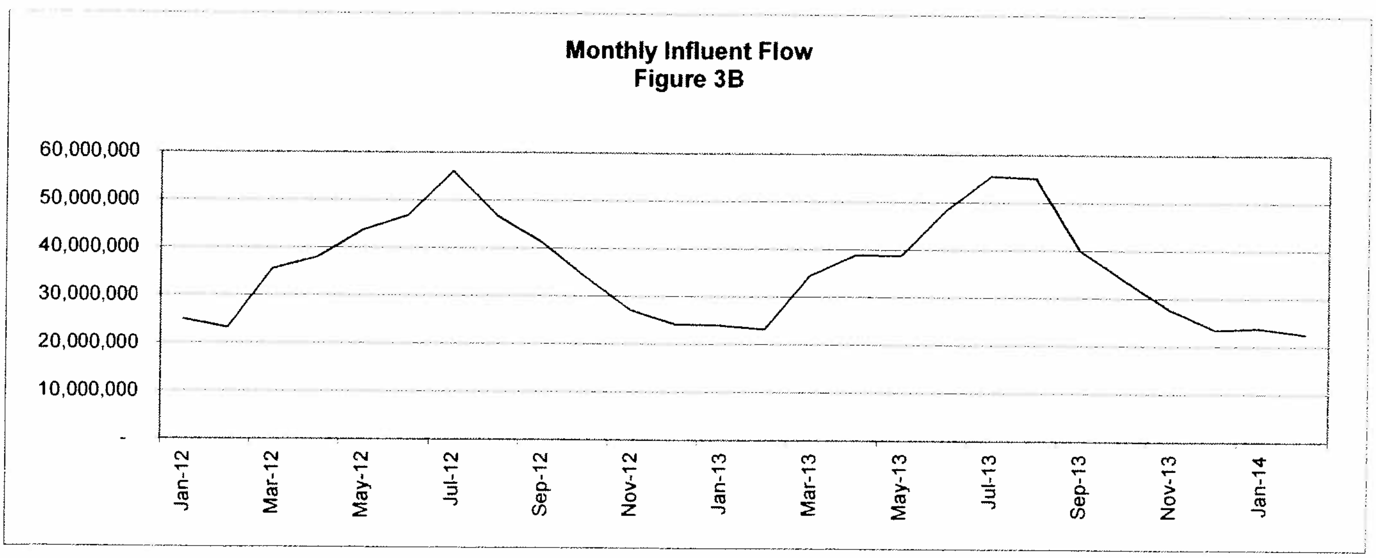
TABLE B
JOINT SEWER BOARD
Monthly Flows

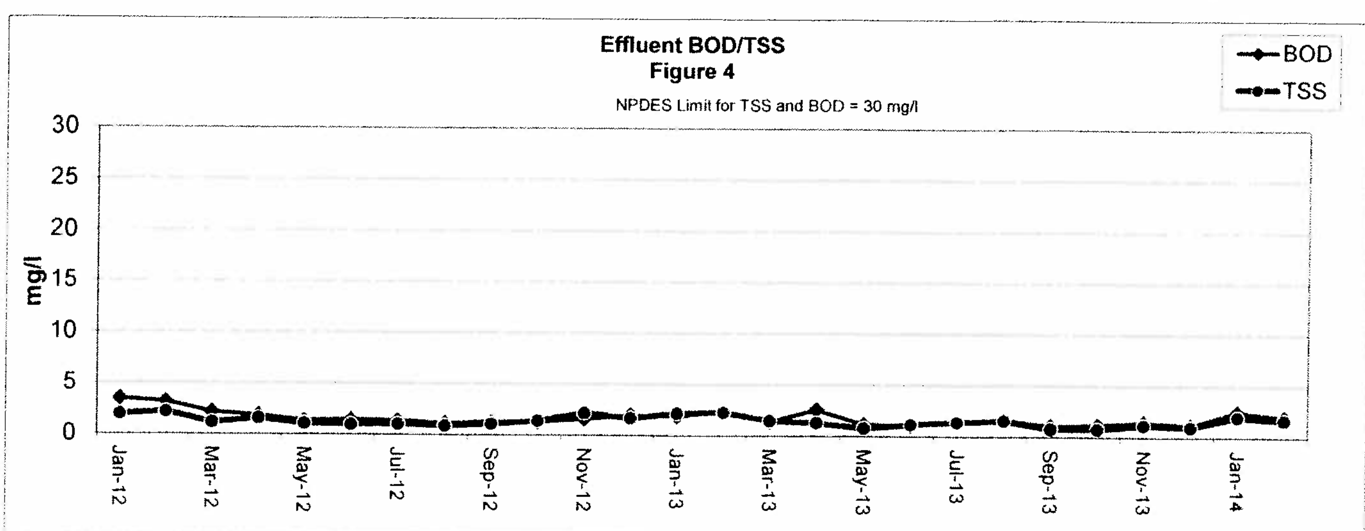
2012	RAINFALL	OSAGE BEACH		LAKE OZARK		TOTAL	%
January	0.7	20,401,000	82%	4,577,000	18%	24,978,000	100%
February	2.4	18,682,000	80%	4,563,000	20%	23,245,000	100%
March	6.3	28,720,000	81%	6,779,000	19%	35,499,000	100%
April	8.0	30,919,000	81%	7,049,000	19%	37,968,000	100%
May	1.6	35,910,000	82%	7,801,000	18%	43,711,000	100%
June	1.4	39,021,000	83%	7,841,000	17%	46,862,000	100%
July	1.4	46,676,000	83%	9,443,000	17%	56,119,000	100%
August	1.0	39,227,000	84%	7,571,000	16%	46,798,000	100%
September	6.5	34,629,000	84%	6,696,000	16%	41,325,000	100%
October	3.6	28,634,000	85%	5,240,000	15%	33,874,000	100%
November	1.1	22,996,000	85%	4,113,000	15%	27,109,000	100%
December	1.4	20,460,000	84%	3,832,000	16%	24,292,000	100%
	35.2	366,275,000	83%	75,505,000	17%	441,780,000	100%

2013	RAINFALL	OSAGE BEACH		LAKE OZARK		TOTAL	%
January	2.8	19,923,000	83%	4,104,000	17%	24,027,000	100%
February	4.2	19,290,000	83%	3,979,000	17%	23,269,000	100%
March	5.3	28,232,000	82%	6,308,000	18%	34,540,000	100%
April	8.7	31,410,000	81%	7,507,000	19%	38,917,000	100%
May	2.9	32,247,000	83%	6,560,000	17%	38,807,000	100%
June	4.6	40,205,000	83%	8,185,000	17%	48,390,000	100%
July	2.2	46,803,000	84%	8,794,000	16%	55,597,000	100%
August	15.0	45,742,000	83%	9,351,000	17%	55,093,000	100%
September	2.3	33,128,000	83%	6,869,000	17%	39,997,000	100%
October	3.6	27,722,000	82%	5,996,000	18%	33,718,000	100%
November	2.5	22,915,000	83%	4,775,000	17%	27,690,000	100%
December	2.5	19,507,000	83%	4,038,000	17%	23,545,000	100%
	56.6	367,124,000	83%	76,466,000	17%	443,590,000	100%

2014	RAINFALL	OSAGE BEACH		LAKE OZARK		TOTAL	%
January	3.0	19,229,000	81%	4,634,000	19%	23,863,000	100%
February	1.3	18,444,000	82%	4,114,000	18%	22,558,000	100%
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							
	4.3	37,673,000	81%	8,748,000	19%	46,421,000	100%


Monthly Influent Flow
Figure 3A
Gallons
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
0
Jan
Feb
Mar
Apr
May
June
July
Aug
Sept
Oct
Nov
Dec
2012
2013
2014


Monthly Influent Flow
Figure 3B
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
-
Jan-12
Mar-12
May-12
Jul-12
Sep-12
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14

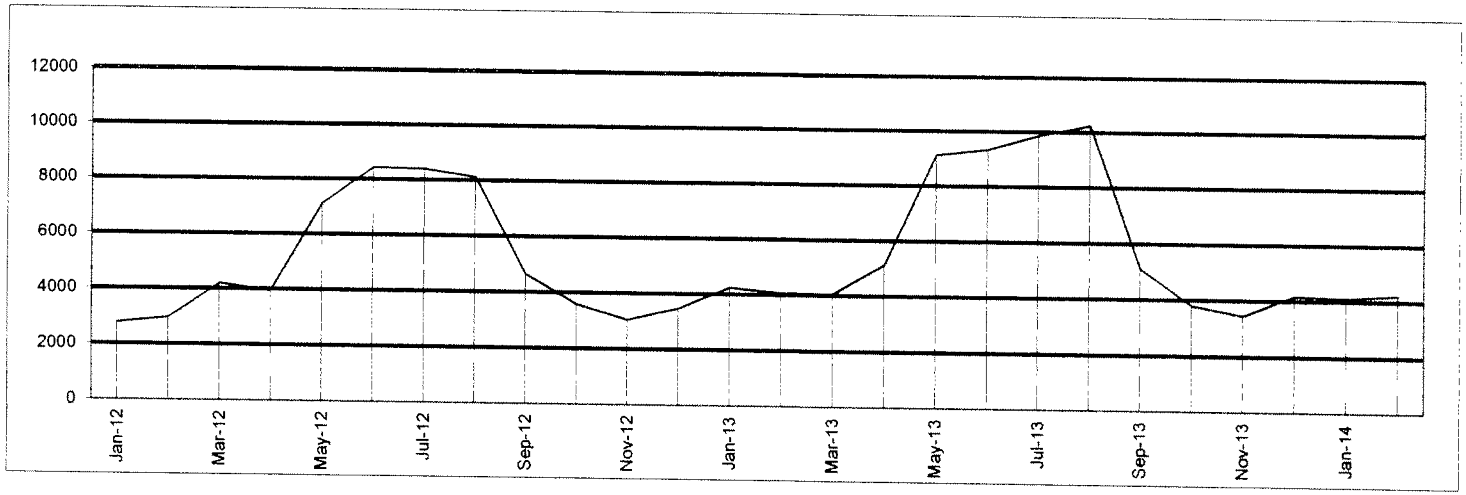

Effluent BOD/TSS
Figure 4
NPDES Limit for TSS and BOD = 30 mg/l
BOD
TSS
mg/l
30
25
20
15
10
5
0
Jan-12
Mar-12
May-12
Jul-12
Sep-12
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14

	Hauled Sludge					Basin Depths				
	Loads	Gallons	# Dry	% Solids	Annual Cumulative # Dry	Tank #1	Tank #2	AB #1	Basin Gallons	# Dry
Jan-12	46	170,200	51,317	3.6%	51,317	5.5	3.5	0.0	405,000	122,112
Feb-12	42	155,400	46,472	3.6%	97,789	4.5	3.0	0.0	337,500	100,929
Mar-12	12	44,400	14,627	4.0%	112,416	5.5	2.0	0.0	337,500	111,185
Apr-12	86	318,200	90,939	3.4%	203,355	2.0	1.0	0.0	135,000	38,582
May-12	47	173,900	42,646	2.9%	246,001	3.0	2.0	0.0	225,000	55,177
Jun-12	56	207,200	60,513	3.5%	306,514	1.0	3.0	0.0	180,000	52,569
Jul-12	45	166,500	44,127	3.2%	350,641	5.0	0.0	0.0	225,000	59,631
Aug-12	0	-	0	0.0%	350,641	2.5	2.5	0.0	225,000	59,631
Sep-12	33	122,100	29,161	2.9%	379,802	4.5	3.0	0.0	337,500	80,605
Oct-12	40	148,000	41,473	3.4%	421,275	4.5	0.0	0.0	202,500	56,745
Nov-12	52	192,400	62,487	3.9%	483,762	2.0	2.0	0.0	180,000	58,460
Dec-12	9	33,300	9,720	3.5%	493,482	5.0	1.5	0.0	292,500	85,378
Jan-13	0	-	0	3.5%	-	6.0	2.5	0.0	382,500	111,652
Feb-13	0	-	0	3.5%	-	6.0	5.0	0.0	495,000	144,491
Mar-13	8	29,600	8,517	3.5%	8,517	8.0	6.5	0.0	652,500	187,748
Apr-13	74	273,800	89,488	3.9%	98,005	6.0	6.0	0.0	540,000	176,492
May-13	82	303,400	95,228	3.8%	193,233	3.5	4.0	0.0	337,500	105,931
Jun-13	54	199,800	62,210	3.7%	255,443	6.0	3.0	0.0	405,000	126,101
Jul-13	97	358,900	105,164	3.5%	360,607	6.0	1.0	0.0	315,000	92,301
Aug-13	74	273,800	90,969	4.0%	451,576	6.5	0.0	0.0	292,500	97,182
Sep-13	48	177,600	56,069	3.8%	507,645	5.0	1.0	0.0	270,000	85,240
Oct-13	83	307,100	110,472	4.3%	618,117	2.0	0.0	0.0	90,000	32,375
Nov-13	0	-	0	4.3%	618,117	4.0	0.0	0.0	180,000	64,552
Dec-13	0	-	0	4.3%	618,117	5.0	2.0	0.0	315,000	112,965
Jan-14	0	-	0	4.3%	-	4.0	5.0	0.0	405,000	145,241
Feb-14	0	-	0	4.3%	-	5.0	5.5	0.0	472,500	169,448

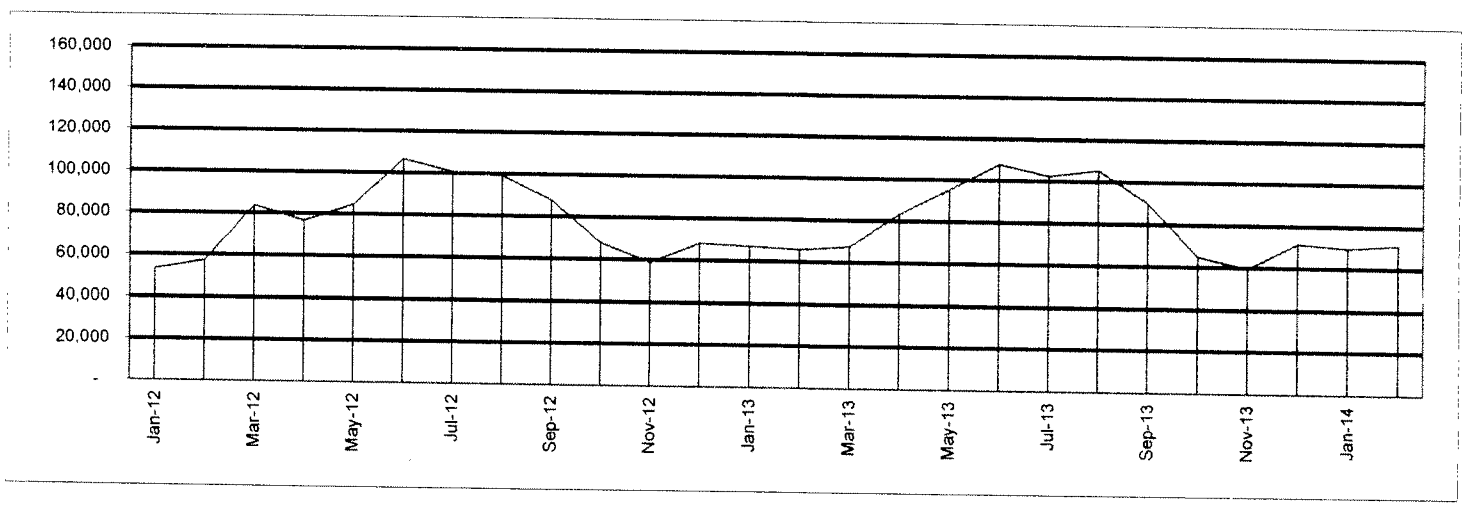
	Blanket Depths			MLSS Inventory		Blanket and MLSS Inventory		MLSS	Total Dry	Accepted Septage	
	Clarf #1	Clarf #2	Clarf #3	MLSS AB #1	MLSS AB #2	Gallons	# Dry	% Solids	Sludge Inventory	Loads	Gallons
Jan-12	2.0	1.5	0.0	4,060		3,662,167	124,002	0.00406	246,114	18	43,500
Feb-12	1.0	1.0	0.0	3,380		3,635,524	102,483	0.00338	203,411	17	42,500
Mar-12	2.0	2.0	1.5	2,890	2,310	3,736,190	81,016	0.0026	192,201	39	103,500
Apr-12	2.0	2.5	2.5	2,870	3,060	3,788,499	93,682	0.00297	132,264	37	86,500
May-12	2.0	2.0	2.0	3,070	3,590	3,757,904	104,365	0.00333	159,543	26	65,000
Jun-12	1.0	3.0	1.0	3,560	2,690	3,714,476	96,809	0.00313	149,378	55	138,000
Jul-12	2.0	1.5	1.0	3,650	3,410	3,705,595	109,093	0.00353	168,725	36	80,000
Aug-12	1.0	2.0	1.5	3,440	2,390	3,718,428	90,399	0.00292	150,030	36	80,000
Sep-12	2.0	0.0	2.5	3,080	2,910	3,744,094	93,521	0.003	174,126	37	91,500
Oct-12	1.5	0.0	1.5	3,160	3,320	3,691,785	99,758	0.00324	156,503	33	76,500
Nov-12	0.0	5.0	2.0	3,970	3,090	3,775,666	111,156	0.00353	169,616	32	66,500
Dec-12	4.0	1.5	0.0	4,030	2,720	3,697,691	104,081	0.00338	189,459	48	120,000
Jan-13	1.5	2.0	0.0	4,120	4,010	3,662,167	124,155	0.00407	235,807	26	65,000
Feb-13	1.0	2.0	1.0	4,000	3,740	3,696,714	119,314	0.00387	263,805	56	110,000
Mar-13	2.0	2.0	1.0	4,030	4,050	3,714,476	123,915	0.004	311,663	21	52,500
Apr-13	2.5	2.0	2.0	4,620	4,130	3,766,785	135,084	0.0043	311,576	24	60,000
May-13	3.0	5.0	2.0	3,970	3,040	3,828,952	111,767	0.0035	217,698	36	85,500
Jun-13	1.0	7.0	2.0	3,850	3,540	3,828,952	117,994	0.0037	244,095	47	117,500
Jul-13	1.5	2.0	1.0	3,950	4,410	3,705,595	129,181	0.00418	221,482	58	137,500
Aug-13	2.0	2.5	2.0	3,580	3,680	3,766,785	114,036	0.00363	211,218	57	142,500
Sep-13	2.0	1.5	1.5	3,150	3,300	3,727,309	100,252	0.00323	185,492	39	97,500
Oct-13	2.0	2.0	2.0	2,950	3,680	3,757,904	103,895	0.00332	136,271	32	80,000
Nov-13	1.0	0.0	1.0	3,220	3,740	3,661,190	106,259	0.00348	170,811	15	37,500
Dec-13	0.0	0.5	1.0	3,600	3,880	3,652,309	113,921	0.00374	226,887	19	47,500
Jan-14	2.0	2.5	0.0	3,690	3,960	3,679,929	117,392	0.00383	262,633	22	54,500
Feb-14	1.5	2.5	0.0	3,410	4,030	3,671,048	113,894	0.00372	283,341	6	15,000

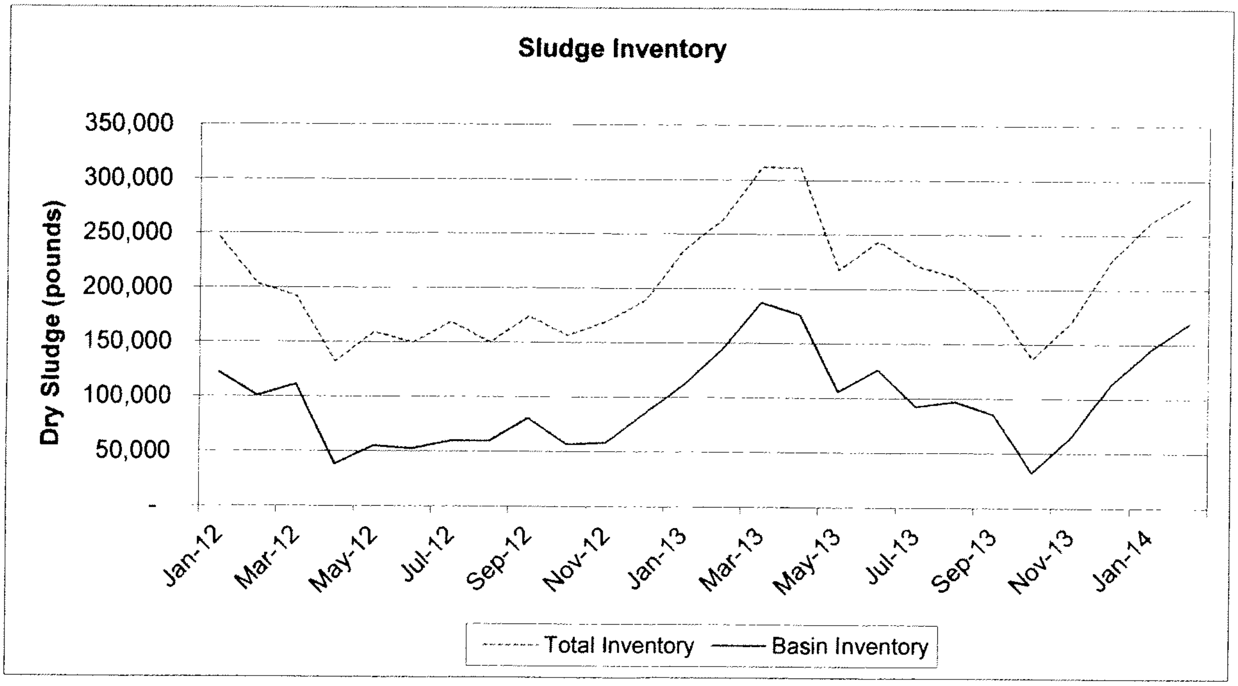
	Electric Cost	Kilowatts Used
Jan-12	2784	53,291
Feb-12	2962	57,492
Mar-12	4200	83,720
Apr-12	3943	76,650
May-12	7120	84,700
Jun-12	8431	106,650
Jul-12	8404	100,910
Aug-12	8121	99,190
Sep-12	4653	87,730
Oct-12	3588	67,820
Nov-12	3050	58,850
Dec-12	3472	68,170
Jan-13	4240	66,990
Feb-13	4069	65,810
Mar-13	4056	67,500
Apr-13	5132	83,390
May-13	9135	95,360
Jun-13	9331	107,780
Jul-13	9861	102,490
Aug-13	10255	105,350
Sep-13	5108	89,830
Oct-13	3806	64,870
Nov-13	3459	59,610
Dec-13	4171	71,660
Jan-14	4116	69,690
Feb-14	4226	71,330

Electric Cost

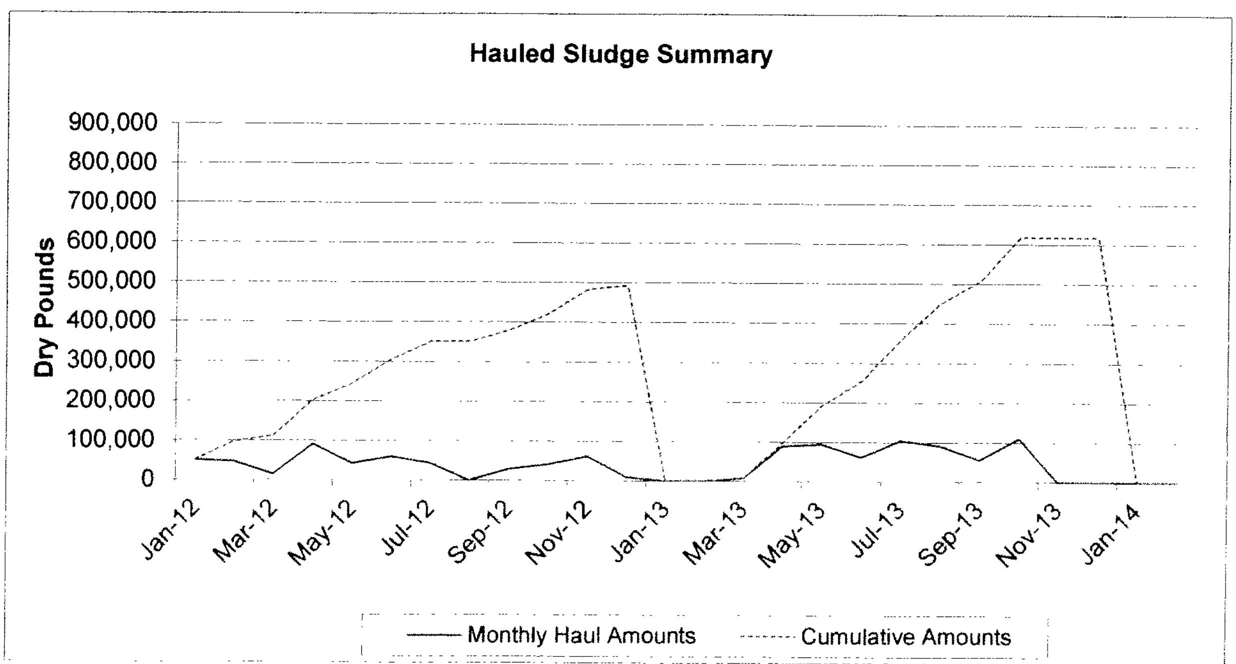


Kilowatts Used





Sludge Inventory
Dry Sludge (pounds)
350,000
300,000
250,000
200,000
150,000
100,000
50,000
-
Jan-12
Mar-12
May-12
Jul-12
Sep-12
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14
Total Inventory
Basin Inventory



Hauled Sludge Summary
Dry Pounds
900,000
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
Jan-12
Mar-12
May-12
Jul-12
Sep-12
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14
Monthly Haul Amounts
Cumulative Amounts

MISSOURI DEPARTMENT OF NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL QUALITY
Discharge Monitoring Report For Municipal Wastewater Treatment Plants

NAME OF FACILITY		LOCATION ADDRESS & CITY		COUNTY/REGION
Lake of the Ozarks Regional WWTP #1		#3 Anderson Road		Miller/SWRO
MONTH/YEAR	PERMIT NUMBER	OUTFALL NUMBER	TYPE TREATMENT FACILITY	
Feb-14	MO-0103241	#001	Oxidation Ditch/UV/Sludge Holding-sludge is land applied	

	INFLUENT				EFFLUENT								% Removal	
DATE	pH UNITS	BOD mg/L	TSS mg/L	TEMP °C	FLOW MGD	pH UNITS	BOD mg/L	TSS mg/L	Ammonia as N mg/l	DO mg/L	E. coli COLFRM #/100 ML	TEMP °C	BOD mg/L	TSS mg/L
1	7.5			8.5	1.393	7.7				7.8		5.9		
2	7.4			8.2	1.256	7.8				8.4		5.4		
3	7.2			8.2	1.159	7.6				9.3		4.4		
4	7.2			8.6	1.209	7.7				8.2		5.4		
5	7.5			6.5	1.020	7.8				8.3		3.6		
6	7.5			6.4	1.201	7.7			0.02	8.4		2.6		
7	7.4	275	216	7	1.232	7.8	2.2	1.2		10.6		2.4	99.2	99.4
8	7.5			7.2	1.161	7.7				7.4		3.8		
9	7.4			8.2	1.245	7.7				7.1		4.2		
10	7.4			7.3	1.148	7.7				7.5		4		
11	7.5			7.6	1.164	7.7				8.1		3.1		
12	7.6			6.6	1.123	7.7				7.9		2.8		
13	7.4			8.3	1.235	7.6			0.78	6.9		4.3		
14	7.5	213	170	7.9	1.270	7.5	1.8	2.0		6.8		5.7	99.2	98.8
15	7.4			7.9	1.266	7.6				6.5		5		
16	7.3			8.5	1.539	7.7				6.2		5.5		
17	7.3			8.6	1.372	7.6				6.0		6.4		
18	7.3			8.5	1.258	7.6				5.6		6.5		
19	7.4			9	1.077	7.7				6.1		7.3		
20	7.5			10.2	1.308	7.7				6.1		9.6		
21	7.5	320	208	9	1.342	7.8	1.7	1.8	0.02	8.7		8.9	99.5	99.1
22	7.4			8.7	1.350	7.8				7.2		8.3		
23	7.4			9	1.541	7.8				7.8		8		
24	7.4			9.2	1.400	7.8				7.2		7.8		
25	7.3			8.8	1.403	7.7				7.6		7.5		
26	7.6			7.1	1.442	7.8				8.1		5.5		
27	7.4			8.2	1.444	7.7			0.03	8.5		6.2		
28	7.4	243	236	9	1.408	7.6	2.1	1.8		8.6		5.9	99.1	99.2
Total					35.966									
Avg		263	208	8	1.285		2.0	1.7	0.21	7.6	0.0	5.6	99.2	99.2
Min	7.2	213	170	6	1.020	7.5	1.7	1.2	0.02	5.6	0.0	2.4	99.1	98.8
Max	7.6	320	236	10	1.541	7.8	2.2	2.0	0.78	10.6	0.0	9.6	99.5	99.4

MONTHLY EFFLUENT MONITORING		QUARTERLY EFFLUENT MONITORING	
DATE	Oil & Grease mg/L	Selenium µg/L	Zinc µg/L
1			
2			
3	< 5.0		
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
Total			
Avg	< 5.0	0.00	0.00
Min	< 5.0	0.00	0.00
Max	< 5.0	0.00	0.00

OPERATIONAL CONTROLS/LABORATORY TEST REQUIRED FOR "ACTIVATED SLUDGE" PROCESSES

DATE	SLUDGE DISP. LBS. DRY WEIGHT	#1 Aeration Basin, O-Ditch, Etc. MIXED LIQUOR * DO mg/l	** MLSS mg/l	*Settleability *30 min ml	Temp ° C	#2 Aeration Basin, O-Ditch, Etc. MIXED LIQUOR * DO mg/l	** MLSS mg/l	*Settleability *30 min ml	Temp ° C	*Weather Conditions Outside * Ambient Temp ° F	*RAIN inches	Time
1		5.6	3,660	500	6.2	5.2	4,030	600	6	35	0.3	7:30
2		6.2	3,270	420	5.8	5.8	4,090	710	5.6	20		7:30
3		8.5	3,320	360	4.7	5.8	4,400	700	4.7	13		7:30
4		6.9	3,020	360	4.9	4.3	4,400	780	5.6	30		7:30
5		7.7	3,020	420	2.8	5.8	4,230	790	3.7	16	0.75	7:30
6		8.0	3,230	440	2.2	5.8	3,880	750	2.8	6		7:30
7		9.4	3,850	680	2.5	7.3	3,740	590	3.2	7		7:30
8		6.9	3,780	590	3.4	4.1	3,340	440	3.9	26		7:30
9		6.4	3,860	580	4.4	4.7	3,920	530	4.9	31		7:30
10		6.4	3,470	540	3.9	3.1	3,630	530	3.7	15		7:30
11		6.6	3,110	380	2.9	4.9	3,660	620	3.5	8		7:30
12		7.0	3,210	400	2.5	4.6	3,860	750	3.2	13		7:30
13		4.7	4,100	650	4.6	1.9	3,400	400	4.8	25		7:30
14		2.8	3,740	450	5.6	2.7	3,610	500	6.2	42	0.1	7:30
15		2.8	3,630	430	5.1	4.2	3,480	490	5.3	22		7:30
16		2.0	3,470	430	5.5	2.0	3,740	510	5.7	30		7:30
17		1.8	3,530	350	6.6	1.8	3,860	500	6.9	42	0.1	7:30
18		1.6	3,770	500	6.7	1.6	3,560	400	6.8	31		7:30
19		1.8	3,630	450	6.4	2.1	2,950	350	7.6	33		7:30
20		1.8	3,610	390	9.9	1.0	4,090	540	9.6	60		7:30
21		7.2	4,040	630	8.6	8.3	3,860	550	8.7	36		7:30
22		4.7	3,880	540	8.2	5.4	3,360	400	8.2	32		7:30
23		6.1	3,160	350	7.9	6.6	3,100	350	7.8	33		7:30
24		4.9	3,440	500	7.3	5.3	3,870	650	7.3	25		7:30
25		5.2	3,620	500	7.2	5.5	3,810	650	7.1	30		7:30
26		6.2	3,200	530	4.9	5.7	3,450	600	4.9	16		7:30
27		6.5	3,580	550	6	6.1	3,770	650	6.1	27		7:30
28		7.0	3,410	440	6.4	5.7	4,030	650	6.2	29		7:30

COMMENTS:

TESTS PERFORMED BY (PRINT)	SIGNATURE	PHONE #	DATE
Frank Hendricks	Frank Hendricks	(573)365-0455	3/6/2014
REPORT APPROVED BY (PRINT)	**SIGNATURE**	**PHONE #**	**DATE**
Gary Hutchcraft	Gary Hutchcraft	(573)365-0455	3/6/2014

*Required Daily (Monday/- Friday)

**Required 1/week

LAKE OZARK/OSAGE BEACH WWTP
Operation Report

FOR FEBRUARY (month) 2014 (year)

DATE	INITIAL	PLANT INFLUENT FLOW LO (mgd)	FLOW HB (mgd)	FLOW TOTAL (mgd)	BOD-LO (mg/l)	BOD-HB (mg/l)	BOD-TOTAL (mg/l)	TSS-LO (mg/l)	TSS-HB (mg/l)	TSS-TOTAL (mg/l)	AMMONIA as N	pH	TEMP C	ENVIRONMENTAL CONDITIONS WEATHER	PRECIPITATION (inches)	TEMPERATURE (degree F)
1	JH	0.133	0.575	0.708								7.52	8.5	R	0.3	35
2	JH	0.142	0.599	0.741								7.41	8.2	O	0	20
3	JH	0.135	0.511	0.646								7.23	8.2	C	0	13
4	FH	0.137	0.525	0.662								7.22	8.6	O	0	30
5	FH	0.128	0.444	0.572								7.53	6.5	C	0.75	16
6	FH	0.139	0.492	0.631							29.8	7.52	6.4	C	0	6
7	JH	0.152	0.497	0.649	148	265	275	110	210	216		7.44	7	PC	0	7
8	FH	0.146	0.508	0.654								7.49	7.2	O	0	26
9	FH	0.155	0.551	0.706								7.4	8.2	O	0	31
10	FH	0.140	0.516	0.656								7.43	7.3	O	0	15
11	FH	0.133	0.527	0.660								7.45	7.2	C	0	8
12	FH	0.132	0.521	0.653								7.57	6.6	PC	0	13
13	JH	0.138	0.567	0.705							23.9	7.42	8.3	C	0	25
14	JH	0.135	0.627	0.762	160	238	213	124	156	170		7.48	7.9	O	0.1	42
15	JH	0.148	0.645	0.793								7.37	7.9	PC	0	22
16	JH	0.186	0.770	0.956								7.33	8.5	PC	0	30
17	JH	0.156	0.683	0.839								7.29	8.6	R	0.1	42
18	JH	0.131	0.644	0.775								7.34	8.5	C	0	31
19	FH	0.188	0.588	0.776								7.39	9	O	0	33
20	FH	0.127	0.806	0.933								7.45	10.2	O	0	60
21	FH	0.167	0.901	1.068	228	270	320	148	224	208	30	7.47	9	C	0	36
22	FH	0.154	0.861	1.015								7.42	8.7	C	0	32
23	FH	0.176	0.909	1.085								7.39	9	O	0	33
24	FH	0.154	0.848	1.002								7.35	9.2	C	0	25
25	FH	0.143	0.837	0.980								7.31	8.8	PC	0	30
26	FH	0.149	0.864	1.013								7.55	7.1	C	0	16
27	JH	0.153	0.825	0.978							26.1	7.42	8.2	C	0	27
28	JH	0.137	0.803	0.940	215	253	243	164	220	236		7.39	9	C	0	29
TOTAL		4.114	18.444	22.558	751	1026	1051	546	810	830	109.8	207.6	227.8		1.25	733
MAX		0.188	0.909	1.097	228	270	320	164	224	236	30	7.57	10.2		0.75	60
MIN		0.127	0.444	0.571	148	238	213	110	156	170	23.9	7.22	6.4		0	6
AVG		0.147	0.659	0.806	188	257	263	137	203	208	27.5	7.41	8.1		0.04	26

DATE	OXIDATION DITCH NO. 1 MIXED LIQUOR SUSPENDED SOLIDS (mg/l)	SETTLOMETER (volume)	SVI (ml/gm)	pH	DO (mg/l)	OXIDATION DITCH NO. 2 MIXED LIQUOR SUSPENDED SOLIDS (mg/l)	SETTLOMETER (volume)	SVI (ml/gm)	pH	DO (mg/l)	CLARIFIER NO 1 DEPTH OF SLUDGE BLANKET (feet)	CLARIFIER NO 2 DEPTH OF SLUDGE BLANKET (feet)	CLARIFIER NO 3 DEPTH OF SLUDGE BLANKET (feet)
1	3,660	500	137	7.6	5.6	4,030	600	149	7.6	5.2	1	1.5	
2	3,270	420	128	7.64	6.2	4,090	710	174	7.62	5.8	1.5	1.5	
3	3,320	360	112	7.72	8.5	4,400	700	159	7.62	5.8	1.5	2	
4	3,020	360	119	7.64	6.9	4,400	780	177	7.59	4.3	2	2.5	
5	3,020	420	139	7.72	7.7	4,230	790	187	7.68	5.8	1.5	2	
6	3,230	440	136	7.69	8	3,880	750	193	7.63	5.8	2	2	
7	3,850	680	177	7.68	9.4	3,740	590	158	7.62	7.3	1.5	2	
8	3,780	590	156	7.65	6.9	3,340	440	132	7.59	4.1	2	2	
9	3,860	580	150	7.59	6.4	3,920	530	135	7.53	4.7	1	1.5	
10	3,470	540	156	7.53	6.4	3,630	530	146	7.59	3.1	1	1.5	
11	3,110	380	122	7.61	6.6	3,660	620	169	7.59	4.9	2	5	
12	3,210	400	125	7.66	7	3,860	750	194	7.62	4.6	2	2	
13	4,100	650	159	7.62	4.7	3,400	400	118	7.57	1.9	1.5	2	
14	3,740	450	120	7.56	2.8	3,610	500	139	7.55	2.7	1.5	1.5	
15	3,630	430	118	7.59	2.8	3,480	490	141	7.59	4.2	1.5	2	
16	3,470	430	124	7.57	2	3,740	510	137	7.56	2	2	2	
17	3,530	350	99	7.57	1.8	3,860	500	130	7.54	1.8	1.5	2.5	
18	3,770	500	133	7.56	1.6	3,560	400	112	7.56	1.6	2	2	
19	3,630	450	124	7.54	1.8	2,950	350	119	7.58	2.1	2	3	
20	3,610	390	108	7.53	1.8	4,090	540	132	7.59	1	1	2	
21	4,040	630	156	7.7	7.2	3,860	550	142	7.74	8.3	4	4	
22	3,880	540	139	7.61	4.7	3,360	400	119	7.66	5.4	1	2	
23	3,160	350	111	7.67	6.1	3,100	350	113	7.69	6.6	1	7	
24	3,440	500	145	7.63	4.9	3,870	650	168	7.66	5.3	2.5	2	
25	3,620	500	138	7.48	5.2	3,810	650	171	7.56	5.5	1.5	1.5	
26	3,200	530	166	7.65	6.2	3,450	600	174	7.65	5.7	3.5	3.5	
27	3,580	550	154	7.71	6.5	3,770	650	172	7.66	6.1	1.5	1.5	
28	3,410	440	129	7.71	7	4,030	650	161	7.64	5.7	1.5	2.5	
TOTAL	98,610	13,360	3,780	213.4	152.7	105,120	15,980	4,221	213.1	124.2	48.5	66.5	0
MAX	4,100	680	177	7.72	9.4	4,400	790	194	7.74	8.3	4	7	0
MIN	3,020	350	99	7.48	1.6	2,950	350	112	7.53	1	1	1.5	0
AVG	3,522	477	135	7.62	5.5	3,754	571	151	7.61	4.6	1.7	2.4	0.0

DATE	PLANT EFFLUENT FLOW EFF (mgd)	Ph	BOD (mg/l)	TOTAL SUSPENDED SOLIDS (mg/l)	DO (mg/l)	AMMONIA as N	TEMP C	E. Coli	OIL & GREASE (Monthly)	SELENIUM (Quarterly)	ZINC (Quarterly)	RETURN SLUDGE FLOW (gallons)	SUSPENDED SOLIDS (mg/l)	WASTE SLUDGE TO STORAGE FLOW (gallons)	WASTED DRY LBS
1	1.393	7.7			7.8		5.9					0.532	8,175		
2	1.256	7.78			8.4		5.4					0.331	5,845		
3	1.159	7.63			9.3		4.4		< 5.0			0.504	6,535		
4	1.209	7.7			8.2	0.03	5.4					0.574	7,475	45,000	2,887
5	1.020	7.82			8.3		3.6					0.510	5,780		
6	1.201	7.72			8.4	0.02	2.6					0.714	5,505		
7	1.232	7.77	2.2	1.2	10.6		2.4					0.725	6,665	45,000	2,501
8	1.161	7.7			7.4		3.8					0.737	5,300		
9	1.245	7.65			7.1		4.2					0.868	5,030		
10	1.148	7.68			7.5		4					0.717	7,070		
11	1.164	7.67			8.1	0.07	3.1					0.510	5,690	45,000	2,135
12	1.123	7.72			7.9		2.8					0.398	7,385		
13	1.235	7.63			6.9	0.78	4.3					0.805	7,975		
14	1.270	7.53	1.8	2.0	6.8		5.7					0.470	8,560	45,000	3,213
15	1.266	7.64			6.5		5					0.353	6,715		
16	1.539	7.74			6.2		5.5					0.299	9,170		
17	1.372	7.6			6		6.4					0.191	7,575		
18	1.258	7.58			5.6	2.0	6.5					0.396	7,065	45,000	2,651
19	1.077	7.71			6.1		7.3					0.124	12,990		
20	1.308	7.73			6.1		9.6					0.567	7,165		
21	1.342	7.83	1.7	1.8	8.7	0.02	8.9					0.329	22,250	45,000	8,350
22	1.3500	7.77			7.2		8.3					0.426	7,270		
23	1.541	7.77			7.8		8					0.390	2,970		
24	1.400	7.8			7.2		7.8					0.588	8,190		
25	1.403	7.67			7.6	0.03	7.5					0.495	8,560	45,000	3,213
26	1.442	7.83			8.1		5.5					0.145	15,086		
27	1.444	7.68			8.5	0.03	6.2					0.857	7,325		
28	1.408	7.64	2.1	1.8	8.6		5.9					0.625	8,900	45,000	3,340
TOTAL	35.966	215.7	7.8	6.8	212.9	2.98	156	0	< 5.0	0	0	14.18	224,221	360,000	28,290
MAX	1.541	7.83	2.2	2.0	10.6	2	9.6	0	< 5.0	0	0	0.868	22,250	45,000	8,350
MIN	1.020	7.53	1.7	1.2	5.6	0.02	2.4	0	< 5.0	0	0	0.124	2,970	45,000	2,135
AVG	1.285	7.70	2.0	1.7	7.6	0.37	5.6	0.0	< 5.0	0.0	0.0	0.506	8,008	45,000	3,536

Use following abbreviations R-rain, S-snow, O-overcast, C-clear, PC-partly cloudy

Prepared by GH, FH, JH Approved by GH Date 3/6/2014

This page left blank intentionally.

GK&C
GERDING, KORTE & CHITWOOD
Professional Corporation
Certified Public Accountants

723 Main St.
P.O. Box 81
Boonville, MO 65233
(660) 882-7000
Fax: (660) 882-7765
www.gkccpas.com

PARTNERS
Robert A. Gerding
Fred W. Korte, Jr.
Joseph E. Chitwood
James R. McGinnis
Travis W. Hundley
Jeffrey A. Chitwood

MEMBERS OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

January 22, 2014

To the Members of
Lake Ozark – Osage Beach Joint Sewer Board of Directors
1000 City Park Way
Osage Beach, MO 65060
Attn: Karri Bell

To the Members of the Board:

We are pleased to confirm our understanding of the services we are to provide to the Lake Ozark-Osage Beach Joint Sewer Board (the "Board") for the year ended December 31, 2013. We will audit the financial statements of the governmental activities and the major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Lake Ozark-Osage Beach Joint Sewer Board as of and for the year ended December 31, 2013. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Board's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Since the Board's financial statements are prepared on another comprehensive basis of accounting (OCBOA), the management's discussion and analysis and any other information normally included as RSI in financial statements prepared in accordance with accounting principles generally accepted in the United States of America, will be included as other information in the Board's financial statements, as discussed in subsequent paragraphs of this letter.

We have also been engaged to report on supplementary information other than RSI that accompanies the Board's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Budgetary Comparison Schedule.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditors' report will not provide an opinion or any assurance:

1. Management's discussion and analysis

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting and to report on the fairness of the additional information referred to in the third paragraph when considered in relation to the basic financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Board and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Board is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with the cash basis of accounting.

We will prepare the trial balance for use during the audit. Our preparation of the trial balance will be limited to formatting information into a working trial balance based on the management's chart of accounts.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information in conformity with the cash basis of accounting. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the cash basis of accounting; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with the cash basis of accounting; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Board or to acts by management or employees acting on behalf of the Board. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards.*

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Board's compliance with applicable laws, regulations, contracts, agreements and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

In the interest of facilitating our services to the Board, we may communicate by facsimile transmission or send electronic mail over the internet. Such communications may include information that is confidential to your company. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these electronic devices during this engagement.

It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, those documents will be returned to you promptly upon completion of the engagement. The balance of our engagement file, other than the financial statement, which we will provide to you at the conclusion of the engagement, is our property, and we will provide copies of such documents at our discretion and if compensated for any time and costs associated with the effort.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our standard hourly rates, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we become obligated to pay any judgment or similar award, agree to pay any amount in settlement, and/or incur any costs as a result of any inaccurate or incomplete information that you provide to us during the course of this engagement, you agree to indemnify us, defend us, and hold us harmless against such obligations, agreements, and/or costs.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that you will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the County of Cooper, State of Missouri, by the American Arbitration Association, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Missouri law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Our fees for consultation during the year will be based upon the hourly rate of the person performing the services. Our rates vary among our staff, but generally our partners charge from $100 to $150 per hour and our staff rates range from $75 to $90 per hour. There will be no charge for infrequent, insignificant contact throughout the year.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

The audit documentation for this engagement is the property of Gerding, Korte & Chitwood and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a regulatory agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Governmental Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gerding, Korte & Chitwood personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Our fees for these services will be at our standard hourly rates, plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc) except that we agree that our gross fee, including expenses, will not exceed the following:

Three year term:	
December 31, 2013	$ 1,900
December 31, 2014	$ 2,000
December 31, 2015	$ 2,100

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur additional costs.

The proposed fee does not include a Single Audit which is required if expenditures of federal awards exceed $500,000. If a Single Audit is required, additional time will be necessary and we will discuss it with you and arrive at a new mutually agreeable fee.

Joe Chitwood is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We appreciate the opportunity to be of service to the Lake Ozark - Osage Beach Joint Sewer Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

GERDING, KORTE & CHITWOOD

Joseph E. Chitwood, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Lake Ozark - Osage Beach Joint Sewer Board.

By: ______________________

Title: Board President

Date: ______________________

By: ______________________
Karri Bell

Title: ______________________

Date: ______________________