



PINE MEADOW MUTUAL WATER COMPANY
BOARD OF TRUSTEES MEETING
SUMMIT COUNTY, UTAH
THURSDAY, JUNE 11, 2026

Board Members in Attendance: Eric Cylvick, George Sears, Scott Smith, Shaun Baker.

Excused: Steve Anderson.

Manager: Trevor Townsend.

CALL TO ORDER

Mr. Cylvick called the Pine Meadow Mutual Water Company Board of Trustees meeting to order at 6:37 p.m. on Thursday, June 11, 2026. He confirmed attendance for a quorum.

APPROVAL OF MINUTES — MAY 14, 2026

Mr. Cylvick opened the floor for questions or comments on May 14, 2026 minutes. No corrections were offered.

MOTION: Eric Cylvick moved to approve the minutes of May 14, 2026.

Second: The motion was seconded by Scott Smith

VOTE: The motion was approved unanimously.

UNPAID BILLS — JUNE 10, 2026

Trevor Townsend presented the unpaid bills dated June 10, 2026, totaling \$41,108.63:

- **Badger Meter — \$518.22:** Water meter endpoints.
- **Bowen Collins & Associates — \$5,700.00:** Hydrogeologist estimated services (Chris DeKorver) — engineering review of geophysical investigation plans, drawings, and research from Willowstick and Rockfish. Mr. Cylvick noted the engineering line would increase from approximately \$34,000 to \$57,000 with the engagement of Rockfish as the second geophysical investigation company.
- **Eric Cylvick — \$50.00:** Per diem.
- **KGC Associates — \$2,093.85:** Secretarial services (Carol Steedman).
- **Pine Meadow Mutual Capital Account — \$2,000.00:** Capital reserve account contribution.
- **Pine Meadow Mutual Water Company — \$1,856.75:** Mountain Regional Water purchase.
- **Rocky Mountain Power — \$2,167.42:** Power — two bills.
- **Shaun Baker — \$50.00:** Per diem.
- **Steve Anderson — \$50.00:** Per diem.
- **Summit County Health Department — \$54.00:** Water system samples — two monthly samples.
- **Utah Division of Finance, Loan #1 (3F058) — \$12,820.00:** DDW loan payment.
- **Utah Division of Finance, Loan #2 (3F170) — \$13,510.00:** DDW loan payment.

- **Verizon Enterprise-6843 — \$238.39:** Phone bill.

Total: \$41,108.63

MOTION: Eric Cylvick moved to approve the unpaid bills dated June 10, 2026, in the amount of \$41,108.63.

Second: The motion was seconded by Scott Smith

VOTE: The motion was approved unanimously.

FINANCIAL REPORTS

Profit & Loss — Budget vs. Actual, January 1 through June 10, 2026

Review:

- **Total Income:** \$819,272.84 — 96.6% of the \$848,205 annual budget.
- **Water Assessments:** \$774,930.16 collected — 92.4% of the \$839,050 budget. Mr. Cylvick noted the company is performing ahead of pace, given the year is approximately 46% complete.
- **Water Connection Assessment:** \$21,987.20 — unbudgeted revenue from annexations, connections, and water hookups.
- **Interest Income:** \$30,614.18 — generated by Jumbo CDs and money market accounts.
- **Total Expenses:** \$357,404.67 — 37.3% of the \$958,251 annual budget; well under pace.
- **Total Net Income:** \$492,482.35 — approximately \$119,000 ahead of the same period last year.

Two expense lines were noted as significantly over budget:

- **Engineering:** \$20,400 spent against a \$5,000 budget (408% over) — attributed to the Willowstick geophysical investigation costs.
- **Water System Repair-Maintenance General:** \$28,683.50 spent against a \$10,000 budget (287% over) — attributed to Hydrant locks (\$25K) and general system repairs.

Mr. Cylvick noted the company's cash position is approximately \$119,000 stronger than the prior year at this point. Interest earned on Jumbo 6-month 4% CDs and the Capital Facility money market account was identified as a significant contributor to the positive variance.

MOTION: Eric Cylvick moved to approve the Profit & Loss Budget vs. Actual report for the period January 1 through June 10, 2026.

Second: The motion was seconded by Scott Smith.

VOTE: The motion was approved unanimously.

Balance Sheet — Previous Year Comparison, as of June 10, 2026

Reviewed:

- **Total Cash (Checking/Savings):** \$1,900,551.95 — including Operations Checking \$98,681.98; Capital Facility MM-4737 \$837,043.57; and three Jumbo CDs totaling \$964,826.40.
- **Total Current Assets:** \$1,883,038.32 (vs. \$1,781,249.41 prior year — increase of \$101,788.91).
- **Total Assets:** \$4,178,849.40 (vs. \$2,514,573.19 prior year — increase of \$1,664,276.21, +66.2%).
- **Water System — Other asset line:** \$8,483,107.10 (vs. \$6,551,084.69 prior year — increase of \$1,932,022.41, +29.5%). This single line accounts for the majority of the total asset increase.
- **Total Other Assets:** \$1,770,142.65 (vs. \$459,778.56 prior year — increase of \$1,310,364.09, +285%).
- **Accumulated Depreciation:** -\$7,171,925.35.
- **Total Liabilities:** \$4,195,354.72 — including DDW State Loan #1 (3F058) \$1,857,574.65 and Loan #2 (3F170) \$1,936,515.09 (total DDW \$3,794,089.74, down \$182,591.99 from prior year as payments are made).

Mr. Sears and Scott Smith noted the near doubling of total assets year over year. Mr. Cylvick acknowledged the increase but cautioned that, as a nonprofit, water system assets — lines, tanks, and infrastructure — carry book value that does not reflect market value, as no one would purchase them at those amounts. The board agreed that the figure is an accounting entry rather than a reflection of realizable value.

The primary driver of the asset increase — the \$1,932,022.41 increase in the Water System — Other line — could not be explained at the meeting. Mr. Cylvick requested that Carol call him this week to discuss why total water system assets increased from approximately \$2.5 million to \$4.1 million.

MOTION: Eric Cylvick moved to approve the Balance Sheet Previous Year Comparison as of June 10, 2026.

Second: The motion was seconded by Scott Smith

VOTE: The motion was approved unanimously.

MANAGER'S REPORT

Fire Hydrant Repair and Maintenance

Townsend reported that fire hydrant maintenance for the season was mostly complete. Two hydrants on Pine Loop require a specialist to pull the seats — the company does not have the proprietary tool for the older Mueller hydrants. A contractor will be scheduled to repair those.

Hydrant lock installation is underway. Approximately 110 locks have been installed to date. Aspen Ridge and Uintah View are complete. Elk Road and Alexander Road are scheduled for the following day, contingent on the remaining lock shipment arriving. Installation takes approximately three minutes per hydrant; completion is expected early the following week.

Shaun Baker asked about the lock mechanism. Trevor Townsend confirmed the assembly fits a hexagonal piece over the existing stem nut, secured with five Allen set screws per side, and operates the hydrant through that fitting. A second piece caps over that and accepts a padlock pin.

PRV Vault Leak — Navajo Drive

Trevor Townsend reported the discovery of a significant leak on Navajo Drive: a pressure-reducing valve (PRV) had a line blowing off inside its vault. The vault had been covered through winter, and the leak went undetected. Brody & Trevor excavated the vault, made the repair, and checked adjacent PRVs. Trevor Townsend noted there are approximately 16 to 18 PRV vaults across the ranch, given the approximately 1,000-foot elevation differential between the lowest and highest service points (from the lower Tollgate area to the top of the system). A routine PRV inspection protocol will be re-established going forward.

Meter Installations and Connections

One meter was installed on the day of the meeting. An additional installation on Elk Road is anticipated soon, with three to four total installs expected during June.

Annexations

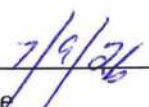
One annexation is pending on Valley View Drive. Two additional lots on the same hillside are identified as strong annexation candidates. A second annexation inquiry has been received from a Deer Meadows lot (DMS-4) in the I-Plat area — located at the bottom of the I-Plat entrance on the low side near the church property. Trevor Townsend described both as straightforward annexations given proximity to existing infrastructure.

ADJOURNMENT

Mr. Cylvick adjourned the Pine Meadow Mutual Water Company Board of Trustees meeting at 6:53 p.m.



Approved by



Date