

BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Wednesday, June 17th, 2026 - 7:00 PM

Annual Shareholders Meeting Minutes

1. **PRESIDENT CALL TO ORDER** – Meeting called to order at 7:00 pm
2. **INTRODUCTIONS**

Officers and Directors:

President	John (Mac) McDermott - present
Vice President	Ron Gonzales - absent
Secretary	Valentina Schafer - present
Treasurer	Misty Rose – present via phone
Director	Charles Campbell - present

Staff: General Manager-Mark Iverson, Administrative Assistant – Nancy Law

Guests: Roselin Castro, Roberto Vargas

Shareholders: There were 2 Shareholders present

Auditor for the Election: Debbie Patrick

John (Mac) McDermott introduced the Board of Directors and expressed his appreciation for General Manager Mark Iverson, commenting that the accomplishments of the past six years have been something to be proud of.

3. **PUBLIC COMMENT** - None

4. **MANAGER'S REPORT**

General Manager Mark Iverson presented a PowerPoint highlighting the numerous projects and improvements completed since 2021. He also discussed the condition of the water system when he began, noting the extensive repairs and upgrades that have been made to improve the system over the past several years. Highlights of the presentation included:

- Replacement of electrical infrastructure.
- Replacement of the backup generator, which was funded by developers.
- Implementation of a Geographic Information System (GIS) to inventory and manage the water system, including pipelines, hydrants, and other assets.
- Installation of a SCADA system to monitor tank water levels remotely, with access available via mobile devices.
- Office improvements.
- Upgraded the billing software, enabling staff to read and record water meter readings directly on mobile phones instead of using paper.
- Construction of a new shop for storing tools and materials.
- Replacement of more than 4,600 feet of pipeline, with Box Springs Mutual Water Company funding only approximately 1,400 feet out of pocket.
- Construction of a new 1.3-million-gallon storage tank funded through grant funds. Future plans include inspecting the two older tanks to determine whether they will remain in service.

- Plans to advertise for bids on the drilling of Well No. 17 at the end of July.

- **Budget and Financials**

	2023	2024	2025
Total Income	\$910,274	\$1,183,461	\$1,007,748
Total Expenses	\$852,788	\$1,156,056	\$1,134,579
Net Income	\$57,486	\$27,375	\$(80,238)

- **Financial Review Report** – Reviewed. Mark noted that the negative net income reported for 2025 was primarily attributable to system repairs and the investment in training staff to install pipelines in-house, reducing the long-term costs associated with hiring outside contractors.

Mark noted that, following the financial losses experienced in the past, Box Springs Mutual Water Company now reviews its budget and financial statements with the Board on a monthly basis and completes annual independent financial audits to ensure transparency and accountability.

- **Capital Improvements Completed in 2025**
 - New 1.3M Tank
 - Cottonwood Phase I (700')
- **Projects Planned for 2025**
 - Cottonwood Phase II (700')
 - New Well

Valentina Schafer commented that she is very happy with Mark, and that the system would have failed if the upgrades had not been done.

5. **AUDITORS REPORT** – Please see attached letter from Auditor of Election

- 2,449 Shares Outstanding
- 24 Total Shares Represented (Final Count)
- Determination of Shareholders Quorum (50% - 1,245)

After the shareholder's Public comments and discussion period, the final votes were counted and President John (Mac) McDermott declared that a quorum was not reached, and the Board of Directors will remain the same with Ron Gonzales, Misty Rose, Charles Campbell, Valentina Schafer and John (Mac) McDermott.

6. **ADJOURNMENT:** Adjourned at 7:19pm

Debbie Patrick

10321 Wagonroad West, Corona, CA 92883 | 909.519.8552

June 18, 2026

Board of Directors
Box Springs Mutual Water Company
21740 Dracea Ave
Moreno Valley, CA 92553

Dear Board Members:

Relative to the Annual Meeting of Shareholders held at your offices on Wednesday, June 17, 2026, shown below is a listing of the results of the proxy votes received by me.

Total number of shares	2,449
Votes represented by proxies	24
Votes present at the meeting	0
Total votes represented	24

According to the By-Laws of the corporation, fifty percent (50%) of the issued shares must be represented in order to constitute a quorum. Unfortunately, fifty percent of the issued shares is 1,245; therefore, the total shares represented does not constitute a quorum.

After the shareholder's public comments and discussion period, the final votes were counted and President John McDermott declared that a quorum was not reached, and the Board of Directors will remain the same with Ron Gonzales, Misty Rose, Charles Campbell, Valentina Schafer, and John McDermott.

Sincerely,



Debbie Patrick

