



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK AND
INSURANCE MANAGEMENT AUTHORITY
BOARD MEETING MINUTES - TUESDAY, JANUARY 17, 2023 - 1:30 PM

1. Call to Order. President Michalko called the meeting to order at 1:30 PM.

2. Roll Call.

Present:

Dave Armstrong, South Mesa Water Company
Dave Michalko, Valencia Heights Water Company – *President*
Lynda Noriega, California Domestic Water Company
Doug Nunneley, Oildale Mutual Water Company – *Vice President (Signed off 2:10 PM)*
Ken Tcheng, Sunny Slope Water Company Marina West, Bighorn-Desert View Water Agency - *Treasurer*
Lisa Yamashita-Lopez, Rubio Cañon Land and Water Association

Staff

Jim Ciampa, General Counsel
Gloria Galindo, Financial Manager
Adán Ortega, Communications Director
Susan Allen, Chief Executive Officer
Karina Cervantez, Ortega Strategies Group
Tim Worley, Community Water Systems Alliance
Paul Fuller, Insurance Administrator
George Pappas, Insurance Administrator
Chase Gilmore, Insurance Administrator

Members

Steve Lenton, Bellflower Somerset Mutual Water Company

Absent:

Ken Bradbury, Montebello Land and Water Company – *Secretary*
Dave Pedersen, Las Virgenes Municipal Water District

3. Public comment. No public comment.

4. Consideration and Possible Adoption of Resolution No. 01-2023-01 to Authorize Remote Teleconference Meetings of the JPRIMA Board of Directors and Make Related Findings and Determinations. On a motion by Treasurer Tcheng, seconded by Director Armstrong, the resolution was unanimously approved by roll call vote.

5. Approval of the Minutes of the CalMutuals JPRIMA Board Meeting on December 20, 2022. On a motion by Director Armstrong, seconded by Director Noriega, the minutes of the December 20, 2022 Board of Directors meeting were unanimously approved by roll call vote.

6. President's Report. President Michalko reported that the review of CalMutuals JPRIMA 2021 tax returns is in progress. Staff is working to resolve one discrepancy identified by the auditor.

7. Consideration and Approval of Demand Sheet. Treasurer West extended thanks to Gloria Galindo for her work in preparing this month's financial reports and reviewed the Demand Sheet provided in the Board meeting packet. On a motion by Director Tcheng, seconded by Director Noriega, the Demand Sheet was unanimously approved by roll call vote.

8. Financial Report. Treasurer West provided an overview of the financial report included in the Board meeting packet. She noted that as a result of the transfer of funds to CalMutuals for risk management program support, CalMutuals JPRIMA will end the year with small net loss. On a motion by Director Noriega, seconded by Director Armstrong, the financial report was unanimously approved for receipt and filing by roll call vote.
9. Discussion of potential investment in California CLASS Prime Fund. As requested by the Board, General Counsel Ciampa provided information regarding the California CLASS Prime Fund in the Board meeting packet. He noted the fund offers shorter term investments than LAIF and currently is yielding higher returns than LAIF. The fund has been endorsed by League of California Cities. Mr. Ciampa advised that if the Board wishes to move forward with investment in the CLASS Prime Fund, the Authority will need to amend its investment policy and approve an authorizing resolution. Directors Tcheng and West noted the fund is not FDIC insured and the current rates of return are similar to that of Certificates of Deposit. The Board asked that further discussion of CalMutuals JPRIMA's investment policy be discussed as part of the upcoming strategic planning workshop in Los Angeles.
10. Chief Executive Officer's Report.
 - a. *Resources and Education Report*. CEO Allen reviewed the December Resources and Education report include in the Board meeting packet. She highlighted a question from Amarillo Mutual Water Company about whether others have experienced a heightened level of engagement and enforcement by the State and expectations to strictly comply with regulations. A discussion ensued regarding regulatory compliance issues.
 - b. *2024-2028 Strategic Planning Meeting*. CEO Allen reminded the Board that the joint CalMutuals and CalMutuals JPRIMA strategic planning workshop is scheduled for Thursday and Friday, February 2-3, 2023 at the Metropolitan Water District in Los Angeles.
11. Consideration and Possible Approval of staff recommendation to appoint Susan Allen as Assistant Secretary of the Board. President Michalko advised the Board of potential challenges in securing required signatures for monthly minutes as a result of Secretary Bradbury's move to the Inland Empire. Director Tcheng noted that if wet signatures are not required an alternative may be using Docu-sign. On a motion by Director Tcheng, seconded by Director Armstrong, the Board unanimously approved Ms. Allen's appointment as Assistant Secretary.
12. Review and Possible Approval of Proposed 2023 Ortega Strategies Group Scope of Work. Communications Director Ortega reviewed Ortega Strategies Group's proposed scope of work to support CalMutuals JPRIMA in 2023 included in the Board meeting packet. On a motion by Director Armstrong, seconded by Director West, the Board unanimously approved the scope by roll call vote.
13. Insurance Administrator's Report. Insurance Administrator Fuller expressed thanks to Doug Nunneley for his assistance in working through a Workers Compensation issue and to Lisa Yamashita-Lopez for her support in discussion of wildfire risks.

Mr. Fuller shared that there were catastrophic losses in public entity pools across the state associated with recent atmospheric rivers. Mr. Fuller noted that CalMutuals JPRIMA will continue to be conservative in bringing in new members.

Insurance Administrator Gilmore walked through the insurance report included in the Board meeting packet. CEO Allen advised the Board that for 2023, the Authority is collaborating with its brokers to try to increase member/insureds' awareness that their Property and Casualty insurance is provided

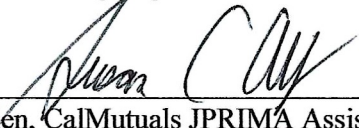
by CalMutuals JPRIMA by including a flyer that highlights this fact, the requirement to be a CalMutuals member to have access to CalMutuals JPRIMA insurance and promoting the benefits of CalMutuals membership with renewal information.

14. General Counsel's Report. General Counsel JPRIMA noted that he has been monitoring newly introduced legislation and so far no bills of concern have been introduced.
15. Communications Report. No communications report.
16. Director Comments. No Director comments.
17. Adjournment. President Michalko adjourned the meeting at 2:22 PM.

Agenda Posted: January 17, 2023

SECRETARY'S CERTIFICATE:

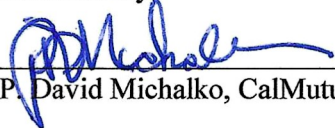
I certify that the foregoing is a true and correct copy of the minutes approved by the Board of Directors.



Susan E. Allen, CalMutuals JPRIMA Assistant Secretary

March 21, 2023
Date

Affirmed By:



P. David Michalko, CalMutuals JPRIMA President

March 21, 2023
Date