



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK
AND INSURANCE MANAGEMENT AUTHORITY BOARD MEETING MINTUES
TUESDAY, JUNE 20, 2023 – 1:30 P.M.

Zoom Meeting

MEMBER LOCATIONS

Bighorn-Desert View Water Agency, 622 Jemez Trail, Yucca Valley, CA 92284
California Domestic Water Company, 15505 Whittier Blvd., Whittier, CA 90603
Las Virgenes Municipal Water District, 4232 Las Virgenes Rd #1994, Calabasas, CA 91302
Montebello Land and Water Company, 344 E. Madison Ave., Montebello, CA 90640
North of the River Municipal Water District, 2836 McCray St., Bakersfield, CA 93308
Rubio Cañon Land and Water Association, 583 E. Sacramento St., Altadena, CA 91001
South Mesa Water Company, 391 W Ave L, Calimesa, CA 92320
Valencia Heights Water Company, 3009 E. Virginia Ave., West Covina CA 91791
Sunny Slope Water Company, 1040 El Campo Dr., Pasadena, CA 91107

1. Call to Order. President Michalko called the meeting to order at 1:33 PM.

2. Roll Call of Authority Members

Present:

Dave Armstrong, South Mesa Water
Company
Ken Bradbury, Montebello Land and
Water Company – *Secretary*
Dave Michalko, Valencia Heights
Water Company – *President*
Lynda Noriega, California Domestic
Water Company
Doug Nunneley, Oildale Mutual Water
Company – *Vice President*
Ken Tchong, Sunny Slope Water
Company
Marina West, Bighorn-Desert View
Water Agency
Lisa Yamashita-Lopez, Rubio Cañon
Land and Water Association

Staff

Jim Ciampa, General Counsel
Adán Ortega, Communications Director
Susan Allen, Chief Executive Officer
George Pappas, Insurance Administrator
Chase Gilmore, Insurance Administrator

Members

Public:

James Byerrum

Absent:

Dave Pedersen, Las Virgenes Municipal Water District
Paul Fuller, Insurance Administrator
Gloria Galindo, Financial Manager

3. Public comment. No public comment.
4. Approval of the Minutes of the JPRIMA Board Meeting on May 16, 2023. On a motion by Secretary Bradbury, seconded by Director Armstrong, the minutes of the May 16, 2023 JPRIMA Board of Directors were unanimously approved by roll call vote, Yes 7, Abstain 1 (Tcheng), No 0.
5. President's Report. President Michalko reported on a meeting last week with representatives of the California Rural Water Association (Cal Rural) to consult about potential collaboration to educate members on cybersecurity and potentially to partner in provision of cybersecurity insurance. Cal Rural responded positively and expressed an interest in partnership with CalMutuals JPRIMA and with CalMutuals as well. Director Yamashita-Lopez recommended that the Board proceed with caution. General Counsel Ciampa and Executive Director Ortega shared CalMutuals JPRIMA's history with Cal Rural and noted that Philip "Flip" Boerman served as member of the Cal Mutuals' Board in its early years.
6. Review and Potential Approval of Staff Recommendation to withdraw request for consideration of Federal non-profit tax status. General Counsel Ciampa reported on consultations with Gail Egan, attorney and CPA, and Tina Henton, CPA with Clifton, Larsen Allen. Given that CalMutuals JPRIMA was formed by the state and is a government entity, these professionals recommended that the Authority withdraw its application for consideration of tax-exempt status. On a motion by Director Yamashita-Lopez, seconded by Secretary Bradbury, the Board unanimously approved the staff recommendation to withdraw the application for tax-exempt status by roll call vote.
7. Review and Potential Approval of engagement of Gail Egan in her capacity as legal counsel to advise General Counsel Ciampa on follow up with the Internal Revenue Service. President Michalko asked the Board to consider engagement of Gail Egan to provide guidance on follow up with the Internal Revenue Service. On a motion by Director Yamashita-Lopez, seconded by Director Armstrong, the Board unanimously approved engagement of Ms. Egan by roll call vote.
8. Review and Potential Approval of Contract with Egan and Egan CPAs to revise 2016 through 2021 income tax returns. President Michalko further asked the Board to consider engagement of Gail Egan and her firm, Egan and Egan CPAs, to submit amended CalMutuals JPRIMA tax returns from 2016 through 2022 with assertion that the Authority is a government agency not subject to tax and to request refunds for those years. On a motion by Treasurer West, seconded by Director Tcheng, the Board unanimously approved engagement of Ms. Egan and Egan and Egan CPAs by roll call vote.
9. Consideration and Approval of Demand Sheet. Treasurer West reviewed the Demand Sheet included in the Board meeting packet. On a motion by Director Armstrong,

seconded by Director Tcheng, the Demand Sheet for May 2023 was unanimously approved by roll call vote.

10. Financial Report. Treasurer West reviewed the financial report as of May 31, 2023 provided in the Board meeting packet. On a motion by Secretary Bradbury, seconded by Director Noriega, the financial report for May 2023 was unanimously approved for receipt and filing by roll call vote.

11. Chief Executive Officer's Report. CEO Allen reminded the Board that the August Board of Directors Meeting, will be held in person on August 15, 2023, 3:00 – 5:00 PM at the Sutter Club in Sacramento. She additionally advised the Board of October dates that work for most of the Board for the Authority's Annual Meeting in Bakersfield. In light of the fact that the dates present conflicts for Director Nunneley, our Bakersfield Director, and challenges in identifying venues for dinner at preferred restaurants, the Board asked that staff explore alternative dates.

CEO Allen called the Board's attention to the May Resources and Education Report included in the Board meeting packet.

12. Insurance Administrator's Report. Insurance Administrator Gilmore shared an overview of the insurance report included in the Board meeting packet. He highlighted 8 new P&C members and 4 new Workers' Comp members that will bind with CalMutuals JPRIMA beginning July 1. Treasurer West asked that future insurance reports be updated to add the Authority's new cybersecurity insurance.

13. Legal Counsel's Report. General Counsel Ciampa reported that SB 3 (Dodd) is being heard by the Senate Environmental Safety and Toxics committee. Karina Cervantes was unable to attend today's meeting as she is testifying on behalf of CalMutuals before the Committee. Mr. Ciampa noted that responses to CalMutuals' discussions with legislative aids and legislators has been mixed and he is not optimistic that we will succeed in killing the bill.

14. Communications Report. No Communications Report.

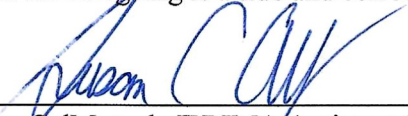
15. Director Comments. No Director Comments.

16. Adjournment. President Michalko adjourned the meeting at 2:27 PM.

Agenda Posted: June 15, 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 Allen, CalMutuals JPRIMA Assistant Secretary

JULY 19 2023
Date

Affirmed By:

P. David Michalko, CalMutuals JPRIMA President

Date