



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK AND
INSURANCE MANAGEMENT AUTHORITY
BOARD MEETING MINUTES - TUESDAY, NOVEMBER 15, 2022 - 1:30 PM

Zoom Meeting

<https://us06web.zoom.us/j/85461497148?pwd=MXdXQUVQeXlvdWVheTVtVjBmS2g2dz09>

Meeting ID: 854 6149 7148 Passcode: 261666

1. Call to Order. President Michalko called the meeting to order at 1:32.

2. Roll Call.
Present:
Dave Armstrong, South Mesa Water Company
Dave Michalko, Valencia Heights Water Company – *President*
Lynda Noriega, California Domestic Water Company
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
Gloria Galindo, Financial Manager

Absent:
Ken Bradbury, Montebello Land and Water Company – *Secretary*
Doug Nunneley, Oildale Mutual Water Company – *Vice President*
Dave Pedersen, Las Virgenes Municipal Water District

Adán Ortega, Communications Director
Susan Allen, Chief Executive Officer
Katrina Cervantez, Ortega Strategies Group
Ceili Tuttle, 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

3. Oath of Office for Director California Association of Mutual Water Companies, Joint Powers Risk and Insurance Management Authority. General Counsel Ciampa issued the oath of office to CalMutuals JPRIMA’s newest Board of Directors member, Lynda Noriega. President Michalko welcomed Director Noriega to the Board.

4. Public comment. No public comment.

5. Consideration and Possible Adoption of Resolution No. 11-2022-01 to Authorize Remote Teleconference Meetings of the JPRIMA Board of Directors and Make Related Findings and Determinations. On a motion by Treasurer West, seconded by Director Armstrong, the resolution was unanimously approved by roll call vote. General Counsel Ciampa advised that Board that remote meetings are allowable under Governor Newsom’s emergency declaration until February 28, 2023. Beginning in March 2023, remote meetings will be governed by the Brown Act which requires inclusion of the address of the location from where each Board member will be

participating remotely, posting at each of those locations in advance of the meeting and an opportunity for the public to attend the meeting in person at each remote location.

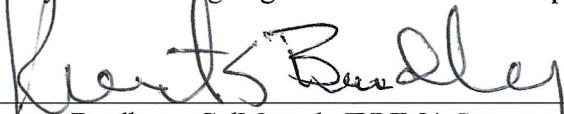
6. Approval of the Minutes of the CalMutuals JPRIMA Board Meeting on September 20, 2022. On a motion by Director Yamashita-Lopez, seconded by Director Armstrong, the minutes of the September 20, 2022 Board of Directors meeting were unanimously approved by roll call vote.
7. President's Report.
 - a. *2022 Annual Meeting.* President Michalko expressed thanks to the Ortega Strategies Group team for their work in ensuring a successful Annual Meeting.
 - b. *IRS Audit Update.* President Michalko shared the good news that the IRS Audit has been completed and found no change necessary in tax returns under review.
 - c. *Filed for tax exempt status 501(c)(6).* President Michalko advised the Board that as directed CalMutuals JPRIMA engaged Clifton Allen Larsen to assist in filing the application for exemption from federal income tax under Internal Revenue Code Section 501(c)(6) and noted that the application has been completed and filed.
8. Consideration and Possible Approval of Recommendation to request 3-year engagement letter from Clifton, Larsen, Allen for 2022-2024 Income Tax Preparation. President Michalko proposed that the Board pursue engagement with Clifton Larsen Allen to prepare the Authority's 2023, 2024 and 2025 income taxes given that they are currently managing annual audits for Authority. After discussion, the Board directed staff to secure a quote from Clifton, Larsen, Allen for expanding the scope of work for review and consideration at the December Board of Directors meeting.
9. Consideration and Approval of Demand Sheet. Treasurer West reviewed the Demand Sheet provided in the Board meeting packet. Director Noriega moved, and President Michalko seconded, approval of the Demand Sheet as presented. The motion was unanimously approved by roll call vote.
10. Financial Report. Treasurer West reviewed the financial reports included in the Board meeting packet. On motion by Director Tchong, seconded by Director Armstrong, the Board unanimously approved receipt and filing of the financial reports as presented by roll call vote.
11. Chief Executive Officer's Report
 - a. *Resources and Education Report.* CEO Allen provided an overview of the Resources and Education report included in the Board meeting packet.
 - b. *2022 Annual Meeting Feedback and Suggestions for 2023.* CEO Allen invited feedback on the 2022 Annual Meeting and suggestions for 2023. She asked if conducting the meeting as a joint meeting with CalMutuals works and is something we wish to continue and noted that engagement of CalMutuals JPRIMA insureds continues to be a challenge. The Board shared that overall they were pleased with the 2022 Annual Meeting and wish to continue to hold the Annual Meeting in conjunction with the CalMutuals Annual meeting. Treasurer West suggested that CalMutuals JPRIMA may wish to consider online opportunities to engage insureds.
 - c. *Strategic Planning.* CEO Allen previewed with the Board that the Authority's current strategic plan covers the five-year time frame 2019-2023 and is need of update. She asked if the Board wishes to address the strategic plan in collaboration with CalMutuals strategic planning meeting or to do so separately. The Board expressed a preference to revisit and refresh the Authority's strategic plan with CalMutuals early in 2023.

12. Consideration and Possible Approval of Recommendation to Pursue CAJPA Accreditation. CEO Allen shared her recommendation that the Authority pursue CAJPA Accreditation. The cost will be \$3,000. Once accredited, renewal is required every three years. Insurance Administrator Fuller stated that CalMutuals JPRIMA does not itself bear risk, but any potential liabilities are shifted to reinsurers. Insurance Administrator Fuller stated that despite this, there is a benefit of being an accredited JPA. Director West moved, and Director Yamashita-Lopez seconded, that CalMutuals JPRIMA pursue CAJPA accreditation. The motion was unanimously approved by roll call vote.
13. Insurance Administrator's Report. Insurance Administrator Fuller stated October was a good month and additional growth is anticipated in November. He also had a recent meeting with Munich Re, the largest reinsurer in the world and is pleased to report Munich Re's continued support of CalMutuals JPRIMA. He anticipates continued slow and steady growth, but with a conservative approach to insurance for water suppliers with wildfire risk. Insurance Administrator Chase Gilmore stated there are 17 new members/insureds in October. Mr. Gilmore then reviewed the insurance report included in the Board meeting packet. Director Yamashita-Lopez complimented the Insurance Administrator on their efforts and expressed the Board's appreciation to their team.
14. General Counsel's Report. General Counsel Ciampa extended a formal welcome to Director Noriega to the CalMutuals JPRIMA Board. No further General Counsel's report.
15. Communications Report. No communications report.
16. Director Comments. No Director's comments.
17. Adjournment. President Michalko adjourned the meeting at 2:11 PM.

Agenda Posted: November 12, 2022

SECRETARY'S CERTIFICATE:

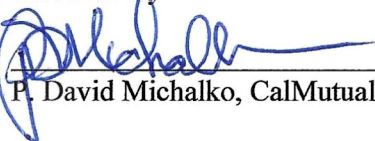
I certify that the foregoing is a true and correct copy of the minutes approved by the Board of Directors.



 Kenneth Bradbury, CalMutuals JPRIMA Secretary

DEC 31 2022
 Date

Affirmed By:



 P. David Michalko, CalMutuals JPRIMA President

DEC 31 2022
 Date