



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK  
AND INSURANCE MANAGEMENT AUTHORITY  
BOARD MEETING TUESDAY, MARCH 17, 2020 1:30 PM

By Telephone +1 551-444-6598 PIN: 146 245 217#

**MINUTES**

1. Call to Order. President Byerrum called the meeting to order at 1:30PM.
2. Roll Call  
PRESENT  

<i>Board Officers</i>	<i>Members</i>
Jim Byerrum (President and Executive Director, California Domestic Water Company)	Steve Lenton (Bellflower-Somerset Mutual Water Company)
Ken Bradbury (Secretary, Montebello Land and Water Company)	<i>Insurance Administrators</i>
Palmer McCoy (Treasurer, Henry Miller Reclamation District #2131)	Paul Fuller
Dave Michalko (Vice-President, Valencia Heights Water Company)	Mia Garza
<i>Board Directors</i>	<i>Staff</i>
Doug Nunneley (Oildale Mutual Water Company)	Jim Ciampa (General Counsel)
Ken Tcheng (Sunny Slope Water Company)	Myra Malner (Assistant Secretary and Assistant Treasurer)
Dave Pedersen (Las Virgenes Municipal Water District)	Adán Ortega (Communications Director)
Dave Armstrong (South Mesa Water Company)	Susan Allen (Managing Director)
Lisa Yamashita-Lopez (Rubio Cañon Land and Water Association)	Gabriel Dima Smith (Staff)
	Logan Largent (Staff)
3. Public comment: No public comment.
4. Approval of the Minutes of the CalMutuals JPRIMA Board Meeting on February 18, 2020. On a motion by Secretary Bradbury, seconded by Director Armstrong, the minutes of the February 18, 2020 Board of Directors meeting were unanimously approved.
5. President's Report. President Byerrum reminded Board members to submit their Form 700 to Managing Director Allen *by mail* by the April 1, 2020 deadline.

- a. CalMutuals JPRIMA 2019 Annual Report. A draft of the 2019 annual report was provided to Board members in the meeting packet. President Byerrum encouraged the Board to review the report and provide feedback to staff. Secretary Michalko suggested that a key or legend to interpreting the map depicting the locations of CalMutuals JPRIMA members/insureds be developed.
6. Consideration and Possible Approval of 10% Distribution to Authority Member Agencies that Participated in 2017 JPRIMA Workers Compensation Program. President Byerrum reported that the CalMutuals JPRIMA Workers' Compensation program has had another successful year. As such, with Board approval, CalMutuals JPRIMA will extend a rebate to our insureds/members for the 2017/18 policy year. The Board packet includes a detailed report of the insureds and the amounts of the rebate to be provided to each recipient member. On a motion by Treasurer McCoy, seconded by Director Ken Tcheng, the distribution was unanimously approved as presented.
7. Consideration and Possible Approval of Allied Public Risk Insurance Renewal Quote. Assistant Treasurer Malner reported on the proposal for CalMutuals JPRIMA's insurance coverage for 2020. The proposal maintains current coverages and reflects a \$68 increase over last year. On a motion by Secretary Michalko, seconded by Treasurer McCoy, the proposal to renew our insurance was unanimously approved.
8. Consideration and Approval of Demand Sheet. Assistant Treasurer Malner reviewed demands to Allied Public Risk, CalDomestic, Lagerlof and OSG and dividend payments to 2017 Workers' Comp insureds. She noted that the payment to Allied Public Risk is funded by the Zenith and reflects repayment for commissions reduced and deferred in the Authority's early years to support business development. On a motion by Treasurer McCoy, seconded by Director Tcheng, the demand sheet was unanimously approved as presented.
9. Financial Report. Assistant Treasurer Malner reviewed the budget and cash flow report with the Board and noted that as it is early in the year, activity, income, cash flow, and expenses have so far been limited. On a motion by Director Michalko, seconded by Director Nunneley, the financial report was unanimously received and filed as presented.
10. Insurance Administrator's Report. Insurance Administrator Fuller reiterated that the insurance team has all hands-on deck for the April 1<sup>st</sup> renewal date for Property and Casualty coverage.

He noted that questions may emerge regarding coverage for business interruption due to COVID 19 and clarified that Business Interruption Property claims would necessitate property damage due to COVID-19. He reported that there has been no noticeable uptick in liability or exposure resulting from COVID-19 issues.

Director Yamashita-Lopez asked about the average increase for P&C renewals. Insurance Administrator Fuller reported that the average increase was 5.5%, as compared to much higher premiums in the industry for P&C coverage in California – some of which are in the 30% range. Members with claims and litigation may see additional increases. The increase is due to exposure changes; wildfire insurance load, social inflation and an uptick in cost of managing litigation. Director Yamashita-Lopez noted the importance of a maintaining rates at a sustainable level.

President Byerrum reported that the Workers' Comp base rates have generally remained level.

11. General Counsel's Report. No General Counsel's Report.
12. Consideration and Approval of Investment Policy. General Counsel Ciampa reviewed a proposed investment policy for CalMutuals JPRIMA which authorizes the Authority to invest any excess moneys in the Local Agency Investment Fund. On a motion by Treasurer McCoy, seconded by Director Michalko, the investment policy was unanimously approved.
11. Consideration and Approval of Resolution Authorizing Investment of Monies in the Local Agency Investment Fund. General Counsel Ciampa reported that investment in LAIF requires a resolution and prepared a resolution for consideration by the Board in the meeting packet. Operations will fall under Municipal Water District act. On a motion by Secretary Michalko, seconded by Director Nunneley, the resolution was unanimously approved.
12. Resources/Education Report. Managing Director Allen reviewed the Resources and Education Report provided in the meeting packet.

Communications Report. Communications Director Ortega reported on recent meetings with a potential partner, The *Build Strong Coalition*. The Coalition is a group of manufacturers focused on infrastructure improvement that recently sponsored a seminar in San Diego focused on keeping communities safe in the face of fire dangers. The Coalition is interested in collaboration with CalMutuals and CalMutuals-JPRIMA.

Communications Director Ortega noted that Director Pederson and Las Virgenes Municipal Water District have been active in addressing the impacts on water suppliers that result from public safety power shut offs, which are an important consideration in fire and other emergencies. His district is a co-sponsor of SB 1099 being carried by Assembly Member Blanca Rubio, which will give more flexibility for running generators during an emergency.

Finally, Communications Director Adan Ortega reported briefly on a partnership/sponsorship agreement between Toshiba and CalMutuals. This item will be further reported on in the CalMutuals Board of Directors meeting.

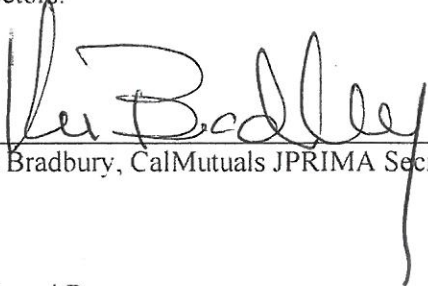
13. Director Comments. No director's comments were given.

14. Adjournment. President Byerrum adjourned the meeting at 2:22 PM.

Agenda Posted: March 13, 2020

SECRETARY'S CERTIFICATE:

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

  
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Ken Bradbury, CalMutuals JPRIMA Secretary

6/17/20  
Date

Affirmed By:

  
\_\_\_\_\_  
Jim Byerrum, CalMutuals JPRIMA President and CEO

MAY 9, 2020  
Date