



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK  
AND INSURANCE MANAGEMENT AUTHORITY  
BOARD MEETING TUESDAY, NOVEMBER 19, 2019 – MINUTES

By Telephone. Call-in number: (US) +1 574-213-7489 PIN: 611 499 943#

**1. Call to Order.** President Byerrum called the meeting to order at 1:31 PM.

**2. Roll Call of Authority Members.**

PRESENT

Board Officers

Jim Byerrum (President and Executive Director, California Domestic Water Company)

Ken Bradbury (Secretary, Montebello Land and Water Company)

Palmer McCoy (Treasurer, Henry Miller Reclamation District #2131)

Dave Michalko (Vice-President, Valencia Heights Water Company)

Board Directors

Dave Armstrong (South Mesa Water Company)

Doug Nunneley (Oildale Mutual Water Company)

Ken Tcheng (Sunny Slope Water Company)

Lisa Yamashita-Lopez (Rubio Cañon Land and Water Association Dave Armstrong  
(South Mesa Water Company)

Insurance Administrators

Paul Fuller

Mia Garza

Staff

Jim Ciampa (General Counsel)

Myra Malner (Assistant Secretary and Assistant Treasurer)

Adán Ortega (Communications Director)

Susan Allen (Managing Director)

Lynda Noriega (California Domestic Water Co)

ABSENT

Gabriel Dima Smith (Staff)

**3. Public comment.** No public comment.

**4. Approval of the Minutes of the CalMutuals JPRIMA Board Meeting on October 15, 2019.** On a motion by Secretary Bradbury, seconded by Treasurer McCoy, the minutes of the October 15, 2019 Board of Directors meeting were unanimously approved as submitted.

- 5. President's Report.** President Byerrum advised the Board that Las Virgenes Municipal Water District is a new insured/member and has expressed interest in participating on our board through Dave Pederson, General Manager. At present, two other public agencies (Henry Miller Reclamation District and North of the River Municipal Water District) are represented. President Byerrum asked staff to follow up to secure written confirmation of this interest and indicated that this appointment will be considered by the Board at its next meeting.

President Byerrum further reported that the CalMutuals JPRIMA Employer Benefits Preferred Providers hit the ground running. Our partner brokers have made outreaches to providers and have received interest from some of the larger companies in the country in making insurance products available to our insureds/members.

- 6. Review and Approval of Revised Reliable Translation costs for translation of SB 998 Policy, Notices and Cover Sheets.** President Byerrum reminded the Board that last month we approved sharing the cost of translation through *Reliable Translations* with the Public Agencies Water Group (PWAG). In follow up with the vendor, we learned that the cost of translation will be higher than anticipated due to increased word count associated with policy revisions and for translation of the notices and cover sheets, which were omitted from the initial submission to the potential vendors. President Byerrum asked for support in funding translations in the revised total amount of \$7,753.67. PWAG has asked that CalMutuals initially make full payment and allow PWAG members to reimburse the Authority for their portion of the costs, through payments to Lagerlof, Senecal, Gosney & Kruse. On a motion by Vice President Michalko, seconded by Director Yamashita-Lopez, the board unanimously approved the request. President Byerrum directed staff to engage *Reliable Translations* and commence work as soon as possible.

Managing Director Allen advised the Board that we additionally have negotiated an agreement with *Reliable Translations* to offer support to our members and partners for translation of any revisions they may wish to make to the policy and notices. *Reliable Translations* will require that revisions be made through tracked changes to our original policy document and will charge \$75 per language (\$375 for the 5 required languages) for revisions up to 250 words and a per word charge for additional words.

- 6. Review of Audit Proposal and Authorization of Engagement of an Auditor Company highly recommended.** Assistant Treasure Malner reported that our audit is scheduled to start in March 2020. She called the Board's attention to the proposal from *James Marta & Company LLP* included in the Board packet. President Byerrum noted that the proposed fee \$15,980 is quite a bit more than have been paying due in part to the specialized expertise of this firm in JPAs and Special Districts. The new forms being requested by OSIP and may require that we restate our financials and having a firm with this specialized experience is likely to be beneficial and save expense and effort in the long run. On a motion by Director Nunnely, seconded by Secretary Bradbury, the request to engage James Marta & Company for the CalMutuals JPRIMA audit was

unanimously approved. President Byerrum authorized Assistant Treasurer Malner to inform the auditor of this engagement.

**7. Review and Potential Approval of 2020 CalMutuals JPRIMA Budget.**

Assistant Treasurer Malner reviewed the proposed 2020 budget included in packet. Key changes in the proposed budget are in increased allocations to support marketing and travel by the President and Managing Director. We anticipate that we will attend and market our insurance products at three or four regional water and wastewater conferences in 2020. On a motion by Vice President Michalko, seconded by President Byerrum, the budget was unanimously approved.

**8. Consideration and Approval of Demand Sheet.**

Assistant Treasurer Malner reviewed the Demand Sheet with the Board. On a motion by Secretary Bradbury, seconded by Vice President Michalko, the demand sheet was unanimously approved as presented.

**9. Financial Report.**

Assistant Treasurer Malner reviewed financial report with the Board and noted that we will end the year with a robust balance. On a motion by Secretary Bradbury, seconded by Treasurer McCoy, the financial report was unanimously received and filed as presented.

**10. Insurance Administrator's Report.**

Insurance Administrator Fuller advised the Board that the insurance team is working to lock in rates for 2020. We expect modest increases in Property and Casualty rates and despite this, anticipate that the CalMutuals JPRIMA rates will be lower than competitors in market. Increases in rates are being driven by an overall increase in claims by CalMutuals JPRIMA insureds and the impacts of wind outside California and fire in California.

Insurance Administrator Garza reviewed November insurance report with the Board.

**11. Legal Counsel's Report.** Legal Counsel Ciampa advised the Board of plans to file another amendment to our JPA agreement to add new insureds to the JPA agreement in the Secretary of State's records.

**12. Resources/Education Report.**

Managing Director Allen reviewed the Resources Report provided in the Board packet. In 2019, to date, CalMutuals JPRIMA has supported members with:

- 14 Background Checks through our partnership with Open Online
- 38 AB54/AB240 Trainings for Board of Directors members
- 97 Exam Prep, Certification and Continuing Education courses through our partnership with the American Water College

**13. Communications Report.** No Communications report.

**14. Director Comments.** No Director comments.

**15. Adjournment.** The meeting was adjourned at 2:02 PM.

Agenda Posted: November 15, 2019 12:00 PM

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

\_\_\_\_\_  
Date

Affirmed By:

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

\_\_\_\_\_  
Date