



**CalMutuals Board of Directors Meeting  
Tuesday, February 21, 2017  
2:00 p.m. – 3:00 p.m.**

**Call-in Number: (712) 775-7031  
Access Code: 540-575-707#**

**Agenda**

2:00 p.m.:

- 1) Call to Order (Chair Yamashita-Lopez)
- 2) Roll Call
- 3) Review and Approval of January 17, 2017 Board Meeting Minutes
- 4) Chair's Report
  - a. Classified section for mutuals on weekly news alert
  - b. Participation in Sacramento
  - c. Potential Director(s)
  - d. March Board Meeting (in-person)
  - e. Lead Sampling Requests from Schools
  - f. JPRIMA Worker's Comp Renewals
  - g. Budget & Finance Committee
- 5) Executive Director's Report
- 6) Committee Chairs' Report
- 7) Budget Report
  - a. Review and Approval of Demand Sheet
  - b. Financial Statements
- 8) 2017 Annual Meeting
- 9) Director Comments
- 10) Adjourn (3:00 p.m.)

## 2017 CalMutuals Board Roster

Ms. Lisa Yamashita-Lopez - President  
Rubio Cañon Land and Water Association  
626-797-0509 x206 | 626-802-8092  
583 E. Sacramento St., Altadena, CA 91001  
[lisa@calmutuals.org](mailto:lisa@calmutuals.org)

Mr. Dave Michalko - Secretary  
Valencia Heights Mutual Water Company  
626-332-8935 | 909-215-6895  
3009 E. Virginia Ave., West Covina, CA 91791  
[dmichalko@vhwc.org](mailto:dmichalko@vhwc.org)

Mr. Jim Byerrum - Director  
California Domestic Water Company  
562-947-3811 | 714-822-6084  
15505 Whittier Blvd., Whittier, CA 90609  
[jbyerrum@caldomestic.com](mailto:jbyerrum@caldomestic.com)

Mr. Ken Bradbury - Director  
Montebello Land and Water Company  
323-722-8654 | 213-500-5279  
344 E. Madison Ave., Montebello, CA 90640  
[ken@mtblw.com](mailto:ken@mtblw.com)

Mr. David Armstrong - Director  
South Mesa Water Company  
909-795-2401 | 951-805-0861 391  
West Avenue L, Calimesa, CA 92320  
[darmstrongsmwc@yahoo.com](mailto:darmstrongsmwc@yahoo.com)

Mr. Doug Nunneley - Director  
Oildale Mutual Water Company  
661-399-5516 | 661-204-1074 2836  
McCray St., Bakersfield, CA 93308  
[dnunneley@yahoo.com](mailto:dnunneley@yahoo.com)

Mr. Ken Tcheng - Director  
Sunny Slope Mutual Water Company  
626-287-5238 x122 | 626-422-6861  
1040 El Campo Dr., Pasadena, CA 91107-5506  
[ken@sunnyslopedwatercompany.com](mailto:ken@sunnyslopedwatercompany.com)

## Staff

Mr. Jim Ciampa  
General Counsel  
626-793-9400  
301 N. Lake Ave., 10th Floor, Pasadena, CA 91101  
[jciampa@lagerlof.com](mailto:jciampa@lagerlof.com)

Ms. Myra Evangelista  
Staff/Treasurer  
562-947-3811 | 714-822-6084  
15505 Whittier Blvd., Whittier, CA 90609  
[myra@calmutuals.org](mailto:myra@calmutuals.org)

Mr. Adan Ortega  
Executive Director  
714-449-3397 | 714-600-4683  
1400 N. Harbor Blvd., Suite 510, Fullerton, CA 92835  
[adan@calmutuals.org](mailto:adan@calmutuals.org)

Ms. Denise Peralta Gailey  
Managing Director  
714-449-3397 | 626-673-0005  
1400 N. Harbor Blvd., Suite 510, Fullerton, CA 92835  
[denise@calmutuals.org](mailto:denise@calmutuals.org)

**California Association of Mutual Water Companies (CalMutuals)**  
**Board of Directors Meeting Minutes**  
**January 17, 2017**

**Call to Order:** Chair Yamashita-Lopez called the meeting to order at 2:02 p.m.

**Present:** Lisa Yamashita-Lopez (Director, President & Chair), Dave Armstrong (Director, Vice President), Dave Michalko (Director, Secretary, joined the meeting at 2:08 p.m.), Jim Byerrum (Director), Ken Bradbury (Director), Doug Nunneley (Director), Ken Tchong (Director), Adan Ortega (Staff, Executive Director), Denise Peralta Gailey (Staff, Managing Director), Myra Evangelista (Staff, Treasurer), Jim Ciampa (Legal Counsel), Paul Fuller.

**Absent:** None.

**Chairman's Report:** President Yamashita-Lopez requested input from the Board on increasing annual membership dues for Tier D, E, and F for non-JPRIMA members. President Yamashita-Lopez suggested that Tier D increase to \$600; Tier E increase to \$350; and Tier F increase to \$100. Managing Director Peralta Gailey suggested that Tier F increase to \$150. President Yamashita-Lopez added that the dues structure was a consideration and that the increase could be discussed further during the February board meeting.

**Executive Director's Report:** Executive Director Ortega reported that he has continued to assist members with technical assistance applications, as needed. Executive Director Ortega also reported that staff has produced two videos to be distributed to members through news alerts to promote the online solution's center on the Zenith Insurance Company website for JPRIMA members and participation on the newly formed Hexavalent Chromium task force.

**Regulatory Affairs Committee Update:** Director Ken Tchong reported that the regulatory affairs committee convened on Tuesday, January 17, 2017 and discussed: (1) Hexavalent Chromium Task Force; (2) 1,2,3- TCP; (3) Perchlorate; (4) AB 401 – Low Income Water Rate Assistance; and (5) Executive Order B-37-16. He added that the committee will continue to monitor all regulatory matters and report to the Board as needed.

**Demand Sheet:** Staff Member Evangelista provided an overview of the demand sheet which totals \$16,594.47. On a motion made by Director Bradbury, seconded by Director Nunneley, the demand sheet was unanimously approved.

**2017 Budget:** Staff Member Evangelista disseminated and reviewed the 2017 budget. She added that 112 members joined the Association in 2016, a growth of 90%. She added that the Association ended the year with \$61,835.89 in the bank. On a motion made by Director Bradbury, seconded by Vice President Armstrong, the 2017 budget was unanimously approved.

**Consideration of Accepting Resignation of Director Ken Deck:** The Board discussed and agreed that Director Deck will truly be missed. Director Ken Deck's resignation was unanimously accepted. General Counsel Ciampa added that the bylaws stipulate that the Board has the authority to increase the number of board members. The consideration of increasing the number of directors will be discussed further during the February board meeting.

**2017 Meeting Schedule:** On a motion made by Director Byerrum, seconded by Director Nunneley, the 2017 meeting schedule was unanimously approved, as submitted.

**Director Comments:** None.

**Adjourn:** Chair Yamashita-Lopez adjourned the meeting at 2:47 p.m.

# California Association of Mutual Water Companies Demand Sheet

9:34 AM

02/16/17

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<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Open Balance</u>
<b>Adan Ortega Associates</b>			
02/05/2017	1089	January 2017 Reimbursements	2,541.60
03/01/2017		March 2017 Services-Organization Management,Office Rent and Utilities	10,250.00
Total Adan Ortega Associates			12,791.60
<b>Lagerlof, Senecal, Gosney &amp; Kruse LLP</b>			
02/07/2017		Professional Fees- January 2017	617.50
Total Lagerlof, Senecal, Gosney & Kruse LLP			617.50
<b>Sloat Higgins Jensen &amp; Associates</b>			
02/07/2017	14465	Legislative Consulting Service-February 2017	5,000.00
Total Sloat Higgins Jensen & Associates			5,000.00
<b>TOTAL</b>			<b>18,409.10</b>

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# California Association of Mutual Water Companies

## Balance Sheet

As of January 31, 2017

11:59 AM

02/16/17

Accrual Basis

	<u>Jan 31, 17</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	48,919.91
Accounts Receivable	
1510 · Acc Receivables-Membership Dues	6,400.00
1550 · Acc Receivables-Insurance Fees	<u>1,004.40</u>
Total Accounts Receivable	7,404.40
Other Current Assets	
1540 · Receivable fr Calmutuals JPRIMA	<u>33,041.03</u>
Total Other Current Assets	<u>33,041.03</u>
Total Current Assets	<u>89,365.34</u>
<b>TOTAL ASSETS</b>	<b><u>89,365.34</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	<u>336.97</u>
Total Current Liabilities	<u>336.97</u>
Total Liabilities	336.97
Equity	
3900 · Retained Earnings	43,923.55
Net Income	<u>45,104.82</u>
Total Equity	<u>89,028.37</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>89,365.34</u></b>

**California Association of Mutual Water Companies**  
**Profit & Loss**  
**January 2017**

11:58 AM  
02/16/17  
Accrual Basis

	<u>General</u>	<u>TOTAL</u>
<b>Income</b>		
<b>4000 · Membership Dues</b>		
4010 · Charter	62,050.00	62,050.00
<b>Total 4000 · Membership Dues</b>	62,050.00	62,050.00
<b>4300 · Insurance Program Fees</b>		
4310 · Property & Casualty	284.80	284.80
<b>Total 4300 · Insurance Program Fees</b>	284.80	284.80
<b>4530 · Advertising</b>	150.00	150.00
<b>4910 · Interest Income</b>	0.48	0.48
<b>Total Income</b>	62,485.28	62,485.28
<b>Expense</b>		
5514 · Bank Service Charge	15.00	15.00
5010 · Management Contract	10,000.00	10,000.00
5030 · Lobbying Contract	5,000.00	5,000.00
5050 · Legal Fees	1,007.50	1,007.50
5540 · Insurance	1,103.00	1,103.00
5555 · Merchant Service Fees	4.96	4.96
5560 · Rent	250.00	250.00
<b>Total Expense</b>	17,380.46	17,380.46
<b>Net Income</b>	<b>45,104.82</b>	<b>45,104.82</b>



# California Association of Mutual Water Companies

## Budget and Cash Flow

As of February 16, 2017

	2017 Budget	2017 Estimated Cash Flow						
		Jan Actual	Feb-Mar Est	Q2 Est	Q3 Est	Q4 Est	Total	
<b><u>INCOME</u></b>								
Charter Membership-2017	\$ 84,000	\$ 1,000	\$ 5,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 24,000	[A][B]
Regular Membership	54,000	-	22,500	16,500	11,500	3,500	54,000	
Affiliate Membership	500	-	-	500	-	-	500	
Associate Membership	9,000	-	1,500	3,000	1,000	3,500	9,000	
Sponsorships	3,000	-	-	1,000	1,000	1,000	3,000	
Advertising	1,800	150	300	450	450	450	1,800	
Meetings	-	-	-	-	-	-	-	
Loan from Third Parties	30,000	-	-	20,000	-	10,000	30,000	[C]
JPRIMA Loan Repayment	30,000	-	-	-	30,000	-	30,000	
Insurance Fees	43,000	814	2,000	3,000	34,000	3,000	42,814	
Interest Income	-	1	-	-	-	-	1	
Miscellaneous	-	2,500	-	-	-	-	2,500	
<b>Total Income</b>	<b>255,300</b>	<b>4,465</b>	<b>31,300</b>	<b>50,450</b>	<b>83,950</b>	<b>27,450</b>	<b>197,615</b>	
<b><u>EXPENSE</u></b>								
Management Contract	120,000	10,000	20,000	30,000	30,000	30,000	120,000	
Attorney Fees	24,000	1,007	5,000	6,000	6,000	6,000	24,007	
Office Space/Rent	3,000	250	500	750	750	750	3,000	
Accounting	-	-	-	-	-	-	-	
Insurance	1,150	1,103	-	-	-	-	1,103	
Staff Travel	12,000	-	3,000	3,000	3,000	3,000	12,000	
Meetings	3,000	-	750	750	750	750	3,000	
IT/Website	500	-	125	125	125	125	500	
Taxes	1,000	-	-	1,000	-	-	1,000	
Telephone	840	-	210	210	210	210	840	
Merchant/Bank Fees	500	20	100	125	125	125	495	
Lobbying	60,000	5,000	10,000	15,000	15,000	15,000	60,000	
Marketing	-	-	-	-	-	-	-	
JPRIMA Loan	30,000	-	10,000	20,000	-	-	30,000	
Miscellaneous	-	-	-	-	-	-	-	
<b>Total Expense</b>	<b>255,990</b>	<b>17,380</b>	<b>49,685</b>	<b>76,960</b>	<b>55,960</b>	<b>55,960</b>	<b>255,945</b>	
<b>Net Total</b>	<b>\$ (690)</b>	<b>\$ (12,915)</b>	<b>\$ (18,385)</b>	<b>\$ (26,510)</b>	<b>\$ 27,990</b>	<b>\$ (28,510)</b>	<b>\$ (58,330)</b>	
<b><u>Cash Flow</u></b>								
Beginning Balance		\$ 61,835	\$ 48,920	\$ 30,535	\$ 4,025	\$ 32,015		
Net Revenues		(12,915)	(18,385)	(26,510)	27,990	(28,510)		
Ending Balance		<b>\$ 48,920</b>	<b>\$ 30,535</b>	<b>\$ 4,025</b>	<b>\$ 32,015</b>	<b>\$ 3,505</b>		

### Notes:

[A] 2017 Charter Membership dues in the amount of \$60,000 were collected in 2016.

[B] 2017 Charter Membership from Rubio Canon, Bellflower Somerset, Covina Irrigating Co, Montebello Valencia Heights, Sunnyslope Water Company and California Domestic Water Co.

[C] Loan from AAWDM & California Domestic Water Co.