



**CalMutuals Board of Directors Meeting
Tuesday, January 17, 2017
2:00 p.m. – 3:00 p.m.**

**Call-in Number: (712) 770-4035
Access Code: 995148#**

Agenda

2:00 p.m.:

- 1) Call to Order (Chair Yamashita-Lopez)
- 2) Roll Call
- 3) Chair's Report
- 4) Executive Director's Report
- 5) Regulatory Affairs Committee Update (Tcheng)
- 6) Budget Report
 - a. Review and Approval of Demand Sheet
 - b. Financial Statements (Attached Separately)
- 7) Consideration of Accepting Resignation of Director Ken Deck
- 8) 2017 Meeting Schedule
- 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

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

Mr. Jim Byerrum - Director
California Domestic Water Company
562-947-3811 | 714-822-6084
15505 Whittier Blvd., Whittier, CA 90609
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

Mr. David Armstrong - Director
South Mesa Water Company
909-795-2401 | 951-805-0861 391
West Avenue L, Calimesa, CA 92320
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

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

Staff

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

Ms. Myra Evangelista
Staff/Treasurer
562-947-3811 | 714-822-6084
15505 Whittier Blvd., Whittier, CA 90609
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

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

California Association of Mutual Water Companies Demand Sheet

10:30 AM

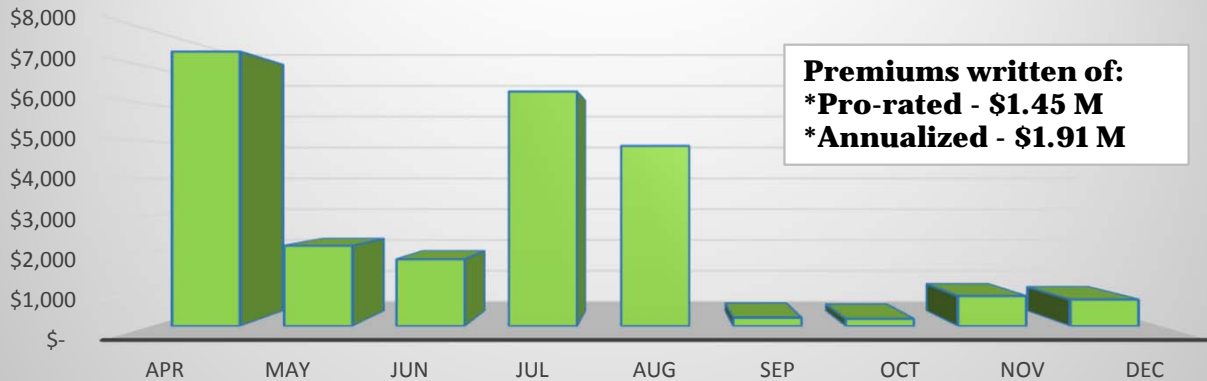
01/11/17

<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Open Balance</u>
Adan Ortega Associates			
12/31/2016	1077	November and December 2016 Reimbursables	336.97
02/01/2017		Feb 2017 Services-Organization Management,Office Rent and Utilities	10,250.00
Total Adan Ortega Associates			10,586.97
Lagerlof, Senecal, Gosney & Kruse LLP			
01/10/2017	53582	Professional Fees- December 2016	1,007.50
Total Lagerlof, Senecal, Gosney & Kruse LLP			1,007.50
Sloat Higgins Jensen & Associates			
01/01/2017	14426	Legislative Consulting Service-January 2017	5,000.00
Total Sloat Higgins Jensen & Associates			5,000.00
TOTAL			16,594.47

CalMutuals Insurance Fees April to December 2016

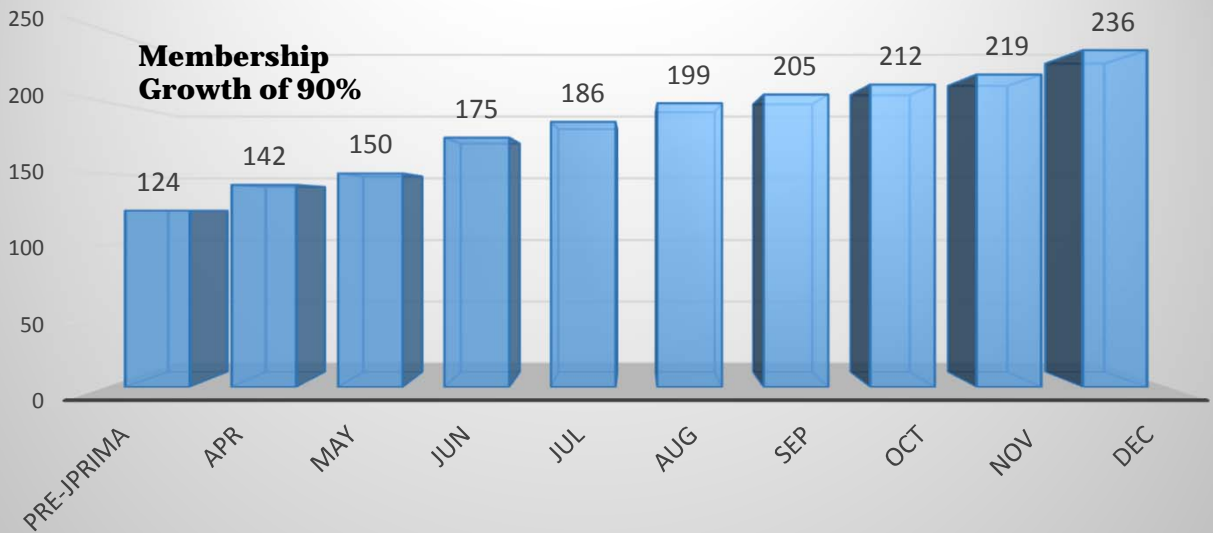
P&C Insurance Fees (Pro-rated)

Total of \$24,591



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Insurance Fees	\$7,421	\$2,178	\$1,810	\$6,345	\$4,878	\$229	\$196	\$814	\$720

2016 Membership Count



California Association of Mutual Water Companies

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Balance Sheet

01/11/17

As of December 31, 2016

Accrual Basis

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	61,835.89
Accounts Receivable	
1500 · Accounts Receivable	2,500.00
1510 · Acc Receivables-Membership Dues	5,350.00
1550 · Acc Receivables-Insurance Fees	1,533.60
Total Accounts Receivable	<u>9,383.60</u>
Other Current Assets	
1540 · Receivable fr Calmutuals JPRIMA	33,041.03
Total Other Current Assets	<u>33,041.03</u>
Total Current Assets	<u>104,260.52</u>
TOTAL ASSETS	<u>104,260.52</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	336.97
Other Current Liabilities	
2170 · Unearned Membership Dues	60,000.00
Total Other Current Liabilities	<u>60,000.00</u>
Total Current Liabilities	<u>60,336.97</u>
Total Liabilities	60,336.97
Equity	
3900 · Retained Earnings	36,672.70
Net Income	7,250.85
Total Equity	<u>43,923.55</u>
TOTAL LIABILITIES & EQUITY	<u>104,260.52</u>

California Association of Mutual Water Companies

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Profit & Loss

01/11/17

January through December 2016

Accrual Basis

	General	JPRIMA	TOTAL
Income			
4000 · Membership Dues			
4010 · Charter	122,700.00	0.00	122,700.00
4030 · Regular	50,850.00	0.00	50,850.00
4070 · Associate	12,050.00	0.00	12,050.00
4050 · Affiliate	1,100.00	0.00	1,100.00
Total 4000 · Membership Dues	186,700.00	0.00	186,700.00
4300 · Insurance Program Fees			
4310 · Property & Casualty	0.00	24,591.60	24,591.60
Total 4300 · Insurance Program Fees	0.00	24,591.60	24,591.60
4510 · Sponsorships	500.00	0.00	500.00
4530 · Advertising	2,675.00	0.00	2,675.00
4730 · JPRIMA (AAWDM)	0.00	17,678.94	17,678.94
4910 · Interest Income	5.82	0.00	5.82
4990 · Misc Income	4,250.00	0.00	4,250.00
Total Income	194,130.82	42,270.54	236,401.36
Expense			
5514 · Bank Service Charge	90.00	0.00	90.00
5010 · Management Contract	93,000.00	27,000.00	120,000.00
5030 · Lobbying Contract	60,000.00	0.00	60,000.00
5050 · Legal Fees	11,712.50	22,661.60	34,374.10
5310 · Meeting Expenses	1,942.91	0.00	1,942.91
5540 · Insurance	1,103.00	0.00	1,103.00
5550 · Marketing	2,806.87	0.00	2,806.87
5555 · Merchant Service Fees	186.25	0.00	186.25
5560 · Rent	3,000.00	0.00	3,000.00
5570 · Supplies	354.76	0.00	354.76
5575 · Tax Preparation	800.00	0.00	800.00
5580 · Telephone	225.00	0.00	225.00
5585 · Travel	4,267.62	0.00	4,267.62
Total Expense	179,488.91	49,661.60	229,150.51
Net Income	14,641.91	-7,391.06	7,250.85

California Association of Mutual Water Companies
Budget and Cash Flow
2016 and 2017

	2016		2017 Budget	2017 Estimated Cash Flow				
	Budget	Actual		Q1 Est	Q2 Est	Q3 Est	Q4 Est	
<u>INCOME</u>								
Charter Membership-2016	\$ 133,500	\$ 71,700	-	-	-	-	-	
Charter Membership-2017		62,000	\$ 84,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	[A][B]
Regular Membership	11,500	53,250	54,000	22,500	16,500	11,500	3,500	
Affiliate Membership	-	500	500	-	500	-	-	
Associate Membership	18,000	8,150	9,000	1,500	3,000	1,000	3,500	
Sponsorships	3,000	500	3,000	-	1,000	1,000	1,000	
Advertising	900	2,675	1,800	450	450	450	450	
Meetings	1,800	-	-	-	-	-	-	
JPRIMA Set-up (AAWDM)	-	20,179	-	-	-	-	-	
Loan from Third Parties	-	-	30,000	-	20,000	-	10,000	[C]
JPRIMA Loan Repayment	-	-	30,000	-	-	30,000	-	
Insurance Fees	50,000	23,059	43,000	3,000	3,000	34,000	3,000	
Interest Income	-	5	-	-	-	-	-	
Miscellaneous	-	1,750	-	-	-	-	-	
Total Income	218,700	243,768	255,300	33,450	50,450	83,950	27,450	
<u>EXPENSE</u>								
Management Contract	120,000	120,000	120,000	30,000	30,000	30,000	30,000	
Attorney Fees	28,000	12,509	24,000	6,000	6,000	6,000	6,000	
Office Space/Rent	3,000	3,000	3,000	750	750	750	750	
Accounting	1,500	-	-	-	-	-	-	
Insurance	1,150	1,103	1,150	1,150	-	-	-	
Staff Travel	12,000	4,274	12,000	3,000	3,000	3,000	3,000	
Meetings	3,000	2,046	3,000	750	750	750	750	
IT/Website	500	-	500	125	125	125	125	
Taxes	1,000	800	1,000	-	1,000	-	-	
Telephone	840	225	840	210	210	210	210	
Merchant/Bank Fees	1,000	276	500	125	125	125	125	
Lobbying	60,000	60,000	60,000	15,000	15,000	15,000	15,000	
JPIA (Legal)	-	21,866	-	-	-	-	-	
Marketing	-	2,807	-	-	-	-	-	
JPRIMA Loan	-	33,041	30,000	10,000	20,000	-	-	
Miscellaneous	-	-	-	-	-	-	-	
Total Expense	231,990	261,947	255,990	67,110	76,960	55,960	55,960	
Net Total	\$ (13,290)	\$ (18,179)	\$ (690)	\$ (33,660)	\$ (26,510)	\$ 27,990	\$ (28,510)	
<u>Cash Flow</u>								
Beginning Balance		\$ 80,014		\$ 61,835	\$ 28,175	\$ 1,665	\$ 29,655	
Net Revenues		(18,179)		(33,660)	(26,510)	27,990	(28,510)	
Ending Balance		\$ 61,835		\$ 28,175	\$ 1,665	\$ 29,655	\$ 1,145	

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 Land & Valencia Heights, Sunnyslope Water Company and California Domestic Water Co.

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

2016 Dues Schedule (2017 Dues?)

CAMWC/JPIA REGULAR MEMBERS

(any duly created business entity operating in California as a mutual water company)

Tier A: \$4M+ in annual revenues	\$1,000/year
Tier B: \$1M+ in annual revenues	\$500/year
Tier C: \$100k+ in annual revenues	\$250/year
Tier D: < \$100k in annual revenues	\$50/year

CAMWC ONLY REGULAR MEMBERS

(any duly created business entity operating in California as a mutual water company)

Tier A: \$4M+ in annual revenues	\$5,000/year
Tier B: \$1M+ in annual revenues	\$2,500/year
Tier C: \$500k+ in annual revenues	\$1,250/year
Tier D: \$250k+ in annual revenues	\$500/year
Tier E: \$100k+ in annual revenues	\$250/year
Tier F: < \$100k in annual revenues	\$50/year

AFFILIATE MEMBERS

(for non-mutual water company water suppliers and non-potable drainage, reclamation, or conservation districts)

Public Water Systems	Per tiered structure above with max dues of \$500/year
Non-Potable Districts	\$100/year

ASSOCIATE MEMBERS

(any person or business that provides goods or services to Regular Members, or otherwise desires to support CAMWC)

Company or Corporation (National or International)	\$1,000/year
Company or Corporation (California)	\$500/year
Individual Members	\$100 minimum

Calmutuals Joint Powers Risk & Insurance Mgt Authority
P&C Insurance Program Fees (Accrual Basis)
2016 Actual and 2017 Budget

	Apr 1 to Dec 31, 2016		2017 Budget
	Actual*	Annualized	
Total P&C Premium (including Fees)	\$ 1,445,191	\$ 1,911,600	\$ 2,400,000
P&C Insurance Program Fees			
Calmutuals	24,379	32,728	43,000
JPRIMA	36,568	49,093	65,000
Total P&C Insurance Program Fees	60,947	81,821	108,000

* The "Actual" column represents pro-rated amounts based on the effective dates of the individual insurance policies.



Denise Peralta-Gailey <denise@ostrategiesgroup.com>

Resignation

Ken@bsmwc.com <ken@bsmwc.com>

Tue, Dec 20, 2016 at 9:24 AM

To: Jim Byerrum <jbyerrum@caldomestic.com>, "lisa@calmutuals.org" <lisa@calmutuals.org>

Cc: "adanortega@me.com" <adanortega@me.com>, "denise@calmutuals.org" <denise@calmutuals.org>

Good morning,

Please except this as my notice of resignation from both the CalMutaul Board and JPRIMA Board effective December 31, 2016.

Thank you both for allowing myself and Bellflower-Somerset to be a part of the development of these to great organizations.

It has been a pleasure and honor to be a part of this process from the beginning.

I wish you all the success as you move into the future.

Merry Christmas and Happy New Year!

Ken



To: Board of Directors

From: Adan Ortega, Executive Director

Subject: Board of Directors 2017 Meeting Dates

The Board of Directors meeting will be held on the *third Tuesday of the month* at 2 p.m. unless otherwise noted. Meetings will take place by phone. In the event an in-person meeting is needed, staff will work to coordinate a location and provide sufficient notice ahead of the meeting date.

January 17, 2017

February 21, 2017

March 21, 2017

April 18, 2017

May 16, 2017

June- TBD, Annual Meeting

July 18, 2017

August 15, 2017

September 19, 2017

October 17, 2017

November 21, 2017

December 19, 2017