



**CalMutuals Board of Directors Meeting  
Tuesday, March 21, 2017  
11:00 a.m. or upon adjournment of the JPRIMA Meeting**

**Foothill Municipal Water District  
4536 Hampton Rd, La Cañada Flintridge, CA 91011**

**Agenda**

11:00 a.m.:

- 1) Call to Order (Chair Yamashita-Lopez)
- 2) Roll Call
- 3) Review and Approval of February 21, 2017 Board Meeting Minutes
- 4) Chair's Report
- 5) Executive Director's Report
- 6) Committee Chairs' Report
  - a. Legislative Committee
    - i. Sacramento Visit
  - b. Regulatory Affairs Committee (Peralta Gailey)
- 7) Budget Report
  - a. Review and Approval of Demand Sheet
  - b. Financial Statements
- 8) Nomination of Directors
- 9) 2017 Annual Meeting Update
- 10) Director Comments
- 11) Adjourn (12:00 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  
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[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**  
**February 21, 2017**

**Call to Order:** Chair Yamashita-Lopez called the meeting to order at 2:05 p.m.

**Present:** Lisa Yamashita-Lopez (Director, President & Chair), Dave Armstrong (Director, Vice President), Dave Michalko (Director, Secretary), Doug Nunneley (Director), Ken Tcheng (Director), Adan Ortega (Staff, Executive Director), Denise Peralta Gailey (Staff, Managing Director), Myra Evangelista (Staff, Treasurer), Jim Ciampa (Legal Counsel), Lynda Noriega.

**Absent:** Jim Byerrum (Director), Ken Bradbury (Director).

**Chairman's Report:** President Yamashita-Lopez discussed adding a classifieds section to the news alerts as a benefit for members who wish to buy and/or sell equipment, and other related needs. No objection was raised.. President Yamashita-Lopez asked for volunteers to travel to Sacramento for meetings with legislators, Director Tcheng volunteered to attend and represent CalMutuals; they will be joined by Vice President Armstrong, Director Byerrum, and Executive Director Ortega. President Yamashita Lopez then asked for the Board to submit the names of any general managers that would make great additions to the Board. President Yamashita-Lopez requested that the next Board meeting take place in person – Director Tcheng and Lynda Noriega volunteered to host the meeting at their offices. She added that staff will work to coordinate the details. President Yamashita-Lopez informed the Board that she will be sharing a document on frequently asked questions regarding lead sampling in schools to review and utilize if needed. Managing Director Gailey asked for approval to also share the frequently asked questions document with the members and President Yamashita-Lopez stated that would be fine. President Yamashita-Lopez then asked for input regarding the budget & finance committee which was chaired by former Director Ken Deck. After some deliberation, the Board decided to not continue the committee's meetings; President Yamashita-Lopez asked that Staff communicate the change with Bob Fan who serves on the committee.

**Executive Director's Report:** Executive Director Ortega reported that the planning for the trip to Sacramento to meet with legislators is being finalized. He added that on February 28<sup>th</sup>, he will be joined by President Yamashita-Lopez, Secretary Michalko and Director Byerrum in Ventura County at a meeting with various mutual water company directors and general managers to discuss CalMutuals and the benefits of joining CalMutuals JPRIMA.

**Committee Chairs' Report:** Director Ken Tcheng reported that the regulatory affairs committee convened on Tuesday, January 21, 2017 and discussed: (1) Hexavalent Chromium; (2) 1,2,3- TCP; (3) Perchlorate; (4) AB 401 – Low Income Water Rate Assistance; (5) Executive Order B-37-16 (6) Human Right to Water Web Portal, and (7) Lead Testing in Schools. He added that the committee will continue to monitor all regulatory matters and report to the Board as needed. Vice President Armstrong reported that the deadline for legislators to submit bills was Friday, February 17, 2017 as a result; legislation that was introduced is currently being reviewed for any potential impacts to mutual water companies. He added that the legislative committee will be meeting on March 1, 2017 and the visit to Sacramento will be taking place on March 7, 2017.

**Demand Sheet:** Staff Member Evangelista provided an overview of the demand sheet. On a motion made by Secretary Michalko, seconded by Vice President Armstrong, the demand sheet was unanimously approved.

**Financial Statements:** Staff Member Evangelista disseminated and reviewed the financial statements. No additional comments or questions were made.

**2017 Annual Meeting:** President Yamashita-Lopez stated that due to scheduling conflicts, the date for the annual meeting has not been finalized but did state that the Board may wish to move forward with Friday, June 2, 2017 and that Vice President Armstrong has agreed to manage the meeting in her absence. After some deliberation, the Board agreed to move forward with Friday, June 2, 2017; more details to follow.

**Director Comments:** None.

**Adjourn:** Chair Yamashita-Lopez adjourned the meeting at 2:39 p.m.

# California Association of Mutual Water Companies Demand Sheet

11:54 AM

03/16/17

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<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Open Balance</u>
<b>Adan Ortega Associates</b>			
04/01/2017		April 2017 Services-Organization Management,Office Rent and Utilities	10,250.00
Total Adan Ortega Associates			10,250.00
<b>Lagerlof, Senecal, Gosney &amp; Kruse LLP</b>			
03/07/2017	53888	Professional Fees- February 2017	682.50
Total Lagerlof, Senecal, Gosney & Kruse LLP			682.50
<b>Sloat Higgins Jensen &amp; Associates</b>			
03/01/2017	14497	Legislative Consulting Service, March 2017	5,000.00
Total Sloat Higgins Jensen & Associates			5,000.00
<b>TOTAL</b>			<b>15,932.50</b>

# California Association of Mutual Water Companies

## Balance Sheet

As of February 28, 2017

1:42 PM

03/16/17

Accrual Basis

	<u>Feb 28, 17</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	35,633.98
Accounts Receivable	
1510 · Acc Receivables-Membership Dues	7,350.00
1550 · Acc Receivables-Insurance Fees	620.40
Total Accounts Receivable	7,970.40
Other Current Assets	
1540 · Receivable fr Calmutuals JPRIMA	33,041.03
Total Other Current Assets	33,041.03
Total Current Assets	76,645.41
<b>TOTAL ASSETS</b>	<b><u>76,645.41</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	2,541.60
Total Current Liabilities	2,541.60
Total Liabilities	2,541.60
Equity	
3900 · Retained Earnings	43,946.35
Net Income	30,157.46
Total Equity	74,103.81
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>76,645.41</u></b>

# California Association of Mutual Water Companies

1:41 PM

## Profit & Loss

03/16/17

January through February 2017

Accrual Basis

	General	JPRIMA	TOTAL
<b>Income</b>			
4000 · Membership Dues			
4010 · Charter	64,100.00	0.00	64,100.00
4030 · Regular	150.00	0.00	150.00
4070 · Associate	500.00	0.00	500.00
<b>Total 4000 · Membership Dues</b>	<b>64,750.00</b>	<b>0.00</b>	<b>64,750.00</b>
4300 · Insurance Program Fees			
4310 · Property & Casualty	0.00	920.80	920.80
<b>Total 4300 · Insurance Program Fees</b>	<b>0.00</b>	<b>920.80</b>	<b>920.80</b>
4530 · Advertising	300.00	0.00	300.00
4910 · Interest Income	0.83	0.00	0.83
<b>Total Income</b>	<b>65,050.83</b>	<b>920.80</b>	<b>65,971.63</b>
<b>Expense</b>			
5514 · Bank Service Charge	30.00	0.00	30.00
5010 · Management Contract	20,000.00	0.00	20,000.00
5030 · Lobbying Contract	10,000.00	0.00	10,000.00
5050 · Legal Fees	1,625.00	0.00	1,625.00
5540 · Insurance	1,103.00	0.00	1,103.00
5555 · Merchant Service Fees	14.57	0.00	14.57
5560 · Rent	500.00	0.00	500.00
5570 · Supplies	1,603.71	0.00	1,603.71
5585 · Travel	937.89	0.00	937.89
<b>Total Expense</b>	<b>35,814.17</b>	<b>0.00</b>	<b>35,814.17</b>
<b>Net Income</b>	<b>29,236.66</b>	<b>920.80</b>	<b>30,157.46</b>



## California Association of Mutual Water Companies

### Budget and Cash Flow

As of March 16, 2017

	2017 Budget	2017 Estimated Cash Flow						
		Jan-Feb Actual	Mar Est	Q2 Est	Q3 Est	Q4 Est	Total	
<b><u>INCOME</u></b>								
Charter Membership-2017	\$ 84,000	\$ 2,100	\$ 4,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 24,100	[A][B]
Regular Membership	54,000	150	9,800	27,200	11,500	3,500	52,150	
Affiliate Membership	500	-	-	500	-	-	500	
Associate Membership	9,000	500	2,000	2,000	1,000	3,500	9,000	
Sponsorships	3,000	-	-	1,000	1,000	1,000	3,000	
Advertising	1,800	300	150	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	1,857	1,000	3,000	34,000	3,000	42,857	
Interest Income	-	1	-	-	-	-	1	
Miscellaneous	-	2,500	-	-	-	-	2,500	
<b>Total Income</b>	<b>255,300</b>	<b>7,408</b>	<b>16,950</b>	<b>60,150</b>	<b>83,950</b>	<b>27,450</b>	<b>195,908</b>	
<b><u>EXPENSE</u></b>								
Management Contract	120,000	20,000	10,000	30,000	30,000	30,000	120,000	
Attorney Fees	24,000	1,625	1,000	6,000	6,000	6,000	20,625	
Office Space/Rent	3,000	500	250	750	750	750	3,000	
Accounting	-	-	-	-	-	-	-	
Insurance	1,150	1,103	-	-	-	-	1,103	
Staff Travel	12,000	85	2,900	3,000	3,000	3,000	11,985	
Meetings	3,000	136	600	750	750	750	2,986	
IT/Website	500	-	125	125	125	125	500	
Supplies	-	116	-	-	-	-	116	
Taxes	1,000	-	-	1,000	-	-	1,000	
Telephone	840	-	210	210	210	210	840	
Merchant/Bank Fees	500	45	75	125	125	125	495	
Lobbying	60,000	10,000	5,000	15,000	15,000	15,000	60,000	
Marketing	-	-	-	-	-	-	-	
JPRIMA Loan	30,000	-	-	25,000	-	-	25,000	
Miscellaneous	-	-	-	-	-	-	-	
<b>Total Expense</b>	<b>255,990</b>	<b>33,610</b>	<b>20,160</b>	<b>81,960</b>	<b>55,960</b>	<b>55,960</b>	<b>247,650</b>	
<b>Net Total</b>	<b>\$ (690)</b>	<b>\$ (26,202)</b>	<b>\$ (3,210)</b>	<b>\$ (21,810)</b>	<b>\$ 27,990</b>	<b>\$ (28,510)</b>	<b>\$ (51,742)</b>	
<b><u>Cash Flow</u></b>								
Beginning Balance		\$ 61,835	\$ 35,633	\$ 32,423	\$ 10,613	\$ 38,603		
Net Revenues		(26,202)	(3,210)	(21,810)	27,990	(28,510)		
Ending Balance		<b>\$ 35,633</b>	<b>\$ 32,423</b>	<b>\$ 10,613</b>	<b>\$ 38,603</b>	<b>\$ 10,093</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.