



**CalMutuals Board of Directors Meeting
Tuesday, May 16, 2017
2:00 p.m. or upon adjournment of the JPRIMA Meeting**

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 April 18, 2017 Board Meeting Minutes
- 4) Chair's Report
- 5) Executive Director's Report
 - a. Annual Meeting Update
- 6) Committee Chairs' Report
 - a. Legislative Committee
 - b. Regulatory Affairs Committee
- 7) Budget Report
 - a. Review and Approval of Demand Sheet
 - b. Financial Statements
- 8) Director Comments
- 9) 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 (CalMutuals)
Board of Directors Meeting Minutes
April 18, 2017

Call to Order: Chair Yamashita-Lopez called the meeting to order at 1:41 p.m.

Present: Lisa Yamashita-Lopez (Director, President & Chair), Dave Armstrong (Director, Vice President – joined the meeting at 1:51 p.m.), Doug Nunneley (Director), Jim Byerrum (Director), Ken Bradbury (Director), Ken Tcheng (Director), Adan Ortega (Staff, Executive Director- joined the meeting at 1:49 p.m.), Denise Peralta Gailey (Staff, Managing Director), Myra Evangelista (Staff, Treasurer), Jim Ciampa (Legal Counsel), Lynda Noriega.

Absent: Dave Michalko (Director, Secretary).

Review and Approval of the March 21, 2017 Board Meeting Minutes: On a motion made by Director Byerrum, seconded by Director Bradbury, the March 21, 2017 board meeting minutes were unanimously approved, as submitted.

Chair's Report: No comments.

Executive Director's Report: Executive Director Ortega reported that he will be meeting with a group of mutual water companies in the Santa Cruz-area on May 4th. Managing Director Gailey provided an update on outreach for the annual meeting and Chair Yamashita-Lopez asked that next year's mailed proxy form include a copy of the annual meeting flyer.

Committee Chairs' Report: Vice President Armstrong reported that legislative committee meeting would be meeting the following day on April 19th and would be discussing approximately 20 bills. Director Tcheng provided a detailed report of the issues discussed during the regulatory affairs committee meeting which included updates regarding: (1) Chrom6; (2) 1,2,3-TCP, (3) Perchlorate, and (4) Executive Order B-37-16, "Making Conservation a California Way of Life." No further comments were made.

Budget Report: Staff Member Evangelista provided an overview of the demand sheet. On a motion made by Director Tcheng, seconded by Director Bradbury, the demand sheet was unanimously approved. Staff Member Evangelista disseminated and reviewed the financial statements noting that there is currently \$31,154 in the bank. No further comments on this item.

Review and Possible Loan Approval from California Domestic Water Company: On a motion made by Director Bradbury, seconded by Director Byerrum, the \$25,000.00 loan from California Domestic Water Company was approved.

Director Comments: Director Byerrum asked for approval from the Board to submit support from the Association for AB 1343 (Chen) which is a bill that encourages conservation partnerships between public water systems and school districts. By a unanimous vote, the Board approved support for AB 1343 (Chen).

Adjourn: Chair Yamashita-Lopez adjourned the meeting at 2:09 p.m.

California Association of Mutual Water Companies Demand Sheet

2:30 PM

05/10/17

<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Open Balance</u>
Adan Ortega Associates			
05/07/2017	1114	Reimbursements for Annual Meeting and Travel Expenses	1,018.82
06/01/2017		June 2017 Services-Organization Management,Office Rent and Utilities	10,250.00
Total Adan Ortega Associates			11,268.82
Lagerlof, Senecal, Gosney & Kruse LLP			
05/04/2017	54127	Professional Fees- April 2017	1,250.00
Total Lagerlof, Senecal, Gosney & Kruse LLP			1,250.00
Sloat Higgins Jensen & Associates			
05/01/2017	14572	Legislative Consulting Service, May 2017	5,000.00
Total Sloat Higgins Jensen & Associates			5,000.00
TOTAL			17,518.82

California Association of Mutual Water Companies

Balance Sheet

As of April 30, 2017

	<u>Apr 30, 17</u>
ASSETS	
Current Assets	
Checking/Savings	22,220.80
Accounts Receivable	
1510 - Acc Receivables-Membership Dues	15,600.00
1550 - Acc Receivables-Insurance Fees	44,864.80
Total Accounts Receivable	<u>60,464.80</u>
Other Current Assets	
1540 - Receivable fr Calmutuals JPRIMA	38,041.03
Total Other Current Assets	<u>38,041.03</u>
Total Current Assets	<u>120,726.63</u>
TOTAL ASSETS	<u>120,726.63</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	958.47
Total Current Liabilities	<u>958.47</u>
Total Liabilities	958.47
Equity	
3900 - Retained Earnings	43,946.35
Net Income	75,821.81
Total Equity	<u>119,768.16</u>
TOTAL LIABILITIES & EQUITY	<u>120,726.63</u>

California Association of Mutual Water Companies

10:33 AM

Profit & Loss

05/11/17

January through April 2017

Accrual Basis

	General	JPRIMA	TOTAL
Income			
4000 · Membership Dues			
4010 · Charter	73,200.00	0.00	73,200.00
4030 · Regular	18,750.00	0.00	18,750.00
4070 · Associate	3,000.00	0.00	3,000.00
4050 · Affiliate	3,700.00	0.00	3,700.00
Total 4000 · Membership Dues	98,650.00	0.00	98,650.00
4300 · Insurance Program Fees			
4310 · Property & Casualty	0.00	45,785.60	45,785.60
Total 4300 · Insurance Program Fees	0.00	45,785.60	45,785.60
4530 · Advertising	600.00	0.00	600.00
4910 · Interest Income	1.27	0.00	1.27
Total Income	99,251.27	45,785.60	145,036.87
Expense			
5514 · Bank Service Charge	30.00	0.00	30.00
5010 · Management Contract	40,000.00	0.00	40,000.00
5030 · Lobbying Contract	20,000.00	0.00	20,000.00
5050 · Legal Fees	3,557.50	0.00	3,557.50
5540 · Insurance	1,103.00	0.00	1,103.00
5550 · Marketing	661.40	0.00	661.40
5555 · Merchant Service Fees	24.49	0.00	24.49
5560 · Rent	1,000.00	0.00	1,000.00
5570 · Supplies	1,603.71	0.00	1,603.71
5585 · Travel	1,234.96	0.00	1,234.96
Total Expense	69,215.06	0.00	69,215.06
Net Income	30,036.21	45,785.60	75,821.81

California Association of Mutual Water Companies
Budget and Cash Flow
As of May 10, 2017

	2017 Budget	2017 Estimated Cash Flow							
		Q1 Actual	Apr Actual	May Est	Jun Est	Q3 Est	Q4 Est	Total	
<u>INCOME</u>									
Charter Membership-2017	\$ 84,000	\$ 6,150	\$ 7,050	\$ 2,000	\$ 14,000	\$ 6,000	\$ 6,000	\$ 41,200	[A][B]
Regular Membership	54,000	9,050	3,050	5,600	18,500	11,500	3,500	51,200	
Affiliate Membership	500	500	500	-	-	-	-	1,000	
Associate Membership	9,000	900	1,200	400	2,000	1,000	3,500	9,000	
Sponsorships	3,000	-	-	-	1,000	1,000	1,000	3,000	
Advertising	1,800	450	150	150	150	450	450	1,800	
Meetings	-	-	-	-	-	-	-	-	
Loan from Third Parties	30,000	-	-	5,000	-	-	-	5,000	[C]
JPRIMA Loan Repayment	30,000	-	-	-	-	30,000	-	30,000	
Insurance Fees	43,000	1,857	621	300	44,500	3,500	3,500	54,278	
Interest Income	-	2	-	-	-	-	-	2	
Miscellaneous	-	2,500	-	-	-	-	-	2,500	
Total Income	255,300	21,409	12,571	13,450	80,150	53,450	17,950	198,980	
<u>EXPENSE</u>									
Management Contract	120,000	30,000	10,000	10,000	10,000	30,000	30,000	120,000	
Attorney Fees	24,000	2,308	1,250	1,250	5,000	7,000	7,000	23,808	
Office Space/Rent	3,000	750	250	250	250	750	750	3,000	
Accounting	-	-	-	-	-	-	-	-	
Insurance	1,150	1,103	-	-	-	-	-	1,103	
Staff Travel	12,000	1,023	-	900	2,500	3,500	3,500	11,423	
Meetings	3,000	136	-	200	700	1,000	1,000	3,036	
IT/Website	500	-	-	-	150	150	150	450	
Supplies	-	1,720	-	1,000	-	-	-	2,720	
Taxes	1,000	-	-	-	1,000	-	-	1,000	
Telephone	840	-	-	-	250	250	250	750	
Merchant/Bank Fees	500	50	5	-	150	150	150	505	
Lobbying	60,000	15,000	5,000	5,000	5,000	15,000	15,000	60,000	
Marketing	-	-	-	-	-	-	-	-	
JPRIMA Loan	30,000	-	5,000	-	-	-	-	5,000	
Miscellaneous	-	-	-	-	-	-	-	-	
Total Expense	255,990	52,090	21,505	18,600	25,000	57,800	57,800	232,795	
Net Total	\$ (690)	\$ (30,681)	\$ (8,934)	\$ (5,150)	\$ 55,150	\$ (4,350)	\$ (39,850)	\$ (33,815)	
<u>Cash Flow</u>									
Beginning Balance		\$ 61,835	\$ 31,154	\$ 22,220	\$ 17,070	\$ 72,220	\$ 67,870		
Net Revenues		(30,681)	(8,934)	(5,150)	55,150	(4,350)	(39,850)		
Ending Balance		\$ 31,154	\$ 22,220	\$ 17,070	\$ 72,220	\$ 67,870	\$ 28,020		

Notes:

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

[B] 2017 Charter Membership dues from Rubio Canon, Bellflower Somerset, Covina Irrigating Co, Montebello Land & Water, Valencia Heights, Sunnyslope Water Company, California Domestic Water Co., Lincoln Avenue Water Company and South Mesa Water Co.

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