

ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
November 3, 2020

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via videoconference by Chair Hatch at 10:00 a.m., in the Board Room of the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

The Pledge of Allegiance was led by Chair Hatch.
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Noel Hatch, Chair	Fifth District
	Kelly Rivers	Second District
	William E. Nelson	Third District

ABSENT:	Maribel Marroquin, Vice Chair	First District
	Cynthia Ward	Fourth District

STAFF:	Tim Deutsch, General Manager
	Brenda Manriquez, Finance and Accounting Manager
	Mary Funk, Board Secretary

PUBLIC COMMENTS - None

CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, October 6, 2020.
- B. Approval of the November 2020 Check Registers (Claims) Nos. 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, and 80.
- C. Acceptance of the Quarterly Investment Report for September 30, 2020.

MOTION: of Trustee Rivers, seconded by Trustee Nelson and carried by a roll-call vote of 3-0 (Vice Chair Marroquin and Trustee Ward absent for the vote), approved the Consent Calendar.

Because Chair Hatch may need to leave the meeting early, GM Deutsch recommended that New Business be discussed at this time.

NEW BUSINESS

A. OCERS Employer Contribution Discount for Fiscal Year 2021-22

GM Deutsch explained that the Orange County Employees Retirement System (OCERS) is once again offering a discount to the employer's contribution payments made before January 15, 2021 for the fiscal year beginning on July 1, 2021. If the District participates in the early payment


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based on the rate with the UAAL component amount, the District will receive a discount in the amount of \$15,586.93. GM Deutsch said that it has been a couple of years since the District has had a UAAL component. GM Deutsch explained that with the interest we are receiving from the County on our General Fund cash balance, we will earn more on the funds with the discount, so it only makes good sense to participate. The payment is considered a pre-paid expense that will become a part of the 2021-22 fiscal year budget. Any fluctuations in salaries will be reconciled at the end of the year. GM Deutsch also explained that the two rates are for the two different pension plans. Employees hired before January 1, 2014 are on Plan N and employees hired after that date are on Plan U – PEPRA.

MOTION: of Trustee Rivers, seconded by Trustee Nelson and carried by a roll-call vote of 3-0 (Vice Chair Marroquin and Trustee Ward absent for the vote), approved pre-paying the employer’s contribution to OCERS and authorize the General Manager to execute the transfer of payment in the amount of \$268,740.17 to OCERS.

B. Addition of Full-Time Receptionist/Secretary Position for El Toro Memorial Park

GM Deutsch explained that, as reflected in the Monthly Activity Report over the last several months, El Toro Memorial Park has become extraordinarily busy. This undoubtedly relates to the current COVID pandemic as well as the increased referrals from Santa Ana Cemetery which is now sold out for full casket. GM Deutsch requested that the Board authorize the addition of a full-time receptionist/secretary at El Toro Memorial Park, to take more of the general customer service calls and visitor inquiries from Cemetery Assistant, Kim Eazell who is being inundated with appointments. Board Secretary, Mary Funk, reported that with the current volume of Activity she and District Secretary, Iris Tatro, spend approximately 60% of their time specifically on tasks for El Toro Memorial Park. GM Deutsch also explained that it will be good planning to have another office staff person fully trained in anticipation of staffing the new fourth public cemetery.

MOTION: of Trustee Rivers, seconded by Trustee Nelson and carried by a roll-call vote of 3-0 (Vice Chair Marroquin and Trustee Ward absent for the vote), authorized the General Manager to hire a new full-time secretary position for the El Toro Memorial Park.

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – September 2020

The following interment and interment space sales for September 2020 were reviewed:

			<u>2020-2021</u>	<u>2019-2020</u>
ANAHEIM	Interments	7 (6 Urn)	23 (17 Urn)	25 (16 Urn)
	Lot Sales	2	14	10
EL TORO	Interments	71 (22 Urn)	220 (78 Urn)	187 (72 Urn)
	Lot Sales	87	286	238
SANTA ANA	Interments	37 (15 Urn)	97 (25 Urn)	70 (16 Urn)
	Lot Sales	15	51	30


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TOTAL	Interments	115 (43 Urn)	340 (120 Urn)	282 (104 Urn)
	Lot Sales	104	351	278

GM Deutsch stated that the September Monthly Activity Report emphasizes the need for additional staffing. District-wide there were 104 interment space sales and 115 interments for the month. Many of the Cemetery Districts within the California Association of Public Cemeteries complete about 100 services per year. The District is been conducting over 100 interments per month for the last few months. Overall, the cremation rate is at about 35%.

GM Deutsch noted that El Toro Memorial Park has 4,366 casket interment spaces remaining and the District is considering limiting the number of spaces any one family can own from a maximum of six to a maximum of two interment spaces in an attempt to make El Toro's inventory last longer.

GM Deutsch also stated, not surprisingly, that the Income Statement shows the bulk of the revenue being generated by El Toro Memorial Park.

B. Financial Reports – September 2020

Brenda Manriquez reported that El Toro Memorial Park is “going like gangbusters”. Revenue is \$250,000 higher than budgeted. Interest is down significantly with low rates persisting in the OCIP and in CalTRUST. For expenses, Brenda Manriquez explained that the major variances have mostly to do with timing issues as to when a bill is received as opposed to when it is posted with the County. It is currently taking two to three weeks for the County to process claims where it used to be seven to ten days. Most of the District's utilities are also being paid on the CalCard which also impacts when those bills are being posted as the District Office gets the credit card statements about a month later.

For Equipment, Brenda Manriquez reported that the Yamaha Golf Cart invoice came in September. Also, Ben's Asphalt got completely paid out in October including the release of retention.

The Balance Sheet had nothing new to report, although Brenda did state that she anticipates being able to move approximately \$1 million more to Committed Funds, which will bring the total to \$11,355,000.

C. September 2020 Interest Rates

GM Deutsch said the downward trend in interest rates is no surprise. The District is doing all it can to keep investments above 1% and hopes that rates will improve soon.

D. Investment Portfolio Changes – October 2020

GM Deutsch stated that for October three new bonds were purchased. Our outside investors are working hard to find municipal bonds within the District's five-year ladder. He also mentioned that UBS had funds holding to be transferred to CalTRUST, but they found a municipal bond that was satisfactory.


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E. Capital Projects Update

GM Deutsch stated that, as mentioned in the Finance Report, the retention for Ben's Asphalt has been released. For the El Toro paving project, Phase Three was completed and the only remaining part of the project is the garden wall and flag pole receptacles that will hold the military branch flags on special occasions. He expects that work to be completed by the end of the week and is waiting for the new flag poles to arrive. Visitors have been very appreciative of the efforts at El Toro. GM Deutsch also noted that the drainage tank did not have to be installed at El Toro after all, as the site had the needed fall required for appropriate drainage. GM Deutsch expects to have a Notice of Completion for this project at the December Board Meeting.

For equipment, staff is looking for a new mower which will have to be a different model since the mower staff is currently using is no longer being manufactured.

F. New Cemetery Development Update

GM Deutsch reported that the District did receive a response from the City of Anaheim with 17 pages of departmental comments. It did not appear that any of the requests were unexpected or out-of-line given the nature of the project. GM Deutsch is planning to have the Design Team available at the December Board Meeting to answer any of the questions the Board may have regarding the Design Team's response to the City of Anaheim's comments.

The most notable requirement is the request for the District to file a formal Environmental Impact Report. This process could take 12 to 15 months.

GM Deutsch recommended that the Trustees review the City's requests and be prepared to discuss it with the Design Team in December.

G. GFOA CAFR Award

Brenda Manriquez and GM Deutsch reported that the District has received confirmation of our CAFR award for year ending June 30, 2019. GM Deutsch said that Brenda Manriquez and the auditors deserve all the credit. This is the second year in a row the District has received the CAFR award. Every year recommendations are made by the Special Review Team and Brenda incorporates those recommendations. GM Deutsch also wanted to thank the Finance and Investment Committee for directing staff to pursue the CAFR. The Board asked if Brenda is joining the Special Review Team. Brenda stated she has served on it in the past and is waiting to see if they need people. Chair Hatch congratulated Brenda Manriquez and Tim Deutsch on a job well done.

GENERAL COUNSEL REPORT

There was no report. Counsel Quintanilla was not present for the meeting.

UNFINISHED BUSINESS - None**COMMITTEE REPORTS – Finance and Investment Committee Meeting, Oct. 7, 2020****A. Funding Options for New Cemetery Development**

Trustee Nelson reported that the committee received a presentation on the various types of bonds available for financing options. Trustee Nelson stated he preferred the


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Assessment Bond, stating that out of 58 counties, 57 of them had 248 bond issues on the ballot. The presentation also included information on debt affordability and capacity which is estimated between \$29 and \$44 million.

B. OCERS UAAL Payoff – 2020

Trustee Nelson said that the Committee agreed on staff's recommendation not to pay off the UAAL at all at this time.

C. GFOA Award – Budget 2020-21

Trustee Nelson stated that this is the third time the District has received the Budget award and congratulated Brenda Manriquez and Tim Deutsch for the excellent work.

ITEMS FOR FUTURE AGENDAS

Brenda Manriquez expects that a draft copy of the audit will be reviewed by the Finance and Investment Committee in December with a presentation to the Board in January 2021.

BOARD COMMENTS

Chair Hatch asked if there was any more information on the Santa Ana Cemetery Shooting. GM Deutsch said that our security cameras caught the license plate numbers of the vehicles involved and this information was given to the police. We will probably not be notified by the police of any updates since this appears to be an isolated incident and not related specifically to the cemetery in any way.

GM Deutsch also commented that the closure of the interior swing gates has also been helpful in controlling traffic flow and worked very well during the Dia de los Muertos holiday weekend. At one point when the grounds were becoming full, security did close the gates allowing only pedestrian traffic to enter. In addition, over the weekend a woman did trip and broke her hip. However, thanks to the improved traffic control, the ambulance had no difficulty reaching her on the grounds. Both Anaheim Cemetery and Santa Ana Cemetery were able to enforce one-way traffic which also helped to ease congestion. The security company as well as our staff did a good job of stopping bad behavior before it could become a problem.

CAPC Planning Meeting, (Video Conferenced), October 8, 2020

Trustee Rivers attended this video conferenced meeting where it was decided to cancel the 2021 San Diego Annual Conference. This event will be moved to 2022.

ISDOC Quarterly Meeting (Video Conferenced), October 29, 2020.

Trustee Nelson, Trustee Hatch, Trustee Rivers, and GM Deutsch all attended the video conferenced ISDOC Quarterly meeting. GM Deutsch gave a presentation on the Orange County Cemetery District. Trustee Rivers said that GM Deutsch did an excellent job describing the District and she enjoyed his presentation. Trustee Nelson stated that Adam Probolsky, President of Probolsky Research shared his insights on the November 2020 election. He said the District may work with Adam's firm on an Assessment District and when would be the best time to put our bond on the ballot. Trustee Nelson said he also enjoyed GM Deutsch's presentation on the District.


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ANNOUNCEMENTS

The next regular meeting will be held on **Tuesday, December 1, 2020**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

There being no further business, the meeting was adjourned at 11:01 a.m.



Chair



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