

ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
July 2, 2019

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Vice Chair Noel 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 Trustee Nelson.
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Cynthia Ward, Chair	Fourth District (Arrived 10:12 a.m.)
	Noel Hatch, Vice Chair	Fifth District
	Maribel Marroquin	First District
	Kelly Rivers	Second District
	William E. Nelson	Third District

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

ALSO PRESENT: Steve Quintanilla, General Counsel – Quintanilla and Associates
Oliver Yee, Attorney - Liebert and Cassidy (Closed Session Only)
James Fisler – Director, Mesa Water District
Saundra Jacobs – President, Santa Margarita Water District
Cecilia Aguinaga – Trustee, Orange County Mosquito and Vector Control District

PUBLIC COMMENTS

James Fisler with Mesa Water District addressed the board regarding his qualifications for the OC LAFCO Regular Special District Member Seat. He has served as an Alternate at OC LAFCO for the past eight years and has over 20 years of experience in public service. He stated that he has worked hard to protect special districts and believes LAFCO should function as a facilitator not an initiator.

Saundra Jacobs with Santa Margarita Water District spoke next about her qualifications for the OC LAFCO Regular Special District Member Seat. She stated that she understands the LAFCO work plan and agrees, that while this is not a South Orange County Seat, she is very capable of representing all members and not just South Orange County. She will also work to make dues fairer for non-enterprise districts.

Cecilia Aguinaga with Orange County Mosquito and Vector Control District also spoke about her qualifications for the Alternate Special District Member Seat. She stated that she has 25 years of experience volunteering on various boards and commissions for the City of Santa Ana.


Chair


Secretary

She is running for the position because she likes to help people and feels she has the passion and the energy to do the job.

Chair Ward arrived at 10:12 a.m.

Trustee Nelson asked Mr. Fisler how often LAFCO does Municipal Service Reviews, because he thought it had been some time since the District's last review. He said that they are done on a regular schedule. GM Deutsch stated that unless something changes, the District just need to do a reaffirmation of boundaries.

The Board thanked the candidates for coming and they left at that time.

GM Deutsch requested that Closed Session be moved to this time.

CLOSED SESSION

Conference with Labor Negotiators pursuant to Government Code Section 54957.6(a):
District designated representative: Chief Negotiator Oliver Yee, General Counsel Steven B. Quintanilla.
Employee Organization: Groundskeeping Unit (Service Employees International Union Local 721 CTW-CLC).

Conference with Legal Counsel – Potential Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: (One potential case).

Public Employee Performance Evaluation pursuant to Government Code Section 54957.6:
Employee's Title: General Manager

Conference with Labor Negotiator pursuant to Government Code Section 54957:
District's Designated Representative: General Counsel Steven B. Quintanilla.
Unrepresented Employee: General Manager

The Board adjourned to closed session at 10:15 a.m.

The Board reconvened from closed session at 11:57 a.m. Counsel Quintanilla stated that no reportable action took place in closed session.

CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, June 4, 2019.
- B. Approval of July 2019 Check Registers (Claims) Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16.
- C. Adoption of Orange County Cemetery District Resolution 2019-03, approving the District's Overhead Rate.


Chair


Secretary

- D. Adoption of Orange County Cemetery District Resolution 2019-04, adopting the Annual Maximum Appropriations Limitation for the Fiscal Year 2019-20.
- E. Authorized the General Manager to designate the balance of Unassigned Fund Balance exceeding the minimum 50% of operating expenditures as Assigned Fund Balance for New Cemetery Development.

MOTION: of Trustee Nelson, seconded by Trustee Rivers and carried by a vote of 5-0, approved the Consent Calendar.

GENERAL MANAGER REPORTS

The Board did not have any questions on the following Board reports. No discussion took place.

Interments and Interment Space Sales Reports – May 2019

The following interment and interment space sales for May 2019 were reviewed:

			<u>2018-2019</u>	<u>2017-2018</u>
ANAHEIM	Interments	9 (4 Urn)	72 (34 Urn)	73 (38 Urn)
	Lot Sales	2	25	24
EL TORO	Interments	46 (18 Urn)	563 (210 Urn)	569 (202 Urn)
	Lot Sales	55	667	601
SANTA ANA	Interments	24 (5 Urn)	339 (56 Urn)	306 (47 Urn)
	Lot Sales	18	248	240
TOTAL	Interments	79 (27 Urn)	974 (300 Urn)	948 (287 Urn)
	Lot Sales	75	940	865

Financial Reports – May 2019

No discussion.

June Investment Portfolio Changes

No discussion.

Capital Projects Update

No discussion

The Strategic Plan Dashboard


No discussion

ISDOC General Manager’s Bi-Monthly Meeting (Oral Report)

GM Deutsch stated that he attended the ISDOC General Manager’s Bi-Monthly Meeting and stated that it was a good meeting with great opportunity to network.

CSDA General Manager’s Summit (Oral Report)

GM Deutsch stated that he attended this conference in Newport Beach from June 23rd to the 25th. He presented a PowerPoint presentation for the Outreach Award the District received last year.


Chair


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UNFINISHED BUSINESS - None

NEW BUSINESS

OC LAFCO Regular and Alternate Special District Member Seats

The Board discussed the qualification of all of the OC LAFCO candidates.

MOTION: of Trustee Nelson, seconded by Vice Chair Hatch and carried by a vote of 3-1-1 (Chair Ward – opposed, and Trustee Rivers – abstained), approved the selection of Sandra Jacobs for OC LAFCO Regular Member Seat.

MOTION: of Vice Chair Hatch, seconded by Chair Ward and carried by a vote of 4-1 (Trustee Nelson - opposed) approved the selection of Kathryn Freshley for the Alternate Special District Member Seat.

CSDA Board of Directors Election 2019

GM Deutsch reminded the Board that Trustee Rivers is running for a seat on the CSDA Board of Directors. There are a total of seven candidates currently running.

MOTION: of Chair Ward, seconded by Trustee Nelson and carried by a vote of 5-0, adopted Orange County Cemetery District Resolution 2019-05, to select Kelly Rivers for the CSDA Board of Directors.

GM Deutsch briefly discussed his desire to dedicate the new niche feature at El Toro Memorial Park in honor of Trustee Maureen Rivers. He would also like to recognize, in some way, the contribution of Kirk Hendricks, who was responsible for the design of the niches and passed away while working on the project. GM Deutsch would like to have a dedication ceremony at the next CAPC Local Area Meeting which the District is hosting here at El Toro Memorial Park on September 19th from 10 a.m. to 1 p.m. Vice Chair Hatch asked if there are plans for additional landscaping around the perimeter of the new niche feature as it looks quite stark right now. GM Deutsch said that there will be. Landscaping is one of the last things to be done on the project.

Trustee Marroquin left the meeting at 12:18 p.m.

ITEMS FOR FUTURE AGENDAS - None

COMMITTEE REPORTS

Finance and Investment Committee Meeting, June 11, 2019

A. 2019-20 District Fee Review and Adoption by Resolution No. 2019-06

Trustee Nelson explained that the Finance and Investment Committee met on June 11th and one of the items discussed was a review of the Master Fee Schedule. Each year staff goes through a process to determine if any of the fees need to be revised based on several factors, including comparable interment space fees in other Orange County cemeteries,


Chair


Secretary

Consumer Price Index percentages, current staff labor rates, the District Overhead Rate, and benefit percentages. There are basically three kinds of fees. They are: the Endowment Care Fees which are for the perpetual maintenance of the parks; Interment Service Fees, which are direct costs for conducting services; and Interment Space Fees, which are the costs charged for selling interment rights to a space. The Committee recommends a \$25 increase to all Endowment Care Fees; a three percent increase to all interment space fees with the exception of infant space which will remain at \$350; and some minor changes to some of the interment service fees. The District is also adding a new fee for additional groundskeepers to work weekend interment services. The fee will be \$230 for each additional groundskeeper per service.

MOTION of Vice Chair Hatch, seconded by Trustee Nelson and carried by a vote of 4-0 (Trustee Marroquin absent for the vote), adopted Orange County Cemetery District Resolution No. 2019-06, approving the District’s Master Fee Schedule, to be effective August 5, 2019.

B. 2019-20 Fiscal Year Budget

GM Deutsch gave a PowerPoint presentation highlighting the various components of the 2019-20 Fiscal year budget. Topics of the presentation included General Fund Revenue Projections, General Fund Expense Projections, General Fund Capital Improvements, 10-Year Projections, and Designations for Additional Revenue. GM Deutsch estimates \$5.8 million in projected revenue and approximately \$3.9 million in expenses. The budget includes about \$1.2 million for capital improvements. The improvement projects for the upcoming fiscal year are the completion of the ongoing niche feature at El Toro Memorial Park with remaining costs of approximately \$215,000; the replacement of asphalt curbs, street repairs, and drainage adjustments at Santa Ana Cemetery at a cost of approximately \$600,000; and site assessments for the Gypsum Canyon Property at a cost of approximately \$400,000. Any additional revenue beyond expenses will be put toward development of the new cemetery and paying off the UAAL.

Each Cemetery Manager then presented information on current staffing, interment options available at that cemetery, history of interment services and space sales, upcoming capital improvements, and maintenance and operation projects.

Vice Chair Hatch asked if staff was excited about the cemetery. GM Deutsch replied that everyone is excited to get out on the property. Vice Chair Hatch commented on the low turnover for employees at the District, stating that it speaks highly of management.

MOTION of Trustee Rivers, seconded by Trustee Nelson and carried by a vote of 4-0 (Trustee Marroquin absent for the vote), adopted Orange County Cemetery District Resolution 2019-07, approving the budget for Fiscal Year 2019-20 and;

District Fund Budget Units

754 General Fund.....	\$5,174,438
756 Endowment Income	\$200
757 Pre-Need	\$225,300


Chair


Secretary

BOARD COMMENTS

CSDA Board Planning Session, Newport Beach, June 26-27, 2019

Trustee Nelson explained that every three years they hold this meeting. Directors go to different work stations that cover varying topics and they can give their comments on the strategic plan.

ISDOC Quarterly Meeting, Fountain Valley June 27, 2019

Trustee Rivers attended and stated that she was surprised that none of the OC LAFCO candidates were present. The topic was on wastewater rates and regulation trends. Overall attendance was down.

ISDOC Executive Committee Meeting, Fountain Valley, July 2, 2019

Trustee Nelson stated that he spoke about the upcoming CSDA Annual Conference in Anaheim. He also mentioned that CSDA award nominations are due July 17th, and stated that electronic ballots for the CSDA election will be forthcoming.

There was some discussion on the GFOA Budget Award that the District recently received, largely due to the efforts of Brenda Manriquez. GM Deutsch stated that the original budget was 48 pages and with all the CAFR requirements included it jumped to 84 pages. For the Budget Award, GM Deutsch said that of the 51 Special Districts that received this award, our District is the only public cemetery district to apply and receive the award. Vice Chair Hatch asked if it is worth the extra work. GM Deutsch said, that like transparency, it is just another indication of good governance.

There was also a brief discussion with General Counsel Steve Quintanilla regarding development impact fees and if the state would allow us to collect fees from developers to offset the costs for services that will be needed because of the development.

ANNOUNCEMENTS

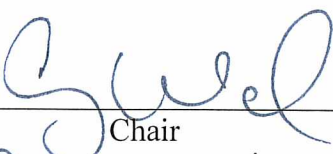
The next Anaheim Historical Tour Planning Meeting is on Friday, July 12, 2019 at 10:00 a.m.

The Anaheim Historical Tour will be held on Friday, July 26th from 7 p.m. to 9:30 p.m.


The next ISDOC Executive Committee Meeting will be in Fountain Valley on August 6, 2019. Trustee Nelson will attend.

The next regular meeting will be held on **Tuesday, August 6, 2019**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

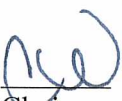
There being no further business, the meeting was adjourned at 1:28 p.m.



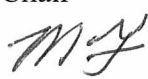
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