

ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
October 1, 2019

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Chair Ward at 10:03 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
	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
 Larry Ryan, RJM Design Group (Arrived at 10:30 a.m.)

PUBLIC COMMENTS - None

CONSENT CALENDAR

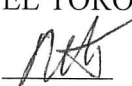
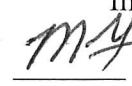
- A. Approval of Minutes – Regular Board Meeting, September 3, 2019.
- B. Approval of October 2019 Check Registers (Claims) Nos. 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65 and 66.

MOTION: of Vice Chair Hatch, seconded by Trustee Marroquin and carried by a vote of 5-0, approved the Consent Calendar.

GENERAL MANAGER REPORTS

Interments and Interment Space Sales Reports – August 2019

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

			<u>2019-2020</u>	<u>2018-2019</u>
ANAHEIM	Interments	9 (7 Urn)	19 (14 Urn)	14 (6 Urn)
	Lot Sales	5	8	7
EL TORO	Interments	53 (21 Urn)	119 (43 Urn)	113 (47 Urn)
 Chair	 Secretary			

	Lot Sales	69	137	149
SANTA ANA	Interments	32 (8 Urn)	48 (11 Urn)	67 (13 Urn)
	Lot Sales	15	19	55
TOTAL	Interments	94 (36 Urn)	186 (68 Urn)	194 (66 Urn)
	Lot Sales	89	164	211

GM Deutsch reported that it was no surprise that Santa Ana space sales are down when compared to the previous year, with the dwindling inventory of interment space. At El Toro Memorial Park, Cemetery Assistant Kim Eazell sold nine niches in the new Maureen Rivers Memorial Niche Garden. She is working her way through the waiting list and has been coming in on Saturdays to accommodate as many families as possible as quickly as possible. Chair Ward asked if that was overtime and if it was accounted for in the budget. GM Deutsch responded yes to both questions.

Financial Reports – August 2019

Brenda Manriquez stated that in August everything was trending as usual. The only item of note for expenses was Account 1400 Maintenance Buildings which has a variance of approximately \$15,000 for YTD Actual Compared to YTD Budget. The overage is due to the rental of crane equipment for the removal of the monument at Santa Ana Cemetery.

September Investment Portfolio Changes

GM Deutsch noted that there were a number of changes during the month of September as indicated on the Board report. The District is staying within terms of two years or less. GM Deutsch also stated that they are currently staying with the Orange County Investment Pool as they are seeing better rates right now. Vice Chair Hatch asked if the Microsoft Bond was purchased on the secondary market. GM Deutsch answered that it was not an original offering. He is also monitoring the investments to make sure the District does not exceed FDIC limits for CD's.

Capital Projects Update

GM Deutsch was pleased to recap the dedication of the new Maureen Rivers Memorial Niche Garden which was held on September 19th. The program honored Maureen Rivers as well as Kirk Hendricks from Christy Vault. GM Deutsch stated it was enjoyed by all and there were about 30 people in attendance representing other cemetery districts from the California Association of Public Cemeteries. GM Deutsch said that our staff served as chefs and made the event even more personable. Chair Ward apologized for missing the event at the last minute. GM Deutsch stated that some cemetery districts could not attend because it conflicted with their board meetings. He will send a survey out to the association members to find out when their board meetings are regularly scheduled. Then dates can be picked for local area meetings that won't cause these conflicts. GM Deutsch also reported that he filed the Notice of Completion for the new niche area the previous day with the County and also reported on the beautiful new facilities recently opened at the County.

GM Deutsch also reported that he is working with contractors to get swing gates installed at Santa Ana Cemetery and is hoping to have that done before the Dia de los Muertos programs.


Chair


Secretary

The Strategic Plan Dashboard

GM Deutsch reported that Larry Ryan from RJM Design Group would be attending the meeting in a few moments to update the board on the site assessments currently going on for the new property at Gypsum Canyon. GM Deutsch also mentioned that labor negotiations with the union are complete and staff is working on implementing the changes agreed upon in the new MOU. Both the Communications and Public Relations Committees met and will give reports later in the meeting. All the Trustees attended the CSDA Conference in Anaheim in varying degrees. The Cemetery Managers also attended for one day as well. Three Trustees will be attending the upcoming CAPC conference in Ventura later this month. GM Deutsch is finalizing the RFP for finding a consultant to assist with the development of the next strategic plan. This will be brought to the Board at either the November or the December Board Meeting.

GM Deutsch requested that the Board move to New Business, Item B at this time.

NEW BUSINESS

Resolution Supporting the Nomination of Kelly Rivers as a Board of Director for the California Association of Public Cemeteries

GM Deutsch explained that in order for Trustee Rivers to run for the Board of the California Association of Public Cemeteries, it requires action by the Board in the form of a resolution supporting her decision to serve on the Board. Chair Ward thanked Trustee Rivers for offering her time and talents to serve in this capacity.

MOTION: of Trustee Nelson, seconded by Trustee Marroquin and carried by a vote of 5-0, adopted Orange County Cemetery District Resolution No. 2019-08, supporting the nomination of Kelly Rivers as Board of Director on the California Association of Public Cemeteries Board.

Investment Advisor Firm Change

GM Deutsch explained that the District’s long-time investment advisor, Sandra Wheeler, had recently left Wells Fargo Advisors and joined the firm of Stifel, Nicolaus & Company, Inc as Vice President/Investments. The District is one of over 30 cemetery districts served by Sandra Wheeler. Trustee Nelson stated that Sandra always goes above and beyond for her clients. In order for the District’s portfolio to be moved from Wells Fargo Advisors to Stifel, GM Deutsch stated that the Board needed to take action to authorize the General Manager to execute the necessary forms to complete the transfer. He also noted that there is no cost to the District as Stifel, Nicolaus & Company is waiving any transfer fees. The Board also agreed that Trustee Nelson should sign any paperwork required from the Board as he is the Chair of the Finance and Investment Committee. Vice Chair Hatch asked if this new firm is public or private. GM Deutsch answered that it is a private firm.

MOTION: of Trustee Nelson, seconded by Trustee Marroquin and carried by a vote of 5-0, authorized the General Manager to execute financial documents for the transfer of the Endowment Principal and Income Funds with Wells Fargo Advisors to Stifel, Nicolaus & Company, Inc.



Chair



Secretary

Chair Ward expressed her gratitude to Trustee Nelson for his guidance on the Finance and Investment Committee.

Larry Ryan from RJM Design Group arrived at 10:30 a.m. GM Deutsch requested that the Board move to Unfinished Business at this time.

UNFINISHED BUSINESS

New Cemetery Development Site Assessment Update

GM Deutsch introduced Larry Ryan from RJM Design Group. Mr. Ryan updated the board on the current site assessments taking place on the property at Gypsum Canyon. He said he has developed the exhibits attached to the Board Report to help local politicians better understand the project and dispel any unwarranted concerns. Mr. Ryan said he anticipates the geotechnical assessment will be completed shortly by Leighton and Associates and they should be able to make some educated decisions based on the findings of the civil engineers from Fuscoe Engineering. LSA concluded an environmental survey which mapped some minor California Gnatcatcher territories and coastal sage scrub habitat. The plan currently envisions the public cemetery on the lower tier of the property.

The Board discussed a possible tour with the Anaheim City Council and reaching out to residents near the 241 Toll Road. Mr. Ryan stated that the public will have traffic concerns and it would be advantageous to educate them about what a public cemetery is as opposed to a federal cemetery and how traffic would differ between the two. He stated that people’s perception of a public cemetery is more negative than a veterans cemetery, so any information we can share with the public to educate them on the facts would be beneficial.

GM Deutsch mentioned that zoning issues still exist and it is important to have a good working relationship with the City of Anaheim, not just for zoning, but for utilities, etc. Mr. Ryan stated that it is important for the District to show how this benefits the public, not just in terms of cemetery space but for other potential uses as well, such as a hiking trailhead for wilderness access. Chair Ward stated that, as a Board, we need to consider what kind of public amenities we can provide that are within our mission as a cemetery district, such as creating reception space for public gatherings. Mr. Ryan stated that people don’t like change so showing how this benefits them is critical.

Trustee Marroquin said that it is important that we don’t bypass elected officials, but go to them first so they can work with their constituents on our behalf. Trustee Nelson commented that the cemetery in and of itself is a much-needed public benefit.

Vice Chair Hatch asked how much planning we can actually do. Mr. Ryan stated that we cannot design for the veterans component until they are all in, but we can design for the infrastructure that will be needed to support future development. Vice Chair Hatch also asked where we would be on this by the end of the 2019. Mr. Ryan stated that he would like to know if the veterans are in or out and he would also like to present an operations plan to the City of Anaheim. GM Deutsch said that the District needs to engage with CalVet.


Chair


Secretary

The Board reviewed a preliminary project schedule which anticipates Anaheim City Council approval of a project plan by November of 2020. Trustee Nelson asked what the current cost estimate is for the initial development. GM Deutsch answered that it is approximately \$25 million, but that is only an estimate and depends on utility costs and how the geotechnical issues play out. The first 25 acres would include the construction of an administration building, maintenance building, and restrooms.

Chair Ward asked if it was feasible to go off grid. Mr. Ryan stated that he understands the Board’s desire to be as green as possible, but it would not be possible to be completely off the grid.

The Board thanked Mr. Ryan for his participation and Mr. Ryan left the meeting at this time.

The Board returned to New Business, Item A.

NEW BUSINESS

Review of Board Policy Manual

Counsel Quintanilla explained that he is recommending the Board change the structure of the Board Policy Manual to a system of articles. Section A and B of the current Board Policy Manual will be incorporated within Article 100 of the new manual. He is also included material on closed session and the Brown Act within Article 100.

Trustee Nelson recommended that the policy on Budget Transfers be removed entirely since we do not do Budget Transfers, but rather rely on the Economic Uncertainty to meet unanticipated expenses. Trustee Nelson said the whole idea of Budget Transfers was a County procedure and not applicable to our District. Brenda Manriquez recommended that we rename the policy as “Budget” and she will write text for it, since a budget policy would be beneficial.


Vice Chair Hatch noted that the text relating to Board decorum had been removed. Counsel Quintanilla said he had removed it since it was implied by our adoption of Rosenberg’s Rules of Order. Vice Chair Hatch would like to see it included again, even if it is rarely needed.

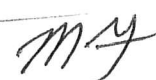
Trustee Nelson stated that the \$60 a day allowance for meal reimbursement in the Article 120 – Trustee Benefits: Expense Reimbursement and Compensation policy is too low and would like to see it increased to \$75 a day plus 20% gratuity.

Vice Chair Hatch requested that the words “very special circumstances” be removed from the Provision of Meals in Conjunction with Board Meetings policy.

GM Deutsch recommended that the policy on Setting and Reviewing of Fees be moved to Article 140 – Finance. He also recommended that the Accessibility Policy in Article 180 include the District website.

There was also some discussion about limiting the amount of time people can speak during the public comment period. Counsel Quintanilla stated the minimum allowed is three minutes.


Chair


Secretary

Counsel Quintanilla stated that he will have redlined versions of all the policies available for the Board to review prior to the November Board meeting.

ITEMS FOR FUTURE AGENDAS

Besides the redlined board policies just mentioned by Counsel Quintanilla, Chair Ward would also like to see a progress report on the distressed Dawn Redwoods at Anaheim Cemetery. GM Deutsch said that he is evaluating bids now and will report on this at the November meeting.

The Board briefly discussed development on the Gypsum Canyon Site and how the District may be impacted if the veterans component does not happen at that site. GM Deutsch stated that the schedule puts us on track to begin development in 2022.

COMMITTEE MEETINGS

Communications and Public Relations Committee Meeting – Sept. 13, 2019

Chair Ward reported that the committee is making plans for two Dia de los Muertos events to both take place on Saturday, Nov. 2nd. The Santa Ana Cemetery event is the first time the District has participated in a Dia de los Muertos program and is working with the office of Supervisor Andrew Do who is co-sponsoring the event. The County is providing the entertainment and Supervisor Do is scheduled to give a welcome address. The Santa Ana event runs from 11 a.m. to 1 p.m. The Anaheim event goes from 5:00 p.m. to 7 p.m. and will be very much the same as in years past. The committee is still looking for a mariachi band and Chair Ward stated that she did not have any groups in mind.

The committee also reviewed the last historical tour to discuss what worked and what could be improved. They agreed that nighttime tours are best. The next tour is scheduled at El Toro Memorial Park for July 2020.

The committee discussed upcoming events in the 2019-20 fiscal year. They include a Veterans Day Program on November 11th, Angel of Hope Candlelight Service on December 6th, and Wreaths Across America on December 14th which are all to be held at El Toro Memorial Park. Anaheim Cemetery will host “The Longest Night” Homeless Memorial Program on December 21st which is organized by Hope 4 Restoration and its founder, Tim Houchen. All three cemeteries will hold Memorial Day Programs in May of 2020.

The committee also discussed public outreach to the communities of Anaheim Hills and Yorba Linda in order to provide them with clear and factual information on development plans for the Gypsum Canyon property. The District may benefit from the help of a professional public relations consultant. GM Deutsch also recommended a separate web page just for information on development plans for the property.

The committee also looked at options for Trustee apparel with the District Logo. The Trustees thought that aprons might be a good idea as well for use at hospitality tables at our various events. If possible, the Trustees would like to have this apparel in time for the next CAPC Annual Conference. Finally, the committee reported on various promotional items that might be good to have on hand such as more orange squeeze balls, flashlights, pens, and individual Kleenex packs.


Chair


Secretary

Finance and Investment Committee Meeting – Sept. 18, 2019

Brenda Manriquez reported that she provided an OCERS update to the Finance and Investment Committee. CalPERS will now charge for administration of Social Security benefits if a 218 agreement is in place. It does not appear that our District has such an agreement, but even if we are eligible to be charged for these fees it would only amount to approximately \$400.

Brenda also provided the committee with an update on the accounting department in the District. She is currently exploring different ERP systems. The District has already gone live with new credit card processing terminals from govpay.net. that are at each work station. Now staff can take credit card payments over the phone and also accept a wider variety of cards including American Express. In the future we will allow people who have 12-month contracts to make their monthly payments on line. We will be hiring a part-time accounting staff member to assist Brenda. A job description has been created and we are hoping to hire the new staff member by the end of the calendar year. She was also happy to report that direct deposit is now available to the Trustees.

Trustee Nelson stated that the committee also reviewed the current investment strategy and will maintain the current plan of short-term investments of two years or less. Sandra Wheeler came to the committee meeting and they discussed her transition from Wells Fargo to Stifel, Nicolaus and Company, Inc.

Trustee Nelson reported that representatives from Municipal Finance Corporation attended the committee meeting. They discussed with the committee various financing options for the development of the new cemetery, primarily focusing on installment sale agreements. Trustee Nelson said the committee is also exploring private placement of our own bonds. Chair Ward asked if the Board could get a presentation on all the different options available. GM Deutsch stated that the District currently has about \$10 million for the first phase of development.

BOARD COMMENTS

CSDA Board Meeting, Sacramento, September 6, 2019

Trustee Nelson attended this meeting and stated they approved the strategic plan. They now have six field coordinators. They also reviewed 2020 event fees.

CAPC Local Area Meeting, El Toro Memorial Park, September 19, 2019

Trustee Nelson and Trustee Rivers both attended the meeting and dedication of the new Maureen Rivers Memorial Niche Garden. Darrell Rivers did a good job on his presentation and the staff preparing lunch was a really nice and personal addition to the program.

Meeting with Supervisor Wagner’s Staff, Flag Retirement Program, September 20, 2019

Trustee Nelson attended this meeting. They discussed how the flags are being acquired as well as potential fire concerns.

	
Chair	Secretary

Site Tour with Assemblymember Choi, September 23, 2019

All of the Trustees attended this event. Chair Ward praised GM Deutsch stating he did a very good job representing the District. The Board agreed that this was a very important event and it was well done.

CSDA Annual Conference, Anaheim, September 25-28, 2019

Trustee Nelson, Trustee Rivers and GM Deutsch attended the entire conference. Trustee Marroquin, Trustee Hatch and Chair Ward attended a part of the conference. The three cemetery managers also attended for one day. Everyone remarked that the conference was good. Trustee Nelson said there were over 850 people in attendance.

ISDOC Executive Committee Meeting, Fountain Valley – October 1, 2019

Trustee Nelson attended and said they discussed the 50th anniversary of CSDA and Special Districts Week which occurred the same week as the CSDA Annual Conference.

ANNOUNCEMENTS

The CAPC Annual Education Seminar and Area Meeting will take place in Ventura, Oct. 11-12th. Trustee Nelson, Trustee Rivers, Trustee Marroquin and Board Secretary, Mary Funk will attend.

The CSDA Member Services Committee Meeting will be held in Sacramento on October 24, 2019. Trustee Nelson will attend.

The next ISDOC Quarterly Meeting will be held in Fountain Valley on October 24, 2019. Trustee Rivers, Trustee Marroquin and GM Deutsch will attend.

Dia de los Muertos programs will be held on November 2nd at Santa Ana Cemetery from 11 a.m. to 1 p.m. and at Anaheim Cemetery from 5 to 7 p.m. Trustee Marroquin, Trustee Rivers and Chair Ward will attend.

The next ISDOC Executive Committee Meeting will be held on November 5, 2019. Trustee Nelson will attend.

The Veterans Day program will be held at El Toro Memorial Park on November 11, 2019.

The next regular meeting will be held on **Tuesday, November 5, 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 1:20 p.m.

Chair

Secretary

Chair

Secretary