

**ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
July 6, 2021**

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via video conference by Vice Chair Nelson at 10:01 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 Vice Chair Nelson.
Roll Call by Board Secretary, Mary Funk.

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

ABSENT:	Maribel Marroquin, Chair	First District
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STAFF:	Tim Deutsch, General Manager
	Brenda Manriquez, Finance and Accounting Manager
	Mary Funk, Board Secretary

ALSO PRESENT: Steve Quintanilla, General Counsel

PUBLIC COMMENTS

U.S. Veteran Ron Bengochea could not attend the meeting, but requested that an email be read thanking all of the Trustees for the support they have shown through their actions, comments, and efforts in advocating for a veterans cemetery in Orange County.

CONSENT CALENDAR

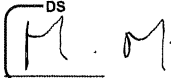

- A. Approval of Minutes – Regular Board Meeting, June 1, 2021.
- B. Approval of the July 2021 Check Registers (Claims) Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16.

MOTION: of Trustee Hatch, seconded by Trustee Ward and carried by a roll-call vote of 4-0 (Chair Marroquin absent for the vote), approved the Consent Calendar.

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – May 2021

The following interment and interment space sales for May 2021 were reviewed:

	
Chair	Secretary

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			<u>2020-2021</u>	<u>2019-2020</u>
ANAHEIM	Interments	10 (6 Urn)	115 (78 Urn)	69 (45 Urn)
	Lot Sales	5	61	35
EL TORO	Interments	82 (26 Urn)	896 (276 Urn)	623 (199 Urn)
	Lot Sales	117	1,174	659
SANTA ANA	Interments	13 (6 Urn)	287 (105 Urn)	276 (62 Urn)
	Lot Sales	5	116	153
TOTAL	Interments	105 (38 Urn)	1,298 (459 Urn)	968 (306 Urn)
	Lot Sales	127	1,351	847

GM Deutsch stated that while the numbers have dropped slightly, the cemeteries are still busy. Anaheim conducted ten services in May. Year-to-date they have completed 61 interments which is 26 more when compared to the previous year. Anaheim had one COVID related death.

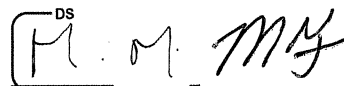
El Toro once again had triple digit numbers for space sales with 117 sales for the month. At the present rate of sale, we expect inventory to last for another 4 to 5 years. Pre-Need sales remain very strong with 72 casket sales compared with 29 At-Need casket sales. People are understanding that El Toro is starting to run out of inventory. In May we opened 24 12-month contracts which is a record for a single month. GM Deutsch reminded the Board that we will not see revenue on those contracts next month as it will be spread out over the course of the next year. There are 548 niches remaining in the Maureen Rivers Memorial Niche Garden.

El Toro Memorial Park conducted 82 interments in May which brings the year-to-date total to 896 interments. This used to be about the number of services all three cemeteries combined would conduct in a year. There were three COVID related deaths in May at El Toro.

Santa An Cemetery had five interment space sales and completed 13 interments in May. Year-to-date they have completed 287 interments, which is 11 more when compared to the previous year. The cremation rate at Santa Ana Cemetery is naturally going up with the absence of available casket space. The current cremation rate at Santa Ana Cemetery is 46.15%. There were no COVID related deaths at Santa Ana Cemetery in May.

Overall, the District had 127 space sales and year-to-date that number is 1,351. This is over 500 more sales when compared to the previous year. The District conducted 105 interments in May with a year-to-date total of 1,298. That is 330 more interments when compared to the previous year. Since the start of the pandemic the District has conducted 214 COVID related interments.

In terms of remaining space availability, El Toro has approximately 3,800 casket spaces remaining primarily in Centennial, Hillside 3, Park Vista and Los Alisos 35. Anaheim Cemetery is holding 13 casket spaces in case any sold spaces turn out to be unusable due to tree roots or other conditions. Santa Ana shows 72 casket spaces available but that number is probably closer to 50. As expected, the Income Statement shows that revenues from El Toro are offsetting the expenses for all three cemeteries.


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B. Financial Reports – May 2021

Brenda Manriquez reported that everything is looking really good. The District hit \$7 million in revenue and believes that is the highest number we have ever seen. She does not anticipate that to continue. This has made up for the low numbers for interest and the District has also received more property tax than expected. As the monthly activity report indicated, the District is way over on revenue for interment services and space sales, already far exceeding what was budgeted for the year.

For expenses, nothing new popped out. Any variances are primarily due to the timing of invoices and when they are paid. Brenda Manriquez also noted that the numbers will true up with the year end. She is getting the trial balance prepared for the auditors. For equipment, the backhoe was received so the \$97,000 for that piece of equipment has been added in. In Buildings and Improvements there was a small amount of approximately \$25,000 for work completed by LSA on the new cemetery property.

The fund balance is showing about \$4 million in unassigned, so we are on track for being able to move approximately \$1.6 million to New Cemetery Development. We are continuing to accrue money to the County account. When third party investor rates improve the District will start moving money out.

C. Investment Portfolio Changes – June 2021

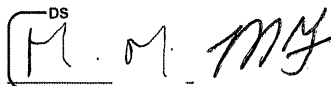
GM Deutsch reported that while investments are still running at about 50 basis points, it is getting harder and harder to find investments with those rates. The District is continuing to do the best we can to stay within the two-year terms. The Finance and Investment Committee will meet as we approach the Fall and move to the next steps in developing the new cemetery. GM Deutsch briefly noted the funds that will be maturing in the next six months and noted the dismal rates currently posted, cautioning that the OCIP rate is a month behind.

D. Capital Projects Update

GM Deutsch said that there is not much to report this month as all projects for the fiscal year now ending have been completed. He will be posting new projects for the upcoming fiscal year for each cemetery. The Fixed Asset report shows the CEQA study costs from LSA and the backhoe that was received last month. GM Deutsch said that he is working on purchases coming up for the next fiscal year.

E. COVID-19 District Update

GM Deutsch said that despite the State reopening in June, all three cemetery offices still remain closed to the public. Staff is currently considering the best ways to reopen the offices to the public. GM Deutsch noted that staff has done a great job over the last year and half meeting the needs of families with the limitations that were imposed. GM Deutsch explained that the Governor has allowed the suspension of the Brown Act through September that has allowed public meetings to be held remotely. Counsel Quintanilla recommended that during this time, we continue to post Board Meetings as remote, but allow Board Members who want to attend in person the ability to do so. In October, we will return to the original requirements and Trustees who attend remotely must post the agenda at their location. Trustee Ward said she would appreciate the ability to continue to teleconference.


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At 10:30 a.m. the Board adjourned to Closed Session.

CLOSED SESSION

Conference with Legal Counsel – Potential Initiation of Litigation pursuant to Government Code Section 54956.9
One potential case.

The Board reconvened from closed session at 11:38 a.m. Counsel Quintanilla stated that no reportable action took place.

GENERAL COUNSEL REPORT

Counsel Quintanilla reported that an additional \$2 billion is available in grants to cover funeral costs for families who have experienced a COVID related death. GM Deutsch said the staff is aware and have been reaching out to educate families about this reimbursement opportunity. Counsel Quintanilla also reported that CSDA has been successful in getting Special Districts included in COVID reimbursement. Vice Chair Nelson said that there is approximately \$100 million in funds available for this purpose.

UNFINISHED BUSINESS – None

NEW BUSINESS - None

A. CSDA Board of Directors Election 2021

GM Deutsch explained that the Board needs to vote for a candidate to fill a seat as a CSDA Southern Network Director. There are currently 9 candidates running. The incumbent is Jo MacKenzie of the Vista Irrigation District. GM Deutsch asked if any of the Trustees had any recommendations. Vice Chair Nelson recommended Jo-Anne Martin from Placentia Library District stating that it would be nice to have the perspective of a library district on the board and she is also from Orange County.

MOTION: of Vice Chair Nelson, seconded by Trustee Ward and carried by a roll-call vote of 4-0 (Chair Marroquin absent for the vote), approved the selection of Jo-Anne Martin of Placentia Library District for the CSDA Southern Network Director for 2022-2024.

ITEMS FOR FUTURE AGENDAS - None

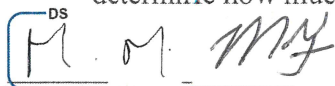
BOARD COMMENTS

A. CSDA Fiscal Committee Meeting, June 2, 2021 (Virtual)

Vice Chair Nelson attended this meeting, stating that CSDA has collected 99.2% of the \$4 million in dues. Expenses have been low for the year, due to the lack of events.

B. CSDA Member Services Committee Meeting, June 3, 2021 (Virtual)

Vice Chair Nelson attended this meeting. He stated that CSDA membership retention is at 97%. For recruitment they have acquired 52 new members. Twenty-seven members are participating in the new “Pay As You Go” program that allows those members to determine how much they can afford to pay.


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C. State Veterans Cemetery Press Conference, Gypsum Canyon, July 1, 2021

Vice Chair Nelson and GM Deutsch attended this event. Vice Chair Nelson reported that there were approximately 80-90 people there including Nick Berardino, Bill Cook, Supervisor Do, Supervisor Wagner, District Attorney Todd Spitzer, and Council Members from the City of Anaheim, who are all in favor of the veterans locating to the Gypsum Canyon site.

ANNOUNCEMENTS

A. ISDOC Quarterly Meeting, July 29, 2021

Vice Chair Nelson, Trustee Rivers, and GM Deutsch are planning to attend.

B. CSDA Fiscal Committee Meeting, August 19, 2021 at 10:00 a.m.

Vice Chair Nelson will attend this meeting.

C. CSDA Annual Conference, Aug. 30 – Sept. 2, 2021 in Monterey, CA

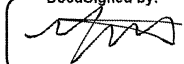
Chair Marroquin and GM Deutsch will attend this conference.


D. CAPC Education/Area Meeting, Oct. 8-9, 2021, San Luis Obispo

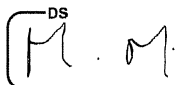

Chair Marroquin, Vice Chair Nelson, and Trustee Rivers will attend this meeting.

The next regular meeting will be held on **Tuesday, August 3, 2021**, 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 11:59 a.m.

DocuSigned by:

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Chair


Secretary

 
Chair Secretary