

**ORANGE COUNTY CEMETERY DISTRICT**

**Board of Trustees**

**April 2, 2019**

**MINUTES**

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Chair Cynthia Ward at 10:02 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

**PUBLIC COMMENTS - None**

**CONSENT CALENDAR**

- A. Approval of Minutes – Regular Board Meeting, March 5, 2019.
- B. Approval of April 2019 Check Registers (Claims) Nos. 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161 and 162.

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

**GENERAL MANAGER REPORTS**

**Interments and Interment Space Sales Reports – February 2019**

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

			<u>2018-2019</u>	<u>2017-2018</u>
ANAHEIM	Interments	9 (3 Urn)	45 (23 Urn)	52 (29 Urn)
	Lot Sales	1	18	19
EL TORO	Interments	45 (20 Urn)	409 (150 Urn)	426 (143 Urn)
	Lot Sales	57	472	448

  
Chair

  
Secretary

SANTA ANA	Interments	28 (6 Urn)	238 (36 Urn)	224 (30 Urn)
	Lot Sales	22	183	185
TOTAL	Interments	82 (29 Urn)	692 (209 Urn)	702 (202 Urn)
	Lot Sales	80	673	652

GM Deutsch reported that activity is following the normal trends. El Toro Memorial Park had 24 more space sales year-to-date when compared to the previous year. Vice Chair Hatch asked if this was due to an aging population or just people worried about the parks running out of space. GM Deutsch answered that at El Toro 75% of the space sales in February were for pre-need and 81% of the sales were for casket space. El Toro’s numbers may be going up as options for casket are not available at Anaheim, and pre-need casket sales are no longer an option at Santa Ana Cemetery. GM Deutsch also noted, that at El Toro Memorial Park, niche sales may be down because people are waiting for the new niche feature to be completed. He also explained that some people have already expressed an interest in exchanging spaces from some of the older niches to the new niche area. At the May Board meeting GM Deutsch will be presenting a rate structure for the new niche area for the Board to review and approve. Even with the project delays, GM Deutsch is still hopeful that the project will be complete before the end of the fiscal year on June 30<sup>th</sup>. When rates are discussed he will also present the Board with information regarding the costs of the project versus the expected revenue that should be generated from the sale of the new niches and the inurnments in those spaces.

GM Deutsch also mentioned that 8 full casket spaces in El Toro Memorial Park’s Live Oak section were recently sold back to the cemetery. A question arose from the Board as to whether or not we will resell a space after a disinterment occurs and ownership of the space is returned to the cemetery. GM Deutsch said that the District will resell these spaces since they are perfectly usable gravesites, however, we typically wait for some period of time for the ground to resettle and the lawn to come back before offering the site for sale. Vice Chair Hatch asked for clarification as to the location of Hillside 3. GM Deutsch described its location as running from the rear entrance of the park back towards Trabuco Road behind Park Vista. GM Deutsch reported that Santa Ana sales are staying basically level with the prior year. Niche sales represented 13% of sales which is typical for Santa Ana.

Overall the Income Statement showed a net loss of \$19,266. This is partly due to February not being a big month for property tax distribution. GM Deutsch also said he would keep the Board informed of any notable or out of the ordinary interments occurring in any of the parks.

Counsel Quintanilla arrived at 10:15 a.m.

**Financial Reports – February 2019**

Brenda Manriquez said that the financial report is looking very good. Revenues are on schedule and the District is slightly ahead on property taxes. Interest is also doing extremely well and is approximately \$50,000 over budget. The last piece of equipment was paid for in early March. There is approximately \$660,000 remaining to be paid to Horizons for the capital improvement project. With the \$750,000 that was committed, there is \$9.555 million for land acquisition and new cemetery development.

  
Chair

  
Secretary

Trustee Nelson asked where we stand on changing over the accounting system from the County to in-house operations. GM Deutsch said that Brenda Manriquez is going through a learning curve as she transitions to this new position. It is important for her to understand how operations work currently in order to have a smooth transition to in-house operations, as there will be some time when dual systems are operating. In addition, we do not want to make this change at the end of the fiscal year, as this is a very busy period. GM Deutsch anticipates that within six months we will be able to have everything fully transitioned from the County to our own in-house operations. GM Deutsch said we are also reaching out to other agencies like Vector Control who have made similar transitions. This way he is hoping to reduce as many glitches as possible. Vice Chair Hatch noted that it is inevitable that some glitches will occur. GM Deutsch said he hopes to update the Finance and Investment Committee in May about possible ERP systems the District is considering. GM Deutsch stated that another area staff wants to look at are the processing of credit card transactions and being able to take payments on-line and over the phone. Vice Chair Hatch asked if all of these changes would be of any concern to the auditors. GM Deutsch answered that, if anything, it will streamline operations, adding that we will need to develop policies and procedures for these new systems.

GM Deutsch reminded the Board that we will still use the County for payroll processing and OCERS. There was some brief discussion about not being able to accept American Express credit cards, merchant fees, and how the District’s 12-month contracts function.

**March Investment Portfolio Changes**

GM Deutsch reported that March was a very busy month for investments with activity in Wells Fargo Advisors in the Endowment Principal Fund, UBS Financial Services with both the Endowment Principal Fund and the Endowment Income Fund, and Kreisler/Fund X in the Pre-Need Fund. GM Deutsch noted that we are buying investments with shorter lengths of maturity in order to increase liquidity, but we are still getting decent rates. Trustee Nelson commented that short term is good because, right now, the rates are about the same as long term. Chair Ward thought that, traditionally, long term investments paid better. Trustee Nelson, said normally that is the case, but not right now. Vice Chair Hatch said they do not anticipate increases in interest rates in the near future. GM Deutsch also noted that he and Counsel Quintanilla are exploring the possibility of issuing and buying our own bonds as a means of financing the new cemetery.

**Capital Projects Update**

GM Deutsch said that with the good weather work is being completed at a quicker pace. The niches are now in and concrete is being poured at the base of the columns. GM Deutsch will continue to update the Board between now and the May meeting and expects to present the board with pricing information to approve at that meeting. Work is complete at Santa Ana Cemetery, however, the inspector did say that there are old permits on past projects that are still outstanding. Final approval will not be given until these old issues are corrected. GM Deutsch is working to correct these records and then the restroom can be officially open for public use. He also noted that the last piece of equipment purchased will be on next month’s report.

**The Strategic Plan Dashboard**

In regards to the new land from the County, GM Deutsch stated that he and Counsel Quintanilla will be signing the land transfer documents that day at 1:30 p.m. This will officially make the District owners of the land. GM Deutsch said that the District will be maintaining access to the

  
Chair

  
Secretary

site for OC Parks and the Orange County Fire Authority. GM Deutsch also confirmed that any change to the use of the Veterans portion of the land should not impact the District's ability to develop the new public cemetery. Chair Ward asked if the County was able to change the zoning. GM Deutsch said he has been invited to attend a meeting with officials from the city of Anaheim including the Mayor, the City Manager and David Belmer who is in charge of planning. GM Deutsch will share the District's conceptual ideas and discuss rezoning from a specific plan to open space. Chair Ward was concerned there may be a conflict of interest since she just accepted a contract to work as a consultant for the City of Anaheim on a different project. Counsel Quintanilla stated that this would not present a conflict of interest.

GM Deutsch also mentioned that Supervisor Do is requiring that 10% of the public cemetery be reserved for allied veterans. Chair Ward stated that if we are going to provide dedicated space for allied veterans, it needs to be for all allies from all conflicts, not just for Korea and Vietnam. GM Deutsch said he also got a call from Nick Berardino who is the President of the Veterans Alliance of Orange County. Since it is likely that the public cemetery will be operational before the veterans cemetery, he wanted to know if we would consider dedicating a portion of the public cemetery just for veterans. Since we will be dedicating a portion of the land for Supervisor Do's request, it makes sense that we could also reserve an area for U.S. Veterans.

In the next few weeks GM Deutsch would like to organize a visit to the site with all of the trustees. He will also be meeting with the design team to initiate the first studies needed for surveying, topography and site conditions. Chair Ward heard rumors about homeless people who may be staying on the property and wanted to know what our liability is if that is true. Counsel Quintanilla said that if we know they are there we have an obligation to make efforts to have them vacate the property. If we do nothing, then we could be liable.

In other matters for the Strategic Barometer, revenues exceeded expenditures in February by \$526,000. Vice Chair Hatch and Trustee Marroquin will be receiving SDF's Recognition in Special District Governance and will be presented with certificates at the CSDA Conference in Anaheim in September. Chair Nelson asked about starting the next strategic plan, since the current one ends in December 2019. GM Deutsch said that he will be putting a request out for proposals and we will probably start work on a new strategic plan in August or September.

### **Special District Risk Management Credit Incentive Program & Loss Prevention Fund**

GM Deutsch explained that each year the District participates in two cost saving programs offered by Special District Risk Management Authority. One program allows members to reduce their property/liability and workers compensation premiums and the other reimburses a member for safety related training material or expenses. Now that the District has been with SDRMA for five years, we can now earn the maximum points in the program. This will result in a savings of over \$11,000 for the Worker's Compensation premiums and a savings of over \$3,000 for the District's Property and Liability premiums. We will also be receiving the maximum reimbursement of \$1,000 for safety related training and expenses.

### **Accessibility of State and Local Government Websites to People with Disabilities**

Counsel Quintanilla provided staff with information regarding required changes to State and Local Government websites to make them more accessible to people with disabilities. The District sent the documentation to our website designer, Susan Finch, and she has been using an

  
Chair

  
Secretary

application through WebAim to identify and correct problems on our District website that are not in compliance with the web content accessible guidelines. Much of the issues have to do with making sure our website content is searchable and readable by screen readers and other assistive technology used by people with disabilities to perceive and interpret information presented on websites. She and staff member Mary Funk are also completing a four-module training course that will teach them how to create Word and PowerPoint documents that are accessible as well as how to edit and create PDFs that meet compliance. Mary Funk explained that the changes include a wide variety of issues from text formatting, the use of color and contrast, how hyperlinks are formatted, and the use of Alt Text for pictures and complex images like charts and tables. She added that the District will never reach a point where it is completely, 100% accessible for every person with any type of disability simply because the number and types of visual, auditory and cognitive disabilities are so diverse. But we can always strive to continually improve our accessibility to meet the diverse needs of as many users as possible.

**UNFINISHED BUSINESS - None**

**NEW BUSINESS**

**California Special Districts Association, Board of Directors Call for Nominations**

GM Deutsch explained that Trustee Nelson’s term on the CSDA Board of Directors is ending and he does not intend to run again. CSDA has issued a call for nominations and Trustee Rivers has expressed an interest in running for the seat. In order for Trustee Rivers to be nominated our Board must act to support her nomination. Once the Board approves the nomination, Trustee Rivers must submit an application packet and a copy of the minute action to CSDA before the deadline of April 17, 2019. When nominations have closed the District will be sent an electronic ballot which must be cast no later than 5:00 p.m. on August 9, 2019. The successful candidate will be notified and then introduced at the Annual Conference in September.

**MOTION:** of Chair Ward, seconded by Trustee Marroquin and carried by a vote of 5-0, supported the nomination of Kelly Rivers for the California Special Districts Association Board of Directors, Southern Network – Seat B.

There was some discussion about the best way for Trustee Rivers to campaign for the seat. Trustee Nelson stated that Chris Palmer could provide Trustee Marroquin and Trustee Rivers with a list of member districts. Trustee Nelson recommended that Trustee Rivers visit those Districts to introduce herself and to ask for their vote. It was also suggested that the General Manager draft a letter of endorsement on behalf of Trustee Rivers to be sent to the General Managers of member districts. Trustee Nelson also suggested that she attend chapter meetings stating that the next Quarterly ISDOC Meeting is on June 27<sup>th</sup>.

**ITEMS FOR FUTURE AGENDAS - None**

**BOARD COMMENTS**

**CAPC Annual Conference, Monterey Bay, March 7-9, 2019**

Trustee Rivers, Vice Chair Hatch and Trustee Marroquin all attended the CAPC Annual Conference. All of the trustees stated they enjoyed the seminars. Vice Chair Hatch asked if we

  
Chair

  
Secretary



had a written plan on harassment and hostile work environments. Both GM Deutsch and Counsel Quintanilla confirmed that the District does have that in place. Vice Chair Hatch said he enjoyed the feeling of camaraderie at the conference and particularly enjoyed the dialog in the question and answer session with the Trustees and General Managers.

**ISDOC Quarterly Meeting, Fountain Valley, March 28, 2019**

Trustee Nelson, Trustee Marroquin, Trustee Rivers and GM Deutsch all attended the ISDOC Quarterly Meeting. Trustee Nelson stated that Neil McCormick gave an outstanding presentation on CSDA, noting that the association has tripled in size over the last ten years. Trustee Marroquin stated that she was interested in the recap of legislative bills that had passed. Trustee Rivers stated that it was very informative and an excellent meeting.

**ISDOC Executive Committee Meeting, Fountain Valley, April 2, 2019**

Trustee Nelson stated that they also discussed the requirements for websites by 2020 and agenda posting requirements. He noted that the company Streamline is offering a 50% discount and questioned if that was something our District might be interested in. GM Deutsch said he could look at that. At the Executive Committee Meeting, Trustee Nelson also announced the upcoming CSDA Legislative Days that is being held on May 21-22<sup>nd</sup>. GM Deutsch noted that he had already reserved one hotel room in case anyone wants to attend. Trustee Nelson said he is still thinking about it. No one else expressed an interest in participating.

**ANNOUNCEMENTS**

There will be a planning meeting on Wednesday April 3<sup>rd</sup> at Anaheim Cemetery to discuss the upcoming historical tour taking place in July. Trustee Rivers and Trustee Marroquin will attend. Trustee Ward will also attend but will be late arriving due to a prior scheduled engagement.

The CSDA Board Meeting in Sacramento is on April 5, 2019. Trustee Nelson will attend.

The Orange County Council of Government is holding its General Assembly on April 12<sup>th</sup> in Anaheim. GM Deutsch, Trustee Rivers and Trustee Marroquin will all attend. Trustee Ward has not decided if she will attend.

The ISDOC Executive Committee Meeting will be held on May 7, 2019 in Fountain Valley. Trustee Nelson will attend.

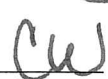
The Special District Legislative Days will be held in Sacramento on May 21-22, 2019.

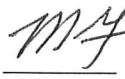
The next regular meeting will be held on **Tuesday, May 7, 2019**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

There being no further business, the meeting was adjourned at 12:11 p.m.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Secretary