

**ORANGE COUNTY CEMETERY DISTRICT  
Board of Trustees  
January 5, 2021**

**MINUTES**

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via video conference by Chair Marroquin 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 Rivers.  
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Maribel Marroquin, Chair	First District
	William E. Nelson, Vice Chair	Third District
	Kelly Rivers	Second District
	Cynthia Ward	Fourth District (arrived 10:30 a.m.)
	Noel Hatch	Fifth District

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

ALSO PRESENT: Steve Quintanilla, General Counsel  
Kinnaly Soukhaseum, Eide Bailly  
Larry Ryan, RJM Design Group  
Craig Sensenbach, RJM Design Group  
Tamara McClory, RJM Design Group

**PUBLIC COMMENTS - None**

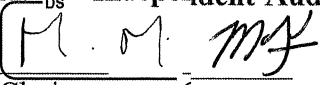
**AWARDS**

GM Deutsch expressed his appreciation to Trustee Hatch for serving as the 2020 Board Chair. Trustee Hatch was presented with a plaque in honor of his first term as Board Chair. Trustee Hatch stated that it was a pleasure to work with staff and his fellow trustees to achieve common goals.

GM Deutsch stated that he would wait until Trustee Ward joined the meeting to present her award for completing ten years of service as a Board Trustee.

GM Deutsch requested that the Board move to New Business so that Kinnaly Soukhaseum with Eide Bailly could present the Auditor's report.

**NEW BUSINESS**

**Independent Auditor's Report**  
  
Chair                      Secretary

O.C.C.D. – Minutes

January 5, 2021

GM Deutsch introduced Kinnaly Soukhaseum with Eide Bailly to present the financial statements and the auditor's report for the fiscal year ending June 30, 2020. Ms. Soukhaseum provided a PowerPoint presentation to the Board, adding that submitting a Comprehensive Annual Financial Report (CAFR) goes above the standard requirements of typical financial statements. The Finance and Accounting Manager, Brenda Manriquez commented on the first part of the presentation, stating that the District's net position for 2020 is at almost \$49 million with an increase in net position of about \$3.4 million. The combined fund balance is almost \$32 million. Expenses in 2020 were lower by almost \$185,000. Brenda Manriquez also discussed the ten-year history of revenue for interment services and space sales with charts showing the breakouts for each cemetery location. She pointed out the dollar amount collected in Endowment Care Fees and noted the expected decrease at Santa Ana now that casket space is sold out.

Kinnaly Soukhaseum stated that Eide Bailly has issued a clean opinion with no exceptions found and no instances of non-compliance. In addition, she stated that there were no exceptions to the Gann Limit and no material weaknesses. She did note that GASB 95 is putting a delay of one year to 18 months on upcoming pronouncements. She stated that the only upcoming GASB pronouncement that might impact the District is GASB 87, which relates to leases and may be relevant due to the District's cell phone tower leases. Brenda Manriquez noted that it may not be material enough to report on the District's financial statements.

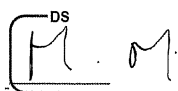

There was some brief discussion on the use of the Economic Uncertainty Fund with Trustee Nelson commenting that he felt the budget should not be changed, but to rather report why the Board approved the expenses knowing that it would be over budget. GM Deutsch and Brenda Manriquez said they could explore a different way to report the Economic Uncertainty Fund for next year's budget.

Brenda Manriquez stated that this CAFR has been submitted for award with GFOA, but she does not expect to hear any updates on the award for seven to nine months. Both Trustee Hatch and Trustee Nelson expressed their appreciation for the work of staff and the auditing firm in preparing the detailed CAFR and this presentation. GM Deutsch said he looks forward to the next engagement with Eide Bailly and is looking forward to getting the final copies of the audit. Ms. Soukhaseum left the video conferenced meeting at this time.

### CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, December 1, 2020.
- B. Approval of the January 2021 Check Registers (Claims) Nos. 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, and 112.
- C. Approval for the excused absence of Trustee Cynthia Ward at the December 1, 2020 Board Meeting.

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



  
 Chair Secretary

O.C.C.D. – Minutes

January 5, 2021

**MANAGER REPORTS****A. Interments and Interment Space Sales Reports – November 2020**

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

			<u>2020-2021</u>	<u>2019-2020</u>
ANAHEIM	Interments	9 (4 Urn)	41 (27 Urn)	39 (26 Urn)
	Lot Sales	3	21	16
EL TORO	Interments	63 (18 Urn)	361 (122 Urn)	294 (102 Urn)
	Lot Sales	86	457	381
SANTA ANA	Interments	20 (9 Urn)	147 (48 Urn)	123 (30 Urn)
	Lot Sales	10	67	55
TOTAL	Interments	92 (31 Urn)	549 (197 Urn)	456 (158 Urn)
	Lot Sales	99	545	452

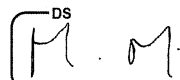

GM Deutsch reported that the numbers continue to grow, with El Toro Memorial Park continuing to report the bulk of the activity. El Toro had 86 space sales for November and 63 interments. GM Deutsch stated that the current burial calendar for El Toro is completely full until February 1<sup>st</sup>. He is discussing with staff the option of increasing the number of services conducted each day or possibly having services again on Sunday, which have been suspended since the start of the pandemic. GM Deutsch said he has also talked with Santa Ana Cemetery Manager, Julio Amarillas, and they agree it would be possible to transfer another staff person from Santa Ana to help carry the load at El Toro. GM Deutsch stated that he does not foresee any decline in the demand for burial space anytime in the near future. Staff is doing a great job of keeping up as best they can. Robert Hernandez, the new Receptionist/Secretary for El Toro Just started on January 4<sup>th</sup> which should help alleviate some of the stress in the El Toro office. Overall, District-wide there were 99 space sales and 92 interments, which is six more than the same period last year. Since March, the District has handled 70 COVID cases.

Trustee Nelson asked staff knows when it is a COVID case. GM Deutsch said that staff asks families directly and for the most part they are very transparent. We also get information from the mortuaries who are handling the cases.

**AWARDS**

Trustee Cynthia Ward joined the meeting at approximately 10:30 a.m. GM Deutsch and the Board congratulated Cynthia on completing ten years as a Orange County Cemetery District Trustee.

Chair Marroquin asked GM Deutsch if there had been any further issues with the person who had sent the letter of complaint to the Board regarding maintenance at El Toro Memorial Park. GM Deutsch said he reached out to the person requesting more detailed information on the complaint so he could do a more thorough investigation, but the individual did not return his call. GM Deutsch stated that if there are any further developments he would let the Board know.


  
 Chair Secretary

**B. Financial Reports – November 2020**

Brenda Manriquez reported that in terms of revenue, everything with the exception of interest looks good. The District had \$500,000 more in revenue than operating expenditures and has received about \$400,000 in secured property taxes. She stated that the Board should see a big chunk of property tax revenue on next month's report. Everything is trending normally with no unusual activity. Low interest rates continue to be a problem with year to date earnings only being about 50% of what was budgeted.

Expenditures have seen small ups and downs depending on the timing of when invoices are received and when they are paid. Brenda Manriquez commented that the County is improving with its ability to pay claims and now has about a two-week turn-around. The District had about \$15,000 in equipment expenditures in November for the Yamaha Golf Cart at El Toro and the backhoe bucket attachment for Santa Ana.

There were about \$755,000 in charges incurred for Buildings and Improvements in November, with the bulk of that being the final payment to Ben's Asphalt for the Santa Ana paving project. She noted that the District will see the final payment to All American Asphalt in December with retention likely paid in January for the El Toro paving project.

Vice Chair Nelson asked where we are in bringing accounting in house. Brenda Manriquez stated that, now that the audit and CAFR are complete, she will turn her attention back to that task. She is favoring three potential software products and noted that the part-time accounting technician, Diana Vosler, has been a tremendous help and is taking on much more of the day-to-day tasks. She stated that this will allow her to focus on bringing accounting fully in-house.

**C. Investment Portfolio Changes – <sup>December</sup> ~~November~~ 2020**

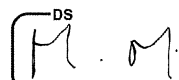
*December MA*


GM Deutsch stated that for December there was a lot of activity. Stifel and UBS are doing their best to keep investments above 1% or to stay on par with the yields attained by the Orange County Investment Pool and CalTRUST. There are a lot of municipal bonds and some corporate bonds. GM Deutsch stated that he also added an additional page to the report that shows investments expected to mature within the next six months. Of course, this does not include early calls.

Trustee Hatch asked if any of the investors had any predictions as to what the financial future may hold. GM Deutsch said that, unfortunately, no one has a crystal ball that can predict what may happen. Brenda Manriquez added that unless there is some kind of drastic change, she does not expect any changes soon, stating that the Federal Reserve just wants to keep things steady. Vice Chair Nelson stated that he would like to discuss further whether the District should be investing as far out as 2025 or whether we should have shorter two-year maturities. GM Deutsch said that this can certainly be discussed in more depth at the next Finance and Investment Committee Meeting.

**D. Capital Projects Update**

GM Deutsch stated that there are very few changes from the November report. The only equipment paid was the golf cart and the bucket attachment as mentioned in the Financial Report. The backhoe is on back order, so no payment has been made.

  
Chair

  
Secretary

GM Deutsch recommended that the Board return to New Business since it was not quite time for staff from RJM to join the video conferenced meeting.

**NEW BUSINESS**

**B. Equipment Purchase Approval**

GM Deutsch reminded the Board that, as a government entity, the District is able to participate in cooperative purchasing programs which provide the District with the lowest competitive bid on each piece of equipment. Staff would like to purchase a Toro ProLine Mower for Santa Ana Cemetery at a cost of \$32,785.90 which is \$8,482.41 below budget.

**MOTION:** of Trustee Hatch, seconded by Trustee Rivers and carried by a roll-call vote of 5-0, approved the purchase of the Toro ProLine H800 Mower in the amount of \$32,785.90 and authorized the General Manager to execute the purchase order.

**C. ISDOC Executive Committee Third Vice President Nomination**

GM Deutsch stated ISDOC has a vacancy for the Third Vice President position. If a Trustee was interested in being nominated, it would require the Board to adopt a resolution in support of the Board Member’s nomination. GM Deutsch wanted to make sure the Trustees had the opportunity seek a nomination for this position if they were interested. No Trustee expressed interest in serving in this position, so no further action was taken.

GM Deutsch requested that we return to General Manager’s Reports, Item F. New Cemetery Development Update as RJM Design Group was ready to join the meeting.


**GENERAL MANAGER’S REPORTS**

**F. New Cemetery Development Update**

GM Deutsch introduced Larry Ryan, Craig Sensenbach, and Tamara McClory from RJM Design Group who joined the virtual meeting to give an update on plans to develop the new fourth public cemetery at Gypsum Canyon.

The team from RJM presented a PowerPoint presentation. Larry Ryan stated that the Anaheim Conceptual Development Review Application also included comments from OC Parks as well as other environmental feedback. Craig Sensenbach walked the Board through several exhibits including footprints of the Phase 1 lower pad development, which includes 92 developable acres, 7.5 acres of lawn interment space and 45 acres for future lawn interment space. He also showed visitor entry elevations and said current plans include a 4,000 sq. ft. admin building with area reserved for the possible construction of a future reception and special events building. The maintenance building has also been moved toward the front entry, yet still positioned so that it will not detract from visitors entering the area. By moving the maintenance yard, it will create a more peaceful environment for visitors as large delivery vehicles will not have to drive past interment lawns.

He then explained work that was involved in determining an equitable split of developable acreage between the lower pad for the public cemetery and the upper pad for a possible veterans cemetery. After several configurations were explored, RJM was able to create a design that

  
Chair Secretary

afforded the upper pad 96 developable acres, which would fulfill the County’s requirement that 50% of the developable acreage be reserved for a Veterans Cemetery.

The estimate for shared costs, which include items such as grading, utilities, roadwork, etc. is approximately \$17.8 million. The District would have to pay this cost up front and then seek reimbursement from the Veterans group who would be developing a cemetery on the upper pad. The District’s cost to develop the first phase of the lower pad is approximately \$35.6 million which includes a 20% contingency and a 3% escalation. GM Deutsch also added that those costs were based on prevailing wage numbers. GM Deutsch said that the District will need to maximize its revenue sources.

Trustee Hatch said he liked the Western Ranch look stating that it fit well with natural beauty of the canyon, but cautioned that this must be sold to residents. Those who live in the area must buy off on this at some point. Trustee Hatch asked if the \$35 million included structures and if we are on track with the City of Anaheim. The team from RJM said that it did include structures. Trustee Hatch also wanted to know how the Environmental Impact Report impacts our time frame, how our relationship is going with the City, and most importantly, can the District afford this as RJM has presented it?



Larry Ryan stated that they have tried to have onsite meetings on the property with the City, but these efforts have been delayed due to COVID. But he also stated that the team is much more prepared to discuss this with the community and to interface with the City of Anaheim. GM Deutsch stated, to move forward with the City of Anaheim, we need to show details of how the roadways will flow and what facilities will be present.

Vice Chair Nelson asked if any actual grading will be done on the upper pad. Larry Ryan and Craig Sensenbach replied that no physical grading will be done on the upper pad, but we are not turning a blind eye to that task. We must have a plan in place to make upper grading possible without disturbing the lower pad. The District must be prudent and aware of how development on the upper pad may impact the lower pad.

Vice Chair Nelson stated that if the Veterans Cemetery does not move forward on the upper pad, there will be no one to share that initial \$17 million cost. The District cannot absorb that expense. Financing a \$52 million project is not within the District’s means. Vice Chair Nelson stated that we need to make plans as if no Veterans Cemetery is coming. GM Deutsch stated that we need to approach the County Supervisors with our situation.

Trustee Hatch left the meeting at 11:56 a.m.

Trustee Ward stated if there is no Veterans Cemetery and we find someone else to partner with on the upper pad, the District would still have to abide by the Open Space zoning requirement. This will limit who could potentially use the upper pad. Trustee Ward also voiced concern stating that the City of Anaheim is currently facing a \$120 million deficit. She wondered if it would be possible for the District to jump through all these hoops only to have politics cancel the project. Trustee Ward stated that it would appear that we really need to know what is happening with the Veterans before the District can do much more.

 _____ Chair	 _____ Secretary
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Trustee Marroquin left the meeting at 12:00 p.m.

The Board also briefly discussed if there was any way to trim the cost estimate to bring it more into the realm of possibility. Larry Ryan stated that this plan is what the District wants, we may have to look at what the District needs at a minimum. Tamara McClory said she could take a look at the numbers to see if there is any significant flexibility.

Trustee Nelson suggested going the assessment route and do the whole \$52 million project. GM Deutsch said the Finance and Investment Committee will need to look at that and see how viable an assessment district is.

This concluded the New Cemetery Development Update. GM Deutsch thanked RJM Design for attending and presenting the update. Staff from RJM Design Group left the video conferenced meeting at this time.

GM Deutsch requested that General Manager’s Report, Item E. District Network Security be deferred until the February Board Meeting when Trustee Hatch and Chair Marroquin would be present to hear the report.

**GENERAL COUNSEL REPORT**

Counsel Quintanilla stated that new legislation requires employers to report any exposure employees have to COVID-19. He is preparing a standard form of what the notice should look like. There is also a new law about what to do when you have an outbreak of COVID. Counsel Quintanilla will be sending GM Deutsch a summary of the new laws.

**UNFINISHED BUSINESS – None**

**ITEMS FOR FUTURE AGENDAS - None**

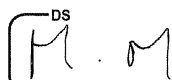

**BOARD COMMENTS**

**A. Angel of Hope Virtual Program, December 6, 2020 at 7:00 p.m.**

Board Secretary Mary Funk reported that the Angel of Hope program was completely virtual this year. No one gathered at the cemetery. The Program was livestreamed at the normal time via the Angel of Hope’s Facebook page and the program was conducted offsite at a local church. People were encouraged to leave flowers at the Angel of Hope Monument privately on their own time.

**B. Wreaths Across America, El Toro Memorial Park, December 19, 2020 at 9:30 a.m.**

Mary Funk reported that the American Heritage Girls held a private wreath laying ceremony at the Flag Pole at 9:00 a.m. which was livestreamed on the El Toro Wreaths Across America Facebook page. Staff staged 585 wreaths in pick up areas around the park so there would be no large gathering of volunteers. At 9:30 a.m. volunteers went to various stations to pick up wreaths and place them on Veterans graves. The event went smoothly with everyone wearing masks.

	
Chair	Secretary

**C. Wreaths Across America, Santa Ana Cemetery, December 19, 2020 at 10:00 a.m.**

Mary Funk reported that this was the first year this event has occurred at Santa Ana Cemetery. The Santa Ana Elks Lodge coordinated the event. Due to COVID-19 most fundraising events in 2020 were canceled, so the Elks Lodge had very little resources to work with. But they did secure approximately 100 wreaths to distribute for the event. They held a virtual wreath ceremony at 9:00 a.m. at their lodge, which they livestreamed on their Facebook page. Then volunteers from the Elks along with a local Boy Scout Troop arrived at 10:00 a.m. to distribute those wreaths. Social distancing and the use of face masks was required. Chair Marroquin also attended this event and will report out at the February Board Meeting.

**D. Longest Night Candlelight Memorial Service – December, 21, 2020**

GM Deutsch reported that the actual ceremony was held remotely not at Anaheim Cemetery and livestreamed on December 21, 2020. However, prior to the ceremony Tim Houchen did come to Anaheim Cemetery and put up the Homeless Memorial Wall. They took video footage and then played that during the event. GM Deutsch stated that the group was able to confirm 329 homeless deaths that occurred between December 1, 2019 and November 30, 2020 in Orange County.

**ANNOUNCEMENTS**

**A. Virtual Meeting With Supervisor Don Wagner, January 19, 2021 at 2:00 p.m.**  
Vice Chair Nelson will be attending this meeting.

**B. Virtual ISDOC Quarterly Luncheon, January 28, 2021 at 11:30 a.m.**  
Trustee Nelson, Trustee Rivers and GM Deutsch will be attending this meeting.


~~**C. Wreaths Across America, Santa Ana Cemetery, December 19<sup>th</sup> at 10:00 a.m.**  
Vice Chair Nelson will be attending this meeting.~~ *MF*

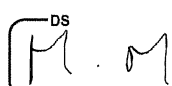

Trustee Ward thanked everyone for the beautiful crystal container she received for her ten years of Board service. She plans to fill it with candy or M&Ms.

The next regular meeting will be held on **Tuesday, February 2, 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 12:24 p.m.

DocuSigned by:  
  
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Chair

  
Secretary

   
Chair Secretary