

ORANGE COUNTY CEMETERY DISTRICT

Board of Trustees
September 2, 2025

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Vice Chair Hatch at 10:08 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 Hatch.
Roll Call by Board Secretary, Mary Funk.

PRESENT: Noel Hatch, Vice Chair Fifth District
Raymond Schnell Third District
Cynthia Ward Fourth District

ABSENT: Maribel Marroquin-Waldram, Chair First District
Kelly Rivers Second District

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

ALSO

PRESENT: Steve Quintanilla, General Counsel

PUBLIC COMMENTS – None

CONSENT CALENDAR

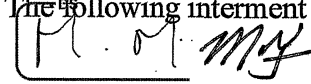
- A. Approval of Minutes – Regular Board Meeting, August 5, 2025
- B. Approval of the August 2025 Check Register (Claims) Nos. 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 and 34.
- C. Authorization of the October 2025 Check Registers (Claims) Nos. 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62,63, 64, 65, 66, 67 and 68.

MOTION: of Trustee Ward, seconded by Trustee Schnell and carried by a vote of 3-0 (Chair Marroquin-Waldram and Trustee Rivers absent for the vote), approved the Consent Calendar.

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – July 2025

The following interment and interment space sales for July 2025 were reviewed.



Chair

Secretary

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| | | | <u>2025-2026</u> | <u>2024-2025</u> |
|-----------|------------|--------------|------------------|------------------|
| ANAHEIM | Interments | 5 (4 Urn) | 4 (4 Urn) | 8 (5 Urn) |
| | Lot Sales | 3 | 3 | 3 |
| EL TORO | Interments | 69 (30 Urn) | 69 (30 Urn) | 81 (31 Urn) |
| | Lot Sales | 41 | 41 | 62 |
| SANTA ANA | Interments | 32 (14 Urn) | 32 (14 Urn) | 19 (10 Urn) |
| | Lot Sales | 19 | 19 | 6 |
| TOTAL | Interments | 106 (48 Urn) | 106 (48 Urn) | 108 (46 Urn) |
| | Lot Sales | 63 | 63 | 71 |

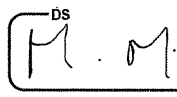

GM Deutsch reported that July is the first month of the new fiscal year and we can see how we are starting out on sales vs. expenses.

Anaheim Cemetery had three interment space sales in July which is the same amount they had in July 2024. Anaheim staff conducted 5 interment services including 1 casket, 1 niche and 3 inground cremation interments. In July 2024, Anaheim completed 8 interment services including 3 casket burials and 5 cremation services.

El Toro Memorial Park had 41 interment space sales in July of which there were 14 full casket spaces sold, 13 niches, and 14 in-ground cremation spaces. This is the first time the sale of cremation spaces has outpaced the sale of casket spaces at El Toro Memorial Park. Trustee Schnell mentioned the 33% drop in sales at El Toro from the previous year. GM Deutsch said that there are a couple of factors in play including the dwindling supply of inventory at El Toro and the new availability of casket space at Santa Ana. This is moving some of the District's sales to Santa Ana. When you compare overall numbers, the District had 63 interment space sales compared to 71 in the previous year. The drop in sales is not as severe when you look at the District overall.

Trustee Hatch confirmed that there are no options with the District to purchase casket space for advanced planning. GM Deutsch said that will remain the case until Gypsum Canyon is ready for sale. GM Deutsch said the available inventory of casket space at El Toro Memorial Park has now dropped under 400. GM Deutsch stated that the District has not needed to do any marketing for some time and with space dwindling and interment calendars full, marketing would be counterproductive. However, when Gypsum Canyon is ready to open we will definitely be developing a marketing plan.

Trustee Ward asked about identifying possible unused spaces at Anaheim Cemetery that could potentially be reclaimed. GM Deutsch said this may be an option at El Toro Memorial Park or Santa Ana Cemetery, but as the oldest cemetery, Anaheim's data is problematic and there are likely not enough spaces to make it worth the District's efforts. There was a brief discussion on the legal process the District would have to undertake to reclaim abandoned spaces.

Chair

Secretary

GM Deutsch said that Santa Ana’s last road closure is in progress and they hope to have spaces available for sale by mid to late October.

B. Financial Reports – July 2025

Brenda Manriquez stated that this is the first month of the new fiscal year. Year-to-Date revenues for Interment Services is under budget primarily because she still needs to record pre-need services that have been used, which is done about once a quarter. We are also slightly behind on interest, but the County is always a month or two behind, so we are still waiting for the first monies to post from the County’s Treasury Pool. We will expect the first big chunk of property taxes to come in November and December.

For expenses, Brenda Manriquez explained that at the beginning of each fiscal year there are always bulk one-time costs that are due right up front such as Workers Comp and the renewal of annual fees.

Salaries and Wages are normal. Any variance is primarily due to overtime and step increases as well as the 5% COLA. GM Deutsch explained that when it is a union bargaining year, for budget purposes, he only budgets for steps that are possible under the current MOU. The COLA and the 2.5% merit increase was not included. Because wages have increased, we must also reconsider the District’s service fees. GM Deutsch will bring proposed rate changes to the Board at the October Board Meeting.

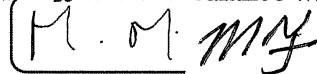
Services and Supplies and Utilities are under budget, but this is mostly due to the timing of when invoices are received and when they are paid. There is also always a delay at the end of the Fiscal Year and the County is also closing out their year end as well.

Total charges for Buildings and Improvements were about \$321,000. A portion of this will be accrued back to FY 2024-25.

There was some discussion on the Federal Reserve and interest rate cuts. The board also discussed the amount of callable investments the District has, particularly agency bonds. GM Deutsch said he works to find a good balance, but would prefer to maximize yields even if that means getting investments that are callable.

Vice Chair Hatch asked if there would be staggered pricing on the new Gypsum Canyon plots or would they all be the same price? GM Deutsch said that unless we develop a special feature area, all the plots should be the same price. He estimates those plots will sell for about \$5,000 per space.

Trustee Schnell noted the \$422,000 in the District’s Wells Fargo Account on the Balance Sheet and wanted to make sure that the District has adequate cash on hand. Brenda Manriquez explained that the County Cash on the balance sheet is also liquid money. She also stated that the District has a minimum fund balance that it is required to maintain which is approximately \$2.8 million. She explained that the Wells Fargo account was set up after the County had its bankruptcy to ensure in the event of an emergency the District could meet payroll obligations. Brenda Manriquez said they pay some bills and the Board member stipends out of Wells Fargo. She stated that balance will fluctuate depending on when she moves money to the County.



Chair

Secretary

Trustee Ward asked if the District was able to obtain any reimbursement for our legal fees from the lawsuit. Steve Quintanilla said that it is very difficult to get attorney fees back in CEQA cases, but he expects there will be some minimal reimbursement. GM Deutsch reminded the board that they are also tracking any expenses that should be considered as shared between the District and the Veterans Development. The cost to defend this lawsuit would be included in those expenses. There may be some potential for the County of Orange to reimburse the District with funds designated for the Veterans cemetery.

C. Audit Update

Brenda Manriquez reported that all the documentation has been provided for the audit. During their review no internal control problems have been identified. As per SAS 114, they have completed the required communication with Chair Marroquin-Waldram. Hopefully, we will be able to present the final audit to the Board at the January 2026 Board Meeting.

D. Investment Portfolio Changes - August 2025

The Board briefly discussed the Stephenson County School Bond and the Howard University Bond which are both maturing on October 1st with low yields in the 1% range. GM Deutsch explained that the direction from the Finance and Investment Committee has been to hold investments to maturity. GM Deutsch also stated that for some time there had been an inverted rate curve, so the District did not want to go way long with 5-year terms, so they kept it short with terms between six and thirty months.

GM Deutsch also stated, for the most part, with Agency Bonds, the District is doubling or tripling the yields. He also stated if there is a negative credit watch, the District will consider selling those early.

Vice Chair Hatch asked how much money the District has in the California Class pool. Brenda Manriquez stated about \$800,000 in Pre-Need funds. She also stated that California Class is still outperforming the other funds, but not enough to justify moving money out of the County’s Investment pool.

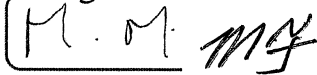
Counsel Quintanilla said the District has an extensive Investment Policy that’s reviewed annually.

E. Capital Projects Update

GM Deutsch reported that there have been several tours on the Gypsum Canyon site mostly for Assemblymembers and Congressional Representatives. He also reported that the Disney Company donated \$100,000 toward the development of the Veterans Cemetery.

On August 14th, GM Deutsch stated that he met with Southern California Edison and CalTrans in regards to the undergrounding of electricity leading up to the toll road overhead crossing.

On August 19th, GM Deutsch met with David Brambila, Commander of the Department of California American Legion and others for a tour of Gypsum Canyon. They will be sending letters to the Federal Veterans Administration to support the VA Grant Funding. CalVet is waiting for the results of Federal Funding and then they can move forward.


Chair Secretary

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GM Deutsch said he is also working on a list of potential philanthropic benefactors who might be willing to donate toward the Gypsum Canyon Cemetery development.

As far as timing for the development, the next logical step is to complete construction documents so we can bid the grading out by late 2026.

GM Deutsch mentioned that the City of Anaheim is planning to underground all their poles in 2026. Trustee Ward said that Anaheim Public Utilities is well funded and she would be surprised if they tried to pass costs on to the District for this work at Gypsum Canyon.

For Equipment, GM Deutsch said that a new 8 passenger golf cart has been ordered for El Toro.

F. CSDA Annual Conference Update

GM Deutsch said that he was one of the only Cemetery District General Managers to attend the CSDA Annual Conference. GM Deutsch said it was a good opportunity to network with public affairs contacts who may be able to help with our funding. He also reported that the Senate Bill 707 which the District had opposed unless amended, is going to be amended. This will exempt our District and other smaller Special Districts and Vector Control from the burdensome requirements that bill would have mandated. Overall, GM Deutsch said it was a good conference. He was recognized for renewing his Certified Special District Manager designation which is required for us to maintain our Platinum Level for District of Distinction.

GENERAL COUNSEL REPORT

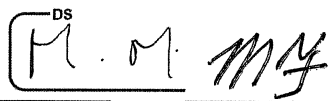
Counsel Quintanilla reported that Trustees can now be compensated for attending up to 6 meetings a month. However, if a District is requiring four or more meetings monthly, it must have a policy stating why this is needed.

Trustee Ward stated that she is still waiting for Steve's memo regarding safety protocols for staff and visitors amidst the immigration tactics currently being employed. Counsel Quintanilla stated that he had it and would try to send it out that day.

The Board adjourned to Closed Session at 11:15 a.m.

CLOSED SESSION

- A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957. Employee's Title: General Manager**
- B. Labor Negotiations – Unrepresented Employee Pursuant to Government Code Section 54957.6(a)
Unrepresented Employee – Tim Deutsch, General Manager
District Designated Representative – Steven B. Quintanilla, General Legal Counsel**



Chair

Secretary

The Board reconvened from Closed Session at 11:40 a.m. Counsel Quintanilla stated that no reportable action took place. The items listed in Closed Session will be continued on to the October 7, 2025 Board Meeting.

NEW BUSINESS

A. General Manager Employment Agreement Amendment

Counsel Quintanilla stated that this item will be continued to the October 7, 2025 Board Meeting.

ITEMS FOR FUTURE AGENDAS

GM Deutsch stated that he will be bringing some proposals to the Board for the Gypsum Canyon development. The Board is also due to complete its review of policy updates. In addition, now that the new MOU is approved, he will bring adjustments to service fees in the District’s Master Fee Schedule to the Board in October.

BOARD COMMENTS

Trustee Schnell reported that he met with staff at Santa Ana Cemetery on August 21st and was very impressed by the tenure of staff, adding that they are a great group of men. That kind of career longevity is a testament to Tim’s leadership

Trustee Ward reported that she met with the staff at El Toro Memorial Park on August 26th. It was the first time she has had the opportunity to talk with most of them. They are really great people who said they love being here and everyone said they hoped to retire with the District.

ANNOUNCEMENTS

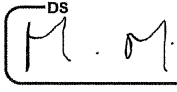

CAPC Education and Area Meeting, Ventura, CA – October 10-11, 2025

Trustee Rivers, Board Secretary Mary Funk, and Cemetery Manager Bud Bales will be attending this conference.

Trustee Ward also announced that she will be providing a presentation on the history of Anaheim Cemetery at Museo for their annual benefit. The event will take place on Sunday, October 19th from 3 p.m. to 4:30 p.m.

GM Deutsch said he had been contacted by a teacher at Katella High School wanting to bring students for a tour of Anaheim Cemetery. He will get more information to Trustee Ward.

Vice Chair Hatch mentioned an article he had read in the recent CSDA publication about the power of encouragement. The article stated we underestimate its impact. He encouraged everyone to read it saying it was a great article and is usable in all aspects of life. GM Deutsch added that the author of the article, Brad Montgomery, was one of the keynote speakers at the CSDA Annual Conference and he thoroughly enjoyed the presentation.

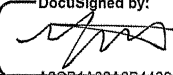
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|  _____ Chair |  _____ Secretary |
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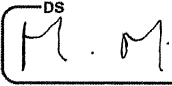
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The next regular meeting will be held on **Tuesday, October 7, 2025**, at 10:00 a.m., at the Orange County Cemetery District, 25751 Trabuco Rd., Lake Forest, CA 92630.

There being no further business, the meeting was adjourned at 11:56 a.m.

DocuSigned by:

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CHAIR


BOARD SECRETARY


Chair


Secretary