ORANGE COUNTY CEMETERY DISTRICT

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MEMORANDUM

DATE: October 30, 2026

TO: Board of Trustees

FROM: Brenda Manriquez, Finance & Accounting Manager

SUBJECT: Financial Report – September 2026

At the end of each month, staff updates the Financial Report based on the revenue collected and expenditures made. For the year-to-date financials through September 30, 2026, revenues are higher than the YTD budget allocation and operating expenditures are less than YTD budget allocation.

Revenues – The District receives property tax distributions periodically from the County of Orange based on collections from tax assessments levied twice per year. Total Property taxes for FY 2026-27 are $22,501 more than FY 2025-26 revenues and $6,573 more than the FY 2026-27 budgeted revenues due to the timing of revenue collections. The Other Taxes – Redevelopment revenue line is $6,705 less than FY 2025-26 revenues and slightly more than the FY 2026-27 budgeted revenues due to the timing of redevelopment tax distribution amounts and sale of surplus property by the County of Orange.

Interest income for the General and Preneed Funds is derived from investments in the Orange County Treasurer's Pool (OCTP), Cal Trust Medium-Term Fund (Cal Trust), and California CLASS; in addition, the Preneed Fund includes income from Stifel Investments. Interest rates are slightly lower than the prior year but additional invested funds mitigate the decrease to investment income of $11,434 to FY 2025-26 interest income. FY 2026-27 actual interest earnings are $15,591 higher than the budgeted revenue due to slowly increasing return rates for Cal Trust, California CLASS and OCTP, offset by County Treasury interest income posting one month in arrears.

In comparison to FY 2025-26, Interment Space Sales are lower by $64,228 and Interment Services are higher by $19,043. In FY 2026-27, Interment Space Sales are lower than budgeted revenue by $47,281 and Interment Services are higher than budgeted revenue by $20,963, as indicated by trends in the Monthly Activity Report. Interment space rate increases (effective July 6, 2026) are the primary drivers mitigating the effect of lower space sales resulting in a decrease from prior year; less space sales were anticipated due to conservation of available inventory for at-need burials only.

Salaries and Employee Benefits –Salaries and Employee Benefits expenditures are $6,160 less than FY 2025-26 expenditures and $11,308 less than current YTD budgeted expenditures. Salaries and wages are $52,935 lower than FY 2025-26 due to the reversal of the prior year's payroll accrual (paid in July 2026) offset by the increased use of overtime and full staffing levels. The retirement and insurance line items combined are $46,775 higher than FY 2025-26 due to increases in retirement contributions and insurance rates and a slight increase in worker's compensation cost based on the experience modification factor.

In comparison to the FY 2026-27 budgeted expenditures, actual salaries and wages are $6,604 lower due lower usage of overtime due to full staffing and reduced interment services. Retirement and insurance lines combined are $4,704 lower due primarily to lower retirement contributions based on lower overall salary levels, offset by an overage of worker's compensation expenditures that includes a true-up invoice.

Services and Supplies – This includes all of the accounts required to operate the cemeteries and District (excluding Special Department Expense). Adjusted total services and supplies are $804 lower than FY 2025-26 expenditures, and are $53,307 lower than FY 2026-27 YTD budgeted expenditures. The major variances* are described as follows:

FY 2025-26 to FY 2026-27:

- Account 1100 – Insurance: ($7,924) due to increases in value of equipment & vehicles covered compared to prior year
- Account 1300 – Maintenance Equipment: ($35,661) due to an increase in fuel costs and timing of invoice payments in comparison to prior year.
- Account 1400 – Maintenance Bldgs & Imp: $25,557 due to elimination of FY 2025-26 one-time costs for new air conditioner ($6,200) and irrigation support (Real Green); FY 2026-27 also includes reversals of prior year accrued expenses that were not offset with actual invoice payments until October 2026 (timing of County of Orange invoice processing).
- Account 1410 – Maintenance New Cemetery: $17,729 due to elimination of FY 2025-26 one-time flag repair costs of $9,200 paid in July 2025; also, identified invoices that were incorrectly posted to another account and will be corrected to 1410 in October 2026 (total of $6,000).
- Account 1900 – Professional Svcs: $9,377 due to lower usage of professional services;
- Account 1910 – Professional Svcs Legal: ($4,534) due to more consistent invoice billing and payment; delay in prior year legal invoice submission and processing (invoices weren't received until October 2025)

FY 2026-27 Budget to Actual:

- Account 1300 – Maintenance Equipment: ($27,933) due to an unexpected increase in fuel costs, specifically diesel fuel.
- Account 1400 – Maintenance Building: $33,490 due to inclusion of FY 2025-26 reversals of prior year accrued expenses that were not offset with actual invoice payments until October 2026.
- Account 1410 – Maintenance New Cemetery: $6,682 due to timing and necessity of services and purchases.
- Account 1800 – Office Expense: $10,868 due to timing and necessity of purchases.
- Account 1900 – Professional Svcs: $10,140 due to lower usage of professional services than expected in the first three fiscal months and the timing of invoice receipt and payment.
- Account 1910 – Professional Svcs Legal: $11,478 due to lower usage of legal services than expected within the first three fiscal months.

*Major year-end variance is classified as greater than $4,000 (Unfavorable variance is negative amount; favorable variance is positive amount).

Equipment – Equipment expenses of $117,053 incurred through August 2026 were for the new District truck (equipment mechanic) of $67,781 and one Pro-Gator for El Toro ($49,272).

Economic Uncertainty – No funds have been allocated through September 2026.

Buildings and Improvements – Total FY 2026-27 charges of $1,161,713 incurred through September 2026 were for the following projects: a) New Cemetery - $1,161,713 (engineering/design/planning deposits/project management invoices – GMU, RJM Design Group, LSA Associates, City of Anaheim – Public Works).

Orange County Cemetery District
Fund 754 General Operating Fund
September 30, 2026

( ) = Unfavorable Variance

Year-to-Date Actual vs. Prior Year					Year-to-Date Actual vs. Budget				
2026-27 YTD Actual	*2025-26 YTD Actual*	*Variance*	*Account*		*YTD Actual*	*YTD Budget*	*Variance*	*YTD % of Budget*	*2026-27 Budget*
60,181	45,375	14,806	6210	Prop Taxes - Current Secured	60,181	46,736	13,445	2%	3,085,659
48,205	45,506	2,699	6220	Prop Taxes - Current Unsecured	48,205	54,583	(6,378)	44%	109,166
17,612	12,617	4,995	6230-6300	Prop Taxes - Supplemental	17,612	18,106	(494)	24%	72,423
1,150	7,855	(6,705)	6290, 6540	Other Taxes & Redevelopment	1,150	1,000	150	1%	147,368
295,591	307,024	(11,434)	6610	Interest (GF & Preneed)	295,591	280,000	15,591	26%	1,120,000
-	-	-	6690	State	-	-	-	0%	11,000
491,955	556,183	(64,228)	7590	Interment Space Sales	491,955	539,236	(47,281)	23%	2,156,945
412,959	393,916	19,043	7590	Interment Services	412,959	391,996	20,963	26%	1,567,984
106,394	100,762	5,633	7661	Other Sales - Taxable (1)	106,394	83,667	22,727	32%	334,669
25,690	49,428	(23,738)	7670	Misc Revenue	25,690	30,865	(5,175)	21%	123,459
1,000,000	-	1,000,000	9850	Transfer In from Capital Reserve	1,000,000	1,000,000	-	100%	1,000,000
2,459,737	1,518,665	941,072		**Total Revenues**	2,459,737	2,446,189	13,548	25%	9,728,673
				Salaries & Employee Benefits					
628,559	681,494	52,935	0100	Salaries & Wages	628,559	635,163	6,604	22%	2,897,233
119,310	103,273	(16,037)	0200	OCERS/Retiree Med/401(A)	119,310	127,815	8,505	23%	515,351
123,266	118,242	(5,024)	0300	Employee Insurance	123,266	125,356	2,090	23%	543,210
130,057	106,974	(23,083)	0352	W/C Insurance	130,057	125,000	(5,057)	104%	125,000
11,064	8,433	(2,632)	0401	Medicare	11,064	10,231	(833)	29%	38,000
1,012,257	1,018,417	6,160		**Total Salaries & Benefits**	1,012,257	1,023,565	11,308	25%	4,118,794
				Services and Supplies					
9,481	7,471	(2,010)	0600	Clothing & Personal Supplies	9,481	8,838	(644)	36%	26,350
6,290	5,619	(671)	0701	Communications	6,290	6,723	433	23%	26,890
78,662	70,739	(7,924)	1100	Insurance	78,662	78,750	88	96%	82,000
65,268	29,607	(35,661)	1300	Maintenance - Equipment	65,268	37,335	(27,933)	48%	135,000
116,510	142,067	25,557	1400	Maintenance - Bldgs & Improve	116,510	150,000	33,490	19%	600,000
10,818	28,547	17,729	1410	Maintenance - New Cemetery	10,818	17,500	6,682	15%	70,000
5,722	7,210	1,487	1600	Memberships	5,722	9,050	3,328	29%	20,000
7,882	7,651	(231)	1800	Office Expense	7,882	18,750	10,868	11%	75,000
35,338	44,715	9,377	1900	Professional/Specialized Svcs	35,338	45,478	10,140	22%	160,000
6,023	1,489	(4,534)	1910	Professional Svcs - Legal Svcs	6,023	17,500	11,478	9%	70,000
100	919	819	1920	Special Events & Programs	100	100	-	1%	15,000
88	88	-	2000	Publications/Legal Notices	88	250	162	9%	1,000
1,862	2,274	412	2300	Small Tools & Instruments	1,862	4,000	2,138	12%	16,000
372	96	(276)	2600	Transportation/Travel - General	372	375	3	25%	1,500
3,431	2,467	(964)	2700	Transport/Travel - Mtgs & Conf	3,431	4,500	1,069	19%	18,000
55,493	53,186	(2,307)	2800	Utilities	55,493	57,500	2,007	24%	230,000
403,341	404,145	804		**Total Services and Supplies**	403,341	456,648	53,307	26%	1,546,740
70,416	63,389	(7,027)	2400	Special Department Expense (1)	70,416	67,500	(2,916)	26%	270,000
117,053	-	(117,053)	4000	Equipment	117,053	117,100	47	67%	175,000
-	-	-	5200	Economic Uncertainty Fund	-	-	-	0%	296,727
1,603,067	1,485,951	(117,116)		**Total Operating Expenditures**	1,603,067	1,664,812	61,746	25%	6,407,261
856,670	32,714	823,956		**Revenue Over Operating Exp**	856,670	781,376	75,294		3,321,412
1,161,713	375,454	(786,259)	4200	Buildings & Improvements	1,161,713	1,161,725	13	55%	2,100,000
610,707	610,707	-	3000	Principal & Interest Expense	610,707	610,707	-	50%	1,221,412
3,375,486	2,472,111	(903,375)		**Total Expenditures (2)**	3,375,486	3,437,244	61,758	35%	9,728,673

(1) Other Sales (Taxable) are the re-sale of interment products (i.e. vaults, liners, etc) at a small mark-up that the District purchases through the Special Dept Expense line item; a lower cost is obtained by ordering in bulk and in advance of need.

(2) Total Expenditures does not include the estimated annual depreciation expense of $450,000

Orange County Cemetery District
Balance Sheet - Unaudited
Governmental Funds
September 30, 2026

	General	Special Revenue Fund: Endowment Care Income	Permanent Fund: Endowment Care Principal	Total Governmental Funds
Assets:				
Cash and investments:				
County cash and investments	$ 2,074,098	$ 94,093	$ -	$ 2,168,191
County cash and investments (Pre-need)	2,548,990	-	-	2,548,990
Third party cash and investments*	16,835,463	11,807,476	-	28,642,939
Third party cash and investments (Pre-need)*	6,606,715	-	-	6,606,715
Cash in bank - District Wells Fargo Account	464,838	-	-	464,838
Imprest cash	800	-	-	800
Restricted cash and investments:				
County cash and investments	-	-	728,634	728,634
Third party cash and investments*	-	-	11,544,956	11,544,956
Restricted cash held in escrow	19,955,043	-	-	19,955,043
Prepaid expense	-	-	-	-
Interest receivable	44,259	69,155	-	113,413
Accounts receivable (year-end accruals)	5,035	-	675	5,710
Total assets	$ 48,535,241	$ 11,970,724	$ 12,274,265	$ 72,780,230
Liabilites and fund balances:				
Liabilities:				
Accounts & sales tax payable	$ 10,567	$ -	$ -	$ 10,567
Accrued payroll	136,268	-	-	136,268
Refundable deposits	14,296	-	-	14,296
Due to other county funds	-	-	-	-
Loan Payable - ST	610,706	-	-	610,706
Pre-need deposits - First Responders	1,000,000	-	-	1,000,000
Pre-need deposits	6,057,134	-	-	6,057,134
Total liabilites	7,828,971	-	-	7,828,971
Net position:				
Non-spendable	-	-	12,274,265	12,274,265
Restricted	19,955,043	11,970,724	-	31,925,768
Committed - Land Development	14,755,000	-	-	14,755,000
Assigned - Pre-Need	2,115,670	-	-	2,115,670
Assigned - Land Development	764,426	-	-	764,426
Unassigned (miminum fund balance)	3,116,131	-	-	3,116,131
Total net position	40,706,270	11,970,724	12,274,265	64,951,259
Total liabilities and net position	$ 48,535,241	$ 11,970,724	$ 12,274,265	$ 72,780,230

* Balances are based on monthly investmenet statements from third party investors and will fluctuate monthly based on market value changes.