

**ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
November 1, 2022**

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order via video conference by Chair Kelly Rivers at 10:04 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 Cynthia Ward.
Roll Call by Board Secretary, Mary Funk.

PRESENT: Kelly Rivers, Chair Second District
Cynthia Ward, Vice Chair Fourth District
Maribel Marroquin-Waldram First District
Noel Hatch Fifth District

ABSENT: Vladimir A. Anderson 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


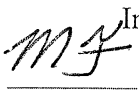
- A. Approval of Minutes – Regular Board Meeting, October 4, 2022.
- B. Approval of the November 2022 Check Registers (Claims) Nos. 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79 and 80.
- C. Acceptance of the Quarterly Investment Report for September 30, 2022

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

MANAGER REPORTS

A. Interments and Interment Space Sales Reports – September 2022

The following interment and interment space sales for September 2022 were reviewed:

 ANAHEIM Chair	 Secretary	Interments 4 (3 Urn)	<table border="0"> <tr><td></td><td style="text-align: center;"><u>2022-2023</u></td><td style="text-align: center;"><u>2021-2022</u></td></tr> <tr><td></td><td style="text-align: center;">13 (8 Urn)</td><td style="text-align: center;">21 (16 Urn)</td></tr> </table>		<u>2022-2023</u>	<u>2021-2022</u>		13 (8 Urn)	21 (16 Urn)
	<u>2022-2023</u>	<u>2021-2022</u>							
	13 (8 Urn)	21 (16 Urn)							

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	Lot Sales	4	10	17
EL TORO	Interments	73 (26 Urn)	237 (83 Urn)	225 (77 Urn)
	Lot Sales	80	296	375
SANTA ANA	Interments	17 (7 Urn)	40 (22 Urn)	51 (23 Urn)
	Lot Sales	4	15	15
TOTAL	Interments	94 (36 Urn)	290 (113 Urn)	297 (116 Urn)
	Lot Sales	88	321	407

GM Deutsch reported that sales and services are trending normally for Anaheim Cemetery and Santa Ana Cemetery. As expected sales are starting to slow somewhat at El Toro Memorial Park as inventory declines.

Anaheim had four space sales in October and performed four interment services. Year-to-date, Anaheim has had ten space sales compared to the 17 space sales in the previous year. For interment services year-to-date Anaheim has conducted 13 interments compared to 21 from the previous year.

Santa Ana Cemetery also had four spaces sales in October and conducted 17 interment services for the month, which matches the previous year's numbers for October. Overall, Santa Ana is slightly down on interment services year-to-date, with 40 interments completed so far this year compared to 51 completed the previous year.

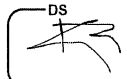
El Toro Memorial Park had 80 space sales for the month of October which is down considerably when compared to the 128 spaces sold during October of the previous year. Of those sales, 61% were for pre-need and 89% of sales were for full casket spaces. El Toro completed 73 interment services in October compared to the 77 interment services completed for October in the previous year. Year-to-date, while space sales are down by 79 sales, interment services are actually ahead 12 interments when compared to the previous year-to-date totals.

El Toro has approximately 1,643 casket spaces remaining in the park. For cremation space sales in October, El Toro sold 8 niches and 11 in-ground cremation spaces. There are approximately 369 niches remaining for sale.

Trustee Hatch asked if families are asking what the District is going to do when El Toro is sold out. GM Deutsch replied that families have been asking that question and staff have been describing the District's efforts to develop a new cemetery at Gypsum Canyon.

B. Financial Reports – September 2022

Brenda Manriquez reported that the District is expecting a sizable deposit coming soon from secured property taxes. Once that comes in revenues will jump up. Brenda Manriquez was happy to report that interest income is really looking good when compared to the previous year. She also stated that they will be posting the first Pre-Need transfer for the year to the General Fund which will also increase revenues.


Chair


Secretary

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For expenses, the District is slightly over budget on salaries. This is due to the one-time employee payments for pandemic service recognition, step increases and the use of over-time. She also noted that the 1900 Account for Professional Services is over-budget. This is due to one-time items in last year's budget and timing of when invoices are due, particularly so with invoices for legal counsel. She also stated that the District is now paying most of its utility bills with credit cards, so there is a lag between when the expenses actually occur and when the credit card payment is finally posted.

There were no new equipment expenses in September. She also reminded the Board that the 4200 Account breaks out separately the expenses for the installation of the Gypsum Canyon flag pole.

Brenda Manriquez stated that on the balance sheet, the Assigned – Land Development line is not actually negative and when the property tax is in this will not be showing in the negative anymore.

C. Interest Rates – September 2022

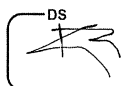
GM Deutsch stated that all of the funds are seeing good increases in interest rates and the District is seeing many more investment options with higher maturities. Trustee Hatch remarked about one bond he saw that was over 5%. GM Deutsch also stated that UBS has not had a lot of maturities, but as they do, the Board will see UBS start to catch up. He also mentioned the inverted yield curve and how now we are seeing better options with shorter term investments than with 5-year terms. GM Deutsch said that when Stifel and UBS send options, the District gets a lot of choices and they are aware of the inverted yield curve. Trustee Hatch said it is very encouraging to see these kinds of returns.

D. Investment Portfolio Changes – October 2022

GM Deutsch explained that Stifel redeemed several investments in October. Trustees see these reports shortly after transactions are completed. If small amounts come due, they may not immediately invest. GM Deutsch stated that in the next six months UBS Endowment Principal and Income will have \$1,740,000 coming due. Stifel Endowment Principal and Income will have \$1,421,000 coming due. Stifel Pre-Need will have \$585,000 coming due. He also reminded the Board that rates for the OCIP lag about one month behind.

E. Capital Projects Update

GM Deutsch explained that he and the Development Team met with the City of Anaheim Planning Department on October 18th and discussed the zoning and addendum process. The City wants zoning for the entire parcel, not just our public cemetery development. The City also wants us to engage the public as much as possible and educate citizens about our development plans. Staff will be using a web-based program called Engagement HQ provided by Granicus. The website is interactive and will allow us to engage the public and receive feedback through surveys. Interested residents can also ask questions and find up to date information on the development including timelines and answers to frequently asked questions. GM Deutsch hopes to have the site up and running in the first of the year.



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GM Deutsch said he also met with the public relations firm, Idea Hall, to discuss the existing opposition to cemetery development by some residents primarily in Yorba Linda and the best approach to address those residents' concerns.

GM Deutsch also said that he provided a tour of the Gypsum Canyon property to Senator Umber and his wife, Ret. Brigadier General Umberg, along with County CEO Staff, and Nick Berardino and Bobby McDonald from VALOR. He said that previously Senator Umberg had been very focused on Irvine as the site for a new Veterans Cemetery, but was also instrumental in helping legislation get passed allowing CalVet to study the Gypsum Canyon site. Larry with RJM was also present on the tour and GM Deutsch said it went well.

GM Deutsch reminded the Board that the Flag Raising Ceremony hosted by Supervisor Wagner will take place at the Gypsum Canyon site on November 9th at 10 a.m. GM Deutsch advised the Trustees to arrive by 9 a.m. and briefly discussed the logistics of parking and getting people to the flag raising site. Trustee Hatch said that he had always thought the best way to proceed with this would be a quiet relationship with the City of Anaheim and was concerned that the large pole would only serve as a lightning rod to antagonize cemetery opposition even further.

GM Deutsch said that any change always carries with it some naysayers. The District needs to do as much education as possible to help residents understand the need for this cemetery and the benefits it will offer County residents. If the state Veterans Cemetery does not proceed, we may have a veterans section in our public cemetery, as it is our mission to serve Orange County including its Veterans.

For the existing cemeteries, there are smaller improvement projects that need to be completed and he is working with the cemetery managers to get bids for those projects. In terms of the cemetery improvement project, only the retention is left to be paid to the contractor. He also noted that on the Fixed Asset Accounts report, the \$285,000 reimbursement from the County that we expect to receive is broken out separately and highlighted in yellow.

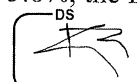
GENERAL COUNSEL REPORT

Counsel Quintanilla stated that while he has no report to give, he will be providing a summary of all new laws that may impact the District. He hopes to have this summary out around the end of November. GM Deutsch also asked, now that the State is rescinding the Emergency Order for AB 361, will the District be required to go back to in-person meetings? Counsel Quintanilla said he will provide a report on that question as soon as possible. Vice Chair Ward asked if she was required to keep the form letter emails she has received regarding opposition to cemetery development. Counsel Quintanilla said the District is required to keep those emails for two years, but it is fine if she deletes them off of her devices.

NEW BUSINESS

A. OCERS Employer Contribution Discount for Fiscal Year 2023-24

GM Deutsch stated that each year OCERS offers a discount to the employer's contribution payments for the next fiscal year. OCERS has determined that our estimated contribution for Fiscal Year 2023-24 with the UAAL rate component would be \$261,151.82. With a rate of 5.8%, the District will receive a discount of \$15,146.81. Since this will be a part of the 2023-24



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Secretary

budget, GM Deutsch is requesting that the Board approve the prepayment, which will be set up by the County as a prepaid expense in the 2023-24 fiscal year budget.

GM Deutsch also said that he and Brenda Manriquez met with OCERS last month and they offered to give a presentation to the Board. GM Deutsch recommends that they schedule this presentation in the spring when the budget is being developed.

MOTION of Trustee Hatch, seconded by Chair Rivers, and carried by a vote of 4-0 (Trustee Anderson absent for the vote), approved the employer’s contribution to OCERS and authorized the General Manager to execute the transfer of payment in the amount of \$245,048.45 to OCERS.

ITEMS FOR FUTURE AGENDAS

Trustee Marroquin-Waldram asked where the Board is at moving forward with developing an updated strategic plan. GM Deutsch said that this had been put on hold due to the pandemic and the inability of the board to meet with consultants in person. At this point, staff will need to engage consultants with a new RFP. GM Deutsch agreed that it is important for the Board to move forward on this project and asked that the Trustees provide him with the names of any consulting firms they would like to see included in the RFP process.

BOARD COMMENTS

A. CAPC Education/Area Meeting, October 6-7, 2022 – South Lake Tahoe

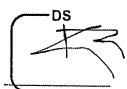
Vice Chair Ward, Cemetery Manager Julio Amarillas, and Cemetery Manager Bill Stelter all attended this conference. Vice Chair Ward thanked the Board for allowing her to attend. While she did suffer from some elevation sickness while there, she did state that the program was very interesting and it is helpful to see what other cemeteries are dealing with. It seemed that the two most common concerns are lack of space and lack of water. She did feel that the strategic planning speaker was unprepared and did not have relevant information that was specific for cemeteries. She enjoyed the breakout sessions on the last day where groups could discuss any topics and network with staff from other cemeteries. The mix of Trustees, Managers and cemetery staff was interesting and brought up topics she had not considered before, such as how the legislation requiring conversion from gas to electric engines might impact cemetery operations.

C. ISDOC Quarterly Meeting, Fountain Valley – Oct. 27, 2022 at 11:30 a.m.

GM Deutsch stated that this meeting will be a Zoom Meeting held virtually and not in person. Bob Page with the Orange County Registrar of Voters will be the featured guest speaker. Both GM Deutsch and Chair Rivers attended this virtual meeting. Chair Rivers stated she had some technical problems with the Zoom meeting, but it was interesting to learn about security measures that are taken to ensure accurate election results. El Toro Water District and the Orange County Sanitation District also gave short presentation.

ANNOUNCEMENTS

A. Dia De Los Muertos “To Go” – All Cemeteries, Wed. Nov. 2, 2022 at 3:00 p.m.


Chair


Secretary

GM Deutsch stated that staff will be hosting Dia de los Muertos “To Go” events at all three cemeteries as was done in 2021. The events will be held on Wednesday, November 2nd starting at 3:00 p.m. until supplies last. The District will be passing out free children’s craft kits, small bouquets of marigolds, and Pan de Muertos. GM Deutsch is hopeful that in 2023, the District may be able to resume an in-person event at Anaheim Cemetery.

B. Flag Raising Ceremony, Gypsum Canyon – Wed., Nov. 9, 2022 at 10:00 a.m.

GM Deutsch reminded the Trustees that this event is scheduled for next week and that Supervisor Wagner would like all the Trustees to attend if possible.

C. Veterans Day Program – El Toro Memorial Park, Fri., Nov. 11, 2022 at 11:00 a.m.

GM Deutsch stated Lake Forest Mayor and Ret. U.S. Marine Corps Veteran, Robert Pequeno will be the keynote speaker.

D. CAPC Local Area Meeting – Elsinore Valley Cemetery District, November 16, 2022 10:00 a.m. to 1:00 p.m. - CANCELED

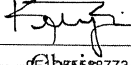
GM Deutsch explained that due to the death of a senior staff member, this meeting has been canceled. The Association is hoping to hold three of these local area meetings each year moving forward.

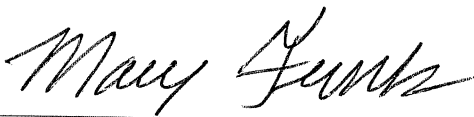
Vice Chair Ward mentioned that the Historical Tour which she is leading at Anaheim Cemetery on November 12 is now sold out. This tour is also being held with the help of the Anaheim Historical Society.

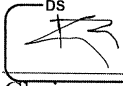
GM Deutsch and Vice Chair Ward also reported that they, along with Cemetery Manager, Julio Amarillas, had participated in a presentation on historical cemeteries at a gathering at the Anaheim Public Library in October. Melanie Goss was also on hand and discussed the Yorba Cemetery and Stephanie O’Neil discussed Holy Cross Cemetery.

The next regular meeting will be held on **Tuesday, December 6, 2022**, 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 11:05 a.m.

DocuSigned by:

Chair


Secretary


Chair


Secretary