

**ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
January 3, 2023**

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 10:03 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 Board Chair Kelly Rivers.
Roll Call by Board Secretary, Mary Funk.

PRESENT:	Kelly Rivers, Chair	Second District
	Maribel Marroquin-Waldram	First District (Arrived 10:15 a.m.)
	Vladimir A. Anderson	Third District
	Noel Hatch	Fifth District
ABSENT:	Cynthia Ward, Vice Chair	Fourth District
STAFF:	Tim Deutsch, General Manager	
	Brenda Manriquez, Finance and Accounting Manager	
	Mary Funk, Board Secretary	

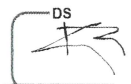
PUBLIC COMMENTS – NONE

PRESENTATION OF AWARDS

GM Deutsch announced congratulations to Chair Rivers for completing her term as Board Chair in 2022 and virtually presented her with a miniature gavel that can be added to her plaque commemorating her terms as Board Chair. GM Deutsch also extended his congratulations to Chair Rivers who reached her five-year milestone as a Trustee for the District in 2021. He also gave congratulations to Trustee Hatch and Trustee Marroquin-Waldram for reaching their five-year milestones in 2022. He virtually presented all three Trustees with crystal paperweights in honor of reaching that milestone.

GM Deutsch also announced that Anaheim Cemetery Manager Bill Stelter reached his 35-year milestone with the Orange County Cemetery District as did Groundskeeper Joe Campos who also works at Anaheim Cemetery. Martin Galvez, the District's Irrigation Specialist has served the District for 20 years. El Toro Groundskeeper Matt Lucas reached his 15-year milestone. El Toro Cemetery Assistant, Kimberly Eazell; Santa Ana Cemetery Secretary, Diane Fuentes; and District Secretary, Iris Tatro all reached their five-year milestones.

Trustee Hatch stated that this kind of longevity is a testament to the good leadership of the District and said, "Well done!" He asked GM Deutsch how long he has been with the District. GM Deutsch answered that he has been the General Manager for 17 years.

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Chair



Secretary

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CONSENT CALENDAR

- A. Approval of Minutes – Regular Board Meeting, December 6, 2022.
- B. Approval of the January 2023 Check Registers (Claims) Nos. 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, and 111.

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

MANAGER REPORTS

Trustee Marroquin-Waldram joined the meeting during the Interments and Interment Space Sales Report.

A. Interments and Interment Space Sales Reports – November 2022

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

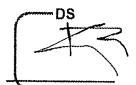
			<u>2022-2023</u>	<u>2021-2022</u>
ANAHEIM	Interments	12 (9 Urn)	32 (20Urn)	37 (29 Urn)
	Lot Sales	3	15	28
EL TORO	Interments	71 (20 Urn)	375 (125 Urn)	370 (125 Urn)
	Lot Sales	95	479	563
SANTA ANA	Interments	11 (7 Urn)	75 (44 Urn)	98 (44 Urn)
	Lot Sales	3	29	21
TOTAL	Interments	94 (36 Urn)	482 (189 Urn)	505 (198 Urn)
	Lot Sales	101	523	612

GM Deutsch reported that the monthly activity report is consistent with the last several months.

Anaheim Cemetery had three interment space sales in November and conducted 12 interment services, which is a busy month for Anaheim. The cremation rate at Anaheim Cemetery year-to-date is 63%.

El Toro Memorial Park had 95 space sales in November of which 84 were casket space, five were in-ground cremation space and six cremation niches were sold. staff conducted 71 interments during the month. Pre-Need sales accounted for 62% of all sales. Approximately 1,489 casket spaces remain available at El Toro and approximately 353 niches remain available in the Maureen Rivers Memorial Niche Garden. The cremation rate at El Toro Memorial Park year-to-date is 33%

Santa Ana Cemetery had three space sales in November and staff conducted 11 interments for the month. The cremation rate at Santa Ana Cemetery year-to-date is 58.7%.


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Overall, the District sold 101 spaces in November and conducted 94 interments. The District is slightly behind last year's numbers with 523 spaces sold year-to-date compared to 612 in the previous year at this time. For interment services, the District has conducted 482 interments year-to-date compared with 505 in the previous year.

GM Deutsch pointed out the November Income Statement and noted that El Toro Memorial Park is basically supporting the operations of the other two cemeteries. The District will have to address this concern in the future when El Toro's revenues decline as space sells out.

B. Financial Reports – November 2022

Brenda Manriquez stated that, as the Monthly Activity Report details, interment space sales are going quite well at El Toro Memorial Park. In terms of revenue, the District also received approximately \$500,000 in property taxes and we expect to receive another good amount in December. She was also happy to report that revenue from interest continues to improve and the District has just about tripled what earned over last year.

In terms of expenses, there have been some one-time project expenses for the new property including some maintenance expenses, security cameras, and fence repairs. There has been a significant increase in our legal costs due to the review by counsel of the \$20 million financing agreement. Security costs for the existing cemeteries are higher as well as are fuel costs and utilities. We may need to use some money from the Uncertainty Fund to cover some of these expenses.

There were no new equipment purchases in November.

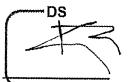
In Buildings and Improvements all activity was related to the new cemetery development.

On the Balance Sheet Brenda Manriquez mentioned that, with the large deposit of property taxes, the Assigned Land Development line item is no loner in a negative balance and the Board can expect that number to grow. As we move toward the end of the fiscal year, the Board can move those funds to committed unless we have projects coming up where we would need to use those funds immediately.

C. Investment Portfolio Changes – December 2022

GM Deutsch reported that since he sends updates to the Trustees as investments come due and purchases are made, there aren't any real surprises to report. It is great to see investments coming due with rates at 0.5% and purchasing investments with yields that are over 4%. Over the next six months, UBS will have \$2.3 million maturing in the Endowment Principal and Income Funds. Stifel will have almost \$1 million maturing in the Endowment Principal and Income Funds. In Stifel's Pre-Need fund there will be about \$560,000 coming due in the next six month.

Rates in the Orange County Investment Pool have jumped up and are now at 2.35%. CalTrust is still slightly higher. GM Deutsch stated that we will have to watch both funds and perhaps rethink transferring funds out of the OCIP if they can be competitive with CalTrust.


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Trustee Hatch asked if GM Deutsch had gotten any forecasts from our investment consultants as to the outlook for investments in the future. GM Deutsch said that he has not received any projections for the next 18 to 24 months. He did state that we are trying to keep some funds liquid to match the potential construction schedule.

D. Capital Projects Update

GM Deutsch explained that the process is continuing with the City of Anaheim regarding zoning. He is hopeful that the District can just do an addendum rather than a full EIR. GM Deutsch stated that he is going to schedule RJM to attend a Board Meeting in either February or March to update the Trustees on activities to date. GM Deutsch said that he is also hopeful to hear some word from CalVet in the upcoming weeks regarding Gypsum Canyon.

With the contract awarded to Idea Hall at the December Board Meeting, a kick-off meeting was held on December 19th. Staff is currently transitioning the District’s website over to Streamline and it is scheduled to go live on February 1st. Streamline will be much easier to work with as far as manipulating content on the website and ensuring that all transparency and accessibility requirements are met. Once that occurs, staff will focus on partnering with Idea Hall to develop content for community outreach on the Engagement HQ site through Granicus.

GM Deutsch also said that the request for reimbursement from the County for flag pole expenses at Gypsum Canyon was sent out on December 16th. This reimbursement will likely come in the form of an inner fund transfer. We also need to determine with the County how the pre-need funds they are going to allocate for first responders and allied veterans will be administered.

The project for replacing the water line at El Toro will be commencing soon. The timing is good as it is nice to have wet weather when the irrigation will be unavailable. There are several pieces of equipment in this year’s budget that still need to be ordered. Staff is having a difficult time finding the right pieces of equipment with lingering supply chain issues.

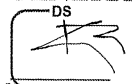
E. Audit Update (Oral Report)

Brenda Manriquez reported that the audit presentation has been delayed due to some complications with the implementation of the new GASB lease standard. In addition, she also reported that she came down with COVID which also delayed progress somewhat. The request for an extension to submit for the budget award has been approved, so the District now has until the end of January to submit the budget, which should be plenty of time. Brenda stated that Jessica Andersen with Eide Bailly will be on the meeting in February to present the final audit. Brenda Manriquez stated that it will be a clean opinion with no significant concerns. A footnote regarding the \$20 million financing agreement will be required, as this will have a major impact on the District going forward. Brenda Manriquez also briefly described the changes that will be required in reporting revenue from the cell tower leases.

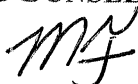
GM Deutsch said they will be sending information on the audit out to the Finance and Investment Committee, which is a committee of the whole within the next week to ten days.

NEW BUSINESS – NONE

GENERAL COUNSEL REPORT - NONE



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ITEMS FOR FUTURE AGENDAS

No items were discussed.

BOARD COMMENTS

A. Angel of Hope Candlelight Service – El Toro Memorial Park, Dec. 6th at 7 p.m.

Trustee Rivers reported that it was a beautiful service, despite the cold temperatures.

B. Wreaths Across America – El Toro Memorial Park and Santa Ana Cemetery, Saturday, December 17, 2022 at 9:00 a.m.

Chair Rivers and Trustee Hatch both attended the ceremony at El Toro Memorial Park. Trustee Hatch stated that there was quite a warm, touching spirit present among all those gathered. Chair Rivers stated that she has been attending this event since it first started at El Toro Memorial Park and it has almost quadrupled in size. This year there were approximately 300 volunteers on hand to place wreaths.

GM Deutsch said he attended the program at Santa Cemetery which has only be going on for a couple of years. The event is organized by the Santa Ana Elks Lodge and there were approximately 50 to 60 volunteers to place the 579 wreaths that were sponsored for Santa Ana Cemetery. GM Deutsch said it was very moving to see all the different Veterans graves from the Civil War and the Spanish American War to modern conflicts. GM Deutsch noted that for those Veterans who did not get a wreath at Santa Ana Cemetery, a U.S. flag was placed at the gravesite, so that Veteran would be honored and remembered.

ANNOUNCEMENTS

A. ISDOC Quarterly Meeting (Virtual) January 26, 2023 at 11:30 a.m.

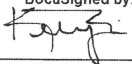
GM Deutsch announced that Brooke Staggs, an Environment Reporter with Southern California News Group would be the main speaker. Any Trustee interested in attending should let Mary Funk know so she can get them registered.


B. CAPC Annual Conference – Seaside, CA, March 23-25, 2023

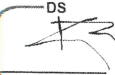
GM Deutsch stated that any Trustees who are interested in attending, should let Mary Funk know so she can complete registrations and hotel reservations. Trustees should respond as soon as possible as hotel rooms under the CAPC block will run out quickly.

The next regular meeting will be held on **Tuesday, February 7, 2023**, 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 10:53 a.m.

DocuSigned by:

Chair
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Secretary

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Chair


Secretary