

ORANGE COUNTY CEMETERY DISTRICT
Board of Trustees
November 5, 2019

MINUTES

The regular monthly meeting of the Orange County Cemetery District Board of Trustees was called to order by Chair Ward 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 Nelson.
Roll Call by Board Secretary, Mary Funk.

PRESENT: Noel Hatch, Vice Chair Fifth District
 Maribel Marroquin First District
 Kelly Rivers Second District
 William E. Nelson Third District

ABSENT: Cynthia Ward, Chair Fourth 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


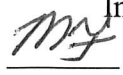
- A. Approval of Minutes – Regular Board Meeting, October 1, 2019.
- B. Approval of November 2019 Check Registers (Claims) Nos. 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81 and 82.
- C. Acceptance of the District Quarterly Investment Report and Certification for September 30, 2019, pursuant to Government Code Section 53646(b)(1).

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

GENERAL MANAGER REPORTS

Interments and Interment Space Sales Reports – September 2019

The following interment and interment space sales for September 2019 were reviewed:

ANAHEIM	Interments	6 (2 Urn)	<u>2019-2020</u> 25 (16 Urn)	<u>2018-2019</u> 17 (9 Urn)
 Chair	 Secretary			

	Lot Sales	2	10	8
EL TORO	Interments	68 (29 Urn)	187 (72 Urn)	147 (60 Urn)
	Lot Sales	101	238	196
SANTA ANA	Interments	22 (5 Urn)	70 (16 Urn)	93 (16 Urn)
	Lot Sales	11	30	67
TOTAL	Interments	96 (36 Urn)	282 (104 Urn)	257 (85 Urn)
	Lot Sales	114	278	271

GM Deutsch reported that September was nearly a record breaking month for El Toro with 101 space sales. Some of that was attributed to 37 niche sales in the new Maureen Rivers Memorial Niche Garden. Cemetery Assistant Kim Eazell was working several Saturdays taking appointments for families who were on the waiting list. Santa Ana bounced back with 22 interments conducted in September. Anaheim’s activity was stable. Overall the District is up over last year by 25 space sales and 7 interments.

Financial Reports – September 2019

Brenda Manriquez stated revenues met expectations for September. Salaries are higher than budgeted due to annual leave payouts for employees who retired in 2019, overtime expenses, and retro pay for merit increases that were effective in July and calculated now with the conclusion of union negotiations. Services and Supplies Account 1400 was high due to the crane rental for the monument removal at Santa Ana and increased security costs.

Brenda Manriquez also pointed out a change in the balance sheet with credit card settling through GovPayNet now occurring in our Wells Fargo account. She also stated that there is approximately \$800,000 that should be committed for land development.

September Interest Rates

GM Deutsch reported that interest rates took a slight bump down.

October Investment Portfolio Changes

GM Deutsch noted that there were several changes in investments as noted on the Board Report during the month of October. Vice Chair Hatch asked if the District used on-line banks to get better rates. GM Deutsch said he would investigate that option. He also stated that the report will now start to show Stifel Investment Services rather than Wells Fargo Advisors, as about 70% of Sandra Wheeler’s clients have converted over to her new company.

Capital Projects Update

GM Deutsch reported that the Notice of Completion for the new niche area was filed. The District has also received a 180 page report primarily on the geo-technical findings on the new property. These finding will set the road map on future development at the Gypsum Canyon site. GM Deutsch said he is also looking at proposals from swing gate companies for Santa Ana Cemetery.


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The Strategic Plan Dashboard

GM Deutsch explained that almost all of the staff were in attendance for a presentation from Nationwide on the District's new 457(b) deferred compensation plan and matching 401(a) plan. About 70% of the employees signed up for the program. Staff is currently working on establishing the necessary procedures and submitting the correct paperwork to the County to begin deductions with the first full pay period in November.

GM Deutsch said that he is also working with Supervisor Wagner's office on the upcoming flag retirement program to be held on Saturday, November 9th at 9 a.m. It will be located on the OC Parks' site and not on District property. Only one flag will be burned and the event will be canceled in the event of a red flag warning. The Trustees are not obligated to attend, although Trustee Nelson and possible Trustee Rivers may attend. Trustee Nelson stated that the whole point is to promote a veterans cemetery and to draw attention to cemetery development on the adjacent property. The Board will also be addressing policy updates in this meeting and in December as required to maintain our District of Distinction recognition with CSDA.

The Board also briefly discussed the Dia de los Muertos programs held over the weekend at Santa Ana Cemetery and Anaheim Cemetery. Trustee Nelson stated that these events are a direct result of the goals set forth in the District's strategic plan. Trustee Rivers said that the Public Relations and Communications Committee has also worked very hard to make these events possible. Trustee Marroquin was credited with much of the success for the first Dia de los Muertos program to be held at Santa Ana Cemetery. The event itself was very good. There were some unhappy people, however, who were unable to enter the cemetery with their cars making access to gravesites more difficult.

Audit Update (Oral Report)

Brenda Manriquez informed the Board that the auditors had been out to the District about two weeks ago to do their final test work. Everything went smoothly and nothing big jumped out as a result of the audit. Brenda stated that she is following up on a couple of small items for the auditors and she is hoping to get a draft audit within a week.

GM Deutsch requested that the Board move to New Business at this time.

NEW BUSINESS**OCERS Employer Contribution Discount for Fiscal Year 2020-21**

GM Deutsch explained that the Orange County Employees Retirement System (OCERS) Board of Retirement is offering a discount to employer's contribution payments made before January 15, 2020 for the fiscal year beginning July 1, 2020. GM Deutsch stated that the District will earn more on the funds with the discount than with the County's interest rate. If the District participates in the early payment based on the estimated full amount of \$212,795.30, the District will receive a discount of \$9,163.44. GM Deutsch explained that if the Board approves the prepayment, it will be set up by the County as a prepaid expense in the 2020-21 fiscal budget. The total amount the District will pay in advance is \$203,631.86.

MOTION: of Trustee Nelson, seconded by Trustee Marroquin and carried by a vote of 4-0 (Chair Ward absent for the vote), approved pre-paying the employer's


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contributions to the Orange County Employees Retirement System (OCERS) and authorize the General Manager to execute the transfer of payment in the amount of \$203,631.86 to OCERS.

UNFINISHED BUSINESS

Board Policy Manual Review

Counsel Quintanilla provided 28 policies with blacklined changes for the Board to review. The policies have been arranged in a new Article format. The Board reviewed each Article as follows:

Article 100 – Governance: This included the Governance Policy; the Conflict of Interest Code Policy; the Rules of Civility and Decorum at Public Meetings Policy; and the Board Committee and Subcommittee Policy. The Board only had one question as to the limit of three minutes for those to address the Board during public comment. Counsel Quintanilla stated that the policy enables the Board to limit speakers to three minutes, but the Board can allow more time for a speaker if it so chooses. GM Deutsch noted that the staff positions listed in the Conflict of Interest Code need to be updated to current titles. No other Changes were noted.

Article 110 – Transparency: This includes the Public Records Act Guide. No changes were recommended by the Board, but Counsel Quintanilla stated that based on the guide, staff could create a step-by-step chart and form for staff to follow when taking public records requests.

Article 120 – Trustee Benefits: This includes the Expense Reimbursement and Compensation Policy and the Board Meetings and Special Gatherings Refreshments Policy. Counsel Quintanilla explained that he based the policies on several he has prepared this year based on recent case law and added a couple of reimbursable expenses. Trustee Nelson requested that the meal allowance for Trustees be the same as for staff. The Board agreed Trustees and Staff may receive a reimbursement of \$80.00 per day for meals, plus taxes and up to 20% in gratuities. Costs for accommodating pets will be at the Trustee’s or staff person’s own expense.

Article 140 – Finance: This includes the Investment Policy; the Budget Monitoring Policy; the Schedule of Fees and Costs Policy; the Reserves and Fund Balance Policy; the Depreciation of Capital Assets Policy and the Petty Cash policy. While no changes were recommended to any of the policies, Vice Chair Hatch questioned whether or not the district was legally allowed to invest in its own bonds. The Board discussed Government Code Section 53601, which seems to allow entities to invest in their own bonds as long as that agency does not pool funds with other local agencies. GM Deutsch and Brenda Manriquez confirmed that the District does pool funds. Counsel Quintanilla stated he was not aware of that and said he would investigate the matter and give an opinion on whether or not this is an option for the District. The Board asked if it was possible to un-pool funds. GM Deutsch said it would be possible, but then the District would have an issue with liquidity as CalTRUST and OCIP give us quick access to cash. Vice Chair Hatch stated that this is the most important issue we are facing.

Article 150 – Employee Policies: This includes the Employee Recruitment and Selection Policy; the Employee Expense Reimbursement Policy; and the Sexual Harassment Policy. As discussed in Article 120, staff reimbursement for meals will be the same as for Trustees. In


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regards to the Sexual Harassment policy, the Board requested that language be included in the policy to enable the Board to go outside of the District to hire legal help to investigate allegations of sexual harassment should it involve the General Manager.

Article 160 – Cemetery Use Regulations: This includes the General Use Restrictions Policy; the Smoking Prohibition Policy and Ordinance 2019-01; the Repair and Restoration of Commemorative Monuments and Mausoleums Policy; and the Motion Picture, Television, Radio and Still Photography Production Activities Policy. Counsel Quintanilla explained that the ordinance should be for both the Smoking Prohibition Policy and the General Use Restrictions Policy. By adopting an ordinance, it empowers local law enforcement to act based on the ordinance. Counsel Quintanilla explained that one ordinance would be sufficient as long as it lists all three cemeteries. Counsel Quintanilla noted that there is also a separate state law that deals with smoking on public property.

Article 170 – Interments: This includes the Purchase and Repurchase of Interment Sites/Spaces and Related Services Policy; Eligible Nonresidents Policy; Disinterment Policy; Abandoned and Unclaimed Cremains Policy; Interment of Decedents for whom the County is Responsible Policy; the Memorial Markers, Niche Plates and Tribute Benches Placement Policy; and the U.S. Military Veterans Markers and Medallions Policy. There were no changes to these policies, although the Board wanted to make sure the policies enforce that markers in the new cemetery are to be flat and flush to the ground.

Article 180 – Accessibility: This includes the Americans with Disabilities Act Grievance Policy. No changes were recommended by the Board.

Counsel Quintanilla stated that he will provide additional policies for the Board's review at the December meeting, as it is likely these policies will be affected by some of the new bills the Governor has signed or will sign, as well as recent case law. The Interment Rights Policy, The Incidents and Claims Policy (Article 130), The Legislative Action Policy and The Temporary Markers Policy will also be presented at the December meeting.

MOTION: of Trustee Nelson, seconded by Trustee Rivers and carried by a vote of 4-0 (Chair Ward absent for the vote), adopted Orange County Cemetery District Ordinance No. 2019-01, approving the Smoking Prohibition Policy and the General Use Restrictions Policy.

Counsel Quintanilla stated that the adoption of Orange County Cemetery District Resolution 2019-09 will be used to formally adopt all the other policies discussed at this Board Meeting with all changes noted.

MOTION: of Trustee Nelson, seconded by Trustee Marroquin and carried by a vote of 4-0 (Chair Ward absent for the vote), adopted Orange County Cemetery District Board of Trustees Resolution No. 2019-09, amending, repealing, readopting and adopting various 2019 policies of the Orange County Cemetery District.


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ITEMS FOR FUTURE AGENDAS - None

BOARD COMMENTS

CAPC Annual Education Seminar and Area Meeting, Ventura, Oct. 11-12, 2019

Trustee Nelson, Trustee Rivers and Trustee Marroquin stated that they all attended the conference. Trustee Marroquin said it was very interesting to learn about some of the other issues facing cemetery districts. Trustee Rivers also attended the CAPC board meeting that was held during the conference.

CSDA Member Services Committee Meeting, Sacramento, Oct. 24, 2019

Trustee Nelson reported that he did not attend this meeting.

ISDOC Quarterly Meeting, Fountain Valley, October 24, 2019

Trustee Rivers attended this meeting and said that Supervisor Bartlett was a good speaker and very engaging. GM Deutsch also attended the meeting.

CSDA Board Meeting, Sacramento, November 1, 2019

Trustee Nelson stated that he attended this meeting, which would be his last Board meeting for CSDA. The discussed committee assignments for 2020 and Trustee Nelson will serve on both the Fiscal Committee and the Member Services Committee Meeting. During the meeting they discussed a salary benchmark study that was recently conducted. They also discussed professional development stating that the annual conference brings in about \$400,000 in revenue. For recruitment, the association has about 1,200 members.

Dia de los Muertos – Santa Ana Cemetery, Nov. 2, 2019

Trustee Marroquin was integral in coordinating this event. She stated that Supervisor Do was very helpful. It was a good event overall. They estimate about 800 people attended. Trustee Rivers and Chair Ward also attended.

Dia de los Muertos – Anaheim Cemetery, Nov. 2, 2019

Trustee Rivers reported that it was a very good event. She and Darrell Rivers worked at the refreshment table and provided all the hot chocolate. Chair Ward welcomed the audience and closed the program. Trustee Nelson reported that he also attended the Anaheim Program. Approximately 300 people attended and it was well received by the public.

ISDOC Executive Committee Meeting, Fountain Valley – November 5, 2019

Trustee Nelson reported that they discussed the CSDA Legislative Tours with the most recent tours being in Sacramento, Fresno, Monterey, and San Bernardino. He also mentioned that CSDA is offering free ethics training for members until March 16th.

ANNOUNCEMENTS

The 31st Annual Veterans Day Program will be held at El Toro Memorial Park on Monday, November 11th at 11:00 a.m. Trustee Nelson, Trustee Rivers, Trustee Marroquin and Vice Chair Hatch all plan to attend.


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The Angel of Hope Candlelight Service will be on December 6th at 7:00 p.m. Trustee Rivers plans to attend.

The next ISDOC Executive Committee Meeting will be held on December 10, 2019. Trustee Nelson will attend. It will be his last meeting on the ISDOC Executive Committee.

Wreaths Across America will take place at El Toro Memorial Park on Saturday, December 14th at 9:00 a.m. Trustee Rivers will attend.

The Longest Night Homeless Memorial Service will take place at Anaheim Cemetery on Saturday, December 21st. The District has been unable to contact organizer Tim Houchen, so a start time for the event has not been determined. Chair Ward will attend.

The next regular meeting will be held on **Tuesday, December 3, 2019**, 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 11:45 a.m.


Cynthia Ward, Chair


Secretary


Chair


Secretary