

MINUTES OF THE REGULAR MEETING
BOARD OF TRUSTEES
NORTH COUNTY CEMETERY DISTRICT
As of March 19, 2018

The Regular Meeting of the *Board of Trustees of the North County Cemetery District* was called to order by Chairperson Steve Lochridge at 5:30 p.m., at the Oak Hill Memorial Park office. Present were Trustees Tanis Brown, Sharon Disney, Thomas Knight, Mike Ott and Chairperson Lochridge. A quorum was present. Also present was General Manager Dennis Shepard.

The meeting was opened with the Flag Salute.

Visiting the Board Meeting were district resident, Richard Hyde and Robert Dennis of *Dennis Cooper Associates, CPA*.

A motion was made by Trustee Disney with a second by Trustee Brown, to change the order of items on the agenda, and have the Board address item J - 1, *Annual Financial Report*, first for the benefit of Robert Dennis. The motion passed with 5 Aye votes.

Ayes: 5 Trustees Brown, Disney, Knight, Lochridge and Ott
Nays: 0
Abstained: 0
Absent: 0

The Board asked several questions of Mr. Dennis during the presentation regarding his findings as presented in the Annual Financial Report. When asked specifically about any observed weaknesses in the District's processes of control, Mr. Dennis explained that he had not observed any, but the intent of the audit was not to inspect the processes. He said that some are reviewed just as the normal course of the financial audit. The audit did not identify any deficiencies in internal controls over financial reporting that are considered a material weakness. On a motion by Trustee Ott with a second on the motion by Trustee Knight, the Board voted unanimously to accept the *Annual Financial Report* as presented by Mr. Dennis.

Ayes: 5 Trustees Brown, Disney, Knight, Lochridge and Ott
Nays: 0
Abstained: 0
Absent: 0

Following the vote to accept the Annual Financial Report, the Board discussed the Pro's and Con's of the current Cash Handling process of the District. Questions were raised about changing current District Policy, and to consider a future prohibition on acceptance of cash for payment, thus limiting payments to credit cards, money orders, or checks. The Board asked that this item be placed on the April agenda of the Board of Trustees Meeting for discussion and consideration. The Board also asked that the current exemption of this District to annually adopt appropriations limit, (Gann Limit), as defined in the Health and Safety Code Section 9072, be "codified" in the District's Policy Manual. An amendment to the District Policy will be presented for consideration in the next Board Meeting.

A motion was presented by Trustee Brown with a second by Trustee Disney, to approve the minutes of the Regular Board Meeting of February 19, 2018. The motion passed with 5 Aye votes.

Ayes: 5 Trustees Brown, Disney, Knight, Lochridge and Ott
Nays: 0
Abstained: 0
Absent: 0

All of the District Orders and District Certificates were approved and signed by the Board.

The Board reviewed all the correspondence received by March 13. No new items had arrived.

The Board reviewed the Financial Report for the month of February 2018. The District's revenues are a little ahead of the "straight line" budget for the year, and the expense spending is a little under budget. With 2/3rds of the year gone, the GM believes that the District is in good financial position and should end the fiscal year a little better than budget. The Board directed that the Financial Report be placed on file for the Auditor.

The February 2018 Investment Report was presented to the Board for its review. Nothing has matured during the month of February, and no changes have taken place with the District's investments. The next investment to mature will be a CD from Bank of North Carolina. It will mature on June 29, 2018. It has paid 1.5% APY. The District has approximately 47.8 % of its available funds invested outside the San Diego County Treasury.

Continuing Business:

Blue Consulting Group continues its work on the creation of the Land Conservancy at Oak Hill Memorial Park. A "Sequence of Events" for the Bank Prospectuses and for the Bank Agreement was presented and discussed. GM Shepard reviewed the steps taken to date for the development of the map survey. No Board action was taken on this item. The Board asked the GM to verify insurance coverage for Blue Consulting and to refine the detail involved with the Cost & Time Chart of Activities.

The General Manager presented to the Board status on CemSites implementation. Since the February 20 symposium presented by CemSites, NCCD has finished rebuilding all of the February Time Payments on active accounts at Oak Hill. San Marcos is still in progress. Comparative reports were analyzed for February in the Oak Hill database, and the reports were in sync between the legacy system, (BCS), and the new CemSites system. Staff will continue to finish February business in San Marcos, then staff will finish January's data for both cemeteries. No action was taken on this item.

California Association of Public Cemeteries held its 60th Annual Conference on February 22, 23, and 24, 2018, in San Luis Obispo, California. In attendance were Trustees Brown, Disney, Knight, Lochridge, and Ott. General Manager Dennis Shepard also attended. Each Trustee and the GM provided feedback about the conference. The major subjects presented at the conference included: "Cal OSHA Safety & Health for Cemeteries" presented by Michael Alvarez; California Legislation Update by CSDA's Rylan Gervase, Ethics Training; AB1234 Requirements Presented by Karen O'Neal, Esq.; Trustees and Managers Workshops; "Embezzlement/Bond Loss" presented by Mark Marshall; "Liability for Dangerous Conditions", presented by Mark Velasquez.

New Business:

Annual Statement of Economic Interests - Form 700 from each Trustee is due April 1, 2018. The process and status of the reporting was shared with the Trustees.

After reviewing District Policy 4040, the District's Ethics Training policy, the Board determined that no amendments were needed to the policy. Trustee Ott presented a motion to leave the District Policy unchanged. Trustee Brown provided a second to the motion. The motion passed with 5 Aye votes.

Ayes: 5 Trustees Brown, Disney, Knight, Lochridge and Ott

Nays: 0

Abstained: 0

Absent: 0

The Ad Hoc Committee to study a Committal Center/Community Use Facility, chaired by Trustee Ott, with members Steve Lochridge and Dennis Shepard, reported to the Board. Consultant Rich Miller has been invited to the April meeting along with architects Brad Burke and Ken Erickson. No action was taken by the Board.

The General Manager provided his Manager's Report:

- The GM attended a February 27 Webinar on Board Liability Issues
- March 9 Escondido Chamber of Commerce Business Mixer
- March 16 LAFCOSpecial District Advisory Committee Meeting
- Equipment Down For Repair: None
- Personnel:
 - San Marcos Gate Keeper is retiring; Hired new Gate Keeper
 - A "Temporary Employee" added to the force for three months
- Monthly Employee Safety Training subject: "Sexual Harassment: You Make the Call"

The schedule of future activities include:

- April 12, 2018: Local Area Cemetery Meeting at Oak Hill Memorial Park
- May 15 – 16, 2018: Special Districts Legislative Days
- September 24 – 27, 2018: CSDA Annual Conference in Palm Springs
- October 5 – 6, 2018: CAPC Education Day / Area Meeting in South Lake Tahoe

The meeting adjourned at 7:50 p.m. The next Regular Board of Trustees Meeting is scheduled for April 16, 2018, and will begin at 5:30P.M. It will be held at the Oak Hill Memorial Park office.

Dennis L. Shepard
Acting as Secretary of the Board