

MINUTES OF THE SPECIAL MEETING
BOARD OF TRUSTEES
NORTH COUNTY CEMETERY DISTRICT
As of July 18, 2022

The meeting of the Board of Trustees of the *North County Cemetery District* was called to order by Chairperson Dr. Steven Lochridge at 5:30 p.m., at the Oak Hill Memorial Park office. Present were Trustees, Michael Ott, and Colleen Lukoff. Trustee Sharon Disney was present via telephone. Trustee Tanis Brown was absent. A quorum was present. Also present was Administration Manager Kelly Swales and General Manager Edward Serna.

Pursuant to the Executive Department State of California, Executive Order N-25-20, California Governor Newsom is providing Brown Act flexibility for Public Agencies due to the COVID-19 crisis. The meeting was accessible to the public via teleconference.

The meeting began with the Salute to the U.S. Flag and the recognition of visitors.

Public input for non-agenda items; No action will be taken on non-agenda items. Speakers are limited to three minutes each.

The board reviewed the Financial Report for the month of June 2022, and the end of year data for FY 2021-2022. The board reviewed the budget data and the recommendations of the GM for the upcoming 2022-2023 FY proposed budget.

Total Cemetery Income for FY 21-22 approximately exceeded the budget by \$532,917.22. This was due primarily from the increase of burial services. 509 interments were performed in FY 21-22, down 6.09% or 33 burial services from the previous year. *Note: FY 19-20 ended the year with 405 interments, this number represented the pre COVID-19-time frame. Compared to this year and FY 19-20, the interments increased 25.68% or 104 interments.*

Total Operating Expenses under-ran the budget by \$330,588.02. The three-line items that were under are Payroll Expense, Electric and Water. The district experienced a shortage in staff during the FY, this was the main factor for the savings in payroll.

The total anticipated burial services for FY 22-23 are forecast at 425 for at-need and preneed services.

Due to the volatility of the financial crisis, and the continued increased in inflation it was discussed with the Board of Trustees to consider adopting a policy to reevaluate the annual budget midway through the next fiscal year.

The General Manager made the following recommendations below for the anticipated revenues for FY 2022-2023 proposed budget.

1. To remove the RDA money distributions from being considered as income in the annual operating budget. Arrange with the County of San Diego to re-route the RDA money distributions deposits to be deposited in the districts Capital Outlay fund moving forward.
2. Transfers from the Preeed fund are budgeted for \$600,000.00
3. To add one new expense line titled "Administration Fee".
4. Increase all district fees by 7%, comparable to the inflation rate.

The General Manager made the following recommendations below for the anticipated expenses for FY 2022-2023 proposed budget.

1. Increase the cost-of-living allowance by 7% to all staff members.
2. An "Enhanced Hazardous and/or Undesirable Work" payment for staff members. A \$1000 payment for all full-time employees, a \$500 payment for part-time employees and a \$250 payment for the district's gatekeepers. This payment is associated to the COVID-19 Pandemic. The payments mentioned above will be paid out in September.
3. A monthly \$30 cellular phone stipend for the following positions: Supervisors, Irrigation Supervisors, Assistant Supervisors, Mechanic, and Administration Manager.
4. The Administration Manager position to be converted to an exempt salary position. The Administration Manager salary to be increased to \$70,000 annually.
5. Add/Upgrade one (1) existing budgeted full-time Irrigation Supervisor or Assistant Supervisor at the San Marcos Cemetery, instead of a Maintenance Staff I.
6. Add one (1) full-time Maintenance Staff I at the Oak Hill Memorial Park.

A motion was presented by Trustee Ott, seconded by Trustee Lukoff, and passed unanimously with those members present to approve/adopt the General Manager's recommended FY 2022-2023 budget (Agenda Item G(1-2) with the following stipulations, effective August 1, 2022.

1. To amend the salary schedule for the Administration Manager position and add a minimum and maximum salary, adjusting the salary for the incumbent to \$70,000 annually effective in FY 2022-2023.
2. Draft a cell phone stipend and a hazard pay policy to be brought to the Trustees for approval at a future meeting prior to authorization of the cell phone and hazard pay for employees.
3. The cell phone and the hazard payment is proposed for September, 2022.
4. Add two additional columns to the proposed budget table located on page 29 of the budget packet to include the adopted and estimated actual figures for FY 2021-2022, and to direct the general manager to include these additional columns in all future proposed budgets.
5. Post the entire adopted budget (approximately 49 pages) on a prominent place on the North County Cemetery District's website. Trustees requested the general manager to redact the names of employees for the version of the budget that will appear on the website.

The motion passes with 4 Aye votes.

Ayes:	4	Trustees Lochridge, Ott, Disney, and Lukoff.
Nays:	0	
Abstained:	0	
Absent:	1	Trustee Brown.
Recused	0	

A motion was presented by Trustee Lukoff, seconded by Trustee Lochridge, to approve/adopt the proposed budget (Agenda item G(3-5) and modify the proposed budget by adding one holiday in recognition of Martin Luther King Day to the districts leave provisions, and to accept Mutual of Omaha's basic Term Life and AD & D Insurance proposal to increase to \$30,000 per employee.

The motion passes with 4 Aye votes.

Ayes: 4 Trustees Lochridge, Ott, Disney, and Lukoff.

Nays: 0

Abstained: 0

Absent: 1 Trustee Brown.

Recused 0

The trustees provided feedback to the general manager to return to the July 25, 2022, meeting with an item regarding the adoption of the general manager's FY 2022-23 employment contract and board member/general manager goals and objectives. The trustees also indicated that a closed session regarding this item should additionally be included on the next agenda to allow the board to discuss this matter if there are labor negotiation implications.

The meeting adjourned at 7:42pm. The next Regular Board of Trustees meeting is scheduled for Monday July 25, 2022, and will begin at 5:30pm. It will be held at the district office, 2640 Glenridge road, Escondido, CA.