

**TEMECULA PUBLIC CEMETERY DISTRICT
BOARD OF TRUSTEES
REGULAR MEETING**

**41911 C STREET
TEMECULA, CA 92592**

October 17, 2019

8:00 a.m.

AGENDA- Estimated Time: 2 Hrs.

1. **Call To Order :**
2. **Pledge of Allegiance:** Led by Trustee Dugan
3. **Roll Call**
Chair Vanderhaak, Vice-Chair Qualm, Trustee Reese, Trustee Dugan General
Manager, Cindi Beaudet

Motions To Excuse:

Visitors:

Public Comments:

At this time, members of the public are invited to address the Board concerning any items on the Agenda, or on any other matters that are not on the Agenda but are within the subject matter jurisdiction of the District. Request must be submitted in person prior to the start of the meeting. Each individual will be allowed 5 minutes to address the Board of Trustees; in accordance with State Law, (Brown Act) all items to be acted on must be posted 72 hours in advance.

4. CLOSED SESSION ITEMS:

- A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED INITIATION OF LITIGATION**
Pursuant to Government Code of Section 54956.9 (d) (One potential case)

B. Closed Session Announcement

5. **Consent Calendar**

All matters on the Consent Calendar are considered routine and may all be approved by one motion. Any member of the Board or the public may request an item be removed from the Consent Calendar for discussion or separate action. Unless otherwise specified in the request to remove an item from the Consent Calendar, all items shall be considered immediately following action on the remaining items on the Consent Calendar.

A. **Approval of Minutes**

Recommendation: That the Board approve the minutes of the Regular Board Meeting of September 19, 2019.

B. **Approval of Check Registers**

Recommendation: That the Board approves the September 2019 Check Register Nos. 101100, 101200 and 101300.

C. **Approval of Bookkeeper Report**

Recommendation: That the Board receive and file the September 2019 Bookkeeper Reports.

6. Action Items

A. Investments with Wells Fargo

Recommendation: Sandra Wheeler our Wells Fargo Investment broker has moved to Stifel. She would like to see the Trustees transfer the Districts account numbers, 5397-7799, Principle and 5559-0516 Interest, from Wells Fargo to Stifel Investments. She has assured the Investment committee that there will be no penalties in doing so. Any transfer fees that Wells Fargo will pass onto us Stifel has said they will absorb those costs.

7. Financial Report

- A. September 2019 Balance Sheet
- B. September 2019 Profit and Loss
- C. September 2019 Wells Fargo Investments; principle and interest

8. General Managers Reports

- A. September 2019 Revenues
- B. September 2019 Plot Inventories
- C. September Depletion
- D. SDRMA –Workers Compensation- No paid Claims
- E. SDRMA – Presidents award- Liability

9. General Counsel Reports

10. Fiscal Year 2019-2020 Subcommittees

- A. 52 acre Cemetery Property (Dugan, Qualm) GM. to report
- B. Landscape Plan (Vanderhaak, Reese)
- C. Cenotaph/ Ossuary (Reese, Davis)
- D. Investment (Davis, Dugan)
- E. Conference Liaison (Vanderhaak, Reese) Report from Trustee Reese and Trustee Vanderhaak- CSDA Conference
- F. Policies (Dugan, Reese)
- G. Trustee Dugan to review with BOT
- Policy # 1040, Reserve and Fund Balance- Policy to be approved by the Board.
- H. General Price List (Vanderhaak, Davis)

11. Future Trustee Agenda Items: General Contractors

12. Board Comment:

13. Announcements:

Christmas Dinner, December 07, 2019 @ Luke's on Front St

14. Adjournment Time:

1st Motion

2nd Motion

Time:

Next Regular Board Meeting – November 21, 2019

In compliance with the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the District Secretary at (951) 699-1630. Notification 72-hours prior to the meeting will generally enable District staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

All supporting documentation is available for public review at the Temecula Public Cemetery District Office located at 41911 C Street, Temecula, California during regular business hours, 8:00 a.m. – 4:30 p.m., Monday through Friday. Or at www.temeculacemetery.org posted October 14, 2019

**TEMECULA PUBLIC CEMETERY DISTRICT
BOARD OF TRUSTEES
REGULAR MEETING**

**41911 C STREET
TEMECULA, CA 92592**

September 19, 2019

8:00 a.m.

MINUTES

1. **Call To Order :**

2. **Pledge of Allegiance:** Led by Chair Vanderhaak

3. **Roll Call**

Chair Vanderhaak, Vice-Chair Qualm, Trustee Davis, Trustee Reese, Trustee Dugan General Manager, Cindi Beaudet
Legal Counsel, Steve Quintanilla

Motions To Excuse: Trustee Reese from 09/19/2019 Board meeting
Trustee Craig Davis from the October 17, 2019 board meeting.
Motion was made by Trustee Dugan seconded by Trustee Qualm and
passed 4/0 and passed

Visitors: Michelle Hesselgesser

Public Comments:

At this time, members of the public are invited to address the Board concerning any items on the Agenda, or on any other matters that are not on the Agenda but are within the subject matter jurisdiction of the District. Request must be submitted in person prior to the start of the meeting. Each individual will be allowed 5 minutes to address the Board of Trustees; in accordance with State Law, (Brown Act) all items to be acted on must be posted 72 hours in advance.

4. CLOSED SESSION ITEMS:

- A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED INITIATION OF LITIGATION**
Pursuant to Government Code of Section 54956.9 (d) (One potential case)

B. Closed Session Announcement: No reportable action

5. **Consent Calendar:** Motion was made by Trustee Davis to accept the consent calendar as presented, seconded by Trustee Qualm and passed 4/0.

All matters on the Consent Calendar are considered routine and may all be approved by one motion. Any member of the Board or the public may request an item be removed from the Consent Calendar for discussion or separate action. Unless otherwise specified in the request to remove an item from the Consent Calendar, all items shall be considered immediately following action on the remaining items on the Consent Calendar.

A. **Approval of Minutes**

Recommendation: That the Board approve the minutes of the Regular Board Meeting of August 15, 2019.

B. **Approval of Check Registers**

Recommendation: That the Board approves the August 2019 Check Register Nos. 101100, 101200 and 101300.

C. **Approval of Bookkeeper Report**

Recommendation: That the Board receive and file the August 2019 Bookkeeper Reports.

6. Action Items

- A. Eligible Non-Residents Motion was made by Trustee Qualm not to accept Non- Residents (from another tax paying district) unless they are eligible non-residents. This will only be for the existing 7 acre cemetery due to limited space. Motion was seconded by Trustee Dugan and passed 4/0.

Recommendation: That the Trustees do not allow non tax paying residents (that belong to another District) into our District for burial, unless these residents in question do not pay property taxes to any District only then will they be allowed in by paying a non-resident fee.

7. Financial Report

- A. August 2019 Balance Sheet
- B. August 2019 Profit and Loss
- C. August 2019 Wells Fargo Investments; principle and interest

8. General Managers Reports

- A. August 2019 Revenues
- B. August 2019 Plot Inventories
- C. August Depletion
- D. August Calendar
- E. Toastmasters-Admin
- F. Thank you card- Linda Glau
- G. Rain Bird recognition-Joe Sands

9. General Counsel Reports

10. Fiscal Year 2019-2020 Subcommittees

- A. 52 acre Cemetery Property (Dugan, Qualm) GM. to report
- B. Landscape Plan (Vanderhaak, Reese) Nothing to report
- C. Cenotaph/ Ossuary (Reese, Davis) Nothing to report
- D. Investment (Davis, Dugan)
- E. Conference Liaison (Vanderhaak, Reese) Report from Craig Davis-Tahoe
- F. Policies (Dugan, Reese)
- G. Trustee Qualm to review with BOT
Approved policy # 1055, Tickets and Passes
- H. General Price List (Vanderhaak, Davis)

11. Future Trustee Agenda Items:

General Contractors

12. Board Comment:

October 1st South Coast Winery 7:30 a.m. - Legislation Summit

13. Announcements:

CSDA, Anaheim, September 25-28, 2019

Christmas Dinner, December 07, 2019 @ Luke's on Front St

14. Adjournment Time:

1st Motion: Trustee Davis

2nd Motion: Trustee Dugan

Passed 4/0.

Time: 9:46 a.m.

Next Regular Board Meeting – October 17, 2019

Temecula Public Cemetery District

10/10/2019 11:57 AM

Register: 101100 · US Bank Checking

From 09/01/2019 through 09/30/2019

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
09/03/2019	090619	CalPers 457 Plan	201100 · Accounts Pay...		1,352.40	X		49,796.63
09/03/2019			101200 · US Bank Pay...	Funds Transfer	9,727.96	X		40,068.67
09/05/2019	7562	California Dept of Ta...	201100 · Accounts Pay...		86.96	X		39,981.71
09/05/2019	7563	Cindi Beaudet	201100 · Accounts Pay...		81.84	X		39,899.87
09/05/2019	7564	EcoFert Inc	201100 · Accounts Pay...	4283	490.00	X		39,409.87
09/05/2019	7565	Protection One (corp)	201100 · Accounts Pay...	130313064	305.61	X		39,104.26
09/05/2019	7566	California Assoc of P...	201100 · Accounts Pay...		293.00	X		38,811.26
09/08/2019	AJE622		515100 · Life Insuranc...	Automatic with...	35.64	X		38,775.62
09/09/2019	7567	CR&R Incorporated	201100 · Accounts Pay...	1128607	265.28	X		38,510.34
09/09/2019	7568	Crowne Hill Consulti...	201100 · Accounts Pay...	12433/12435/1...	337.37	X		38,172.97
09/09/2019	7569	Whited Cemetery Ser...	201100 · Accounts Pay...	IN040321/IN0...	3,174.50	X		34,998.47
09/11/2019	AJE625		101200 · US Bank Pay...	Monthly autom...	411.30	X		34,587.17
09/12/2019			523290 · Bank Charges	Service Charge	21.00	X		34,566.17
09/17/2019	091719	California Public Em...	201100 · Accounts Pay...	7490021932 ...	4,922.25	X		29,643.92
09/17/2019	092019	CalPers 457 Plan	201100 · Accounts Pay...		1,356.82	X		28,287.10
09/17/2019			101200 · US Bank Pay...	Funds Transfer	9,210.93	X		19,076.17
09/18/2019	7570	Asco Pacific	201100 · Accounts Pay...	59007	1,486.76	X		17,589.41
09/18/2019	7571	Crowne Hill Consulti...	201100 · Accounts Pay...	12433/12435/1...	1,416.06	X		16,173.35
09/18/2019	7572	Ewing Irrigation Pro...	201100 · Accounts Pay...	53000607	165.26	X		16,008.09
09/18/2019	7573	Linda Glau CPA	201100 · Accounts Pay...		550.00	X		15,458.09
09/18/2019	7574	SDRMA	201100 · Accounts Pay...		1,506.20	X		13,951.89
09/18/2019	7575	Southern California ...	201100 · Accounts Pay...	2-03-325-4707	527.84	X		13,424.05
09/18/2019	7576	Sparkletts	201100 · Accounts Pay...	5728175 090819	139.29	X		13,284.76
09/18/2019	7577	Standard Insurance C...	201100 · Accounts Pay...	160-513170-00...	429.76	X		12,855.00
09/18/2019	7578	Wildlife Control Ser...	201100 · Accounts Pay...	WL2958	450.00	X		12,405.00
09/20/2019			101100G · Cash - Gen...	Deposit		X	63,046.93	75,451.93
09/30/2019			-split-	Deposit		X	250.46	75,702.39
09/30/2019	7579	County of Riverside L...	201100 · Accounts Pay...	IT 3290	205.56			75,496.83
09/30/2019	7580	Hank's Hardware & ...	201100 · Accounts Pay...		80.52			75,416.31
09/30/2019	7581	Metlife	201100 · Accounts Pay...	KMO5754030-...	62.77			75,353.54
09/30/2019	7582	Nutrien Ag Solutions	201100 · Accounts Pay...	388458	16.31			75,337.23
09/30/2019	7583	Prudential Overall Su...	201100 · Accounts Pay...		210.90			75,126.33
09/30/2019	7584	PSOMAS	201100 · Accounts Pay...	JULY-AUGUST	1,490.00			73,636.33
09/30/2019	7585	South County Pest C...	201100 · Accounts Pay...	023512	46.00			73,590.33
09/30/2019	7586	Streamline	201100 · Accounts Pay...	101788	50.00			73,540.33
09/30/2019	7587	Verizon Wireless	201100 · Accounts Pay...	9226954783	333.50			73,206.83
09/30/2019	100419	CalPers 457 Plan	201100 · Accounts Pay...		1,371.34			71,835.49
09/30/2019			101200 · US Bank Pay...	Funds Transfer	9,922.50	X		61,912.99

Temecula Public Cemetery District

10/10/2019 11:57 AM

Register: 101200 · US Bank Payroll
 From 09/01/2019 through 09/30/2019
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
09/03/2019			101100 · US Bank Che...	Funds Transfer		X	9,727.96	11,912.59
09/06/2019	AJE620		510040 · Regular Salar...	Green Cash Re...	6,747.62	X		5,164.97
09/06/2019	AJE620		510040 · Regular Salar...	Green Cash Re...	2,833.56	X		2,331.41
09/06/2019	AJE620		510040 · Regular Salar...	Monthly charg...	146.78	X		2,184.63
09/11/2019	AJE625		101100 · US Bank Che...	Monthly autom...		X	411.30	2,595.93
09/15/2019	AJE630		525030 · Paychex HR ...		414.15	X		2,181.78
09/17/2019			101100 · US Bank Che...	Funds Transfer		X	9,210.93	11,392.71
09/20/2019	AJE631		510040 · Regular Salar...	Green Cash Re...	6,336.74	X		5,055.97
09/20/2019	AJE631		510040 · Regular Salar...	Green Cash Re...	2,736.25	X		2,319.72
09/20/2019	AJE631		510040 · Regular Salar...	Monthly charg...	137.94	X		2,181.78
09/30/2019			101100 · US Bank Che...	Funds Transfer		X	9,922.50	12,104.28

Temecula Public Cemetery District


10/10/2019 11:58 AM

Register: 101300 · US Wash Account

From 09/01/2019 through 09/30/2019

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
09/30/2019			-split-	Deposit		X	18,800.00	27,723.01
09/30/2019	2228	County of Riverside ...	-split-		18,800.00			8,923.01

Date: 10/09/2019 

On-Site Tasks Performed:

- X Reconcile three US Bank Cash Accounts
- X Reconcile four County Cash Accounts
- X Enter Property Tax Deposits as Necessary
- X Balance Voucher to County

X Journal activity and Reconcile two Wells Fargo Advisors Accounts using WFA Balancing spreadsheet.

- X Save the WFA Account Statements for the auditor
- X Reconcile two WFA interest receivable accounts
- X Print WFA Snapshot- for Board Packets

X Verify check sequence is intact.
7570-7595

X Verify each check over \$2500 from the US Bank General account has two signatures. Note: US Bank Wash account checks to the county are exempt from this requirement.

- 7591 Michael Baker International 10/04/19 \$5400.00 Additional Work on Cemetery OK
- 7590 US Bank 10/02/19 \$4437.44 Credit Card Bill OK

X Verify all checks to the GM have two signatures.
10/02/19 \$108.45 Mileage September 2019 OK

X Check monthly credit card statements for receipts and reasonableness. Initial credit card. Note that receipts are attached and expenses are reasonable.

X Discuss Management Use Only financial statements with the GM - Profit and loss two month, Balance sheet with prior year figures, and Profit and Loss Budget Performance.

X For the GM – Add Difference to Balance Sheet. In Excel, change the difference column text to white. Then for all reasonable totals/subtotals, change it to black.

X Update Endowment Allocation Schedule.

X Update Wash Account Analysis.

X Update Prepaid subledger and validate QB information.

- X Read Agenda and Minutes of the previous Board Meeting.
- X Continue Audit Support

Items to note:

Open items:

STIFEL

September 20, 2019

Cindi Beaudet
Mike Dugan
41911 'C' Street
Temecula, CA 92592

Dear Cindi & Mike:

I am happy to announce I have recently joined the firm of Stifel, Nicolaus & Company, Incorporated as Vice President/Investments. This decision was based on my goal to provide my clients with what I feel is the best investment advice and services currently available. My new office will be located at 999 Monterey Suite Street, Suite 360, San Luis Obispo, CA 93401.

Established in 1890, Stifel is a full-service, New York Stock Exchange member firm, providing retail brokerage, institutional, and investment consulting services.

I sincerely value your relationship and look forward to you joining me at Stifel. In order to facilitate the transfer of your account, simply complete in full and sign the enclosed transfer forms and return them in the enclosed postage-paid envelope. To assist with the transfer, please provide a copy of the first page of your most recent statement. If you are unable to provide a copy, please include the original, and we will be sure to return it to you.

Thank you for your continued confidence. I look forward to continuing our relationship in the future. I can be reached at 805-783-2921 or sandra.wheeler@stifel.com if you have any questions.

Warmest Regards,



Sandra H. Wheeler
Vice President/Investments

Enclosure

Temecula Public Cemetery District
Balance Sheet
 As of September 30, 2019

	Sep 30, 19	Sep 30, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
101100 · US Bank Checking	61,912.99	52,889.70	
101200 · US Bank Payroll	12,104.28	333.44	
101300 · US Wash Account	8,923.01	25,510.98	
101100C · Cash -Accumulative Outlay Fund	1,964,791.20	1,620,082.83	
101100E · Cash - Endowment Fund	174,373.40	318,944.25	
1011004 · Cash - Retirement	180.00	180.00	
101100G · Cash - General	952,411.00	1,072,785.24	
Total Checking/Savings	3,174,695.88	3,090,726.44	83,969.44
Other Current Assets			
102000 · Wells Fargo Investments			
102010 · Wells Fargo Endowment Care	2,109,394.18	1,726,679.38	
102020 · Wells Fargo Endowment Interest	736,989.73	659,335.85	
Total 102000 · Wells Fargo Investments	2,846,383.91	2,386,015.23	460,368.68
112011 · Inventory Asset	34,680.00	33,999.00	
102100 · Taxes Receivable	11,639.16	10,231.21	
100499 · Revenues to Deposit with County	0.00	19,775.00	
116100 · Interest Receivable			
116100P · Interest Receivable - End Prin	10,564.57	7,167.30	
116100I · Interest Receivable - End Int	3,796.97	2,722.35	
Total 116100 · Interest Receivable	14,361.54	9,889.65	4,471.89
116137 · Miscellaneous Receivable	0.00	2.70	
117000 · PrePaid Expenses	27,742.49	22,907.86	
Total Other Current Assets	2,934,807.10	2,482,820.65	451,986.45
Total Current Assets	6,109,502.98	5,573,547.09	535,955.89
Fixed Assets			
191650 · Intangible Assets	13,730.00	8,970.00	
191000 · Future Cemetery Property	2,636,568.20	2,603,146.20	
191100 · Buildings and Improvements	336,226.07	285,226.07	
191400 · Structures and Improvements	382,158.03	382,158.03	
191500 · Equipment	174,571.02	178,031.48	
191600 · Construction in Process	0.00	11,206.50	
191700 · Non-Depreciable Assets	77,561.02	77,561.02	

Temecula Public Cemetery District
Balance Sheet
As of September 30, 2019

	Sep 30, 19	Sep 30, 18	\$ Change
191800 · Grounds Improvements	22,079.50	9,190.00	
191900 · Paving 2015	143,560.00	143,560.00	
198100 · Accumulated Depreciation - Bldg	-115,868.86	-100,577.10	
198400 · Accumulated Depr - Struct/Imp	-213,598.95	-195,727.62	
198500 · Accum Depr - Equipment	-163,008.57	-158,862.47	
198800 · Accum Depr- Grnd Imp	-2,160.78	-1,608.25	
198900 · Accum Depr-Pav 15	-29,704.02	-22,526.02	
Total Fixed Assets	3,262,112.66	3,219,747.84	42,364.82
TOTAL ASSETS	9,371,615.64	8,793,294.93	578,320.71
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
201100 · Accounts Payable	8,922.81	15,100.03	
Total Accounts Payable	8,922.81	15,100.03	
Other Current Liabilities			
212200 · Accrued Vacation Pay	14,834.36	10,950.70	
Total Other Current Liabilities	14,834.36	10,950.70	
Total Current Liabilities	23,757.17	26,050.73	-2,293.56
Total Liabilities	23,757.17	26,050.73	-2,293.56
Equity			
308100 · General Reserve	180.00	180.00	
308135 · Reserve for Endowments	1,706,833.63	1,706,833.63	
325100E · Unreserved Fund Balance - End	605,632.04	605,632.04	
325100G · Unreserved Fund Balance - Gen	662,188.92	662,188.92	
325100O · Unreserved Fund Balance - ACo	993,886.59	993,886.59	
350000 · Investment in Capital Assets	3,627,912.57	3,627,912.57	
350001 · Investment In Cap Assets - GASB	-379,361.69	-379,361.69	
390000 · Retained Earnings	2,154,858.27	1,522,208.15	
Net Income	-24,271.86	27,763.99	
Total Equity	9,347,858.47	8,767,244.20	580,614.27
TOTAL LIABILITIES & EQUITY	9,371,615.64	8,793,294.93	578,320.71

Temecula Public Cemetery District Profit & Loss Budget Performance September 2019

Ordinary Income/Expense	<u>Jul - Sep 19 YTD Budget Annual Budget</u>		
Income			
700001 · Property Taxes			
700020 · Prop Tax Current Secured	0.00	0.00	600,500.00
701020 · Prop Tax Current Unsecured	0.00	0.00	25,000.00
703000 · Prop Tax Prior Unsecured	0.00	0.00	1,000.00
704000 · Prop Tax Curr Supplemental	0.00	0.00	10,000.00
705000 · Prop Tax Prior Supplemental	0.00	0.00	3,788.00
706000 · Teeter Settlement	0.00	0.00	10,000.00
752800 · CA-Homeowners Tax Relief	0.00	0.00	7,000.00
770100 · Property Tax - SBE	0.00	0.00	10,000.00
Total 700001 · Property Taxes	0.00	0.00	667,288.00
740020 · Interest and Dividend Income			
740020G · Interest on General Fnd at Cnty	4,627.83	3,624.00	14,500.00
740020E · Interest on Endow Fnd at County	588.68	750.00	3,000.00
740020O · Interest on ACO at County	9,427.46	5,500.00	22,000.00
740021 · Interest - Wells Fargo Advisors	14,810.06	12,501.00	50,000.00
740022 · Dividend Income - WFA	2,184.48	1,374.00	5,500.00
Total 740020 · Interest and Dividend Income	31,638.51	23,749.00	95,000.00
770001 · Other Revenue			
770100E · Endowment	31,175.00	43,749.00	175,000.00
777030 · Marker Setting	3,950.00	2,499.00	10,000.00
777040 · Open, Close Fees	7,850.00	9,501.00	38,000.00
777520 · Sale of Lots	5,000.00	17,499.00	70,000.00
777530 · Cremation	6,000.00	3,750.00	15,000.00
777600 · Cenotaph	0.00	75.00	300.00
780160 · Vaults, Flower Vases, etc.	3,095.00	3,000.00	12,000.00
781360 · Other Misc. Revenue	177.78	126.00	500.00
Total 770001 · Other Revenue	57,247.78	80,199.00	320,800.00
Total Income	88,886.29	103,948.00	1,083,088.00
Gross Profit	88,886.29	103,948.00	1,083,088.00

Temecula Public Cemetery District
Profit & Loss Budget Performance
 September 2019

	Jul - Sep 19 YTD Budget Annual Budget		
Expense			
510000 · Salaries and Employee Benefits			
510040T · Regular Salaries.			
510040 · Regular Salaries	47,389.64	51,575.00	246,300.00
510330 · Year End Bonuses	0.00	1,251.00	5,000.00
515100 · Life Insurance Policy	106.92	114.00	450.00
518080 · Auto Allowance	0.00	0.00	0.00
Total 510040T · Regular Salaries.	47,496.56	52,940.00	251,750.00
513000T · Retirement - Miscellaneous			
518000 · Employer Contributions-457	4,044.22	3,126.00	12,500.00
551000 · Employee Contributions	566.17	0.00	0.00
Total 513000T · Retirement - Miscellaneous	4,610.39	3,126.00	12,500.00
513120T · Retirement - Social Security			
513120 · Social Security	3,026.52	3,999.00	16,000.00
513140 · Medicare Tax	707.87	999.00	4,000.00
Total 513120T · Retirement - Social Security	3,734.39	4,998.00	20,000.00
515080T · Health Insurance (eer share)			
515081 · Health Insurance	19,687.04	16,749.00	67,000.00
515082 · Vision Insurance	188.31	276.00	1,100.00
515083 · Dental Insurance	1,289.28	1,101.00	4,400.00
Total 515080T · Health Insurance (eer share)	21,164.63	18,126.00	72,500.00
515260T · Unemployment Insurance			
517000 · Workers Comp Insurance	6,277.91	4,776.00	19,100.00
515060 · State Unemployment Ins EDD	0.00	249.00	1,000.00
513130 · CA SUI	62.70	750.00	3,000.00
Total 515260T · Unemployment Insurance	6,340.61	5,775.00	23,100.00
Total 510000 · Salaries and Employee Benefits	83,346.58	84,965.00	379,850.00
520000 · Services and Supplies			
529540T · Utilities			
520320 · Telephone Service	0.00	600.00	2,400.00
520845 · Trash	795.84	825.00	3,300.00
529500 · Electricity	1,213.22	1,251.00	5,000.00
Total 529540T · Utilities	2,009.06	2,676.00	10,700.00

Temecula Public Cemetery District
Profit & Loss Budget Performance
 September 2019

	Jul - Sep 19 YTD Budget		Annual Budget
524520T · Administrative Expenses			
518160 · Board Stipend	1,200.00	3,000.00	12,000.00
520115 · Uniforms - Replacement Clothing	677.55	774.00	3,100.00
520230 · Cellular Phone	894.32	774.00	3,100.00
520240 · Answering Service	0.00	0.00	0.00
520705 · Food	25.96	276.00	1,100.00
520930 · Insurance - Liability	2,671.53	2,676.00	10,700.00
523100 · Memberships	195.00	651.00	2,600.00
523290 · Bank Charges	77.00	87.00	350.00
523621 · Subscriptions	0.00	501.00	2,000.00
523660 · Computer Service	721.57	2,001.00	8,000.00
523700 · Office Supplies	161.10	501.00	2,000.00
523720 · Photocopies	1,012.71	600.00	2,400.00
523760 · Postage/Mailing	235.00	249.00	1,000.00
523840 · Computer Equip/Software/T1	1,416.06	876.00	3,500.00
524520 · County Journal Recording	18.64	501.00	2,000.00
524540 · Payroll Processing Services	891.28	1,050.00	4,200.00
524560 · Auditing	0.00	3,000.00	12,000.00
524561 · Accounting	1,950.00	1,875.00	7,500.00
524566 · Temp for e-File	0.00	2,250.00	9,000.00
524800 · Drug Testing/Pre-Employment	0.00	51.00	200.00
525025 · Legal - General Counsel	39.99	7,500.00	30,000.00
525030 · Paychex HR Support	1,242.45	1,350.00	5,400.00
526420 · Advertising	0.00	450.00	1,800.00
527880 · Training/ Staff	527.00	876.00	3,500.00
528140 · Conferences and Meetings	9,448.23	11,751.00	47,000.00
528980 · Meals	223.13	501.00	2,000.00
528990 · Semi-Annual Team Dinner	648.02	900.00	3,600.00
529040 · Private Mileage Reimbursement	258.10	624.00	2,500.00
529050 · Website	150.00	249.00	1,000.00
529550 · Water	369.10	399.00	1,600.00
Total 524520T · Administrative Expenses	25,053.74	46,293.00	185,150.00

Temecula Public Cemetery District
Profit & Loss Budget Performance
 September 2019

	<u>Jul - Sep 19 YTD Budget Annual Budget</u>		
524500T · Operational Expenses.			
521420 · Maint-Field Equipment	330.00	2,499.00	10,000.00
522310 · Maint-Building Improvements	0.00	624.00	2,500.00
522320 · Maint - Grounds	2,934.26	4,251.00	17,000.00
522360 · Maintenance-Extermination	1,442.00	1,500.00	6,000.00
523250 · Repurchase	0.00	876.00	3,500.00
523800 · Engraving Expense	250.00	399.00	1,600.00
525320 · Security Guard Services	0.00	63.00	250.00
525600 · Security	907.96	900.00	3,600.00
527100 · Fuel	435.88	624.00	2,500.00
527180 · Operational Supplies	1,863.59	3,501.00	14,000.00
528020 · Inventory	1,573.72	2,625.00	10,500.00
Total 524500T · Operational Expenses.	9,737.41	17,862.00	71,450.00
Total 520000 · Services and Supplies	36,800.21	66,831.00	267,300.00
530000 · Other Charges			
530100 · Miscellaneous non-operating exp	902.16	999.00	4,000.00
Total 530000 · Other Charges	902.16	999.00	4,000.00
540000 · Capital Assets			
542060T · Cemetery Grounds			
542040 · - Buildings, Capital Projects	0.00	33,750.00	135,000.00
542060 · Improvements -Building	0.00	1,500.00	6,000.00
542065 · Tree Renovaton	0.00	4,314.00	17,250.00
542075 · Grounds Improvements	0.00	1,500.00	6,000.00
548300 · Office Renovation	0.00	1,500.00	6,000.00
Total 542060T · Cemetery Grounds	0.00	42,564.00	170,250.00
540040T · Land, Purchase of Land			
540042 · Future Cemetery Property	2,990.00	37,500.00	150,000.00
Total 540040T · Land, Purchase of Land	2,990.00	37,500.00	150,000.00
546020T · Equipment, etc			
542070 · Well Motor	0.00	18,750.00	75,000.00
546020 · Equipment - Automotive	0.00	4,251.00	17,000.00
546240 · Mapping Software	1,850.00	1,749.00	7,000.00
Total 546020T · Equipment, etc	1,850.00	24,750.00	99,000.00
Total 540000 · Capital Assets	4,840.00	104,814.00	419,250.00

Temecula Public Cemetery District
Profit & Loss Budget Performance
 September 2019

	Jul - Sep 19 YTD Budget		Annual Budget
551100G · Contrib to Other Funds - Gen	0.00	43,749.00	175,000.00
551100E · Contrib to Other Funds - Endow	0.00	64,164.00	256,650.00
Total Expense	125,888.95	365,522.00	1,502,050.00
Net Ordinary Income	-37,002.66	-261,574.00	-418,962.00
Other Income/Expense			
Other Income			
731000 · Realized Gain (Loss) on Invest	0.00	0.00	0.00
731100 · Unrealized Gain (Loss) on Invst	12,730.80	0.00	0.00
Total Other Income	12,730.80	0.00	0.00
Net Other Income	12,730.80	0.00	0.00
Net Income	-24,271.86	-261,574.00	-418,962.00



SNAPSHOT

**TEMECULA PUBLIC CEMETERY DIST
ENDOWMENT PRINCIPAL**

SEPTEMBER 1, 2019 - SEPTEMBER 30, 2019
ACCOUNT NUMBER: 5397-7799

Progress summary

	THIS PERIOD	THIS YEAR
Opening value	\$2,114,358.88	\$2,051,456.20
Cash deposited	0.00	0.00
Securities deposited	0.00	0.00
Cash withdrawn	-5,563.88	-32,270.23
Securities withdrawn	0.00	0.00
Change in value	599.18	90,208.21
Closing value	\$2,109,394.18	\$2,109,394.18

As a Wells Fargo Advisors client, you can upgrade your investment account to add Brokerage Cash Services at no additional cost. Brokerage Cash Services provides access to convenient money movement options including mobile deposit services. It also includes teller deposit services at Wells Fargo branch locations which are provided through a limited purpose Bank account. You'll have access to many more features and benefits to help you manage your finances. It's as simple as talking with Your Financial Advisor. Ask them today about Brokerage Cash Services.

Portfolio summary

ASSET TYPE	PREVIOUS VALUE ON AUG 31	%	CURRENT VALUE ON SEP 30	%	ESTIMATED ANN. INCOME
ASSETS					
Cash and sweep balances	8,845.06	0.42	56,384.01	2.67	113
Stocks, options & ETFs	0.00	0.00	0.00	0.00	0
Fixed income securities	1,842,069.36	87.12	1,790,586.80	84.89	43,914
Mutual funds	263,444.46	12.46	262,423.37	12.44	6,421
Asset value	\$2,114,358.88	100%	\$2,109,394.18	100%	\$50,448



SNAPSHOT

**TEMECULA PUBLIC CEMETERY DIST
ENDOWMENT INTEREST**

SEPTEMBER 1, 2019 - SEPTEMBER 30, 2019
ACCOUNT NUMBER: 5559-0516

Progress summary

	THIS PERIOD	THIS YEAR
Opening value	\$732,419.22	\$677,040.75
Cash deposited	5,563.88	32,270.23
Securities deposited	0.00	0.00
Cash withdrawn	0.00	0.00
Securities withdrawn	0.00	0.00
Change in value	-993.37	27,678.75
Closing value	\$736,989.73	\$736,989.73

As a Wells Fargo Advisors client, you can upgrade your investment account to add Brokerage Cash Services at no additional cost. Brokerage Cash Services provides access to convenient money movement options including mobile deposit services. It also includes teller deposit services at Wells Fargo branch locations which are provided through a limited purpose Bank account. You'll have access to many more features and benefits to help you manage your finances. It's as simple as talking with Your Financial Advisor. Ask them today about Brokerage Cash Services.

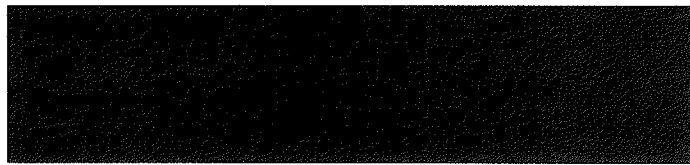
Portfolio summary

ASSET TYPE	PREVIOUS VALUE ON AUG 31	%	CURRENT VALUE ON SEP 30	%	ESTIMATED ANN. INCOME
ASSETS					
Cash and sweep balances	47,458.28	6.48	53,030.64	7.20	106
Stocks, options & ETFs	0.00	0.00	0.00	0.00	0
Fixed income securities	561,745.90	76.70	561,332.75	76.17	14,104
Mutual funds	123,215.04	16.82	122,626.34	16.64	2,990
Asset value	\$732,419.22	100%	\$736,989.73	100%	\$17,200

<u>FYE 06/30/20</u>	<u>July</u>	<u>August</u>	<u>September</u>
Single	1,000.00	3,200.00	2,000.00
Single End	1,500.00	3,000.00	1,500.00
Single/Dual	-	-	-
S/D End	-	-	-
Dual	1,500.00	-	1,000.00
Dual End	2,500.00	-	2,000.00
Collum	1,800.00	500.00	-
Collum End	4,800.00	1,200.00	-
cenotaph	-	-	-
Ground Crem	-	-	-
G Crem End	-	-	-
O/C -B	1,300.00	750.00	3,700.00
O/C/-C	800.00	1,300.00	-
Vault	182.00	182.00	364.00
Crem Vase	-	369.12	-
Grave Vase	64.50	21.50	107.50
Set Fee	700.00	2,000.00	1,250.00
Niche	-	-	-
Non-Res	3,000.00	-	3,000.00
Disinter	-	-	-
Graveside	1,000.00	1,500.00	2,000.00
Engraving	225.00	450.00	-
2nd End	1,000.00	1,500.00	1,000.00
Handling	-	-	-
Taxes	21.56	47.32	41.24
Labor	456.94	400.06	837.26
Total	21,850.00	16,420.00	18,800.00

A2Cemetery Property.xls
 Fiscal Year 2019-2020

FYE 06/30/20	19-20		
	Jul	Aug	Sep
Dual Lower	261	261	261
Dual Upper	356	356	356
Dual/ Single	58	58	58
Sale Backs-Single	11	9	9
Singles	144	144	143
Dual Manager	34	34	33
Sale Backs-Duals			0
Grd Crem	34	34	34



Tier 4	4	3	3
Tier 5	13	13	13
Tier F-1	28	28	28
Tier F-2	29	29	29
Tier F-3	29	29	29
Tier F-4	29	29	29
Tier F-5	10	10	10

Cenotaph	48	48	48
Ossuary	334	334	334
Cremation Benches	9	7	7

SEPTEMBER 2019 Burial Depletion Sales

Pre-Need

Single Lots	
Dual Lots	
Wall	
Cremation Ground	

At Need

Single Lots	1
Dual Lots	
Wall	
Cremation Ground	
Dual Manager	1

September 20, 2019

Ms. Rosie Vanderhaak
Board President
Temecula Public Cemetery District
41911 C Street
Temecula, California 92592

Re: No Paid Workers' Compensation Claims in 2018-19

Dear Ms. Vanderhaak:

This letter is to formally acknowledge the dedicated efforts of the Temecula Public Cemetery District's Governing Body, management and staff towards proactive loss prevention and workplace safety. Your agency's efforts have resulted in no "paid" workers' compensation claims for program year 2018-19. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. This is a great accomplishment!

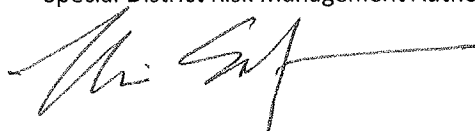
It is through the efforts of members such as Temecula Public Cemetery District that SDRMA has been able to continue providing affordable workers' compensation coverage to over 440 public agencies throughout California. In fact, 280 members, or 64%, in the workers' compensation program had no "paid" claims in program year 2018-19.

In addition to this annual recognition, members with no "paid" claims during 2018-19 earned two credit incentive points (CIPs) thereby reducing their annual contribution amount. Also, members without claims receive a lower "experience modification factor" (EMOD), which also reduces their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing work-related injuries. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any ideas or suggestions to Dennis Timoney, SDRMA Chief Risk Officer, at dtimoney@sdrma.org.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate the Governing Body, management, and staff for their commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority



Mike Scheafer, President
Board of Directors

September 20, 2019

Ms. Rosie Vanderhaak
Board President
Temecula Public Cemetery District
41911 C Street
Temecula, California 92592

Re: President's Special Acknowledgement Award – Property/Liability Program

Dear Ms. Vanderhaak:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Temecula Public Cemetery District's Governing Body, management, and staff towards proactive risk management and loss prevention training for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Property/Liability Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. Your agency's efforts have resulted in no "paid" property/liability claims for the prior five consecutive program years including 2018-19. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Temecula Public Cemetery District that SDRMA has been able to continue providing affordable property/liability coverage to over 500 public agencies throughout California. While 424 members, or 84%, in the property/liability program had no "paid" claims in program year 2018-19, 270 members, or 53%, had no paid claims for the prior five consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2018-19 earned two credit incentive points (CIPs) reducing their annual contribution amount, and members with no "paid" claims for the prior 5 consecutive program years earned three additional bonus CIPs.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate your Governing Body, management, and staff for your commitment to proactive risk management and loss prevention training.

Sincerely,
Special District Risk Management Authority



Mike Scheafer, President
Board of Directors

CSDA CONFERENCE NOTES

David Reese, Trustee

Opening speaker

Mark Scharenbroich, "Nice Bike, making connections that move people"

Mark was great. Very entertaining and at the same time, the message got through to everyone in the audience. The three points I took away:

- 1) Nice bike-It's a compliment and a way to reach out to people. There are 3 parts
 - a. Acknowledge- You are acknowledging the effort someone made, or something they value
 - b. Honoring – You are valuing the sacrifice or investment of the other person
 - c. Connecting- You have to be in the moment to make this of value to BOTH people. You can't do this in a half measure sort of way.
- 2) You have to buy a ticket - You must put in something of value into life to get something out of it. People must get out of line and invest something of themselves to make the community a better place
- 3) Must be present to win-You have to be in the moment and involved in order to get the most out of life. You can't phone this in, it is important to make sure you are involved and committed to the project.

We were given copies of Mark's book and I look forward to reading it.

Policies Vs. Procedures- What's the difference.

Jordan Peabody

This was very informative. Jordan has worked with special districts, city and state governments to streamline and simplify policies and procedures across the U.S. He has broken policies and procedures this way:

Policy : Describes a management decision that has been made to address an issue or concern. THERE IS NO WHY in this step. WHY will add clutter and make the policy less effective.

Procedures : Are a list of activities or steps the team or an individual will be expected to follow in the event the policy needs to be acted out.

Tasks: Often times the missing piece. This is what the individual is suppose to do according to the policy.

Required Ethics AB 1234 compliance training.

Richard Pio Roda

Nothing new here. An overview of the Brown act, how not to hold meetings by accident, and what limits are for gifts.

Erick Qualman

Socialnomics: Your path to digital transformation

Very entertaining speaker. He woke a few people up to the amount or penetration of the digital age in our everyday lives. I did not know that the county of Facebook has a larger population than India and China. Refridgerdating is a new trend where you see what the person is all about based on the food in their fridge. We are what we eat I guess. Online reputation is critical to how the world will see us in the future, good or bad.

Recent Trends in Special district Finances and Employment

Stephen Owens, U.S. Census Bureau

This topic had no relation to the title, the subject matter was pointless and had no relation to California, and was a disappointment overall. After a drawn out personal story regarding where he was in 1969, he showed slides of other districts and their debt load and financial stats.

Technology law : What's New for Special Districts

Lindsay Thorson, Atkinson, Andelson, Loya, Ruud, and Romo

New privacy laws are coming that will require additional investment in computers. California has passed a law regarding similar to the European Union's GDPR, the main difference between the two is that California will enforce it to collect fines. We need to know what our IT support person has in place in the event they are breached and our data is involved.

Navigating and Implementing SaaS Agreements

Richard Pio Roda, Meyers, Nave

The new digital age will involve software managed and hosted by the vendor company. SaaS, or Software as a Service has become a preferred way to deliver software. The contracts have many clauses, most of which can be negotiated. We need to read over and get answers in writing on any questions we have PRIOR to signing the agreement for any software system.

CSDA CONFERENCE
MARRIOTT HOTEL – ANAHEIM, CA.
50TH ANNIVERSARY – SEPTEMBER 25-28

ATTENDING:

Cindi Beaudet, GM, Rosie Vanderhaak , Board Chair, Dale Qualm, Board Vice Chair, Mike Dugan, Craig Davis, David Reese

This was the 50th Anniversary CSDA Conference. Two keynote speakers kicked off the conference on Thursday and Friday. Mark Scharenbroich, author of Nice Bike, talked about making connections that move people. We're stronger together.

- Core Values: Respect, Honor and Loyalty
- Acknowledge, Honor and Connect
- Must Buy a Ticket. Must be present
- It's more important to be interested than be interesting
- "Honor" – give more than you take.
- "GREAT" = grateful

Ethics Training – All five board members and GM Cindi Beaudet completed the two-part Ethics Course and received a certificate of completion. We are now current for two years.

Additional classes attended:

- **California Burning** presented by SCI Consulting Group. Class wasn't what I thought it was going to be, but touched on creating a defensible space, evacuation plan and dedicated evacuation route, two-way radios. Speaker spent most of the time talking about funding sources for fire agencies: Impact Fees, Gifts, Mello Roos, grants, special taxes, and assessments.

Friday, keynote speaker, Erik Qualman – Socialnomics: Your path to Digital Transformation. Digital Age: What People like and don't like. Technology surprises and delights.

- Word of Mouth is on digital steroids.
- Vote by phone is coming.
- Power of human connection. Privacy is dead and gone!
- Traits of digital leaders: STAMP – Simple, Act, Map, People
- Keep "To Do" List short. Multi-Tasking gets less done. Switch tasking/brain tasking from task A to task B. To simplify, is "single-tasking – focus on one thing at a time.
- True North – stay true to your core. My server is FULL. People just want to be heard.
- Map – firm in our destination; flexible in your path. Things happen "for" us not "to" us. If you're not getting push-back, then you're not pioneering.
- Relationships matter. Post it forward three days a week. Remind people that relationships matter.

Drones: What public Officials Need to Know about Unmanned Aerial Vehicles

- Federal Pre-emption – Regardless of what you do, Federal Law pre-empts everything.
- Very little law on what a Special District can do. Untested. Don't create a "crazy patchwork quilt" of laws covering drone use. Special Districts don't have "police" powers concerning drones.
- Have certification. Comply with all state/federal laws. Contract out drone service?

Dealing with Difficult People

- Emotional Intelligence: Self Awareness, Know yourself: strengths & weaknesses. Respond don't react.

- Be the authentic you: No one wants to be disrespected. Self-worth is most important value.
- “Noise” clutters our emotions
- He who angers you, controls you.

Tips & Tricks to Increase Engagement

- Provided very basic information. I didn’t learn anything new.
- Know community. Build relationships with key community organizations.
- Who, what, where, when and why.

Overall, the conference allowed our board to complete the required Ethics course for compliance. The Anaheim location was great for our district and the conference presented diverse program choices. Some cemetery districts attended, but the classes were presented for all types of special districts and not specifically cemetery districts.

2019 Legislative Summit – October 1, 2019 – South Coast Winery – 7:30 am – 9:30 am

Attending:

Cindi Beaudet, GM, Rosie Vanderhaak, Board Chair, Dale Qualm, Vice Chair, Mike Dugan, Craig Davis

This was a regional perspective on three critical issues: transportation/roads, housing and homelessness. Michael Beauchamp, District 8 Director, California Department of Transportation and Matthew Adams, Vice President, Building Industry Association of San Diego County, San Diego County talked about a housing measure going on the March ballot that would slow housing growth in that county. If passed, this will impact Riverside County in all three areas – transportation (more gridlock), housing (people will buy in Riverside County and commute to San Diego) and homelessness (no housing growth in San Diego County will impact homelessness in both counties). We didn’t hear many solutions for these problems, but adding lanes to freeways was said to not be an answer. Regarding the homelessness issue, Natalie Profant Komuro, Deputy County Executive Officer – Homelessness Solutions, Riverside County, sited Glendale as a model of a city with a plan that seems to have some success. She previously worked in Glendale.

A panel Q & A at the end of the program gave the audience an opportunity to ask questions. Again, there were not any real solutions/answers. The panel intimated that if government would get out of the way, all of these programs could move forward more quickly with less expense and make a difference in the quality of life for the residents.

Submitted by,

Rosie Vanderhaak

Temecula Public Cemetery
Board Chair

**TEMECULA PUBLIC CEMETERY DISTRICT
POLICY MANUAL**

POLICY TITLE: RESERVE AND FUND BALANCE POLICY
POLICY NUMBER: 1040

1040.01 The Temecula Public Cemetery District (“District”) considers it prudent to establish a policy for its Reserves and fund balances. The Reserves and Fund Balance Policy will assist with effective development of annual budgets, and promote clear communications with the general public, staff, and administration. The elements of the policy are created by the District for its own purposes and may, therefore, be revised by the District as needed in the future.

1040.02 It is the intention that this Policy be informed by best practices and advisories developed by organizations such as the Government Finance Officers Associate (“GFOA”) and the California Special Districts Association (“CSDA”); however the Policy must also reflect the objectives and tolerances of the District. The GFOA recommends that all state and local governments adopt comprehensive written financial management policies, including a formal policy on the level of fund balance maintained in the general fund. This Policy has been drafted with reference to the guidance of the GFOA and the CSDA as of the date of adoption. The General Manager will periodically review the GFOA Best Practices and Advisories and any guidance issued by CSDA and recommend conforming modifications to this Policy as warranted.

1040.03 This Fund Balance Policy will set guidelines for the appropriate level of fund balance, so as to mitigate current and future risks. The Policy is intended to enhance the quality of decisions about budgeting and net asset management. Through this Policy, the Board of Trustees (“Board”) will oversee the process by which the District will manage for revenue volatility, maintain adequate liquidity, manage and mitigate financial market risk, ensure stable tax rates, and anticipate District commitments and assignments.

1040.04 The purpose of this Policy is to promote financial stability of the District by setting guidelines for fund balance. In accordance with Generally Accepted Accounting Principles, the term fund balance refers to the difference between assets and liabilities under the modified accrual basis of accounting for governmental funds. Unrestricted fund balance refers to the categories of fund balance that include only resources without a constraint on spending or for which the constraint on spending is imposed by the government itself. Unrestricted fund balance is a measure of economic stability and adequate levels of unrestricted fund balance will assure liquidity and will mitigate the risks associated with revenue volatility and unanticipated expenditures.

1040.05 Fund Balance Considerations Under GASB 54

The Governmental Accounting Standards Board (“GASB”) issued Statement No. 54 for implementation effective for fiscal years beginning on or after June 15, 2010. GASB 54 establishes fund balance

classifications that comprise a hierarchy based primarily on the extent to which a government is bound to honor constraints imposed upon the use of the resources reported in governmental funds. In addition, GASB 54 requires the identification of the authorization level and type of action for Committing or Assigning fund balances.

A. Nonspendable Fund Balance

Resources that are inherently nonspendable. The amounts may be in a nonspendable form (such as inventory or prepaid expense) or the amounts may be required by legal or contractual provisions to be maintained intact (such as a revolving fund or principal of an endowment).

B. Restricted Fund Balance

Resources that are subject to externally enforceable legal restrictions; these restrictions are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Examples of restricted fund balance for the District include the income from the endowment principal fund, grants, and funds restricted for debt service.

C. Unrestricted Fund Balance

(i) Committed fund balance:

Resources that are constrained to specific purposes by a formal action of the highest level of decision-making authority. Action to commit funds must occur within the fiscal reporting period while the amount committed may be determined subsequently. Examples include contracts already executed but not yet spent, specific agreements that have not yet been executed, and minimum fund balance reserves

Authority to Commit – The highest level of decision-making authority for the District is the Board of Trustees and the commitment must be made by a formal action (defined as either resolutions or minute actions approved by the Board at a noticed public meeting). The constraint remains binding unless removed in the same formal manner by the Board.

(ii) Assigned fund balance:

Resources that are intended for a specific purpose as evidenced by the District's adopted budget and/or long-term financial plan, or to eliminate a projected deficit in the subsequent year's budget. Assignments may be made after the end of the fiscal year but prior to financial statement issuance.

Authority to Commit – Upon action by the Board, the General Manager shall assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

(iii) Unassigned fund balance:

Any residual net resources, in excess of the amounts in the foregoing categories. These amounts are available for any purpose, and are reported only in the general fund.

D. Rainy Day or Contingency Funds

GASB Statement No. 54 further classifies rainy day funds or contingency funds as “stabilization arrangements” and places specific restrictions on what qualifies for such designation. The formal action of a governing body that imposes the parameters for these arrangements must identify and describe the specific circumstances under which a need for funding would arise. Those circumstances should be such that they would not be expected to occur routinely. The intended purpose must be sufficiently detailed and reported as either restricted or committed, depending on the source of the constraint.

1040.06 District Fund Summary

The following describes the District’s major governmental funds:

General Fund – Use to account for all financial resources except those required to be accounted for in other funds. By definition, unassigned fund balance is reported only in the General Fund.

Special Revenue Fund for Pre-Need Trust – Used to account for resources collected in advance of District services.

Special Revenue Fund for Endowment Care Income – Used to account for the earnings of the Endowment Care Principal Permanent Fund. These resources are restricted for the maintenance and care of cemeteries in accordance with the provisions of the Health and Safety Code.

Permanent Fund for Endowment Care Principal – Used to account for resources that are collected with the sale of interment spaces and that is legally restricted per the Health and Safety Code. Resources are restricted to the extent that only earnings, and not principal, may be used for purposes that support the District’s programs.

1040.07 Policy Directives:

The GFOA recommends, at a minimum, that general purpose governments, regardless of size, maintain aggregate unrestricted fund balances in their general fund of no less than two months of regular general

fund operating revenues or expenditures, whichever is most predictable. The CSDA recommends that special districts should consider the unique circumstances associated with the District's operational environment when setting a target level of reserves (factors include capital improvement plans, frequency of one-time revenues and expenditures and key operating benchmarks).

In accordance with best practices, and legal and accounting guidelines, the District hereby adopts the following fund balance policies:

- A. The District will make an annual determination as to its target unrestricted fund balance level. In determining this level of fund balance, the District will give consideration to revenue volatility and predictability, perceived exposure to significant one-time outlays, liquidity pressures, and ongoing commitments and assignments. It is understood that there will be discrepancies between GAAP fund balance and budgetary fund balance, and this parameter shall refer to the GAAP determined fund balance. Notwithstanding other requirements and fund balance designations as described herein, it shall be the policy of the District to seek to maintain a minimum, unassigned General Fund balance equal to 50% of projected annual operating expenditures.
- B. The District establishes the following usage flow of fund balance. If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the District will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the District will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.
- C. The District may choose to balance its annual budget by assigning a portion of existing unassigned fund balance, or by reassigning funds in an amount no greater than the projected excess of expected expenditures over expected revenues.
- D. The District will make an annual determination of allotting funding to the existing Economic Uncertainties Account. In determining the need, the District will give consideration of any withdrawals from the fund in the previous fiscal year. The Economic Uncertainties Account was established to fund any unforeseen, unbudgeted operational needs.

1040.08 Policy Review and Revision;

This Reserve and Fund Balance Policy shall be reviewed annually by the General Manager and the Finance Committee, and may be amended by the Board as conditions warrant. This Reserve and Fund Balance Policy was approved by the Board on October 17, 2019 and replaces any previous fund balance and contingency reserve policies of the District.