

MEETING NOTICE AND AGENDA
KERN COUNTY CEMETERY DISTRICT
REGULAR BOARD MEETING

SHAFTER MEMORIAL PARK OFFICE
18662 SANTA FE WAY, SHAFTER, CA
January 16, 2020

Flag Salute and Invocation: BRAUN

Call to Order: 12:00 PM

Roll Call: BARRY BRAUN, CHAIRMAN; BELTON BANKS, VICE-CHAIR; JERRY EZELL, BOARD SECRETARY

Public Comment: SEE PAGE 2 FOR DETAILS – EACH SPEAKER IS LIMITED TO 3 MINUTES

Consent Calendar:

- A. ADOPT AGENDA FOR CURRENT MEETING
- B. MINUTES FROM DECEMBER 2019 REGULAR MEETING
- C. PAYROLL WARRANTS - 19/25 THRU 19/26; PAYROLL CHECKS 326 - _____
- D. VOUCHERS: 935 - _____ & CHECKS: 11842 - _____
- E. FINANCIAL STATEMENTS FOR DECEMBER 2019.

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Adjournment: THE NEXT REGULAR MEETING IS SCHEDULED FOR FEBRUARY 20, 2020.

For the Boards information on the format of any Public Comment time:

KERN COUNTY CEMETERY DISTRICT REGULAR BOARD MEETING

PUBLIC COMMENT

Welcome to the Kern County Cemetery District regular board meeting. We value any input and direction you may have to offer our Board of Trustees and in order to give an equal time to each individual, we ask that a few rules be followed in addressing the board.

The Public Comment Period is set aside as the time you may speak. The Chairperson will open this time period and each individual will be called on one at a time. To speak for, against or make any comment, the individual may voluntarily give their name and address.

After being recognized, the board requests that the individual:

1. Make statements no longer than three (3) minutes in length.
2. Address all comments to the Chairperson and the board.
3. If you are repeating what had been said earlier, you may state that you agree with what had been said and the board will note your agreement. Each topic will have a thirty (30) minute limit for all speakers.
4. Understand that if your request needs action the board is unable to do so unless it is on the agenda. You may request a matter be addressed if it is an emergency situation. If it is not deemed an emergency as defined in the California Government Code §54956.5, the matter may be clarified and referred to staff or placed on the agenda for the next meeting.

ACCOMODATIONS

Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Cemetery District may request assistance at the main office on 18662 Santa Fe Way, Shafter, or by calling 661-746-3921. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting materials available in alternative formats. Requests for assistance should be made at least three (3) working days in advance whenever possible.

AVAILABILITY OF AGENDA DOCUMENTS

All supporting documentation for agenda items will be available for public review at the District's Shafter Memorial Park Office, 18662 Santa Fe Way, Shafter, during regular business hours, 8:00 am – 5:00 pm. Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting, that is distributed less than 72 hours prior to that meeting, will also be available for review at that location.

Kern County Cemetery District

Minutes for

December 19, 2019

Regular Board Meeting

Shafter Memorial Park Office
18662 Santa Fe Way, Shafter, CA

Call to Order: Call to Order at 12:00pm by Chairman Braun, Chairman Braun led flag salute and invocation.

Roll Call: In attendance was Barry Braun, Chairman of the Board; Belton Banks, Vice-Chair; Jerry Ezell, Secretary of the Board.

Employees and Visitors: Timothy W. Unruh, District Manager; Eliza Caudillo, District Secretary; Denny Carender, Superintendent

Public Comment: None

Consent Calendar: Includes the approval of the agenda for the current meeting and minutes of the regular board meeting for November 2019 as approved. The payroll warrants for 19-23 through 19-24 were approved. Vouchers, checks, and financial reports for November 2019 were approved. This was done by approval of the consent calendar by motion of Trustee Ezell and seconded by Trustee Banks; 3 ayes, unanimous.

Management Update

- We had 11 services in Shafter and 10 services in Wasco for the month of November 2019. This gives us 99 for the fiscal year-to-date.
- A comparison of burials by location, by month, year was prepared and given to the board. This data comparison was requested to be given bi-yearly.
- The Trustees were reminded of the upcoming CAPC Annual Conference on February 19-22, 2020.
- The retirement dinner for Shirley Hays is scheduled for January 17 at 6:00pm at the Hungry Hunter.

Review of Burial Pricing

Manager Unruh asked the board to give direction on whether they want to review pricing on an annual basis or at a different interval. Insofar as our auditor indicated that an annual review of costs and possible price increases should be do annually. The manager was requested to have a review for the May-June meeting when the next fiscal year budget is reviewed. Trustee Ezell asked that the review include the anticipated capital needs as well.

No action taken.

Endowment Care Investment Representation

Manager Unruh brought the board up to speed on the transition that has taken place with the Investment Advisor from Wells Fargo Advisor having moved to another company. We have seen less and less interaction as our current investment needs have changed from the current Wells Fargo representative.

Unruh has requested that the Trustee's look at allowing our investments to be changed to follow our previous advisor who always seemed to be more involved with reinvestment needs. This new company is Stifel, Nicolaus & Co. is also more engaged with the requirements and our cemetery association from which they are better acquainted in the needs for reinvestment.

The motion to move our current Endowment Care investments from Wells Fargo Advisors to Stifel, Nicolaus & Co. This investment is to be made with Sandra Wheeler as soon as is expedient. This motion was made by Trustee Banks and seconded by Trustee Ezell; 3 ayes, unanimous.

Equipment Replacement

Manager Unruh and Superintendent Carender discussed with the Trustees the problem we are having with the Wasco Excel lawn mower. This unit originally purchased in 2009 has a wiring issue where the stator wire has burned into the regulator. It also seems to be burning a hydraulic hydro which drives the right wheel and clipping collector. Outside of the meeting, Carender brought a working unit for the board to look at and explain the problem. Unruh asked that the board allow for a review of the costs to repair the unit and if they are deemed to high, then allow for the purchase of a new 60-inch mower to be purchased from Abate-A-Weed in Bakersfield.

Manager Unruh has gotten a quote of \$12,000 for a new unit and has been told that a new hydro is \$1800 with our installation each. Two hydros are on each mowing unit and it is felt that if one is starting to fail the second is not far behind. It is felt that the electrical issue will take a rewire that can be done in house as well.

A motion for Manager Unruh to purchase a new unit for no more than \$12,000, the money to be taken from our budgeted contingency reserve. This included an allowance of \$3,000 to repair the old unit as time allows. The old unit will be kept for use as a renovation mower. This motion was made by Trustee Ezell and seconded by Trustee Banks; 3 ayes, unanimous.

Adjournment

The meeting was adjourned at 1:21pm by Chairman Braun. The next regular meeting is scheduled for January 16, 2020.

Signed,

Timothy W. Unruh
District Manager

I. Manager Report

1. Burials for December 2019

We have had 17 services in Shafter and 6 services in Wasco. This gives us 122 total services for the fiscal year to date. For this fiscal year we have had 16 cremation services in Shafter and 5 in Wasco for a total of 21 cremation services. This currently gives us a 17% cremation rate.

2. Shirley Hays Retirement

As a reminder, the district has planned a retirement dinner for Shirley Hays at the Hungry Hunter on Friday, January 17 at 6:00. The board and guests are invited.

3. CAPC Conference

A reminder for the 62nd Annual California Association of Public Cemeteries will be at the Embassy Suites in Mandalay Bay, Oxnard. Attendance will be from Thursday February 19 through Sunday February 22, 2020. This will conflict with our board meeting regularly scheduled for February 20, 2020.

II. February Board Meeting Conflict

1. Discussion
2. Action

Summary

It is the recommendation of the manager that the Board of Trustee's change the date for the February 20th board meeting.

Discussion

CAPC Annual Meeting is scheduled for February 19-22 at the Embassy Suites at Mandalay Bay in Oxnard. This conflicts with our regularly scheduled board meeting on February 20th.

The board needs to come prepared to discuss an appropriate date change for this meeting.

III. 4th Quarter Review of Investments

1. Letter to Board of Trustees
2. Attachment of Portfolio for Quarter Ending December 2019
3. Action - Receive and File

Summary

It is the recommendation of the investment manager, that the Board of Trustee's make a motion to receive and file the 4th quarter investment review.

History

The Investment Manager is required to bring a summary of the cemetery district's investments in the form of a quarterly report. This form is to adhere to certain guidelines as required by Statement No. 31 of the Governmental Accounting Standards Board (GASB) and California Government Code Section 53646. Under our current Investment Policy, the District Manager is the Investment Manager and is required to allocate the funds for investment and give the board the investment information. The only exceptions to this report, is for funds invested in the Local Agency Investment Fund (LAIF) or insured deposits of \$100,000 or less per institution.

Letter to Board of Trustees

The Kern County Cemetery District has money invested in three areas with a total combined investment of \$4,292,173. Our primary investment is with the County of Kern. This money with the county is in four accounts that consist of our Maintenance and Operation or General Fund, Endowment Care Principle, Contracts Payable, and Land Reserve Funds. Interest apportionment of the District's pooled money investment program with the County of Kern for the quarter ended December 31, 2019, was \$5,349; this interest earning represented a net annualized yield of 2.03% on our total investment. The county accounts combined have a total final balance of \$3,087,167.

The second investment area is with Wells Fargo Advisors which consists of the Endowment Care Fund principle. At the time of this report, the attached Wells Fargo portion of our pooled asset portfolio consists of various investments, and they gave an average yield of 2.12% with a market value balance of \$946,473.

Our last area of cash holdings is the two WestAmerica Bank accounts which is our local bank account that is used to pay our monthly bills and transfer money into our four county funds on a monthly basis. It also includes a second account used for payroll. These bank checking accounts have a yield of .01% for the cash on hand. As of the date of this report; both WestAmerica accounts have a combined balance of

\$258,533. To review a complete pooled asset overview, a comparable statement of interest earnings and certain relevant statistical data is attached.

As a message of disclosure and a disclaimer, please note that the attached District comparable statement of interest earnings analysis for the quarter ending December 31, 2019 is presented at fair market value in accordance with Statement No. 31 of the Governmental Accounting Standards Board (GASB) Accounting and Financial Reporting for Certain Investments and for External Pools. The reporting at fair market value is for compliance with GASB 31 and not to be used for budgetary purposes, since the actual fund value and interest allocated in the Treasurer's Pool are on an accrued accounting basis as accorded by generally accepted principles.

California Government Code Section 53646 (b) (1) requires disclosure of securities "under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund..." Kern County Cemetery District holds securities in various trust accounts held in custody by third parties. These trusts were created through debt issuance and serve to protect the District and the bondholders.

California Government Code Section 53646 (b) (2) requires a report of "compliance with the statement of investment policy, or manner in which the portfolio is not in compliance". At the time of this report, all investments are in compliance with State law and our District's Investment Policy.

California Government Code Section 53646 (b) (3) requires a "statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, ..." To the best of my knowledge with what is being shown in this review the District's Cash Portfolio has ample liquidity to meet its obligations for the next six months.

In the capacity of Investment Manager, I hereby certify that the investments herein are made in accordance with California Government Code Section 53635 and the Investment Policy of the Kern County Cemetery District as filed with the Board of Trustees.

Kern County Cemetery District Quarterly Pooled Assets Portfolio as of 12/31/2019

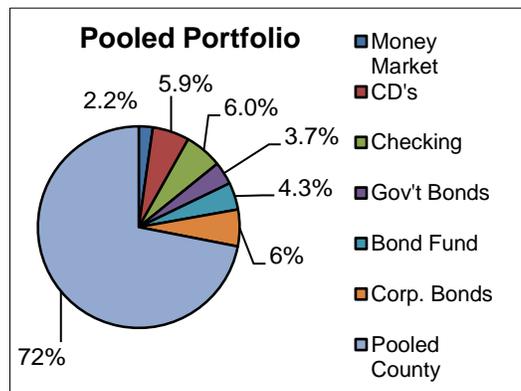
Attachment A

WELLS FARGO	Par Value	Current Market Value	Est. Annual Interest Earned	Est. Annual Yield	% of WF Portfolio	% of Inv Limit
Wells Fargo Money Market		\$96,049	\$93	0.10%	10.15%	
Certificate of Deposit					26.82%	30%
Bank of India - 12/05/19	\$50,000	\$0	\$0		0.00%	
Goldman Sachs - 3/23/20	\$50,000	\$50,006	\$775	1.550%	5.28%	
Synchrony Bank - 6/7/21	\$50,000	\$50,671	\$1,325	2.615%	5.35%	
Capital One - 9/27/22	\$50,000	\$50,670	\$1,150	2.270%	5.35%	
Discover Bank - 7/18/23	\$50,000	\$52,509	\$1,650	3.142%	5.55%	
Goldman Sachs - 8/21/24	\$50,000	\$50,025	\$1,050	2.099%	5.29%	
Corporate Bonds					26.71%	30%
John Deere - 09/11/20	\$50,000	\$50,192	\$1,225	2.441%	5.30%	
Caterpillar - 08/09/21	\$50,000	\$49,917	\$850	1.703%	5.27%	
US Bancorp - 7/15/22	\$50,000	\$51,142	\$1,475	2.884%	5.40%	
JP Morgan - 9/23/22	\$50,000	\$51,703	\$1,625	3.143%	5.46%	
Wells Fargo -7/30/24	\$50,000	\$49,894	\$1,250	2.500%	5.27%	
Government Bonds					15.78%	20%
FFCB - 3133EGU37	\$50,000	\$50,001	\$915	1.830%	5.28%	
FNMA - 3136G32B0	\$50,000	\$49,726	\$675	1.357%	5.25%	
FHLB - 3130A94L2	\$50,000	\$49,638	\$1,063	2.141%	5.24%	
Government Backed Securities - Pass Through (CMO)					0.83%	20%
GNMA - 610207	\$45,000	\$987	\$62	6.279%	0.10%	
GNMA - 550725	\$55,000	\$5,130	\$270	5.263%	0.54%	
FHLMC - 3540 TB	\$20,000	\$1,763	\$80	4.538%	0.19%	
Bond Fund of America	\$12.800	\$186,452	\$4,532	2.431%	19.70%	20%
Subtotal		\$946,473	\$20,065		100.00%	

TOTAL EARNINGS

W.F. Effective Rate of Return	2.12%
K.C. Effective Rate of Return	2.03%

	CASH	INTEREST	
WestAmerica Pooled Funds at County	\$258,533	\$13	0.020%
Total Cash and Investments	\$3,087,167	\$15,667	2.030%
	\$4,292,173	\$35,745	



IV. Election of Officers

1. Discussion
2. Action

Summary

It is the recommendation of the manager that the Board of Trustees' nominate and elect the district officers for 2020.

History

Each year the board must vote to elect officers for the upcoming year. This is a requirement by the Health and Safety Code §9028 that requires a Chairman, Vice-Chairman and Board Secretary be elected each January.

Discussion

Currently, we have Barry Braun as Board President, Belton Banks as Board Vice-President and Jerry Ezell as the Board Secretary. The board will need to consider the nomination and vote for the three positions for the year 2020.

V. Trustee Reports and Comment

1. Discussion – No Action