

**ORANGE COUNTY CEMETERY DISTRICT**  
Orange County, California

Comprehensive Annual Financial Report

For the Year Ended June 30, 2018

**ORANGE COUNTY CEMETERY DISTRICT**  
Orange County, California

Comprehensive Annual Financial Report

For the Year Ended June 30, 2018

Prepared by:

Tim Deutsch, General Manager

Dianna Torrence, Administrative Manager

Brenda Manriquez, Accountant

**ORANGE COUNTY CEMETERY DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
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*Board of Trustees*

Noel Hatch  
Maribel Marroquin  
William E. Nelson  
Kelly Rivers  
Cynthia Ward



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Phone: (949) 951-9102  
Fax: (949) 951-0236  
[www.occemeterydistrict.com](http://www.occemeterydistrict.com)

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Tim Deutsch  
General Manager

December 18, 2018

Board of Trustees  
Orange County Cemetery District

Dear Trustees:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Orange County Cemetery District (District) for the year ended June 30, 2018. This report was prepared by the Finance staff to provide financial information with all the disclosures necessary to enable the District's customers, investment community and general public to assess the District's financial condition. This report has been prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB).

To the best of our knowledge, the enclosed information is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the District. The accuracy of the District's financial statements and completeness and fairness of their presentation is the responsibility of District management. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been independently audited by Vavrinek, Trine, Day & Co., LLP, a firm of licensed certified public accountants with which the District contracts for these services. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2018, are free from material misstatement. The independent audit is conducted in accordance with generally accepted auditing standards and provides an independent assessment that helps assure fair presentation of the District's financial position and results of operations. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The Management's Discussion and Analysis (MD&A) provides financial highlights, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A that immediately follows the independent auditor's report.

### **PROFILE OF THE DISTRICT**

The Orange County Cemetery District is an independent special district governed by an appointed five member Board of Trustees serving four-year staggered terms. Our boundaries encompass the entire County of Orange and include cemetery locations in Anaheim, Lake Forest and Santa Ana, as well as District headquarters at the Lake Forest location.

The District receives property tax revenue, which helps keep the cost of interment spaces more affordable to Orange County residents and taxpayers as compared to private cemeteries around the County. The District cemeteries are "endowment care" cemeteries which means that each location collects an endowment fee for each interment space sold that is placed into an investment fund strictly for the perpetual care and maintenance of the grounds.



For over a century our cemeteries have been chosen as the final resting place for County residents and their loved ones. The three cemeteries, Anaheim Cemetery, El Toro Memorial Park and Santa Ana Cemetery, are owned and operated by the District, and are among the County's oldest and most established, with each having recorded burials prior to 1900. Although privately owned in the beginning, the cemeteries were formed into separate independent districts in 1926. In 1985 the districts were consolidated under one governing board to create the Orange County Cemetery District. The District provides residents with a selection of interment services including traditional ground burials, niches, rose garden cremation burials and specially designed urn gardens, in a manner which reflects our mission statement.

*Mission Statement: To manage and maintain Orange County's public cemeteries in a manner that preserves their beauty, dignity, historical and cultural values, and offers affordable interment service for county residents.*

The District follows California Health & Safety Code Section 9070(a) in creating the annual budget document. The budget serves as a foundation for the District's financial operations and is adopted no later than August 30<sup>th</sup>. An annual budget was adopted for all funds on a modified accrual basis of accounting. The legal level of budgetary control is at the fund level with an emphasis placed on the General Fund budget since all operations expenditures are financed through the General Fund.

## ECONOMIC CONDITION

### **Financial Stability**

The current and future outlook of the District is positive with the existing revenue sources remaining stable. The major revenue sources are charges for services and property taxes.

Charges for services revenue continue to be the District's largest combined revenue source (\$3,669,000 or 48.0% of total revenues). Charges for services include endowment fees, interment space fees and interment service fees. Interment space sales represent the largest portion of the revenue source at approximately \$2,143,000; interment service fees and endowment fees represent approximately \$750,000 and \$410,000, respectively. These fees are reviewed annually by the Board of Trustees (Board) and are adjusted based on comparisons to other local cemeteries, endowment fee study results and the calculation of the District's cost of services. Due to diminishing interment space inventory, fiscal year 2018-19 interment space sales are projected to decrease by 10% and interment service and other fees are projected to decrease 5.4%. Despite these projected decreases, the District's overall financial health is stable.

Property tax revenue is the District's second largest revenue source (39.6% of total general fund revenue) and is analyzed critically when planning for operations and capital projects. Assessed value of residential and nonresidential property is a key component to determining the amount of funding the District will receive both in the short-term budgeting and long-range planning processes. The Orange County Treasurer-Tax Collector's office levied property taxes in fiscal year 2017-18 based on January 2017 property values. Based on the Treasurer-Tax Collector's and the District's analysis, property tax revenue is projected to increase 5% in fiscal year 2018-19.

Since the District operates "endowment care" cemeteries, the existing endowment fees are deposited into the Endowment Principal fund, invested in a five-year ladder investment strategy, and subsequent earnings are transferred to the Endowment Income fund. The funds in the Endowment Income fund are designed to be used for future and perpetual maintenance of all of the District's cemeteries.

With each fiscal year's annual budget process, the District's Board adopts a new five year Capital Improvement Program (CIP) designed to build, replace, and maintain the necessary infrastructure for the operation of the District. The CIP and Annual Operating Budget (Budget) are available on the District's website – [www.occemeterydistrict.com](http://www.occemeterydistrict.com).

## **Long Range Financial Planning**

Long range financial planning is useful in prioritizing implementation of strategic plan initiatives as well as capital needs of the District. The District utilizes a number of planning strategies when considering long-term financial forecasts.

- Strategic Plan – Strategic planning involves establishing a vision for the future and a clear mission statement to provide direction, and defining what the organization stands for and what it has pledged to accomplish. The Board completed a full review of the District’s Strategic Plan in 2014 that produced a Strategic Plan document to cover the next five years (2014-2019). In conjunction with the Strategic Plan, a comprehensive metrics dashboard was created: it is updated and presented to the Board at regular monthly meetings.
- Endowment Study – The District approved an update to the “Actuarial Analysis of the Financial Obligations of the Orange County Cemetery District” in 2016, as it pertains to the Endowment Fund. The purpose of the original study and update was to analyze the District’s ability to fulfill its perpetual care obligation for the District cemeteries. After analyzing all of the operational revenues and expenses, consideration of the use of the Endowment Income Fund and ongoing recommended inflationary adjustments, it was determined that the District will be able to pay all of its obligations, including perpetual care, for the 100 year time horizon in the study.
- Capital Improvement Plan – The District develops a rolling five-year plan for facility and equipment repair, replacement and additions. The repairs and replacements are based on estimated useful lives of District buildings/structures and equipment. This plan is a work in progress that is updated and reviewed by the Board as part of the annual budget process.
- Five-Year Operations Plan – The District develops a five-year plan for general fund cemetery operations annually based on multiple assumptions and estimates, as documented in the District’s Budget.
- Annual Operating Budget – A key component of financial planning is the District’s Budget, which is prepared, reviewed and adopted annually. Each spring, District staff prepares a draft budget which is presented to the Board for approval at the beginning of the fiscal year. The Budget includes forecasts for revenues, operating expenditures and capital expenditures.

## **Financial Policies**

The District has a number of policies and procedures which govern its operations to ensure effective cash management, compliance with governmental accounting regulations, and good business practices. The objectives of these policies and procedures are commensurate with our district-wide goals to effectively manage the assets and resources of the District. The District maintains a system of internal accounting controls to ensure that assets are safeguarded against loss, and that financial records are properly maintained and can be relied upon to produce accurate financial statements. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Segregation of duties is a guiding principle and provides another level of review for compliance with policies.

The oversight responsibilities for the financial operations of the District rest with the Board. Each month the Board is provided detailed financial information from the Finance Department, including a statement of revenues and expenditures and a balance sheet. These items are noted on the General Manager’s Report of the agenda.

## **Major Initiatives**

As a result of diminishing inventory at all of our cemeteries, the District is identifying options for increasing inventory. In order to maintain a viable inventory for both at-need and pre-need sales, the District is currently working on the following:

- Identifying areas at each cemetery that can be re-purposed for additional niche or in-ground interment spaces. This includes closing access roads, moving utility lines that are currently positioned within available areas, and adding niche walls to existing above-ground interment locations throughout the parks.
- At all three cemeteries, new niche areas have been completed or are in process of being constructed that will provide 1,420 additional niche spaces to inventory (240 at Anaheim, 420 at Santa Ana, 760 at El Toro). Anaheim and Santa Ana Cemetery's projects were completed in fiscal year 2017-18 and were opened for sales in January 2018; El Toro Memorial Park's project is expected to be completed in fiscal year 2018-19 with sales beginning immediately thereafter.
- The District is actively pursuing a fourth cemetery property to ensure that we can continue to provide low-cost, in-ground interment options for the foreseeable future. Together, the Board and management are working with large land-owners, including the County of Orange, to locate land that is suitable for cemetery development and zoned accordingly.

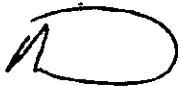
## **AWARDS AND ACKNOWLEDGEMENTS**

This is the first year that the District is producing a CAFR and submitting to the Government Finance Officers Association of the United States and Canada (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting program.

The preparation of the District's first CAFR was made possible by the dedicated services of the Finance staff who consistently and accurately contribute to the efficient operation of the District.

We would like to thank the Finance and Investment Committee for their leadership and stewardship of the District's finances and the Board of Trustees for their leadership and support of the highest level of prudent fiscal management, and for providing the vision, policies, and resources to develop and implement this CAFR.

Respectfully submitted,



Tim Deutsch  
General Manager



# ORANGE COUNTY CEMETERY DISTRICT ORGANIZATIONAL CHART



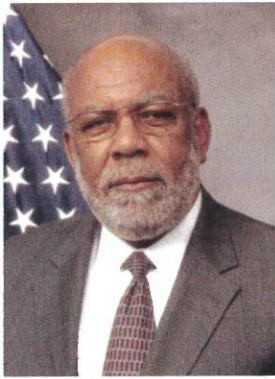
## BOARD OF TRUSTEES



Maribel Marroquin  
Trustee – District 1



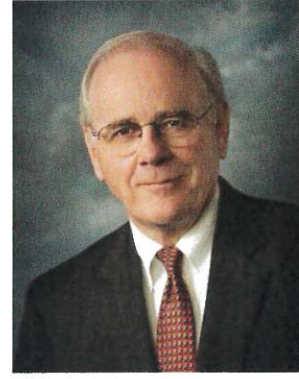
Kelly Rivers, Chair  
Trustee – District 2



William E. Nelson  
Trustee – District 3



Cynthia Ward, Vice Chair  
Trustee – District 4



Noel Hatch  
Trustee – District 5



Tim Deutsch  
General Manager



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Orange County Cemetery District  
Lake Forest, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Orange County Cemetery District (District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As described in Notes 2 and 8 to the financial statements, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 14, schedule of the District's proportionate share of the net pension liability (asset) on page 50, schedule of contributions for pensions on page 51, schedule of the District's proportionate share of the net OPEB liability on page 52, schedule of contributions for OPEB on page 53, and budgetary comparison information and related note on pages 54 through 57, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, schedule of general fund expenditures, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Vavrinek, Irine, Day & Co., LLP*

Laguna Hills, California  
December 17, 2018



**ORANGE COUNTY CEMETERY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, (Continued)  
JUNE 30, 2018**

As management of the Orange County Cemetery District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. Since the Management's Discussion and Analysis (MD&A) is designed to be condensed, we encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal and the basic financial statements, including the accompanying notes to the basic financial statements.

**Financial Highlights**

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows, at June 30, 2018, by \$33,652,303 (*net position*). Total net position consists of the following:
  - \$11,158,039 (*unrestricted*) may be used to meet the government's ongoing obligations to citizens and creditors
  - \$7,106,558 (*restricted for maintenance*) is income generated from the endowment principal and may only be used to fund the operations/perpetual care of the District's cemeteries
  - \$8,026,399 (*restricted – endowment principal*) is income generated from one-time endowment fees collected when interment spaces are sold and must remain intact.
  
- As of June 30, 2018, the District's governmental funds reported combined ending fund balances of \$27,099,879, an increase of \$1,379,651.

**Overview of the Financial Statements**

The financial statements presented herein include all of the activities of the District as prescribed by GASB Statement No. 34. The MD&A is intended to serve as an introduction to the District's financial statements. The District's basic financial statements are comprised of the following three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the Orange County Cemetery District's finances, in a manner similar to a private-sector business. Government-wide financial statements include a statement of net position and a statement of activities.

The *statement of net position* presents information on all of the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. These changes are reported using the full accrual basis of accounting, that is, when the underlying economic events occur, *regardless of the timing of related*

**ORANGE COUNTY CEMETERY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, (Continued)  
JUNE 30, 2018**

*cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash inflows or outflows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the District include the operation and maintenance of the cemetery grounds in its service area which includes the entire County of Orange. The District does not have any business-type activities.

The government-wide financial statements can be found in the Table of Contents under the heading Basic Financial Statements.

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District only has governmental funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances on spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains four (4) individual governmental funds, all of which are considered to be major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Pre-Need Trust Special Revenue Fund, Endowment Care Income Special Revenue Fund and the Endowment Care Principal Permanent Fund.

The governmental fund financial statements can be found in the Table of Contents under the heading Basic Financial Statements.



**ORANGE COUNTY CEMETERY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, (Continued)  
JUNE 30, 2018**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found in the Table of Contents under the heading Notes to the Basic Financial Statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information (RSI)*. The District adopts by resolution an annual appropriated budget for its General Fund, Pre-Need Trust Special Revenue Fund and Endowment Care Income Special Revenue Fund. Budgetary comparison schedules have been provided for the General Fund, Pre-Need Trust Special Revenue Fund and Endowment Care Income Special Revenue Fund to demonstrate compliance with this budget. Other RSI includes the schedules of the District's proportionate share of the net liability (asset) and schedule of contributions for both pension and other post-employment benefits (OPEB). The Required Supplementary Information can be found following the Notes to the Basic Financial Statements.

There is additional supplementary information provided in the schedule of general fund expenditures.

**Government-Wide Financial Analysis**

The government-wide financial statements provide long-term and short-term information about the District's overall financial condition. This analysis addresses the financial statements of the District as a whole.

For the fiscal year ended June 30, 2018, the District reported the following summarized balances:

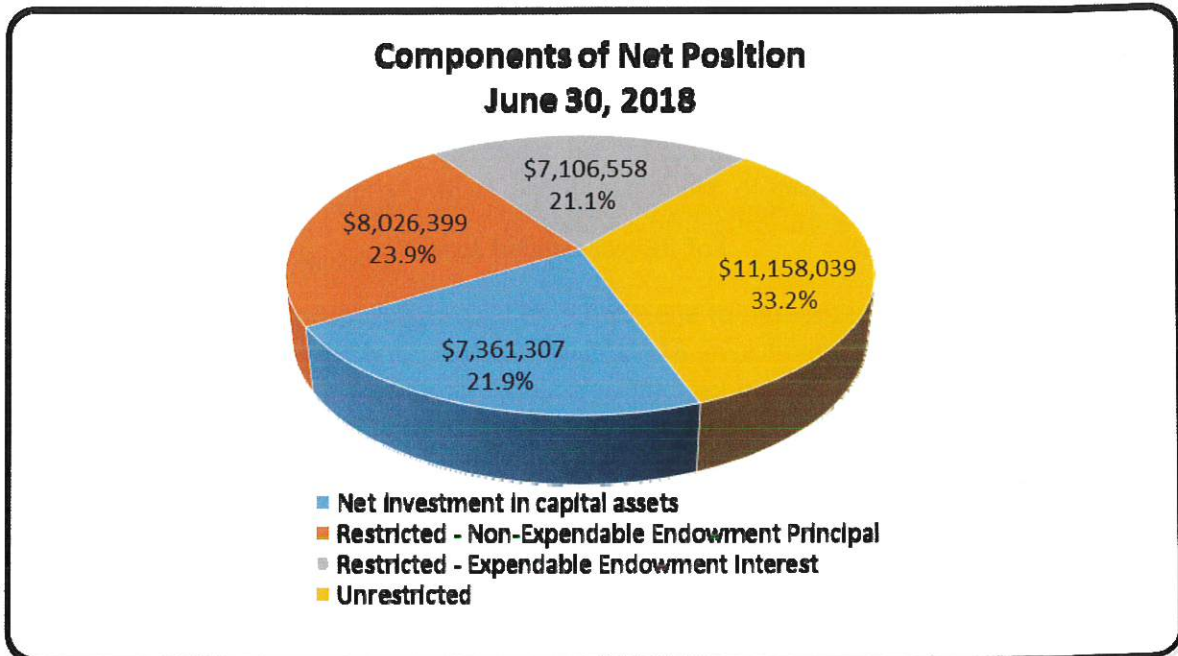
**ORANGE COUNTY CEMETERY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, (Continued)  
JUNE 30, 2018**

Condensed Statement of Net Position  
As of June 30:

	2017	2018
<b>Assets:</b>		
Current and other assets	\$ 28,933,937	\$ 30,759,986
Capital assets	6,785,234	7,361,307
Total Assets	35,719,171	38,121,293
Deferred Outflows of Resources	327,761	457,033
<b>Liabilities:</b>		
Long-term liabilities outstanding	441,568	744,341
Other liabilities	3,106,058	3,349,784
Total Liabilities	3,547,626	4,094,125
Deferred Inflows of Resources	401,447	831,898
<b>Net Position:</b>		
Investment in capital assets	6,785,234	7,361,307
Restricted for:		
Non-Expendable - Endowment Principal	7,715,794	8,026,399
Expendable - Maintenance	6,949,646	7,106,558
Unrestricted	10,647,185	11,158,039
Total Net Position	\$ 32,097,859	\$ 33,652,303

- The District reported a total net position of \$33,652,303 at June 30, 2018.
  - The District had 21.9% of the net position funds in capital assets (e.g., buildings, machinery and equipment). The District used these capital assets to provide services to citizens; consequently, these assets are not available for future spending.
  - The District had 45.0% of the net position funds restricted for the perpetual care of the cemetery grounds (both non-expendable and expendable). These funds were invested and will continue to earn interest income which will be used for the maintenance and operation of the District's cemeteries in the future.
  - The remaining balance of *unrestricted net position* \$11,158,039 (33.2% of net position funds) was used to meet the government's ongoing obligations to citizens and creditors.

**ORANGE COUNTY CEMETERY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, (Continued)  
JUNE 30, 2018**



- The current and other assets increased by \$1,826,049 primarily due to recognition of FY 2017-18 interment space sales, interment services, endowment fee revenue, net pension asset and investment income (investments with third-party investors: OCIP, Cal Trust, Edward Jones, Kreisher L-T Investments, UBS and Wells Fargo). The addition of a net pension asset of \$173,677 at June 30, 2018 is due to the GASB 68 calculation which may fluctuate annually based on actuarial assumptions, experience and investment earnings. See Note 7 of the financial statements for additional information regarding the GASB 68 calculation of net pension asset. As a result of the District's decision to previously pay off the unfunded accrued actuarial liability (UAAL), current year contribution rates relate to normal cost, and do not include a UAAL component.
- Deferred outflows and inflows of resources were directly related to GASB Statements No. 68 and 75 calculations. The entries were for the recognition of changes in the net pension asset and net OPEB liability cash flows of periods before and after the measurement date of 12/31/2017. See Notes 7 and 8 of the Financial Statements for additional information on GASB 68 and 75 reporting requirements, respectively.
- The long-term liabilities outstanding increased by \$302,773 due to an increase in compensated absences of \$43,230 and the implementation of GASB 75 that recognized a net OPEB liability of \$481,952, offset by a decrease in net pension liability of \$222,409. The addition of the net OPEB liability is due to the implementation of GASB 75 and may fluctuate annually based on actuarial valuations and assumptions. See Note 8 of the financial statements for additional information regarding the GASB 75 calculation of net OPEB liability.

**ORANGE COUNTY CEMETERY DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	General Fund	Special Revenue Funds	
		Pre-Need Trust	Endowment Care Income
<b>Assets:</b>			
Cash and investments	\$ 11,472,560	\$ 3,638,587	\$ 7,107,309
Cash in bank	43,188	-	-
Imprest cash	800	-	-
Restricted cash and investments	-	-	-
Accounts receivable	201,163	-	-
Taxes receivable	30,377	-	-
Interest receivable	11,209	1,161	48,829
Due from other governmental agencies	4,727	-	-
<b>Total Assets</b>	<b>\$ 11,764,024</b>	<b>\$ 3,639,748</b>	<b>\$ 7,156,138</b>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 94,579	\$ -	\$ -
Due to bank - overnight sweep	-	-	49,575
Accrued payroll	49,657	-	-
Due to other county funds	3,300	16	5
Due to other governmental agencies	26,923	-	-
Pre-need deposits	-	3,074,880	-
<b>Total Liabilities</b>	<b>174,459</b>	<b>3,074,896</b>	<b>49,580</b>
<b>Deferred inflows of resources:</b>			
Unavailable installment sale revenue	136,646	-	-
<b>Fund Balances:</b>			
Nonspendable	-	-	-
Restricted	-	-	7,106,558
Committed	8,805,000	-	-
Assigned	1,321,298	564,852	-
Unassigned	1,326,621	-	-
<b>Total Fund Balances</b>	<b>11,452,919</b>	<b>564,852</b>	<b>7,106,558</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 11,764,024</b>	<b>\$ 3,639,748</b>	<b>\$ 7,156,138</b>

See accompanying Notes to the Financial Statements.

Permanent Fund		Total
Endowment		Governmental
Care		Funds
Principal		
\$ -		\$ 22,218,456
-		43,188
-		800
8,026,399		8,026,399
-		201,163
-		30,377
-		61,199
-		4,727
<u>\$ 8,026,399</u>		<u>\$ 30,586,309</u>

\$ -		\$ 94,579
50,849		100,424
-		49,657
-		3,321
-		26,923
-		3,074,880
<u>50,849</u>		<u>3,349,784</u>

-		<u>136,646</u>
---	--	----------------

7,975,550		7,975,550
-		7,106,558
-		8,805,000
-		1,886,150
-		1,326,621
<u>7,975,550</u>		<u>27,099,879</u>

<u>\$ 8,026,399</u>		<u>\$ 30,586,309</u>
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**ORANGE COUNTY CEMETERY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2018**

Fund balances for governmental funds	\$ 27,099,879
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	7,361,307
Certain receivables are not available to pay for current period expenditures and therefore are reflected as deferred inflow of resources in the governmental funds	136,646
Net pension asset related to governmental activities are not financial resources and therefore are not reported in the funds	173,677
Deferred outflows of resources related to pensions	426,033
Net OPEB liability related to governmental activities are not financial resources and therefore are not reported in the funds	(481,952)
Deferred outflows of resources related to OPEB	31,000
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities:	
Compensated absences	(262,389)
Deferred inflows of resources related to pensions	(815,898)
Deferred inflows of resources related to OPEB	(16,000)
Net position of governmental activities	<u>\$ 33,652,303</u>

See accompanying Notes to the Financial Statements.



**ORANGE COUNTY CEMETERY DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	General Fund	Special Revenue Funds	
		Pre-Need Trust	Endowment Care Income
<b>Revenues:</b>			
Property taxes	\$ 2,169,567	\$ -	\$ -
Interment space sales, interment services and other sales	2,905,664	292,676	-
Endowment fees	-	-	-
Investment income	164,784	79,435	332,166
Net increase (decrease) in fair value of investments	(111,369)	(70,748)	(175,193)
Other revenues	69,412	15	7
<b>Total Revenues</b>	<b>5,198,058</b>	<b>301,378</b>	<b>156,980</b>
<b>Expenditures:</b>			
Current:			
Salaries and employee benefits	2,406,396	-	-
Services and supplies	1,200,279	240	68
Capital outlay	929,538	-	-
<b>Total Expenditures</b>	<b>4,536,213</b>	<b>240</b>	<b>68</b>
Excess (deficiency) of revenues over (under) expenditures	661,845	301,138	156,912
<b>Other Financing Sources (Uses)</b>			
Transfers in	292,400	-	-
Transfers out	-	(292,400)	-
<b>Other Financing Sources (Uses)</b>	<b>292,400</b>	<b>(292,400)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>954,245</b>	<b>8,738</b>	<b>156,912</b>
Fund Balances, Beginning	10,498,674	556,114	6,949,646
<b>Fund Balances, Ending</b>	<b>\$ 11,452,919</b>	<b>\$ 564,852</b>	<b>\$ 7,106,558</b>

See accompanying Notes to the Financial Statements.

Permanent Fund		Total Governmental Funds
Endowment Care Principal		
\$ -		\$ 2,169,567
-		3,198,340
410,864		410,864
-		576,385
(151,108)		(508,418)
-		69,434
<u>259,756</u>		<u>5,916,172</u>
-		2,406,396
-		1,200,587
-		929,538
<u>-</u>		<u>4,536,521</u>
<u>259,756</u>		<u>1,379,651</u>
-		292,400
-		(292,400)
<u>-</u>		<u>-</u>
259,756		1,379,651
<u>7,715,794</u>		<u>25,720,228</u>
<u>\$ 7,975,550</u>		<u>\$ 27,099,879</u>

**ORANGE COUNTY CEMETERY DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds: \$ 1,379,651

Amounts reported for governmental activities in the statement of activities are different because:

General fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense. This is the amount that capital outlay exceeded depreciation and deletions in the current period.

Capital expenditures, net of deletions	929,538
Depreciation expense	(353,466)
Change in unavailable revenue due to installment contract activity	60,171
Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Net change in compensated absences	(43,230)
Pension expense reported on government wide statement of activities	48,732
OPEB expense reported on government wide statement of activities	<u>(16,000)</u>
Change in net position of governmental activities	<u><u>\$ 2,005,396</u></u>

See accompanying Notes to the Financial Statements.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 1 – ORGANIZATION AND HISTORY***

The Orange County Cemetery District (District) was created July 1, 1985 through a reorganization of three special districts located in the County of Orange. The District is governed by a board of trustees appointed by the County Board of Supervisors. The District provides for burial services and for the operation and maintenance of the cemetery grounds and its service area includes the entire County of Orange. Cemeteries are located in the Cities of Anaheim, Lake Forest and Santa Ana.

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

A. Basis of Presentation:

***Government-wide Financial Statements:***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The District reports governmental activities, which are activities that normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. District expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. When both restricted and unrestricted resources are available for use, it is the District's policy to use unrestricted resources first, and then use restricted resources as they are needed.

***Fund Financial Statements:***

The accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, deferred inflows (outflows) of resources, fund equity, revenues, and expenditures. An emphasis is placed on major funds within the governmental category.

The major funds of the District are as follows:

The General Fund is used to account for all activity not required to be accounted for in other funds.

The Pre-Need Trust Special Revenue Fund is established to account for monies collected in advance of services. Accordingly, the resources in the fund are restricted. The interest earned in the fund is classified as assigned fund balance.

The Endowment Care Income Special Revenue Fund is established 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.

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

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**B. Measurement Focus and Basis of Accounting:**

***Measurement Focus:***

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

On the government-wide statement of net position and the statement of activities, activities are presented using the economic resources measurement focus. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the government are reported.

In the fund financial statements, all governmental funds are accounted for on the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances are considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

***Basis of Accounting:***

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. For this purpose, the government considers all major revenue sources (charges for services, property tax) to be available if they are collected within a 60 day period to pay current liabilities at the end of the current fiscal year.

**C. Property Taxes:**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on November 1 and February 1 and become delinquent December 11 and April 11. The County of Orange (County) bills and collects the property taxes and remits them to the District in installments during the year. District property tax revenues are recognized when levied to the extent that they result in current receivables.

The County is permitted by State law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the assessed values no more than 2% per year.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**D. Program Revenues:**

Program revenues are funding sources that are specifically tied to a function of the government, rather than from taxes or other general revenue. Since program revenues are tied to a direct function, the associated revenues are considered incremental and would cease if the function was eliminated. The District's program revenue base consists of Charges for Services, which includes the following: a) interment space sales, interment services and other sales and b) endowment fees.

**E. Cash and Investments:**

Cash and investments are reported in the accompanying state of net position at fair value. Changes in fair value that occur during a fiscal year are recognized as investment income to that fiscal year. Cash receipts and cash disbursements for general operations of the District are held in the Orange County Investment-Pool (OCIP) and are available immediately. In addition, the District has cash and investment accounts related to each of the identified funds:

**Types of Cash and Investments**

General Fund	<ul style="list-style-type: none"> <li>• Pooled cash with CalTRUST Medium Term fund for future capital expenditures</li> <li>• Wells Fargo revolving fund for operating needs</li> <li>• Imprest cash</li> </ul>
Pre-Need Fund	Third party investors and custodians that purchase specific investments (Edward Jones and Kreisler/Fund X)
Endowment Income Fund	Third party investors that purchase specific investments (UBS and Wells Fargo Advisors); endowment income is available to specifically support the District's programs, when needed.

**Restricted Assets:**

Endowment Principal Fund	Third party investors that purchase specific investments (UBS and Wells Fargo Advisors); endowment principal is legally restricted per the Health and Safety Code and must remain intact in perpetuity. Income earned on the endowment principal is recorded in the endowment income fund and can be used accordingly.
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**F. Investment Valuations:**

The District applies GASB 72 for determining a fair value measurement for reporting purposes, applying fair value to investments, and disclosures related to all hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.



ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

G. Capital Assets:

Capital assets, which include land, structures and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets, with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Structures and Improvements	10-100 years
Furniture and Equipment	7-20 years

H. Deferred Outflows and Deferred Inflows of Resources:

The District reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position or fund balance by the government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position or fund balance by the government that is applicable to a future period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue in of the current period. Revenue must also be susceptible to accrual; it must be both measureable and available to finance expenditures of the current fiscal year. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal year, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is only used in connection with governmental funds.

The District reports deferred outflows and inflows of resources related to pensions on the government-wide statement of net position. Deferred outflows and inflows of resources related to pensions will be recognized as a part of pension expense in future reporting periods. Refer to Note 7 for details on deferred inflows and outflows related to pensions.

I. Fund Balance:

In accord with GASB Statement 54, the District classifies fund balance into the following five different components:

*Nonspendable* – resources that are not in spendable form or required to be maintained.

*Restricted* – resources are subject to externally enforceable legal restrictions; these restrictions are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**I. Fund Balance: (Continued)**

*Committed* – resources are constrained to specific purposes by a formal action of the Board of Trustees such as an ordinance or resolution, which are considered equally binding. The constraint remains binding unless removed in the same formal manner by the Board. Board action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.

*Assigned* – amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed.

*Unassigned* – any residual positive net resources of the General Fund in excess of those portions of fund balance classified in one of the other four categories of fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balance are available, the District's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance.

**J. Compensated Absences:**

The District provides its employees with an annual leave provision that is referenced in the Union Memorandum of Understanding and District Personnel Manual. This provision provides for annual leave amounts based on the employees' years of service. For all employees, the amount of annual leave an employee may accrue shall not exceed 52 times their bi-weekly accrual rate. An employee separating or retiring from the District shall be paid in a lump sum payment for all unused annual leave balances. Employees have an opportunity each year to request a leave payoff amount of up to 40 hours, assuming they meet the use and balance criteria.

**K. Risk Management:**

The District is insured by the Special District Risk Management Authority. The District holds policies for workers compensation and property/liability insurance. When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the District records the estimated loss, net of any insurance coverage provided by commercial insurance policies held. At June 30, 2018, in the opinion of the District's management, the District had no material claims which would require a loss provision in the financial statements.

**L. Pensions:**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's Orange County Employees Retirement System (OCERS) Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**M. Other Post-Employment Benefits (OPEB)**

The net OPEB liability, deferred outflows/inflows of resources related to OPEB, information about fiduciary net position of the County of Orange Retiree Benefit Plan (OPEB Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported to the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**N. New Accounting Pronouncements:**

**Effective in the Current Year**

**GASB Statement No. 75** – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The objective of the Statement is to replace the requirements of GASB Statement No. 45. In addition, the Statement requires governments to report a liability on the face of the financial statements for the OPEB provided and requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. The Statement is effective for the periods beginning June 15, 2017, or the 2017-2018 fiscal year. The District has implemented this Statement as of July 1, 2017.

**GASB Statement No. 81** – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of the Statement is to improve financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, the Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. The Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The Statement is effective for the reporting periods beginning after December 15, 2016, or the 2017-2018 fiscal year. The implementation of this Statement did not have a material effect on the financial statements.

**GASB Statement No. 85** – In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The Statement is effective for the reporting periods beginning after June 15, 2017, or 2017-2018 fiscal year. The implementation of this Statement did not have a material effect on the financial statements.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**N. New Accounting Pronouncements (Continued):**

**Effective in the Current Year (Continued)**

**GASB Statement No. 86** – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The Statement is effective for the reporting periods beginning after June 15, 2017, or 2017-2018 fiscal year. The implementation of this Statement did not have a material effect on the financial statements.

**Effective in Future Fiscal Years**

**GASB Statement No. 83** – In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, or the 2018-2019 fiscal year. The District has not determined its effect of the Statement.

**GASB Statement No. 84** – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, or the 2019-20 fiscal year. The District has not determined the effect of this Statement.

**GASB Statement No. 87** – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2019, or 2020-2021 fiscal year. The District has not determined the effect of the Statement.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**N. New Accounting Pronouncements (Continued):**

**Effective in Future Fiscal Years (Continued)**

**GASB Statement No. 88** – In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to governmental financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement is effective for the reporting periods beginning after June 15, 2018. The District has not determined the effect of the Statement.

**GASB Statement No. 89** – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The Statement is effective for the reporting periods beginning after December 15, 2019. The District has not determined the effect of the Statement.

**GASB Statement No. 90** – In August 2018, GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for the reporting periods beginning after December 15, 2018. The District has not determined the effect of the Statement.

**O. Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS**

Cash and investments as of June 30, 2018 consisted of the following:

Cash and Investments:

Investment in County Pool	\$	3,301,773
Investment Trust of California		8,500,438
Cash in Bank		43,188
Imprest Cash		800
With Trustees:		
Cash		21,557
Investments		10,394,688
Restricted Assets:		
Investment in County Pool		31,275
With Trustees:		
Cash		947
Investments		7,994,177
Total Cash and Investments	\$	<u>30,288,843</u>

Cash:

Cash in Bank	43,188
Imprest Cash	800
Cash with Trustee	22,504
Total Cash:	<u>66,492</u>

Investments:

Investment in County Pool	3,333,048
Investment in Trust of California	8,500,438
Investments with Trustees	18,388,865
Total Investments:	<u>30,222,351</u>

Total Cash and Investments	\$	<u>30,288,843</u>
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**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**Authorized Investments:**

Per the District's Investment Policy, the District may invest in the following types of investments:

Authorized Investment Type	Maximum Maturity**	Authorized Limit (%)	Authorized Limit In One Issuer (%)	Required Rating
Local agency bonds	20 years**	None	None	None
U.S. Treasury bills, note or bonds	In excess of 5 years**	None	30% of single issue 40%/ 10% of single issue	None
State registered warrants, notes or bonds	10 years**	None	40%/ 10% of single issue	None
Notes and bonds of other local California agencies	20 years**	None	40%/ 10% of single issue	None
U.S. agencies	In excess of 5 years**	None	issue	None
Bankers acceptances	180 days	40%	5%	None
Prime commercial paper	270 days	25%	5%	A1/P1
Negotiable certificates of deposit	10 years	30%	5%	None
Repurchase agreements	1 year	20%	20% of single issue	None
Reverse repurchase agreements	92 days	20% *	None	None
Securities lending	92 days	20% *	None	None
Medium term corporate notes	10 years**	30%	5%	A2
Shares of beneficial interest, mutual funds	N/A	20%	10% of single fund	A
Mortgage pass-through securities, collateralized mortgages (CMO), and asset backed securities	In excess of 5 years**	20%	None	A
Local agency investment fund (LAIF)	N/A	None	None	None
County pooled investment funds	N/A	None	None	None
Investment trust of California (CalTRUST)	N/A	None	None	None

\* Reverse Repurchase Agreements and Securities Lending Programs are limited to a maximum cumulative amount of 20% of portfolio funds.

\*\*Government Code restricts investment maturities to 5 years unless authorized by the Board. The Board has authorized maturities in excess of 5 years, as noted in the Investment Policy above.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

***Custodial Credit Risk:***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

***Disclosures Relating to Interest Rate Risk:***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments (including investments held by trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Total Fair Value	Term to Maturity			
		12 Months or less	13 to 24 Months	25 to 60 Months	Greater than 60 Months
Orange County Investment Pool	\$ 3,333,048	\$ 3,333,048	\$ -	\$ -	\$ -
Investment Trust of California	8,500,438	8,500,438	-	-	-
Medium Term Corporate Notes	7,659,379	1,467,121	2,015,156	3,845,029	332,073
Certificates of Deposit	6,514,803	1,230,594	1,363,028	3,675,219	245,962
Municipal Securities	2,863,655	449,976	643,435	1,291,487	478,757
Gov't Asset Backed/CMO Securities					
Federal National Mortgage Association	45,876	-	-	2,222	43,654
U.S. Agency Securities:					
Federal Home Loan Bank	117,004	100,704	-	16,300	-
Federal National Mortgage Association	327,759	-	162,845	164,914	-
Federal Farm Credit Bank	611,483	114,990	305,595	190,898	-
Tennessee Valley Authority	149,835	149,835	-	-	-
Federal Home Loan Mortgage Corporation	99,071	99,071	-	-	-
	<u>\$ 30,222,351</u>	<u>\$ 15,445,777</u>	<u>\$ 4,490,059</u>	<u>\$ 9,186,069</u>	<u>\$ 1,100,446</u>

As of June 30, 2018, the District held \$45,876 in U.S. government agency securities which are backed by mortgage pass-throughs. Therefore, if interest rates decline, the mortgages are subject to prepayment by borrowers. However, the District's intent is to hold all fixed maturity investments until maturity, and accordingly, fixed maturity investments are classified in the tables above as if they were held to maturity.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

***Fair Value Measurements***

Fair value measurements are categorized based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, including matrix pricing models; Level 3 inputs are significant unobservable inputs.

Investments' fair value measurements as of June 30, 2018 were as follows:

Investment Type	Fair Value	Level 1	Level 2	Level 3
Medium Term Corporate Notes	\$ 7,659,379	\$ -	\$ 7,651,080	\$ 8,299
Certificates of Deposit	6,514,803	-	6,514,803	-
Municipal Securities	2,863,655	-	2,863,655	-
Gov't Asset Backed/CMO Securities				
Federal National Mortgage Association	45,876	-	-	45,876
U.S. Agency Securities:				
Federal Home Loan Bank	117,004	-	117,004	-
Federal National Mortgage Association	327,759	-	327,759	-
Federal Farm Credit Bank	611,483	-	611,483	-
Tennessee Valley Authority	149,835	-	149,835	-
Federal Home Loan Mortgage Corporation	99,071	-	99,071	-
Total leveled investments	18,388,865	\$ -	\$ 18,334,690	\$ 54,175
Uncategorized:				
Orange County Investment Pool	3,333,048			
Investment Trust of California	8,500,438			
Total investment portfolio	\$ 30,222,351			

Deposits and withdrawals to and from the Orange County Investment Pool and Investments Trust of California are made on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, these investments are uncategorized.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 4 – CAPITAL ASSETS**

Change in capital assets for the year ended June 30, 2018, were as follows:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
<b>Capital assets, not being depreciated:</b>				
Land	\$ 250,866	\$ -	\$ -	\$ 250,866
Construction in progress	246,265	830,303	(810,058)	266,510
Total capital assets, not being depreciated	497,131	830,303	(810,058)	517,376
<b>Capital assets, being depreciated:</b>				
Structures and improvements	10,514,390	810,058	-	11,324,448
Furniture and equipment	944,928	99,236	(24,956)	1,019,208
Total capital assets, being depreciated	11,459,318	909,294	(24,956)	12,343,656
<b>Less accumulated depreciation for:</b>				
Structures and improvements	(4,605,335)	(285,561)	-	(4,890,896)
Furniture and equipment	(565,880)	(67,905)	24,956	(608,829)
Total accumulated depreciation	(5,171,215)	(353,466)	24,956	(5,499,725)
Total capital assets, being depreciated, net	6,288,103	555,828	-	6,843,931
Capital assets, net of accumulated depreciated	<u>\$ 6,785,234</u>	<u>\$ 1,386,131</u>	<u>\$ (810,058)</u>	<u>\$ 7,361,307</u>

Anaheim Cemetery — The original land, received by grant deed on April 22, 1927, is recorded at \$10.

El Toro Memorial Park — The original land, received by grant deed on June 27, 1927, is recorded at \$10. The 1966-67 and subsequent additions are recorded at cost.

Santa Ana Cemetery — The International Order of Odd Fellows Section was received by grant deed on December 8, 1927. The Daughters of Union Veterans Section was received by grant deed on November 6, 1959. On March 2, 1978, a deed was received, without cost, from the Santora Company for its equity in land maintained by the District. The Masonic Section was received by grant deed on July 1, 1987. Also received from Santa Ana Masonic Lodge #241 was an amount for the Endowment Care Principal Permanent Fund.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 5 – INTERFUND TRANSACTIONS**

Interfund transfers for the year ended June 30, 2018, consisted of the following:

Transfer To	Transfer From Pre-Need Trust fund
General fund	\$ 292,400

Interfund transfers are used to transfer the revenue associated with interment services and other taxable sales from the Pre-Need Trust Fund, at the time of use, to match the expenditures incurred by the General Fund for the related services.

**NOTE 6 – COMPENSATED ABSENCES**

The estimated liability for compensated employee absences relates to accumulated time allowed for vacation pay and compensatory pay. Amounts are payable upon termination of employment. Changes in compensated absences for the year ended June 30, 2018 were as follows:

	June 30, 2017	Additions	Reductions	June 30, 2018	Due within one year
Compensated absences	\$ 219,159	\$ 222,144	\$ (178,914)	\$ 262,389	\$ 159,395

For compensated absences in the governmental activities shown above, the General Fund has been used in prior years to liquidate balances.

**NOTE 7 – PENSION PLAN**

**Plan Descriptions** – All qualified regular full time and part-time employees participate in the Orange County Employees Retirement System (OCERS), a cost-sharing multiple-employer defined benefit pension plan. OCERS was established in 1945. OCERS is administered by the Board of Retirement and governed by the County Employees’ Retirement Law of 1937 (California Government Code Section 31450 et. seq.). OCERS main function is to provide service retirement, disability, death and survivor benefits to the plan participants, who include the County of Orange, Orange County Courts, the Orange County Retirement System, two Cities, and twelve special districts, including the District.

Management of OCERS is vested with the Orange County Board of Retirement. The Board consists of nine members and one alternate. The County Treasurer is a member of the Board of Retirement by law. Four members are appointed by the Board of Supervisors, one of whom may be a County supervisor. Two members are elected by the General membership; one member and one alternate are elected by the Safety membership, one member is elected by the retired members of the System. All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with the term as County Treasurer. OCERS issues a stand-alone annual financial report, which can be obtained at OCERS website ([www.ocers.org](http://www.ocers.org)).

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 7 – PENSION PLAN (CONTINUED)***

***Benefits Provided*** – OCERS provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Orange or contracting agencies who work a minimum of 20 hours per week become members of OCERS effective on the first day of employment in an eligible position. There are separate retirement plans for General and Safety member employees. New General Members employed after January 1, 2013 are designated as PEPRA General subject to the provisions of California Government Code 7522 et seq. and AB 197. The District's employees participate as General members.

General members hired prior to January 1, 2013 are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013 are eligible to retire once they have attained the age of 52, and have acquired five years of retirement service credit. All General members can also retire at the age of 70 regardless of service. The District participates in Plan M and N, which are 2.0% at 55 benefits. Plan M is for General Members hired before September 21, 1979, while Plan N is for members hired on or after September 21, 1979. The District also participates in Plan U, which is a 2.5% at 67 benefit for General Members hired on or after January 1, 2013.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

General member benefits are calculated pursuant to the provisions of California Government Code Sections 31676.01, 31676.1, 31676.12, 31676.16, 31676.18 or 31676.19. For section 31676.01, the monthly allowance is equal to 1/90th of final compensation times years of accrued retirement service credit times age factor from that Section. For Section 31676.1, the monthly allowance is equal to 1/60th of final compensation times years of accrued retirement service credit times age factor from the Section. For Sections 31676.12, 31676.16, 31676.18 or 31676.19, the monthly allowance is equal to 1/50th of final compensation times years of accrued retirement service credit times age factor from the corresponding Section. General member benefits for those who are first hired on or after January 1, 2013 are calculated pursuant to the provision California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

For members with membership dates before January 1, 2013 the maximum monthly retirement allowance is 100% of final compensation. There is no maximum with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for Plan M, and the highest 36 consecutive months for Plans N and U.

The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. Certain surviving spouses or domestic partners may also be eligible if marriage or domestic partnership was at least two years prior to the date of death and the surviving spouse or domestic partner has attained age 55. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

***NOTE 7 – PENSION PLAN (CONTINUED)***

OCERS provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustments, based upon the Consumer Price Index for All Urban Consumers for the Los Angeles-Riverside-Orange County Area, is capped at 3.0%.

**Contributions** – The District contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from OCERS’ actuary after the completion of the annual actuarial valuation. The contribution rates for FY 2017-18 (based on the December 31, 2016 valuation) were 11.33% of compensation for plan M and N members and 12.23% of compensation for plan U members. Contributions to the plan in FY 2017-18 were \$162,000, which were paid to the Plan in October 2017, and immediately recognized as part of fiduciary net position by the Plan.

All members are required to make contributions to OCERS regardless of the retirement plan or tier in which they are included. The member contribution rates for FY 2017-18 vary by member based on age of entry. The range of contribution rates is as follows: plan M (2.0% @ 55) – 7.19% to 13.92%, plan N (2.0% @ 55) – 6.85% to 12.97%, and Plan U (2.5% @ 67) – 6.94% to 14.19%.

***Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

As of June 30, 2018, the District reported a negative net pension liability of (\$173,677) for its proportionate share of the collective net pension liability. The collective net pension liability for the Plan was measured as of December 31, 2017. Plan fiduciary net position was valued as of the measurement date, while the total pension liability (TPL) was determined based upon rolling forward the TPL from an actuarial valuation as of December 31, 2016. The plan provisions used in the measurement of the net pension liability are the same as those used in the OCERS actuarial valuations as of December 31, 2016. At December 31, 2016 and 2017, the District’s proportion of the collective net pension liability was as follows:

	<u>Miscellaneous</u>
Proportion - December 31, 2017	-0.004%
Proportion - December 31, 2016	0.004%
Change - Increase (Decrease)	<u>-0.008%</u>

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**NOTE 7 – PENSION PLAN (CONTINUED)**

At the year ended June 30, 2018, the District recognized pension expense of \$82,093. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual earnings on plan investments	\$ -	\$ 347,199
Differences between actual and expected experience	19,195	397,300
Changes in assumptions	406,838	71,399
Total	<u>\$ 426,033</u>	<u>\$ 815,898</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year ended June 30</u>	
2019	\$ (69,205)
2020	(96,923)
2021	(153,101)
2022	(117,366)
2023	46,264
Thereafter	466
	<u>\$ (389,865)</u>



**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**NOTE 7 – PENSION PLAN (CONTINUED)**

**Actuarial Assumptions** – The collective total pension liability as of December 31, 2017 was determined by rolling forward the total pension liability from the actuarial valuation as of December 31, 2016. The actuarial assumptions used were based on the results of an experience study for the period from January 1, 2011 through December 31, 2013. Following are the key methods and assumptions used for the total pension liability as of December 31, 2017.

**Actuarial Assumptions:**

Actuarial Cost Method:	Entry age normal
Inflation:	2.75%
Salary increases:	General: 4.25% to 12.25%, varying by service, including inflation
Investment Rate of Return:	7.00%, net of pension plan investment expense, including inflation
Discount Rate:	7.00%
Cost of Living Adjustment:	2.75% of retirement income

**Post – Retirement Mortality Rates:**

- Healthy:* For General Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table, projected generationally with the two-dimensional MP-2016 projection scale.
- Disabled:* For General Members: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table set forward five years, projected generationally with the two-dimensional MP-2016 projection scale.
- Beneficiaries:* Beneficiaries are assumed to have the same mortality as a General Member of the opposite sex who is receiving a service (non-disability) retirement.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.00% and 7.25% as of December 31, 2017 and 2016 respectively for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the District’s contributions will be made at rates equal to the actuarially determined contributions rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2017 and 2016.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

***NOTE 7 – PENSION PLAN (CONTINUED)***

The long-term expected rate of return of 7.00% on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board of Retirement) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	6.38%
Core Bonds	13.00%	1.03%
High Yield Bonds	4.00%	3.52%
Bank Loans	2.00%	2.86%
TIPS	4.00%	96.00%
Emerging Market Debt	4.00%	3.78%
Real Estate	10.00%	4.33%
Core Infrastructure	2.00%	5.48%
National Resources	10.00%	7.86%
Risk Mitigation	5.00%	4.66%
Mezzanine/Distressed Debts	3.00%	6.53%
Private Equity	8.00%	9.48%
Total	<u>100%</u>	

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate*** – The following presents the net pension liability (asset) of the District for the Plan, calculated using the discount rate of 7.00%, as well as what the District’s net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability (asset)	\$ 1,257,143	\$ (173,677)	\$ (1,336,041)

***Pension Plan Fiduciary Net Position*** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued OCERS financial reports.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

***NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS***

At June 30, 2018, net OPEB liability, related deferred outflows of resources and deferred inflows of resources, and OPEB expense are as follows:

	<u>Retiree Medical Plan</u>
Net OPEB liability	\$ 481,952
Deferred outflows related to OPEB	31,000
Deferred inflows related to OPEB	16,000
OPEB Expense	27,000

**Plan Description**

The District's regular full-time and part-time employees participate in a Retiree Medical Plan (Plan), a cost-sharing multiple-employer defined benefit postemployment healthcare plan. The plan is offered and administered by the County of Orange, which assists retirees with the cost of retiree health insurance premiums and/or Medicare premiums. The County has the authority to establish and amend benefit provisions to the Plan. The County issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing the Auditor-Controller's Office: County of Orange, 12 Civic Center Plaza, Santa Ana, California 92702 or via website at <http://www.ac.ocgov.com>.

*Funding Policy.* The District contributes an amount equal to a contractually required contribution as established by the County. In order to more adequately fund the benefits under the Plan, on June 19, 2007, the County's Board adopted the County of Orange Retiree Medical Trust (Trust) effective July 2, 2007. The Trust is an Internal Revenue Code section 115 trust. In addition, the County and OCERS have entered into agreements for OCERS to establish an Internal Revenue code section 401(h) account, invest monies of the 401(h) account and the Trust and to act as paying agent for benefits under the Retiree Medical Plan (except for the lump sum payment).

*Eligibility.* An employee who is credited with at least ten years of service at the time the employee becomes a retiree shall be eligible to receive a grant in accordance with the County of Orange Retiree Medical Plan. An employee who becomes a retiree eligible for the grant and does not immediately begin to receive a retirement allowance from OCERS is not eligible to participate in the plan until the employee's retirement allowance commences. In order to be eligible to receive the grant, a participant must be covered under a Qualified Health Plan and/or Medicare. Coverage in a Qualified Health Plan must be elected within 30 days of the commencement of retirement allowance from OCERS. A covered retiree or surviving dependent who is age 65 or older must be enrolled in Medicare Part A (if eligible for coverage without a premium) and Part B in order to be eligible for the grant. A Qualified Health Plan is defined as a health insurance plan made available to employees and/or retirees, including a County Health Plan or a plan administered by an Employee Organization that the County of Orange has agreed shall be a Qualified Health Plan. A lump sum payment is available under limited circumstances as defined in the plan for an employee whose employment terminates prior to becoming eligible for a grant.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

***NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)***

Benefits Provided

OCERS provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Orange or contracting agencies who work a minimum of 20 hours per week become members of OCERS effective on the first day of employment in an eligible position. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. Any new Safety Member who becomes a member on or after January 1, 2013 is designated PEPRSA Safety and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq. and Assembly Bill (AB) 197. All other employees are classified as General members. New General Members employed after January 1, 2013 are designated as PEPRA General subject to the provisions of California Government Code 7522 et seq. and AB 197.

*Contribution*

The District makes contributions to the plan equal to the actuarially determined contribution. The percentage contributions are established by a Participation Agreement with the County of Orange. All contributions are employer contributions and are made through the County of Orange payroll system. For the fiscal year ended June 30, 2018, the District's contributions were \$59,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the District reported a liability of \$481,952 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2017. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating member agencies, actuarially determined. At December 31, 2017, the District's proportion was .1203 percent.

For the year ended June 30, 2018, the District recognized OPEB expense of \$27,000. At June 30, 2018, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 31,000	\$ -
Net difference between projected and actual earnings on plan investments	-	16,000
Total	<u>\$ 31,000</u>	<u>\$ 16,000</u>

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

\$31,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Amortization
2019	\$ (4,000)
2020	(4,000)
2021	(4,000)
2022	(4,000)
Total	<u>\$ (16,000)</u>

*Actuarial Assumptions* – The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Funding Policy	Employer contributes full ADC
Discount rate	7.00%
Long-Term Expected Rate of Return on Investments	7.00%, net of investment expenses
General Inflation	2.75% per annum
Payroll Increases <sup>(1)</sup>	Aggregate Increases – 3.25%
Grant Increase Rate	AFSCME – lesser of 5% and Medical Trend Non-AFSCME – lesser of 3% and Medical Trend
Mortality, Disability, Termination, Retirement	OCERS 2014-2016 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries mortality improvement Scale MP-16
Medical Trend	Pre-Medicare – 7.5% for 2019, decreasing to 4.0% for 2076 and later Medicare – 6.25% for 2019, decreasing to 4.0% for 2076 and later

<sup>(1)</sup> Merit Increases – OCERS 2014-2016 Experience Study

Mortality rates were based on the assumed future mortality improvements using Society of Actuaries (SOA) Scale MP-16.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.00 percent as of December 31, 2017. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The target asset allocation and long term rates of return for each asset class are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	6.38%
Core Bonds	13.00%	1.03%
High Yield Bonds	4.00%	3.52%
Bank Loan	2.00%	2.86%
TIPS	4.00%	0.96%
Emerging Market Debt	4.00%	3.78%
Real Estate	10.00%	4.33%
Core Infrastructure	2.00%	5.48%
Natural Resources	10.00%	7.86%
Risk Mitigation	5.00%	4.66%
Mezzanine/Distressed Debts	3.00%	6.53%
Private Equity	8.00%	9.48%
Total	100.00%	

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate.***

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Net OPEB Liability	\$ 583,000	\$ 481,952	\$ 398,000

***Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates.***

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.5%/5.5%) decreasing to 3.0%)	Current Healthcare Cost Trend Rate (7.5%/6.5%) decreasing to 4.0%)	1% Increase (8.5%/7.5%) decreasing to 5.0%)
Net OPEB Liability	\$ 469,000	\$ 481,952	\$ 496,000

**ORANGE COUNTY CEMETERY DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

***OPEB Plan Fiduciary Net Position***

OCERS has established an Internal Revenue Code section 401(h) account to invest monies and acts as Trustee for the 401(h) account which is used to pay the Grant. OCERS issues a Comprehensive Annual Financial Report (CAFR) for each fiscal year ending on December 31, which includes the Retiree Medical Trust. The CAFR can be obtained online at [www.ocers.org](http://www.ocers.org) by request, or in writing, to the Orange County Employees Retirement System, 2223 Wellington Avenue, Santa Ana, California 92701, or by calling (714) 558-6200.

**NOTE 9 – NET POSITION AND FUND BALANCE CLASSIFICATIONS**

The District's Statement of Net Position reports a total of \$33,652,303, including \$11,158,039 of unrestricted net position. On the Governmental Funds Balance Sheet the District's fund balance is classified in accordance with GASB Statement No. 54, which classifies fund balance into five different components.

	General Fund	Special Revenue Funds		Permanent Fund	Total Governmental Funds
		Pre-Need Trust	Endowment Care Income	Endowment Care Principal	
Fund Balance:					
Nonspendable					
Endowment principal	\$ -	\$ -	\$ -	\$ 7,975,550	\$ 7,975,550
Restricted					
Maintenance	-	-	7,106,558	-	7,106,558
Committed					
Land acquisition	7,255,000	-	-	-	7,255,000
Capital improvement	1,550,000	-	-	-	1,550,000
Assigned					
Capital improvement	1,321,298	-	-	-	1,321,298
Future Cemetery Care	-	564,852	-	-	564,852
Unassigned	1,326,621	-	-	-	1,326,621
Total Fund Balance	<u>\$ 11,452,919</u>	<u>\$ 564,852</u>	<u>\$ 7,106,558</u>	<u>\$ 7,975,550</u>	<u>\$ 27,099,879</u>

**NOTE 10 – INSURANCE PROGRAM**

The District is exposed to various risks or loss related to torts; thefts of; damage to and destruction of assets; error and omissions; and natural disasters. To mitigate these risks, the District is a member of the Special Districts Risk Management Authority (Authority). The Authority is composed of over 900 member public agencies and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to provide services and other functions necessary and appropriate for the creation, operation, and maintenance of liability, workers' compensation, property and other risk pooling and coverage plans for the member agencies. The Authority began covering the claims of its members in 1986. The governing board is composed of seven members that are elected or appointed representatives of member agencies' governing boards.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018**

**NOTE 10 – INSURANCE PROGRAM (CONTINUED)**

Member agencies pay an annual premium to the Authority and are determined annually by the governing board. The District's policy limits for workers' compensation insurance is \$5,000,000 per occurrence, with no deductible. The District's policy limits for property and liability insurance are \$1,000,000,000 per covered loss for property damage, which includes automobile, mobile equipment, boiler and machinery, and \$10,000,000 per occurrence for general liability, which includes automobile, errors and omissions of officers and the board of trustees. The District has deductibles of \$1,000 for direct property loss, \$250 comprehensive/\$500 collision for automobile physical damage loss, and \$2,500 for crime loss.

If aggregate losses under the Authority's workers' compensation and general liability programs exceed total contributions collected from member agencies, the Authority may assess additional contributions in accordance with the provisions of the Joint Exercise of Powers Agreement and the Authority's Bylaws.

There were no reductions in insurance coverage from the previous year and the amount of settled claims has not exceeded insurance coverage for each of the past three fiscal years.

**NOTE 11 – PRIOR PERIOD ADJUSTMENT**

Net position as of July 1, 2017 has been restated as follows for the implementation of GASB Statement No. 75:

	Government-wide Governmental Activities
<b>Restated for the GASB 75 implementation</b>	
Net Position, Beginning of year, as previously reported	\$ 32,097,859
Net OPEB liabilities	(524,000)
Deferred outflows of resources	73,048
Net Position, Beginning of year, as restated	<u>\$ 31,646,907</u>

The following is the pro forma effect of the retroactive application:

	June 30, 2017 <u>Previously Presented</u>	<u>Restatement</u>	June 30, 2017 <u>Restated</u>
Governmental Activities			
Statement of Net Position			
OPEB liability - GASB 75	\$ -	\$ (524,000)	\$ (524,000)
Deferred outflows of resources	-	73,048	73,048
Net position, end of year	<u>\$ 32,097,859</u>	<u>\$ (450,952)</u>	<u>\$ 31,646,907</u>



**ORANGE COUNTY CEMETERY DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
 NET PENSION LIABILITY (ASSET)  
 LAST TEN YEARS\*  
 YEAR ENDED JUNE 30, 2018**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (asset)	-0.004%	0.004%	0.009%	-0.002%
Proportionate share of the net pension liability (asset)	\$ (173,677)	\$ 222,409	533,906	\$ (95,350)
Covered payroll**	\$ 1,419,045	\$ 1,288,388	1,247,006	\$ 1,202,916
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	-12.24%	17.26%	42.82%	-7.93%
Plan fiduciary net position as a percentage of the total pension liability	74.93%	71.16%	67.10%	69.42%
Measurement Date	12/31/2017	12/31/2016	12/31/2015	12/31/2014

\* Fiscal year 2015 was the first year of implementation, therefore, only four years are shown

**ORANGE COUNTY CEMETERY DISTRICT  
 SCHEDULE OF CONTRIBUTIONS  
 LAST TEN YEARS\*  
 YEAR ENDED JUNE 30, 2018**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 162,000	\$ 151,000	\$ 144,000	\$ 173,708
Contributions in relation to the actuarially determined contribution	(162,000)	(151,000)	(144,000)	(1,837,000)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,663,292)</u>
Covered payroll	\$ 1,489,052	\$ 1,370,975	\$ 1,201,900	\$ 1,254,660
Contributions as a percentage of covered payroll	10.88%	11.01%	11.98%	146.41%

\* Fiscal year 2015 was the first year of implementation, therefore, only four years are shown.

**ORANGE COUNTY CEMETERY DISTRICT  
 SCHEDULE OF PROPORTIONATE SHARE  
 LAST TEN YEARS\*  
 YEAR ENDED JUNE 30, 2018**

	<u>2018*</u>
District's proportion of the net OPEB liability	\$ 481.952
District's proportionate share of the net OPEB liability	0.1203%
District's covered-employee payroll	1,669,307
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	28.87%
Plan fiduciary net position as a percentage of the total OPEB liability	42.30%

\* Fiscal year 2018 was the first year of implementation, therefore, only one year is shown.

**ORANGE COUNTY CEMETERY DISTRICT  
 SCHEDULE OF CONTRIBUTIONS  
 LAST TEN YEARS\*  
 YEAR ENDED JUNE 30, 2018**

	<u>2018*</u>
Contractually determined contribution	\$ 59,000
Contributions in relation to the contractually determined contributions	(59,000)
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	1,714.876
Contributions as a percentage of covered payroll	3.44%

\* Fiscal year 2018 was the first year of implementation, therefore, only one year is shown.

**ORANGE COUNTY CEMETERY DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2018**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 2,056,163	\$ 2,056,163	\$ 2,169,567	\$ 113,404
Interment space sales, interment services and other sales	3,266,825	3,266,825	2,905,664	(361,161)
Investment income	115,000	115,000	164,784	49,784
Net increase (decrease) in fair value of investments	-	-	(111,369)	(111,369)
Other revenues	70,276	70,276	69,412	(864)
<b>Total Revenues</b>	<b>5,508,264</b>	<b>5,508,264</b>	<b>5,198,058</b>	<b>(310,206)</b>
<b>Expenditures:</b>				
Current:				
Salaries and employee benefits	2,412,684	2,412,684	2,406,396	6,288
Services and supplies	1,169,515	1,169,515	1,200,279	(30,764)
Capital expenditures	1,996,645	2,296,645	929,538	1,367,107
<b>Total Expenditures</b>	<b>5,578,844</b>	<b>5,878,844</b>	<b>4,536,213</b>	<b>1,342,631</b>
Excess of revenues over expenditures	(70,580)	(370,580)	661,845	1,032,425
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	292,400	292,400
<b>Net Change in Fund Balance</b>	<b>(70,580)</b>	<b>(370,580)</b>	<b>954,245</b>	<b>\$ 1,324,825</b>
Fund Balance, Beginning	10,498,674	10,498,674	10,498,674	
Fund Balance, Ending	\$ 10,428,094	\$ 10,128,094	\$ 11,452,919	

See accompanying note to the required supplementary information.

**ORANGE COUNTY CEMETERY DISTRICT  
 PRE-NEED TRUST SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2018**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Interment space sales, interment services and other sales	\$ 275.000	\$ 275.000	\$ 292.676	\$ 17.676
Investment income	57.685	57.685	79.435	21.750
Net increase (decrease) in fair value of investments	-	-	(70.748)	(70.748)
Other revenues	-	-	15	15
Total Revenues	<u>332.685</u>	<u>332.685</u>	<u>301.378</u>	<u>(31.307)</u>
<b>Expenditures:</b>				
Current:				
Services and supplies	300	300	240	60
Excess of revenues over expenditures	<u>332.385</u>	<u>332.385</u>	<u>301.138</u>	<u>(31.247)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(150.000)	(150.000)	(292.400)	(142.400)
Net Change in Fund Balance	182.385	182.385	8.738	<u>\$ (173.647)</u>
Fund Balance, Beginning	556.114	-	556.114	
Fund Balance, Ending	<u>\$ 738.499</u>	<u>\$ 182.385</u>	<u>\$ 564.852</u>	

See accompanying note to the required supplementary information.

**ORANGE COUNTY CEMETERY DISTRICT  
 ENDOWMENT CARE INCOME SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2018**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Investment income	\$ 320,000	\$ 320,000	\$ 332,166	\$ 12,166
Net increase (decrease) in fair value of investments	-	-	(175,193)	(175,193)
Other revenues	-	-	7	7
Total Revenues	320,000	320,000	156,980	(163,020)
<b>Expenditures:</b>				
Current:				
Services and supplies	200	200	68	132
Net Change in Fund Balance	319,800	319,800	156,912	\$ (162,888)
Fund Balance, Beginning	6,949,646	-	6,949,646	
Fund Balance, Ending	\$ 7,269,446	\$ 319,800	\$ 7,106,558	

See accompanying note to the required supplementary information.

**ORANGE COUNTY CEMETERY DISTRICT  
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE YEAR ENDED JUNE 30, 2018**

***NOTE 1 – BUDGETS***

Annual budgets are adopted by resolution of the District's Board of Trustees. They are then submitted to the County of Orange Auditor-Controller prior to September 1. One budget amendment was requested during the fiscal year related to capital project contracts. Formal budgetary integration is employed as a management control during the year for all fund types. Management is authorized to approve appropriation transfers between accounts; however, appropriations between funds must be approved by the Board of Trustees. Accordingly, the lowest level of budgetary control exercised by the District's governing body is the fund level.

The District prepares its budgets on the modified accrual basis of accounting. A budget and actual comparison for the Endowment Care Principal Permanent Fund is not presented as no expenditures are made from this fund.

Excess of expenditures over appropriations in individual funds are as follows:

<u>Fund/Account</u>	<u>Final budget</u>	<u>Expenditures/ Transfers Out</u>	<u>Excess</u>
Pre-Need Trust Fund	150,300	292,640	(142,340)

Expenditures are in excess of appropriations for the pre-need trust fund and were due to the increased usage of pre-need services than were originally estimated during the budget process.



**ORANGE COUNTY CEMETERY DISTRICT  
SCHEDULE OF GENERAL FUND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2018**

**Salaries and Employee Benefits:**

Salaries and wages	1,768,278
Retirement contributions and retiree medical insurance	229,545
Medical, unemployment and compensation insurance contributions	<u>408,573</u>
Total Salaries and Employee Benefits	<u>2,406,396</u>

**Services and Supplies:**

Communications	28,816
Insurance	26,275
Maintenance of equipment	108,820
Maintenance of structures, improvements and grounds	345,307
Miscellaneous	
Office	49,155
Professional and specialized services	182,541
Publications, legal notices and memberships	11,890
Equipment rental	6,647
Small tools	12,768
Transportation and travel	23,193
Utilities	160,373
Special department	<u>244,494</u>
Total Services and Supplies	<u>1,200,279</u>

**Capital Outlay:**

Equipment	99,235
Structures and improvements	<u>830,303</u>
Total Capital Outlay	<u>929,538</u>
Total Expenditures	<u><u>\$ 4,536,213</u></u>

**ORANGE COUNTY CEMETERY DISTRICT  
STATISTICAL SECTION  
FOR THE YEAR ENDED JUNE 30, 2018**

The Statistical section contains comprehensive statistical data that relates to physical, economic, social and political characteristics of the District's ongoing operations and impact within the region it serves. It is intended to provide users with a broad and more complete understanding of the District and its financial affairs than is possible from the financial statements and supporting schedules.

In this section, readers will find comparative information related to the District's revenue sources, expenditures, and demographics.

In addition, this section provides information related to demographic data encompassing the region that the District serves, and other miscellaneous statistics pertaining to services provided by the District.

In contrast to the financial section, the statistical section information is not subject to independent audit.

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**ORANGE COUNTY CEMETERY DISTRICT  
NET POSITION BY COMPONENT  
FOR THE YEAR ENDED JUNE 30, 2018**

	June 30 2009	June 30 2010	June 30 2011	June 30 2012
Governmental activities				
Net investment in capital assets	\$ 6,397	\$ 6,598	\$ 6,419	\$ 6,388
Restricted	5,329	5,604	10,693	11,322
Unrestricted	9,047	9,745	5,836	6,260
Total governmental activities net assets	<u>\$ 20,773</u>	<u>\$ 21,947</u>	<u>\$ 22,948</u>	<u>\$ 23,970</u>

Source: OC Cemetery District Finance Department

**ORANGE COUNTY CEMETERY DISTRICT  
NET POSITION BY COMPONENT  
FOR THE YEAR ENDED JUNE 30, 2018**

June 30 2013	June 30 2014	June 30 2015	June 30 2016	June 30 2017	June 30 2018
\$ 6,812	\$ 6,625	\$ 6,654	\$ 6,771	\$ 6,785	\$ 7,361
11,798	12,589	13,217	14,126	14,665	15,133
6,642	7,853	7,370	8,990	10,647	11,158
<u>\$ 25,252</u>	<u>\$ 27,066</u>	<u>\$ 27,241</u>	<u>\$ 29,887</u>	<u>\$ 32,098</u>	<u>\$ 33,652</u>

**ORANGE COUNTY CEMETERY DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(\$ IN THOUSANDS)  
FOR THE YEAR ENDED JUNE 30, 2018**

	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>Expenses</b>				
Cemetery Operations				
Salaries and employee benefits	\$ 1,687	\$ 1,693	\$ 1,782	\$ 1,857
Services and supplies	1,040	964	880	813
Depreciation expense	256	282	287	354
Total expenses	<u>2,984</u>	<u>2,938</u>	<u>2,949</u>	<u>3,024</u>
<b>Program Revenues</b>				
Charges for services				
Interment space sales and service fees	1,482	1,768	1,847	1,860
Endowment fees	143	154	166	236
Total program revenues	<u>1,625</u>	<u>1,922</u>	<u>2,013</u>	<u>2,097</u>
Net program (expenses)/revenues	<u>\$ (1,359)</u>	<u>\$ (1,016)</u>	<u>\$ (937)</u>	<u>\$ (927)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Property taxes	\$ 1,537	\$ 1,495	\$ 1,480	\$ 1,513
Investment income	269	641	397	372
Other revenues	59	55	60	65
Total general revenues	<u>1,864</u>	<u>2,191</u>	<u>1,937</u>	<u>1,950</u>
Total Change in Net Position	<u>\$ 506</u>	<u>\$ 1,175</u>	<u>\$ 1,001</u>	<u>\$ 1,023</u>

Source: OC Cemetery District Finance Department

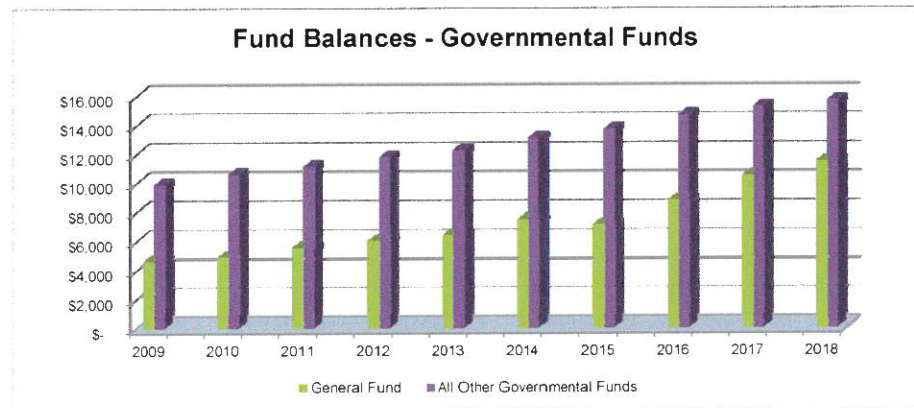
**ORANGE COUNTY CEMETERY DISTRICT  
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (\$ IN THOUSANDS)  
 FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
\$ 1,909	\$ 2,027	\$ 2,214	\$ 2,025	\$ 2,260	\$ 2,417
983	979	940	1,039	1,159	1,201
329	346	326	327	341	353
<u>3,221</u>	<u>3,352</u>	<u>3,480</u>	<u>3,391</u>	<u>3,760</u>	<u>3,971</u>
2,147	2,591	2,942	2,958	3,279	3,259
287	363	361	388	436	411
<u>2,433</u>	<u>2,954</u>	<u>3,303</u>	<u>3,346</u>	<u>3,715</u>	<u>3,669</u>
<u>\$ (788)</u>	<u>\$ (398)</u>	<u>\$ (176)</u>	<u>\$ (46)</u>	<u>\$ (45)</u>	<u>\$ (302)</u>
\$ 1,673	\$ 1,678	\$ 1,800	\$ 1,904	\$ 2,017	\$ 2,170
222	463	322	702	147	68
174	72	72	86	92	69
<u>2,069</u>	<u>2,213</u>	<u>2,195</u>	<u>2,692</u>	<u>2,256</u>	<u>2,307</u>
<u>\$ 1,281</u>	<u>\$ 1,814</u>	<u>\$ 2,018</u>	<u>\$ 2,646</u>	<u>\$ 2,211</u>	<u>\$ 2,005</u>

**ORANGE COUNTY CEMETERY DISTRICT  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (\$ IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
General Fund						
Nonspendable	\$ -	\$ 164	\$ 184	\$ 187	\$ 181	\$ 199
Restricted	-	-	-	-	-	-
Committed	-	-	-	2,500	2,500	4,050
Assigned	4,124	3,771	-	-	1,981	1,663
Unassigned	486	964	5,383	3,336	1,716	1,580
Total general fund	<u>\$ 4,610</u>	<u>\$ 4,900</u>	<u>\$ 5,567</u>	<u>\$ 6,023</u>	<u>\$ 6,378</u>	<u>\$ 7,492</u>
All other governmental funds						
Nonspendable	5,329	5,604	5,763	6,005	6,247	6,648
Restricted	4,158	4,573	4,930	5,317	5,550	5,941
Committed	-	-	-	-	-	-
Assigned	414	431	443	453	460	484
Unassigned	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 9,901</u>	<u>\$ 10,608</u>	<u>\$ 11,136</u>	<u>\$ 11,775</u>	<u>\$ 12,258</u>	<u>\$ 13,073</u>
Total fund balances of governmental funds	<u>\$ 14,510</u>	<u>\$ 15,507</u>	<u>\$ 16,703</u>	<u>\$ 17,798</u>	<u>\$ 18,636</u>	<u>\$ 20,565</u>



Source: OC Cemetery District Finance Department

**ORANGE COUNTY CEMETERY DISTRICT  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (\$ IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
\$ -	\$ -	\$ -	\$ -
-	-	-	-
6.050	7.050	8.805	8.805
-	-	-	1.321
1.063	1.720	1.694	1.327
<u>\$ 7.113</u>	<u>\$ 8.770</u>	<u>\$ 10.499</u>	<u>\$ 11.453</u>
6.951	7.374	7.716	7.976
6.265	6.752	6.950	7.107
-	-	-	-
489	551	556	565
-	-	-	-
<u>\$ 13.706</u>	<u>\$ 14.677</u>	<u>\$ 15.222</u>	<u>\$ 15.647</u>
<u>\$ 20.818</u>	<u>\$ 23.447</u>	<u>\$ 25.720</u>	<u>\$ 27.100</u>



**ORANGE COUNTY CEMETERY DISTRICT  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (\$ IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
<b>Revenues</b>					
Property tax	\$ 1,537	\$ 1,495	\$ 1,480	\$ 1,513	\$ 1,673
Charges for services					
Interment space sales, service fees and other sales	1,469	1,767	1,786	1,826	2,123
Endowment fees	143	154	166	236	287
Investment income	557	519	413	419	394
Net increase/(decrease) in fair value of investments	(288)	122	(16)	14	(172)
Other revenues	59	55	113	65	174
Total revenues	<u>3,477</u>	<u>4,111</u>	<u>3,941</u>	<u>4,073</u>	<u>4,479</u>
<b>Expenditures</b>					
Current:					
Salaries and employee benefits	1,664	1,667	1,758	1,842	1,905
Services and supplies	1,040	964	822	806	919
Capital expenditures	870	483	165	331	817
Total expenditures	<u>3,574</u>	<u>3,114</u>	<u>2,746</u>	<u>2,979</u>	<u>3,641</u>
Excess (deficit) of revenues over expenditures	(97)	997	1,196	1,095	838
<b>Other financing sources/(uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (97)</u>	<u>\$ 997</u>	<u>\$ 1,196</u>	<u>\$ 1,095</u>	<u>\$ 838</u>
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%

Source: OC Cemetery District Finance Department

**ORANGE COUNTY CEMETERY DISTRICT  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (\$ IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
\$ 1,678	\$ 1,800	\$ 1,904	\$ 2,017	\$ 2,170
2,559	2,888	2,964	3,308	3,198
363	361	388	436	411
393	445	502	488	576
70	(123)	200	(342)	(508)
72	72	86	92	69
<u>5,134</u>	<u>5,444</u>	<u>6,044</u>	<u>6,000</u>	<u>5,916</u>
2,068	3,872	1,932	2,213	2,406
971	925	1,023	1,164	1,201
166	370	460	350	930
<u>3,205</u>	<u>5,167</u>	<u>3,415</u>	<u>3,727</u>	<u>4,537</u>
1,929	277	2,629	2,273	1,380
281	297	339	369	292
(281)	(297)	(339)	(369)	(292)
-	-	-	-	-
<u>\$ 1,929</u>	<u>\$ 277</u>	<u>\$ 2,629</u>	<u>\$ 2,273</u>	<u>\$ 1,380</u>
0.0%	0.0%	0.0%	0.0%	0.0%

**ORANGE COUNTY CEMETERY DISTRICT  
COUNTY OF ORANGE ASSESSED VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(\$ IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	Residential Property	Industrial/ Commercial Property	Other Property <sup>(2)</sup>	Unsecured Roll Gross Total <sup>(3)</sup>	Total Taxable Assessed Value	Less: Exempt & Non-Reimbursed Exemptions	Net Taxable Assessed Value	Total Direct Tax Rate Percent <sup>(1)</sup>
2008	\$ 302,855,813	\$ 89,547,612	\$ 2,772,022	\$ 20,518,430	\$ 415,491,877	\$ (6,757,810)	\$ 408,734,067	1.00
2009	310,398,180	97,515,067	3,125,331	21,026,522	432,065,100	(8,051,290)	424,013,810	1.00
2010	302,855,181	100,686,715	2,814,952	21,516,171	427,873,019	(9,063,739)	418,809,280	1.00
2011	304,895,403	97,097,750	3,038,747	21,198,638	426,230,538	(9,452,472)	416,778,066	1.00
2012	310,211,002	96,431,670	2,848,162	20,634,672	430,125,506	(9,729,486)	420,396,020	1.00
2013	315,635,908	100,074,695	3,489,057	19,905,480	439,105,140	(10,634,193)	428,470,947	1.00
2014	328,138,473	102,580,010	3,792,261	19,281,087	453,791,831	(10,943,554)	442,848,277	1.00
2015	352,800,864	105,523,254	3,694,094	20,902,660	482,920,872	(11,661,965)	471,258,907	1.00
2016	377,592,570	110,440,476	3,294,159	20,394,462	511,721,667	(12,722,344)	498,999,323	1.00
2017	400,931,553	114,636,194	2,787,769	20,582,609	538,938,125	(12,807,570)	526,130,555	1.00

- Notes
- (1) Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. The full cash value can be increased to reflect the annual inflation up to 2 percent, the current market value at time of ownership change and the market value for new construction. Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.
  - (2) Other property includes timeshares, rural/agricultural land, unique miscellaneous, mineral rights, water rights and personal property and fixtures.
  - (3) Unsecured roll includes properties for which taxes assessed are not a lien on real property and are not sufficient, in the opinion of the Assessor, to secure payment of taxes. It consists of improvements, business personal property, boats and aircrafts, and it can also include land and improvements that are identified as real estate of others, as defined by the Assessor (reference Revenue and Taxation Code Section 154).

Source: County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg 205 (most recent report available)

**ORANGE COUNTY CEMETERY DISTRICT  
COUNTY OF ORANGE DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$1,000 OF ASSESSED VALUE)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	Direct Rate <sup>(1)</sup>	Overlapping Rates <sup>(2)</sup>				Total Direct & Overlapping Rates
	County General	School Districts	Local Special Districts	Cities	Public Utility School District	
2015	1.00000	0.04579	0.04438	0.00681	- <sup>(3)</sup>	1.09698
2016	1.00000	0.05101	0.01455	0.00670	0.00227	1.07453
2017	1.00000	0.04840	0.01316	0.00659	0.00270	1.07085

- Notes:
- (1) Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. The full cash value can be increased to reflect the annual inflation up to 2 percent, the current market value at time of ownership change and the market value for new construction. Estimated actual value of taxable property cannot easily be determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.
  - (2) These overlapping rates are in addition to the County General rate, but only apply to taxpayers within the borders of the school districts, local special districts, cities, and public utilities that lie within the County.
  - (3) No rate was available for Public Utility in FY 2014-15.
  - (4) The schedule is presented to show information for 10 years. However, a full 10-year trend is not currently available; the County will be adding years in the future.

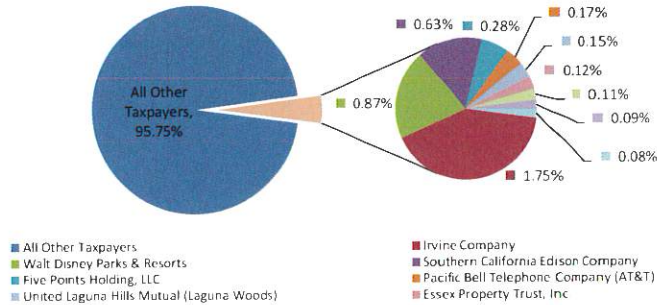
Source: County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg 207 (most recent report available)

**ORANGE COUNTY CEMETERY DISTRICT  
 COUNTY OF ORANGE PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND NINE YEARS AGO  
 (\$ AMOUNT IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Taxpayer	2017			2008		
	Actual Taxes Levied	Rank	Percentage of Total Taxes Levied	Actual Taxes Levied	Rank	Percentage of Total Taxes Levied
Irvine Company	\$ 106,206	1	1.75%	\$ 55,806	1	1.12%
Walt Disney Parks & Resorts US	52,961	2	0.87%	39,452	2 & 8	0.80%
Southern California Edison Company	38,592	3	0.63%	19,195	4	0.39%
Five Points Holding, LLC	17,221	4	0.28%			
Pacific Bell Telephone Company (AT&T)	10,181	5	0.17%	7,389	9	0.15%
United Laguna Hills Mutual (Laguna Woods)	9,145	6	0.15%	7,895	7	0.16%
Essex Property Trust, Inc.	7,305	7	0.12%			
Southern California Gas Company	6,777	8	0.11%			
Bella Terra Associates, LLC	5,740	9	0.09%			
BEX Portfolio, Inc.	4,999	10	0.08%			
Irvine Apartment Communities				22,146	3	0.45%
Irvine Community Development				9,869	5	0.20%
Heritage Fields El Toro LLC				8,586	6	0.17%
Irvine Co. of W VA				5,844	10	0.12%
<b>Total</b>	<b>\$ 259,127</b>		<b>4.25%</b>	<b>\$ 176,182</b>		<b>3.56%</b>

**Principal Property Tax Payers**



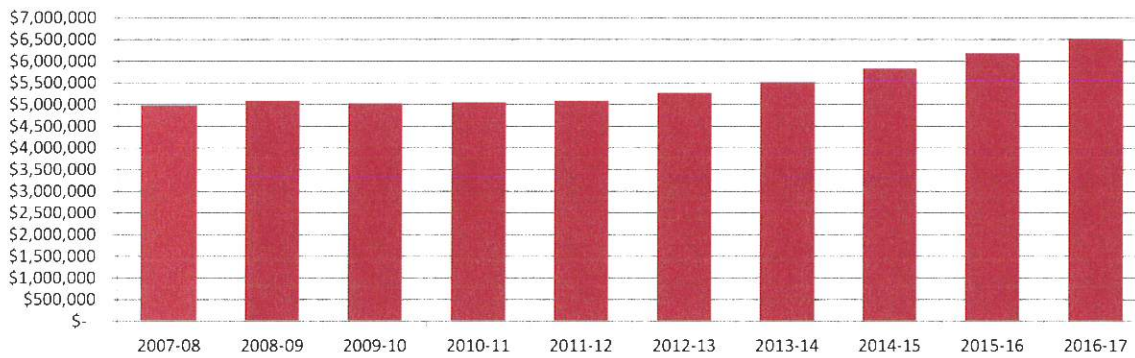
Source: County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg. 208

**ORANGE COUNTY CEMETERY DISTRICT  
 COUNTY OF ORANGE PROPERTY TAX LEVIES AND COLLECTIONS  
 LAST TEN YEARS  
 (\$ AMOUNT IN THOUSANDS)**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	Taxes Levied For the Fiscal Year <sup>(1)</sup>	Collections within the Fiscal Year of the Levy <sup>(2)</sup>		Collections of Delinquent Taxes from Prior Years <sup>(4)</sup>	Total Collections for the Fiscal Year <sup>(3)</sup>	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007-08	\$ 4,965,990	\$ 4,784,438	96.34%	\$ 6,919	\$ 4,791,357	96.48%
2008-09	5,076,796	4,901,574	96.55%	15,648	4,917,222	96.86%
2009-10	5,019,061	4,904,188	97.71%	20,909	4,925,097	98.13%
2010-11	5,045,802	4,960,748	98.31%	33,682	4,994,430	98.98%
2011-12	5,079,589	5,002,490	98.48%	81,634	5,084,124	100.09%
2012-13	5,265,844	5,194,193	98.64%	55,393	5,249,586	99.69%
2013-14	5,509,379	5,444,912	98.83%	48,522	5,493,434	99.71%
2014-15	5,828,106	5,759,699	98.83%	49,442	5,809,141	99.67%
2015-16	6,183,862	6,119,771	98.96%	38,105	6,157,876	99.58%
2016-17	6,511,944	6,446,780	99.00%	-	6,446,780	99.00%

**Property Taxes Levied**



- Notes:
- (1) Total tax levy includes secured, supplemental, unsecured and former redevelopment agency increment, including penalties.
  - (2) Total tax collections include penalties.
  - (3) Total collections include collections of current year taxes and collections related to prior year levies. The percentage of levy represents the ratio of total collections to the taxes levied for that fiscal year.
  - (4) No amounts are shown because the property taxes levied will be collected in the following year.

Source: County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg 209 (most recent report available)

**ORANGE COUNTY CEMETERY DISTRICT  
 ENDOWMENT FEES BY LOCATION  
 LAST TEN YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

<u>Fiscal Year</u>	<u>Anaheim</u>	<u>El Toro</u>	<u>Santa Ana</u>	<u>Total</u>
2009	\$ 9,000	\$ 87,020	\$ 47,000	\$ 143,020
2010	16,800	88,510	48,360	153,670
2011	3,320	97,550	64,680	165,550
2012	5,500	146,105	84,875	236,480
2013	8,800	165,700	112,150	286,650
2014	9,100	227,800	125,950	362,850
2015	13,300	232,850	115,000	361,150
2016	7,800	219,500	161,000	388,300
2017	8,550	276,250	151,622	436,422
2018	13,050	285,340	112,475	410,864

Source: OC Cemetery District Finance Department, Endowment Fee Revenue Reports

**ORANGE COUNTY CEMETERY DISTRICT  
INTERMENT REVENUES BY LOCATION  
LAST TEN YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	Anaheim		El Toro		Santa Ana		Total
	Interment Space Sales	Interment Services & Other Sales	Interment Space Sales	Interment Services & Other Sales	Interment Space Sales	Interment Services & Other Sales	
2009	\$ 107,070	\$ 111,357	\$ 489,210	\$ 321,772	\$ 214,140	\$ 226,829	\$ 1,470,378
2010	77,450	105,629	789,169	327,461	205,817	248,980	1,754,506
2011	10,078	35,636	790,446	351,319	271,571	293,095	1,752,145
2012	10,439	39,940	801,904	371,811	280,852	286,457	1,791,403
2013	21,027	59,023	849,295	495,055	357,707	335,146	2,117,253
2014	8,400	63,700	1,202,443	483,105	465,033	310,476	2,533,157
2015	39,932	65,309	1,410,357	566,738	465,440	383,724	2,931,500
2016	28,113	52,614	1,287,923	540,324	684,877	388,249	2,982,100
2017	25,935	64,742	1,521,394	562,226	682,703	458,153	3,315,153
2018	46,640	67,170	1,620,596	573,338	475,776	393,748	3,177,268

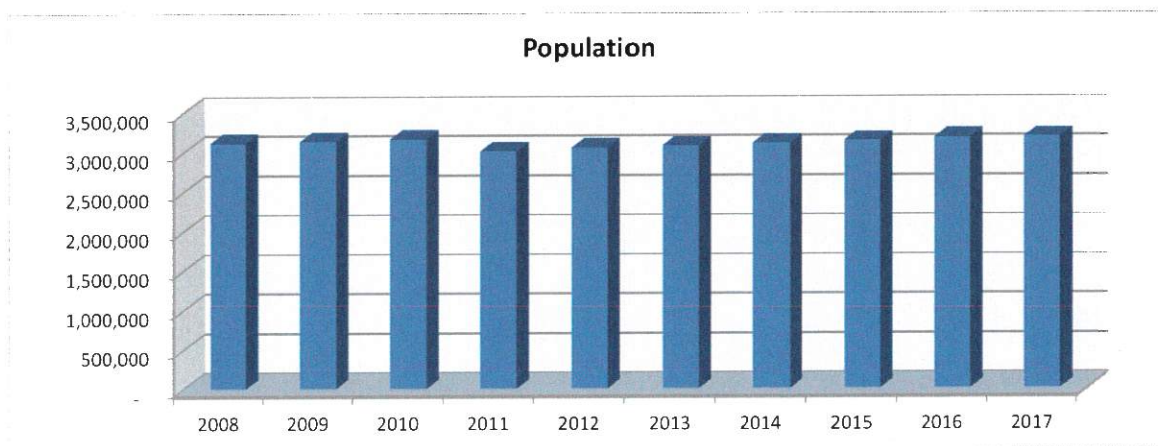
Source: OC Cemetery District Finance Department, Interment Space and Services Revenue Reports



**ORANGE COUNTY CEMETERY DISTRICT  
 COUNTY OF ORANGE DEMOGRAPHIC AND ECONOMIC STATUS  
 LAST TEN YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

Calendar Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (3)	Public School Enrollment in thousands (4)	Unemployment Rate (5)
2008	3,121,251	\$ 155,068,400	\$ 49,681	36.1	503,225	5.7%
2009	3,139,017	148,372,600	47,267	36.9	504,136	9.6%
2010	3,166,461	153,098,600	48,350	37.2	502,239	9.6%
2011	3,010,232	159,007,100	52,822	37.3	502,895	8.6%
2012	3,055,792	166,345,500	54,436	36.7	502,195	8.1%
2013	3,081,804	168,966,400	54,827	36.2	501,801	6.7%
2014	3,113,991	177,412,900	56,973	36.4	500,487	5.4%
2015	3,147,655	185,500,000	58,933	36.7	497,116	4.0%
2016	3,183,011	190,978,000	59,999	37.1	493,030	4.4%
2017	3,194,024	199,492,000	62,458	N/A	490,430	4.2%



Notes:

- (1) California Department of Finance, Demographic Research Unit, <http://www.dof.ca.gov>
- (2) Chapman University Economic & Business Review
- (3) U.S. Census Bureau, American Community Survey, <http://www.census.gov>, 2017 N/A
- (4) California Department of Education, <http://www.cde.ca.gov>
- (5) State of California, Employment Development Department, <http://www.edd.ca.gov/>

Source:

County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg 215 (most recent report available)

**ORANGE COUNTY CEMETERY DISTRICT  
COUNTY OF ORANGE PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

**FOR THE YEAR ENDED JUNE 30, 2018**

Employer	Number of Employees	Rank	Percent of Total County Employment
Walt Disney Co.	29,000	1	1.80%
University of California, Irvine	23,605	2	1.46%
County of Orange	18,264	3	1.13%
St. Joseph Health System	11,925	4	0.74%
Allied Universal	8,229	5	0.51%
Kaiser Permanente	7,694	6	0.48%
Boeing Co.	6,103	7	0.38%
Wal-Mart	6,000	8	0.37%
California State University, Fullerton	5,781	9	0.36%
Bank of America	5,500	10	0.34%

2008

Employer	Number of Employees	Rank	Percent of Total County Employment
Walt Disney Co.	20,000	1	1.22%
County of Orange	18,748	2	1.14%
University of California, Irvine	17,579	3	1.07%
St. Joseph Health System	10,047	4	0.61%
Boeing Co.	9,961	5	0.61%
Yum! Brands Inc.	7,200	6	0.44%
AT&T Incorporated	6,000	7	0.37%
California State University, Fullerton	5,634	8	0.34%
Home Depot, Incorporated	5,450	9	0.33%
Memorial Health Services Inc.	4,956	10	0.30%

Statistical Source: Orange County Business Journal Book of Lists - County of Orange, <http://www.labormarketinfo.edd.ca.gov>

Source: County of Orange, Comprehensive Annual Finance Report June 30, 2017 pg 216 (most recent report available)

**ORANGE COUNTY CEMETERY DISTRICT  
DISTRICT EMPLOYEES BY FUNCTION  
LAST TEN YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	District			Cemetery		Total
	Administration	Operations	Finance/HR	Administration	Operations	
2009	2.00	1.00	1.00	3.00	14.00	21.00
2010	2.00	1.00	1.00	3.00	14.00	21.00
2011	2.00	1.00	1.00	3.00	14.00	21.00
2012	2.00	1.00	1.00	3.00	14.00	21.00
2013	2.00	1.00	1.50	3.00	14.00	21.50
2014	2.00	1.00	1.50	3.00	14.00	21.50
2015	2.00	1.00	1.50	3.00	14.00	21.50
2016	2.00	1.00	1.50	3.00	14.00	21.50
2017	2.00	2.00	1.50	3.50	15.00	24.00
2018	3.00	2.00	1.50	4.50	15.00	26.00

Source: OC Cemetery District Finance Department: Salary & Benefit Summary Report by FY

**ORANGE COUNTY CEMETERY DISTRICT  
INTERMENT TRANSACTIONS BY LOCATION  
LAST TEN FISCAL YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year	Interment Space Sales				Interment Services			
	Anaheim	El Toro	Santa Ana	Total	Anaheim	El Toro	Santa Ana	Total
2009	117	402	251	770	151	427	275	853
2010	81	507	250	838	115	459	276	850
2011	24	548	345	917	77	473	344	894
2012	15	495	284	794	55	450	248	753
2013	27	493	335	855	81	500	318	899
2014	7	580	320	907	86	507	304	897
2015	38	622	296	956	79	533	309	921
2016	21	586	410	1,017	83	542	349	974
2017	24	651	356	1,031	75	612	383	1,070
2018	29	651	253	933	82	620	334	1,036

Source: OC Cemetery District Finance Department. Historical Interment Records

**ORANGE COUNTY CEMETERY DISTRICT  
CAPITAL ASSETS BY LOCATION  
LAST TEN FISCAL YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

	2009	2010	2011	2012	2013	2014
<u>Equipment</u> <sup>(1)</sup>						
Grounds Maintenance:						
Anaheim	7.0	7.0	7.0	7.0	7.0	8.0
El Toro	18.0	18.0	17.0	18.0	16.0	17.0
Santa Ana	9.0	9.0	10.0	10.0	11.0	11.0
Vehicles:						
Anaheim	-	-	-	-	-	-
El Toro	3.0	3.0	3.0	3.0	2.0	2.0
Santa Ana	2.0	2.0	2.0	3.0	3.0	3.0
Office:						
Anaheim	-	-	-	-	-	1.0
El Toro	1.0	1.0	1.0	-	-	-
Santa Ana	1.0	1.0	-	-	-	1.0
District	1.0	1.0	2.0	3.0	3.0	3.0
 <u>Buildings &amp; Structures</u>						
Buildings & Improvements						
Anaheim	5.0	5.0	5.0	5.0	5.0	5.0
El Toro	2.0	2.0	2.0	2.0	2.0	2.0
Santa Ana	2.0	2.0	2.0	2.0	2.0	2.0
District	1.0	1.0	1.0	1.0	1.0	1.0
Niche structures						
Anaheim	1.0	1.0	1.0	1.0	1.0	1.0
El Toro	2.0	3.0	3.0	3.0	3.0	3.0
Santa Ana	4.0	4.0	4.0	4.0	4.0	4.0
Infrastructure & Improvements <sup>(2)</sup>						
Anaheim	3.0	4.0	4.0	4.0	5.0	5.0
El Toro	9.0	9.0	9.0	9.0	10.0	11.0
Santa Ana	2.0	2.0	2.0	3.0	3.0	3.0

Notes: <sup>(1)</sup> Classifications include the following types of equipment:  
 - Grounds maintenance: Mowers, backhoe, trailers, utility vehicles.  
 - Vehicles: Trucks and passenger shuttles  
 - Office: Copiers and Kiosks

<sup>(2)</sup> Infrastructure and improvements includes irrigation, fences, gates, roads, and groundwater well.

Source: OC Cemetery District Finance Department, Capital Asset Historical Records

**ORANGE COUNTY CEMETERY DISTRICT  
CAPITAL ASSETS BY LOCATION  
LAST TEN FISCAL YEARS**

**FOR THE YEAR ENDED JUNE 30, 2018**

2015	2016	2017	2018
8.0	8.0	8.0	10.0
16.0	16.0	15.0	16.0
9.0	9.0	8.0	9.0
-	1.0	1.0	1.0
3.0	4.0	4.0	5.0
3.0	3.0	3.0	3.0
1.0	1.0	1.0	1.0
-	-	-	-
1.0	1.0	1.0	1.0
3.0	2.0	2.0	2.0
5.0	5.0	5.0	5.0
2.0	2.0	2.0	2.0
2.0	2.0	2.0	2.0
1.0	1.0	1.0	1.0
1.0	1.0	1.0	2.0
3.0	3.0	3.0	3.0
4.0	4.0	4.0	5.0
5.0	5.0	5.0	5.0
11.0	12.0	12.0	12.0
4.0	4.0	4.0	4.0