

2021 / 2022 FISCAL YEAR BUDGET

JULY 1, 2021 - JUNE 30, 2022



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INTRODUCTION

TRANSMITTAL LETTER

August 30, 2021

Board of Trustees:

It is my privilege to present the Coachella Valley Public Cemetery District Budget for Fiscal Year (FY) 2021/2022. The budget serves as the foundation for the District's fiscal stewardship, emphasizing the District's commitment to providing high-quality customer service by providing residents with affordable interment spaces and services at a well operated and maintained cemetery.

The Fiscal Year 2021/2022 Budget is based on total revenues of \$2,300,850, total operating expenditures of \$2,847,842, and the use of \$546,992 in reserves needed to address deferred capital expenditures, enhanced security needs, enhanced staffing levels, and future planning through an endowment study and subsequent fee study. It is anticipated that cost savings measures, including seeking competitive proposals for goods and services along with operational efficiencies, will reduce the actual amount of reserves needed to balance the budget this fiscal year. Your District staff is committed to the prudent management and use of District resources, which should enable the District to streamline processes and reduce expenses without reducing the levels of service needed to provide exceptional customer service and responsible facilities maintenance.

I want to thank the Budget Ad-Hoc Committee for their leadership in the early stages of the budget process and Regional Government Services for preparing the budget, including the preparation of the District's first formal budget book. I also want to thank the Board of Trustees for their leadership and support, and for providing the vision, policies, and resources necessary to develop and implement this budget.

Respectfully submitted,



Josh Bonner
District Manager



MISSION STATEMENT



DISTRICT OFFICE

Within the parameters of our authority, resources and ability, our mission is to provide the needs of those we serve an attractive, safe and serene environment for our community and staff.

In providing this, it is also our mission to do this in the most cost effective manner possible.



WATER FOUNTAIN IN THE CHAPEL

DISTRICT OFFICIALS

Coachella Valley Public Cemetery District Board of Trustees



ERNESTO ROSALES
CHAIRMAN



JUDY VOSSLER
VICE-CHAIR



MARCOS CORONEL JR.
TRUSTEE



DR. BRUCE UNDERWOOD
TRUSTEE



JOHN RIOS
TRUSTEE



JOSH BONNER
GENERAL MANAGER



DISTRICT PROFILE

The California Public Cemetery District Law (Health and Safety Code Section 9000 et. seq.) was enacted in 1909 and comprehensively rewritten in 2004. It provides broad statutory authority for public cemetery districts to own, improve, expand and operate public cemeteries.

The Coachella Valley Public Cemetery District (CVPCD) was formed on August 8, 1927 to provide interment of human remains, serving the public cemetery needs of residents in the mid and east Coachella Valley, an area encompassing 3,444 square miles of Riverside County.

CVPCD is an independent special district. Independent special districts are allowed under California law for the performance of local governmental functions within specified boundaries. The District is governed by a five-member Board of Trustees, appointed by the County of Riverside Board of Trustees to serve four-year terms.

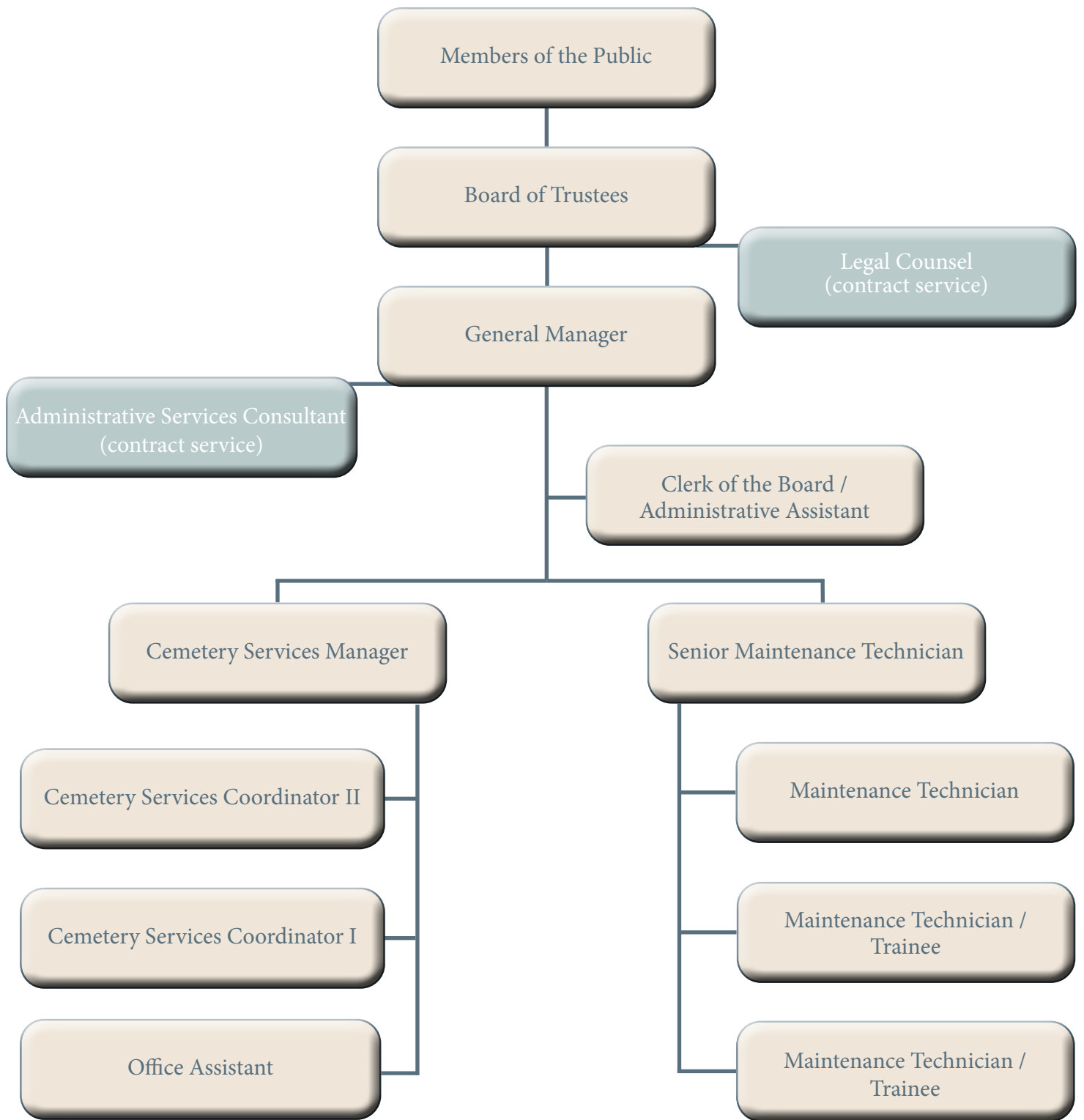
For 94 years, CVPCD has been chosen by residents as the final resting place for their loved ones, with 21,999 interments at the cemetery through 2020. CVPCD provides residents with affordable interment spaces and services at its large, well maintained cemetery.

The cemetery grounds are comprised of two adjacent parcels totally 57.6 acres. The first parcel, APN 780010011, is 37.68 acres. It is largely developed and is where the District Office and other facilities are located. The second parcel, APN 78010010, is 19.92 acres and is currently undeveloped.

CVPCD receives a small portion of property tax revenue which helps keep its interment costs more affordable. Individuals who do not reside in the District are required to pay non-resident fee for interment services. The cemetery is an endowment care cemetery, whereby the District collects an endowment for each interment space or niche. These funds are placed into an endowment care fund to ensure income will always be available for the continued maintenance and upkeep of the cemetery, even when all the interment spaces have been sold.



DISTRICT ORGANIZATIONAL CHART



EVENTS

With the onset of COVID-19 in early 2020, events which encouraged large gatherings in California were not allowed, which impacted events traditionally held at the cemetery throughout FY 2020/2021.

For the annual celebration of Día De Los Muertos, CVPCD hosted a Virtual Fiesta on November 2, 2020 from 10:00am to 2:00pm which featured mariachi groups, ballet folklórico dancers, ofrendas, story time and special messages from the Board of Trustees and members of the community. There were over 390 viewings of this on-line event.



DIA DE LOS MUERTOS VIRTUAL FIESTA 2020

For Memorial Day on May 31, 2020, CVPCD hosted two unadvertised events. Early in the morning, members of VFW (Veterans of Foreign Wars) Post 3699 and local Boy Scouts placed flags by more than 1,000 grave markers to honor the veterans buried there. Later that day, American Legion Post 739 held a small ceremony followed by a drive by salute by Legion Riders.



AMERICAN LEGION POST 739



BOY SCOUTS HONOR VFW POST 3699

RESOLUTIONS AND POLICIES

Fiscal Year 2020-2021 Board Approved Resolutions and Policies

RESOLUTIONS

JULY 14, 2020	RESOLUTION NO. 95	Adopting Credit Card Use Policy
SEPTEMBER 15, 2020	RESOLUTION NO. 96	Adopting Records Retention Policy
SEPTEMBER 15, 2020	RESOLUTION NO. 97	Adopting New Purchasing & Contracting Policy and Procedures Guide
MARCH 9, 2021	RESOLUTION NO. 99	Approving Repayment to Endowment Fund
JUNE 8, 2021	RESOLUTION NO. 100	Fixing Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants
JUNE 8, 2021	RESOLUTION NO. 101	Clarification of District Provided Benefits for Employees and Eligible Retirees
JUNE 8, 2021	RESOLUTION NO. 102	Setting the Regular Board Meeting Schedule for July 2021 – June 2022
JUNE 8, 2021	RESOLUTION NO. 103	Amending District Bylaws to Allow Annual Regular Board Meeting Schedule to Be Adopted by Resolution

POLICIES

JULY 14, 2020	Credit Card Use Policy
SEPTEMBER 15, 2020	Records Retention Policy
SEPTEMBER 15, 2020	Purchasing & Contracting Policy and Procedures Guide
DECEMBER 8, 2020	Emergency Vacation Cash Out Policy
DECEMBER 8, 2020	Unforeseeable Emergency Vacation Cash Out Policy
MARCH 9, 2021	California Public Records Act Policies & Standard Practices Guide
MARCH 9, 2021	Anti-Nepotism Policy
MARCH 9, 2021	Overtime Policy

BUDGET SCHEDULE

The budget process for Fiscal Year 2021/2022 began in March when the District engaged Regional Government Services to develop the budget and prepare a formal budget book document. Below is the budget schedule, which includes four public meetings when the Board of Trustees received budget information and provided budget guidance prior to the August 6, 2021 regular meeting for final budget review and adoption by resolution.

FISCAL YEAR 2021/2022 BUDGET SCHEDULE

APRIL 13	Presentation of Draft Preliminary Budget
MAY 11	Presentation of Budget Update #1
JUNE 8	Presentation of Budget Update #2
JUNE 14	Submit County Budget Spreadsheet to Auditor-Controller's Office
JULY 9	Presentation of Recommended Budget
JULY 9	Adopt Resolution to Update/Replace Resolution #85
AUGUST 6	Adopt Final Budget for Fiscal Year 2021/2022
AUGUST 30	Submit Final Budget and New Resolution to County Auditor-Controller

The budget is required by California Health and Safety Code Section 9070(a) to be adopted by August 30, 2021.

For Fiscal Year 2021/2022, the Board of Trustees has requested quarterly budget reviews.



BUDGET FINANCIAL REPORTS

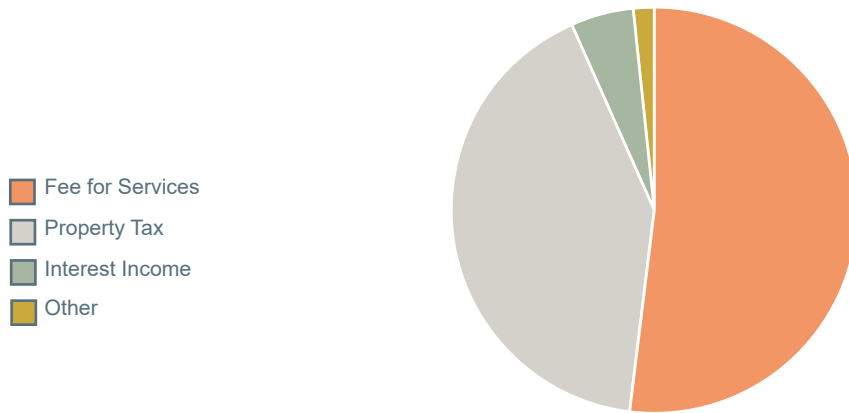
BUDGET SUMMARY

The Fiscal Year (FY) 2021/2022 Budget is comprised of total revenues of \$2,300,850, total expenditures of \$2,847,842, and the use of \$546,992 in general fund reserves. Each of these elements of the budget will be reviewed in the following sections.

REVENUES

The District's revenues can be summarized into four categories, **Fees for Services** (52.1%), **Property Tax** (41.3%), **Interest Income** (5.2%), and **Other** (1.4%) as shown in the pie chart below.

Fiscal Year 2021 / 2022 Revenue

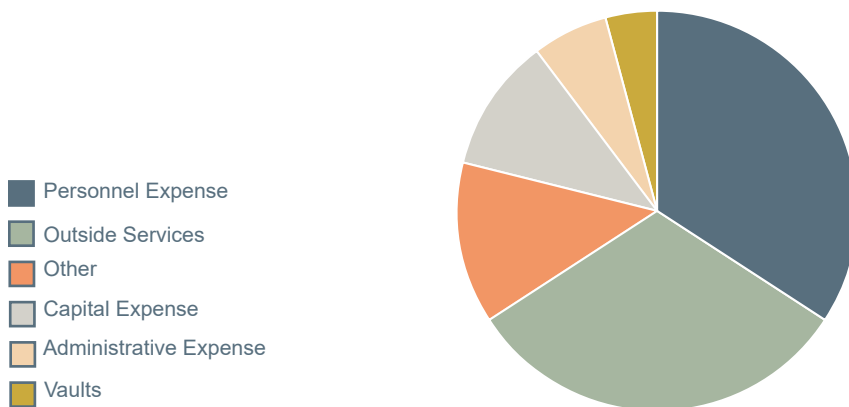


When noting the District's property tax revenue it should be mentioned that during the preparation of the budget book it was verified with the Riverside County Auditor-Controller's Office that the District does not need to prepare an annual appropriations limit (Gann Limit) as required under California Health & Safety Code Section 9072. Riverside County property tax records from 1977 show the rate of \$100 of Assessed Value for the District was \$0.022 which is below the established threshold of \$0.125.

EXPENDITURES

The District's expenditures can be summarized into six general categories, **Personnel Expense** (37.2%), **Outside Services** (30.3%), **Other** (12.4%), **Capital Expense** (10.3%), **Administrative Expense** (5.9%), and **Vaults** (3.9%) as shown in the following pie chart. The Other category is comprised of individual expense accounts with an expenditure budget of less than \$100,000 (e.g., utilities at \$71,300).

Fiscal Year 2021 / 2022 Expenditures



BUDGET SUMMARY

Within **Personnel Expense**, the following ten positions are included in the budget as shown in the table below.

DEPARTMENT	JOB TITLE
Management	General Manager
Office	Administrative Assistant / Clerk of the Board
Office	Cemetery Services Manager
Office	Cemetery Services Coordinator II
Office	Cemetery Services Coordinator I
Office	Office Assistant
Maintenance	Maintenance Technician/Trainee
Maintenance	Maintenance Technician/Trainee
Maintenance	Maintenance Technician
Maintenance	Senior Maintenance Technician

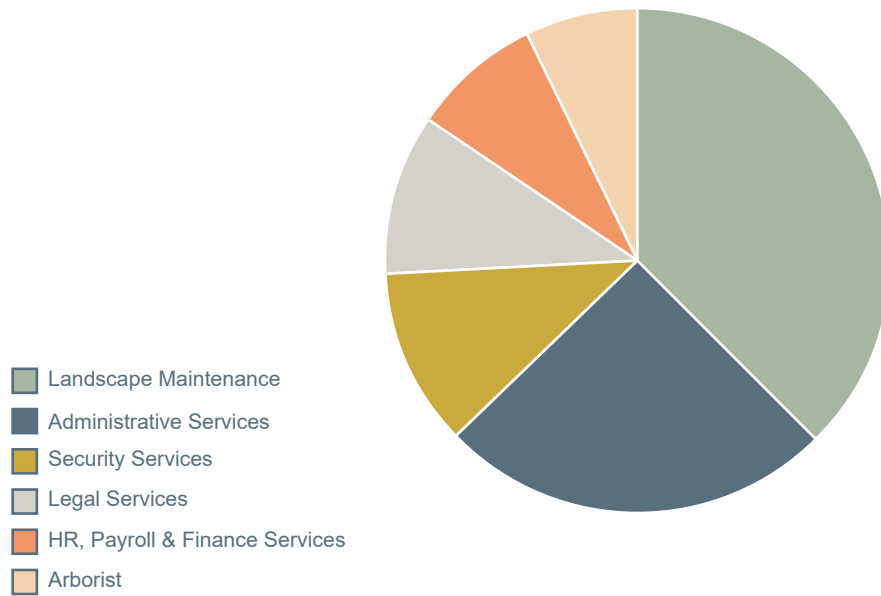
Capital Expense is comprised of 12 capital improvement projects and/or purchases as summarized in the following table.

PROJECT / PURCHASE	DOLLAR AMOUNT
Security System Phase II	\$35,000
Security System Phase III	\$13,100
Irrigation System Automation	\$75,000
Portable Chapels (2)	\$14,142
Administrative Offices/Board Room Renovations (approved 6/8/2021)	\$15,000
Administrative Offices/Board Room Renovations (approved 6/25/2021)	\$15,000
Audio Visual Equipment for New Administrative Building	\$15,000
Casket Carriage/Lowering Kit (2)	\$20,000
Remodel Maintenance Breakroom	\$5,000
Cemetery Section Signage	\$5,000
Truck (replacement)	\$46,000
Additional Vehicle (new)	\$34,000
TOTAL	\$292,242

BUDGET SUMMARY

Outside Services covers a wide array of services provided to the District by 16 vendors. The top six of these vendors comprise 84.7% of the Outside Services expense, with these service areas shown individually in the following pie chart. The remaining 10 vendors, each providing services under \$50,000 annually, are classified as Other (e.g., cleaning service at \$20,000).

Fiscal Year 2021 / 2022 Outside Services



USE OF RESERVES

The FY 2021/2022 Budget requires the use of \$546,992 in general fund reserves in order to be balanced. The projected ending general fund balance for FY 2020/2021 is \$900,631 which is more than adequate to cover this projected deficit. The District is seeking competitive proposals for good and services and reviewing business processes which may yield budgetary savings.

ADOPTED BUDGET

	ADOPTED FY 2021	ADOPTED FY 2022	CHANGE FR FY 2021	TRIAL BALANCE TO JUNE 30, 2021
ORDINARY INCOME/EXPENSE				
INCOME				
Prop. Tax-Secured Current	526,000	539,500	13,500	518,751
Prop. Tax-Unsecured Current	22,000	22,700	700	21,851
Prop. Tax-Unsecured Prior Yr.	1,100		(1,100)	
Prop. Tax-Supplemental Current	5,000	8,900	3,900	8,560
Prop. Tax-Supplemental Prior	3,300	4,500	1,200	4,293
CA-Homeowners Tax Relief	5,000	5,200	200	5,028
RDV Apportionment	380,000	368,400	(11,600)	354,224
CA-Suppl Homeowners Tax Relief				
Interest-General/Checking	5,000	3,450	(1,550)	8,346
Interest-Preneed				81,336
Interest-Aco				5
Interest-Endowment		116,700	116,700	126,836
Marker Labor		86,200	86,200	111,930
Grave Sales		312,000	312,000	459,931
Grave Labor		634,100	634,100	946,472
Chair, Chapel, Handling Fees		50,000	50,000	57,766
Vaults and Liners		111,600	111,600	138,100
Surcharges-Out of Town		6,000	6,000	
Service Revenue Budget	1,100,000		(1,100,000)	
SERVICE REVENUE SUBTOTAL	\$1,100,000	\$1,199,900	\$99,900	\$1,714,199
Miscellaneous Revenue	9,500	16,800	7,300	26,597
Lease Revenue		12,000	12,000	
Late Fees		2,800	2,800	
Endowment Revenue				306,815.00
Preneed Endowment Revenue				
Unrealized Gains/Losses General				-(2,143)
Unrealized Gains/Losses Preneed				-(35,965)
Unrealized Gains/Losses ACO				
Unrealized Gains/Losses Endow.				-(34,942)
TOTAL INCOME	\$2,056,900	\$2,300,850	\$243,950	\$3,103,838
EXPENSE				
Payroll Expenses	750,000	740,600	(9,400)	381,387
Overtime		12,800	12,800	
Payroll Taxes (Medicare)		-		105,249
Retirement Expense	140,000	90,900	(49,100)	112,038
Unemployment Insurance		12,900	12,900	
SDI		10,400	10,400	
Vehicle Allowance		6,500	6,500	
Health Insurance	130,000	26,800	(103,200)	92,376
Cafeteria Plan		140,000	140,000	

ADOPTED BUDGET

	ADOPTED FY 2021	ADOPTED FY 2022	CHANGE FR FY 2021	TRIAL BALANCE TO JUNE 30, 2021
EXPENSE				
Workers Compensation	14,000	19,400	5,400	38,486
TOTAL PERSONNEL EXPENSE	\$1,034,000	\$1,060,300	\$26,299	\$729,536
Accounting				36,067
Computers Equip and Software		39,000	39,000	
Trustee Stipend	10,000		(10,000)	
Advertising	2,000	2,000		
Communications	4,300	25,000	20,700	
Cleaning Supplies, Janitorial		14,700	14,700	
Office Expenses	120,000	2,600	(117,400)	
Engraving	4,000	4,000		
Administrative Expense		166,300	166,300	487,579
Bank Merchant Fees		32,800	32,800	30,096
Bank Terminal Lease		1,000	1,000	914
Building Maintenance		2,400		1,587
Security and Safety		2,900	2,900	
Clothing	5,000	13,800	8,800	
Special Events		40,000	40,000	
Memberhips		2,800	2,800	
Small Tools	6,500	2,000	(4,500)	
Payments to Other Governments		13,600	13,600	
Equipment & Grounds Maintenance	265,000	11,100	(253,900)	316,749
MTC of Equipment/ Fuel		14,000	14,000	
Services Equipment				
Grds Equipment Purchases				
Structures & Improvements		21,000	21,000	
Vaults	96,000	111,600	15,600	192,935
Mileage		500	500	
Travel and Training	4,000	15,000	11,000	
Insurance	18,300	21,100	2,800	
Miscellaneous	55,000	1,000	(54,000)	
Outside Services	160,000	863,800	703,800	340,325
Utilities, include Dumpster	72,800	71,300	(1,500)	67,419
Capital Improvements	200,000	292,242	92,242	
TOTAL EXPENSE	\$2,056,900	\$2,847,842	\$788,541	\$2,203,207
NET / INCOME		\$(546,992)	\$(544,591)	\$900,631
GENERAL FUND RESERVE				
BEGINNING BALANCE JULY 1, 2021				\$3,064,322
PROJECTED NET INCOME FY 2021				\$900,631
PROJECTED NET INCOME FY 2022				\$(546,992)
ENDING FY 2022 GENERAL FUND RESERVE				\$3,417,961

BUDGET RESOLUTION

RESOLUTION NO. 106

A RESOLUTION OF THE COACHELLA VALLEY PUBLIC CEMETERY DISTRICT ADOPTING THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2021-2022 AND ESTABLISHING CONTROLS ON CHANGES IN APPROPRIATIONS FOR VARIOUS FUNDS

WHEREAS, the Coachella Valley Public Cemetery District (“District”) Board of Trustees (“Board”) has reviewed the proposed budget for Fiscal Year (“FY”) 2021-2022 (“Budget”) and has made desired changes therein.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE COACHELLA VALLEY PUBLIC CEMETERY DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The Board hereby finds and determines that the recitals of this Resolution are true and correct and are hereby incorporated into this Resolution as though fully set forth herein.

SECTION 2. The Board hereby approves and adopts the FY 2021-2022 Budget as attached hereto in Exhibit “A”.

SECTION 3. The following controls are hereby placed on the use and transfer of budgeted funds:

(a) The General Manager is responsible for keeping expenditures within budget allocations for positions, salaries, operational expenses, and capital improvements and may adopt budget policies as necessary to carry out that responsibility. No contract, purchase, or expenditure of funds shall be made unless the General Manager shall have first confirmed that there is an unencumbered appropriation in the fund against which such expenditure is to be charged sufficient to cover the amount of purchase, contract, or expenditure.

(b) The General Manager may exercise discretion in administration of the budget to respond to changed circumstances, provided that any single modification between the budgeted allocation of line items in excess of \$10,000 shall require approval by the Board. No transfers shall be made between the operational and capital budgets.

(c) The General Manager shall observe and follow the procedures outlined in Purchasing & Contracting Policy And Procedures Guide with regard to the purchase and procurement of goods, services, and public projects.

(d) Except as provided herein, the Board must authorize any increase in the overall operating budget, capital budget, salary budget, and number of authorized permanent personnel positions above the level identified in the budget. The General Manager may authorize the hiring of temporary or part-time staff as necessary within the limits imposed by the available funds in the budget.

SECTION 4. Severability. If any section or provision of this Resolution is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this resolution shall remain valid. The District hereby declares that it would have adopted this Resolution, and each section or provision thereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

SECTION 7. Effective Date. This Resolution shall take effect immediately upon its adoption.

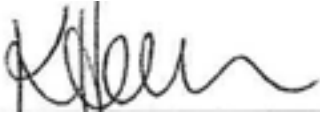
BUDGET RESOLUTION

PASSED, APPROVED, AND ADOPTED this 6th day of August, 2021, by the Board of Trustees of the Coachella Valley Public Cemetery District.



Ernesto Rosales
Chairman of the Board of Trustees of the
Coachella Valley Public Cemetery District

ATTEST:



Kathryn Herrera
Clerk of the Board of Trustees of the
Coachella Valley Public Cemetery District

APPROVED AS TO FORM:



Best Best & Krieger LLP, General Counsel

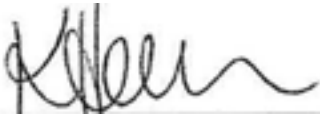
I, Kathryn Herrera, Clerk of the Board of Trustees of the Coachella Valley Public Cemetery District, DO HEREBY CERTIFY that foregoing Resolution No.106 was adopted at a regular meeting on August 6, 2021 of said District by the following vote:

AYES: E. Rosales, J. Vossler, B. Underwood, M. Coronel, J. Rios

NOES: None

ABSTAIN: None

ABSENT: None



Kathryn Herrera
Clerk of the Board of Trustees of the
Coachella Valley Public Cemetery District





OTHER INFORMATION

INTERMENT SPACE SALES

YEARS	YEARLY BURIALS	TOTAL BURIALS
1968	235	4964
1969	241	5205
1970	266	5646
1971	267	5913
1972	277	6190
1973	233	6252
1974	282	6534
1975	214	6748
1976	263	7011
1977	293	7304
1978	259	7563
1979	250	7813
1980	263	8076
1981	256	8332
1982	253	8585
1983	246	8831
1984	280	9111
1985	312	9423
1986	295	9718
1987	286	10004
1988	309	10313
1989	360	10673
1990	350	11023
1991	329	11352
1992	349	11701
1993	353	12054
1994	374	12428

YEARS	YEARLY BURIALS	TOTAL BURIALS
1995	355	12783
1996	367	13150
1997	385	13535
1998	378	13913
1999	384	14927
2000	344	14641
2001	370	15011
2002	360	15371
2003	368	15739
2004	410	16149
2005	401	16550
2006	346	16896
2007	339	17235
2008	356	17591
2009	335	17926
2010	328	18254
2011	312	18566
2012	331	18897
2013	331	19228
2014	358	19586
2015	364	19950
2016	360	20310
2017	369	20679
2018	366	21045
2019	356	21401
2020	598	21999

FINANCIAL PRACTICES AND FUND STRUCTURE

The budget is the District's primary management tool for projecting and measuring revenues and expenditures.

The District's accounting and budgetary records are maintained using a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available" and expenditures are recognized when the liability is incurred, with the exception of certain accrued liabilities not liquidated with current funds. Measurable means knowing or being able to reasonably estimate the amount of revenue. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

The District has the following two major governmental funds:

GENERAL FUND

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

ENDOWMENT CARE FUND

The Endowment Care Fund is the District's permanent fund used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes which support the cemetery, specifically for the benefit of the cemetery or its citizenry.

In addition, the District has one other fund:

CAPITAL PROJECT FUND

The Capital Project Fund is the District's non-major fund for capital improvement projects.



FINANCIAL POLICIES

Currently the District has financial policies encompassing the following areas:

INVESTMENT POLICY

Adopted January 18, 2018 (RESOLUTION NO. 91)

The purpose of this policy is to provide guidelines for ensuring the safety of funds invested while maximizing investment interest income to the District. The policy is written to be in accordance with California Government Code Sections 53600.6, et seq. and California Health and Safety Code Sections 9066, 9067, 9077 and 9078. The three principle investment factors of Safety, Liquidity, and Return on Investments are to be taken into consideration, in the specific order listed, when making any and all investment decisions.

CREDIT CARD USE POLICY

Adopted July 20, 2020 (RESOLUTION NO. 95)

The purpose of the policy is to establish guidelines for the issuance, accounting, monitoring, retrieval, and general oversight of credit card use by District employees. District credit cards may used only by those authorized and only for the purchase of goods or services for the official business of the District.

PURCHASING & CONTRACTING POLICY AND PROCEDURES GUIDELINE

Adopted September 15, 2020 (RESOLUTION NO. 97)

The purpose of the policy is to establish efficient policies and procedures for the procurement of public works projects, general services, professional services, maintenance services, and materials, supplies, and equipment at the lowest possible cost commensurate with quality and need. The policy and procedures define authority for the purchasing function and ensure compliance with applicable laws in a professional and ethical manner.

Financial policies the District plans to develop in the future include the following:

- Reserves and Fund Balance Policy
- Schedule of Fees Policy
- Trustee and Employee Expense & Reimbursement Policy

The District also plans to update the Investment Policy in FY 2021/2022.

GLOSSARY OF BUDGET TERMS

ACCRUAL BASIS – Method of accounting recognizing transactions when they occur without regard to the timing of cash receipts and disbursements.

ADOPTED BUDGET – Financial plan that is the basis for appropriations and is adopted by the District Board of Trustees.

APPROPRIATION – Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body.

APPROVED BUDGET – The final budget document that has been approved by the District Board of Trustees.

BASIS OF BUDGETING – Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. The District uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles (GAAP).

BEGINNING (OR AVAILABLE) FUND BALANCE – Fund balance available in a fund from the end of the prior year for use in the following year.

BUDGET – Written report showing the District's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year.

CAPITAL EQUIPMENT (ASSETS) – Fixed assets such as vehicles, computers, equipment, property, and infrastructure. The District currently defines capital assets with an initial, individual cost of more than \$500 and an estimate useful life of one year or more. The District may evaluate increasing the capital asset threshold to a life expectancy of more than two years and a value over \$5,000.

CAPITAL IMPROVEMENT PROJECT – Major construction, acquisition, or renovation which increases the useful life of the District's assets or adds to the value of physical assets.

ENDOWMENT CARE FEE – A flat, one-time fee collected by a cemetery for perpetual care of cemetery grounds after the site is full or closed and no further interments are allowed.

ENDOWMENT PRINCIPAL – Permanent fund established to hold and invest all endowment care fees collected with purchase of interment spaces. Principal funds are legally restricted and must remain whole in perpetuity; however, interest earned on the principal is transferred to Endowment Interest funds for future use.

ENDOWMENT INTEREST – Special revenue fund established to hold all earned interest from both the Endowment Principal fund and the existing balance of Endowment Interest fund. The Endowment Interest funds are available for future use, but are restricted for direct cemetery operations use only.

EXPENDITURES – The outflow of cash, a promise to pay, or other financial resources in return for goods and services that have been received.

FISCAL YEAR – The typical period covered by an agency's budget and financial statements. The District operates on the 12-month fiscal year beginning July 1st and ending June 30th of every year.

FUND – A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances, all segregated for specific, regulated activities and objectives.

GLOSSARY OF BUDGET TERMS

FUND BALANCE – The difference between fund assets and fund liabilities of governmental funds.

GENERAL FUND – The primary fund of the District used to account for most fiscal activities, except for those activities required or determined by the Board of Trustees to be accounted for in another fund. For the District, the General Fund accounts for administration and finance, strategic planning and design, cemetery materials and operations.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – Uniform minimum standards for guidelines for external financial accounting including the reporting of financial statements. GAAP encompasses the conventions, rules, and procedure that define accepted accounting principles. Governmental Accounting Standards Board (GASB) – The primary authoritative body on the application of GAAP to state and local governments.

INTERMENT – The disposition of human remains by burial in a cemetery.

INTERMENT SERVICE FEES – The fees related to the interment of remains in the Cemetery. This includes, but is not limited to, site setup, marker and vase installation, and non-resident fees

INTERMENT SPACE FEES – The cost of the actual interment location for in-ground interment or above ground inurnment.

NICHE – A space for placement of cremains, housed in an urn, in a wall or columbarium.

PRE-NEED SERVICES – The District offers pre-purchase of interment spaces and interment fees. These spaces and services are held as deposits by the District until the need for the service becomes immediate. At the time of use, the pre-need is eliminated and recognized as current revenue. Once purchased as a pre-need space/service, the cost is locked in regardless of what the fees are at the time of use.

PROPERTY TAX – California State Constitution Article XIII A provides that the combined maximum property tax rate on any given property equal 1% of its assess value, unless an additional amount has been approved by voters for special taxes or general obligation bonds. The County of Orange assesses properties, bills and collects these property taxes. The County of Orange remits the District's share, including all penalties and interest.

RESOLUTION – A formal order of a governing body; lower legal status than an ordinance.

SPECIAL REVENUE FUND – A fund used to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or major capital projects) that are legally or Board restricted to expend for specific purposes.

SPENDING LIMITATION (GANN LIMIT) – Article XIII B of the California Constitution establishes a spending limitation on government agencies within California. Riverside County property tax records from 1977 show the rate per \$100 of Assessed Value for the District was \$0.022 which is below the established threshold of \$0.125, thus the District is not required establish an annual appropriations limit as required under Health & Safety Code Section 9072.

TAXABLE SALES – The District purchases interment supplies (i.e. vaults) from vendors and re-sells to customers at a slight increase over cost. These types of sales incur sales tax and are therefore recorded separately. The associated sales tax is remitted to the State of California on a regular basis.