

Vacaville-Elmira Cemetery District, Board of Trustees Special Meeting, May 3, 2023

Chairman Rushford called the meeting to order at 3:30PM

Present: Rushford, Dorjahn, Steck, Wigmore Staff Present: Strachan Also Present: Lisa Nouchi, Fidelity; Sandra Wheeler, Stifel Investments and Shafeeq Shamsid-Dean, Assurance Development.

Old Business: 1. Stifel Investments: Strachan introduces Lisa from Fidelity and states she is here as requested to give the board her opinion on our portfolio and investing additional funds with Stifel. Lisa begins by telling us her background. She stated that our portfolio looks good, and like it's being well managed, she doesn't see any additional fees being charged by our investment manager so that is good. We have good laddering, so bonds aren't coming due all at once. She did express some concerns about how much we have invested in bond funds and states that is not something she usually recommends for her clients. She had Morningstar reports on a few of our bond funds and pointed out how much they are charging us to manage them. She also shows the history of value and projected minimal gains over the next few years. Discussion. Lisa advised that in her professional opinion, putting about 200K of the one million the board is looking to invest in five different CD's would be the safest and most lucrative at this time since the return would be from about 5% to 4.5% depending on the length of the investment (maturity date). CD's are FDIC insured up to 250K so by investing 200K each there's room for the interest to be insured as well. Discussion. Strachan suggests that we follow this advise and buy 5-year CD's and reevaluate when they mature. Dorjahn agrees with this plan. Discussion. Lisa is thanked for her time and input and leaves the meeting. Sandra goes over the new money proposal she created that outlines where she thinks the district should invest the funds. Discussion. She states that in her opinion we should spread money out over corporate bonds, CD's, treasury bonds and government bonds. Discussion. Sandra also states that we should earmark the funds for the development of the second cemetery so there is no question what it's for. Tabled for now. 2. Cell tower site lease proposal: Strachan tells Shafeeq that the board has some concerns about health effects as well as radio interference if a cell tower is on site. He stated that the tower gives off non-ionizing radio waves and that they must follow strict state guidelines that make it perfectly safe. Dorjahn expressed concerns about radio interference she has had experience with when she drives by a cell tower on Marshall Road. Discussion. Shafeeq states that with newer technology this shouldn't be an issue. Strachan asked if the district does agree and then starts receiving complaints from the residents in the area, can we have the tower removed. He stated that yes, we can. Depending on the time frame we may default on the agreement, but they would certainly remove it. The original proposal states that they would like to have 9 automatic 5 year renewals for a total of 50 years. Shafeeq states this is negotiable. He has seen agreements that are 30 to 35 year terms. He also said the annual lease payment amount is negotiable. Discussion. He said they will handle all permitting with the city as well as trenching for power with PG&E. They will cover all energy costs and all maintenance

as needed. He reiterated that they could modify the lease to specify our terms as desired. He also mentioned that we can specify that work on the tower only happens during our office business hours. Shafeeq is thanked for his time and excused from the meeting. After some discussion Steck made a motion that we allow the cell tower to be placed on the cemetery grounds between the water tower and dirt shed, Rushford seconded. All in favor, so moved.

Ayes: 4 Noes: zero

Steck asked about scheduling another meeting to talk about our additional investment. It has been decided to board will meet Tuesday, May 16th at 4pm.

Having no further business to discuss, the meeting is adjourned at 5:25pm

Respectfully submitted by, Heather Strachan, Cemetery District Manager