

**CEMETERY SYSTEM BOARD OF TRUSTEES
CITY OF FORT LAUDERDALE
CITY HALL 8TH FLOOR CONFERENCE ROOM
THURSDAY, NOVEMBER 10, 2011
3:30 P.M.**

Members	Attendance	Cumulative Attendance	
		2/2011 through 1/2012 Present	Absent
Michael Ruddy, Chair	P	3	0
Patricia Hayes, Vice Chair	A	3	2
Damon Adams	P	5	0
Larry Ott	P	4	1
Jonathan Pearson	P	4	1
Dolores Sallette	A	4	1
John Sykes	A	2	3
Susan Telli	P	1	0
Jimmy Witherspoon	A	2	1

City Staff

Julius Delisio, Cemetery Board Liaison
Amanda Lebofsky, Recording Secretary

Guests

John Banas, Carriage Services
Ben Clark, SunTrust Bank
Mark Hall, SunTrust Bank
Kim Krause, SunTrust Bank

Communication to the City Commission

None

The meeting was called to order 3:30 pm.

1. **Minutes Approval**
 - A. **September 2011 Meeting**

Motion made by Mr. Pearson, seconded by Mr. Ott, to approve the minutes of the Board's September 2011 meeting. In a voice vote, the motion passed unanimously.

2. **New Business**

A. City Ordinance No. C-09-05, Quorum Requirement

Mr. Delisio stated the Board currently had nine members, so five members present constituted a quorum.

B. Trust Fund Investment Review - SunTrust

Ben Clark, SunTrust Bank, distributed information on the Perpetual Care Trust Fund portfolio.

Kim Krause, SunTrust Bank, stated the quarter that ended in September was the worst since the 2008 financial crisis. U.S. Treasuries had been one of the few asset classes with a positive return in that quarter. Domestic equities markets had outperformed international ones and emerging markets had been hurt very badly during the quarter. Ms. Krause stated many of these negatives had reversed in October and they were encouraged because stocks had realized their best monthly gain in 20 years.

Ms. Krause felt the slowdown in Europe would be partially offset by the growth in emerging markets, which were anticipated to grow at twice the rate of those in the U.S. and Europe in the next five years.

Ms. Krause described the weighting of the portfolio: 43.5% in Equity and 50% in Fixed Income, which was within the range of the investment policy statement. She explained that since August 1, 2011, the portfolio was down 1%; the negative portion being from the equities in the portfolio.

Ms. Telli was most concerned about the volatility and requested a quarterly update from SunTrust. Mr. Delisio said they would report to the Board at every meeting for the first year.

Ms. Krause drew the Board's attention to the historical performances of the underlying managers and noted that Federated Strategic Value Fund was very strong and Rushmore Investment Advisors had suffered a very weak quarter. She noted that the five-year figures were uniformly weak because of the 2008 financial crisis.

Chair Ruddy asked the definition of emerging markets and Ms. Krause stated these were rapidly-growing economies characterized by high GDP growth, high inflation, high interest rates and currency fluctuations. Ms. Krause said South Korea was one of the most developed emerging markets and it had been working on getting developed market status. Ms. Krause explained that the Trust fund was invested in an index fund, Vanguard, which included an emerging markets fund. The portfolio's total investment in emerging markets was 3.6%.

Later on in the meeting, Mr. Delisio pointed out that the bank fees had dropped from 72 basis points to 25 basis points. He said there were other fees associated with the money managers that would total several thousand dollars per year.

C. Sunset Cemetery Fence Replacement

Mr. Delisio said the west perimeter and new gates have been replaced. They were going forward with the replacement of the rest of the perimeter which required them to go the Right-of-Way Committee, Planning and Zoning Board and then the City Commission. He hoped the Planning and Zoning Board would hear this in January and the City Commission would hold the two required hearings in February. This is now being handled by the City Engineering Department.

D. Capital Improvements Project Update

This item was heard out of order.

Ms. Telli asked about landscaping that was needed at Evergreen. She asked if this would include filling in gaps on the street side by Cordova Road. Mr. Delisio said there had been \$15,000 allocated for landscaping at Evergreen. Last year, they had used approximately \$5,000 to purchase trees and they had not discussed how to spend the remaining money this year. He stated there was some discussion to install a walkway along the lake near the private estates. Mr. Banas said they were concerned because the sidewalk could be damaged when additional private estates were built. He suggested setting the funds aside until after the first of the year to give them time to survey the area.

Mr. Banas said the trash bins had been put on the grass at Evergreen, Lauderdale and Sunset, and he wanted to use the remaining \$7,000 of trash can money to make paver or stamped concrete platforms for them to help them last longer.

Motion made by Ms. Telli, seconded by Mr. Pearson, to reallocate the remaining trash can funds to provide concrete or paver platforms under the trash cans at all three cemeteries. In a voice vote, motion passed unanimously.

Mr. Banas described other improvements Carriage had undertaken to the irrigation system, the 9 Avenue sliding gate, the Jewish garden area, the mausoleum and gazebo complex and garden area at Sunset.

E. Quarterly Maintenance Reimbursement

Mr. Delisio said Carriage was maintaining a large portion of cemetery property that perpetual care did not cover. Mr. Adams stated they were not accumulating liability because of this; Carriage did not intend to recoup the cost.

Motion made by Mr. Adams, seconded by Mr. Pearson, to approve the maintenance reimbursement. In a voice vote, motion passed unanimously.

F. City Commission Action Items

None.

Other Items

City Reorganization

Mr. Delisio explained that the Department of Business Enterprises has been for the most part placed in the Parks and Recreation Department. He felt the cemeteries would benefit from the reorganization since the Cemeteries to an extent act as green space and passive parks.

West Side Gazette

Mr. Banas said the West Side Gazette, a local paper in the area of Sunset, was going to do a story on how well the cemetery was maintained and how it maintained the history of the City.

Christmas Luminary

Mr. Delisio stated the Christmas Luminary would be held on December 3 at Lauderdale Memorial at 6 p.m. and at Sunset on December 10 at 6 p.m.

3. Adjournment

There being no further business to discuss, the meeting was adjourned at 4:27 p.m.

The Board's next meeting was scheduled for January 12, 2012.

[Minutes prepared by: J. Opperlee, Prototype Inc.]