



**APPROVED**

**CEMETERY SYSTEM BOARD OF TRUSTEES  
CITY OF FORT LAUDERDALE  
CITY HALL 8<sup>TH</sup> FLOOR CONFERENCE ROOM  
THURSDAY, JULY 12, 2018  
3:30 P.M.**

<b>Members</b>	<b>Attendance</b>	<b>Cumulative Attendance</b>	
		<b>2/2018 through 2/2019 Present</b>	<b>Absent</b>
Michael Ruddy, Chair	P	3	0
Patricia Hayes, Vice Chair	A	2	1
Victoria Mowrey	P	3	0
Allen Powell	P	3	0
John Sykes	P	2	1
Mark Van Rees	P	3	0
Dennis Ulmer	P	3	0
Richard Kurtz	A	2	1
Patricia Zeiler	A	1	1

City Staff

Stacy Spates, Liaison/Recording Minutes  
Kimberly Cunningham Mosley, City Attorney’s Office

Guests

Steve Roberts, Public Works  
Yamilet Reina, Carriage Services  
Michael Elliott, Corporate Counsel for Carriage Services  
Kim Krause, SunTrust  
Luis Nunez, The Church of Jesus Christ of Latter Day Saints

**CALL TO ORDER**

Chair Ruddy called the meeting to order at 3:28 p.m.

- A. Roll Call
- B. City Ordinance No. C-09-05, Quorum Requirement (Discussion)  
Roll was called and it was determined a quorum was present.

**2. OLD BUSINESS**

**A. Single Private Mausoleum Crypt at Lauderdale Memorial - Update**

Ms. Reina met with the family to discuss the choice of inscription. Crypt pad is already installed and mauso crypt should arrive by the end of July.

### **3. NEW BUSINESS**

#### **A. Approval of Meeting Minutes for 04/05/2018 & 05/10/2018 (Discussion/Motion)**

**Motion** to approve minutes of the April 5, 2018 meeting, made by Ms. Mowrey and seconded by Mr. Powell. In a voice vote, the motion passed unanimously.

**Motion** to approve minutes of the May 10, 2018 meeting, with noted corrections, made by Ms. Mowrey and seconded by Mr. Van Rees. In a voice vote, the motion passed unanimously.

#### **B. Luis Nunez – Find A Grave Service Project at Sunset Memorial Cemetery**

This item was heard out of order.

Mr. Nunez is proposing a youth group service project using “Find a Grave” app to document photos of grave markers at Sunset.

**Motion** modified to accept the plan of documenting and photographing of headstones at Woodlawn and Sunset subject to City approval. Motion made by Ms. Mowrey and seconded by Mr. Sykes.

#### **C. Trust Fund Investment Review/Sun Trust Bank (Discussion/Motion)**

The current investment report is through June 30, 2018. Equity has been decent with 2% YTD basis. Mid-caps and small caps have performed well with 7% YTD. Fixed income returns have been under pressure with YTD negative returns. Barclays Aggregate is down 1.6% over the six month period.

Outlook remains positive. Global growth continues to be good. We expect U.S. will come in around 3% GDP for this year. We are focusing now at later stages of an economic cycle with less risk in the portfolio. We are looking to take risks out of equities. Lower expected fixed income returns with rising rates.

We have seen an uptick in volatility with trade discussions almost on a daily basis. We typically see volatility consistent with a mid-term election year. Monetary policy is gradually tightening up this year in the U.S. and overseas as well. We may see one or two rate increases of a quarter point this year. Trade intentions remain at the forefront, which presents a risk to our positive outlook. \$20 billion in tariffs is the actual impact to China that has been announced.

At the end of the quarter, the market value was \$29,898,912. We will remove the Federated Strategy (active) from the portfolio. Instead, we will add those assets to Vanguard Russell 1000 (passive). The impact to the portfolio of income is not significant. Overall, dividend strategies have lagged the S&P 500, but our focus is income producing to the portfolio.

We have added PIMCO Income International and Osterweiss strategic income to total fixed income. Total Portfolio Yield is at 2.9%.

#### **D. Cemetery Manager Reports (Discussion)**

- Digital Conversion of Cemetery Maps: Evergreen maps are now completed. Sunset and LMP maps need to be completed by the meeting on September 13, 2018.
- The interment report was provided to the board through June 2018.
- No invoices were provided to the board.
- Couch Crypt: The contract was entered into by the purchaser and CFS. The Cemetery Board nor the City is party to the contract. However, the Board voiced concern over the pricing of this product and whether interment services are being provided in this contract. **Motion** that contract be further reviewed by the City for pricing compliance and potential void of contract made by Mr. Van Rees and seconded by Mr. Ulmer. In a voice vote, the motion passed unanimously.

#### **E. Other Business**

Sunset Lift Station is not functioning. The lift station services the administration building restrooms. Carriage is utilizing Johnson Environmental twice weekly to clean out of the tanks for years. These fees have been reimbursed to Carriage from the Perpetual Care Trust Fund on a quarterly basis.

Steve Roberts provided the board with an explanation on the purpose of the lift station and the penalties (Chapter 27 of Broward County Rules) involved if the lift station overflows (Florida Department of Environmental Protection) onto cemetery property. Penalties and violations include fines and subject to revocation of the lift station permit. The cost for repair could range from \$50,000 to \$75,000 as a rough estimate.

Ms. Spates will inform the City Manager of the need for an emergency repair of the lift station. The recommendation is to have the City perform the repair through Public Works or a third party contractor and then decide on which party is responsible for the costs.

According to Mr. Elliott, Carriage is not responsible for the repair of the lift station. Carriage did not notify the City about the condition of lift station.

**Motion** to recommend the City terminate the cemetery management contract with CFS ("Carriage") immediately and cease and desist of all sales to be determined by the City Manager made by Ms. Mowrey and seconded by Mr. Van Rees.

In a voice vote, the motion passed 5-1.

#### **F. Communication to the City Commission**

None.

There being no further business before the Board, the meeting adjourned at 5:09 p.m.

Minutes prepared by: S. Spates, Liaison