

DRAFT
CEMETERY SYSTEM BOARD OF TRUSTEES
CITY OF FORT LAUDERDALE
CITY HALL 8TH FLOOR CONFERENCE ROOM
THURSDAY, January 9, 2014
3:30 P.M.

Members	Attendance	Cumulative Attendance	
		2/2013 through 2/2014 Present	Absent
Michael Ruddy, Chair	P	6	0
Patricia Hayes, Vice Chair	P	6	0
Damon Adams	P	6	0
Victoria Mowrey	P	5	1
Larry Ott	P	6	0
John Sykes	P	6	0
Mark Van Rees	P	4	2
Myrna Pototsky	P	5	0

City Staff

Yoly Colarusso, Parks and Recreation Cemetery Liaison
Alicia Sheffield, Finance
Brett Maraj, Parks and Recreation/Recording Minutes

Guests

Julius Delisio, Carriage Services
Trevor Jackson, Carriage Services
Kim Krause, SunTrust Bank

Communication to the City Commission

None

1. Minutes Approval

Mr. Ruddy posed a question to Mr. Delisio with regards to roads at Evergreen being paved by the City. Mr. Delisio confirmed this, as he stated roads at Evergreen were platted city streets. Mr. Adams enquired as to item 2. A. - Quorum Requirement being printed in red. Ms. Mowery suggested it was a typographical error and also noticed the second paragraph of D. - Quarterly Maintenance Reimbursement was correct but printed in a different font.

Motion to approve minutes of the November 14, 2013 meeting by Ms. Mowrey and seconded by Mr. Adams. In a voice vote, the motion passed unanimously.

2. New Business

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

The meeting was called to order 3:30 pm and it was determined a quorum was present.

B. Trust Fund Investment Review SunTrust

Ms. Krause with SunTrust distributed booklets to the Board for review. Ms. Krause stated that 2013 was a very strong year, with the portfolio valued at \$24,264,000 as of December 31, 2013 and valued at \$24,329,000 as of January 8, 2014, showing appreciation just for the first few days of month. Ms. Krause provided some preliminary numbers with regards to the positive returns of the total portfolio with 1.15% for the month of December, just over 5% for the fourth quarter, 11.8% YTD return and 9.58% since the inception, two years and five months ago.

Ms. Krause stated US Equity continued to be the strongest performer for 2013 with small cap stock up over 38% outpacing large cap, up 32%, as measured by S&P. Ms. Krause stated that SunTrust continues to believe in the benefits of a diversified portfolio, as the best way to reduce risk and volatility, across many asset classes and styles, U.S. and non U.S., for the long term.

Ms. Krause stated that while fixed income returns had negative returns for the past year, she was happy with its positioning in the portfolio given the need for income, and with the schedule now in place by the Federal Reserve for the tapering on bond purchases, uncertainty in the market should reduce.

Ms. Krause pointed out that even though emerging markets equity and debt were pressured for 2013, both are long-term commitments and will produce returns over time.

Ms. Krause provided SunTrust Investment Advisory Group 2014 Annual Outlook Overview, compiled by market and portfolio strategists and economists. Ms. Krause pointed out that expectations for 2014 for US stocks are more muted, coming off a very strong 2013, with positive returns for S&P 500 within a range of 6% to 9%. Ms. Krause stated that the global economy should continue to recover on a modest basis.

Mr. Adams inquired as to the effect the new Fed chair may have. Ms. Krause stated that she foresaw no major changes and had no concerns, given the schedule now in place.

Mr. Sykes noted that there were only three years when the Fund Return (1) was over 11% and asked if any long-term analysis over past 10 years can be done. Ms. Krause stated that while historical reports could be gotten from the City and the S&P and Barclays index return could be researched, the asset class allocation of the portfolio from the prior provider would not be known. Ms. Krause was not sure if those returns could be blended with SunTrust.

C. Capital Improvements Project Update

Mr. Delisio stated that the Sunset Mausoleum broke ground the past week and should be completed by June or July.

With regards to the Hedge Estate at Lauderdale, Mr. Delisio reported that the survey was complete and pre-installation of vaults would begin by the next meeting. This would be largely handled in-house by Carriage with the exception of irrigation, concrete walkways.

Mr. Delisio stated that the paving at Lauderdale Memorial Park was probably the last large capital expenditure project for some time, with the possible exception of fencing around Lauderdale Memorial. Mr. Adams and Ms. Mowrey inquired as to the sufficiency of the estimated cost of the paving project. Mr. Delisio pointed out that the Board had approved an amount up to \$100,000 for the paving at Sunset but the actual total cost came to \$71,000, as well as that the roads were in a little bit better condition than at Sunset. Mr. Delisio stated that once Lauderdale is finished, the roads at Evergreen, which was last paved about 10 years ago, and which are due based on a cycle, should be done by the City. Mr. Ruddy asked about the bid for the project being stale dated. Mr. Delisio explained that the City's annual paving contractor was being used as the City was doing this project.

Mr. Sykes asked if the Board had any say on the bidding process. Mr. Delisio re-iterated that because this was a city - wide vendor, there would be no input from this Board. Mr. Delisio stated that the Board's input would be sought for two items, Cemetery Management and Perpetual Care Trust.

Mr. Van Rees commented on the things, other than the financial numbers to measure the parks on, such as internments, created remains, ground space. Mr. Delisio stated that 2013 was less than stellar as internments were significantly down, approximately one hundred and twenty nine, at Sunset, which was primarily at need sales. The Board expressed concern about the limited space at Sunset and Evergreen and wanted to know how many years they would be at full capacity, whether three, five, eight or more years. Ms. Colarusso acknowledged that the City is aware of the situation and was looking into the possibility of more land acquisition in the future.

The Board charged Mr. Delisio to report from Carriage an analysis of internment numbers in terms of limited space, current inventory, where it has been and future projections at Evergreen and Sunset.

Mr. Adams inquired as to the accuracy of the figures in the Total column of the Trust Fund handout. Ms. Colarusso stated she would review and email the correct figures to the Board.

Motion to accept the bid to repave Lauderdale Memorial Park up to the amount of \$215,712.75 by Ms. Mowery and seconded by Mr. Adams. In a voice vote the motion passed unanimously.

D. City Commission Action Items

None.

The meeting was adjourned at 4:28 pm.

Minutes prepared by: B. Maraj, Parks and Recreation