



APPROVED
CEMETERY SYSTEM BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
CITY OF FORT LAUDERDALE
FIRE STATION 2 ADMINISTRATION/HQ
528 NW 2nd STREET, FORT LAUDERDALE, FL 33311
THURSDAY, JULY 13 8, 2023 – 3:30 P.M.

Members	Attendance	Cumulative Attendance	
		03/2023 through 02/2024	Present
Mark Van Rees, Chair	P	2	1
Patricia Zeiler, Vice Chair	P	1	2
Scott Busa	P	3	0
Chelsea Krebs	P	2	1
Richard Kurtz (until 4:58 p.m.)	P	2	1
Fred Nesbitt (until 4:40 p.m.)	P	3	0
Dennis Ulmer	P	2	1
Michael Watson	P	2	1

City Staff

Stacy Spates, Parks and Recreation
 Kimberly Cunningham-Mosley, Assistant City Attorney
 Carla Blair, Recording Secretary, Prototype, Inc.

Guests

Kim Krause, Truist
 Raymond Meyers, Cemetery Manager
 Kenya Baker, Senior Financial Administrator
 Carl Williams, Deputy Director of Parks and Recreation

1. CALL TO ORDER

Chair Van Rees called the meeting to order at 3:30 p.m.

A. Roll Call

Roll was called.

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

It was determined a quorum was present.

2. **NEW BUSINESS**

A. Approval of Meeting Minutes for March 9, 2023, and June 8, 2023

Mr. Nesbitt objected to the minutes of June 8, as there was not a meeting held, and it should not count as an absence.

Discussion ensued, and Assistant City Attorney Cunningham-Mosley stated she would do further research and bring the information back.

Assistant City Attorney Cunningham-Mosley noted a correction on page 14 of the March 9, 2023, meeting minutes. She pointed out the third paragraph should read “a recommendation,” rather than “no recommendation.” She stated “Assistant” should also be added to her title.

Mr. Ulmer asked whether members leaving the meeting early should be noted in the attendance. He stated he left the March 9 meeting early but did not know the time.

Motion made by Mr. Nesbitt, seconded by Mr. Kurtz, to approve the meeting minutes for March 9, 2023, as amended. In a voice vote, the **motion** passed unanimously. (8-0)

Assistant City Attorney Cunningham-Mosley stated there were no minutes for June 8, 2023, only a roll call, as no business occurred due to a lack of quorum.

B. Perpetual Care Trust Fund Investment Review/Truist Bank

Kim Krause, Truist, provided a PowerPoint presentation reviewing the trust fund investments through June 30, 2023. She provided comments as follows:

- Year-to-date returns have rebounded in equities.
- Large-cap growth stocks (29%) far outpaced value stocks (5%), including dividend stocks.
- International stocks were positive, but less so than U.S.
- Fixed income is producing positive returns.
- Fed continues in a tightening monetary policy environment, likely to continue.
- Truist continues to believe there will be a mild recession at the end of the year.
- Mortgage rates are above 7%, but housing market remains strong and homebuilder stocks are doing well.

Mr. Ulmer noted that he had learned during the recent webinar that adjustable-rate mortgages are currently making up only eight (8) percent of the market. Ms. Krause agreed, and noted that for new homebuyers, establishing a 30-year mortgage at seven (7) percent is difficult.

- Valuations are at the highest level in 20 years.
- Leadership reversal in market returns - consumer services, discretionary spending, and technology sectors are leading.
- Narrow market breadth, with top 10 performing stocks in S&P for 2023 are up an average of 60%, while remaining stocks are up an average of 5% for the year.
- Technology is driving mega cap and large cap returns.
- Earnings are likely to come under pressure as the year progresses.

Ms. Krause reviewed the Cemetery Trust Portfolio, as follows:

- Year-to-date snapshot - Market value at the end of the quarter was \$31,225,000, with gains of \$895,000, and positive interest and dividends of \$441,000.

Mr. Nesbitt asked whether the contribution made to the trust fund was included in the year-to-date snapshot. Ms. Krause explained that it was included under contributions.

Mr. Nesbitt noted that there had not been a contribution to the trust fund in the last four (4) months. Ms. Spates stated the last contribution was made in March, so April, May, and June needed to be completed.

Chair Van Rees asked how often was normal. Ms. Spates explained it was a matter of staffing, as the contributions were manual. She advised that the goal was that the software system would make the process more manageable once it is onboarded.

- As of July 12, market value is up slightly from the end of the quarter.
- Portfolio composition that worked well in 2022 is not working well in 2023. Fund has participated some in this change but has a tilt toward dividend strategies because of the income they provide.
- Looking at reducing some of dividend strategy in favor of core and growth, understanding that fixed income is now providing more attractive yields. Rebalance is in line with the new policy.

Mr. Nesbitt inquired as to whether it could be said with certainty that the policy change had been a good one. Ms. Krause responded that she believed it was a good policy in the long-term view.

- Responded to yields spiking by Investing in 12-month Treasury ladder.
- Year-to-date underperformance versus policy benchmark was due to the dividend strategy index, which was down 4%.
- Fixed income portfolio outperformed the aggregate index.
- Short-term (money market) produced 2.3 percent.
- All asset classes of the portfolio contributed positively, but there was some underperformance relative to the benchmark, which is S&P focused.

- Reviewed manager returns briefly, highlighting Artisan as a stellar performer on the international side.
- Added DFA Intermediate Government Fixed Income Fund, which is U.S. Treasury based, to add stability and yield to portfolio.

Ms. Krause cautioned that expectations of growth were slowed for the remainder of the year. She noted it would be challenging for equity to continue to perform strongly, though the total portfolio is diversified and looking positive.

Chair Van Rees asked whether the real estate referenced in the index return was strictly residential or included commercial. Ms. Krause explained it was more commercial based, with office buildings and cellular towers included.

Mr. Ulmer noted the investment in the one (1) year Treasury ladder and asked whether long-term Treasury exposure continued to be something the fund was avoiding. Ms. Krause stated there was exposure to long-term Treasury through some of the mutual fund managers, but not direct investment.

Vice Chair Zeiler asked whether continued high growth in technology was anticipated. Ms. Krause stated they expect continued leadership, however it will likely start to level out. She noted that in a slow economy, companies will still spend on technology as they continue to adapt and move forward.

Chair Van Rees welcomed the guests present and invited them to introduce themselves. He noted Deputy Director of Parks and Recreation Carl Williams was present but had stepped out briefly.

Raymond Meyers introduced himself, explaining he was the new Cemetery Manager, replacing Trevor Jackson.

Kenya Baker, Senior Financial Administrator, also introduced herself.

C. General Price List Review

Chair Van Rees led a review of the proposed general price list in the Board packet.

Mr. Busa pointed out that internment services should be amended to say Monday through Saturday, and noted resident and non-resident charges were switched in two (2) places on the list.

Mr. Nesbitt asked that the pennies be removed from the prices. Consensus was to round the figures.

Mr. Ulmer asked for clarification on the administrative fees. Ms. Spates explained the fees were assessed with new contracts and were a standard industry practice.

Mr. Nesbitt inquired as to why the administrative fees under miscellaneous services were the same for residents and non-residents. Chair Van Rees responded that it had been that way for some time, and he felt it should remain. Discussion ensued briefly.

Mr. Ulmer asked about the North Woodlawn wall inscription cost. Ms. Spates stated there was not previously a price structure for the service in the document. She pointed to the line item under proposed charges.

Chair Van Rees commented that there was an increase from 2019 to 2023, but there had not been a true increase in a number of years. Ms. Spates confirmed that plot prices had not been increased since 2015. She stated there were minor increases made to the costs for opening and closing in 2019.

Mr. Nesbitt stated the prices were still less than the competitors. Ms. Spates agreed and noted this is leading to a flood of requests.

Chair Van Rees advised there is a large push outside of Fort Lauderdale into Lauderdale Memorial Park.

Mr. Nesbitt stated he does not believe in price gouging. Ms. Spates noted that salaries and operations still needed to be supported. She added that it is much more expensive to conduct a burial in Miami.

Ms. Zeiler indicated that in her mind, no services should be in the red at the resident rates, and non-residents should have a significant profit margin. She suggested additional increases.

Ms. Spates explained that most municipal cemeteries have a flat fee structure, typically with the non-resident fee at two (2) times the resident rates, but their cemeteries are smaller, and they are trying to keep it to residents. She pointed out that Sunset is at critical inventory.

Mr. Kurtz stated he believed the non-resident price should be doubled in Fort Lauderdale.

Chair Van Rees pointed out that the increase would have to affect all three (3) cemeteries.

Mr. Kurtz agreed that the non-resident charge should be increased and added that he believed the residents of Fort Lauderdale should be given a 50 percent discount instead of 25 percent. He asked whether a recommendation of a larger discount was within the purview of the Board.

Mr. Kurtz asserted the rate structure was the reason Sunset is in the shape it is.

Mr. Ulmer asked whether the resident discount was in the policy. Chair Van Rees stated it was in the rules and regulations, and a change would require an amendment.

Mr. Nesbitt suggested approving the rates to allow the Commission to review them, and then come back to discuss changes to the resident discount.

Chair Van Rees stated he believed the non-resident rate was still well below what others are charging, and noted he was open to discussion of that rate.

Mr. Nesbitt stated changes to the resident rate automatically raise the non-resident rates. He asserted this may be a bigger discussion the Board wants to have, because there is also the issue of new mausoleums coming up.

Chair Van Rees stated the pricing structure was not going to support a new mausoleum.

Mr. Watson commented that if the cemetery was running out of space, he was not sure they should be talking about mausoleums. He asked whether they want to continue to let non-residents use the site.

Chair Van Rees agreed that was another topic for discussion, and stated there were some Commissioners with opinions on the issue of whether non-residents should be allowed in the cemeteries period.

Ms. Zeiler stated that change would require an increase in fees for residents to break even. She noted there was a balance to be struck, but she believes anyone from outside the City should be bearing the significant brunt of the costs. She added that if a mausoleum cannot be built on these rates, there should be further review.

Chair Van Rees referenced the interment report he had requested from Ms. Spates, which covered October 2022 through June 2023. He stated the total was approaching 1,000 interments between the three (3) cemeteries. He noted residents and non-residents were not differentiated in the report, as that would be labor intensive to compile, but he would posit there was a significant percentage that was non-resident. Ms. Spates confirmed that was the trend.

Mr. Busa asserted the issue is that when burying a family member, most people don't really care if it is Fort Lauderdale or Pompano Beach, it is price driven. Ms. Spates confirmed this was largely true except for heritage. She stated Fairway, the newest private cemetery in the area, had been purchased and prices would be increasing.

Mr. Ulmer commented that whether a person had relatives in the cemetery was also a factor in selecting a location.

Ms. Spates advised that another consideration for the future was qualifying for the resident discount. She noted that in Deerfield Beach, the resident or non-resident rate is solely based on the decedent. Discussion ensued briefly regarding the parameters.

Mr. Nesbitt acknowledged there was a big discussion ahead for the Board. He noted he had planned to offer a motion to limit the sale of the new mausoleum crypts to Fort Lauderdale Residents only.

Chair Van Rees asked whether it should be limited to the mausoleums.

Ms. Zeiler stated if that change were made, the resident cost would have to cover the cost of the mausoleum. She asserted this would significantly raise the rates.

Chair Van Rees commented on the line item under miscellaneous services for outer burial containers. He stated the higher rate was in line with the industry, but the lower number of \$795 was too low.

Mr. Nesbitt asked whether the outer burial container had to be purchased from the cemetery. Ms. Spates stated it did not.

Ms. Zeiler asked what Chair Van Rees would recommend. Chair Van Reese suggested \$995. He pointed out it is a requirement but can be provided by anyone.

Mr. Kurtz asked what would need to be done to raise the price for non-residents.

Chair Van Rees stated he does not disagree, but the challenge was that under the current rules, a change would increase the resident rate, as well. Ms. Spates provided additional explanation of the rules and regulations.

Chair Van Rees explained his thought was that the Board approve the current structure so it can go before the Commission but come back together soon to tackle the change. Discussion continued regarding frequency of the rate review.

Chair Van Rees asserted there had not been many increases to the rate schedule, but the cemetery operations had experienced dramatic increases from vendors, suppliers, and in labor. He noted he recently learned that the labor is unionized, and the days interments are performed can be affected.

Ms. Spates explained the Teamsters contract requires consecutive days off. She noted because Saturdays are the busiest days, there is only a skeletal crew on Sundays and Mondays.

Mr. Kurtz suggested eliminating Sunday burials. Chair Van Rees agreed.

Ms. Spates asked how that would impact religious preferences. Ms. Zeiler explained a lot of cemeteries do not do Sundays, as Roman Catholic funerals are not traditionally held on Sunday.

Mr. Watson asked if there was more than one (1) crew available. Ms. Spates stated there is an interment crew and a maintenance crew, and sometimes they have to pull from maintenance to support an interment because of days off, vacations, and medical leave situations.

Discussion continued regarding which cemeteries have Sunday burials and charge a premium, and which do and do not offer the service.

Mr. Kurtz stated he had seen families have services on Saturday, and then do the burial on Monday, but waiting until Tuesday or Wednesday could be an issue because people are going back home. Chair Van Rees agreed he was also seeing this, with a family burial held on Monday.

Chair Van Rees stated he had seen the schedule at Lauderdale Memorial Park recently, and they are heavily booked.

Mr. Ulmer asked how many burials can be done in a day. Ms. Spates explained they try to do 14-16 on a Saturday between the three (3) locations, and three (3) to four (4) on a week day, depending on staffing. Discussion continued.

Chair Van Rees commented that the number of burials was part of the reason the non-resident rate needed to be addressed.

Motion made by Mr. Nesbitt, seconded by Mr. Watson, to recommend the City Commission amend the rate schedule for residents and non-residents to round the prices up to whole dollars. In a voice vote, the **motion** passed unanimously. (8-0)

Motion made by Mr. Nesbitt, seconded by Ms. Krebs, to recommend the City Commission amend the rate schedule so the minimum under “burial containers” increases from \$795 to \$995. In a voice vote, the **motion** passed unanimously. (8-0)

Chair Van Rees reviewed the administrative corrections briefly, noting that interment should say Monday through Saturday, and resident and non-resident charges were transposed in two (2) places on the list.

Motion made by Ms. Zeiler, seconded by Ms. Krebs, to recommend adoption of the new price structure as amended. In a voice vote, the **motion** passed unanimously. (8-0)

Ms. Krebs asked staff to review what the process would be if the Board wanted to change the resident discount. Discussion ensued regarding a review of the rules and regulations to change the discount and clarify the resident requirement, as well as the timeline for making changes.

Deputy Director of Parks and Recreation Carl Williams noted the discussion regarding residents and non-residents needed to come to the City Commission. Discussion ensued and consensus was to schedule a joint workshop with the Commission.

Mr. Nesbitt suggested the Board have a discussion regarding prices in general and the mausoleums ahead of the workshop to see where all of the Board members stand.

Mr. Nesbitt left the meeting at 4:40 p.m.

D. Sunset Memorial Gardens Inventory / RFP Mausoleum Update

Ms. Spates reiterated that Sunset Memorial Gardens is at a critical point for inventory. She noted after setting aside required lots for emergencies, there are approximately 110-114 inground plots remaining.

Ms. Zeiler commented that the sites would be gone in a couple of months.

Ms. Spates explained staff was hoping the Request for Proposals (RFP) for the mausoleum would be released relatively soon. She stated the funding is now in place.

Ms. Zeiler inquired as to what staff thought should be done in response to the inventory issue. She asked whether a ground purchase was being considered, and if anything is even available.

Mr. Kurtz stated they had been talking about the inventory issue for 20 years and nothing had been done about it. He referenced the old inspection station was vacant a

long time before being purchased by Broward County, and the Board had talked about it as a potential site.

Mr. Busa asked whether the County still owns the property. Chair Van Rees confirmed that they do and agreed that the property had been talked about for a long time.

Ms. Spates noted there is a church which would be part of the consideration. Mr. Kurtz stated he knows them well, and they would be willing to sell if the inspection station was bought for the cemetery.

Mr. Busa inquired as to the County's position on what the property should be used for. Mr. Kurtz explained it is a garage for Broward Sheriff's Office (BSO).

Ms. Spates stated Colliers was previously contracted to identify sites, but only identified North Woodlawn as an option. Discussion continued regarding other potential sites.

Mr. Williams noted that a potential land search could be part of the conversation in the workshop with the City Commission.

Mr. Busa acknowledged that burials at Sunset are significant, and asked how many of those are in the moment purchases as opposed to people who bought ahead. Ms. Spates responded that the bulk of the need was on an as-needed basis.

Mr. Kurtz asked what the staff conjecture was to how much time remained until Sunset was full. Ms. Spates estimated two (2) to three (3) months. She stated it used to primarily have burials on Saturdays, but now they are being pushed to Tuesday, Wednesday, and Thursday.

Ms. Zeiler commented that there is not a lot of land available anywhere around Sunset Memorial Gardens. She asked whether the option would just be to tell people there is no longer availability and send people to Lauderdale Memorial.

Chair Van Rees asked if it makes sense to start doing that now so at least there is some flexibility in the future. He asked how many of the at need families also select the additional site. Ms. Spates explained they try to encourage people to, but it is not all the time that they make that choice.

Chair Van Rees confirmed they are not using any type of reservation system. Ms. Spates stated this was correct.

Mr. Busa asked whether legally, at need could be suspended for non-residents only. Consensus was this would be a question for counsel.

Mr. Ulmer inquired as to whether the remaining lots are next to each other or scattered throughout the cemetery. Ms. Spates stated some are orphaned, but primarily only in Garden Seven (7). She noted because of the flooding, they have to be careful of the number of people on the grounds at a time.

Mr. Kurtz noted there was a small bit of land to the west. Discussion continued regarding access points, development costs, and other properties available.

Ms. Zeiler pointed out that even with the acquisition of additional property, they would still be telling people there are no spaces for some time. Ms. Spates stated they have been encouraging people to go to Lauderdale Memorial Park.

Mr. Kurtz advised there are a lot of people who will have heritage considerations. Ms. Zeiler agreed, noting there are two (2) and three (3) generations already buried in the cemetery.

Mr. Watson stated they should be doing something other than talking about it and suggested a subcommittee or taskforce. Ms. Spates indicated that could create sunshine issues, but they could engage Colliers.

Mr. Williams discussed the master plan briefly, and noted there is insight there regarding inventory and other issues. He pointed out Evergreen only has a few hundred spaces available. Ms. Spates indicated there is already a waiting list, as well.

Discussion regarding parcels which might be appropriate for expansion and alternative options such as inurnment continued.

Mr. Kurtz left the meeting at 4:58 p.m.

Chair Van Rees summarized the discussion. He stated an RFP for the mausoleum was nearing completion, and Mr. Williams would investigate options with Colliers.

E. Evergreen Cemetery Alleyway

Mr. Busa reviewed a map of the Evergreen Cemetery as determined by the Broward County Property Appraiser. He stated this was timely because it is a land issue, potentially a land giveaway. He noted that the fence lines of the first four (4) properties to the north of Evergreen Cemetery were approximately 15 feet south of the property line, and the next eight (8) were on the line. Mr. Busa advised he had brought this issue

up two (2) years ago when the Civic Association was considering planting in that area. He stated the City employee who had planned to have surveys done to address the issue was no longer with the City.

Mr. Busa pointed out the first two (2) houses were vacant and recently changed ownership, so it may be a good time to address the potential issue before it becomes a matter of adverse possession.

Mr. Watson suggested trying to obtain the land. Mr. Busa noted they had been sold for approximately \$1 million each.

Mr. Ulmer stated the owners would have to submit a survey of the property to build on the properties. Discussion ensued regarding permitting and fence construction.

Mr. Busa explained there was no rule that stated when a property changes hands and the owners get a new survey, that they correct all the fence lines.

Chair Van Rees stated some years back, a resident had blocked the entire access off and it was an issue that needed to be corrected.

Mr. Meyers advised he had contacted the Department of Sustainable Development and been informed the alley was not cemetery property, but upon further discussion it was determined that the lines should be verified. He stated he was asking for an actual survey, and it had not yet been found.

Ms. Zeiler indicated she has the original survey of the cemetery from 1911. She noted this was the historical record, but she does not know what's happened in between.

Mr. Meyers reiterated that he was working on finding the answers. Mr. Busa stated whether it is cemetery property or City property, four (4) of the properties were not following the red line on the map. Discussion continued regarding the history of the land and the existing structures.

Ms. Spates stated staff would bring more information forward at the next meeting.

F. Other Business

Chair Van Rees stated he had intended to discuss the resident discount and proof of residency, but that would be carried on to another meeting once the general price list is moved through.

Mr. Busa asked how the residency requirement works if a resident purchases plots and then resells them. Ms. Spates explained that if the plot is sold to a non-resident, the discount has to be repaid. She noted this was in the rules and regulations and staff enforces it.

Chair Van Rees noted the other item he had to bring up was irrigation for Lauderdale Memorial Park. He noted Sunset was completed.

Ms. Spates outlined the capital improvement project, and stated Carriage had been supposed to irrigate both Sunset and Lauderdale Memorial Park, but it had been allowed to slip through the cracks, so was now on the City. She stated it took seven (7) years to get Sunset fully irrigated, and that was now done. Ms. Spates stated Lauderdale had been identified as a capital improvement project for Fiscal Year 2025.

Ms. Zeiler asked whether the RFP for the mausoleum was only for Sunset, or also included Lauderdale. Ms. Spates responded that it was only for Sunset.

Ms. Zeiler asked whether the cemeteries were completely out of mausoleum space everywhere. Ms. Spates confirmed that it was, unless it was pre-owned or private.

Mr. Busa inquired as to whether there had ever been a reverse RFP process to identify owners who were no longer interested or had moved away. He suggested a letter to owners to identify these situations. Ms. Spates stated it could go to anyone in their family, and they have the right to bury whomever they want on the site.

Chair Van Rees pointed out there is a company that assists with brokering sites.

Ms. Spates stated staff does not contact the owners of plots that have been paid off. She noted they did not want to be accused of harassing anyone, but also do not have the staffing available.

Mr. Ulmer asked what needed to be done to address the irrigation. Chair Van Rees noted it was planned but was a year and a half out.

Mr. Busa stated the staff member doing irrigation was doing a great job. Ms. Spates identified the employee handling irrigation at all four (4) sites as Anthony.

Ms. Zeiler asked whether there were any items identified in the conversation which the Board needed to report back to the Commission on. Discussion ensued regarding the cemetery's land needs and the original Black cemetery in Fort Lauderdale.

Chair Van Ness noted the next meeting was scheduled for September 14, and suggested a change of date due to a scheduling conflict. Discussion continued regarding meeting dates to work around budget hearings and other existing conflicts.

Ms. Zeiler asked whether an electronic meeting could be held to approve the July 13 meeting minutes. Assistant City Attorney Cunningham-Mosley indicated that Zoom meetings are not allowed.

Ms. Spates stated she would connect with the City Clerk's office to identify an August meeting date to approve the minutes. Consensus was to attempt to schedule the meeting for August 10.

Motion made by Mr. Ulmer, seconded by Ms. Zeiler, to hold a Special Meeting in August to approve the July 13 meeting minutes and any other business. In a voice vote, the **motion** passed unanimously. (6-0)

G. Communication to the City Commission

Mr. Ulmer suggested requesting a joint workshop. Consensus was to have the discussion at the August meeting.

3. ADJOURNMENT

Mr. Watson asked if it would make sense to look into purchasing the two (2) lots. He stated they should start the process if necessary.

Ms. Zeiler noted the zoning was residential, so that would need to be changed. Discussion continued regarding zoning.

Mr. Busa stated the first question was whether the cemetery bordered the properties.

Ms. Zeiler commented that she did not remember any additional land being identified in the Master Plan for Sunset. Ms. Spates stated the BSO garage and church property discussed previously were listed. Discussion continued regarding potential challenges with the properties and a possible land swap with the County.

There being no quorum present to conduct the business of the Board, the meeting was adjourned at 5:37 p.m.

NEXT SCHEDULED MEETING: TO BE DETERMINED.