

The City of Lake Forest  
Cemetery Commission Special Meeting  
***Proceedings of Wednesday April 12, 2023***  
Lake Forest Cemetery Gatehouse  
520 E. Spruce Avenue, Lake Forest, IL

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**I. CALL TO ORDER AND ROLL CALL**

Chairman John Anderson called the meeting to order at 5:05pm.

Commissioners Present: Chairman John Anderson with Commissioners Lowell Dixon, Robert Thornburgh, Robert Wayne, and Robert Worobow

Staff Present: Jason Wicha, City Manager; George Issakoo, Assistant City Manager; Chuck Meyers, Superintendent of Parks & Forestry; Phil Alderks, Cemetery Sexton.

Others Present: Investment Mangers Tim Gleason, Managing Director and Wealth Advisor, and Cory Minturn, Partner and Wealth Advisor, both from William Blair; and, Lake Bluff Resident Susan Richter

**II. INTRODUCTION OF GEORGE ISSAKOO, ASSISTANT CITY MANAGER AND OVERVIEW OF CITY ORGANIZATIONAL RESTRUCTURING – JASON WICHA, CITY MANAGER**

Chairman Anderson welcomed City Manager Jason Wicha and introduced him to the Cemetery Commission. Wicha thanked the Commission for their service to the City and explained that he is in the process of restructuring some of the City departments. Wicha said that part of the restructuring will be to move the Cemetery from the Parks and Forestry Department to the Office of the City Manager. Wicha then introduced Assistant City Manager George Issakoo as the new City staff liaison to provide support for the Cemetery staff and Cemetery Commission. Issakoo thanked City Manager Wicha and introduced himself to the Commission. Chairman Anderson welcomed Issakoo and thanked City Manager Wicha for attending the Commission meeting to explain the restructuring. Anderson then recognized and thanked Superintendent Chuck Myers for the support he has given the Cemetery over the years. Wicha stated that the transition will take effect May 1<sup>st</sup>.

**III. APPROVAL OF JANUARY 25, 2023 MINUTES– JOHN ANDERSON**

Chairman Anderson asked the members of the Commission if there were adjustments or corrections needed for the minutes from the January 25, 2023 meeting. Seeing none, he requested a motion for approval.

Commissioner Worobow motioned to approve the January minutes as presented. Seconded by Commissioner Dixon. The following voted “Aye”: Commissioners’ Chairman Anderson, Dixon, Thornburgh, Wayne, and Worobow. The following voted “nay”: none. 5-ayes, 0-nays, motion carried.

**IV. QUARTERLY INVESTMENT REPORT - TIM GLEASON**

Tim Gleason of William Blair presented the First Quarter (2023) Investment Report. Gleason began by introducing Cory Minturn, a new member of their team. Minturn then provided a recap of his role and background to the Commission.

Gleason reported the first quarter total performance was strong with values up over +8%. He explained it was largely driven by the Vanguard Mega Cap Growth Fund. Gleason said the mid cap and small cap equities were up +5%, trailing slightly behind the Russell 500 Growth benchmark. Gleason indicated that across all the different asset classes, whether the total portfolio, individual domestic equities, mid/small cap equities, or bonds, long-term performance was solid. Gleason also noted that even though the market had experienced

some difficulty the past year, the portfolio rebounded quite dramatically, and that William Blair is pleased with where the portfolio currently stands.

Chairman Anderson pointed out that the Cemetery portfolio currently had a significant cash balance. Gleason said they do not typically keep such a high proportion of total assets in cash, however because cash is earning a rate of 4.5% it is an attractive place to keep investments in an uncertain market. Anderson added that the fixed income portion of the portfolio is performing better than the benchmarks. Gleason stated this was intentional as William Blair had moved the fixed income portfolio to a lower duration to reduce the risk of losing money in that sector should rates rise.

Cory Minturn reported to the Commission regarding the portfolio's recent investment purchases stating that William Blair is favoring investing in equities of companies based on durability and cash flow. Gleason stated William Blair has been measured in their approach due to the elevated cash position and they are focusing on the highest quality businesses. Gleason said they hope to invest in more small cap companies in the upcoming quarter. He said small cap investments tend to underperform going into a recession but once we are in the recession, they outperform other investments. Minturn explained that in terms of large cap versus small cap equities, the large caps are modestly on the "heavy" side, but the portfolio overall is well positioned, and William Blair is looking for opportunities to add more stock from small cap companies to take advantage of the current trends.

Following some discussion surrounding the real estate market and interest rates, Minturn assured the Commission that as long as they keep focused on a measured approach and make sure the asset allocation is correct (with a majority invested in equities), the overall investment positioning likely would be a good one in the midst of uncertainty.

Commissioner Thornburgh motioned for William Blair to continue with the current investment strategy, seconded by Commissioner Wayne. Motion passed unanimously.

#### **V. INQUIRY FROM SUSAN RICHTER REGARDING LOT PURCHASE – JOHN ANDERSON AND PHIL ALDERKS**

Chairman Anderson introduced Lake Bluff resident Susan Richter and asked her to share her request to the Commission. Ms. Richter stated that she was a former Lake Forest resident but now is a resident of Lake Bluff, and that her family previously owned a lot in the Cemetery that had since been sold back to the Cemetery by her stepfather. Because he sold back the lots in 2016 (without informing her), she requested that the Commission waive the non-resident premium rate and allow her to purchase graves at the Lake Forest resident rates since she had previously lived in Lake Forest.

Chairman Anderson referenced the Lake Forest Cemetery Rules and Regulations, stating in Section II that *"only residents or certain non-residents that meet special guidelines are eligible to purchase interment rights in the Cemetery."* Anderson stated the Commission would have to follow the rule or amend the rule rather than making an exception to the rule. He then reviewed the guidelines for a non-resident purchase and asked Ms. Richter if she qualified. After establishing she does qualify as a non-resident purchaser, he explained the non-resident rate and that the rules state a non-resident will have to pay the premium. Chairman Anderson noted that this is explicit in the Rules regarding pricing. Referring to the legal opinion on the matter, Chairman Anderson conveyed to the Commission that we had been advised by the City attorney that the Commission should not make exceptions to the established Rules, unless they are going to change them permanently. Chairman Anderson explained to Ms. Richter that the Cemetery is a municipal cemetery specifically for the residents of Lake Forest but because she is a former Lake Forest resident, she does qualify for the non-resident rate (albeit with a premium).

Chairman Anderson asked for a motion approving Ms. Richter's request to waive the non-resident rate so that as a former and currently non-resident she might purchase grave space at the current Lake Forest resident rate.

The following voted "Aye": none. The following voted "nay": Commissioners' Chairman Anderson, Dixon, Thornburgh, Wayne, and Worobow. 0-ayes, 5-nays. Motion abstained.

## **VI. REVENUE-EXPENSE REPORT – JOHN ANDERSON**

Chairman Anderson presented the Fourth Quarter Revenue-Expense Report. Anderson stated the report is based on eleven months, ending March 31<sup>st</sup>. He said that space sale revenues have been strong at roughly \$850,000. Sexton Alderks shared niche sale revenue totaled \$119,850, lot sale revenue was \$734,250, and service fee revenue brought in an additional \$205, 000. Alderks said that the large amount of cash we currently have and growing with interest at Lake Forest Bank and Trust is around \$1.2 million.

Chairman Anderson conveyed that total revenue was almost double the projected revenue for this year. Looking at expenditures, Chairman Anderson observed that there were additional staffing costs but not significantly above budget for the year. Sexton Alderks explained that because the Cemetery management does not necessarily know when overtime will be required due to Saturday funerals or snow removal, it is hard to pinpoint an overtime number for the budget, but that overtime is not a material part of the overall budget.

Chairman Anderson stated that it had been a strong year for revenues and expense management for the year. Sexton Alderks said this was due to not being able to fill the seasonal and administrative assistant positions last year until the end of July. He stated the full-time admin. assistant position had been filled and that we are currently looking to fill two seasonal positions for 2023.

The Commission briefly discussed the Cemetery ravines and what we are doing to protect them. Superintendent Myers explained that the City is working on a study of all the ravines in the City and the Cemetery ravines will now be included in the City's overall ravine management plan.

## **VII. CEMETERY UPDATES -VARIOUS MEMBERS**

### **a. Memorial Garden Update**

Chairman Anderson stated that the loan from the City for the Memorial Garden Project had been approved. Superintendent Myers stated that the project has been finalized with Semper Fi and a pre-construction meeting has been scheduled. He stated that the contract start date is June 1, 2023, but we will allow Semper Fi to begin a little earlier. Myers said that we are not looking to cause any major disturbance to the Cemetery prior to Memorial Day, but if Semper Fi can begin some work and have it completed by Memorial Day, we are looking to allow them earlier entry to the site. Sexton Alderks explained further that Semper Fi will do preliminary work in the Lake Garden replacing the blue stone before Memorial Day and have it completed by that weekend. Myers reiterated that Semper Fi has been very responsive.

### **b. Mason Endowment Update**

Chairman Anderson updated the Commission regarding the Mason Endowment request from the last meeting. Sexton Alderks explained that he and Chairman Anderson had developed cost projections for Spring flowers and Winter decorations for the family lot. He stated that they came to a figure of \$15,000 for the endowment and that would generate enough return annually to cover annual costs. Alderks also said he discussed the format of the endowment with the City attorney.

**VIII. FY 2024 BUDGET UPDATE**

Sexton Alderks informed the Commission that the Cemetery Budget had been approved. Assistant City Manager Issakoo stated the FY 2024 Budget had been adjusted so that the Cemetery could add an additional seasonal employee bringing the total number of seasonals at the Cemetery to two.

Chairman Anderson asked if the cold storage facility had been included in the FY 2024 Budget and Superintendent Myers explained that the money for design had rolled over from last year's budget and that once we have the design/plans, we will budget for construction in FY 2025. Sexton Alderks stated the FY 2024 Budget will be approved by City council on April 17<sup>th</sup>.

**IX. APPORVAL OF SEMERSKY FAMILY MAUSOLEUM DESIGN CHANGES – JOHN ANDERSON**

Chairman Anderson presented some minor design changes for the Semersky mausoleum to the Commissioners. He reminded them that they had approved the original design of the mausoleum last April, however, the family now wanted to incorporate planters within the design. Sexton Alderks explained the original design of the building with the planters and wing walls was wider than the lot, so the design had eliminated the walls and the planters. The family now wanted to add only the planters which Alderks said still exceeded what was allowed on the lot. He went on to say the family purchased two additional lots so the new mausoleum design would work, and the family could add the planters.

Chairman Anderson asked if there were any questions and seeing none, he requested a motion to approve the addition of planters to the Semersky mausoleum design. Commissioner Dixon motioned to approve the Semersky family mausoleum design changes, seconded by Commissioner Worobow. All ayes, no nays.

**X. CHAIRMAN COMMENTS – JOHN ANDERSON**

Chairman Anderson expressed his appreciation to Superintendent Chuck Myers, thanking him for all he has done for the Cemetery.

**XI. OTHER MATTERS**

Commissioner Wayne shared an article with the Cemetery Commission about the Cemetery's Memorial Garden Project.

**XII. CITIZENS OPPORTUNITY TO ADDRESS CEMETERY COMMISSION**

No Citizens were present.

**XIII. ADJOURNMENT**

There being no further business, Chairman Anderson asked for a motion to adjourn. Commissioner Thornburgh motioned, seconded by Commissioner Worobow. Motion carried unanimously by voice at 6:41pm.