

The City of Lake Forest  
Cemetery Commission Meeting  
***Proceedings of Wednesday October 26, 2022***  
Lake Forest Cemetery Gatehouse  
520 E. Spruce Avenue

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

Chairman John Anderson called the meeting to order at 5:00pm.

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

Staff Present: Chuck Myers, Superintendent of Parks & Forestry and Phil Alderks, Cemetery Sexton.

Others Present: Tony Hoban of William Blair

**II. APPROVAL OF MINUTES FROM APRIL 27, 2022 – JOHN ANDERSON**

Chairman Anderson asked the members of the Commission if there are any suggested adjustments for the April Meeting Minutes. Seeing none, he asked for a motion to approve the April minutes.

Commissioner Thornburgh motioned to approve the April minutes, seconded by Commissioner Dixon. The following voted "Aye": Commissioners' Chairman John Anderson, Lowell Dixon, Robert Thornburgh, Robert Wayne, and Robert Worobow. There were no "nays," and the motion carried.

**III. APPROVAL OF MINUTES FROM JULY 27, 2022 – JOHN ANDERSON**

Chairman Anderson then asked the members of the Commission if there are any adjustments for the July Meeting minutes. Seeing none, he asked for a motion to approve the July minutes.

Commissioner Worobow motioned to approve the July minutes, seconded by Robert Wayne. The following voted "Aye": Commissioners' Chairman John Anderson, Lowell Dixon, Robert Thornburgh, and Robert Wayne. There were no "nays," and the motion carried.

**IV. THIRD QUARTERLY INVESTMENT REPORT – TONY HOBAN**

Tony Hoban of William Blair presented the Third Quarter Investment Report to the Commission. He indicated that third quarter performance was a "bit of a rollercoaster." Hoban stated the total portfolio value was down -3.4%. Equities were -2.6% lower for the quarter compared to the S&P 500, which was down -4.9%. Fixed Income was down -2.2% compared to the Bloomberg Aggregate, which was -4.8% lower. Hoban further explained that fixed income markets are suffering worse than they have in 50 years. Also, he noted that although domestic equities underperformed for the quarter, the domestic equity 3-, 5-, and 7-year performance still looks strong relative to the S&P 500 or Russell 3000.

Chairman Anderson introduced the topic of potentially moving excess cash from the Cemetery operating account with the City to William Blair for investment. Following some discussion on potential cash needs for the Memorial Garden Phase II Project and the current market, Anderson said he and Sexton Alderks would follow up with the Finance Department to discuss options.

Hoban continued, explaining that as they look ahead to the next quarter, they expect further market volatility. Hoban said they will be looking to a more conservative asset allocation, investing accordingly, and not investing all into one single area. He stated they are looking for stocks of good companies that hold well in this difficult climate. Hoban concluded by stating that leading economic indicators continue to point to a further slowing in growth and most likely a recession. He said this recession will likely be milder due to strong household and corporate balance sheets, ongoing fiscal spending, and continued tightness in the labor market. Nevertheless, with inflation

remaining high and geopolitical tensions similarly elevated, the Cemetery is still well positioned with a long-term view to investing.

A motion was made by Commissioner Thornburgh instructing William Blair to continue with the current investment strategy, seconded by Commissioner Worobow. Motion passed unanimously.

**V. REVENUE/EXPENSE REPORT – PHIL ALDERKS**

Chairman Anderson reported that this year's revenues have been strong. Lot sales were projected to be around \$455,000 for the fiscal year and already YTD we have almost \$400,000 in lot sales. Anderson also stated it has been an unusual year regarding interments. Anderson said that the Cemetery has averaged roughly 70 interments per year for the last 10 years; however, in calendar year 2022 YTD we already have had 79 interments. Sexton Alderks commented that the Cemetery averages 1.4 interments per week and so far this year we are scheduling 2 to 4 services per week. Alderks also commented that he did not yet see this increase in interments as a trend or pattern.

Chairman Anderson also noted that there have been \$23,000 in lot buybacks so far this year and explained that it is hard to budget for those buybacks because the Cemetery never knows when those will happen. Sexton Alderks reassured the Commission that buybacks that include two or more graves do not remain in inventory long and sell quickly.

After a brief discussion Chairman Anderson asked if there were any questions. There were no further remarks or concerns.

**VI. CEMETERY UPDATES – VARIOUS MEMBERS**

**A. Memorial Garden Phase II**

Superintendent Myers updated the Commission on the Memorial Garden Phase II Project. He stated the bid documents are complete and the next step is the bid process. Myers said that the plan is to issue the bid for the project in November with the bid opening scheduled for December. The start date for the project would then be June 1, 2023 (after Memorial Day). He said that the summer timeframe would give the contractor ample time for any delays and the flexibility to be sensitive to funerals at the Cemetery. Myers said completion of Phase II will be set for the end of summer 2023.

Myers reminded the Commissioners that the niche units and the granite fronts have been ordered from Eichoff Columbaria and that this has already been approved by City Council. Myers said that because Eichoff does not have storage to keep the units, they will wait until the project has been bid and a contractor selected and then connect with the contractor for scheduling. Once the contractor has the niche wall foundations complete, Eichoff will deliver and install the niche units and granite niche fronts.

Superintendent Myers stated that at the next commission meeting, they will discuss the bid results. He explained that once the bid results are in, they need to be approved by the Commission and then by City Council. He also explained that he had discussed the bids and financing needs with Finance Director Elizabeth Holleb, and her initial thinking was that the best option would likely be to finance via a loan from the City.

Chairman Anderson asked Myers if there would need to be a special meeting to talk about the Phase II budget. Myers stated that this probably would not be needed and could be included in the next regular meeting of the Commission.

## **B. Other Improvements – Asphalt Patching Project**

Sexton Alderks reported that the Asphalt Patching Project has been completed. He explained that the Cemetery was able to tag onto the City's Overlay Program. He stated that the Cemetery paved an area roughly the size of 1.5 basketball courts. Alderks said this will give the Cemetery a few more years before needing a complete resurfacing (grinding and paving).

## **VII. CONSIDERATION OF FY2024 CEMETERY FEES, CHARGES – JOHN ANDERSON AND PHIL ALDERKS**

Sexton Alderks presented the Commission with the proposed FY2024 Cemetery Fees and Charges. He explained that proposed pricing for individual graves is increasing by roughly +2%, which ranges from +\$50 to +\$250 per grave. Alderks said that pricing for the Family Estate Lots has not changed for several years (due to relatively low demand for these higher-value lots) and consequently the proposed increase is now +4% to +5%. He noted that these lots have been purchased by those families desiring something different than a typical monument or small 2-crypt mausoleum.

Alderks said that based on suggestions from the Commission at the last meeting, the proposed price increase for the two mausoleum lots would be +21.4%. Commissioner Dixon said that he thought that was still too low. He stated he would like to see as much as +50% increase noting that these are valuable since there are only two mausoleum lots remaining. Alderks said that although there are only two mausoleum lots designated currently, there may be a possibility for a few additional mausoleum lots in the future (not yet designated). The Commission then discussed pricing for mausoleum lots and agreed on a +50% increase to better reflect their value.

A motion was made by Commissioner Dixon to approve the FY2024 Cemetery Fees including an increase to the mausoleum pricing of +50% to \$525,000 instead of the +21.4% increase as initially proposed. Seconded by Commissioner Worobow. Motion passed unanimously.

## **VIII. CONSIDERATION OF CEMETERY CAPITAL BUDGET – CHUCK MYERS**

Superintendent Myers reported there are no new Capital Improvement requests for FY2024. Myers said that the current Memorial Garden Phase II Project is a rollover from FY2023. He stated that FY2023 also included monies for design of the cold storage building. Myers commented that we will complete the design this upcoming fiscal year and budget for the construction in FY2025. He said the City Manager prefers that projects are designed in one fiscal year so that 'real' costs for the projects can be incorporated into the following year's budget. In turn, Myers expressed his desire to hold off on the construction, see what the building will cost based on the design, and put the actual construction of the building into the FY25 budget. The Commission then briefly discussed with Myers what the process would look like for getting the storage facility built.

## **IX. OTHER MATTERS**

1. Chairman Anderson reported on the communication he received just before the last Commission meeting from the Lake Forest Preservation Foundation (LFPF) which questioned placement and construction of structures in the Cemetery and expressed concerns about not involving "City boards" like the Historic Preservation Commission (HPC) in reviewing Cemetery plans and structures. Anderson stated that he has subsequently received clarification from the City about the Commission's authority, specifically that the Cemetery Commission does have sole authority within the Cemetery proper. He was informed by the City that the HPC is part of the review process for projects that affect the outward or public view of the Cemetery, but the

Cemetery Commission is responsible for stewardship of what happens inside the walls as far as monuments, mausoleums, etc. are concerned. Anderson also reminded the Commission that there is an existing master plan for the Cemetery and that they are stewards of the assets, beauty, and integrity of the Cemetery. He indicated that he has discussed this issue further with the Executive Director of the LPPF and believes it has been resolved.

2. Chairman Anderson informed the commission that Charles Franco, Cemetery staff member, will be retiring from the Cemetery mid-December and we are currently in the process of hiring another fulltime Maintenance Worker II.
3. Sexton Alderks presented a summary of the various maintenance problems that the Cemetery has experienced with contracted lawncare services. The Commission then discussed the importance of the quality of service required for our families and possible solutions to prevent any further maintenance.
4. Chairman Anderson presented the Commission meeting dates for 2023. Anderson stated that he will be out of town during the regularly scheduled April date and he would like to reschedule the meeting for the 12th of April. Anderson said this would then be considered a special meeting of the Cemetery Commission in place of the regular meeting.

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

No citizens present to address Cemetery Commission

**XI. NEXT MEETING: Wednesday, January 25, 2023, at 5:00pm**

Chairman Anderson noted that the next Cemetery Commission meeting will be at 5:00pm, Wednesday, January 25, 2023 at the Cemetery Gatehouse.

**XII. ADJOURNMENT**

There being no further business, Chairman Anderson asked for a motion. Commissioner Worobow motioned to adjourn, seconded by Commissioner Wayne. Motion carried unanimously by voice at 7:09pm.