



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2022-0039

TO: Mayor and City Council Members

FROM: Joe Snyder, Chief Financial Officer, x2534

DATE: February 7, 2022

SUBJECT: Van Hoosen Jones Stoney Creek Cemetery Perpetual Care Trust Fund / Document Update

REQUEST:

The Rochester Hills City Council is requested to approve an update to the Van Hoosen Jones Stoney Creek Cemetery Perpetual Care Trust Fund Document.

The City's Cemetery Citizens Advisory Committee unanimously approved recommending the proposed changes to City Council for formal approval on January 26, 2022.

BACKGROUND:

At the November 18, 2021 Cemetery Citizen Advisory Committee meeting, there was discussion from the Committee as to formally memorializing the intent of when the Van Hoosen Jones Stoney Creek Cemetery Perpetual Care Trust Fund ("the Trust") could be used to pay for the general care, maintenance, and improvement of the Cemetery per the Trust Document's guidelines.

It was decided at that meeting that the City's Chief Financial Officer would work in conjunction with Cemetery Citizens Advisory Committee member Mr. Keith Sawdon to draft language to be included into the Cemetery Perpetual Trust Document which more clearly identifies the long-term intent of the use of the Cemetery Perpetual Care Trust funds.

The language drafted by the Chief Financial Officer and Mr. Sawdon can be found in Section 2.3 (e) which states:

(e) The income and earnings of the Trust may be used to pay for the general care, maintenance, and improvement of the Cemetery when the anticipated annual investments earnings calculated at 6.0% of the total balance of the Trust is equal to or greater than the prior year actual Cemetery cost center's audited expenditure unless a unanimous vote of the Board of Trustees agree with its use and the Trust's 5-year projections support a managed use of Trust earnings.

This language provides clear calculable guidance to the City of Rochester Hills, the Cemetery Citizens Advisory Committee, and the Board of Trustees for the Cemetery Perpetual Care Trust as to the intent of the amount of funding required to be held in the Cemetery Perpetual Care Trust balance before the Cemetery Perpetual Care Trust can be utilized to help fund the general care, maintenance, and improvement of the Cemetery. The language also allows for a certain degree of flexibility to allow to the Board of Trustees for the Cemetery Perpetual Care Trust, to utilize a managed use of the Trust's earnings if the balance of the Trust does not meet or exceed the calculable guidance.

The remaining entirety of the Van Hoosen Jones Stoney Creek Cemetery Perpetual Care Trust Document was also reviewed in conjunction with the Board of Trustees for the Cemetery Perpetual Care Trust Bylaws for consistency.

RECOMMENDATION:

The Rochester Hills City Council is requested to approve an update to the Van Hoosen Jones Stoney Creek Cemetery Perpetual Care Trust Fund Document.

The City’s Cemetery Citizens Advisory Committee unanimously approved recommending the proposed changes to City Council for formal approval on January 26, 2022.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A