TOWN OF ELKTON

173 WEST SPOTSWOOD AVENUE
ELKTON, VIRGINIA 22827
298-1951

CEMETERY COMMISSION

Friday, January 14, 2005

Agenda

An organization Meeting is scheduled for January 26, 2005 @ 6 pm in the Council Chambers.

- ▲ Election of Officers
- ▲ General Discussion

cc: Dennis Donachy
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Lillian Nicholson
Cathy Murphy

Lee will contact Betty
1-24-05

CEMETERY COMMISSION

Thursday, March 22, 2007

Agenda

An organization Meeting is scheduled for Thursday, March 3, 2005@ 6 pm in the Council Chambers.

▲ Reorganization

cc: Dennis Donachy
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Lillian Nicholson
Cathy Murphy

CEMETERY COMMISSION

Agenda

May 12, 2005
6:00 pm
Council Chambers

Please read and review the attached copies of last month's (draft) meeting minutes and the suggested revisions to the Cemetery By-Laws. You are requested to bring your copies to the meeting with you for reference during the discussion.

cc: Dennis Donachy
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Lillian Nicholson
Cathy Murphy

CEMETERY COMMISSION

Issued

Agenda

Special Meeting Friday, May 20, 2005
@
6:30 PM in Council Chambers

1) Meeting is pertaining to cemetery money taken by Council.

2) Possibility of Town litigation being implemented.

cc: Dennis Donachy
Steve Sigafoose
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Lillian Nicholson
Cathy Murphy

CEMETERY COMMISSION

Issued :

Agenda

Cemetery Commission Meeting
Wednesday, June 1, 2005
@
6:30 PM in Council Chambers

Nathan Miller, Town Attorney, will be on hand to discuss Cemetery Rules.

cc: Dennis Donachy
Steve Sigafoose
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Lillian Nicholson
Cathy Murphy

CEMETERY COMMISSION

Agenda

Cemetery Commission Meeting
Tuesday, December 6, 2005
@
6:00 PM in Council Chambers

cc: Dennis Donachy
Steve Sigafoose
Lynn Meadows
Scott Baugher
Albert (Bill) Davis
M. Lee Dearing
Betty McGahey
Gerald Monger
Cathy Murphy

ELKTON CEMETERY COMMISSION

JANUARY 26, 2005

In absence of a Chair Person. Lee Dearing opened the meeting 6 P.M.

Roll was called with the following Commission Members present: Bill Davis, Scott Baugher, Lillian Nicholson, Lee Dearing, and Betty McGahey. Town Manager Dennis Donachy, Kathy Murphy and Joyce Stevens.

Secretary read September 29, 2004 minutes and December 14, 2004 minutes.
A motion made be Lillian Nicholson and seconded by Bill Davis the minutes were approved as read.

After some discussion as to the proposed changes of the Town Charter, the Commission was asked by the Town Manager what we stand for. What is our mission? He gave several issues, negotiate more Land from Dr. Downey and perhaps change the fees.
Depending on the cost of the land. Future acquisitions is anticipated to be much higher in the near future.

Lee Dearing was asked to contact Mr. Downey and we will meet again in very near future with our findings and proposals.

The Commission agreed not to change the prices of the present lots.

Mr. Whitfield has resigned, a motion made by Lillian and seconded by Bill to accept his resignation. A letter be sent thanking him for his service to the commission. A Motion was made by Lillian and seconded by Bill that Lee Dearing be Chairman of the Commission, motion carried.
A motion was made by Betty McGahey and seconded by Lillian Nicholson, Kathy Murphy fill the vacancy of Mr. Whitfield and become our new Secretary. Motion carried.

Kathy was asked to do a Mission Statement.

Meeting adjourned.

Sespectfully Submitted,

Betty McGahey, Secretary

ELKTON CEMETERY COMMISSION
Elkton, Virginia

January 26, 2005

Mr. Bob Whitfield
111 Morgan Ave.
Elkton, VA. 22827

Dear Mr. Whitfield:

It is with regret that we learned tonight at the Commission meeting of your resignation.

We sincerely thank you for the many hours of service you have devoted to the Cemetery Commission.

Our wish for you is good health and happiness.

Again we thank you.

Sincerely yours,

Betty McGahey, Secretary

CEMETERY COMMISSION-**DRAFT 3/2/05**

The Cemetery Commission is designed to provide Council with recommendations for improvement, future needs, to ensure proper management of funds, and to provide our deceased community members with a well maintained and peaceful final resting place.

The Cemetery Commission wishes to maintain a positive and productive relationship with the Council and community at large. Over the past year, there have been many discussions pertaining to cemetery funds, as well as the purpose of the Cemetery Commission.

We, the members of the Cemetery Commission, wish to make the following proposals for consideration by the Town Council:

1) The Council has stated the Town is due $140,000 from cemetery funds received for operational expenses incurred over the past four years. However, the Cemetery Commission disputes this figure. When researching past work orders related to the cemetery, it was found that only two valid work orders were on record. We suggest that salaries appointed to the cemetery funds are too high, both for Lynn Meadows and clerical help. Mr. Merica's current salary of $216.00 per week (from April to October of each year) totals $6,048 annually or $24,192 for four years. The Town cannot provide adequate documentation of proof for $140,000, and this is only an estimate. Furthermore, in years past, when the Town's finances were in an excessively positive balance, it was the intent not to charge for cemetery expenses.

Therefore, the Cemetery Commission recommends the proposed debt of $140,000 be forgiven and that new guidelines be considered for the next fiscal year as follows:

1) Start with a clean slate beginning July 1, 2005 in regard to funds received and needed to defray the Town's operational costs.

2) Recommend that Cemetery Director's time, as well as any clerical time, be charged hour for hour (as discussed by Mr. Donachy in January).
3) Recommend quarterly review of revenues vs. actual expenses between the Town Manager and Cemetery Commission Chair and to formulate an account reconciliation each quarter.
4) Highly recommend that all current perpetual and real estate funds be properly invested and removed from any Town checking accounts.
5) Recommend Council to set rates for gravesites each year. Currently a site costs $400.00 with half going into perpetual care and the other half going into the real estate fund. We request that $400.00 continue to be invested and split between the two accounts. (Anything over and beyond $400.00 that the Town wishes to charge, would then be placed into a cemetery maintenance fund. Reimbursement for actual expenses would occur on each quarter after the reconciliation process has been completed.)
6) Recommend no difference in gravesite pricing for in-town and out-of-town residents.
7) Mr. Merica's salary, Cemetery Director, and clerical would be paid from the cemetery maintenance fund. All equipment and supplies would be paid from the cemetery maintenance fund as well. No other expenses are to be charged to the cemetery maintenance fund, except what is directly related to the operation of the cemetery.
8) The Cemetery Commission recognizes that the Town maintenance fund may not be adequate to handle first year expenses. Therefore, the Cemetery Commission is willing to consider a release of funds to offset expenses during the first year only.
9) We recommend that families be contacted to see if any gravesites previously purchased are no longer needed and may be offered to other residents if so desired.
10) Dr. Downey has been approached about selling more land for cemetery purposes. The Town has a first option on this land. However, Dr. Downey at this time does not wish to sell additional land because of a tax concern. With this information,

the Cemetery Commission highly recommends the real estate funds be left as is for future purchases. In addition to future land purchases, the Cemetery Commission will be evaluating projects to enhance the cemetery overall, which will be paid from the real estate funds. Some of these projects, but not limited to, are:

a) New drainage as approved by the Cemetery Commission over the past year to alleviate a flooding problem for residents on North Street.
b) New entranceway with enhancements.
c) Recognition of Pauper and Slave gravesites.
d) Above ground burial such as mausoleum or other.
e) Resting place for cremated remains.
f) Improve storage building.
g) Evaluate trees and plants.
h) Park benches.

We are hopeful that the Town Council will receive our proposals as productive and positive. The Cemetery Commission and Town Council need to strive for a better and long lasting relationship, while working out strategies to ensure cemetery functions is not a financial hardship for the Town. Both groups must strive to maintain the highest caliber of services that our residents have come to expect. Future generations need to be assured that our cemetery will be in existence for generations to come.

Respectfully submitted,

M. Lee Dearing, Chair
Cemetery Commission Members

wk of 24th BETTY - NO TUESDAY
NHmilleo@HARRISBURGLOG.COM

SUGGESTIONS FOR CEMETERY COMMISSION

NOTE: THE FOLLOWING FIGURES ARE THE LATEST I HAVE HAD TO WORK WITH.
IF CHANGES ARE TO BE MADE WE MAY HAVE TO PAY TO THE TOWN $140,000.00, INSTEAD OF $112,877.00.
I WILL VERIFY THESE FIGURES WITH FAYE AS SOON AS POSSIBLE.
NOTE: I GUESS WHAT WE NEED TO KNOW IS IF YOU ARE IN AGREEMENT WITH THE FOLLOWING.
PLEASE LET ME KNOW AS SOON AS POSSIBLE.
The Perpetual Care Fund of the Cemetery has $322,160.04. (Figures from last report)
The Town Council says the Cemetery Fund owes them $140,000.00. According to Statement of Accountability, on June 2002 Fiscal Year Expenditures $27,123.00 was taken from the Perpetual Care Account. If this is true, then $27,123.00 should be deducted from the $140,000.00, leaving $112,877.00 owed the Elkton for 3 years instead of four years.
If we subtract $112,877.00 from $322,160.04, we end up with $209,283.04 in the Fund. $182,160.04
The records also show $201,333.82 in the Real Estate Fund. 383,493.86
At the present time there is a drainage project estimated at around $25,000.00. If the money in the amount of $112,877.00 was paid to the town and $50,000.00 was put into a capital improvement Fund, and $159,283.00 put into the Real Estate, this would deplete the Perpetual Care Fund, but making the Property Fund at this time amount to $360,616.82. $333,493.86 + 50,000 CAP IMP.
The Cemetery Commission would then recommend that 75% of the sales of Cemetery spaces go to Real Estate Fund and 25% go to capital improvement Fund.
The Cemetery Commission also recommends that all spaces in the Cemetery sell for $400 each at present time. This figure may be increased or decreased as determined by the Cemetery Commission as needed.
This would mean that $300.00 would go to Real Estate and $100.00 to capital improvements.
It is also recommended that no money could be spent from the Real Estate Fund until more land is purchased, and then at that time, if needed, land could be purchased and property could be developed from this Fund.
It is also recommended the Cemetery Commission can act on this without waiting for council action.
Concerning the capital improvement money, we suggest that any improvement over the amount of $5,000.00 be considered a capital improvement, and any thing less be classed as Cemetery up-keep.
It is recommended that all capital improvement projects be approved by the Town Council and the Cemetery Commission.
Cemetery up-keep shall also be known as Perpetual Care.
All spaces sold from this date on shall have Perpetual Care and no other taxes or charges shall be additional.
All spaces that do not have Perpetual Care shall, at the time of opening a grave shall be charged $125.00 for Perpetual Care. This $125.00 would go into the Property Fund.
Cemetery up-keep or Perpetual Care shall include all mowing, trimming, spraying, straightening of stones, cleaning stones, sweeping, snow removal, selling spaces, staking graves, record keeping, etc., moneys for this shall be Funded from the Town Treasury as stated in the charter, concerning providing a place for the dead.
We would like to keep everything in this simple, in layman's terms, so it can be easily understood what is intended, and so that Town Councils and Cemetery Commissioners in the future can accomplish the work needed without having to get a lawyers opinion every time money is spent.

REFERENDUM ???
(NEXT THURSDAY 27th NATHAN
CAN'T GOOD DISCUSSION
SINCERELY
569-1555

CEMETERY COMMISSION MEETING
APRIL 7, 2005
MINUTES
DRAFT

The Cemetery Commission met on Thursday, April 7, 2005 at 6:00 p.m. in Council Chambers. Chair Dearing called the meeting to order and Cathy Murphy did roll call.

PRESENT: Lee Dearing, Bill Davis, Lillian Nicholson, Betty McGahey, and Cathy Murphy.

ABSENT: Gerald Monger, Scott Baugher, and Councilman Steve Sigafoose.

Agenda items for the meeting included: History and Role of Cemetery Commission, Discussion of Council Proposals, Proposed Commission By Laws Amendments, and approval of minutes from Commission Meeting of March 2, 2005.

Mr. Dearing started the discussion with background history of the Commission and its role in terms of the deed from the Elk Run Cemetery Company to the Town of Elkton in 1985. The deed had three stipulations:

1) It (Town of Elkton) will manage the above described property as a community cemetery, the management of which shall be under the control of a commission appointed by the Town Council for that purpose.
2) That funds coming into its hands shall be managed for the purpose of perpetual care and accounted for in the Town's annual audit as a separate account.
3) The Town will have the right to be compensated for labor and materials used by it in the maintenance and care of the cemetery on the basis of fair market value of said labor and materials.

Further discussion pertained to a Resolution by the Town Council in 1985, under former Mayor Charles Dean, which outlined the direction of the newly acquired cemetery and the formation of the Cemetery Commission at that time. Key passages of this resolution state:

1) Terms of the Commissioners shall be for as long as such members consent to serve. Successor members shall be appointed by the Town Council.
2) The Commission is delegated the authority, subject to the direction of the Town Council, to hold, manage, improve and care of the Town cemetery, to establish policies for the regulation of the use of the ground therein, to establish charges and fees in connection therewith, to establish policies to provide for the perpetual upkeep and care of any plot or burial lot therein, and to advise and consult with the Town Council concerning additional matters related to the operation of the Town cemetery.

3) All monies paid for the perpetual upkeep and care of the Town cemetery shall be segregated and separately accounted for by the Town Treasurer and shall be audited annually with the other accounts of the Town. The Town Treasurer shall regularly provide current information concerning such monies to the Commission. No funds received for the perpetual upkeep of the Town cemetery shall be used for any other purpose. The Commission shall establish fair and reasonable fees to be credited to the Town's general revenues and debited from the account containing perpetual care funds and other monies from the Cemetery for the labor of Town employees, use of Town equipment, and materials used to manage and maintain the cemetery. Such fees shall accurately reflect the actual cost to the Town of such items.

The Commission then discussed current By Laws of the Cemetery Commission (approved by Council in 1997), considered Council's recent recommendations, and suggested possible changes. Draft of which is attached. Section 15 states: The Commission reserves the right to amend these bylaws at any time by a majority vote of all commissioners, but such amendments shall not affect any expenditures previously budgeted pursuant to these bylaws.

There was discussion as to whether the Town Manager should continue in the role of managing the day-to-day operations of the cemetery or whether the Cemetery Commission would like to return these responsibilities to the Commission as provided for in Section 16 of the Commission By Laws. This section states: The delegation of authority to the Town Manager shall be effective upon the approval of such delegation by the Town Council of the Town of Elkton and shall continue until either rescinded or modified by the Commission or approval thereof is withdrawn by the Town Council. The Commission works under the premise that if the deed gave the authority to the Commission to manage the cemetery, then it is also reasonable to believe the Commission could take back such authority, if desired. No action was taken on this discussion.

Chair Dearing then asked for the approval of minutes from March 2, 2005. Motion was given by Betty McGahey and second by Lillian Nicholson. Motion carried 5-0.

Chair Dearing stated upon completion of a draft of proposed amendments, he planned to present and discuss with Town Manager, Dennis Donachy, early next week.

With no further business, Chair Dearing adjourned the meeting.

Respectfully submitted,

Cathy H. Murphy
Commission Secretary

PROPOSAL FROM TOWN COUNCIL

1. Cemetery Commission is an advisory committee to the Council.

2. Current Real Estate Fund ($204,000) to be set aside and invested for purchase of Real Estate.

3. Current Perpetual Care Fund ($337,500) be changed to Operation Fund and used as follows:

    a. $150,000 be used to pay for past cemetery operations. ($25,000 a year for 6 years)

    b. $87,500 to be placed in Real Estate Fund.

    c. $100,000 to remain in the Operation Fund for maintenance, capital improvements and upkeep of the cemetery.

4. Increase cost of lots from $400 to $600 effective July 1, 2005.

5. $200 from sale of a lot to go into the Real Estate Fund and the remaining $400 goes in the Operation Fund.

6. Expenditure of Operational Fund to be for "actual" costs incurred. Expenditures for the Cemetery will be included in the Treasurer's monthly report.

7. Any funds remaining at the end of the fiscal year will be carried over to next year's budget.

8. The attached recommended By-Laws changes be adopted by the Cemetery Commission.

WHAT IS A COMMISSION ??
NEED A LIST OF PERPETUAL OWNERS
(CORE)

RECOMMENDED CHANGES TO CEMETERY COMMISSION BY-LAWS

1. SECTION 2. ~~ANNUAL MEETING~~ *MISSION; The Cemetery Commission responsibility is to oversee Cemetery operations and make recommendations regarding improvements, upgrades and/or deficiencies to the Town Council through the Special Department Coordinator and/or the Town Manager.*

2. SECTION 3. ~~SPECIAL MEETINGS~~ *MEETINGS.* The ~~annual~~ *quarterly* meetings of the Commission shall be held in the principal office of the Commission at ~~7:30 a.m.~~ *at a time set by the Commission* on the first Monday of February, *May, August and November* of each year or at such other place as the officers designate by proper notice to the members. *Special meetings of the members for any purpose or purposes may be called by the Chairman, or three members of the Commission.*

3. SECTION 5. QUORUM changed as follows; ~~Three~~ *Four* members of the Commission shall constitute a quorum.

4. SECTION 4. MEMBERS changed as follows; The Elkton Cemetery Commission shall consist of ~~seven~~ *six* persons appointed by the Elkton Town Council, ~~and~~ *who* shall serve at the pleasure of the Council, *and one member of Council.* Said members may or may not be citizens of the Town of Elkton *but must have an Elkton address.*

5. SECTION 13. PRESERVATION OF SPECIAL FUNDS changed as follows; The Town Manager shall ensure that all monetary funds designated for *Real Estate and Operation Funds* of the cemetery are maintained in separate investment accounts or financial products. ~~and the principal thereof shall not be used for operational purposes.~~ The Town Manager shall ensure that all monetary funds designated for real estate acquisition purposes are maintained in separate investment accounts or financial products and both interest, dividends and principal thereof shall be used for the purchase and development of real property for the cemetery and the expenses related thereof. *The Town Manager shall ensure that all monetary funds designated for the Operational Fund shall be used for the maintenance, capital improvements and perpetual care of the Cemetery*

TOWN OF ELKTON

173 WEST SPOTSWOOD AVENUE
ELKTON, VIRGINIA 22827
298-1951

Monday, September 26, 2005

To: Commission Members
Town Council Members

From: Lynn Meadows

Subject:

This correspondence is to update each of you regarding construction occurring in the Elk Run Cemetery. The building which contains supplies is scheduled to be moved to the other end of the cemetery behind the Section 9 area.

Once the building is relocated the area surrounding the building will be leveled and cleaned

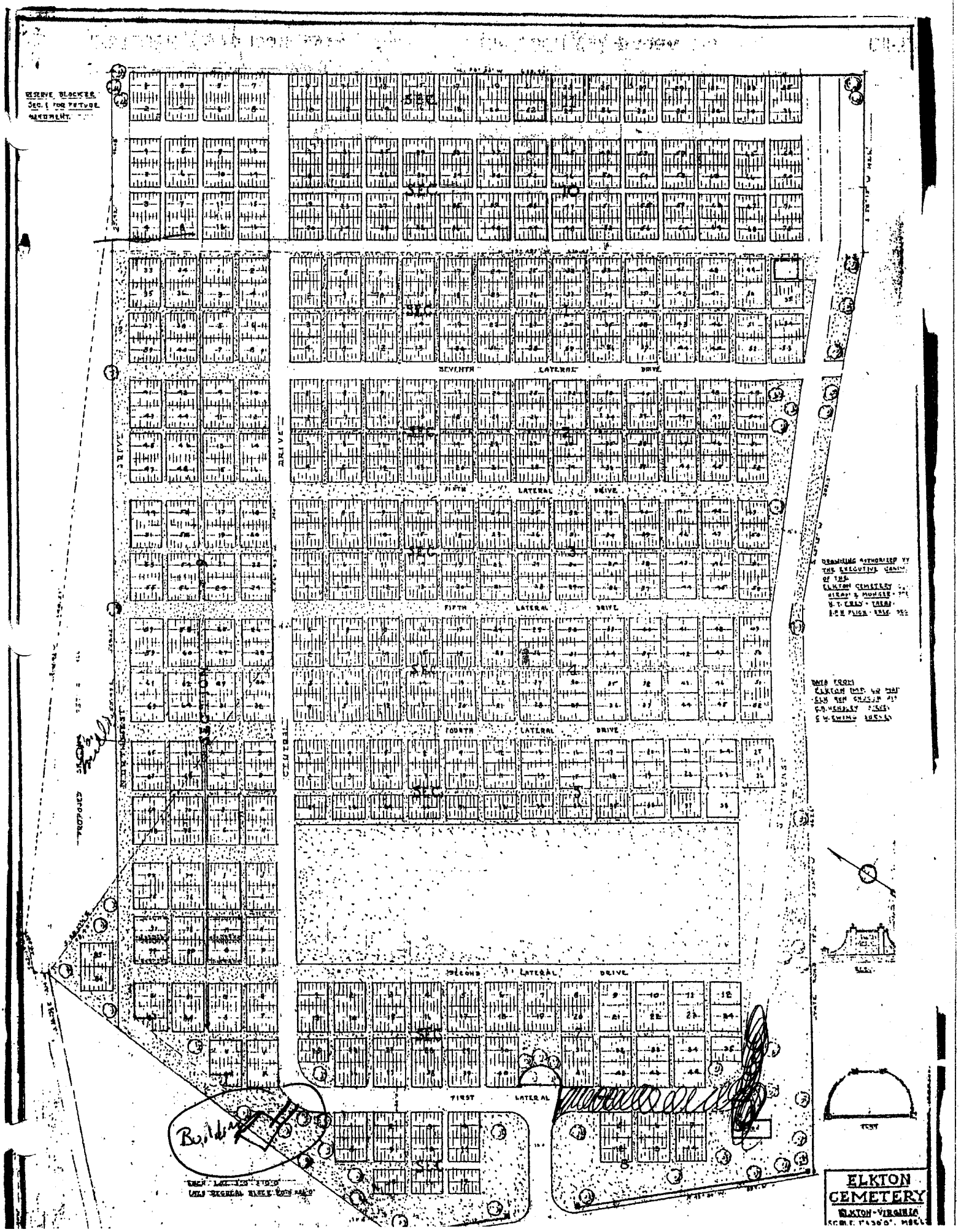
Entrance:

- ▲ Reseed
- ▲ Beautify for the opening of the time vault in 2008.
- ▲ Direct all questions and/or comments to:
  Lynn Meadows @ 578-4113 or e-mail to LMeadows@townofelkton.com
  Dennis Donachy @ 298-9840.

Sincerely,

Lynn Meadows

Lynn Meadows, Director of Elk Run Cemetery


RESERVE BLOCKER SEC. 1 FOR FUTURE MONUMENT.
SEC. 11
SEC. 10
SEC. 1
SEVENTH LATERAL DRIVE
SEC. 2
FIFTH LATERAL DRIVE
SEC. 3
FIFTH LATERAL DRIVE
SEC. 4
FOURTH LATERAL DRIVE
SEC. 5
SECOND LATERAL DRIVE
SEC. 6
FIRST LATERAL
SEC. 8
DRIVE
DRIVE
NORTHWEST
PROPOSED
DRAWING AUTHORIZED BY THE EXECUTIVE COMM. OF THE ELKTON CEMETERY
DATA FROM
ELKTON
CEMETERY
ELKTON-VIRGINIA

MINUTES
CEMETERY COMMISSION
Thursday, May 12, 2005

Chair Lee Dearing called the meeting to order and Cathy Murphy did roll call.

PRESENT: Lee Dearing, Gerald Monger. Lillian Nicholson, and Cathy Murphy

ABSENT: Scott Baugher, Bill Davis, Betty McGahey, and Councilman Steve Sigafoose

Mr. Dearing asked for the approval of minutes from April 7, 2005 and Mr. Monger moved to approve. Motion was second by Ms. Murphy and motion passed 4-0.

Mr. Dearing discussed the Town's proposal for cemetery funds and by-law changes, presented to Council from Mr. Donachy at a Special Council Meeting in April. Mr. Dearing and Ms. Murphy attended this meeting and it became obvious from comments, both from Mr. Donachy and Council members, the Cemetery Commission was to have no input in these discussions, and emphasized the fact that this meeting was just a workshop vs. a Special Council Meeting. However, the meeting was advertised as the latter. Mayor Printz did allow both Commissioners to voice concerns and participate in the discussion.

Mr. Dearing stated to the Commissioners that at no time had this proposal been formally presented to the Cemetery Commission nor did the Cemetery Commission know whether the proposal was finalized by Council. Mr. Dearing stated it was his understanding that once the Council had finalized its proposal. a joint meeting between the Council and Cemetery Commission was to occur. To date, this meeting has never happened.

Commission members reviewed the Council's draft proposal and discussed each item, line by line. The discussions then revolved about the Commission's last draft of its amended by-laws. More changes were made and a motion was placed by Mrs. Nicholson to approve the amended by-laws with these changes incorporated. Motion was second by Mr. Monger and passed 4-0. Mr. Dearing stated he would see that all Council members received a copy of these by-laws for discussion at the next Council Meeting, scheduled for May 16, 2005.

With no further business, Mr. Dearing adjourned the meeting at 7:30 p.m.

Respectfully submitted,

Cathy H. Murphy

Cathy H. Murphy
Cemetery Commission Secretary

PROPOSAL FROM TOWN COUNCIL

1. Cemetery Commission is an advisory committee to the Council.

2. Current Real Estate Fund ($204,000) to be set aside and invested for purchase of Real Estate.

3. Current Perpetual Care Fund ($337,500) be changed to Operation Fund and used as follows:

    a. $150,000 be used to pay for past cemetery operations. ($25,000 a year for 6 years)

    b. $87,500 to be placed in Real Estate Fund.

    c. $100,000 to remain in the Operation Fund for maintenance, capital improvements and upkeep of the cemetery.

4. Increase cost of lots from $400 to $600 effective July 1, 2005.

5. $200 from sale of a lot to go into the Real Estate Fund and the remaining $400 goes in the Operation Fund.

6. Expenditure of Operational Fund to be for "actual" costs incurred. Expenditures for the Cemetery will be included in the Treasurer's monthly report.

7. Any funds remaining at the end of the fiscal year will be carried over to next year's budget.

8. The attached recommended By-Laws changes be adopted by the Cemetery Commission.

Approved by Council on May 16 2005
[illegible] vote of 6-2.

CEMETERY COMMISSION
MINUTES
MAY 20, 2005

Chairman Lee Dearing called the meeting to order and Cathy Murphy did roll call.

PRESENT: Lee Dearing, Gerald Monger, Lillian Nicholson, Bill Davis, and Cathy Murphy

ABSENT: Scott Baugher, Betty McCrahey, and Councilman Steve Sigafoose

A motion was placed by Lillian Nicholson, second by Bill Davis, to approve the minutes from May 12, 2005. Motion was passed by a vote of 5-0.

Chairman Dearing called a Special Meeting of the Cemetery Commission to discuss the vote by Council on May 16, 2005 in which Council passed, by a vote of 4-2, to adopt new policies concerning funds related to the cemetery. The final proposal approved by Council is as follows:

1. Cemetery Commission is an advisory committee to the Council.
2. Current Real Estate Fund ($204,000) to be set aside and invested for purchase of Real Estate.
3. Current Perpetual Care Fund ($337,500) be changed to Operation Fund and used as follows:
    a. $150,000 be used to pay for past cemetery operations ($25,000 a year for 6 years);
    b. $87,500 to be placed in Real Estate Fund;
    c. $100,000 to remain in the Operation fund for maintenance, capital improvements and upkeep of the cemetery.
4. Increase cost of lots from $400 to $600 effective July 1, 2005.
5. $200 from sale of a lot to go into the Real Estate fund and the remaining $400 goes in the Operation Fund.
6. Expenditure of Operational Fund to be for "actual" costs incurred. Expenditures for the cemetery will be included in the Treasurer's monthly report.
7. Any funds remaining at the end of the fiscal year will be carried over to next year's budget.

The purpose of this meeting was to obtain direction from the Commission members as to what should be done concerning the Council's adopted proposal. Mr. Dearing stated he had spoken with Attorney Tom Miller, as well as the Town Auditor, Richard Phillips. Mr. Dearing stated he was very surprised to learn that Mr. Phillips stated he had never spoke with Town Manager, Dennis Donachy regarding cemetery funds. This point was made because Mr. Donachy had pointed out to Council that the current Perpetual Funds were deemed "an expendable fiduciary" account. According to Mr. Phillips, he has no

documentation to support this claim and further clarified that a fiduciary fund is a fiduciary fund-no more and no less.

Mr. Dearing stated he had spoken with Mr. Donachy regarding legal fees that may be incurred by the Cemetery Commission should a legal pursuit be initiated. Mr. Donachy stated to Mr. Dearing that this was discussed at the Council Meeting and the Town would cover no such expenditures.

There was also discussion concerning mismanagement of the Cemetery funds as a whole and how no credit was ever shown on an audit report for any revenue collected for sale of lots or newly acquired real estate which should be considered an asset to the Town's holdings.

Mr. Donachy was asked at the last Council Meeting why no capital improvements were being shown for the next fiscal year and his reply was "in order to have capital improvements, you must have revenue." When this statement was made, Councilman Pence asked if funds to be relinquished to the Town as per the proposal, only be spent for cemetery expenses. Councilman Snow replied that past money owed would be spent as the Council saw fit, possibly meaning the funds would be returned to General Government for any future expenditures in any category needed.

The Commission once again discussed the drainage problem in the cemetery and how this project was approved over a year ago. It is hard for the Commission to understand a new budget with no capital improvements included when the Council proposal states $150,000 will be returned for past expenditures.

The Commission also discussed how the cemetery funds would be used to offset other failing departments, such as Recreation, which is projected to have a deficit of over $75,000 in FY06. This is disturbing as when this was previously discussed with Council, there were assurances that a concerted effort would be made to make other departments self sufficient, whenever possible. However, the preliminary budget for FY06 shows no such action, other than the cemetery budget.

After much discussion about the direction the Commission should take, it was decided to invite Town Attorney, Nathan Miller, to our next meeting to answer questions and to clarify issues the Commission may have concerning policies and funds related to the cemetery.

With no further business, Chairman Dearing adjourned the meeting.

Respectfully submitted,

Cathy H. Murphy
Cemetery Commission Secretary