



Case Study

Unitrust Distribution Method Helps Triple Funds for Cemetery Care & Maintenance

Venice Memorial Gardens
Venice, Florida

Situation

The success of your cemetery is directly related to the maintenance of your cemetery grounds. In today's low-interest-rate environment, perpetual care cemeteries, such as Venice Memorial Gardens in Venice, Florida, have been challenged with projecting a stable annual budget for grounds upkeep. Before 2017, Florida's deathcare laws allowed John Williams, President of Venice Memorial Gardens and Farley Funeral Homes & Crematory, to withdraw only the income earned from the cemetery's perpetual care trust to help care for the cemetery - creating some budget uncertainty dependent entirely on the market.

Solution

In 2017, Florida amended its deathcare laws to permit a cemetery to utilize the total return investment approach. That approach permits a perpetual care trustee to invest the trust funds for total return and not just to create income. *FSI was the first deathcare industry company to promote adoption of the total return method.* Now, in conjunction with the total return investment approach, a cemetery may also use the unitrust distribution method. This method allows the cemetery to withdraw a percentage of the total market value of the trust, established at the end of the prior calendar year. This concept brings a greater annual distribution, while still growing the trust principal at a similar, if not greater rate than before. Distributed at regular periods, unitrust helps create budget certainty for the cemetery.

When Florida adopted total return and unitrust for the care and maintenance trust in early 2017, FSI transitioned Venice Memorial Gardens to help provide more funds and sustainability to its care and maintenance program.

Results

The first year that Venice Memorial Gardens was able to take advantage of the unitrust distribution method, its distributable funds for cemetery maintenance tripled. These additional funds helped the company increase its full-time-equivalent employees by 25%, enabling the team to spend more time improving the cemetery grounds than it has in nearly 20 years. This included addressing current and new projects at a quicker pace, such as removing old trees and installing new landscaping.

"The impact that unitrust has had on the company is truly remarkable and I am not sure how we were successful without it! I would be wrong to not thank Bill Williams and his team at FSI for being such strong advocates of unitrust, helping Florida officially adopt it, and making the transition absolutely seamless. We look forward to how we can further serve our clients and are beyond thankful to the increased resources that unitrust made possible."

- John Williams, President
Venice Memorial Gardens and Farley Funeral Homes & Crematory

