

State of North Carolina
Cemetery Commission Meeting Minutes
April 20, 2016

The North Carolina Cemetery Commission held a meeting on Wednesday, April 20, 2016 in The Hilton North Raleigh Midtown located at 3415 Wake Forest Rd, Raleigh, NC 27609. Those Members in attendance were President Gantt Stephens, Vice-President Glenn Cutler, Treasurer William "Bill" Gaffney, Commissioners Angie Thomas-Daoud, Brad Bailey, Heather Bosher, David Brown, Linda Cotten and John "Winn" Graham. Members of the public were also in attendance.

The meeting was called to order by President Stephens who called for a Moment of Reflection. First item was Agenda approval. Mr. Stephens made one revisions to the proposed agenda. Mrs. Cotten moved to approve the amended Agenda, Mr. Bailey seconded the motion, all voted in favor to accept the amended agenda.

Next up for approval were the minutes from the January 20, 2016 meeting. Mr. Brown moved to approve the minutes, Mr. Bailey seconded the motion. All voted in favor.

I. CONFLICTS OF INTEREST:

President Stephens declared that, in accordance with the State Government Ethics Act 138A15E, it is the duty of every Commission Member to avoid both conflicts of interest and appearances of conflict in regard to the matters being brought before them today and to refrain from any undue participation in the particular matter involved.

Mr. Stephens then asked if there were any conflicts of interest. There were none.

II. PRESIDENT'S REPORT:

Mr. Stephens asked if there were any questions related to the financial reports and noted that the independent CPA for the Commission was also available in the gallery to answer any questions. There were none.

Mr. Stephens reported that nine complaints have been received in 2016. Those nine complaints are either resolved or within the 20 day response period. 18 inspections have been completed since the January 20, 2016 meeting.

Mr. Stephens reported that 11 2015 Annual Reports are now delinquent: 003-Ashelawn Gardens, 164-Cabarrus, 025-Columbus, 027-Crestlawn MG, 033-Duplin, 165-Markham, 092-Mountain View MG, 163-Overlook, 127-Riverview MP, 129-Rockfish MC, 158-Yadkin. All monthly reports are up to date from all cemeteries with the exception of Pisgah View, Shepherd Memorial Park and West View Memorial Park. Those three cemeteries are late on their February 2016 reports. The President noted that he is concerned about Yadkin Memorial Park staying in compliance. The NCCC is working with Yadkin to return to compliance and is hopeful they will be responsive.

This concluded the President's report.

III. REQUESTS FROM THE PUBLIC TO ADDRESS THE COMMISSION:

There were no requests to address the Commission

IV. NEW BUSINESS:

There was no new business.

V. OLD BUSINESS:

- A.** Update on Ashelawn Gardens of Memory. Rose Cobb submitted a proposal to the NCCC of plan to restore Ashelawn to compliance with the Cemetery Act and satisfy the outstanding debts of Ashelawn. Mr. Fulcher provided an update on his receivership of Ashelawn. Mr. Stephens noted that the Buncombe County Sheriff's department has opened an investigation into the Ashelawn Trust Fund matter. Mr. Stephens also noted that the Buncombe County Tax Office was pursuing the collection of the past due property taxes. Mr. Stephens offered a deed in lieu of foreclosure to the county for the past due taxes but the county rejected the offer. Mr. Fulcher recommended the NCCC continue to allow Rose to operate the cemetery under his guidance and refine her plan to restore Ashelawn to firm financial footing. Mr. Stephens noted that there may be another offer to purchase Ashelawn to consider at the July meeting. Mr. Cutler made a motion to take no action at this time on Ashelawn. Mrs. Boshier Seconded. All voted in favor.
- B.** Update on Gethsemane Memorial Gardens. Mr. Stephens reported that the Commission's inspector had completed her inspection and her report of the deficiencies of the trust funds. Mr. John Gouch, Jr. distributed a written presentation to all the commissioners. Mr. Gouch then gave a lengthy and detailed presentation of how the problem occurred and the proposed solution to the problem. Mr. Gouch reported that many of the problems began with the departure of one employee and snowballed from there. Mr. Gouch stated that they have reassigned many of the duties required to stay in compliance with the statute and NCCC. Mr. Gouch reported that as of the end of March, 2016 there is no deficiency in the merchandise trust fund. Mr. Gouch proceeded to explain how the shortage was corrected and provided evidence of the current fund balances. Mr. Gouch then turned the floor over the Holly Sims to review how the pre construction project was remedied by either transferring purchasers to a new location in an existing building or refunding their money. Mr. Gouch then addressed the Perpetual Care deficiency. Mr. Gouch presented a plan to correct the PC shortage, pay 6% interest on the deficiency and pay a penalty of \$20,000. The proposal included payment by Gethsemane of \$12,216 per month for twelve months. Mr. Cutler asked what would happen if the proposed plan was approved by the NCCC yet Gethsemane failed to fulfill their end of the agreement. Dr. Gouch reassured the commission members that the requirements of the proposal would be fulfilled. Dr. Gouch went on to say that all the procedures were revised to prevent this issue from ever repeating. After much discussion among the Commission members Mr. Gaffney moved that the proposal submitted by Gethsemane be accepted provided that if the requirements of the proposal are not met and submitted on time then the maximum penalties will be levied against Gethsemane and the matter will be referred to the local DA. Mr. Graham seconded. All voted in favor.

(break 10:20AM to 10:35AM)

- C.** Personnel. Mrs. Cotten made a motion to enter executive session. Mr. Brown seconded. Executive Session began at 10:36AM and ended at 10:54AM.

VI. REMINDER OF NEXT MEETING:

Due to a scheduling conflict of some commissioners, Mr. Gaffney made a motion to

change the July meeting date to July 13th, 2016. Mrs. Cotten seconded. All voted in favor. (This motion could not be carried out due to the inability to secure a meeting room for July 13th.)

VII. ADJOURNMENT

Mr. Brown moved to adjourn. Mrs. Boshier seconded. All voted in favor. Meeting adjourned at 10:57 AM.