

State of North Carolina

Cemetery Commission Meeting Minutes

July 21, 2021

The North Carolina Cemetery Commission held a regularly scheduled quarterly meeting on Wednesday, July 21, 2021, at 10am at the Hilton North Raleigh Midtown hotel.

President William “Bill” Gaffney and the following Commissioners were present: Linda Cotten Dodson, Ebbie Whitley Hendren, Bobby Townsend, Dyanne Miller, Bonita Caldwell and Sharon Weaver. Gantt Stephens, as Director of Operations, was also in attendance, as well as members of the public.

The meeting was called to order by President Gaffney at 10:00 a.m. The President called for a Moment of Reflection.

The first item of the meeting was the agenda approval. Ms. Caldwell moved to approve the agenda as written. The motion was seconded by Mrs. Whitley Hendren. All voted in favor to accept the agenda as written.

The next item for approval was the minutes from the April 21st, 2021, of the NC Cemetery Commission meeting. After several revisions, Mrs. Whitley Hendren moved to approve the meeting minutes as revised. Ms. Miller seconded. All voted in favor.

The next item for approval was the minutes from the June 9th, 2021, of the NC Cemetery Commission Special meeting. Mrs. Cotten Dodson moved to approve the meeting minutes with one revision. The motion was seconded by Ms. Miller. All voted in favor.

I. Conflict of Interest:

President Gaffney declared that, in accordance with the State Government Ethics Act 138A 15E, it is the duty of every Commission member to avoid both conflicts of interest and appearances of conflicts regarding the matters being brought before them and to refrain from any undue participation in the matters involved.

Mr. William Gaffney recused himself from voting on any matters related to New Business items: B. Change of Trustee request from West Memorial Park, C. Change of Trustee request from Clark’s Chapel Cemetery, D. Change of Trustee request from Sky View Memorial Park.

Ms. Dyanne Miller recused herself from voting on any matters related to New Business items: B. Change of Trustee request from West Memorial Park, C. Change of Trustee request from Clark’s Chapel Cemetery, D. Change of Trustee request from Sky View Memorial Park.

II. Operations Report:

Mr. Stephens reported that there were forty-seven (47) complaints reported for this quarter, most of these were concerning three cemeteries. While reviewing financial statements, Mr. Stephens noted that Kathleen Kenny of Madison Caison CPA firm was in attendance and

available for any questions. Twenty-two (22) inspections have been completed since the last meeting.

III. **Requests from Public to Address Commission**

President Gaffney invited any member of the public wishing to address the Commission to come forward. No public members wished to address the Commission.

IV. **New Business:**

- a. **Change of Control – Forest Lawn Memorial Park- Hendersonville-** President Gaffney noted that the Commissioners have each received a copy of the Change of Control applications from Forest Lawn Memorial Park Cemetery. These packets include all the required information to transfer ownership of Forest Lawn Memorial Park #060 from Forest Lawn Mortuary, Inc. to Dignity Funeral Services. Mr. David Ferrell and Mr. James Altmeyer, representing the buyer, were present. Mrs. Whitley Hendren moved to approve the Change of Control application for Forest Lawn Memorial Park to Dignity Funeral Services. Ms. Miller seconded the motion. All voted in favor.
- b. **Change of Trustee request West Memorial Park-** President Gaffney, having recused himself from this agenda item, passed the gavel to Mrs. Cotten Dodson. Vice President Cotten Dodson noted that the Commissioners have each received a copy of the Change of Trustee request for West Memorial Park from Cemetery Funds of NC to Argent Trust. Mr. Justin Wilson and Mr. Mike Limos, representing Argent Trust, were present. Mrs. Hendren moved to approve the Change of Trustee request for West Memorial Park from Cemetery Funds of NC to Argent Trust. Ms. Caldwell seconded the motion. All voted in favor.
- c. **Change of Trustee request Clark’s Chapel Cemetery-** Vice President Cotten Dodson noted that the Commissioners have each received a copy of the Change of Trustee request from Clark’s Chapel Cemetery. These packets include all the required information to transfer trustee of this property from Cemetery Funds of NC to Argent. Mr. Justin Wilson and Mr. Mike Limos, representing Argent, were present. Mrs. Weaver moved to approve the Change of Trustee request for Clark’s Chapel Cemetery from Cemetery Funds of NC to Argent Trust. Ms. Caldwell seconded the motion. All voted in favor.
- d. **Change of Trustee request Sky View Memorial Park-** Vice President Cotten Dodson noted that the Commissioners have each received a copy of the Change of Trustee request from Sky View Memorial Park cemetery. These packets include all the required information to transfer trustee of this property from Cemetery Funds of NC to Argent Trust. Mr. Justin Wilson and Mr. Mike Limos, representing Argent, were present. Mrs. Hendren moved to approve the Change of Trustee request for Sky View Memorial Park from CemFunds to Argent. Mrs. Weaver seconded the motion. All voted in favor.
- e. **StoneMor Properties-** President Gaffney resumed control of the meeting. President Gaffney noted that the Commissioners have each received a copy of documentation of issues concerning three StoneMor properties. Mausoleum construction projects at Alamance Memorial Park and Carolina Biblical Gardens of Guilford are in violation of the Cemetery Act because of the delay in the start of construction. He also explained the

Commission has received numerous complaints regarding Perpetual Care and water drainage issues at Randolph Memorial Park. This documentation includes correspondence between StoneMor and the NCCC, information from complainants, Special Inspection reports, and Inspection Findings. Tamala Randolph and Jack Omer were present representing StoneMor.

Mr. Omer explained that StoneMor has been going through a transition of corporate and field leadership and that over the last three years StoneMor has emerged from some “dire financial situations” that has “prevented [StoneMor] from always doing the right thing within a timely manner”. Mr. Omer stated that an engineering firm has been hired to develop a comprehensive solution for Randolph which includes dredging a stream on the property, replacing several catch basins, and reworking the grade at the top left portion of the property. Mrs. Hendren stated that while it’s good there is a project planned to address the urgent issues, accommodations should be made in the interim.

Mr. Stephens addressed Mr. Omer regarding letters sent from Ms. Diane Burkholtz, Director of Trust, Credit & Collections for Stonemor and Lauren Kurtz, Legal and Compliance Manager for Stonemor. In a letter dated Sept 11, 2020, concerning Carolina Biblical mausoleum, Ms. Burkholtz states the cemetery expects to begin construction [Carolina Biblical Gardens of Guilford] in the first quarter of 2021. In a letter regarding Randolph Memorial Park, dated March 19, 2021, Ms. Kurtz states the cemetery expects the work to begin with 45-60 days. Mr. Stephens asked what could be done today that would lead the Commissioners to believe that the dates provided by StoneMor are legitimate and will be met.

Mrs. Hendren clarified that there were no permits issued currently for either pre-construction project, Alamance or Carolina Biblical, and also no contract for repairs at Randolph Memorial Park. Mr. Omer confirmed. Mrs. Hendren explained if these issues are not resolved prior to our next meeting, she will move to place the cemeteries in receivership. She clarified that her concern is for the families being impacted by these delays and that multiple complaints have been filed over several months. She reminded Mr. Omer that the Commission is responsible for being responsive to these complaints.

The following action items relating to Alamance, Randolph and Carolina Biblical were mandated by the Commissioners:

- Submit copies of contracts with Gibraltar for Alamance Memorial Park and Carolina Biblical Gardens of Guilford- including an updated breakdown of price-per-crypt to ensure proper trusting by August 6, 2021.
- Submit Building Permits for Alamance Memorial Park and Carolina Biblical Gardens of Guilford by August 6, 2021.
- Submit proof of activities to ensure consumers and the Commission that these issues are being addressed.

- Establish timeline for each project and submit to the Commission by August 20, 2021.
- Submit Timmons Engineering Scope of Work (Randolph) by August 20, 2021.
- Submit confirmation from Gibraltar that the expired cost-summary will be honored since there was discussion among the Commissioners whether the cost summary provided in 2020 would still be valid. Mr. Omer stated that Gibraltar has agreed to honor the 2020 document.

Mr. Gaffney clarified the actionable items due from StoneMor prior to each deadline with Mr. Omer, who verbalized understanding. No further discussion.

f. Smoky Mountain Memorial Park Inc. (SMMP)-

President Gaffney explained that Ms. Shelia Gahagan is the owner of Smoky Mountain Memorial Park, Inc. Ms. Gahagan has informed the Commission that she plans to sell land that belongs to the cemetery. The Commission has informed Ms. Gahagan in writing of *North Carolina Cemetery Act § 65-69 Minimum acreage; sale or disposition of cemetery lands specifically provides that: Any such act of subdivision is contrary North Carolina Law and is null and void.* She was informed, in writing, that the Commissioners' position is that this action would violate the North Carolina Cemetery Act.

Ms. Gahagan has notified the Commission via email that she has sold the land, deeded it to herself, and plans to sell to another party.

Mrs. Hendren moved that the Commission proceed with legal action to stop the illegal land sale and to seek receivership for the two cemeteries. Mrs. Cotten Dodson seconded the motion. All voted in favor.

- g. Approval of the budget-** A copy of the proposed budget had been provided to the members. Mr. Stephens noted that a representative of the accounting department, Kathleen Kenney, was present to answer any questions from the Commissioners. There were no questions. Mr. Townsend moved to approve the budget. Mrs. Cotten Dodson seconded the motion. All voted in favor.

V. Old Business:

- a. Crestlawn Memorial Gardens Receivership-** Mr. Gaffney stated he visited the cemetery yesterday July 20, 2021 and the grounds looked good. The cemetery still has a few complaints that need to be resolved, but overall seems to be doing much better. No further discussion.
- b. Harnett Devotional Gardens Receivership -** Mr. Gaffney reported that there is a potential buyer for the cemetery which would remedy the trust fund deficiencies.
- c. Shepherd Memorial Park-** There has been a high volume of complaints concerning the condition of the grounds at Shepherd. Special inspection findings reveal [Shepherd Memorial Park] has made no deposits in the Perpetual Care trust fund in the last 39 months.

The Commission agreed that a letter be sent to Shepherd Memorial Park allowing 20 days to cure the problems with both grounds' maintenance and the deficit in trust funds. If this is not resolved satisfactorily, the Commission will proceed to court for receivership.

VI. Election of Officers:

Ms. Miller moved to retain Mr. Gaffney as president, Mrs. Cotten Dodson as Vice President, and Mrs. Weaver as Treasurer. Mrs. Hendren seconded the motion. All voted in favor.

VII. REMINDER OF NEXT MEETING DATE:

October 20, 2021, at 10:00 a.m.

VIII. Adjournment:

Meeting Adjourned.