

**MINUTES**  
**BOARD OF FUNERAL, CEMETERY AND CONSUMER SERVICES**  
**June 25, 2015 - 10:00 A.M.**  
**Department of Financial Services**  
**2020 Capital Circle SE, Alexander Bldg #230**  
**Tallahassee, FL 32301**

**1. Call to Order, Preliminary Remarks and Roll Call**

Mr. Jody Brandenburg, Chair called the meeting to order at 10:00 am.

Mr. Doug Shropshire - As a preliminary matter, let me state for the record that my name is Doug Shropshire. I am Director of the Division of Funeral, Cemetery, and Consumer Services. Today is June 25, 2015; the time is approximately 10:00am. This is a public meeting of the Board of Funeral, Cemetery and Consumer Services. Notice of this meeting has been duly published in the Florida Administrative Register. An agenda for this meeting has been made available to interested persons. The meeting is occurring in the Alexander Building in Tallahassee FL. My Assistant, Ms LaTonya Bryant, is recording the meeting and will be preparing minutes of the meeting.

Persons speaking are requested to identify themselves for the record each time they speak. Participants are respectfully reminded that the Board Chair, Mr. Brandenburg, runs the meeting. Persons desiring to speak should initially ask the Chair for permission. Participants are requested to keep in mind the necessary protocol that only one person may speak at a time.

At this time I will take the roll and Board members will please respond clearly with "present", as preferred, when I call their name:

Joseph "Jody" Brandenburg, Chairman  
Keenan Knopke, Vice Chair  
Jean Anderson  
Andrew Clark  
Lewis "Lew" Hall  
Powell Helm  
Ken Jones  
Richard "Dick" Mueller  
Vanessa Oliver

**ABSENT:**

James "Jim" Davis

Mr. Shropshire – Mr. Chairman we have a quorum and the Board may proceed to address the matters on the agenda.

**Also noted as present:**

Tom Barnhart, Board Legal Advisor  
Ellen Simon, Assistant Director  
LaTonya Bryant, Department Staff  
Conor McLaughlin, Department Counsel  
Melissa Dembicer, Department Counsel  
Jasmin Richardson, Department Staff  
LaShonda Morris, Department Staff  
Christine Moore, Department Staff

**2. Action on the Minutes**

**A. June 4, 2015**

The Chair confirmed that all Board members had read the draft of the minutes of the previous Board meetings held on June 4, 2015.

**MOTION:** Mr. Powell Helm moved to adopt the minutes of the meeting. Mr. Dick Mueller seconded the motion, which passed unanimously.

**3. Old Business**

**A. Recommended for Approval with Conditions**

- (1) Application(s) to Organize a Cemetery Company (Phase 2) and Application for Preneed License**  
**(a) Fairway Memorial Properties, LLC d/b/a Fairway Memorial Gardens (Deerfield Beach)**

Mr. Shropshire – This Application to Organize a New Cemetery Company below was presented at the April 2, 2015 Board meeting and was approved subject to the conditions as set forth in the attached Board minutes from the April 2nd meeting. In response to the stated conditions by the Board for approval, the Applicant has provided all of the requested documentation in compliance with ss. 497.263(3). Fairway Memorial Properties, LLC d/b/a Fairway Memorial Gardens (Fairway) herein submits the following: (1) documentation to satisfy conditions for Phase 2 of an Application to Organize a New Cemetery Company, and (2) an Application for Preneed License for the above named cemetery property located at: 1391 NW 45<sup>th</sup> St, Deerfield Bch, FL 33064.

Application to Organize a New Cemetery Company (Phase 2)

Applicant has provided information that it has complied with the following statutory criteria and conditions of approval, as set forth in section 497.263(3), which provides as follows:

- (1) That Applicant establish a care and maintenance trust fund containing not less than \$50,000, certified by a trust company operating pursuant to Chapter 660, F.S., a state or national bank holding trust powers, or a savings and loan association holding trust powers, pursuant to a Board approved trust agreement.
- (2) Receipt by the Division an opinion or certification from a Florida title company or a letter signed by Applicant's attorney, certifying that the Applicant holds unencumbered fee simple title to all land as described to the Board in the materials provided to the Board herewith.
- (3) Receipt by the Division from Applicant or Applicant's attorney of evidence of approval of local zoning authorities, if approval is required. If no approval is required, Applicant may provide evidence of approval from residents adjacent to the proposed cemetery location.
- (4) That Applicant provides to the Division satisfactory evidence that it has fully developed at least 2 acres for use as burial space, and such development includes a roadway(s) to the developed section(s) within the first 12 months of operation.
- (5) That Applicant provides notification to the Division of the designated general manager of the cemetery who has 3 years of cemetery management experience, and the ability to operate a cemetery.
- (6) Receipt by the Division from Applicant's attorney, a written and signed attestation that the cemetery land identified in the application has been recorded in the public records of real estate in the county in which the cemetery land is located. Such notice must be clearly printed in at least 10-point type on the face of the deed or in a separate document containing a description of the property, the following language: *"The property described herein shall not be sold, conveyed, leased, mortgaged, or encumbered without the prior written approval of the Department of Financial Services, as provided in Chapter 497, Florida Statutes."*

The Division recommends approval subject to the condition that the Application for Preneed License be approved subject to approval of Phase 2 of the Application to Organize a New Cemetery Company.

Ms. Wendy Wiener – Very exciting day for the folks at Fairway Memorial and also I think for the Board this will be the first approval of a brand new cemetery in probably about ten (10) years or maybe even more, if you all vote to approve. We are just here to answer questions. Phase 2 was the much less involved application process but the potential Licensee has been hard at work doing the things necessary to achieve Phase 2 approval and those things are all set forth in your Board packet. One note that I want to make is that the documents that you see that will be executed, both the attorney's opinion on title and also the cemetery, notice those will be executed and submitted to the Division with proof of the cemetery notices filing in the public records. I believe that that will be the event that actually triggers the issuance of the license. So we are still a few days from getting those documents signed.

Mr. Keenan Knopke – In the Board package, the electronic page 35, which looks similar to what you have on your poster Board there except it is in color. It looks like it shows the entrance off of NW 45<sup>th</sup> Street. Where is the two (2) acres that is developed? When I looked I thought, wow, it looks like more than two (2) acres.

Chair – Shall we swear the gentleman in, please?

Mr. Shropshire – Please raise your right hand. Do you solemnly swear that the testimony you are about to give in this matter will be the truth, the whole truth and nothing but the truth so help you God?

Mr. Ralph Edward Little, III – I do. Mr. Knopke, Phase 1 is really end to end of the lower part of the property, so about ten (10) acres altogether. Our initial areas where we will inter people are plots in these four (4) pods that you see. This is our initial mausoleum building and the pet cemetery is over here. This is our first mausoleum building that is expandable. Our funeral home will be in this general area, which you see. As we develop we can expand more.

Mr. Knopke – The statute says you got to have at least two (2) acres developed to start with. I assume that has occurred.

Ms. Wiener – Yes and we provided Mr. Shropshire this morning with a copy of the actual map that is required for development of the section showing the survey markers.

**MOTION:** Mr. Knopke moved to approve Phase 2 of the Application to Organize a New Cemetery Company subject to the condition that the Application for Preneed License be approved. Mr. Mueller seconded the motion, which passed unanimously.

Application for Preneed License

Mr. Shropshire – The preneed application was received by the Division on April 14, 2015 and no deficiencies were noted on the application. A completed background check of all owners revealed no criminal history. If Phase 2 of Applicant’s Application to Organize a Cemetery and Preneed License are approved, the Applicant will operate under the name Fairway Memorial Properties, LLC d/b/a Fairway Memorial Gardens, as above noted, and this location will serve as the qualifying establishment license for the preneed main license. Additionally, Applicant will use the pre-approved Funeral Services, Inc. (FSI) First Florida Trust Agreement (Sabal Trust Company) and pre-arranged funeral agreement.

As previously noted, documentation establishes that Ralph Little (a principal of Applicant herein of the proposed Licensee) was a passive investor along with Old Saybrook Golf Capital Portfolio II, LLC (OSGC), and later acted as Manager of Kent Golf Club LLC (Kent), a developing golf club in Connecticut. Kent defaulted under an operating agreement with OSGC and was ultimately sued by OSGC in 2004. As a result, Mr. Little, acting as Manager of Kent, submitted an alternative plan of reorganization for Kent under the Ch. 11 US Bankruptcy Code in 2006, which was agreed to by all parties, adopted, and then conveyed to a successor entity, the Bulls Bridge Golf Club, Inc (BGGC), of which Mr. Little was appointed director and currently serves in this position. This was an involuntarily bankruptcy action filed by Kent. Mr. Little has provided a sworn notarized statement documenting the disclosed bankruptcy (please see sworn statement by Ralph Little dated February 17, 2015). The Applicant’s financial statement projected as of April 13, 2015 reflects the following:

Outstanding Preneed Contracts	= \$	0
Required Net Worth	= \$	50,000
Reported Net Worth	= \$	50,000

**MOTION:** Mr. Helm moved to approve the Application for Preneed License. Mr. Mueller seconded the motion, which passed unanimously.

**(2) Preneed Sales Agreement(s)**  
**(a) Loyal Christian Benefit Association (Eerie, PA)**

Mr. Shropshire – This preneed sales agreement was presented at the June 4, 2015 Board teleconference meeting and was tabled subject to Loyal Christian Benefit Association (LCBA) agreeing to revise and re-submit the agreement, as set forth in the attached Board minutes from the June 4<sup>th</sup> meeting. In response to the stated suggestions, LCBA has incorporated these changes to their revised agreements.

Loyal Christian Benefit Association (LCBA) submits the attached preneed sales agreement forms for approval: Guaranteed Preneed Funeral Planning Agreement and Assignment (Form SRV15PGGSFC-FL) and Non-Guaranteed Preneed Funeral Planning Agreement and Assignment (Form SRV15PNGGSFC-FL). If the forms are approved, they will be used for the sale of insurance-funded preneed contracts by various licensed preneed establishments and their related preneed branches. LCBA

received approval for authorization of the sale of insurance products from the Florida Office of Insurance Regulation as of May 4, 1969, and is currently active.

Subject to the materials going out, the Applicant has made certain additional changes pursuant to discussion with the Division.

Chair – The Division is satisfied with this agreement?

Mr. Shropshire – Yes sir. The Division recommends approval subject to the condition that two full sized print-ready copies of each contract are received by the Department within 60 days of this Board meeting.

Mr. Mueller – Mr. Shropshire, what specifically were the changes?

Mr. Shropshire – They are highlighted in yellow.

Mr. Mueller – As for the merchandise for Houston Cemetery, this contract will specifically name a memorial size, material and all of that?

Mr. Shropshire – If one is included, yes sir.

**MOTION:** Mr. Mueller moved to approve the agreement subject to the condition that two full sized print-ready copies of each contract are received by the Department within 60 days of this Board meeting. Mr. Lew Hall seconded the motion, which passed unanimously.

**(3) Collective Action – Disciplinary Settlement Stipulation and Preneed Main License Renewal  
(a) Pershing Industries, Inc. (F019231) and Vista Funeral Home, Inc. (F019284)**

Mr. Shropshire – This is a collective action relating to disciplinary action and preneed license renewals for two (2) Licensees, Pershing Industries, Inc d/b/a Vista Memorial Gardens and Vista Funeral Home, Inc. This item has been before the Board on two (2) previous occasions. The Division has worked on a revised proposed Settlement Stipulation that is being presented to the Board at this time. Pursuant to that Settlement Stipulation, the Licensee will correct the deficit, in cash, in both of the preneed trusts, on or before September 3, 2015 and lost earnings will be restored to the cemetery preneed trust as indicated in the materials provided to the Board. The Licensee will pay an \$80,000 fine in two (2) installments, \$40,000 due within thirty (30) days of filing a Consent Order approving the proposed settlement being presented today and \$40,000 due on September 2, 2016. Approval of this settlement would also result in the renewal of the Vista Funeral Home preneed license for the interim period until closing of the sale to StoneMor, which is to be addressed in the next item if the Board approves this settlement. Approval of this settlement would also renew the Vista Memorial Gardens preneed license for a normal one (1) year period. Pursuant to this settlement, Mr. Mark Revitz is permanently prevented from future ownership control or employment in additional Chapter 497 Licensees. The Division recommends approval of this proposed settlement subject to the three (3) conditions indicated in the material provided to the Board.

Mr. John Rudolph – May I first read a letter from Mark Revitz?

Chair – Please.

Mr. Rudolph – I am John Rudolph and work for Vista Memorial Gardens and Vista Funeral Home. *“Chairman Brandenburg and members of the Board: Unfortunately I am unable to be with you today for family reasons, but I did want my voice heard by each of you even if only by written word. It is important that you know how much I appreciate the time and consideration that has been given to this matter. While appreciative, I am also embarrassed by the facts. An entity I love is what has caused so much time to have been dedicated by you and the staff of the Department. All of this time to find a resolution to a problem I wish I could have solved myself long before today. In March of 2008, Pershing Industries, Inc and Vista Funeral Home, Inc both received, from the State of Florida, a clean examination report with no significant findings. In June of 2013, the Department performed an examination for the periods of April 2008 through December 2012. More than a year prior to the 2013 exam, Pershing and Vista came to the Department with our concerns regarding deficits in both trusts and our lack of success at rectifying the situation through the sale real estate that had been pledged to both*

*of the trust. There are two (2) important points to make here. One (1), I am in no way making excuses for our mistakes and two (2), the real estate pledge had appraisals totaling more than \$1 million more than the underfunded trust. All along we believed the promissory agreements and debentures that were 100% secured by real estate interest properly satisfied the reserve requirements. We were wrong. I was wrong. Our actions were a violation of Chapter 497, F.S. I take full responsibility for making a bad decision. I should be blamed for poor judgment linked to trusting matters. I am however proud of one (1) thing, our commitment to serving our customers in a community at large. During all of this time we have continued our commitment to the military and first responders by providing substantially discounted and no cost funeral services and burials to soldiers who lost their lives in defense of our nation, as well as first responders who protect our local community. I am also proud that neither Pershing nor Vista Funeral Home had any complaints from consumers during this time, which is consistent with both businesses practices from the beginning. We have always stood by our commitments and delivered all of the goods and services promised. As it became clear we had made an error in committing to the trust's personal real estate holdings, we put all of those properties on the market in the hopes of selling them and correcting the deficits in the two (2) trusts with cash from the proceeds of the sales. Additionally, we attempted to secure a mortgage on the administration building, which is debt free. Unfortunately, this proved unsuccessful due to new lending requirements. I was able to sell my personal home and use the net proceeds to satisfy just under \$1.1 million of the trust. We did not have as much luck with the other properties and still found ourselves roughly \$3.5 million short of what was needed. As difficult as it was for me to make this decision, it was clear that I had no other choice but to sell an asset that had been in my family for almost forty (40) years. After losing my home, my reputation and unfortunately my sister who succumbed to cancer in April, I have no other choice but to sell Vista Funeral Home. Not an easy decision, but the correct decision nonetheless. As I stated at the beginning of this letter, I am embarrassed that a Board that I was once a member of has to make a decision like the one (1) before you today on a company that I have run. I am comfortable with the decision and am confident that our customers and future customers will be very well served by the proposed buyer of the funeral home. I also take great relief that with the proceeds of the funeral home, both deficits will be covered. I understand the concerns that the Board has struggled with regarding the preneed trusts of the funeral home and cemetery and that the punishment should be strong. While I struggle with the harshness of the penalty suggested by the Division, I accept it. I agree to seek no license under Florida Statutes 497, other than the license for Vista Memorial Gardens, nor will I be employed by any other entity covered under this statute. With bad decisions comes penalties and fines and I accept the ones suggested by the Department. Contrition has been defined as sincere remorse for wrongdoing. As I write this letter to each of you today, I am sincerely sorry for the mistakes that have been made and am hopeful that the Board will accept the settlement being offered today."*

Mr. Rudolph – I have copies of this letter and I would like to deliver the original to the Chairman and copies to the Board members.

Chair – Make sure LaTonya gets one (1) for the record.

Ms. Vanessa Oliver – Mr. Rudolph, I want to thank you. I want to thank Mr. Shropshire. I think you guys put together a really strong Settlement Agreement. I know it took a lot of work, but I do just have a few questions. As far as transferring the North Carolina properties to the Division, I believe that was to repay the \$80k or so in interest money, who is paying for the closing costs and the title insurance?

Mr. Rudolph – That will be done by Vista. What is happening is they are getting a North Carolina lawyer to draft deeds for both of those lots, two (2) \$80k lots, to transfer them directly to the trustee of the cemetery funds. That money, when they liquidate it, that whole amount will stay in there. What is interesting is the Settlement Stipulation says it is going to principal. Really this is owner income so it should be treated as income but under the Settlement Stipulation it was assigned as principal and it will stay there. That will be done a short period of time after the Settlement Stipulation is signed.

Ms. Oliver – Is there going to be any sort of management agreement with StoneMor for the cemetery or will Mr. Revitz continue to operate that himself?

Mr. Rudolph – What we have right now, and I can tell you we are still in negotiations. We have an Asset Purchase Agreement.

Ms. Wiener – It is going to be called a Cooperation Agreement between StoneMor and the existing cemetery Licensee, but the details of that have not yet been settled upon just because of timing, travel and things of that nature.

Mr. Shropshire – Let the record show that that was Wendy Wiener, attorney for StoneMor.

Mr. Rudolph – It also has issues involved with how they handle the sales. We are in agreement on some of those things and we would like to see as much of the sales, other than the at-need sales, be sold by StoneMor, but we have not committed to that.

Mr. Hall – I too am excited about the possibility and I appreciate the work put into it. A couple of concerns that I just have is that I would personally like to see the fine taken from the proceeds right up front. I do not know why we should wait another year to have the balance of that fine paid. I would like to see that taken care of. Again, my concern is, and I think what Ms. Oliver is alluding to is the fact that we are signing agreements saying we will not ask for any more licenses under Chapter 497, F.S., however, let me keep the one (1) I have with the cemetery. With the magnitude of the problem we had here and the seriousness of it that concerns me in regards to the safety of the public, how they are exposed. Would this group offer to come in with an independent audit with mutually agreed upon CPAs on a six (6) month basis during this time?

Mr. Rudolph – Are you talking about the State coming in?

Mr. Hall – The cemetery. You all mutually agree upon a CPA outside of your firm providing an audit on the preneed sales, financials, etc on this company, to the Division.

Mr. Rudolph – That is something I would have to discuss with my clients.

Mr. Hall – That part concerns me because in reality there is somewhat, to me, a teaser in the contract that says we may sell the cemetery later. That would be my hope and desire.

Mr. Rudolph – I think that it is Mark Revitz's desire within the next few years that he will get out of the cemetery permanently and he would sell.

Mr. Hall – Would agree to some type Sunset Provision to sell in a couple of years, to anybody?

Mr. Rudolph – The big problem with having a Sunset Agreement is that hinders your ability to negotiate. If somebody knows you are under a deadline imposed by a Board, they are not going to want to pay as much the property is worth. I think what we could do is provide quarterly financials and quarterly trust remittance reports to the Department, and if the Department sees anything wrong agree that the Department can come in and perform an examination.

Mr. Hall – You can understand the heartburn we would have if we exposed the public to risk. So that is why I am saying for protection for them and us, we come in with these audits, we provide them to the State and we handle it that way. If they had some type of set agreement for two (2) years or something, would that not give adequate time and not put the pressure on to take the first offer?

Mr. Rudolph – For the Department to do an audit every two (2) years, absolutely.

Mr. Hall – I am not saying an audit every two (2) years. Go back to your example of the quarterly reports or even if you want to do it six (6) months, but have some light at the end of the tunnel so we know that this person is stepping away from Chapter 497, F.S.

Mr. Rudolph – Let me talk to him about that.

Mr. Shropshire – If I can get some clarification from Mr. Hall. Would it be satisfactory and address your concern if what was agreed to was outside independent CPA firm comes in and conducts a review pursuant to agreed procedures, and the procedures are agreed to by the Department, rather than an audit because an audit has connotations?

Mr. Hall – I am happy with that.

Mr. Les Klein – We have no problem sending whatever PNL renewal applications in, quarterly or semiannually.

Chair – Mr. Klein would you please be sworn in.

Mr. Shropshire – Please raise your right hand. Do you solemnly swear that the testimony you are about to give in this proceeding will be the truth, the whole truth and nothing but the truth?

Mr. Klein – I do. We can send the same information in the PNL renewal application quarterly. We can send in reconciliation of trust quarterly and also the trust report, which shows how much should be trusted so you can reconcile it with the money being put in. That can easily be done.

Mr. Hall – Since we are separating the PNLs now, between the cemetery and the funeral home, can we have an agreement that maybe you all have sixty (60) days to submit new financials on the cemetery to the Division for the Board to review because they are not separated now? We can look at those separately as a cemetery for the renewal. Maybe if it is agreeable with Mr. Shropshire, you think sixty (60) days or ninety (90) days for them to provide that would meet your satisfaction?

Mr. Shropshire – Yes sir. Going back, if I might, to the agreed procedures, what I would contemplate would be something along the lines of the CPA drawing a random sample of new sales and assuring proper trusting has occurred and providing a report to the Division.

Mr. Rudolph – So you want the financials, just with the cemetery, provided to you in two (2) months and hold off the approval of the preneed license?

Mr. Hall – No, I think the preneed could continue, correct Mr. Shropshire? During that period you could continue to write preneed, but within sixty (60) days Doug would receive the new financials on the cemetery and allow the Board to view those because we are not seeing those separately.

Mr. Klein – That is fine. In addition to the financial statements I will also submit to you the appraisal of the administration building.

Mr. Hall – I think we have that on file now. Is that building on a separate lot than the cemetery?

Mr. Rudolph – Yes it is.

Mr. Knopke – Mr. Klein, when you all self-reported to the Department, had you started making regular trust payments at that point in time?

Mr. Klein – Yes.

Mr. Knopke – And you have continued to make those every month as required since 2012?

Mr. Klein – Correct

Mr. Knopke – Have you been examined since then?

Mr. Klein – No we have not.

Mr. Helm – Does any of this need to be added as a condition?

Mr. Rudolph – I have to step outside and talk to my client.

Chair – Would you do that and we will go on to the next case and come back after that?

Mr. Rudolph – The next case is this one, but I think we can get this resolved pretty quickly. Is that alright?

Chair – Yes.

Ms. Oliver – Mr. Chair, just to clarify, as part of that are we going to be discussing having the fine money paid directly out of the proceeds instead of doing the properties?

Mr. Rudolph – Yes.

Mr. Shropshire – So \$80k would be paid within thirty (30) days of closing?

Mr. Rudolph – Yes, within thirty (30) days of the closing of the sale.

Mr. Shropshire – If I may, a second issue is the independent CPA. A third issue is would you agree to a Sunset Provision, per discussion with your client. Did I miss anything, Mr. Hall?

Ms. Wiener – Mr. Chair, do you want to take up the acquisition since it is contingent?

Chair –Yes, let's do that.

Mr. Shropshire – The Division would recommend against approval if the Board is not going to approve the settlement.

\*\*\*Mr. Rudolph stepped out into the hall briefly to speak with his client\*\*\*

Mr. Rudolph – We have agreed that we will pay the \$80k out of pocket. We also agreed that we will do an agreed upon procedure with a CPA every six (6) and provide that to the Division, as well as quarterly reports that we are going to provide of the trusts and financial statements for the cemetery after the closing.

Mr. Hall – The independent CPA that is going to work on this will be paid by you, according to GAAP.

Mr. Shropshire – The CPA will be mutually agreed upon between the Division and the company.

Mr. Rudolph – Now on the two (2) year period, we are selling to StoneMor and we have a Cooperation Agreement with StoneMor. To say that we are going to sell the cemetery in two (2) years is going to potentially harm them as well as us for a resale of the cemetery and potentially the funeral home with the add-on since somebody would know that we are in a deadline to sell by the Board. I know that it is Mark Revitz's desire to get out of this Industry. I know he is tired. I know he signed that Stipulation that he would not be anywhere, do anything with anybody else. I am not sure if we had gone to hearing that that would have been done. That is an extraordinary remedy that he agreed to so respectfully I do not think that we can agree to that.

Mr. Hall – It remedies that problem for the future but we still have the exposure here for that.

Mr. Rudolph – I agree. You are going to get a CPA, agreed upon procedures every six (6) months. You are going to get us coming before the Board every year for our renewal. You are going to have opportunities, if there is anything that goes wrong. You can come back and say, you entered into a settlement and you did it again, death penalty.

Mr. Hall – Are we in agreement then to that we will defer the financials and stuff for sixty (60) days on the cemetery if this is approved and it goes forward with closing? You will provide the current financials on the cemetery after it closes to Mr. Shropshire?

Mr. Shropshire – I understand Mr. Hall, so the PNL for the cemetery would be approved conditionally. If they do not get the financials in within sixty (60) days to the Division then the PNL for the cemetery would terminate. The renewal is approved conditionally.

Mr. Hall – You have to meet those qualifications.

Mr. Rudolph – If we meet the qualifications now, technically we are entitled to a preneed license for the entire period. If we the requirements at the end of the six (6) months because we are going to be providing it to you.



Mr. Shropshire – It is relatively innocuous condition. Say yes.

Mr. Rudolph – Ok, yes.

Chair – Mr. Klein, what will be your position at the cemetery after the sale of the funeral home?

Mr. Klein – I will be in the same position. I will be comptroller for the company.

**MOTION:** Mr. Knopke moved to accept the Settlement Stipulation with the conditions recommended by the Division and agreed upon by the Respondent’s counsel. Mr. Ken Jones seconded the motion, which passed unanimously.

**MOTION:** Mr. Knopke moved to approve the Preneed License Renewal. Mr. Jones seconded the motion, which passed unanimously.

**(4) Application(s) for Approval of a Change of Ownership**  
**(a) StoneMor Florida Subsidiary LLC to acquire Vista Funeral Home, Inc.**

Mr. Shropshire – The Division recommends approval of this application for change of ownership subject to the conditions set forth in the materials provided to the Board.

Chair – We talked earlier about a precedence being set with the new cemetery. I think a precedent is being set now where we see Mr. Rudolph and Ms. Wiener at the podium, on the same side.

Ms. Oliver – For the record, this is an arm’s length transaction and there is no affiliation between the two (2) parties?

Ms. Wiener – Absolutely!

**MOTION:** Mr. Helm moved to approve the application subject to the conditions recommended by the Division. Mr. Mueller seconded the motion, which passed unanimously.

**4. Disciplinary Proceedings:**

**A. Settlement Stipulation(s)**

**(1) Waiver of Probable Cause**

**(a) International Cremation Society, Inc. d/b/a ICS Cremation Society: Case No. 171407-15-FC; Division No. ATN-24573 (F054865)**

Mr. Conor McLaughlin – The Division alleges that the Licensee failed to honor a preneed contract cancellation request and issue a timely refund, failed to use a preneed contract form for a preneed transaction, failed to provide an adequate description of the merchandise on a contract and failed to make any trust deposit for a preneed contract. International Cremation Society, Inc. d/b/a ICS Cremation Society has waived probable cause and agreed to pay a fine of \$3500 and to be placed on one year probation.

The terms of the Settlement Stipulation are reasonable under the facts and circumstances of this case. The Department requests that the Board approve the Settlement and issue the Consent Order to conclude this matter. In lieu of filing an Administrative Complaint against the Respondent, the Department has offered a Settlement Stipulation for Consent Order, which they accepted and is being presented to the Board today. Should you not wish to accept the Settlement Stipulation for Consent Order an Administrative Complaint will be filed against the Respondent.

**MOTION:** Mr. Hall moved to approve the Settlement Stipulation with an administrative fine of \$3,500 and one (1) year probation. Mr. Andrew Clark seconded the motion, which passed unanimously.

Mr. McLaughlin – At this time it would be appropriate for the Respondent to address the Board concerning any mitigating evidence or legal argument.

Ms. Wiener – I represent ICS and Mr. Nichols. Mr. Nichols does not dispute the technical allegations made by the Division. He believed he was dealing with an eminent case but it turned out not to be, so technically these violations exist.

Mr. Helm – During this one (1) year probation, are they going to be checked before the one (1) year is up?

Chair – Checked in what way?

Mr. Helm – The trust deposits.

Ms. Wiener – ICS will be examined regularly as it normally is. The terms of probation, under Chapter 497, F.S., do not really contemplate periodic examinations and things of that matter. Being on probation is a very serious matter because if a Licensee violates the Chapter during the time that they are on probation, then the proceedings against the Licensee are much more summery in nature and can be much more severe.

Mr. McLaughlin – I do not believe there is any proactive inspection, if you will. I do not believe there are any provisions for that in the statutes. However, as Ms. Wiener said, the conditions of probation are provided for in the statute under the rules and I believe they provide some specific and serious conditions for violating the terms of the probation, but to answer your question, no I do not believe there is any proactive inspection.

Mr. Helm – Maybe Mr. Shropshire could provide a better answer. Doug, would the cases before us with the one (1) year probation, be checked?

Mr. Shropshire – They are checked every year. If you want an additional check we can do it.

Mr. Helm – Well what I am asking is if the one (1) year probation runs out and they are not checked and if we find a violation then we have to do this all over again.

Chair – I believe if it is during the term of the one (1) year probation, even if it is checked three (3) months later, the severity still stands.

Mr. Helm – That was my question.

***(b) Nichols, Ron: Case No. 171416-15-FC; Division No. ATN-24573 (F020599)***

Mr. McLaughlin –The Division alleges that the Licensee failed to honor a preneed contract cancellation request and issue a timely refund, failed to use a preneed contract form for a preneed transaction, failed to provide an adequate description of the merchandise on a contract and failed to make any trust deposit for a preneed contract. Ron Nichols has waived probable cause and agreed to pay a fine of \$2000 and to be placed on one year probation.

The terms of the Settlement Stipulation are reasonable under the facts and circumstances of this case. The Department requests that the Board approve the Settlement and issue the Consent Order to conclude this matter. In lieu of filing an Administrative Complaint against the Respondent, the Department has offered a Settlement Stipulation for Consent Order, which they accepted and is being presented to the Board today. Should you not wish to accept the Settlement Stipulation for Consent Order an Administrative Complaint will be filed against the Respondent.

**MOTION:** Mr. Helm moved to approve the Settlement Stipulation with an administrative fine of \$2,000 and one (1) year probation. Mr. Mueller seconded the motion, which passed unanimously.

Mr. McLaughlin – I believe Ms. Wiener has already addressed the mitigation and circumstances of this case.

***(2) Probable Cause Panel A***

***(a) Noble, Ronald: Case No. 134081-13-FC; Division No. ATN-19934 (F046246)***

Mr. Shropshire – This item is being withdrawn as an important paper was not included in the Board package.

**(3) Probable Cause Panel B**

**(a) Garfield, Todd Preston: Case No. 161234-14-FC; Division No. ATN-23282 (F042410)**

Mr. Shropshire – This item is being withdrawn as Mr. Garfield desired to be before the Board but was not able to attend this meeting. The case will be rescheduled for the August meeting.

**(b) Prestwood Funeral Home, Inc.: Case Nos. 139085-13-FC, 139093-13-FC; Division Nos. ATN-20097, ATN-19934 (F040708)**

Ms. Melissa Dembicer – On or about March 27, 2013, the Department conducted an investigation into Prestwood’s activities based on inspections conducted by the Department and complaints received by the Department. In case # 139093-13-FC, M.R. died on May 8, 2012. On May 9, 2012, Prestwood submitted a life insurance claim for death benefits for the death of M.R. to Homesteaders Life Company. Prestwood reported the cost of the funeral to Homesteaders Life Company as \$2,995. The policy terms provided “if the death benefit of the policy exceeds the retail prices for the funeral service in effect at the time of service, then the excess will be paid to the beneficiary under the policy.” On May 9, 2012, Homesteaders Life Company issued a check to Prestwood for \$2,277.35. An additional \$66 was paid towards the funeral expenses of M.R. by T.B. The actual bill for M.R.’s funeral expenses was \$1,686.00. Therefore, \$647.34 should have been returned to T.B. Prestwood failed to return the excess benefits from the life insurance policy. Prestwood overcharged T.B. for the medical examiner fee in the amount of \$10 and charged a fee of \$150 for a fuel surcharge as part of the funeral expenses and such fee was not listed on the Prestwood’s general price list. Additionally, in case #139085-13-FC, Prestwood had no biomedical waste pickups from September 2011 until February 11, 2013. The pickups were necessary to properly dispose of biomedical waste produced by Prestwood Funeral Home. Therefore, Prestwood did not properly manage its biomedical waste removal. The Administrative Complaint was filed on October 21, 2013 and served on Prestwood. The Election of Proceeding was filed on November 18, 2013. Prestwood requested a DOAH hearing. On May 11, 2015, the Department and Prestwood filed joint motions to relinquish jurisdiction due to reaching a settlement. Prestwood agreed to the Settlement for Consent Order, which was accepted by the Department and is being presented here today. The terms of the Settlement Stipulation require Prestwood to pay an administrative penalty in the amount of \$750, for case # 139085-13-FC and an administrative fine of \$2,000 in case #139093-13-FC for a total of \$2,750 to be paid within thirty (30) days of the entry of the Consent Order to be issued in the case. The terms of the Settlement Stipulation are reasonable under the facts and circumstances of this case. The Department requests that the Board approve the Settlement and issue the Consent Order to conclude this matter.

Ms. Anderson – Mr. Chairman, I am recusing myself as I served on Probable Cause Panel B.

Ms. Oliver – Can you tell me why the restitution payment is only \$252 where it said earlier that \$647 should have been returned to the consumer?

Ms. Wiener – There was an additional item provided to the family. It was a combo unit. The deceased was quite a large person and so there was an additional item provided, which had a cost of \$395, so that amount was netted out of the original amount that the examiner looked at.

Mr. Tom Barnhart – Is there a deadline for paying the restitution, as I did not see it in the Consent Order?

Ms. Wiener – I think everything is to be paid within thirty (30) days. I can represent that the fine payment and the restitution will be paid within thirty (30) days.

Mr. Jones – Any prior issues or complaints against Prestwood?

Mr. Shropshire – I do not know the answer to that as we sit here.

Ms. Dembicer – As far as we know there was not.

Ms. Wiener – I do not believe there was any other disciplinary history.

Mr. Mueller – Is the consumer satisfied with the agreement?

Ms. Dembicer – That I do not know but I do know that originally they were asking for less than the \$252 amount.

Ms. Wiener – This was a matter that I worked on with Linje Rivers for a very long time, so not only is she swooping in now, Ms. Dembicer was swooping in even before now.

Mr. Jones – Is the medical examiner fee being corrected?

Ms. Wiener – It has been. We disputed that that was technically a violation but he has changed his practice on that. That charge was related to his cash advance items and so he was contemplating that in sort of that catchall which says we may charge you for obtaining some of these things but he has since changed his practice on that.

Mr. Jones – And that was for the cremations?

Ms. Wiener – Yes, I believe so.

Mr. Clark – He stated that while he did not have biohazard pickup he cremated biohazard material. Is that correct?

Ms. Wiener – I do not know the answer to that question. I do know that he did not have regularly scheduled biohazard pickup because he did not have a lot of biohazard to be picked up. He has also since changed procedure with regard to that and now has regularly scheduled biohazard pick up.

Mr. Clark – I do not have the page in front of me, but he stated he cremated during that time to dispose of it.

Ms. Wiener – If you say so, then I have no reason to dispute that. It was not an issue that Linje and I discussed so I have never discussed it.

Mr. Clark – My question was going to be did he cremate it with human remains or was it something he did separately on its own, but you would not know the answer to that.

Ms. Wiener – I have no way of knowing.

Mr. Clark – The only other quick question I have, on page 160 of the Board packet, he stated to the examiner in regards to charging extra fees not listed on the GPL, his response was that he has done that on all of his contracts.

Ms. Wiener – It was his process to charge an up charge for certain things that were related to the acquisition of cash advance items. I have other Licensees that have kind of been around about this as well. As I said, he did change his process.

Mr. Clark – Even with the combo container at \$395, he still claimed to Homesteaders that the contract \$2995?

Ms. Wiener – This case was very heavily contested factually, which is why ultimately we have arrived at what we believe, from the Department's perspective and from ours, is a reasonable fine. He claimed that notwithstanding that the only GPL that is in your file shows the \$1595. His prices had actually increased at the time that this was provided. Somewhere in that packet of material, somewhere in 262 pages, I believe there is a breakdown showing how he got to the price that he actually claimed to Homesteaders and so some of those things were not valid and some of those things were arguably valid and that is how settlements get made.

Mr. Clark – But as I understand the Homesteaders Life, they do not require a copy of the contract to fulfill their preneed so my concern is how many other contracts are out there. Obviously that is not, but it is a concern. If he is claiming higher than what is on contracts, what is he doing with that extra money and how many other contracts has he done it to?

Ms. Wiener – He is aware that any excess death benefit above and beyond current retail prices must be returned to consumer. The amount of money set forth on an actual insurance funded preneed contract is not relevant whatsoever to what a Licensee can retain at death from the death benefit. What is relevant is the current retail prices at the time of need. He is subject to

regular examinations. I have never had a call from him saying that this issue has come up with regard to any of his other examinations so I assume that this was an isolated incident.

Mr. Clark – You said that his current GPL prices were higher?

Ms. Wiener – Nothing about this is current because it was from years ago, but yes. He typically raises prices around November so his prices were actually higher at the time that this occurred, but we could not prove it. So that is why he did not have a current price list from that time period so rather than continue to contest it before DOAH there was enough for me and enough for the Division and therefore we agreed on a settlement.

**MOTION:** Mr. Mueller moved to approve the Settlement Stipulation. Mr. Hall seconded the motion, which passed with one (1) dissenting vote.

*(c) Prestwood Jr., Roy Vance: Case Nos. 139087-13-FC, 139091-13-FC; Division Nos. ATN-20097, ATN-19934 (F048145)*

Ms. Dembicer – On or about March 27, 2013, the Department conducted an investigation into Prestwood Jr.'s activities based on inspections conducted by the Department and complaints received by the Department. In case # 139091-13-FC, M.R. died on May 8, 2012. On May 9, 2012, Prestwood, Jr. submitted a life insurance claim for death benefits for the death of M.R. to Homesteaders Life Company. Prestwood, Jr. reported the cost of the funeral to Homesteaders Life Company as \$2,995.00. The policy terms provided "if the death benefit of the policy exceeds the retail prices for the funeral service in effect at the time of service, then the excess will be paid to the beneficiary under the policy." On May 9, 2012, Homesteaders Life Company issued a check to Prestwood Funeral Home, Inc. for \$2,277.35. An additional \$66.00 was paid towards the funeral expenses of M.R. by T.B. The actual bill for M.R.'s funeral expenses was \$1,686. Therefore, \$647.34 should have been returned to T.B. Prestwood, Jr. failed to return the excess benefits from the life insurance policy. Prestwood, Jr. overcharged T.B. for the medical examiner fee in the amount of \$10 and charged a fee of \$150 for a fuel surcharge as part of the funeral expenses and such fee was not listed on the Prestwood Funeral Home's general price list. Additionally, in case #139087-FC-2013, Prestwood, Jr. had not arranged for biomedical waste pickups from September 2011 until February 11, 2013. The pickups were necessary to properly dispose of biomedical waste produced by Prestwood Funeral Home. Therefore, Prestwood Jr. did not properly manage its biomedical waste removal. Prestwood, Jr. believes it is in its best interest to enter into a Settlement Stipulation for Consent Order, and waives the right to a hearing in this matter. On June 4, 2015, Prestwood, Jr. and the Department entered into a Settlement Stipulation for resolution of this matter. The terms of the Settlement Stipulation require Prestwood, Jr. to pay an administrative penalty in the amount of \$750.00, for case # 139085-13-FC and an administrative fine of \$2,000.00 in case #139093-13-FC, for a total of \$2,750 to be paid within thirty (30) days of the entry of the Consent Order to be issued in the case. The terms of the Settlement Stipulation are reasonable under the facts and circumstances of this case. The Department requests that the Board approve the Settlement and issue the Consent Order to conclude this matter.

Ms. Anderson – Mr. Chairman, I am recusing myself as I served on Probable Cause Panel B.

**MOTION:** Mr. Knopke moved to approve the Settlement Stipulation. Mr. Mueller seconded the motion, which passed with one (1) dissenting vote.

Mr. Hall – May I ask a brief question of the Division in reference to what Andrew was discussing?

Chair – Yes.

Mr. Hall – That is the situation where ours requires a contract going in from the insurance contract and they send any extra back directly to the family, not to the funeral home. If some of these companies are not requiring that in the contract, should we maybe require them to do that from the insurance side and ask them to send the money and get a copy of the contract so we know we do not deal with that?

Mr. Shropshire – If I am understanding your question, we require the contract forms now to make it clear that the Licensee can only keep the amount due under the contract and must refund any balance they receive.

Mr. Hall – Are we able to require the insurance company to request from the funeral home a copy of a current at-need contract so if there is excess then it goes back with earnings, directly to the family? Can that be required?

Mr. Shropshire – I do not know that we have statutory authority for that.

Mr. Clark – I know Homesteaders does it as a perk. It is so much easier to file a claim because you basically fill out your own check.

Chair – Certainly at audit time you could audit that and see if the excess funds were returned to the client family.

Ms. Wiener – That is typical on an audit of insurance funded preneed. The problem is that the rule related to this actually appears in the Office of Insurance Regulation section of the Administrative Code and it actually requires, notwithstanding that Homesteaders will as a convenience help with this, it actually contemplates that the money on death benefit goes to the funeral establishment and that the funeral establishment can net out its current prices for all services and merchandise provided. So if additional things are provided then the excess goes to the family. So I think there would be an authority problem for the Division to require that but it is routinely checked on audits because I answer this question fairly often for my Licensees going through examinations where the Division will check to make sure that the appropriate excess has gone back to the family.

Mr. Hall – I think the question has come up for us not through the audits but from the purpose of the insurance company that we deal with. Their concern is if they send it to a funeral home then it is not released back to the family, so the family comes back to them for a check. So the insurance company, to cover itself, is sending it directly to them and sending us our check for the contract. That is the concern I think they have. I just wondered if it was possible to clean that up some way.

Mr. Shropshire – I think it would take legislation.

Ms. Wiener – Or at least the Office of Insurance Regulation could change its rule. They are quite loath to deal with the rules that interact with death care.

***B. Material Facts Not Disputed (Section 120.57(2) Hearings)***

***(1) Probable Cause Panel B***

***(a) Taylor Smith West Funeral Home: Case Nos. 164113-14-FC, 164279-14-FC; Division Nos. ATN-23773, ATN-23861 (F040752)***

Ms. Dembicer – On January 20, 2015 the Department filed an Administrative Complaint alleging numerous violations including giving a consumer her baby's body in a body bag that was wrapped in a blue blanket, providing consumers with incorrect cremains on multiple occasions, failing to perform removals, failing to have statutorily required bio-hazard container in the prep room, failing to provide executed contracts to purchasers, allowing unlicensed individuals to perform activities which required licensure, failing to have an FDIC of record and failing to provide proof of certified operations personnel. The Administrative Complaint was served on the funeral home on May 7, 2015 by certified mail. The funeral home failed to respond within twenty-one (21) days of its receipt. The failure to respond constitutes a waiver of the right to request a proceeding in these allegations. Therefore an Order of Suspension or Revocation can be entered against the funeral home by the Board. Based on the funeral home's failure to respond the Department filed a Motion for Determination of Waiver and for Final Order for Hearing not Involving Disputed Issues of Material Facts. At this time it would be appropriate for the Board to determine whether the funeral home has waived its rights to request a proceeding in the matter alleged in the Administrative Complaint.

Ms. Anderson – Mr. Chairman, I am recusing myself as I served on Probable Cause Panel B.

**MOTION:** Mr. Mueller moved to find that the Respondent waived its right to request a proceeding in the matters alleged in the Administrative Complaint. Mr. Clark seconded the motion, which passed unanimously.

Ms. Dembicer – Now that the Board has determined that the Respondent has waived its right to request a proceeding in this matter, the Department believes it is appropriate at this time for the Chair to entertain a motion adopting the Allegations of Fact as set forth in the Administrative Complaint.

**MOTION:** Mr. Mueller moved to adopt the Findings of Fact. Ms. Oliver seconded the motion, which passed unanimously. Ms. Dembicer – The Department contends that the Board’s Findings of Fact support a finding of the violations of Chapter 497, F.S. and Title 69K, F.A.C. as charged in the Administrative Complaint. The Department also offers the investigative report with exhibits into evidence to establish a prima facie case for the violations alleged in the Administrative Complaint. It is appropriate at this time for the Board to entertain a motion adopting the Conclusions of Law as alleged in the Administrative Complaint.

**MOTION:** Mr. Mueller moved to adopt the Conclusions of Law. Mr. Helm seconded the motion, which passed unanimously.

Ms. Dembicer – The Department recommends revocation of the funeral home’s funeral establishment license because there are aggravating factors that would require a revocation of licensure. The aggravating factors reach all levels of management of the funeral establishment. They include giving the consumer the body of a decedent in a body bag wrapped in a blue blanket, providing consumers with incorrect cremains on multiple occasions, failing to perform removals, failing to have statutorily required bio-hazard container in the prep room, failing to provide executed contracts to purchasers, allowing unlicensed individuals to perform activities which required licensure, failing to have an FDIC of record and failing to provide proof of certified operations personnel. Therefore, the Department requests that the Respondent’s license (F040752) be revoked.

Mr. Mueller – Is there anyone representing Taylor Smith West Funeral Home? There was a negative response.

Mr. Hall – Is there action on the funeral director’s license, too?

Ms. Dembicer – Yes there is. It is in the process of going through our processes and it will be served on them probably within the next couple of weeks.

**MOTION:** Mr. Hall moved for revocation. Ms. Oliver seconded the motion, which passed unanimously.

Mr. Helm – I wonder if there should be something in the stipulation to let people know they are out of business.

Chair – I was going to suggest that the Division notify any cinerator facilities in a fifty (50) mile radius and any regulated cemeteries within a twenty-five (25) mile radius that they no longer have a funeral establishment license. That is not a part of the motion but I would like to see that as a follow up for the Division.

Mr. Shropshire – Mr. Chairman, the Division will see that that occurs.

## **5. Application(s) for Preneed Sales Agent**

### **A. Informational Item (Licenses Issued without Conditions) – Addendum A**

Mr. Shropshire – The application(s) presented are clean and have been approved by the Division. This item is informational only and does not require Board action.

### **B. Recommended for Approval with Conditions (Criminal History) (1) Washington, Letisha A (Appointing Entity: StoneMor Florida Subsidiary, LLC.)**

Mr. Shropshire – On March 23, 2015, the Applicant submitted an application for licensure as preneed sales agent, there were deficiencies noted on the application. The review of the *Background Questions* revealed criminal history, to wit: On or about October 2, 2002, Ms. Washington pled guilty to Criminal Sale Of A Firearm, and her sentence included five years of probation and surcharge cost in the amount of \$210, which occurred in Bronx County, New York. Ms. Washington fully disclosed her background and cooperative with the Division’s staff.

She indicates in her attached written explanation that at the time of the criminal incident she was single, in school, and was approached by an attractive young man; he seemed to be interested in her, and she was flattered. Two days later he asked if she wanted to drive with him to drop his cousin off in New York, and she agreed. During the trip, the police surrounded the vehicle they were in, and she was arrested. She indicates that she had no involvement in the gun crime, and that she was interested in him, not his business.

Ms. Washington is currently a license Cemetery Sales Personnel Registration at StoneMor Partners in the state of Virginia. She has several strong references. Ms. Washington advises she desires for her application to be approved, so that she can relocate to Florida and continue to work in the profession she loves. Ms. Washington has the support of a StoneMor Florida Subsidiary, LLC supervisor in Florida, Mr. Jeffrey Hiliker who is very much aware of her past record but feel she is rehabilitated.

The Department assessment is that if issued a preneed sales agent license, Ms. Washington would not pose an unreasonable risk to the members of the public who might deal with her in preneed transactions. The Division recommends approval subject to the terms & conditions of the signed stipulation for licensure, which the Licensee agrees to 24 full months of probation.

Mr. Shropshire – Please raise your right hand ma’am. Do you swear the testimony you are about to give in this matter will be the truth, the whole truth and nothing but the truth so help you God?

Ms. Letisha Annette Washington – Yes.

Mr. Shropshire – State your full name for the record.

Ms. Washington – Letisha Annette Washington

Chair – Did you want to address the Board or are you here to answer any questions the Board may have?

Ms. Washington – Just to answer any questions the Board may have.

Mr. Knopke – Have you had any issues since the original.

Ms. Washington – No.

Mr. Knopke – Have you had any issues with the Virginia licensing authorities.

Ms. Washington – No.

Mr. Helm – Do you live in Virginia now?

Ms. Washington – Yes.

Mr. Helm – You drove all the way here for this meeting?

Ms. Washington – Yes.

**MOTION:** Mr. Mueller moved to approve the application subject to the condition that the Licensee agrees to 24 full months of probation. Ms. Oliver seconded the motion, which passed unanimously.

6. **Application(s) for Continuing Education Course Approval**
  - A. **Recommended for Approval *without* Conditions – Addendum B**
    - (1) **Apex Continuing Education Solutions #4201**
    - (2) **Aurora Casket Company #129**
    - (3) **Batesville Casket Company/Deb St. Pierre #13409**
    - (4) **Education Workers Group #11208**



- (5) *International Order of the Golden Rule #2201*
- (6) *National Funeral Directors and Morticians Association, Inc #15608*
- (7) *National Funeral Directors Association #136*
- (8) *New Jersey Funeral Service Education Corp #7002*
- (9) *The Dodge Institute for Advanced Mortuary Stu #81*
- (10) *TRS Enterprises #71*

Mr. Shropshire – The majority of the Continuing Education Committee and the Division recommends approval of the application(s) for the number of hours indicated on Addendum B in the right hand corner.

**MOTION:** Mr. Hall moved to approve the application(s). Mr. Clark seconded the motion, which passed unanimously.

- 7. **Application(s) for Approval as a Continuing Education Provider**
  - A. **Recommended for Approval without Conditions – Addendum C**
    - (1) *Florida Morticians Association (23208)*
    - (2) *International Cemetery, Cremation and Funeral Association (22808)*

Mr. Shropshire – The majority of the Continuing Education Committee and the Division recommends approval of the application(s) on Addendum C.

**MOTION:** Mr. Jones moved to approve the application(s). Mr. Hall seconded the motion, which passed unanimously.

- 8. **Application(s) for Florida Law and Rules Examination**
  - A. **Informational Item ( Licenses Issued without Conditions) – Addendum D**
    - (1) *Direct Disposer*
      - (a) *Sartory, Mark A*
    - (2) *Embalmer - by Endorsement*
      - (a) *James, Michael D*
    - (3) *Funeral Director and Embalmer (Endorsement)*
      - (a) *Bowman, Russell A*
    - (4) *Funeral Director and Embalmer (Internship and Exam)*
      - (a) *Boyette, Danielle S*
      - (b) *Ercilla, Emily M*
      - (c) *Rahming, Sandra M*

Mr. Shropshire – The application(s) presented are clean with no indication of a criminal or disciplinary history and have been approved by the Division pursuant to delegation by the Board. This item is informational only and does not require Board action.

- B. **Recommended for Approval with Conditions (Criminal History)**
  - (1) *Funeral Director and Embalmer (Internship and Exam)*
    - (a) *Myrtetus, Joseph L*

Mr. Shropshire - The Applicant submitted an application for a Funeral Director and Embalmer License on April 28, 2015. The application was complete when submitted. The Applicant had a previous Funeral Director and Embalmer license, F042619, issued February 13, 2004 and expired April 31, 2007. Mr. Myrtetus failed to renew his license and as such the license was rendered, null and void. The Applicant submitted fingerprints and were returned with criminal history:

- In January 2015, the Applicant was charged with driving while license revoked, habitual offender (3<sup>rd</sup> degree felony). Mr. Myrtetus was placed on probation for 20 months, 75 hours of community service and fined \$920.
- In June 2014, the Applicant was found guilty of Battery (Domestic Violence, misdemeanor). He advises this was in regards to a confrontation he had with his daughter over her drug use. Mr. Myrtetus was given two days confinement (time served), one year probation, attendance of DUI School or Drug Rehabilitation Program and fined \$725.

The Division is recommending approval subject to the terms & conditions of the signed stipulation for license, by which the Applicant agrees to a two (2) - year probation if the license is issued.

Chair – Is there anyone representing Joseph Myrtetus? There was a negative response.

Mr. Knopke – Do we know if he is currently employed?

Mr. Shropshire – Ms. Richardson, do you have any knowledge on that issue?

Ms. Jasmin Richardson – I do not have any indication on him being currently employed, but in lieu of him not being here he did supply a secondary letter because he knew he could not be here, but no, I do not think he is currently employed.

Mr. Knopke – I just wonder how he is going to work in the funeral business if he cannot drive, but that is not our problem.

Mr. Hall – Mr. Chair, I am concerned about the extensive criminal history. It is not just once or twice, it is repeated and it's various items so I would move to deny.

Mr. Barnhart – I reviewed the criminal history and I was really concerned about the domestic violence charged, but when I looked at what the explanation was and more so what the court did, as they were very lenient in its penalty, so I am thinking that his story is probably correct. It is very light for that type of charge. Now it is very concerning that someone could be let's say fifty (50) years old and does not have a blemish on his record, now all of a sudden he has a few fairly serious charges. The driving, the habitual offender is somewhat alarming although it is not a crime of violence or moral turpitude. The batter, domestic violence, sure does sound bad but when you look into it I think his story probably is correct because of what the court did. It was a very light penalty for the charge itself.

Ms. Oliver – There must have been other charges that led to his license being revoked as a habitual offender because that is an enhanceable offense.

Mr. Barnhart – There were some previous charges for driving while license was suspended or revoked. It just looks like he never got it right for about three (3) or four (4) different charges.

Ms. Oliver – Do we know why his license was suspended in the first place? In his letter he speaks of alcoholism and everything stemming from that so I wondered if it was a DUI suspension that led to all this.

Ms. Richardson – I do not know what the specifics were but whatever it was it was a misdemeanor previous to the five (5) years, so it is nothing we could disclose in this particular criminal history packet.

Mr. Shropshire – Pursuant to statute, we can only take cognizance of misdemeanors that occurred within five (5) years unless they relate directly to the practice.

Ms. Oliver – I just wish the Applicant was here to answer some questions. I am not really comfortable approving him without him being here. I do not know what the feeling of the rest of the Board is.

Mr. Mueller – Is there prejudice assigned to this person if we deny the application. It is not like a revocation.

Mr. Shropshire – It is prejudicial.

Mr. Mueller – So he cannot reapply until when?

Mr. Shropshire – He can reapply immediately if he chooses to but he would have a denial on his record which is adverse licensing history.

Mr. Jones – Could he challenge our denial?

Mr. Shropshire – Oh sure.

Mr. Barnhart – Do we know what his record was when he had a license? Did he have a license prior to this?

Mr. Shropshire – Yes he did. I do not believe he had a disciplinary history. Jasmin, do you know for sure?

Ms. Richardson – I can look it up real quick.

Mr. Helm – I share Ms. Oliver’s same concern. It would be a lot easier if he was here to answer questions. Is there a way we could not deny?

Mr. Shropshire – One (1) alternative would be to table it at this meeting. The deemer certainly is not going to run on this meeting and we could contact him to ask him would he waive the deemer to appear at the August Board meeting and if he refuses we could set it for the July meeting, which we would again be within the deemer. I assume when he is told of how important his appearance is he would agree and appear at the August meeting.

Mr. Barnhart – What is the deemer date?

Mr. Shropshire – Our staff indicates it is September 2<sup>nd</sup>.

Mr. Barnhart – We could table it and go as long as the August 6<sup>th</sup> meeting if you want to.

Chair – The August 6<sup>th</sup> meeting is an in person meeting in Orlando.

Ms. Anderson – That is where he lives.

Ms. Richardson – Just looking at his application from 2003, he did put that he had convictions on his record in 2003 when he was originally issued his license, these were approved by the Board. So, the criminal history that you speak of has already been seen by a Board and has already been approved.

Mr. Hall – So there were some there and now these are new ones?

Ms. Richardson – Right.

**MOTION:** Mr. Hall moved to deny the application based on the continuous violations that he has on the record. The motion failed due to the lack of a second.

**2<sup>nd</sup> MOTION:** Mr. Knopke moved to defer the application to the August meeting. Mr. Mueller seconded the motion, which passed unanimously.

**9. Application(s) for Internship**

**A. Informational Item (Licenses Issued without Conditions) – Addendum E**

**(1) Funeral Director**

- (a) Flick, Linda K (F084708)**
- (b) Hoyt, Alexander T (F068587)**
- (c) Moss, Matthew D (F052001)**

**(2) Funeral Director and Embalmer**

- (a) Constable, Brianna E (F084707)**
- (b) Dixon, Stephanie J (F084498)**
- (c) Dupont, Michael K (F084484)**
- (d) Emery, Cynthia J (F084709)**
- (e) Hudson, Shante’ L (F084485)**
- (f) Maus, Alana (F081210)**
- (g) Mathews, Willie P (F084725)**

- (h) Noonan, Debbie J (F084727)
- (i) Prowell, Jennifer R (F084705)

Mr. Shropshire – The application(s) presented are clean with no indication of a criminal or disciplinary history and have been approved by the Division pursuant to delegation by the Board. This item is informational only and does not require Board action.

- B. **Recommended for Approval without Conditions (Criminal History)**
  - (1) **Embalmer**
    - (a) **Caballero, Felipe J**

Mr. Shropshire – The Applicant submitted an application for an Embalmer Internship License on March 25, 2015. The application was complete when submitted. The Applicant submitted fingerprints and were returned with criminal history. The criminal history was submitted during his Funeral Director Internship application in November 2002 and also his Funeral Director license in August 2003. Mr. Caballero currently holds a Funeral Director license (F045127), which has been in good standing since November 25, 2003. In March 2000, he pled no contest to cultivation of Marijuana. He was sentenced to two years probation. The Division is recommending approval without conditions.

Chair – Is Mr. Caballero here? There was a negative response.

**MOTION:** Mr. Clark moved to approve the application. Mr. Helm seconded the motion, which passed unanimously.

- 10. **Application(s) for Embalmer Apprenticeship**
  - A. **Informational Item (Licenses Issued without Conditions) – Addendum F**
    - (1) **Pearson, Carrie K (F084682)**

Mr. Shropshire – The application(s) presented are clean with no indication of a criminal or disciplinary history and have been approved by the Division pursuant to delegation by the Board. This item is informational only and does not require Board action.

- 11. **Notification(s) of Change in Location**
  - A. **Informational Item – Addendum G**
    - (1) **Fuller Brother’s Funeral Home Inc (F060086) (Pompano Beach)**

Mr. Shropshire – This item is informational only and does not require Board action.

- 12. **Consumer Protection Trust Fund Claims**
  - A. **Recommended for Approval without Conditions – Addendum H**

Mr. Shropshire – The Division recommends that these claims be approved for the amounts indicated in the column titled “Amount Recommended.”

Mr. Knopke – Mr. Shropshire, what is the approximate current balance in the Consumer Protection Trust Fund?

Mr. Mueller – It is on page 3.

Mr. Knopke – I missed it, I apologize.

**MOTION:** Mr. Jones moved to approve the claim(s) for the amount indicated on the Addendum entitled “Amount Recommended.” Mr. Hall seconded the motion, which passed unanimously.

- 13. **Application(s) Related to an Acquisition of Specified Assets & Liabilities of Existing Licensees**
  - (1) **Recommended for Approval with Conditions**
    - (a) **Family Owned Service Company, Inc (Dunedin)**

Mr. Shropshire – The proposed acquiring party is Family Owned Service Company, Inc whose principal is here today, Mr. Barry Brewer. The Division recommends approval of these acquisitions subject to the conditions indicated in the Board material.

Chair – Welcome, Mr. Brewer. Would you like to address the Board or are you just here to answer questions?

Mr. Barry Brewer – Being that I am not an attorney I am just going to answer questions.

Mr. Knopke – Mr. Chairman, I have a couple questions just for clarification.

Mr. Shropshire – Mr. Brewer, Please raise your right hand. Do you solemnly swear that the testimony you are about to give in this matter will be the truth, the whole truth and nothing but the truth so help you God?

Mr. Brewer – I do.

Mr. Shropshire – State your full name for the record.

Mr. Brewer – Barry Keith Brewer

Mr. Knopke – It appears from the packet and stuff that had been sent it previously by the current owner that he had mortgaged the cemetery land itself. Is that correct Mr. Shropshire?

Mr. Shropshire – Yes sir. Well he had mortgaged land in which the three (3) entities sit and it's perhaps a matter of some dispute exactly what land is mortgaged.

Mr. Knopke – Ok, but it was potentially a violation?

Mr. Shropshire – Yes.

Mr. Knopke – In this case, you got financing from somebody. I assume the land in question is not part of that financing security.

Mr. Brewer – Per Mr. Shropshire's letter, it is.

Mr. Shropshire – The bank, the current mortgage holder asserts that the mortgage relates only to the funeral establishment property.

Mr. Knopke – Which would be considered outside the boundaries of the cemetery?

Mr. Shropshire – Yes. That is the assertion. We have not conceded that but for purposes of moving forward, we have not made an issue of it either.

Mr. Knopke – If I understand the Brewer and Sons financial statement for December 2014, net income last year was a negative?

Mr. Brewer – Yes, we pay two (2) years of taxes. Twelve and thirteen were paid in fourteen. That is what you are seeing.

Mr. Knopke – Were they taxes in arrears?

Mr. Brewer – No, we just happen to pay some in January that were due in November so they were not in arrears they were just on time and we happened to pay them in that financial statement.

Mr. Knopke – The funeral establishment also has a crematory inside the building. My question is can the FDIC of the funeral home also serve as FDIC of the crematory? My interpretation of the statute says it cannot. It says it can be only of one (1)

facility. My question is if they can be in the same facility, that is great, then can it be expanded to be by the same owner on the same piece of property but not in the same building?

Mr. Shropshire – Mr. Knopke briefly raised that issue with me before the meeting and so I had a chance to discuss it with Mr. Brewer and as we sit here, I am not sure of the correct legal answer to that and would like to have the luxury of examining it to see if we have any precedent on it. I did get a chance to interact with Mr. Brewer and Mr. Brewer has indicated to me that if the Division tells him that he has to have a separate FDIC for the cinerator as vs. the establishment he will employ a separate person. Is that correct Mr. Brewer?

Mr. Brewer – Yes sir.

Mr. Shropshire – So I would ask the Board to allow the matter to be in that posture that we check on it and will report back to the Board on our findings. Mr. Brewer has indicated on the record that he will comply with the findings.

Chair – Mr. Knopke, what is your citation on that?

Mr. Knopke – 497.380(7), F. S. on one and the other is 497.606(8), F.S., under the cinerator facility. In the civil matter, I assume you are not assuming any of those.

Mr. Brewer – No sir, just an asset purchase.

Mr. Knopke – The current owner, Mr. Scalisi, got this out of receivership and assumed liabilities for preneed funds then. Are you assuming the liabilities that he assumed from the prior owner?

Mr. Shropshire – Mr. Brewer and his entity, the acquiring entity, would be acquiring responsibility for preneed contracts that are properly trusted. If they are not trusted or not fully trusted as they should be he is not assuming responsibility for them.

Mr. Knopke – So under any of the ownerships prior to him, prior to Mr. Brewer?

Mr. Shropshire – Correct. The entire existing book of business that Mr. Scalisi holds which some part of it was acquired from the Timmer receivership.

Mr. Brewer – Doing the right thing is what this is all about and if someone comes in and says they have a contract we are going to provide them service whether or not I am paid for it.

Mr. Knopke – Ok, but I would expect you to come to the Consumer Protection Trust Fund for payment or at least submit an application.

Mr. Brewer – I can assure you that if a family needs service I am going to provide that service.

Mr. Knopke – Barry, I am not questioning that. I wanted to understand the mechanics since it had been through receivership already and having been in a previous life on a different Board been involved in that receivership I just wanted to make sure everyone understood.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division. Mr. Clark seconded the motion, which passed unanimously.

Mr. Brewer – I do not know if this Board has the authority, but I would like to request, until I close on this property, that no more activity occurs in the preneed trust. That he cannot consistently continue to go into the trust fund and get money out and not refunding the money. I did not know whether I had that authority or if you have that authority.

Chair – When do you anticipate the closing?

Mr. Brewer – We are scheduled for the 8<sup>th</sup> of July.

Mr. Shropshire – No, I am not aware of any. That is something you take care of in your asset purchase agreement and so forth.

**14. Application for Broker of Burial Rights**  
**A. Recommended for Approval without Conditions**  
**(1) Robert E. Fuerst, P.A. (Davie)**

Mr. Shropshire –The application was received on May 22, 2015 and the application was complete. The Department completed a background check of Applicant’s officers which revealed no criminal history. The Division recommends approval.

**MOTION:** Mr. Jones moved to approve the application. Ms. Oliver seconded the motion, which passed unanimously.

Mr. Helm – When was this guy born?

Ms. LaTonya Bryant – He was born in 1962.

**15. Application(s) for Funeral Establishment**  
**A. Recommended for Approval with Conditions**  
**(1) Jason A Razler, A Sole Proprietorship d/b/a Cremation and Funeral Services of Florida (Fort Myers)**

Mr. Shropshire – An application for a Funeral Establishment was received on May 20, 2015. The application was complete when submitted. The Funeral Director in Charge will be Jason Razler (F025721). The fingerprint cards for all principals were returned with no criminal history. Mr. Razler does have adverse licensing history from Pennsylvania. In March 1998, he was reprimanded and fined \$500 for practicing before obtaining a license. The Division is recommending approval subject to the condition that the establishment passes an onsite inspection from Division Staff.

**MOTION:** Mr. Helm moved to approve the application subject to the condition that the establishment passes an on-site inspection by a member of Division Staff. Ms. Anderson seconded the motion, which passed unanimously.

**(2) StoneMor Florida Subsidiary LLC d/b/a Weiss Memorial Chapel (Boynton Beach)**

Mr. Shropshire – StoneMor Florida Subsidiary LLC submitted a Change of Ownership Application. All items were complete when submitted. The Funeral Director in Charge will be Jacob Weiss (F022975). As stated in the letter from Kenneth Lee, dated June 1, 2015, StoneMor Florida Subsidiary LLC will assume all existing preneed liabilities of the locations listed. All fingerprint information was returned without criminal history. The Division is recommending approval subject to the condition(s) as follows:

- 1) That the closing on the transaction to acquire ownership shall occur within 60 days of the date of this Board meeting.
- 2) That the closing on the transaction shall be on terms and conditions as represented to the Board at this Board meeting.
- 3) That Applicant shall assure receipt by the Division within 75 days of the Board meeting, of a letter signed by Applicant or Applicant’s attorney, addressed to the Division, certifying that closing has occurred and stating the date of closing, and stating that closing occurred on terms and conditions not inconsistent with those as represented to the Board at this Board meeting, and providing a copy of the fully Bill of Sale, Asset Purchase Agreement, or other document by which the acquisition transaction is consummated, executed by all parties, and any and all amendments, schedules, and other attachments thereto, also fully executed.
- 4) That the Director of the Division of Funeral, Cemetery, and Consumer Services may extend any deadline set out in these conditions, by up to 90 days, for good cause shown. The Director shall report any such extensions to the Board as an informational item.
- 5) That all representations by the Applicant in the application and related materials provided to the Board or FCCS Division by the Applicant, in support of the application(s), are deemed material to the Board’s action herein.
- 6) That the establishment(s) under the application(s) herein passes an onsite inspection by a member of Division Staff.
- 7) That the Applicant (new owner or controlling party) shall assume all existing preneed liabilities of the location(s) being acquired.
- 8) That there be receipt by the Division, within 45 days of this Board meeting, proof of Fictitious Name Registration by Applicant with the Florida Department of State.

**MOTION:** Mr. Clark moved to approve the application subject to the conditions recommended by the Division. Mr. Hall seconded the motion, which passed unanimously.

**B. Recommended for Approval without Conditions**

**(1) Graceland Funeral Home & Cremation Services LLC d/b/a Funeraria Graceland, Graceland Funeral Home (Miami)**

Mr. Shropshire – An application for a Funeral Establishment was received on February 3, 2015. The application was incomplete when submitted. All deficient items were returned on April 21, 2015. The Funeral Director in Charge will be Karla Funkhouser (F033776). The fingerprint cards for a principal, Kim Powers Bridges, were returned with criminal history for one of its principals. The establishment passed and onsite inspection on May 5, 2015. In May 2012, Mrs. Powers Bridges pled guilty to Driving under the Influence. She was sentenced to 10 days EHM, 60 hours of community service and fines totaling \$1648.58. The Division is recommending approval.

**MOTION:** Mr. Helm moved to approve the application. Mr. Jones seconded the motion, which passed unanimously.

**16. Application(s) for Monument Establishment Sales Agent**

**A. Informational Item (Licenses Issued without Conditions) – Addendum I**

Mr. Shropshire – The application(s) presented are clean with no indication of a criminal or disciplinary history and have been approved by the Division pursuant to delegation by the Board. This item is informational only and does not require Board action.

**17. Application(s) for Preneed License Renewals**

**A. Recommended for Approval without Conditions – Addendum J**

Mr. Shropshire – The Division recommends approval as the application(s) meet the net worth requirement and there is no material adverse information.

Mr. Hall – Mr. Shropshire, some of these have late payments or late receipt of financials. Some of the others we are requiring them to sign a personal guarantee or 100% or insurance, etc. because the net worth does not meet our requirements. Some have that requirement of the personal guarantee and the financials to you and some do not. Is it possible for us to do a blanket across the board on those that are doing it so we keep everything consistent with all the establishments because I do not want to ask one (1) to do it and not another?

Chair – Do you mean in the future?

Mr. Hall – Well, on some of these here today even. We may have come in and said your net worth does not meet it so can we require of you to do 100% trusting or insurance. Some of them, we required it in the past and we have carried over the personal guarantee and the personal financial statements to the Division so that they can tell us if the personal guarantee is good, the financials would meet that. That is something that the Division has done, but can we do it across the board and blanket that so it is all consistent and even so we are not treating some unfairly if we are asking them for it and not the others.

Mr. Shropshire – Yes, Mr. Hall, I think you are referring to the items in 17(B), the various ones we are going to cover individually and we are on 17(A).

Chair – These are the ones that are recommended for approval without conditions.

Mr. Knopke – I disclose my affiliation with Curlew Hills Memory Gardens, Inc. This will not affect my ability to remain fair and impartial on these applications or any other matters before the Board today.

Mr. Clark – I disclose my affiliation with Foundation Partners Group of Florida. This will not affect my ability to remain fair and impartial on these applications or any other matters before the Board today.



Chair – I disclose my affiliation with SCI Funeral Services of Florida, Inc. This will not affect my ability to remain fair and impartial on these applications or any other matters before the Board today.

Mr. Mueller – I proudly disclose my thirty-nine (39) year affiliation with The Evergreen Cemetery Association. This will not affect my ability to remain fair and impartial on these applications or any other matters before the Board today.

Mr. Hall – I disclose my affiliation with Lew Hall and Associates. This will not affect my ability to remain fair and impartial on these applications or any other matters before the Board today.

**MOTION:** Mr. Mueller moved to approve the application(s) including the addition. Mr. Knopke seconded the motion, which passed unanimously.

Mr. Shropshire – Mr. Chairman, may I respond to Mr. Hall’s comment?

Chair – Please.

Mr. Shropshire – I certainly understand your comment about the lack of consistency and it is a valid point. I think that the Division’s point of view is that we kind of classified the personal guarantees as, well it does not do any harm to get them, but I do not want to encourage the Board to think that they actually would have a great deal of significance if push came to shove, but we would be glad to seek them and probably most people would agree to them. I would suggest that you make that part of the motion that they are approved subject to the recommendations but also that a personal guarantee be obtained.

Chair – Perhaps, let’s take into consideration the degree of difference between net worth required and net worth reported.

***B. Recommended for Approval with Conditions***  
***(1) Anderson-Hence Funeral Home (F041818) (Wildwood)***

Mr. Shropshire – 2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$59,809, against a minimum net worth of \$10,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports \$0 total gross sales for outstanding contracts for CYE 2014, therefore, the minimum net worth required is \$10,000. However, Licensee failed to file its preneed financial statements (R2A and R2B). The forms were due by no later than April 1, 2015. Licensee was initially issued their preneed license in 2013. The preneed license shall be renewed subject to the following conditions:

- 1) The preneed Licensees shall submit to the Division financial statement (forms R2A and R2B) that the Division determines comply with the requirements of Chapter 497 Florida Statutes and related rules, and which show the required net worth.
- 2) The preneed Licensee shall pay a fine in the amount of \$1,000 for late filing of financial statements.
- 3) The preneed Licensee shall cease selling new preneed contracts on July 1, 2015 and shall not resume selling same until advised by the Division in writing that all the above conditions have been met.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division. Mr. Jones seconded the motion, which passed unanimously.

***(2) Boyd-Pancier Family Funeral Care Inc (F054856) (Hollywood)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$352,869, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reported net worth of \$484,868, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$642,145, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$792,409, against a minimum net worth of \$100,000. Licensee appears to meet all substantive requirements for renewal of licensure. However, Licensee was late in filing its renewal and financial statements (R2A, R2B, R3A, and R3B). The forms were due not later than April 1, 2015; however, the preneed renewal forms and financial statements were not received until April 9, 2015. The preneed license shall be renewed subject to the following conditions:

Licensee's annual preneed renewal and financial statements (R2A, R2B, R3A, and R3B) were due to be filed with Division by not later than April 1, 2015. The forms were received by the Division on April 9, 2015, and were thus 8 days late, which at \$50 per day indicates a late fee due of \$400. The preneed license shall pay a fine of \$400 to the Department within 30 days of receipt of an Order imposing said fine.

**MOTION:** Mr. Helm moved to approve the application subject to the condition that the Licensee shall pay a fine of \$400 to the Department within 30 days of receipt of an Order imposing said fine. Mr. Mueller seconded the motion, which passed unanimously.

Ms. Lashonda Morris – We have received the confirmation of payment for the late fee for Boyd-Panciera.

***(3) Boynton Memorial Chapel Ltd (F019300) (Boynton Beach)***

Mr. Shropshire – The above identified Licensee seeks renewal of their preneed license pursuant to s. 497.453, FS, effective 7/1/2015.

2012 RENEWAL (7-1-2012): Licensee reports a negative stated net worth of \$ (1,325,425), against a required minimum net worth of \$100,000. Licensee was renewed subject to the conditions that: (1) Licensee provide a personal guarantee of preneed obligations executed by Licensee's principal, Stormet C. Norem, and a current personal financial statement.

2013 RENEWAL (7-1-2013): Licensee reports a negative stated net worth of \$(1,240,346) against a required minimum net worth of \$100,000. Licensee was renewed subject to the conditions that: (1) Approval of a personal guarantee of preneed obligations executed by Licensee's principal, Stormet C. Norem, and a current personal financial statement, and (2) Licensee continues to trust 100% or sell insurance-funded contracts.

2014 RENEWAL (7-1-2014): Licensee reports a negative stated net worth of \$ (1,187,806), against a minimum required net worth of \$ 100,000. Licensee was renewed subject to the conditions that: 1) Licensee agree to 100% trusting or insurance funding of all preneed contracts sold and, 2) submission of a personal guarantee of preneed obligations by the Licensee's principals.

CURRENT RENEWAL (7-1-2015): Licensee reports a negative net worth of \$(1,078,592). Licensee reports total preneed contracts outstanding of \$1,543,255. The required minimum net worth for renewal is \$100,000. Licensee reports a current ratio of .46 to 1. The net worth deficiency has decreased since last year.

**DIVISION RECOMMENDATION:** The FCCS Division recommends that the Board approve renewal subject to conditions, and adopt the findings of fact and conclusions of law set forth herein:

**NET WORTH INADEQUATE - BUT ALTERNATIVE CONDITIONS ACCEPTABLE** Licensee has demonstrated a negative net worth of \$(1,078,592). Licensee reports total outstanding preneed contracts of \$1,543,255. The required net worth for renewal, pursuant to s. 497.453(2) (b) and (5), Fla. Statutes, and rule 69K-5.0016, Fla. Administrative Code, is \$ 100,000.

Section 497.453(2) (b) 2, FS, authorizes an Applicant for renewal of a preneed license who cannot demonstrate the required minimum net worth to submit to the licensing authority, and request acceptance of, alternative evidence of financial stability and resources or agree to additional oversight in lieu of the required net worth. Section 497.453(2) (b) 3, FS, provides that "The licensing authority may accept such alternative evidence or arrangements in lieu of the required net worth only if the licensing authority determines such alternative evidence or arrangements are an adequate substitute for required net worth and that acceptance would not substantially increase the risk to existing or future customers of nonperformance by the Applicant or Licensee on its retail sales agreements." The Board finds that the condition(s) specified below are, under s. 497.453(2) (b) 3, FS, a proper and adequate substitute for the required net worth under the facts of this case.

The license shall be renewed subject to said condition(s): That the Board extends the stated conditions of the existing Personal Guarantee of the Licensee's preneed obligations executed and dated July 18, 2012, accept the attached current Statement of Personal Assets and Liabilities by the Licensee's principal, Stormet Norem, and agreement to voluntarily trust 100% by the entity.

**MOTION:** Mr. Knopke moved to approve the application subject to the conditions recommended by the Division. Mr. Mueller seconded the motion, which passed unanimously.

***(4) Brandon Cremation and Funeral Services, Inc (F061189) (Brandon)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$11,133, against a minimum required net worth of \$10,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$13,054, against a minimum net worth of \$10,000. Licensee was renewed without conditions

2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$21,990 against a minimum net worth of \$10,000. Licensee was renewed subject to payment of a \$1000 late renewal filing fee.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$(400), against a minimum net worth of \$10,000. The preneed license shall be renewed subject to the following conditions:

100% Trusting or Insurance Funding

- 1) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- 2) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Clark seconded the motion, which passed unanimously.

***(5) Buggs-Bellamy Funeral Services Inc (F038698) (Jacksonville)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$124,928, against a minimum required net worth of \$20,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reported net worth of \$132,382, against a minimum required net worth of \$20,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$166,104, against a minimum required net worth of \$20,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$188,030, against a minimum net worth of \$20,000. Licensee appears to meet all substantive requirements for renewal of licensure. However, Licensee was late in filing its financial statements (R2A and R2B). The forms were due not later than April 1, 2015; however, the financial statements were not received until May 28, 2015 (58 days late). The preneed license shall be renewed subject to the condition that the preneed Licensee shall pay a fine in the amount of \$500, in regard to late filing their said financial statement(s).

Mr. Knopke – Boyd-Pancier was eight (8) days late and fined \$400. In this case, they are fifty-eight (58) days late and fined \$500. It does not make sense to me. The numbers do not add up. If you do \$50 a day then it should be a couple of \$1000 in fines as opposed to \$500.

Mr. Helm – I think there is a \$1000 limit.

Mr. Shropshire – To respond to Mr. Knopke, the Board caps the overall total fines at \$1000 and then it historically has regarded the R2A and R2B as a single filing so that they were late on one (1) form, thus the \$500.

Mr. Knopke – But even if it is \$50 per day for a single form, fifty-eight (58) days is still going to get up to \$1000. Are we treating people consistently? I know you want to do that as well.

Mr. Shropshire – I think we are treating them consistently according to the rule. The rule is very difficult to imply, but we do try to apply the rule consistently.

Mr. Knopke – I guess if I was receiving the penalty I would argue for the differences to be explained.

Mr. Jones – They are getting a break so they are not going to argue.

**MOTION:** Mr. Jones moved to approve the application subject to the condition that the preneed Licensee shall pay a fine in the amount of \$500, in regard to late filing their said financial statement(s). Mr. Hall seconded the motion, which passed unanimously.

Ms. Morris – Buggs-Bellamy has also paid their late fee of \$500.

**(6) CEP Investment Inc (F019381) (Hudson)**

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee had a negative stated net worth of \$ (299,569), against a minimum required net worth of \$100,000. Licensee was renewed subject to the conditions: 1) that Licensee provides a personal financial statement and guarantee of preneed obligations fully executed by the principal of the preneed Licensee, and 2) that Licensee trusts 100% or sell insurance-funded contracts.

2013 RENEWAL (7-1-2013): Licensee had a negative stated net worth of \$(232,604) against a minimum required net worth of \$100,000. Licensee was renewed subject to the conditions: 1) that Licensee provides a personal financial statement and guarantee of preneed obligations fully executed by the principal of the preneed Licensee and 2) that Licensee trust 100% or sell insurance-funded contracts.

2014 RENEWAL (7-1-2014): Licensee had a negative stated net worth of \$ (161,299), against a minimum required net worth of \$60,000. Licensee was renewed subject to the conditions: 1) that Licensee provides a personal financial statement and guarantee of preneed obligations fully executed by the principal of the preneed Licensee, and 2) that Licensee trusts 100% or sell insurance-funded contracts.

CURRENT RENEWAL (7-1-2015): Licensee's renewal application package was received by the FCCS Division on or about May 28, 2015. However, the R2A & R2B financial statements (balance sheet and income statement) were not included in the submission. Licensee advised the Division that the financial statements were still being prepared by its CPA, and will be provided as soon as the CPA has completed the financials. As of June 15, 2015, the date this cover sheet is prepared, the FCCS Division has not received any material relating to Licensee's net worth. Licensee has filed a Form R6 – Net Worth Alternatives Form, and reports total preneed contracts outstanding of \$1,721,701. The required minimum net worth for renewal is \$100,000. The preneed license shall be renewed subject to the following conditions:

- 1) The Licensee provides the Division a balance sheet (form R2A) and income statement (R2B) as required by the renewal application.
- 2) The Licensee completes form R4 of the application package by indicating the reported net worth.
- 3) The Licensee pays to the Division a late fee re the financial statements, in the amount of \$1,000, as required by s. 497.453(5)(e), FS, and rule 69K-5.0026(2), FAC.
- 4) That the Board extends the stated conditions of the existing Personal Guarantee of the Licensee's preneed obligations executed and dated 7-18-2012 by the Licensee's principal, Clarence E. Prevatt, Jr.
- 5) That Licensee shall cause Clarence E. Prevatt, Jr. to file with the Division a current statement of personal assets and

liabilities, compiled and reviewed by a certified public accountant, prepared and presented in conformity with Generally Accepted Accounting Principles.

- 6) 100% Trusting or Insurance Funding. The preneed Licensee shall trust 100% of all amounts received on the sale of any trust funded preneed contract, whenever sold. All new preneed contracts sold by the preneed Licensee shall be either subject to 100% trusting, or shall be funded by a life insurance policy on the preneed contract Beneficiary's life with a death benefit amount at least equal to the total preneed contract price.
- 7) The preneed Licensee shall cease selling new preneed contracts on July 1, 2015 and shall not resume selling same until advised by the Division in writing that all the above conditions have been met.

**MOTION:** Mr. Jones moved to approve the application subject to the conditions recommended by the Division. Mr. Hall seconded the motion, which passed unanimously.

***(7) Corey-Kerlin Funeral Home PA (F038706) (Jacksonville)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee had a negative stated net worth of \$ (12,487), against a minimum required net worth of \$100,000. Licensee was renewed subject to the conditions that : 1) the principals submit personal guarantees of the Licensee's obligations, and 2) all preneed sales be 100% trust or insurance- funded.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$105,038, against a minimum required net worth of \$ 100,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$283,630, against a minimum required net worth of \$ 100,000. Licensee was renewed Licensee was renewed without conditions.

CURRENT RENEWAL: Licensee reports a negative stated net worth of \$(147,539), against a required minimum net worth of \$ 100,000. Licensee reports a current ratio of 4.1 to 1. The preneed license shall be renewed subject to the following conditions:  
100% Trusting or Insurance Funding

- (a) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- (b) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Mueller seconded the motion, which passed unanimously.

***(8) Forbes Funeral Home Inc (F060873) (MacClenny)***

Mr. Shropshire – CURRENT RENEWAL (2015): Licensee reports a negative net worth of \$ (7,535). Licensee reports \$37,960 in preneed contracts outstanding as of CYE. The required minimum net worth for renewal is \$10,000.

CURRENT RATIO: Licensee reports a current ratio (current assets divided by current liabilities) of .08 TO 1. Licensee was initially issued their preneed license in 2014. The preneed license shall be renewed subject to the following conditions:  
100% Trusting or Insurance Funding

- 1) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- 2) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

Mr. Helm – We have a big enough list of people who do not meet the net worth. This has just started and I know coming up we have some that we refused several years back and now they are up to standard meeting the requirements. My feeling is I do not want to add another one to the list. Make them get their financials in order.

Mr. Shropshire – The difficulty would be in the inconsistency of treatment.

Mr. Helm – We have got to start somewhere.

Mr. Shropshire – Years back when myself and Anthony Miller were new in this position, we recommended denial of almost all of these people and the Board renewed them subject to the conditions and you could say that we just started to go along. It would be Mr. Barnhart's office who would defend the denial but I think he would be in a difficult position, but I do not speak for him.

Mr. Barnhart – You could certainly take a new direction in anything that you want to do like that. Perhaps it would be better to try to get the word out first before you start to bring down the hammer, but you can certainly change the way things have been done in the past. Perhaps, trying to ease into that might be a better solution than trying to come down on people where you have not done so before.

Mr. Helm – Well, my question to you is how would we do that?

Mr. Barnhart – How often do these come up for renewal?

Mr. Helm – Once a year

Mr. Barnhart – I would suggest doing what has been done in the past but getting the word out to everybody that you are going to be looking at these a lot more carefully in terms of you could be denied next time around if you are not meeting your requirements at the time of renewal. Give them a little bit of a chance to sure up their financials and bring them into compliance before you start to lower the hammer on them, but that is totally up to you. I think it is important that you be consistent but I think it is important to that if you are going to take a new direction, something that you have not done for a long time, try to ease into it a little bit to give people some notice of what they are going to have to do next time around.

Mr. Hall – I agree with him, however, by statute, do they not have the right to send their personal financial and personal guarantees to us? Is that not allowed in the statute?

Mr. Shropshire – The statute contemplates a system where you either have to have the net worth or you can offer up and the Board can accept, if it desires, these alternative measures. Actually, if they in fact do 100% trust or insurance fund, there is relatively little risk to the consumer. Some risk, but relatively little, which is why the Division exceeded to the Board. This is why we have not continued every year to recommend denial of all these people because they require 100% trusting or insurance funding.

Mr. Helm – I would still like to see something done. I mean you have a whole lot of people that are doing it the right way, meeting the net worth and everything else. I do not see why it is so hard for twenty (20) people not to do the same thing.

Mr. Hall – Could the Division send some type of email to these people letting them know, like Mr. Barnhart said, that in the future they will be looked at and scrutinized closer to give them that warning shot?

Mr. Shropshire – We could absolutely do that, but are we bluffing? Are we drawing a line in the sand that the Board is not actually going to be willing to fulfill when Boynton comes back up and so forth? You have renewed them in that capacity for years. If you deny these little guys you are going to have to deny the bigger guys. Maybe you should, but I think you have to be consistent.

Mr. Rudolph – We have people on there with accounting issues and you are going to have negative net worth but over time you will see that negative net worth getting better and better. They are providing services to their families. They are providing everything that they need. They are honoring contracts. I remember when there was a bid denial of all these and

everybody came back and challenged them. Again you would have the same thing happen. It would tie up this Board with these challenges. I agree that if you do not have the net worth, you have to do something to protect them. I agree as well that 100% trusting or insurance is the best protection for the consumer when you do not meet the requirements. I agree it should be consistent.

Mr. Bill Williams, FSI – It is a little bit broader than that. Part of the problem that we have is there is no consistency financial reporting that we are seeing out there and it is very hard to compare apples and apples when they start submitting these financial statements if they are not being done according to GAAP. We have some and it is amazing how they get the numbers. They need to be questioned more in depth. The Division historically took a stance and they were very restrictive on looking and viewing these financial statements and we are not doing that now. I think there is a little bit of a challenge that Mr. Shropshire may feel that he is restricted, I assume, when the statute says what you can or cannot accept. It does not take a whole heck of a lot for somebody to take a bunch of numbers and turn them in and get qualified for that. So, it is a little bit more in depth than just negative net worth and things of that nature. You are seeing positive net worth that qualify that do not really qualify and they should be questioned more. So, it is a little bit broader than just this one (1) issue.

Chair – We appreciate your insight. Thank you.

Mr. Clark – I agree with Lew. I am glad we are adding the personal guarantee but the concept of the consumer being protected because of 100% trusting or insurance, and that is fine. I understand that intellectually, but we had two (2) cases today where funds were not trusted and a lie was given to an insurance company on a contract amount. It is my opinion that we are not firm enough. When they deviate from trusting appropriately or working with insurance, I think that is where we correct the bad apples in the industry because these two (2) companies were holding on to cash that was not theirs and that is not appropriate.

Mr. Shropshire – More fundamentally to Bill Williams' point, other than having them submit CPA audited financials, I do not think the Division can actually verify because they can just tell us they are GAAP compliant. Moreover, there is this fundamental issue, so you have to have \$1000 net worth. Well, the Division has no way of knowing. You put \$1000 in the bank and the day after you are approved you take it back out and use it for something else. I mean it is a very fundamental issue of depending on that net worth to be there one (1) day to get licensed and then it is gone. Reality just seems to be that 100% trusting or insurance funding as a practical matter is the best option in the end for most of these folks.

Mr. Williams – I understand the position that you are in and I know it is hard to do that but historically we would look at the financials. If a firm was renting a building for their funeral home and there is no rent expense it would be questioned and we are not doing that now. That is where I am coming from. If a preneed contract is recorded a specific way under GAAP and placed on the books that way and it is not being done now, we are not questioning that. That is my whole point. Another firm that is in front of you today, their financials I have looked at for numerous years and I will tell you, according to me not being a CPA, those are no more GAAP statements than the man in the moon. It is a shame because, in my opinion, they have a negative net worth and yet they are stated a positive net worth and getting their PNL. We have got to figure out a way to allow the Division to be able to look at these statements and question them and if they are not proper according to the Division, and I do not know how we do this through rules or something that would satisfy Mr. Shropshire, but we have to have something where you all can question them more and if they are not stated appropriately or you do not feel they are stated appropriately be able to say that to the Board and go back and get an additional financial submission.

Ms. Oliver – Would it be possible for us to require that the financials be submitted by a CPA? Is that something that is reasonable or not?

Mr. Shropshire – Well, so many of them are compiled by a CPA, which just means that they look at them and say assuming everything you have told me is true, this is a proper presentation of material. So, the only way you can get to a reliable situation is audit and that is very expensive. Most of the Licensees say and I think it is probably true that they could not afford it. The Division is not against it but it has just not been feasible. Legislative efforts are made occasionally. The most recent legislative efforts, I think, has been a proposal floated by the Independent folks that they just say right off the bat if you agree to 100% trusting or insurance funding you can get your license with no net worth requirement at all because I think that they recognize that. To Bill's point, back when the Division, back then the Bureau, reviewed those so close, remember that

was when the Bureau was in the Department of Banking and Finance and they had staffs of banking examiners that they review on. Now we have Lashonda and she is just totally snowed under.

Mr. Helm – I apologize for taking up everybody’s time but this bothers me.

Mr. Shropshire – It bothers the Division.

Mr. Helm – If there is a way that we could fix it I sure would like to look into it or begin to get it fixed. I do not think it is fair to the guys who have it right.

Mr. Shropshire – Remember, four (4) years ago I think, myself, Paul Whitfield, the Deputy Commissioner met with key Industry folks in this room on a legislative proposal for audited financials and the Industry said that proposal is dead on arrival. That was their words. It is a difficult issue.

Mr. Knopke – In a previous life on a different Board, one (1) of our Board members was Jim Atkins and we unofficially assigned him the task of kind of scanning all the financials for COA renewal at that point because he had the expertise to look to see whether it was BS or semi BS or factually correct and he brought many issues to the table for us to discuss and consider. The list that you have today of seventeen (17) people, back then was probably three (3) or four (4) times that length and we would spend multiple days going page for page but it drew people down to a small few. Some of these that are on this list, Powell, go back to 1994, 1995 and they had some tax issues that impact them on putting money in or taking it out. They are going businesses. It is a real challenge for the Department. I am not saying there is a need to assign Ms. Oliver since I think she is the CPA representative.

Mr. Hall – No, that is Jim and he is gone.

Mr. Knopke – It is a matter of time and resources to do it. I will predict that we will not get much done until there is a really serious issue and then the Legislature will make that decision for us. It will not be us.

Chair – I am a very pragmatic, results oriented person and with the laxity that may be alluded to, what is the change in results on the audits and findings of those that are in violations and what is the change in that over the years? There is not been a resurgence of those that are violating the terms of their preneed license so it is taking a chainsaw to something that could be solved with a paring knife. That is my comment on going into line item detail on everyone that comes through.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Clark seconded the motion, which passed with one (1) dissenting vote.

***(9) Gainous-Wynn Funeral Home Inc (F019406) (New Smyrna Beach)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$95,400, against a minimum required net worth of \$60,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reported net worth of \$113,957, against a minimum required net worth of \$60,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$58,845, against a minimum required net worth of \$60,000. Licensee was renewed subject to the following conditions: Licensee agree to 100% trusting or insurance funding of all preneed contracts sold.

CURRENT RENEWAL (7-1-2014): Licensee reports a net worth of \$59,128. Licensee reports total preneed contracts outstanding of \$682,302. The required minimum net worth for renewal is \$80,000. The preneed license shall be renewed subject to the following conditions:

100% Trusting or Insurance Funding



- a) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- b) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Mueller seconded the motion, which passed unanimously.

***(10) Memorial Gardens Cemetery of the Florida Keys (F039562) (Key West)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reports a stated net worth of \$100,038, against a minimum net worth of \$10,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$106,713, against a minimum net worth of \$10,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$122,200, against a minimum net worth of \$10,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$144,300, against a minimum net worth of \$10,000. Licensee was initially issued their preneed license in 2011. However, Licensee failed to file its income statement (R2B) in conjunction with its balance sheet (R2A), which was filed timely. The forms were due by no later than April 1, 2015. The preneed license shall be renewed subject to the following conditions:

- 1) The preneed Licensees shall submit an income financial statement (forms R2A) that the Division determines complies with the requirements of Chapter 497 Florida Statutes and related rules.
- 2) The preneed Licensee shall pay a fine in the amount of \$500, in regard to late filing their said financial statement(s).
- 3) The preneed Licensee shall cease selling new preneed contracts on July 1, 2015 and shall not resume selling same until advised by the Division in writing that all the above conditions have been met.

Mr. Williams – It is my understanding that the financial statements have been submitted and the Division has received them. Is that correct?

Ms. Morris – Yes sir.

**MOTION:** Mr. Jones moved to approve the application subject to the conditions recommended by the Division. Ms. Oliver seconded the motion, which passed unanimously.

***(11) Restlawn Cemeteries & Cremation Gardens LLC (F077142) (Jacksonville) (WITHOUT Conditions)***

Mr. Shropshire – The Division initially recommended approval subject to conditions, but pursuant to supplemental materials provided the Board, the Applicant is now showing the required net worth and the Division recommends renewal without conditions.

Mr. Mueller – I have discussed my issue with some people in the room. In the financials which came out this week I believe for Restlawn, there is an item among the assets called Preneed Goodwill. I imagine we have approved them in the past with this item on their list. Can someone tell me what that is?

Mr. Williams – When a firm acquires another firm that has preneed sales with \$1000 preneed contract and 70% trusting. Assume it is paid in full. The contract is booked as a long term liability. The \$700 is an asset that goes into trust and the non-trusted portion of \$300 is an asset that goes into cash. If the selling firm then uses that cash and spends that cash, they are upside down \$300 on their assets or their liabilities. When they sell that contract or the firm with the contract to the buyer, the

buyer takes the \$300 cash that has already been spent and applies it to goodwill to make a total balance sheet, as it relates to preneed contracts, even if you would and that is the proper way to account for an acquisition of preneed assets under GAAP accounting that is required by our statute. We have written CPA opinions to that effect. I would be glad to share that with everybody. That is the proper way to account for preneed sales that have been acquired.

Mr. Mueller – Mr. Shropshire, would you examine that issue please? I am happy to move approval subject to you getting an understanding that that is properly done.

Mr. Shropshire – Yes sir, I will follow up with Mr. Williams.

Mr. Knopke – Is it normally stated this way, Bill, as preneed goodwill or is it normally stated as just goodwill?

Ms. Wiener – I think most people just include it as goodwill and so it did call attention to it here. These financials were revised because the accountant in main did not quite understand the appropriate way to book the preneed, as I said in my cover letter. Worked with FSI, got the accounting standards from FSI and then knew what was appropriate.

Mr. Williams – Even if it is under regular goodwill, the effect is the same but they still have to look at it on an annual basis for impairment and write it down. It should change year to year.

**MOTION:** Mr. Mueller moved to approve the application subject to the condition that Mr. Shropshire confirms that that goodwill is stated correctly. Mr. Hall seconded the motion, which passed unanimously.

Mr. Mueller – Mr. Shropshire, will you report back to the Board please?

Mr. Shropshire – Yes.

***(12) Select Funeral Partners LLC (F067184) (North Port)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$72,359, against a minimum required net worth of \$40,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$147,295, against a minimum net worth of \$100,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$114,206, against a minimum required net worth of \$40,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$121,953, against a minimum net worth of \$40,000. Licensee appears to meet all substantive requirements for renewal of licensure. Licensee was late in filing its financial statements (R2A and R2B). The forms were due by no later than April 1, 2015. The forms were received as of June 11, 2015, thus 72 days late. The preneed license shall be renewed subject to the condition that the preneed Licensee shall pay a fine in the amount of \$500, in regard to late filing their said financial statement(s).

**MOTION:** Mr. Hall moved to approve the application subject to the condition that the preneed Licensee shall pay a fine in the amount of \$500, in regard to late filing their said financial statement(s). Ms. Anderson seconded the motion, which passed unanimously.

***(13) Troxelcorp Enterprises Inc (F038732) (Cocoa)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$101,696, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$102,359, against a minimum net worth of \$100,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$102,255 against a minimum net worth of \$100,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$58,184, against a minimum net worth of \$100,000. The preneed license shall be renewed subject to the following conditions:

100% Trusting or Insurance Funding

- 1) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- 2) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Jones seconded the motion, which passed unanimously.

*(14) Vior Funeral Home Inc (F019469) (Miami)*

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$154,276, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reported net worth of \$107,969, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$101,325, against a minimum required net worth of \$100,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$105,735, against a minimum net worth of \$100,000. Licensee appears to meet all substantive requirements for renewal of licensure. However, Licensee was late in filing its financial statements (R2A and R2B). The forms were due not later than April 1, 2015; however, the financial statements were not received until April 21, 2015 (20 days late). The preneed license shall be renewed subject to the condition that the preneed Licensee shall pay a fine in the amount of \$200, in regard to late filing their said financial statement(s).

**MOTION:** Mr. Jones moved to approve the application subject to the condition that the preneed Licensee shall pay a fine in the amount of \$200, in regard to late filing their said financial statement(s). Ms. Oliver seconded the motion, which passed unanimously.

*(15) Waldon Professional Funeral & Cremation Services LLC (F073727) (Sanford)*

Mr. Shropshire – 2014 RENEWAL (7-1-2014): Licensee reports a negative stated net worth of \$ (28,825), against a minimum required net worth of \$ 10,000. Licensee was renewed subject to the conditions that: 1) Licensee agree to 100% trusting or insurance funding of all preneed contracts sold.

CURRENT RENEWAL (2015): Licensee reports a stated net worth of \$ (50,888). Licensee reports \$38,840 in preneed contracts outstanding as of CYE. The required minimum net worth for renewal is \$10,000. Licensee reports a current ratio (current assets divided by current liabilities) of .6 TO 1. Licensee was initially issued their preneed license in 2013. The preneed license shall be renewed subject to the following conditions:

100% Trusting or Insurance Funding

- 1) Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
- 2) Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
  - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or

- (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include a personal guarantee and personal financials. Mr. Clark seconded the motion, which passed unanimously.

***(16) Watson Mortuary Services Inc (F019407) (Trenton)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$60,341, against a minimum required net worth of \$60,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reports a net worth of \$54,896, against a minimum required net worth of \$60,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$52,055, against a minimum required net worth of \$60,000. Licensee was renewed subject to the conditions: (1) 100% trusting or insurance funding and (2) submission of personal guarantee by Licensee's principals.

CURRENT RENEWAL (7-1-2015): Licensee reports a net worth of \$50,716. Licensee reports total preneed contracts outstanding of \$526,154. The required minimum net worth for renewal is \$60,000. Licensee reports a current ratio of .06 to 1. The preneed license shall be renewed subject to the following conditions:

- 1) 100% Trusting or Insurance Funding.
  - (a. Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
  - (b. Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:
    - (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
    - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.
- 2) The Personal Guarantee of the Licensee's preneed obligations, executed by James C. Watson, dated July 8, 2011, is continued.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include personal financials. Mr. Mueller seconded the motion, which passed unanimously.

***(17) Zion Hill Mortuary Inc (F019404) (St Petersburg)***

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reports a stated net worth of \$72,612, against a required minimum net worth of \$100,000. Licensee was renewed subject to the condition: 1)100% trusting or insurance funding.

2013 RENEWAL (7-1-2013): Licensee reports a stated net worth of \$85,211, against a required minimum net worth of \$100,000. Licensee was renewed subject to the condition: 1)100% trusting or insurance funding.

2014 RENEWAL (7-1-2014): Licensee reports a stated net worth of \$53,105, against a minimum required net worth of \$100,000. Licensee was renewed subject to the condition: 1) that Licensee agreed to a stipulation agreement for renewal for 100% trusting or insurance funding, and 2) Licensee provided a personal guaranty executed by all officers.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$44,628, against a required minimum net worth of \$100,000. Licensee reports a current ratio of .36 to 1. The preneed license shall be renewed subject to the following conditions:

- 1) 100% Trusting or Insurance Funding.
  - (a. Concerning all amounts received on or after July 1, 2015, by or on behalf of the Licensee herein, as payments on preneed contracts sold prior to July 1, 2015, the Licensee shall trust 100% of all such amounts in a trust under s. 497.458, Florida Statutes.
  - (b. Concerning preneed contracts sold by the Licensee on or after July 1, 2015, Licensee shall either:

- (i) Trust 100% of all proceeds from such sales in a trust under s. 497.458, Florida Statutes; or
  - (ii) Sell such preneed contracts funded by a life insurance policy on the preneed contract beneficiary's life, issued by a Florida licensed life insurer, with a death benefit amount at least equal to the total preneed contract price.
- 2) The Personal Guarantee of the Licensee's preneed obligations, executed by Dwayne E. Matt, dated March 10, 2015, is continued.

**MOTION:** Mr. Hall moved to approve the application subject to the conditions recommended by the Division to include personal financial statements. Mr. Mueller seconded the motion, which passed unanimously.

Mr. Williams – Mr. Chairman, may I ask for a point of clarification on a previous item?

Chair – Yes.

Mr. Williams – Mr. Shropshire, when we restrict these folks to go 100% trusting or insurance, do you want that to start from the new contract forward to be 100% trusting? What about payments being received on the old contracts?

Mr. Shropshire – The way it is written, it's all payments received after July 1, 2015.

**C. Recommended for Denial**  
**(1) Watts Funeral Home and Cremation Center Inc (F019449) (San Mateo)**

Mr. Shropshire – This preneed Licensee was renewed without conditions for 7-1-2013 and 7-1-2014.

CURRENT RENEWAL (7-1-2015): Licensee reports a stated net worth of \$137,383, against a minimum net worth of \$10,000.

In processing this preneed Licensee's renewal application for July 1, 2015 renewal, it was noted that this preneed Licensee has used the exact same balance sheet for their July 1, 2013, July 1, 2014 and now for their July 1, 2015 renewals, simply changing the date at the top of the balance sheet. That is, the balance sheets for CYs 2012, 2013, and 2014 are exactly the same. Until this year this was not detected by the Division.

According to s. 497.453(2)(f), Florida Statutes, no preneed license may be issued unless --

"(f) The Applicant and the Applicant's principals are of good character and have no demonstrated history of lack of trustworthiness or integrity in business or professional matters."

According to 497.152(1)(c): it is grounds for denial of an application for renewal if the Applicant no longer meets the original qualifications for licensure. Having twice changed the date on the top of the balance sheet and resubmitted same to the Division and Board, reflects a knowing intent to deceive the Division and the Board -- a false statement made directly to the Division and Board with intent that we rely on it -- and is a demonstrated history of lack of trustworthiness or integrity in business or professional matters. For the above stated reasons, the Division recommends that the application to renew be DENIED.

**MOTION:** Mr. Hall moved to deny the application as recommended by the Division. Mr. Jones seconded the motion, which passed unanimously.

Mr. Jones – The denial covers what?

Mr. Shropshire – The preneed main license. If they file an appeal they can continue to sell during the appeal.

Chair – I do not believe there are branch locations under this but if there were it would be applicable to any branch locations also.

Mr. Mueller – Back to the one (1) we just denied and the ones coming up, Mr. Shropshire have they been notified of your recommendation?

Chair – Per Ms. Morris, the answer is yes.

Mr. Mueller – So they had an opportunity to be here today and to submit other information.

Mr. Jones – This is just the preneed. This does not impact the funeral home license? Even though it was deceit to some degree, would that constitute the Division to pursue anything beyond that if there are any other concerns potentially?

Mr. Shropshire – Your point is well taken. My instinct would be to wait to see what kind of excuse they are going to offer when they receive the Order denying them renewal. I fully expect they will come to the Board with some kind of an explanation.

Mr. Jones – I am just wondering about other business practices in the funeral side of it too. That is the only reason I am bringing it up.

*D. Non-Renewing Preneed Licensees (Not Renewing as of June 30, 2015) – Addendum K*

Mr. Shropshire – This is a list of Licensees who are not renewing their license, so this is an informational item.

*E. Requests for Waiver of Late Fee*

*(1) Recommended for Approval with Conditions*

*(a) Eastside Funeral Home Inc (F019321) (Leesburg)*

Mr. Shropshire – 2012 RENEWAL (7-1-2012): Licensee reported net worth of \$122,399, against a minimum required net worth of \$10,000. Licensee was renewed without conditions.

2013 RENEWAL (7-1-2013): Licensee reported net worth of \$115,957, against a minimum required net worth of \$10,000. Licensee was renewed without conditions.

2014 RENEWAL (7-1-2014): Licensee reported net worth of \$ 105,053, against a minimum required net worth of \$10,000. Licensee was renewed without conditions.

CURRENT RENEWAL (7-1-2015): Licensee reports a net worth of \$ 108,060. Licensee reports total preneed contracts outstanding of \$4,925. The required minimum net worth for renewal is \$10,000. Licensee appears to meet all requirements for renewal of license, except for payment of certain late fees.

This matter is before the Board on the Licensee's request for waiver of late fees. Licensee's application R2 and R3 filing was due at the FCCS Division office by no later than April 1, 2015, but was in fact was received on May 15, 2015. Pursuant to section 497.453(5) (e) and Rule 69K-5.0026(2), late fees are assessable. Licensee submits a written explanation of the cause of the late filing, attached. In summary, Licensee states that the preneed renewal application was filed late due to their computer crashing during the time that they were preparing their preneed license renewal. Licensee was initially issued their preneed license in 1997.

The FCCS Division recommends that the Board waive the late fee in view of the cause of the late filing combined with the fact that Licensee has not previously been late in applying for renewal of preneed license. The application for renewal is granted, without conditions.

**MOTION:** The Chair moved to deny the request. Mr. Hall seconded the motion, which passed unanimously.

**18. Application(s) for Preneed Main License**

- A. Recommended for Approval with Conditions**  
**(1) Premier Funeral Plans, LLC (St. Petersburg)**

Mr. Shropshire – The Department received the application on May 22, 2015 and no deficiencies were noted on the application. This is an application for the transfer of a preneed license from Anderson-McQueen Company d/b/a Anderson-McQueen Funeral Home to Premier Funeral Plans, LLC. This application is being filed as a result of a proposed change of ownership from Anderson-McQueen Company d/b/a Anderson-McQueen Funeral Home to Premier Funeral Plans, LLC. The sole owner and manager of the LLC will be: John Thomas McQueen. A completed background check of all officers revealed no criminal history.

Applicant has agreed to assume responsibility of all preneed contracts written under the preneed Licensee (F038703), if approved. Applicant will continue to sell insurance and trust funded preneed contracts through National Guardian Life (NGL) and Funeral Services, Inc (FSI) First Florida Trust Agreement (Sabal Trust Company), and utilize their approved pre-arranged funeral agreements. The qualifying entity is currently licensed as a funeral establishment under license number F063608, and an application for a change of ownership of the funeral establishment license is also being presented at this meeting.

The Applicant's financial statements as of May 20, 2015 reflect the following:

Outstanding Preneed Contracts	=	\$	0
Required Net Worth	=	\$	10,000
Reported Net Worth	=	\$	30,000

The Division recommends approval subject to conditions as follows:

- 1) That the Application for Change of Ownership of the qualifying funeral establishment license is approved subject to the stated conditions.
- 2) That all preneed obligations of the preneed Licensee under its current controlling party shall continue as its obligations under its new controlling party.

Chair – What about condition #1?

Mr. Shropshire – There is not actually an application for change of ownership of a qualifying entity because Premier will be a wholly owned subsidiary in the Anderson-McQueen Group and the qualifying entity will be one (1) of the other funeral homes in that group.

Chair – So the Division's recommendation is to approve subject to condition two (2), strike condition one (1)?

Mr. Shropshire – Yes sir.

**MOTION:** Mr. Knopke moved to approve the application subject to the condition that all preneed obligations of the preneed Licensee under its current controlling party shall continue as its obligations under its new controlling party. Mr. Clark seconded the motion, which passed unanimously.

Chair – Can you tell us why Anderson-McQueen has a certificate of authority that we just approved and now here is another one for Anderson-McQueen d/b/a Premier?

Ms. Wiener – It will be the same certificate of authority. This is an application for transfer. This is simply the result of a corporate clean up that they are going through right now at Anderson-McQueen. They have changed the name of Anderson-McQueen Company to Premier. They are rebranding and for tax reasons it was better for the preneed to be in a separate legal entity and so we simply formed a legal entity that is wholly owned within the Anderson-McQueen family that will have the preneed license and will also have the insurance agency licenses for what you think of as the Anderson-McQueen Companies.

Chair – So Anderson-McQueen will have two (2) certificates of authority. Will they be giving up one (1)?

Ms. Wiener – Nope, they have one (1) and it will be transferred.

Mr. Knopke – But it will operate under a different name?

Ms. Wiener – It will operate as Premier Funeral Plans, LLC.

Chair – And this one’s net worth requirement was \$10,000?

Ms. Wiener – It was \$10,000 because it is a brand new entity. As soon as all of the preneed liabilities and assets hit their books then their requirement will be much different and they have the assets and liabilities for that. It is the size of the preneed assets that are triggering for tax reasons this corporate restructuring. It will not have any deleterious effect on their preneed or your ability to regulate their preneed in any way.

**(2) *Waters & Hibbert Funeral Home, LLC (Pensacola)***

Mr. Shropshire – The Department received the application on April 28, 2015 and no deficiencies were noted on the application. This application for a preneed license is being filed due to an internal change of control of the Applicant principals (please see attached statement). Carmen C. Moore is assuming 100% ownership of the LLC from former member partner, Clarence C. Cooper, and Ms. Moore will be the sole managing partner and operator of the establishment. A completed background check of all officers revealed no criminal history.

Applicant submitted an application for change of ownership of the qualifying funeral establishment license (F041180), which was approved subject to conditions at the June 4, 2015 Board teleconference meeting. Applicant currently holds a preneed license under License # F065167, which is being approved for renewal, but will relinquish this license, and will honor any existing preneed contracts from the existing preneed Licensee (F065167) under the new preneed license, if approved. Applicant will continue to sell insurance-funded preneed through Homesteaders Life and use its pre-approved Preneed Funeral Agreement and Assignment form. The Applicant’s financial statements as of December 31, 2014 reflect the following:

Acquired Preneed Contracts	= \$	770,528
Required Net Worth	= \$	100,000
Reported Net Worth	= \$	302,927

The Division recommends approval subject to the conditions of approval as set forth for the qualifying funeral establishment license at the June 4, 2015 Board teleconference meeting.

Mr. Helm – Would there still be a condition on it?

Mr. Shropshire – Lashonda, do you recall the background of this condition?

Ms. Morris – That we receive proof of their closing documentation and we are still waiting for that.

Mr. Shropshire – We are also waiting for the actual closing to occur.

**MOTION:** Mr. Knopke moved to approve the application subject to the conditions of approval as set forth for the qualifying funeral establishment license at the June 4, 2015 Board teleconference meeting. Mr. Clark seconded the motion, which passed unanimously.

**B. *Recommended for Approval without Conditions***  
**(1) *A.M. Seigler Funeral Home, Inc. (Mulberry)***

Mr. Shropshire – The Department received the application on May 14, 2015 and deficiencies were noted on the application. A deficiency letter was sent to the Applicant as of May 22, 2015, and all items were resolved as of June 8, 2015. The sole owner of the establishment will be: Alan M. Seigler. A completed background check of all officers revealed no criminal history. It should be noted that Applicant answered “Yes” to Section 6, question (a) “Have you ever had any death care industry license revoked, suspended, fined, reprimanded, or otherwise disciplined, by any regulatory authority in Florida or any other state or



jurisdiction?" Applicant previously held a preneed license (#F019294) from 1995 until 2009. Applicant's application for preneed license renewal was denied at the Oct 2009 Board meeting due to Applicant not meeting its required net worth for renewal. Applicant obtained its current qualifying funeral establishment license (#F040457) as of August 1959, and, if approved, will sell insurance-funded preneed through Homesteaders Life Insurance Company and use Homesteader's approved pre-arranged funeral agreement(s). The Applicant's financial statements as of March 31, 2015 reflect the following:

Outstanding Preneed Contracts	= \$	389,000
Required Net Worth	= \$	40,000
Reported Net Worth	= \$	96,416

**MOTION:** Mr. Helm moved to approve the application. Mr. Hall seconded the motion, which passed unanimously.

**(2) *Treasured Memories FL, LLC (New Port Richey)***

Mr. Shropshire – The Department received the application on March 30, 2015 and deficiencies were noted on the application. A deficiency letter was sent to the Applicant on April 1, 2015, and all deficiencies were resolved as of April 28, 2015. This application for a preneed license is being filed due to non-renewal of the preneed license of the sister entity of the Applicant, Dignity Funeral Services, Inc. d/b/a Michels & Lundquist Funeral Home & Cremation Service (Dignity) (F038726). Treasured Memories FL, LLC will assume all preneed assets and liabilities of Dignity. The qualifying funeral establishment license (F076904) for the preneed license was obtained as of November 2013. A completed background check of all officers revealed no criminal history. Applicant will sell insurance-funded preneed through Homesteaders Life Company and use its pre-approved Preneed Funeral Agreement and Assignment form. The Applicant's financial statements as of March 27, 2015 reflect the following:

Acquired Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	10,000

**MOTION:** Mr. Jones moved to approve the application. Mr. Helm seconded the motion, which passed unanimously.

**(3) *Your Traditions, LLC (Sarasota)***

The Department received the application on May 13, 2015 and no deficiencies were noted on the application. The managing members and owners of the LLC will be: Trina Eggert and Scott E. Kinne. A completed background check of all officers revealed no criminal history. Applicant obtained its current qualifying funeral establishment license (#F084124) as of May 4, 2015, and, if approved, will use the pre-approved Funeral Services, Inc. (FSI) First Florida Trust Agreement (Sabal Trust Company) and pre-arranged funeral agreement. The Applicant's financial statements as of May 11, 2015 reflect the following:

Outstanding Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	65,000

**MOTION:** Ms. Oliver moved to approve the application. Mr. Mueller seconded the motion, which passed unanimously.

**19. Application(s) for Preneed Branch License**

**A. *Recommended for Approval without Conditions – Addendum L***

Mr. Shropshire – These are applications for Preneed Branch licensure and the Division recommends approval.

**MOTION:** Mr. Knopke moved to approve the application(s). Mr. Hall seconded the motion, which passed unanimously.

**20. Application(s) for Removal Facility**

**A. *Recommended for Approval without Conditions***

**(1) *Coast to Coast Removal Services LLC (Winter Haven)***

Mr. Shropshire – An application for a Removal Facility was received on March 19, 2015. The application was complete when submitted. The fingerprint cards for all principals were returned with no criminal history. The establishment passed and

onsite inspection on April 10, 2015. The principal, Kevin Blackmon, does have adverse licensing history. At the February 7, 2013 Board meeting, Mr. Blackmon, license number F058054, was ordered to pay \$2500 fine plus \$250 in cost and his licensed suspended for six months for selling preneed without a license.

**MOTION:** Mr. Jones moved to approve the application. Mr. Helm seconded the motion, which passed unanimously.

**(2) *Panhandle Transport LLC (Tallahassee)***

Mr. Shropshire – An application for a Removal Facility was received on May 20, 2015. The application was complete when submitted. The fingerprint cards for all principals were returned with no criminal history. The establishment passed and onsite inspection on June 4, 2015. The Division is recommending approval without conditions.

**MOTION:** Mr. Knopke moved to approve the application. Mr. Mueller seconded the motion, which passed unanimously.

**21. Cemetery Bylaws**

**A. *Recommended for Approval with Conditions***

**(1) *Carriage Cemetery Services, Inc. (Various Licensees) (Panama City)***

Mr. Shropshire – The attached amended bylaws for Carriage have been submitted for approval by the Board.

In accordance with Rule 69K-6.003, notice has been published in *The News Herald* of Panama City, and also published in the May 26, 2015 *Florida Administrative Weekly*.

The Division's review finds that the proposed amendment does not unreasonably restrict use of burial rights, increase costs to burial rights owners, nor unreasonably restrict competition.

The Division is recommending approval with the condition that no adverse comments are received by the Division within the allotted period of 30 days, as set forth in Rule 69K-6.003(3).

**MOTION:** Mr. Hall moved to approve the request with the condition that no adverse comments are received by the Division within the allotted period of 30 days, as set forth in Rule 69K-6.003(3). Mr. Mueller seconded the motion, which passed unanimously.

**22. Request(s) for Approval of Cemetery Pre-Construction Draw Schedule**

**A. *Recommended for Approval without Conditions***

**(1) *Palm Royale Cemetery and Mausoleum, Inc d/b/a Cemetery, Mausoleum and Chapel at Palm Royale (F039656) (Naples)***

Mr. Shropshire – Palm Royale Cemetery and Mausoleum, Inc. d/b/a Cemetery, Mausoleum and Chapel at Palm Royale (F039656) (Palm Royale) intends to sell mausoleum crypts on a pre-construction basis in the proposed construction project, The Garden Mausoleum, at the above specified location. The Garden Mausoleum will contain 100 single casket spaces, and 0 niches. Palm Royale will use the FSI Master Pre-Construction Trust Agreement, established by Funeral Services, Inc. (FSI) and is requesting approval of the attached draw schedule. This request is for approval of the draw schedule only in relation to the approved FSI Pre-Construction Trust agreement. Compliance with other State and Federal regulations is the responsibility of the Licensee.

**MOTION:** Mr. Mueller moved to approve the request. Mr. Hall seconded the motion, which passed unanimously.

**23. Request(s) to Terminate Probation Early**

**A. *Recommended for Denial***

**(1) *Funeral Director and Embalmer*  
*(a) Bell, Ruben D (F073090)***

Mr. Shropshire – Mr. Ruben Bell initially submitted an application for Concurrent Internship and it was presented at the October 2012 Board meeting and denied based on Mr. Bell’s criminal history. Mr. Bell, via his attorney John Rudolph, then submitted an Election of Proceedings to appear before the Board and the application then appeared before the Board at the February 7, 2013 Board meeting. After discussion, the Board voted to approve the application with the condition of probation for the duration of the internship. Mr. Bell then submitted an application to take the Florida Law and Rules examination and to become licensed as a Funeral Director and Embalmer. This application was presented at the February 6, 2014 Board meeting and was approved with a condition of two years probation. Mr. Bell is now seeking to have the probation terminated early. Mr. Bell was made aware of the stipulations for licensure at the time his application was submitted. Mr. Bell also signed a stipulation for licensure on January 17, 2014. He currently has completed 15 months of the required 24 months of probation. The criminal history is summarized as follows:

- 1) March 7, 1994, Applicant pled guilty to the carrying of a concealed weapon, a 3rd degree Felony; to the Burglary of a dwelling, a 2nd degree felony; and to possession of burglary tools with intent to use, a 3rd degree felony;
- 2) August 14, 1995, Applicant pled nolo contendere to the possession of a concealed firearm by a convicted felon, a 2nd degree felony;
- 3) August 9, 2001, Applicant pled guilty to the false verification of ownership to a pawn shop, a 3rd degree felony;
- 4) May 1, 2002, Applicant pled guilty to grand larceny from a person at night, a felony.

The Division is recommending denial of the request.

**MOTION:** Mr. Knopke moved to deny the request. Ms. Anderson seconded the motion, which passed unanimously.

**24. Executive Director’s Report**

**A. Extension(s) Requested – NorthStar Funeral Services of Florida, LLC (Informational)**



SUN TRUST BANK BLDG.  
215 SOUTH MONROE STREET  
SUITE 400  
TALLAHASSEE, FL 32301  
TELEPHONE: 850.681.6810  
FAX 850.681.9792  
WWW.BROADANDCASSEL.COM

June 16, 2015

Doug Shropshire, Director  
Division of Funeral, Cemetery and Consumer Services  
[Doug.Shropshire@myfloridacfo.com](mailto:Doug.Shropshire@myfloridacfo.com)

**Re: NorthStar Funeral Services of Florida, LLC / NorthStar Cemetery Services of Florida, LLC**

Dear Doug:

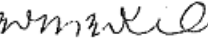
As you know, we represent NorthStar Funeral Services of Florida, LLC, and NorthStar Cemetery Services of Florida, LLC (NorthStar). On March 6, 2014, the Board approved the funeral establishment and cemetery license applications submitted by NorthStar, with the condition that the transactions close within 60 days (i.e., May 5, 2014). Subsequently, the Division granted extensions on the closing deadline. In early September, all save one of the transactions closed, and the licenses were issued. The exception was the cemetery known as “The Gardens.”

On November 4, 2014, we notified the Division that the closing date for “The Gardens” remained uncertain due to pending litigation (since concluded), and a request for an extension of time to close was granted. Subsequent extensions have been requested and granted, with the current deadline of June 4, 2015.

When the current extension was granted, you acknowledged that if additional time was still needed, you would consider an extension to August 15, 2015.

It has come to our attention that additional time for closing is necessary. Therefore, we would like to request a further extension of time to complete the transaction, until August 15, 2015.

Please let us know if you require additional information.

Sincerely,  
  
Wendy Russell Wiener

Mr. Shropshire – This has been going on slightly more than a year, but they do anticipate closing soon as I understand from their counsel, Ms. Wiener.

Ms. Wiener – They do anticipate closing. There was a major delay wrapped up with the litigation that you all know surrounded The Gardens. After that, because of the huge length in time between the deal that was made and the purported closing there was necessity to renegotiate some of the terms. We have told them that August 15<sup>th</sup> is the end of the road so they know that if they do not close they will have to come back before the Board with a new application.

*B. Update re: Conference Exam Issue (Informational)*



FCCS DIVISION  
15 JUN -5 PM 10:46

**Contact:** Sarah Gill  
Examination Services Manager, The International Conference of Funeral Service Examining Boards, Inc.  
[exams@theconferenceonline.org](mailto:exams@theconferenceonline.org)  
479-442-7076 Ext. 8

FOR IMMEDIATE RELEASE: June 1, 2015

**Exam Administration Updates**

The Conference is pleased to announce the return of instant results reporting as of January 1, 2016 for all National Board Exam (NBE) candidates. In addition to receiving the pass/fail report immediately following the exam at the testing center, candidates will now also have continuous access to their results through the online Pearson VUE account created during the registration process.

In order to facilitate the return to instant results reporting, all NBE candidates must be verified graduates of an American Board of Funeral Service Education (ABFSE) program prior to sitting for the NBE. To prepare for the transition back to immediate reporting, Projected Graduation Date Forms can no longer be accepted after October 1, 2015.

The National Board Exam and State Board Exam retake policies will also change at that time. Beginning on January 1, 2016 eligible candidates may sit for the NBE or SBE up to three times in one calendar year. The 90-day wait period for NBE and the 30-day wait period for SBE are still applicable. Overall, this policy change will affect a very small number of exam candidates, but will promote exam security by limiting the possibility of exam overexposure.

Questions and/or comments can be directed to the Examination Services Manager at [exams@theconferenceonline.org](mailto:exams@theconferenceonline.org).

C. Report: Payment of Disciplinary Fines and Costs (Informational)

Monthly Report of Fine and Costs Assessed and Paid  
 Division of Funeral, Cemetery and Consumer Services  
 June 25, 2015 Board Meeting  
 Date of Report: June 16, 2015

Licensee	Board Meeting	Case No.	Total Fine & Cost Due	Date Due	Paid in Full?	Comments
Cemetery Professionals, LLC dba Beaches Memorial Gardens and Cemetery Professionals, LLC dba Beaches Memorial Park	Jun-12	110156-10-FC & 110157-10-FC	\$5,250 \$5,000 38,859.57	9/8/2012 12/7/2012 35 mo pymts	YES YES Status Pending	Licensee monthly restitution payments are current.
Buy and Sell Cemetery	Dec-14	154941-14-FC	\$62.50 \$62.50 \$62.50 \$62.50 \$62.50 \$62.50 \$62.50 \$62.50 \$62.50 \$62.50	\$62.50 Initial payment/ First installment payment (paid)	On time	

Jay Monument & Vault a/k/a Jay Monument & Vault Inc.	Oct-14	153256-14-FC	\$5000 and 13 years of renewal fees	11/24/2014	No	Legal served licensee with a Notice of Intent on issuing an emergency order of suspension. Legal is in the process of issuing the actual order of emergency suspension.
Rogers Funeral Home	Dec-14	150303-14-FC	\$3,000	January 23, 2015	No.	Because the license was revoked, no further action is being requested by Legal.
Delvis Rogers	Dec-14	150301-14-FC	\$3,500	January 23, 2015	No	The Intent to Issue Emergency Action has been executed and is in the process of being served.
Barney Skinner	Apr-15	154935-14-FC	\$1000 fine/\$1000 restitution	5/8/2015	Note D	License revoked. Because the license was revoked, the Division will not be asking for legal action to be taken on the violation of the court order. If the entity ever seeks re-licensure, the fine would have to be paid before licensure is granted.

Able Monument Company	Apr-15	154939-14-FC	\$1000 fine/\$1000 restitution	5/8/2015	Note D	License revoked. Because the license was revoked, the Division will not be asking for legal action to be taken on the violation of the court order. If the entity ever seeks re-licensure, the fine would have to be paid before licensure is granted.
Georgina Ronick	Apr-15	157226-14-FC	\$3,166	7/8/2015	Paid in full 5/28/2015	
John Gallaher	Apr-15	157224-14-FC	\$3,166	7/8/2015	Note D	
Gallaher Services, Inc.	Apr-15	157220-14-FC	\$3,166	7/8/2015	Paid in full 5/28/15	
New Horizon Funeral Chapel & Cremation, Inc.	Apr-15	154917-14-FC	\$3,500	5/9/2015	Paid in full	

A. When payment in full becomes past due, the FCCS Division works with the DFS Legal Division to enforce payment.  
 B. Once fines and costs are paid in full, licensee kept on this report 3 months, showing Paid in Full, and then dropped off report; also licensee dropped off report after disciplinary action filed due to nonpayment of the fine and costs.  
 C. The Order re this case is still in process, so no Due date is not yet established.  
 D. Due date has not passed, as of the date of this report.  
 E. As of the date of this report, monthly payments were current.

Mr. Knopke – Delvis Rogers, the intent was to issue emergency action and was in the process of being served in January. Do we know whether he has been served?

Ms. Ellen Simon – That has been on the report since January?

Mr. Knopke – No it says due date is January 23, 2015. I am just curious if we served him at all or if we even found him.

Ms. Simon – In terms of the Emergency Order, the emergency action has not been served.

Mr. Knopke – Is there a reason why since it was an emergency?

Ms. Simon – I do not think it has been outstanding for a long period of time. I know that Legal has had it and right now it is in the process of being served. I do not think it is because they are having difficulties in doing that. It is just part of the process.

## **25. Chairman's Report (Oral)**

Chair – None

## **26. Office of Attorney General's Report (Oral)**

Mr. Barnhart – I do not have a report, thank you.

## **27. Administrative Report**

The information was provided on the Agenda.

## **28. Disciplinary Report**

The information was provided on the Agenda.

Mr. Jones – Mr. Chair, let me give an update on something we presented in Jacksonville. At the Jacksonville meeting, the DOH Vital Statistics handed out some brochures where we are working with the Veterans Administration dealing with services related disabilities. We had asked that you look at that. The VA has asked the Department to work with them on trying to approve the ability to determine if the case or manner of death of a deceased veteran was associated with a service connected disability. We are looking at our electronic death system of being able to generate a letter electronically, if the family says it was, that goes to the physician to let that physician know that. In the meantime and I will get back with the Board and work, we may have just a hardcopy letter that we provide that the funeral directors and funeral homes wish to use will be available as we move forward with this. I just wanted to give an update. I did do a presentation on this at a national convention. Florida is the only state working with the VA on trying to improve the reporting of service related disabilities and the impact is to the survivors. The VA using one instance where there was a spouse and it was not indicated that the death was service related. They finally got it resolved and the VA paid her \$25k in arrears, which is what she was not receiving but was entitled to at the time. We are working on that and if you have any questions please get with me.

Chair – How about just an overview on the EDRS?

Mr. Jones – We are 99.7% electronic with all deaths in the state. There are about six (6) funeral homes that are still paper. Let me say I could not roll the system out as fast as you were wanting it. Other states do not have that problem. They have to fight to get the system out. Florida has been fantastic. I did not have to mandate as State Registrar that this system be implemented like some other states have to do. That was fantastic from your Industry. I have six (6) funeral homes we looked at and they do not have a computer. If I tried to mandate that they learn how to use a computer and file electronic records, we decided to let them be because eventually as they close they will go automated. We are looking at ways continuously on how to improve this. We are also looking at an electronic fetal death module that we are working on now. We have 1700 fetal deaths, which you will be able to file those electronically. Just for your information, I am also about 70% electronic on Clerk of Court divorce records being filed electronically. I am moving into marriages. So you can kind of see the

tentacles sort of stretching out of what we are trying to do. Again, the Department is here to serve you and your Industry and as I always say if we can be of any assistance please let us, but thank you for making this easy for us.

**29. Upcoming Meeting(s)**

- A. *July 9<sup>th</sup> (Teleconference)*
- B. *August 6<sup>th</sup> (Altamonte Springs – Hilton Orlando/Altamonte Springs)*
- C. *September 3<sup>rd</sup> (Teleconference)*
- D. *October 1<sup>st</sup> (Fort Myers – Embassy Suites Fort Myers-Estero)*
- E. *November 5<sup>th</sup> (Teleconference)*
- F. *December 3<sup>rd</sup> (Tallahassee)*

Mr. Helm – Do we have an address on the Fort Myers Embassy Suites?

Ms. Bryant – I will send it to you.

Mr. Knopke – I just want to compliment Doug, Ellen and the entire Staff for the package that you presented today. It is outstanding, concise and easy to navigate. It is a lot of work behind the scenes. You all have done a wonderful job!

Mr. Shropshire – Thank you very much for that.

Ms. Richardson – If you are within funeral services and you are the funeral director, embalmer, direct disposer, please make sure that you get your renewal form back in before August 31, 2015 or you will face a penalty. Please make sure you answer yes or no to the question that is provided and please make sure you do your CE credits before you send it so that I do not have to send you a deficiency notice.

**30. Adjournment**

The meeting was adjourned at 12:42p.m.