

Minutes of Meeting
Louisiana Cemetery Board
November 6, 2015

The regular meeting of the Louisiana Cemetery Board was held November 6, 2015, at 3519 12th Street, (Louisiana Motor Vehicle Commission Building) Metairie, Louisiana, pursuant to notice. Chairman Melancon called the meeting to order at 9:00 A.M.

Present were: Gerald W. Melancon, Chairman
Marilyn Leufroy, Vice-Chairman
Shelly M. Holloway, Secretary/Treasurer
F. Anton Wilbert, Board Member
Stacey L. Patin, Board Member
Richard C. Briede, Board Member
Louise F. Saenz, At-Large Board Member
Lucy L. McCann, Director
Anna H. Aucoin, Assistant to the Director
Jerry W. Sullivan, Special Counsel to the Board
Ryan M. Seidemann, Assistant Attorney General

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Pattie Terrell, Live Oak Trust, Houston, Texas; Justin D. Wilson, Esq., Live Oak Trust, Houston, Texas; Peter Bondy, Consumer, Prairieville, Louisiana; Hal and Amy Yarbrough, Serenity Oaks Memorial Park, LLC., Prairieville, Louisiana; John and Amanda Stafford, Serenity Oaks Memorial Park, LLC., Prairieville, Louisiana; Ashlee Theising, ClearPoint Federal Bank & Trust, Batesville, Indiana; Elizabeth Kmiec, ClearPoint Federal Bank & Trust, Batesville, Indiana; Debbie Holmes, Argent Trust, Ruston, Louisiana; Ann Marie Mills, Argent Trust, Ruston, Louisiana; Jimmy Patin, Greenwood Memorial Gardens, Pineville, Louisiana; and Sherri Peppo, New Orleans Archdiocesan Cemeteries, New Orleans, Louisiana.

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Public Comment

Mr. Seidemann, Assistant Attorney General, provided an overview of general guidelines and procedures for the meeting, and the Board's Policies and procedures for time limits for Public Comments.

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Ms. Leufroy made a motion to take the agenda out of order to accommodate guest that were in attendance. The motion was seconded by Ms. Holloway and unanimously approved.

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ClearPoint Federal Bank & Trust – Request to serve in the capacity of trustee under the provisions of Title 8.

Special Counsel for the Board, Jerry Sullivan, made a number of inquiries into the corporate structure of ClearPoint and its relationship to the Hillenbrand Group. The representatives of ClearPoint, namely Ms. Theising and Ms. Kmiec, went through the history of ClearPoint, including its former name, Forethought Federal Savings Bank, and indicated that the company has no relationship with the Hillenbrand Group of companies, including Batesville Casket Company and with Forethought Life Insurance, and as of 2013, the name was changed.

In response to Mr. Sullivan's inquiry, the company representatives confirmed that there are no regulatory investigations or actions against ClearPoint, whether by a state or Federal entity. The representatives also acknowledged that ClearPoint is not licensed to do business in the State of Louisiana, but they will file appropriate documents to secure a license to do business in Louisiana.

Mr. Sullivan addressed the deficiencies in the suggested investments proposed by ClearPoint and noted that pooling of investments in a limited liability company was prohibited. Mr. Sullivan pointed out that ClearPoint must revise its documents to show clear understanding and compliance with Title 8, and more particularly La. R.S. 8:454 and 8:465. Mr. Sullivan also addressed serious concerns in the proposed Management Agreement and the ClearPoint representatives acknowledged and assured the Board that ClearPoint, as Trustee, would have supervision and control over all investments, but said control would be in the form of setting parameters for investment by a Management Company. A lengthy discussion followed as to how trades would be made, and the ClearPoint representatives confirmed that it has the ability to look at assets every day and would insure compliance with permitted investments at all times. It was confirmed that ClearPoint would not be abdicating responsibility or supervision to the manager in investment control.

When Mr. Sullivan inquired as to why SunTrust would be the custodian of the trust assets, the ClearPoint representatives indicated that SunTrust would not serve as the custodian since the LLC investment and pooling of assets would not be permitted under Louisiana law. The ClearPoint representatives further stated that it would serve as its own custodian, but would leverage with Reliance Trust Company in Atlanta, Georgia, still maintaining all assets in the name of ClearPoint as trustee.

Mr. Sullivan addressed several sections of the management agreement relating to the aggregating of sales and purchase orders, and the ClearPoint representatives confirmed again that there would be no pooling of assets and that the trades would only be combined for efficiency, but each account would be separately maintained. Mr. Sullivan also asked ClearPoint to address the money market and money market mutual fund investments it proposed, and ClearPoint stated that any such investment would be in an exchange listed

entity. There would no investments in short term loans as commercial paper since the LLC vehicle was not permitted in Louisiana.

Mr. Sullivan made inquiries into the compensation of the trustee, the managers and sub-managers, and the ClearPoint representatives confirmed that any management compensation would come from the trustee fees and not be at an additional cost to the Trust. With the exception of tax preparation fees, all other regulatory reporting requirements by the trustee would be part of the trustee's fees and not an extra cost to the trust.

The ClearPoint representatives, when asked, advised that the trusts under their administration would focus on a diverse portfolio for purposes of both income and growth needs, and would maintain an appropriate amount of diversity and balance between equities and bonds in a low interest rate environment. ClearPoint further advised that there is no common ownership interest or board representation between the trustee and the managers it would use for its trusts.

Although ClearPoint is a federally chartered bank, Mr. Sullivan inquired as to whether the company had made inquiries to the Louisiana Office of Financial Institutions as to any objections to operations in the state. ClearPoint indicated it had not, but may have done so several years ago. ClearPoint further indicated that they were entering Louisiana on behalf of one of its larger customers, but they were open to other business within the state. ClearPoint stated that its contact person for the State of Louisiana would be Elizabeth Kmiec.

The Chairman stated that at one time the Hillenbrand family owned the bank and asked if they still had any ownership interest in the bank and if the bank was publicly owned. ClearPoint indicated no, they were a privately held company with three individual shareholders. The Chairman also asked ClearPoint if they still had any affiliation with Forethought Life Insurance Company. ClearPoint said that affiliation ended 2007. The Chairman asked if they did any funeral business in the state. ClearPoint said yes they do some funeral trust in Louisiana.

Mr. Sullivan stated that because some of the investment proposed by ClearPoint is outside of the provisions of Title 8 and ClearPoint needs to secure their license to do business in the state he would recommend that the matter be taken under advisement at this time.

After discussion, Mr. Briede made a motion to take the matter under advisement. The motion was seconded by Ms. Leufroy and unanimously approved.

The Board thanked ClearPoint for their attendance and participation.

Live Oak Banking Company (Live Oak Trust is a division of Live Oak Bank, a publicly traded entity on NASDAQ under the symbol “LOB”) – Request to serve in the capacity of trustee under the provisions of Title 8.

Justin Wilson and Pattie Terrell appeared on behalf of Live Oak Bank to respond to any questions from the Board.

Mr. Sullivan asked if Live Oak was involved in any regulatory investigations or litigation relative to its trusts. Live Oak indicated they were not. Mr. Wilson further responded to Mr. Sullivan’s inquiry that the company has no offices in the State of Louisiana, but does have a registered agent for service of process.

Mr. Sullivan asked Mr. Wilson to confirm that the trustee’s fee would encompass all costs association with administrative function of the trustee including record keeping. Mr. Wilson advised that was correct. Mr. Sullivan asked for an explanation relative to the “Partnerships (under 10%)” listed on Exhibit C, The Investment Plan. Ms. Terrell explained that the partnership investments would be made in publicly traded partnerships and that there would be no pooling of assets between trusts.

Mr. Sullivan asked how the responsibility for the investments would be allocated between the trustee and the registered investment advisor within the advisory agreement. Ms. Terrell said that was fully detailed in their policies and procedures manual and the trustee has full responsibility for compliance with the state issued mandates for investments. Mr. Wilson said they have a provision within the management agreement which gives the trustee full responsibility for oversight of the investments. Further, during the initial, annual, and periodic reviews of the accounts, Live Oak will insure that all investments are in compliance. Mr. Sullivan asked if the responsibility for making investment decisions ultimately lied with Live Oak, as opposed to the investment advisor. Mr. Wilson said Live Oak will veto anything not applicable to the statute. Mr. Sullivan asked if the investment advisor agreement would be between the Live Oak and the advisor or between the grantor and the advisor. Mr. Wilson said the sample submitted to the Board was between Live Oak and the advisor. Live Oak would prefer to use their model but if anyone had their own agreement they would prefer to use they would submit that for review and approval. Mr. Sullivan asked Live Oak to confirm that in any agreement Live Oak would retain the responsibility. Mr. Wilson said yes, they would make sure that the appropriate language was in the agreement.

Mr. Sullivan asked Live Oak if the tax return fee on their fee schedule would be charged against the income or principal of the trusts. Ms. Terrell indicated the fees would be taken from the income of the trusts. Mr. Sullivan said he understands that even if the trust does not generate sufficient income, Live Oak has a minimum trustee fee. Ms. Terrell said if the trust does not generate enough income to cover the fees it would be the responsibility of the Trustor, and Live Oak would not overbill income. Mr. Sullivan asked for an explanation of the extraordinary services listed in the schedule of fees. Mr. Wilson said nothing comes to mind in Louisiana, but they have had issues in other states, for example, requiring monthly statements to be sent to the actual pre-need purchaser. Mr. Sullivan asked if regulatory reporting would be considered an extraordinary expense. Ms. Terrell said no,

anything you require for annual reporting or any request of that nature would not incur a cost.

Mr. Sullivan asked Live Oak to tell the board about Live Oak's Advisory Board, and Mr. Wilson explained that it was created to provide industry insight and for marketing purposes only. Only Steve Jackson and Rich Fisher of Live Oak Bank sit on the Advisory Board, and they are employees of the Trust division of Live Oak Bank.

Mr. Sullivan said the letter of recommendation from Christine Hunsaker indicates that Live Oak undertook some actions with regard to the Georgia Cemetery Association and the Secretary of State with regard to allowable investments and income distributions, and asked Live Oak for an explanation of what happened in Georgia. Mr. Wilson said Georgia had strict investment guidelines that all investments had to be FDIC insured. They requested our assistance, and we talked with the regulator to try and get a prudent investor standard. Live Oak proposed some rule changes, which the Secretary of State adopted.

Mr. Sullivan stated that the Investment Advisory Agreement, Exhibit H, indicates that the advisor supervises and directs the investments, without prior consultation with the trustee, which seems contrary to Live Oak's earlier comment that the trustee will have direct oversight and asked Live Oak for clarification. Mr. Wilson advised that when they have the initial meeting with the advisor they provide them with an overview of the permissible investments in the state; and in section two of the advisory agreement Live Oak makes a reservation of rights, retaining final oversight of anything selected by the advisor. Mr. Sullivan asked how the oversight worked, is it a periodic, weekly, monthly, or quarterly review. Ms. Terrell advised the relationship manager does an initial review within sixty days of the funding and then an annual review is set up within the system. However, each relationship manager has the responsibility for the oversight of the investments to be sure we are in compliance and each relationship manager reviews their accounts on a monthly basis. The employees of Live Oak will look at the statement and see what they are invested in and if something happens to come in that is not compliant then Live Oak will immediately notify the investment advisor to sell that asset and replace it. The Director asked if Live Oak was clearing the trades. Ms. Terrell advised Live Oak is settling all of their trades. The Director asked if they review them at the time they settle the trades. Ms. Terrell said with a fully automated trading system it goes from the investment manager to the trading desk and they are settled. The relationship managers do not get notice of pending trades, because it is a fully automated system, but Live Oak does review the accounts for trading on a daily basis and Live Oak would immediately red flag anything that did not comply. However, the investment manager that will likely be chosen has well over twenty-five years experience in the funeral and cemetery industry. Ms. Terrell also advised the investments would be individual holdings as opposed to mutual funds, which adds another layer of fees that the client is not even aware of and the diversification of the portfolios will be obvious within the holding in the account.

Mr. Sullivan asked if they were already operating in Louisiana on the funeral side of the industry. Mr. Wilson said they were qualified but they do not have any clients as of now.

Mr. Sullivan asked what type of market were they seeking, was Live Oak targeting any particular segment of the industry. Mr. Wilson said Live Oak initially plans to target accounts between \$250K and \$1M.

Mr. Sullivan asked if his understanding was correct that Live Oak would be the custodian of the trust accounts. Live Oak indicated that was correct.

Mr. Sullivan addressed some items contained in Sections 9 and 16 of the Investment Advisor Agreement, and Mr. Wilson confirmed that, although the agreement is general and used in all states, Live Oak would insure that the agreement fully complied with Louisiana Cemetery law with regard to investments and that the broker/dealers being used were fully insured.

Mr. Sullivan also stated, regarding prudent investments, the Board will require all agreements contain language relative to compliance with Title 8, which is more specific than the general provisions of the trust code, specifically, La. R.S. 8:454, 8:465, and the rules and regulations of the Board. Live Oak acknowledged and understood.

Mr. Sullivan asked if Live Oak would have a problem using the Board model trust agreements. Mr. Wilson said if that was preferred by the Board they would use the Board's modal trust agreements.

The Chairman asked if Live Oak finds a non-permissible investment in their review of an account managed by an adviser, and the sale of the non-permissible investment results in a loss, which would absorb the loss and associated fees the trust, the advisor, or Live Oak. Mr. Wilson advised Live Oak would be responsible for the loss. However, Live Oak vets their advisor and the advisor should be following the investment guidelines, but if that were to occur Live Oak would be responsible.

After discussion, Mr. Briede made a motion to take the matter under advisement. The motion was seconded by Ms. Leufroy and unanimously approved.

The Board thanked Live Oak for their attendance and participation.

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National Information Services, Inc. – Status report on Board's directive of September 22, 2015.

The Director advised that Topic #4 of the meeting books contained a copy of the denial letter issued to National Information Services, Inc. ("NIS") after the Board's September 22, 2015 decision and a copy of the thirty day report recently received from NIS.

Mr. Seidemann advised that although this is an agenda item there is nothing for the Board to take action on, as everyone is aware the NIS application is on appeal and will be coming before the Board in the future. Aside from public comment, which is welcomed, there should not be a discussion by the Board on the documents which are being provided for

information purposes only. If the Board has questions for Mr. Bondy, that would be appropriate.

At this time public comment was heard from Peter Bondy, a consumer of burial rights and merchandise from Oak Lane Memorial Park.

The Board thanked Mr. Bondy for his comments.

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Application for Certificate of Authority – Serenity Oaks Memorial Park, LLC, Prairieville, LA

The Director advised a complete copy of the application and supporting documents for Serenity Oaks Memorial Park, LLC (“Serenity Oaks”) and the approval letter issued by Mr. Sullivan indicating the documentation submitted by the applicant appeared to be in order, was under Topic #5 in the meeting books.

Mr. Sullivan advised that the package included an amendment to the articles of incorporation which was required for compliance with Title 8. Additionally, although Mr. Sullivan’s correspondence indicates his approval of October 13, 2015 was subject to receipt of the approval by the Planning Commission of the Parish of Ascension and a development plan, those items have subsequently been submitted by Serenity Oaks.

Mr. Sullivan asked, to date, has Serenity Oaks sold any plots, merchandise or services, or solicited as being open for business Serenity Oaks indicated they have not, and confirmed their signs and website indicate “opening soon”.

Mr. Sullivan asked Serenity Oaks to explain their development plan including the dedicated and undedicated portions of the cemetery which still has a mortgage on the land, and how they plan to move forward as the cemetery grows. Ms. Amy Yarbrough advised Serenity Oaks is working with Tim Hansen from Houston, Texas, who is a Landscape Architect and a cemetery developer. The first release is approximately three acres and will make a “u-shape” around the existing cemetery known as Oak Lane Memorial Park. Further, the first release will include five different gardens that will offer a variety of price points and options. However, they are waiting on the master drainage plan to be implemented. Ms. Amanda Stafford advised after they sell most of the first three acres they intend to develop the entire twenty-nine acres. The home and trees are very recognizable and Serenity Oaks wants to share the property with the community and hold events on the property.

Mr. Sullivan asked what they have done to familiarize themselves with the provisions of Title 8 and the rules, and whether they understand how they apply and govern their actions at the cemetery. Serenity Oaks indicated that they had reviewed Title 8 and the rules repeatedly.

Mr. Sullivan asked if they intend to employ anyone at this time. Ms. Yarbrough stated they did not anticipate employing anyone in the foreseeable future and that it would be a family effort.

Mr. Sullivan asked if they could share any information relative to the Giles Garden Addition, which is now located on Serenity Oaks' property. Mr. Hal Yarbrough advised they were working diligently with all of the parties, including Mrs. Giles and her legal counsel, to reach an agreement to resolve the outstanding issues. It is Serenity Oak's desire to help Mrs. Giles.

Mr. Sullivan asked if Serenity Oaks will be using any types of programs that will track perpetual care and merchandise trust deposits. Ms. Yarbrough advised they are working with Memorial Business Systems a/k/a Nexus and will be using their system.

Mr. Sullivan asked if they had undertaken any improvements on the property to date. Ms. Yarbrough advised they have cleaned up the entire property, including painting the exterior of the house. Mr. John Stafford advised the Parish of Ascension required them to submit a drainage plan and they hired an engineer to do the drainage plan. We closed on the property at the end of June and have been cleaning the property since the spring. Serenity Oaks indicated they have already purchased the materials and will put in the new drainage as soon as the weather permits.

Mr. Sullivan confirmed that the trusts would be administered by Argent Trust.

The Director asked if it is the Board's desire to issue the license, would the pending drainage work impede burials, etc. Mr. Stafford said they did not want the Board to hold up their license, but even if they got a license now they will not be selling anything until they put all of the drainage and roads in. Also, the gardens have been plated but the surveyor still has to place the pins, which cannot be done until after the drainage work is complete.

Mr. Seidemann asked what Serenity Oaks had done to learn industry practices. Ms. Yarbrough advised they had taken several trips, including a trip to Cold Springs Granite in Minnesota, and visited numerous cemeteries in Louisiana to observe their operations. Serenity Oaks has also joined the Louisiana Cemeteries Association, the ICCFA, and attended the Tri-State Cemetery Conference recently held in New Orleans.

Mr. Seidemann asked, given the history of the property, why they decided to go into the cemetery business. Mr. Stafford advised he and his sister, Ms. Yarbrough, grew up next door to the property and they did not want to see it become another subdivision. They looked at it as a good business opportunity. Ms. Yarbrough said that it seemed like the community needed the cemetery, that many people who have purchased in Oak Lane have stopped and told them how relieved they were that the property would continue to be a cemetery and not a commercial development.

Mr. Seidemann asked about the owner's prior business experience. Mr. Stafford advised he owns a fire and safety equipment business with nineteen full time employees; Mr.

Yarbrough is a corporate IT person; Ms. Yarbrough has been an Administrative Assistant; and Ms. Stafford previously owned an interior design business.

Mr. Seidemann asked where the offices for the cemetery would be located. Serenity Oaks indicated they would be located in the house located on the property.

Mr. Seidemann asked Serenity Oaks to explain which areas of the property were released from the mortgage and dedicated, and which areas of the property were still under mortgage. Ms. Yarbrough gave a brief explanation of the areas, and the Director circulated a copy of the property plan with the boundaries of the released and dedicated property highlighted in yellow. Mr. Stafford said the property has a ten year mortgage but it is their goal to pay the mortgage off in five years or less. They do not anticipate having to do another partial release but, if business does well and they need to do that, they have the financial means to do that.

The Director asked when they went to observe operations at other cemeteries, did they review practices on how to lay out a grave or place a monument, etc. Ms. Yarbrough indicated they had, and have created internal procedures on how things will be done at Serenity Oaks.

Mr. Briede said the Three Year Performa statement did not have a line item for salary. The owners indicated they would not be drawing a salary at this time and intend to put the money back into the cemetery.

The Chairman said the 2015 figures on the Three Year Performa were for the next few months or for the entire year. Mr. Yarbrough advised it was an annualized amount and, based on where we are now, that would have to be pushed up to next year. The Chairman asked how many grave spaces they intended to sell in a year. Serenity Oaks advised the capacity of the first release is slightly less than two thousand spaces. There was a general discussion regarding some of the line items listed on the Three Year Performa.

Regarding the existing Giles Garden, Mr. Sullivan asked if they had an agreement with Oak Lane to cross Serenity Oak's property in order to maintain that garden. Mr. Stafford said there is a permanent injunction on the driveway which now gives everyone access to that property. Mr. Sullivan asked if the current discussions they were having with the parties regarding the Giles Addition, encompasses or considers Serenity Oaks' assuming the responsibility for the existing Giles Garden in terms of maintenance; and in the event an agreement would be reached, would it allow perpetual care trust funds to be transferred from trust to trust. Mr. Yarbrough advised that was their desire and Mrs. Giles' desire also, if it's allowed. However, there is another party that has to decide whether or not they agree with that arrangement.

The Chairman asked how Serenity Oaks was going to distinguish itself from the existing cemetery. Serenity Oaks indicated that would be difficult but they had plans to build a living fence or boundary to separate the two cemeteries, but it will take some time.

There was a general discussion regarding the development plan of the cemetery, including drainage, roads, marketing, and pricing, etc. After discussion, Mr. Wilbert made a motion to approve the Application for Certificate of Authority for Serenity Oaks. The motion was seconded by Mr. Briede and unanimously approved.

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Ms. Leufroy made a motion to return to the regular order of the agenda. The motion was seconded by Mr. Wilbert and unanimously approved.

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Since copies of the Minutes of Meetings held May 8, 2015, and September 22, 2015, had been previously disseminated to each Board Member, the Chairman asked if there was any discussion and/or amendments. Ms. Leufroy made a motion to approve the Minutes of the May 8, 2015, and September 22, 2015 meetings as presented. The motion was seconded by Ms. Patin and unanimously approved.

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Report of Officers

The Director reviewed the Statement of Operations January through October 2015; Cash & Investments as of October 31, 2015; the Budget vs. Actual January through October 2015. After review and discussion Mr. Briede made a motion to accept the financial statements as presented. The motion was seconded by Ms. Leufroy and unanimously approved.

The Director reviewed the 2015 Proposed Budget Amendments. After review and discussion, Mr. Wilbert made a motion to accept the 2015 Proposed Budget Amendments as presented. The motion was seconded by Mr. Briede and unanimously approved.

The Director reviewed the 2016 Proposed Budget outlining estimated income and expenses. After review and discussion the following motions were made:

Ms. Holloway made a motion to raise the Non-Exempt New/Transfer fees from \$500 to \$600 effective January 1, 2016.

Ms. Patin made a motion to set the Perpetual Care Report Filing fee due on contract written in 2016 at \$2 per contract. The motion was seconded by Mr. Briede and unanimously approved.

Ms. Saenz made a motion to accept the 2016 Budget as presented, allowing the Legal Litigation and Long Term Liabilities certificates of deposits to increase by the income earned. Ms. Leufroy seconded the motion and it was unanimously approved.

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Report of Director

The Director reported on matters being handled by staff and not requiring action by the Board at this time.

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The Director advised that the approval of the Applications for Pre-Construction Sales Projects was inadvertently left off the agenda. Ms. Holloway made a motion to amend the agenda to include the approval of the Applications for Pre-Construction Sales Projects. The motion was seconded by Saenz and a roll call vote was taken: Ms. Leufroy – yea; Mr. Wilbert – yea; Ms. Patin – yea; Mr. Briede – yea; Ms. Saenz – yea; and Ms. Holloway – yea.

The Director presented copies of the Applications for Pre-Construction Sales Projects received by the Board since the last Board meeting. After review and discussion, Ms. Leufroy made a motion to approve the Application for Pre-Construction Sales Project received since the last Board meeting. The motion was seconded by Mr. Briede and it was unanimously approved.

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Ratification of Certificates of Authority issued

The Chairman asked for a motion to ratify the licenses issued since the last Board Meeting. Ms. Saenz made a motion to ratify the 2015 Non-Exempt (New/Transfers) #15-519 - #15-523; 2015 Cemetery Sales Organizations (New) #CSO-15-07; 2015 Non-Exempt (Renewals) #15-518; and Exempts (New) #1368E - #1376E. The motion was seconded by Mr. Briede and unanimously approved.

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Old Business

Consideration of Examination & Inspection Committee oversight protocols.

The Director reviewed the proposed oversight protocols for the Examination & Inspection Committee which was established with assistance from the Special Counsel to the Board, Jerry Sullivan, copies of which were before each Board Member. Mr. Sullivan said the committee protocols will test for normalcy with a significant sample being approximately two percent. As long as the samples are normal they will go to the committee for review, if they fall outside of the norm they will go to the next level which would be an informal proceeding or administrative hearing.

After review and discussion, Ms. Leufroy made a motion to adopt the oversight protocols as presented. The motion was seconded by Ms. Patin and unanimously approved.

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The meeting adjourned for lunch.

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Permissible investments under La. R.S. 8:454 and La. R.S. 8:465.

The Director advised, due to time restraints, the Rules and Regulations Committee had not met to address this issue since the last meeting.

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New Business

Carriage Services of Louisiana, Inc. d/b/a Garden of Memories Cemetery – Request for withdrawals from Merchandise Trust Fund.

The Director advised that Carriage Services of Louisiana, Inc. (“Carriage”) has been unable to make several withdrawals from its merchandise trust fund because they have been unable to locate a death certificates or obituaries on the deceased individual, as required by LAC 46:XIII.1705(F). Copies of Carriage’s request and supporting documentation, was before each Board Member.

There was a general discussion regarding the availability of this information and the rule. There was no motion to act on the request; therefore, Carriage must comply with the rule.

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St. Peter United Methodist Church, Maringouin, LA - Request for refund of application fee.

After discussion, Ms. Patin made a motion to deny the request. The motion was seconded by Ms. Leufroy and unanimously approved.

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The 2016 meeting dates were set for Thursday, May 12, 2016 (if necessary); Friday May 13, 2016; Thursday, November 3, 2016 (if necessary); and Friday, November 4, 2016.

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The Director presented proposed legislation to allow the burial of pet remains with human remains, submitted to the Board for consideration by V. M. Wheeler, III, Esq.

There was a general discussion regarding the practicalities, legalities, and unintended consequences of the proposed legislation.

After discussion Mr. Wilbert made a motion to appoint an ad hoc committee comprised of Ms. Leufroy, the Director, and Ryan Seidemann meet with Mr. Wheeler and the Louisiana Cemetery Association regarding the proposed legislation. The motion was seconded by Ms. Patin and unanimously approved.

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The Director advised that the Board granted authority to the Executive Committee, at its September 22, 2015, to approve a new office lease. In that regard, the Director presented the new office lease, recommended by the Executive Committee, for ratification. The Director reviewed areas of the lease language that was in the process of being amended by the Office of Facility Planning and Control, at the Lessor's request.

After review and discussion, Ms. Leufroy made a motion to approve and ratify the lease with the proposed language changes and authorize the Director to sign the lease. The motion was seconded by Ms. Saenz and unanimously approved.

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The Director advised the Board's copy machine, which is ten years old, had major problems and replacement parts were not available because of its age. Because the copy machine was needed for the daily operations of the Board, the Director sought the Executive Committee's approval regarding replacing the copy machine. After reviewing the options, the Executive Committee determined it was more cost efficient to lease a new copy machine. In the regard, the Director presented the Board with a copy of the lease, recommended by the Executive Committee, for approval and ratification.

After review and discussion, Ms. Saenz made a motion to approve and ratify the lease for the copy machine as presented. The motion was seconded by Ms. Patin and unanimously approved.

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Informal Proceeding #2015-007-I – Re: S.E. Cemeteries of Louisiana, LLC (All locations) and Lake Lawn Park, LLC (wholly owned subsidiaries of Service Corporation International).

The Director and Mr. Seidemann reviewed the details of the stipulated facts and violation(s), as well as the proposed resolution outlined by the Consent Agreement, a copy of which was before each Board Member.

The Director and Mr. Seidemann answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

After discussion, Mr. Leufroy made a motion to ratify the Consent Agreement with Service Corporation International as presented. The motion was seconded by Ms. Saenz and carried. Mr. Briede abstained.

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Informal Proceeding #2015-007-I – Re: Capital One Bank.

The Director and Mr. Seidemann reviewed the details of the stipulated facts and violation(s), as well as the proposed resolution outlined by the Consent Agreement, a copy of which was before each Board Member.

The Director and Mr. Seidemann answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

After discussion, Ms. Saenz made a motion to ratify the Consent Agreement with Capital One, National Association as presented. The motion was seconded by Ms. Holloway and carried. Mr. Briede abstained.

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Informal Proceeding #2015-008-I – Re: Legacy Funeral Holdings of Louisiana, LLC d/b/a Resthaven Gardens of Memory.

The Director and Mr. Seidemann reviewed the details of the stipulated facts and violation(s), as well as the proposed resolution outlined by the Consent Agreement, a copy of which was before each Board Member.

The Director and Mr. Seidemann answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

After discussion, Ms. Leufroy made a motion to ratify the Consent Agreement with Legacy Funeral Holdings of Louisiana, LLC d/b/a Resthaven Gardens of Memory as presented. The motion was seconded by Mr. Briede and unanimously approved.

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Informal Proceeding #2015-008-I – Re: Regions Bank.

The Director and Mr. Seidemann reviewed the details of the stipulated facts and violation(s), as well as the proposed resolution outlined by the Consent Agreement, a copy of which was before each Board Member.

The Director and Mr. Seidemann answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

After discussion, Mr. Briede made a motion to ratify the Consent Agreement with Regions Bank as presented. The motion was seconded by Mr. Wilbert and unanimously approved.

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Informal Proceeding #2015-017-I – Re: St. John Cemetery Association, Inc.

The Director and Mr. Sullivan reviewed the details of the stipulated facts and violation(s), as well as the proposed resolution outlined by the Consent Agreement, a copy of which was before each Board Member.

The Director and Mr. Sullivan answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

After discussion, Mr. Briede made a motion to ratify the Consent Agreement with St. John Cemetery Association, Inc. as presented. The motion was seconded by Ms. Patin and unanimously approved.

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Executive Session

Ms. Holloway made a motion to go into Executive Session to discuss litigation, current investigations, and review staff performance. The motion was seconded by Ms. Leufroy and a roll call vote was taken: Ms. Leufroy – yea; Mr. Wilbert – yea; Ms. Patin – yea; Mr. Briede – yea; Ms. Saenz – yea; Ms. Holloway – yea.

Ms. Leufroy made a motion to come out of Executive Session. The motion was seconded by Ms. Patin and a roll call vote was taken: Ms. Leufroy – yea; Mr. Wilbert – yea; Ms. Patin – yea; Mr. Briede – yea; Ms. Saenz – yea; Ms. Holloway – yea.

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Regarding staff performance, Ms. Leufroy made a motion to increase the salary of both the Executive Director and the Assistant to the Director by three percent, effective the first pay period of 2016, and authorize the Director to amend the 2016 Budget accordingly. The motion was seconded by Mr. Briede and unanimously approved.

The Director and Assistant to the Director thanked the Board for their consideration.

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At this time the Board Members watched an Ethics Training video.

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Since there was no further business, Mr. Briede made a motion to adjourn at 5:23 P.M. The motion was seconded by Ms. Holloway and unanimously approved.

Shelly M. Holloway, Secretary/Treasurer

Attested To:

Gerald W. Melancon, Chairman
