

Minutes of Meeting  
Louisiana Cemetery Board  
May 8, 2015

The regular meeting of the Louisiana Cemetery Board was held May 8, 2015, at 3519 12<sup>th</sup> 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  
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

Absent was: Marilyn Leufroy, Vice-Chairman

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Gary A. Moore, Argent Trust, Shreveport, Louisiana; Debbie Holmes, Argent Trust, Ruston, Louisiana; Jimmy Patin, Greenwood Memorial Gardens, Pineville, Louisiana; and L. Paul Raymond, Jr., Acme Cemetery Consultants, LLC.

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**Public Comment**

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Since copies of the Minutes of Meeting held November 14, 2014, had been previously disseminated to each Board Member, the Chairman asked if there was any discussion and/or amendments. Mr. Wilbert made a motion to approve the Minutes of the November 14, 2014 meeting 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 for year ending December 21, 2014; the Cash & Investments as of December 31, 2014; the Statement of Operations January through

April 2015; Cash & Investments as of April 30, 2015; and the Budget vs. Actual January through April 2015. After review and discussion Mr. Briede made a motion to accept the financial statements as presented. The motion was seconded by Ms. Patin and unanimously approved.

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

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The Director reviewed the Applications for Pre-Construction Sales Projects received by the Board since the last Board meeting, copies of which were before each Board Member.

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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. Holloway made a motion to ratify the 2014 Non-Exempt (New/Transfers) #14-529; 2015 Non-Exempt (New/Transfers) #15-512; 2015 Non-Exempt (Renewals) #15-001 - #15-511, #15-513 - #15-517; 2015 Cemetery Sales Organization Renewals #CSO-15-001 - #CSO-15-006; Cemetery Management Organization #CMO-15-001 - #CMO-15-006; and Exempts (New) #1356E - #1367E. The motion was seconded by Mr. Briede and unanimously approved.

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**Reports of Committees**

The Director reported the Examination and Inspection Committee, Ms. Saenz and Ms. Patin, reviewed the current perpetual care and merchandise trust fund reports on May 7, 2015. A spreadsheet was provided to the Board outlining each perpetual care and merchandise trust fund and their current balances.

There was a discussion relative to the Committee’s purpose and function. After discussion, the Board recommended the Director work with Special Counsel to the Board, Jerry W. Sullivan, to establish a protocol for the Committee’s oversight and present their recommendations at the next Board meeting.

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**New Business**

2015 Renewal Application for Certificate of Authority – Oak Lane Memorial Park, L.L.C.

The Director reviewed the documentation before each Board Member, including the 2015 Renewal Application for Certificate of Authority submitted by Oak Lane Memorial Park, L.L.C. (“Oak Lane”); the Findings of Facts, Conclusions of Law, and Order issued in Formal Hearing #2014-0001 regarding Oak Lane Memorial Park, L.L.C.; August 1, 2014 correspondence directed to George Bonfanti; Application for Certificate Authority submitted by National Information Services, Inc. (“NIS”); June 13, 2014 and July 25, 2014 correspondence directed to Lawrence Dodd; Sale with Mortgage and Subject to Mortgage and Cemetery Management Contract between Oak Lane and NIS; Subpoena Duces Tecum issued to NIS August 1, 2014; NIS’s response to the subpoena; and December 15, 2014 correspondence directed to Lawrence Dodd, President, NIS.

Assistant Attorney General, Mr. Seidemann, advised the Board the Order issued in hearing #2014-0001, relative to the merchandise trust fund, was appealed by Oak Lane to the 24<sup>th</sup> Judicial District Court in Jefferson Parish. The hearing was held earlier this year and the Board’s decision was upheld by the court. The final appeal delay to the 5<sup>th</sup> Circuit lapsed Friday, May 1, 2015. Therefore, the Board’s decision is final and was upheld in all respects.

The Director reviewed the perpetual care deposits made by Oak Lane since the Board’s May 15, 2014 hearing, advising the perpetual care delinquencies have been reduced from \$42,508.20 to \$17,512.88. Since the Board’s decision relative to the merchandise trust fund delinquencies was under appeal no deposits have been made by Oak Lane to its merchandise trust fund relative to the merchandise trust fund delinquencies of \$33,637.80.

Special Counsel to the Board, Jerry Sullivan, stated that the Board has an application from Oak Lane and an application from NIS, and both applications seek a license for the same property. We have the sale with mortgage indicating Oak Lane sold the cemetery to NIS and a Cemetery Management Agreement indicating Oak Lane will manage the property. However, we see from the 2015 renewal application that Oak Lane is seeking to renew its license as an owner. We have serious discrepancy between the documents and the subpoena response from NIS relative to the management contract which indicates Oak Lane did not meet certain conditions precedent and therefore NIS does not consider the agreement valid. The issue relative to the validity of the agreement is not for the Board to decide but for the courts and, to the best of our knowledge, neither party has addressed this issue. Technically, on the public record, Oak Lane does not own the property and there is nothing on the public record that suggests that sale has been voided. Further, Oak Lane has not sought to be licensed as a Cemetery Management Organization and NIS has never submitted a completed application.

Mr. Sullivan stated the Board could not act to give either party a license because we do not have anything showing either party has complied with the law or filed a completed application.

There was a discussion regarding the law, the applications, the public record and documentation, and the Board’s options.

After discussion, Ms. Holloway made a motion to add and consider the Application for Certificate of Authority filed by National Information Services, Inc. to the agenda as part of

the Oak Lane package under 11(a). The motion was seconded by Mr. Briede and a roll call vote was taken. Chairman Melancon – yea; Mr. Wilbert – yea; Ms. Patin – yea; Mr. Briede – yea; Ms. Saenz – yea; Ms. Holloway – yea

Ms. Patin made a motion to deny the 2015 Renewal Application for Certificate of Authority filed by Oak Lane Memorial Park, L.L.C., as owner of the cemetery because the public record indicates they no longer own the property. Additionally Ms. Patin moved to refer the matter to the District Attorney and authorize the Director and legal counsel to take whatever civil action which may be necessary in this matter. The motion was seconded by Mr. Briede and unanimously approved.

Mr. Wilbert made a motion to deny the Application for Certificate of Authority submitted by NIS because NIS has failed to submit the information necessary to complete the Application for Certificate of Authority; NIS's response to a subpoena requesting records of the cemetery indicates the public record relative to the sale and management of the cemetery property is not accurate; and upon information and belief NIS continues to allow others to make sales of cemetery property without authority. Additionally, Mr. Wilbert moved to refer the matter to the District Attorney; and authorize the Director and legal counsel to take whatever civil action which may be necessary in this matter. The motion was seconded by Ms. Saenz and unanimously approved.

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Woodlawn Park Holdings, Inc. d/b/a Woodlawn Park Memorial Cemetery & Mausoleum, Bridge City, LA – request to withdraw alleged overfunding in merchandise trust fund pursuant to LAC 46:XIII, Section 1705(D).

The Director reported that the HMIS trust system was programmed incorrectly trusting both pre-need and at-need contracts when the cemetery was established a few years ago and the error has been documented during On-site Examinations. The Director reported she has worked with the cemetery and participated in conference calls with HMIS to get the system corrected and to allocate the interest income in the trust account to those pre-need contracts in trust. Further, the cemetery has provided certification that all at-need contracts trusted in error have been delivered.

After discussion and review of the information and law, Mr. Briede made a motion to approve and authorize a withdrawal of the documented overfunding of \$8,292.37 on delivered contracts. The motion was seconded by Ms. Saenz and unanimously approved.

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Request for waiver of late fees on 2014 Renewal Application for Certificate of Authority. Our Lady of Prompt Succor Roman Catholic Church d/b/a Our Lady of Prompt Succor Cemetery, Chackbay, LA and Holy Rosary Roman Catholic Church d/b/a Holy Rosary Roman Catholic Cemetery & Mausoleum, St. Amant, LA. After review of the information presented, Ms.

Holloway made a motion to grant the waivers. The motion was seconded by Mr. Briede and 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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Informal Proceeding #2014-007-I – Re: Mt. Zion Missionary Baptist Church, White Castle, LA.

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 Mt. Zion Missionary Baptist Church as presented. The motion was seconded by Ms. Saenz and unanimously approved.

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Informal Proceeding #2015-002-I – Re: Roselawn Memorial Gardens, Inc., Calhoun, LA.

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 Roselawn Memorial Gardens, Inc., as presented. The motion was seconded by Mr. Wilbert and unanimously approved.

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Informal Proceeding #2015-003-I – Re: Carriage Services of Louisiana, Inc. d/b/a Garden of Memories, Metairie, LA.

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 Carriage Services of Louisiana, Inc. as presented. The motion was seconded by Ms. Saenz and unanimously approved.

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Informal Proceeding #2015-003-I – Re: Regions Bank

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 Regions Bank as presented. The motion was seconded by Mr. Briede and unanimously approved.

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Informal Proceeding #2015-005-I – Re: SCI Louisiana Funeral Services, Inc. d/b/a Centuries Memorial Park in Shreveport; Greenoaks Memorial Park in Baton Rouge; Hill Crest Memorial Park in Haughton; Prien Memorial Park in Lake Charles; Highland Memory Gardens in Lake Charles; and Garden of Memories in Metairie, LA.

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 SCI Louisiana Funeral Services, Inc. as presented. The motion was seconded by Ms. Patin and unanimously approved. Mr. Briede abstained.

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Informal Proceeding #2015-005-I – Re: Regions Bank

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director 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 Regions Bank as presented. The motion was seconded by Mr. Wilbert and unanimously approved. Mr. Briede abstained.

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The meeting adjourned for lunch.

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Informal Proceeding #2015-001-I – Re: St. John Cemetery Association, Inc., New Orleans, LA.

The Director 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.

Mr. Seidemann read the proposed Consent Agreement into the record and he and the Director answered questions by the Board regarding the stipulated facts, violation(s), and the recommended resolution.

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

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2015 Legislation

The Director gave a brief report on legislation effecting Title 8 including HB 592 to increase licensing and regulatory fees collected by the Board.

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

The Director reported that the staff has identified several new investments structures and schemes which raise concern and may need clarification through the promulgation of a new rule(s). Mr. Briede made a motion that the Director and Legal Counsel meet with the Rules and Regulations Committee to discuss and address this matter. The motion was seconded by Ms. Saenz and unanimously approved.

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North American Death Care Regulators Association (DCRA) Conference – October 11-16, 2015, Jackson, Mississippi; and Tri-State Cemetery Conference – July 26-28, 2015, New Orleans, LA.

After discussion, Ms. Patin made a motion to approve registration and travel for the Director and the Assistant Attorney General, Ryan M. Seidemann, to attend the DCRA Conference and for the Director to attend the Tri-state Cemetery Conference. The motion was seconded by Ms. Saenz and unanimously approved.

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**Executive Session**

Mr. Wilbert made a motion to go into Executive Session to discuss litigation. The motion was seconded by Ms. Patin and a roll call vote was taken: Chairman Melancon – yea; Ms. Patin – yea; Mr. Wilbert – yea; Ms. Saenz – yea; Mr. Briede – yea; Ms. Holloway – yea.

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

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Regarding pending litigation, Ms. Holloway made a motion that no action be taken on Agenda items 12(a)(e)(f) and (g); and to authorize the dismissal of items 12(b)(c)(d) and (h) and pay cost, if necessary. The motion was seconded by Mr. Wilbert and unanimously approved.

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Since there was no further business, Mr. Wilbert made a motion to adjourn at 2:30 P.M. The motion was seconded by Ms. Patin and unanimously approved.

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Shelly M. Holloway, Secretary/Treasurer

Attested To:

Gerald W. Melancon, Chairman

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