

49 Ms. Petty asked for the circumstances surrounding the Kennedy case # 2010-4, 'threatening to
50 remove a vase from a grave per cemetery policy. Mr. Taylor was unable to comment as he has
51 been unable to contact Mr. Kennedy and do not know the specifics of that case. Mrs. Cubitt
52 stated that she sat through the IRC and the cemetery had a policy of how long a vase could
53 remain on a grave and that the cemetery was following their guidelines. Ms. Petty asked what
54 corrective actions were taken and Mrs. Cubitt stated that the cemetery replaced the vase in
55 question with one that was in compliance with their policy. Mr. Spoon stated the vase in
56 question was non-conforming and the cemetery's corrective action was to replace it with one
57 that was in compliance. Ms. Petty questioned who was required to purchase the vase, the
58 cemetery or the customer and Mr. Spoon was not aware as to who purchased the vase. He did
59 state that this complaint was heard by the IRC and they determined that the actions of the
60 cemetery were not a violation of the Cemetery Practice Act and were recommending dismissal.
61 Mr. Spoon suggested that this case be held out by the Board if they needed further clarification.
62

63 **MOTION**

64 Mr. Floyd made a motion the Board accept the IRC report. Mr. Petty seconded the motion
65 which carried unanimously.
66

67 Mrs. Cubitt asked if Ms. Gray would be allowed to present the OGC report and the request was
68 granted.
69

70 **3. OGC Report – Lil Ann Gray**

71 Ms. Gray presented the OGC report to the Board. She stated that as of January 6, 2011 there
72 were currently 5 open cases in OGC, of which 2 were pending further action and 3 were
73 pending hearings. Furthermore, of the 9 open cases that were presented at the last meeting, 7
74 of those have been closed through the receipt of final orders. Two remaining cases will be
75 closed upon the expiration of the appeal period.
76

77 **4. Approval of November 3, 2010, November 18, 2010, and November 23, 2010**
78 **Meeting Minutes**

79 The Board reviewed changes suggested by Mr. Floyd, Mr. Riggins and Ms. Holleman.
80

81 **MOTION**

82 Mr. Floyd made a motion to amend and approve the minutes of the November 3, 2010,
83 November 18, 2010, and the November 23, 2010 meetings. Mr. Finch seconded the motion
84 which carried unanimously.
85

86 **5. Chairman's Remarks – J. W. Russ**

87 Mr. Russ welcomed everyone to the meeting. He expressed his interest, as well as that of the
88 Board, in meeting the newly appointed Director, Catherine Templeton. Mrs. Cubitt agreed to
89 add her to the agenda for the next meeting. Discussion followed regarding the procedure of
90 how Mrs. Templeton would assume her responsibility as Director.
91

92 **6. Administrator's Remarks – Doris Cubitt**

93 Mrs. Cubitt stated that renewals technically ended December 31, 2010. Of the approximate 127
94 renewals sent, 30 remained that needed action. Of those 30, 15 had not responded at all and
95 the 15 remaining had submitted some information but may have failed to include the appropriate
96 fee or may not have answered a question on the application completely. This has caused their
97 renewal to not be completed, but staff was addressing those that have sent in incomplete
98 paperwork or incorrect fees. Mr. Floyd asked what the procedure was for dealing with those
99 licensees who have not responded. Mrs. Cubitt said they would be contacted, but stated that it

100 would have to be recommended by the Board to have Cease and Desist letters sent. She also
101 stated that a reminder letter was sent in early December 2010 to remind licensees of their
102 renewal and the timeframe in which they had to complete their renewal. The statute regarding
103 license renewal was reviewed and discussion followed. Mr. Floyd asked Mr. Spoon for
104 recommendations concerning those licensees who had not responded. Mr. Spoon advised that
105 a brief letter should be sent to those cemeteries that have not renewed inquiring as to their
106 intention, including the Cease and Desist language as well as making a reference to the
107 statutory provisions. Discussion followed as to which cemeteries of the remaining 30 would
108 receive letters. Ms. Holleman stated that 15 of the licensees, who had responded but not yet
109 completed their renewal, would have been sent a deficiency letter by the Office of Licensure and
110 Compliance informing them that further information was required in order to process their
111 renewal.

112
113 Mrs. Cubitt stated that those who did not renew in time in 2008 had to sign a consent order and
114 pay an additional \$500 for practicing without a license during that period. Mr. Floyd asked if any
115 of the 15 who had not responded this year had previously not responded to renewal notices.
116 Mrs. Cubitt did not have that information readily available. She asked if the Board wanted to
117 adhere to the current policy or amend the policy in regards to those cemeteries that repeatedly
118 ignore license renewal notices. Discussion followed as to possible penalties and disciplinary
119 actions for those licensees who repeatedly fail to renew their license in a timely manner.

120
121 **MOTION**

122 Mr. Floyd made a motion to follow the policy as last year and send letters to those 15
123 cemeteries who had not responded to their renewal notice, advising them that their license was
124 expired and they could not practice. Mr. Riggins seconded the motion and it was unanimously
125 passed.

126
127 **MOTION**

128 Mr. Floyd made a motion to levy civil penalties against those cemeteries who repeatedly failed
129 to renew their license. A \$1,500 civil penalty would be assessed against second offenders and
130 a \$3,000 civil penalty would be assessed against third offenders. Mr. Finch seconded the
131 motion and it was unanimously passed.

132
133 **7. Unfinished Business**

- 134 1. Cemetery Equity Solutions (Failure to Comply with Board Order) – Adam Taylor – J
135 W Russ
- 136 a. Forest Lawn Memorial Park of SC
 - 137 b. Crestlawn Memorial Park of SC
 - 138 c. Plantation Memorial Gardens of SC
 - 139 d. Chatham Hill Memorial Gardens of SC
 - 140 e. Belleville Memorial Gardens of SC
 - 141 f. Aiken Memorial Gardens of SC
 - 142 g. Jessamine Memorial Gardens of SC
 - 143 h. Memorial Gardens of Columbia

144
145 Rivers Stilwell, Attorney at Law for Nelson Mullins, appeared before the Board representing
146 Cemetery Equity Solutions along with Adam Taylor. Mr. Stilwell indicated that Mr. Taylor would
147 do most of the talking during the meeting.

148
149 Mr. Stilwell stated that he had only been representing Cemetery Equity Solutions for a couple of
150 months now and he was present because Suzanne Coe, the former attorney for Cemetery

151 Equity Solutions, was not present due to personal issues. A copy of an article from The Times
152 and Democrat was presented to Board members that Mr. Stillwell indicated was simply an
153 illustration of how much work Mr. Taylor had been doing and the results that he has received.
154 Mr. Stillwell also indicated that although Mr. Taylor does not have the bonds that were required
155 under the order, their appearance before the Board today was to show the efforts that Mr.
156 Taylor has made and his substantial steps toward improvement. Mr. Stillwell also indicated that
157 as a result of Ms. Coe's personal issues, progress toward improving the deficiencies was set
158 back. He went on to say that the efforts to obtain the bonds will be explained by Mr. Taylor as
159 well as those efforts to improve the troubled properties. With these explanations, Mr. Stillwell
160 and Mr. Taylor hoped to obtain relief from the Board in regards to the bond requirements. Mr.
161 Stillwell specifically addressed the merchandise trust and stated that there was enough money
162 in that account so that the bond requirement for it should be a moot point. Furthermore, he
163 indicated that Mr. Taylor would address the perpetual care trust issue and see if the Board
164 would be willing to allow Mr. Taylor an alternative to purchasing a bond. Mr. Stillwell then
165 turned the floor over to Mr. Taylor.

166
167 Mr. Taylor began by giving some background as to what has transpired since the last time he
168 was before the Board. He stated that when he was first ordered to obtain bonds, he determined
169 that he would have to obtain a total of 16 bonds as it was not possible to obtain one bond for
170 perpetual care and one bond for merchandise for the entire company; instead he would have to
171 purchase two bonds per property, one for perpetual care and one for merchandise. He stated
172 that the bonding companies indicated that he was attempting to bond somewhat of the
173 unknown. Although Jim Holloway, CPA and Board advisor was sent to the properties and gave
174 an estimated number, the bonding companies required an exact number before they would
175 issue a bond. Mr. Taylor said he immediately went to work in fulfilling his obligations to the
176 public.

177
178 He noted that the merchandise trust was present to deliver merchandise such as markers and
179 vaults and that was his focus from the beginning. This focus was in response to the initial
180 complaint from Mike Graham & Associates who had not received, yet had purchased,
181 merchandise over two years ago. Mr. Taylor said he immediately had his administrative staff,
182 after hiring and firing several employees, go through all the files. To date, he has delivered
183 approximately about a quarter million dollars in merchandise that he has located since he took
184 over June 1. He also remarked that the public seems to be happy with his services and he has
185 every family that he deals with complete a customer satisfaction review that is sent back to him
186 at the home office in Greenville. Mr. Taylor had the surveys with him and said that they were
187 not filtered through and there may be some that had negative comments.

188
189 Mr. Taylor asserted that his main concern as well as that of the Board, was public interest and
190 that interest was concerned mainly with merchandise and the fact that customers had
191 purchased merchandise but had never received it. He stated that he immediately began
192 delivering, redesigning, and reordering merchandise. He went on to state that with the balance
193 that is left, he had been looking at about a half a million dollars to bond in the merchandise trust.
194 He approximated that there was about \$250,000 in the merchandise trust currently and he had
195 delivered about \$250,000 worth of bronze. Mr. Russ asked if the \$250,000 worth of
196 merchandise delivered was per property and Mr. Taylor remarked that it was not, but a total
197 amount. Mr. Taylor also said he brought supporting documents to substantiate this amount. He
198 said that they were bonding a half a million dollars for the entire company and he figured that as
199 a result of him delivering the merchandise within approximately 45 days and the level of
200 satisfaction that the public now has, that the merchandise trust bonding issue had leveled out.

201

202 In regards to the perpetual care side Mr. Taylor stated that he feels obtaining the bond is a great
203 idea however, when he tried obtaining the bond with the company that he was working with they
204 tried to sell him a pre-need funeral bond which is not what he needed. He noted that the
205 perpetual care trust is set aside irrevocably so that the interest income is there to maintain the
206 cemetery on a long term basis. He remarked that bonding the perpetual care trust would not
207 create any additional interest income to maintain the cemetery and moving forward, it would
208 have to be replenished long term as each cemetery has land to be developed which would
209 enable this replenishment. Mr. Taylor went on to say that each property is well maintained now
210 unlike before and that the \$2 million bond for the perpetual care trust does not necessarily help
211 the public. He also remarked that if even if he was able to obtain the bond, the cost was
212 astronomical and the bonding company requires an exact number before they will issue a bond
213 and will perform their own due diligence. Thus far he has been trying to determine what has
214 happened prior to the acquisition and has an outside accounting firm coming in and handling all
215 of the books and trusts and everything else at this point. He went on to say that they had error
216 and omissions insurance.

217
218 Mr. Floyd asked Mr. Taylor if he was aware what the liability was for the perpetual care and Mr.
219 Taylor did not know exactly but that he was close to a number. Furthermore, Mr. Taylor stated
220 that when he determined that he could not obtain the bond easily he immediately purchased a
221 \$1 million policy similar to a general liability policy for each property that would protect against
222 claims made against the cemeteries if they were not being properly maintained. Also, he
223 purchased an additional \$2 million dollar umbrella that protects against any lawsuits geared
224 toward the properties including those claims of injuries or not producing merchandise. Mr. Floyd
225 asked Mr. Taylor who wrote the policy and Mr. Taylor stated it was Central which is one of the
226 largest insurance companies in the nation.

227
228 Mrs. Cubitt asked Mr. Taylor if the insurance policies in place would fund the properties and he
229 answered no. Mrs. Cubitt remarked that as she understood it, an umbrella policy was a liability
230 policy and would cover a claim of injury but had nothing to do with funding the property. Mr.
231 Taylor said the policy was in place in the event that a lawsuit was made against the cemetery
232 for not being maintained. He went on to say that the perpetual care trusts are set up so that
233 when the cemetery is full, the interest income will be enough to maintain the property. However,
234 he added, his cemeteries will not be full for another 30 or 40 years because of all the property
235 that is with them.

236
237 Mr. Taylor stated that right now the interest income from the \$2 million dollars that is sitting
238 there is not being utilized to maintain the cemeteries. Mr. Floyd asked what the interest income
239 was being used for and Mr. Taylor answered that it was being used for operational costs and
240 that the cemeteries are being maintained better than they had been. Mrs. Cubitt asked Mr.
241 Taylor if he had withdrawn any funds from the trusts that are there now and he answered no.
242 Mr. Taylor added that he also had not withdrawn funds from the merchandise trust and even
243 when he delivered all of his merchandise, he did not offset his merchandise trust but left the
244 money in the trust to replenish it. Mr. Floyd again asked Mr. Taylor whether or not he had taken
245 any money or earnings from the perpetual care funds and Mr. Taylor answered he had not. Mr.
246 Taylor also said that he had been sent a quarterly check which was 'nothing' and that he re-
247 deposited the check as his objective is to replenish the funds.

248
249 Mr. Taylor stated that when he spoke with the Board originally, he was given a 5 year grace
250 period to try and replenish the trusts. He asked that in lieu of purchasing the bonds, since he is
251 delivering to the public interest, that he be allowed to appear before the Board on an annual
252 basis to give a report on the growth as he anticipates depositing more than the 10 or 5% to start

253 replenishing the funds. Mr. Floyd asked what Mr. Taylor planned on depositing and Mr. Taylor
254 responded that he wants to start looking at the cash flow because he has so much money out of
255 pocket right now and he is unsure as to whether it will be 15 or 20%. He went on to say that if
256 he has extra cash he will do that but at this juncture he wants to get a handle on the cash flow
257 first. He remarked that the properties were obviously upside down and that he has invested a
258 good deal of money in them already. He did not want to commit to an exact number but
259 acknowledged that it had to be replenished at some point. He stressed that he was working on
260 the problems now as opposed to being headed in the opposite direction as the other company
261 was. He went on to say that he was happy to work with the Board and appear before the Board
262 if necessary to give status updates as to his progress and he would provide backup
263 documentation as well.

264
265 Mr. Taylor continued by remarking that the bond on the perpetual care trust does not replace
266 the money and the only time that the bond would come in to play was in the instance that the
267 cemeteries were not being maintained. He added that there was close to \$2 million dollars in
268 the perpetual care fund right now, approximately \$1.8 million. He asked for clarification on the
269 perpetual care trust fund, in that, was not the interest on that fund present to maintain the
270 property once it was full. Mr. Floyd remarked that the perpetual care trust fund did not start
271 once the property was full, but was present during the life of the cemetery. Mr. Taylor
272 acknowledged this.

273
274 Mr. Stillwell interjected and spoke about the cost of the bonds and that the fee for the bond was
275 cash on the barrel head and that the money for the bond went specifically to the bonding
276 company, doing little for the cemetery or for the operations of the cemetery itself. He went on to
277 say that the bonding company required a quarter of the value of the bond in cash paid to them
278 which would be a half a million dollars and that this money would still not benefit the cemeteries
279 or the customers. Mr. Taylor said that the half a million dollars that would be spent on bonds
280 could be better spent on building the cemeteries in the right direction and that the cemeteries
281 could not afford to a half a million dollars a year as a whole.

282
283 Mr. Russ asked Mr. Taylor when he would have a handle on what the shortfall is and Mr. Taylor
284 remarked that it would be the end of the year because he has two accountants that, as soon as
285 tax season ended, are set aside to conduct full audits on every property. Mr. Russ asked for
286 clarification regarding the timeframe when Mr. Taylor would know the shortfall and Mr. Taylor
287 responded that it would be by the end of 2011 because his accountants would be busy during
288 the summer months with the full audits. Mr. Russ asked if Mr. Taylor was on a calendar or fiscal
289 year and Mr. Taylor answered that his fiscal year started in June. Mr. Russ then asked Mr.
290 Taylor if he would not know the answer by the end of his fiscal year and Mr. Taylor responded
291 that he could try. Mr. Floyd inquired about quarterly reports being available by June and Mr.
292 Taylor responded that he would commit to having the report completed on the perpetual care
293 trust by June if the Board was willing to work with him around the issues, as he would have a
294 true number by then. Also at that time, since Mr. Taylor would know what the number is at that
295 point, he stated that he would start looking at a committed percentage to start replenishing the
296 fund.

297
298 Mr. Russ asked if Mr. Taylor had any figures on what he had actually put in the perpetual care
299 fund and Mr. Taylor responded that he did not have the information available, but his accountant
300 would. He added that he could report that information to the Board in June as well and even
301 possibly the next board meeting. He inquired when the next board meeting was he was
302 informed that there was a meeting in March and in April; since he would be appearing in June to

303 present the perpetual care trust report, he was advised by the Board that it was believed that
304 the next meeting held after June would be in October.

305
306 Mrs. Cubitt addressed Mr. Russ and noted that it was for background information only; she
307 stated that when the Board originally looked at Mr. Taylor's case, the concern was that the
308 cemeteries were under funded and the original figures presented were compiled by Mr.
309 Holloway. She went on to say that those numbers were good numbers, even low numbers
310 although they were on a based on an estimate. She continued by saying that the purpose of the
311 bond was to ensure that those monies were funded back into the account. She had spoken to
312 an insurance company in regards to bonds, and was informed that Mr. Taylor could obtain
313 something similar to a guaranteed letter of credit from his bank that would be less expensive
314 than a bond.

315
316 Mrs. Cubitt cited a previous case in which there was some question about the funds in the
317 account. She went on to say that at that time at the closing of that case, they held \$1 million
318 dollars out of the closing and then had to wait for the Board to receive an exact figure. Then the
319 difference was made up and the rest of it passed at closing; she reminded the Board that this
320 was something that they had done in the past.

321
322 Mr. Taylor stated that it was difficult to obtain an unsecured letter of credit at a bank at this time.
323 Mr. Stillwell interjected that it was the same situation with a bond or a letter of credit and that an
324 institution would not endorse a letter of credit unless a dollar for dollar amount was presented.
325 He went to say that this amount would have to be retained, frozen in a dedicated account so
326 that the institution could be fully secured. For example, he added, the bank will write you a
327 letter of credit for \$400,000 if you had \$400,000 deposited in the bank; he questioned why one
328 would need a letter of credit if the money was available in the first place. Mr. Taylor said that
329 this would tie up all of the liquidity and that a letter of credit is difficult to obtain right now. Mr.
330 Stillwell added that it was the same as a bond in that the institution would require 100%
331 guaranteed fully secured source before they would issue that bond. Mr. Taylor stated that a
332 personal guarantee would always be an option; however his problem is that first, his wife would
333 kill him if he signed a personal guarantee on an unknown which is what he dealing with until he
334 gets an exact figure. Secondly, he recounted that the properties were in shambles when he
335 acquired them and he has worked extremely hard to get them to the point where the properties
336 are actually functional including opening new offices and firing employees. Mr. Floyd asked Mr.
337 Taylor if he had a clear title to everything and Mr. Taylor responded that he did.

338
339 Mr. Riggins informed Mr. Taylor that the in regards to the Board meetings the one after July 7,
340 2011 was on November 3, 2011. Mr. Stillwell said that he would not ask the Board to have a
341 special meeting to accommodate Mr. Taylor, but Mr. Taylor would submit information to Board
342 staff at whatever date they wanted and then the Board could decide if they wanted to schedule
343 a meeting or hold it over and set an interim date if they so desired.

344
345 Mrs. Cubitt asked Mr. Taylor if he had satisfied the liens that were outstanding. Mr. Taylor
346 responded that the UCCs were invalid. Mr. Floyd asked Mr. Taylor if he had not pursued them
347 and Mr. Taylor said that when the company went bankrupt they did not list them on their asset
348 sheets. The UCC had been placed as a mortgage and there was a statement that says that
349 they are in fact invalid. Mr. Floyd asked Mr. Taylor if his counselor agreed with that and Mr.
350 Taylor responded that it had been agreed upon. Mr. Stillwell commented that he personally had
351 not looked at it but did see where the previous attorney, Mrs. Coe, had given the letter to the
352 Commission as he saw it in the closing file the day before. Mr. Stillwell continued that although

353 he is not a real estate lawyer, he believes that to be the avenue to take those down. Mr. Taylor
354 stated that the UCCs were on furniture and fixtures and not on the properties.

355
356 Mr. Spoon commented that Mr. Taylor's appearance before the Board was to satisfy two
357 requirements; the Board's desire to receive information regarding Mr. Taylor's progress and Mr.
358 Taylor's desire to request modifications to some of the requirements from the order issued. Mr.
359 Spoon went on to say that Mr. Taylor's application was non-routine as a result of the number of
360 properties and the surrounding legal issues. Mr. Spoon noted that he himself had written the
361 order which included many moving parts and that he recognizes it may now need modification,
362 specifically items one, two, three, and four. Mr. Spoon added that his comments were
363 procedural recommendations as they may help him as well as the Board because he may have
364 to write an amended order. With the applicants input he wanted to take the items one by one.
365 Mr. Spoon questioned whether the Board had enough information about a particular item and
366 where it stood today and what modifications was the Board willing to grant; for example relief
367 from the bonding requirements as Mr. Spoon may have to get into the specifics in order to draft
368 an amended order. Mr. Spoon went on by saying that testimony had been heard over the last
369 year about the encumbrances that are referenced in item one of the order. Mr. Spoon
370 acknowledged that he does not practice law that deals with the Uniform Commercial Code and
371 that Mr. Taylor may be correct and that the UCC liens are in fact invalid, have either been
372 discharged, or have no application whatsoever to real property. He contended that it may or not
373 be true but the fact remained that the Board saw fit to make references to these liens and
374 encumbrances because of statues and practice act reference not having a mortgage or
375 otherwise encumbered property. Mr. Spoon suggested that to deal with item number one of the
376 order, which was actually due 60 days from the effective date of the order although Mr. Taylor
377 may not have had it at that time, Mr. Taylor should submit something in writing that shows that
378 the liens have been discharged. Mr. Spoon stated this would be his suggestion to deal with
379 number one and that it would allow the Board to conclude that Mr. Taylor is in compliance with
380 part one of the order and move on to the next item.

381
382 Mr. Stillwell said that the only way that he can think of discharging the liens is to file a DEC
383 action (declaratory judgment action). He estimated this to be a \$25,000 investment and
384 essentially, the creditor who holds the liens is defunked and as a matter of law the liens may be
385 invalid and therefore, Mr. Stillwell does not feel that the liens pose a threat to the properties. Mr.
386 Spoon responded by saying that there may be documentation that is acceptable short of filing a
387 DEC action. Mr. Stillwell added that he feared that it would take 8 DEC actions to discharge the
388 liens as there are 8 properties. Mr. Spoon went on to say that although he may be incorrect, as
389 of today's date the Board has not received any information documenting the existence of the
390 lien itself, much less the discharge. Mr. Stillwell said he would produce a copy of the letter that
391 the former attorney, Mrs. Coe, drafted and he would send it to the Board. Mr. Spoon maintained
392 that although there has been correspondence between the Board and Mr. Taylor, supporting
393 documentation was not contained in that correspondence. Mr. Taylor said that the liens are on
394 furniture and fixtures and neither of those are present but he would still produce the
395 documentation to the Board of that fact. Mr. Spoon stated that to satisfy the Board Mr. Taylor
396 would need to produce the actual documentation and Mrs. Cubitt added that the liens were
397 against the actual cemeteries. Mr. Taylor also added that during the acquisition, he did not
398 accept liability for any of the UCCs but instead they would go to the previous owner and he
399 would provide documentation that supported that as well.

400
401 Mr. Spoon said that item number two of the order was a generic statement that they may need
402 to come back to and proceed to item number three. He asked what relief if any would the Board
403 be willing to grant to Mr. Taylor, or what modifications or alternative ways of compliance would

404 they consider. Mr. Spoon said that in his conversations with Mr. Stillwell they are in accord with
405 each other however up until today, they did not hear specific testimony as to why item number
406 three was presenting a problem. He continued by posing to the Board what modifications would
407 the board entertain in the terms of Mr. Taylor's order.
408

409 Mr. Russ asked Mr. Taylor what was the amount was in the perpetual care trust account now
410 and Mr. Taylor estimated that it was between \$1.8 to \$1.9 million. Mr. Russ went on to say that
411 Mr. Holloway's estimate was that the perpetual care trust should contain approximately \$4.3
412 million. Mr. Taylor remarked that unless there are one or two properties that have great
413 deficiencies, he believed that the \$4.3 million figure was a little high. He said that throughout his
414 looking, he believed that the figure would be lower than the \$4.3 million because the lot cost
415 during the 1950's and 1960's was less and a lower estimated amount was put in then rather
416 than the actual lot cost by today's standards. Mrs. Cubitt added that he used weighted average
417 price and didn't use it at all at today's rate. Mr. Taylor said one of the things the former owner
418 was doing was giving the spaces away so instead of depositing \$40 dollars on those spaces he
419 was taking them at a percentage and therefore the spaces were being estimated higher than the
420 \$40 amount. In fact, Mr. Taylor continued, the former owner had not sold a space in years but
421 instead was giving them away to sell a marker. For this reason Mr. Taylor believes the
422 estimates are skewed and that Mr. Holloway's numbers are incorrect as \$40 should be placed
423 on a \$1,500 space that was given away as opposed to Mr. Holloway's \$150. Mr. Taylor
424 believes that the estimate will be lower and the more due diligence he does it enforces this
425 belief.
426

427 Mr. Russ asked Mr. Taylor if any work had been completed to determine what the actual
428 balance was. Mr. Taylor said that a lot of work has been done and Mr. Stillwell can attest to this
429 as can many others. He said that he has already burnt out one car as a result of him being on
430 the road so much and has spent a great deal of time at Plantation Memorial Gardens as it was a
431 mess. He said they have opened new offices in that location as the other office was basically
432 condemned and has to be torn down. Mr. Taylor went on to say that at this location they have
433 new offices and a completely new staff. He added that the Board may be aware that he had
434 some problem employees that the Board tried to contact but was unable to do so. Mr. Taylor
435 stated that he did away with those employees pretty quickly once he was involved and
436 discovered stealing and even some employees writing their own paychecks. He pointed out
437 that the public was happy with what was going on and he brought copies of customer
438 satisfaction surveys to illustrate that he was headed in the right direction and that his only focus
439 was getting these properties back to where they need to be. He recognized that it would take
440 some time but said he was light years ahead of where he was when he started.
441

442 Mr. Russ asked Mr. Taylor if he had been receiving a lot of complaints and Mr. Taylor
443 responded by asking if in fact the Board had received any complaints regarding his cemeteries.
444 Mr. Spoon advised it best that it not be discussed at this juncture and Mr. Taylor said he was not
445 aware of any outstanding complaints. Mr. Russ then asked if anyone had any further questions
446 for Mr. Taylor
447

448 **Executive Session**

449 **MOTION**

450 Mr. Floyd made a motion to enter into executive session. Mr. Petty seconded the motion and it
451 was unanimously passed.
452

453 **Return to Public Session**

454 **MOTION**

455 Mr. Floyd made a motion to come out of executive session. Mr. Riggins seconded the motion
456 and it was unanimously passed.

457
458 Mr. Russ noted for the record that no motion and no actions were made during the executive
459 session.

460
461 Mr. Russ addressed Mr. Taylor and said it had been decided that the Board needed more
462 documentation from him. They requested statements from Mr. Taylor's accountants as to what
463 is actually in the trust accounts, statements from the bonding companies as to what his actual
464 costs will be, and if he had a letter of credit what that involved; basically something that is
465 documented from Mr. Taylor.

466
467 Mr. Taylor stated that the issue with the bond company was that they requested a bond form
468 which he never provided to them because the state has to provide him with that first. Also he
469 went on to say that the bonding cost issue requires a personal guarantee and he is not willing to
470 do that. He went on to say that he would be happy to get that information but without going
471 through the bonding application process, he would not be able to obtain a cost from the bonding
472 company and he is not willing to give the bonding company a personal guarantee on the
473 application.

474
475 Mr. Spoon reminded the Board of the motion on the floor.

476
477 **MOTION**

478 Mr. Floyd made a motion to require Mr. Taylor to provide to the Board the current balances of
479 his care and maintenance and merchandise fund and what contributions have been made to it
480 and what withdrawals have come from it. They also requested to know what expenditures Mr.
481 Taylor has made on vault, bronze and granite. Regarding item one, the Board needs some
482 documentation that shows it has been discharged or relieved. Mr. Taylor asked that the Board
483 was basically requesting a full update on everything. Mr. Floyd clarified that the information that
484 the Board is requesting must be formalized by Mr. Taylor's accountant which will support what
485 Mr. Taylor has reported to the Board. Mr. Riggins stated that the information should legally
486 support Mr. Taylor's claims that the liens do not exist on the properties. Mr. Russ asked for the
487 information to be returned to the Board in 30 days. Mr. Taylor asked for an extension of 60
488 days due to tax season. Some discussion followed as to when Mr. Taylor could provide the
489 information and he agreed that he could provide the bottom line or copies of the bank statement
490 at the end of 30 days. Mr. Riggins seconded the motion and it was unanimously passed.

491
492 Mr. Russ told Mr. Taylor he looked forward to hearing from Mr. Taylor in 30 days and Mr. Taylor
493 asked the Board if it was acceptable to send the requested information to the staff. Mr. Russ
494 informed Mr. Taylor that the Board would meet again in 60 days and asked Mr. Taylor to join
495 them at the March 17 meeting. Mr. Taylor responded that he would be out of town and unable
496 to attend the March 17 meeting.

497
498 2. Faith Memorial Gardens (Sale) – Florence, SC – Kathryn Griggs – J W Russ
499 Mr. Russ stated that the Board had reviewed the documents and everything appeared to be in
500 order except for the trust documents and Mrs. Cubitt confirmed this. Mr. Russ asked if the
501 Board had received a letter from the attorney and Mrs. Cubitt responded that the attorney had
502 been given a sample to go by as he is working on a draft. She went on to say that the Board
503 could approve the request pending the receipt of an approved trust document. Mr. Russ asked
504 Mrs. Griggs if the attorney had given her a timeline of when she could expect the document, and
505 Mrs. Griggs responded that it would be completed by January 20, 2011. Mr. Floyd asked if the

506 attorney had the template to go by Mrs. Griggs indicated that he did and Mrs. Cubitt added that
507 one had been provided to the attorney.

508
509 Mr. Floyd asked if this was for the transfer of the property from Dr. Hobbs to Mrs. Griggs. Mr.
510 Russ asked if Mrs. Griggs would be the manager and she indicated she would. Mr. Floyd asked
511 Mrs. Griggs if she laid out graves and she answered that she had in the past. Mr. Riggins
512 asked Mrs. Griggs if she was Dr. Hobbs' granddaughter and she answered that she was. Mr.
513 Russ asked who held the trust account as trustee and Mrs. Griggs responded that it was
514 Wachovia, or now known as Wells Fargo.

515
516 Mr. Russ if the Board had any questions for Mrs. Griggs. Mr. Floyd indicated that the trust
517 document was being re-written so it was not applicable because it contradicted the current
518 statute and Mrs. Cubitt indicated that the other trust was so old that it was easier to start a new
519 trust and that the former trust contained specific language in it that was no longer applicable.

520
521 Mr. Riggins referenced page 25 'Memorial Installation Charges' where the minimum charge for
522 installation from outside vendors would be 12 cents per square inch and for the base would be 8
523 cents, he indicated that they would have to be the same price. Mr. Riggins asked for Mr. Russ
524 to confirm this. Mr. Riggins also asked about the 'Memorial Specifications Policy' that indicates
525 the family has 6 months from the date of funeral to purchase a flat bronze marker to mark the
526 grave. He asked what the ramifications were for those who did not comply with this policy.
527 Discussion followed about how to deal with those families who do not purchase a permanent
528 marker and temporary markers.

529
530 Mrs. Cubitt asked Mr. Riggins for clarification on his comment about the 'Memorial Installation
531 Charges'; although Mrs. Griggs could not charge more for the installation for the outside
532 vendors was she allowed to charge a reasonable fee to supervise. It was confirmed that Mrs.
533 Griggs could charge a fee to supervise, but Mr. Riggins said that Mrs. Griggs could not charge
534 more to an outside vendor than she would her own customers.

535
536 Discussion followed about the supervision fee and what was entailed in that fee as well as
537 discussion about the aforementioned topic of temporary and permanent markers. Also Board
538 members suggested to Mrs. Griggs to attend Board meetings in order to network as the industry
539 had evolved greatly. The Board also offered their assistance should Mrs. Griggs have any
540 questions and asked for Mrs. Griggs' contact information.

541
542 **MOTION**
543 Mr. Floyd made a motion to grant the transfer upon completion and receipt of the trust
544 document. Mrs. Petty seconded the motion which unanimously carried.

545
546 **8. New Business**
547 **2. Inspection Report – Raymond Lee**
548 Mr. Lee stated he had conducted 73 inspections and attempted 12 that he wrote no report for.
549 He completed 19 re-inspections and he has not inspected any locations with lapsed licenses.
550 He went on to say that he issued 5 citations which would be discussed at the next Board
551 meeting, collected no civil fines, recommended 1 case to OIE, and assisted OIE with 4
552 complaints. Mr. Lee remarked that he has received more mausoleum complaints over the last
553 couple of years and needs direction from the Board on how he is to proceed with those
554 mausoleums that have deficiencies.

555
556 **MOTION**

557 Mr. Floyd made a motion to accept the inspection report. Mrs. Petty seconded the motion which
558 carried unanimously.

559

560 Discussion followed as what deficiencies Mr. Lee was seeing in the field in regards to the
561 mausoleums and what course of action should be taken to have the cemeteries correct these
562 deficiencies.

563

564 4. Crescent Hill Memorial Gardens (Trust Fund Transfer Request) – Columbia, SC – J
565 W Russ

566 Mrs. Cubitt said that Crescent Hill Memorial Gardens was having difficulty transferring their trust
567 fund because their current bank, Suntrust, did not want to release their trust. Discussion
568 followed as what actions could be taken by the cemetery to expedite their request as well as
569 discussion about the cemetery itself.

570

571 **MOTION**

572 Mr. Floyd made a motion to accept the request to transfer the trust fund. Mr. Riggins seconded
573 the motion which unanimously carried.

574

575 5. Greenhaven Preserve (Nature Preserve Exemption Request) – Columbia, SC – Tara
576 McCoy – J W Russ

577 Appearing before the Board was Tara McCoy and Van Watts who were asking for a nature
578 preserve exemption. Mr. Russ indicated that the Board did not have the policy guidelines and
579 Mrs. Cubitt indicated that Mrs. McCoy and Mr. Watts have provided documentation of the
580 biological evaluation, the native plants list, their operations manual, site photos and a site map
581 but was missing proof of the endowment fund. Mrs. McCoy indicated that they have set up the
582 endowment fund and provided the secretary of state filing of that and the proof of the EIN
583 number. Mrs. Cubitt confirmed that proof of the conservation easement was what the Board
584 was waiting on. Mrs. McCoy said they had been working with the Congaree Land Trust to
585 establish a conservation easement on the cemetery property and the adjoining 350 acres.

586

587 Mr. Russ asked about the size of the property and Mr. Watts said it would be 360 acres total,
588 with 10 acres set aside for burial with the option to go up to another 40 acres, but the entire 360
589 acres would be conserved.

590

591 Mr. Russ asked about the density and Mrs. McCoy answered that it would be approximately 300
592 bodies per acre.

593

594 Mr. Floyd asked for clarification on the site plan because he stated that the rendering was
595 misleading and appeared to be a perpetual care cemetery layout with grass areas. Mrs. McCoy
596 stated that it was in fact just an artist's rendering and that it was for demonstrative purposes
597 only and there was a disclaimer to that effect at the bottom of the map. Mr. Floyd pointed out
598 that because it is misleading it may be a point of contention for some in the future and that they
599 may need to address that. Discussion followed about the development of the site map and how
600 it may be interpreted.

601

602 Mrs. Petty asked what the Memorial Garden was and Mrs. McCoy responded that it was for the
603 burial of cremated remains and there were other cremated remain burial sites within the reserve
604 itself located close to the trail system. Mr. Finch asked the location of the pre-existing churches
605 and Mrs. McCoy noted those for his reference. Mr. Russ asked that Mrs. McCoy's function
606 would be to primarily maintain the trails and she confirmed that there was an endowment fund
607 established to maintain the trail system. Mrs. Petty asked if there were any type of memorials

608 and Mrs. McCoy stated that markers were not required but the option to purchase a permanent
609 marker was available. She went on to say that they were either unfinished stone or wood that
610 could be engraved, but there were limitations on size. Mrs. Cubitt stated that this was listed in
611 their operations manual. Mrs. McCoy said that families are encouraged to choose a living
612 memorial as well. This living memorial would be a plant that could be placed on the gravesite
613 but it would have to be a plant from their native species list and planted in a manner that they
614 designed so that would appear natural.

615
616 Mr. Watts explained that the Congaree Land Trust was the conservation group and their focus
617 was lower Richland County, northern Sumter County and basically the area around the
618 Congaree River. Mrs. McCoy went on to explain that Greenhaven was part of the watershed
619 that feeds the Congaree National Swamp.

620
621 Mr. Floyd asked for the total acreage again and what was being done with the land and Mr.
622 Watts answered that it was approximately 360 acres and the entire tract was going to be
623 conserved. Mr. Floyd asked if that had happened yet and Mr. Watts answered that it had not
624 because the board meeting for the Congaree Land Trust was not until January 19, 2011 and
625 therefore it had not been finalized. Mr. Russ asked if there was any type of inspection process
626 that the conservation group utilized and Mr. Watts stated that the conservation group had a set
627 of rules pertaining to inspections and funding and that it was a strict process. Mr. Floyd
628 confirmed that the entire 360 acres would be conserved and 10 acres, up to 40 acres, would be
629 set aside for burial. Mr. Watts stated that the conservation easement was similar to restrictions
630 and would limit development on the property. Mr. Floyd then asked if harvesting would be done
631 and Mr. Watts said there would be harvesting according to approved management techniques
632 and that harvesting was actually encouraged by the conservation group.

633
634 Mr. Watts said that they would have the approval for the easement on January 19, 2011. Mrs.
635 McCoy stated that in the meantime she could provide a sample easement to the Board. Mr.
636 Russ said he would like to see the actual easement once Mrs. McCoy and Mr. Watts obtained it
637 but he did not see any problems with the request. Mr. Floyd asked if they had been made
638 aware of the Board's guidelines and Mrs. Cubitt responded that they had. Mrs. McCoy stated
639 that she believed they had satisfied all the criteria except for documentation of the conservation
640 easement and therefore, wanted to request approval pending proof of the conversation
641 easement.

642
643 Discussion followed regarding surrounding easements, if any, adjacent to Greenhaven and the
644 fact that the Congaree Land Trust had other properties in the upstate and in the lower part of
645 the state that mirrored the Greenhaven design. Further discussion followed about the
646 conservation efforts of Congaree Land Trust.

647
648 Mr. Russ asked where the property was located and Mr. Watts indicated that it was in Eastover.

649
650 Mr. Floyd inquired about excavation on the site and Mrs. McCoy indicated that it was
651 mechanical, by backhoe, but the families were offered an option to have hand dug burial sites
652 for a premium.

653
654 Mrs. Cubitt advised the Board that they may want to consider approving the request pending the
655 receipt of the conservation easement. Mr. Floyd asked if everything else had been complied
656 with and Mrs. Cubitt responded that it appeared that it had. Mr. Floyd asked if the site
657 assessment satisfied the Board's criteria and Ms. Cubitt listed the documents that had been
658 received but noted that it was not necessary to have an integrated pest management plan

659 completed because it had been indicated that there were no invasive species on this site. Mrs.
660 McCoy stated that their biologist confirmed this.

661
662

MOTION

663 Mr. Floyd made a motion to grant the Nature Preserve Exemption Request upon receipt of proof
664 of the conservation easement. Mr. Finch seconded the motion and it was unanimously carried.

665

666 6. Policy on Cemetery Reduction of Total Acreage – Doris Cubitt

667 Mrs. Cubitt stated that she felt it necessary to create a policy regarding a cemeteries' desire to
668 reduce the size of their cemetery as it had become a point of contention during the renewal
669 process. In order to pay a lower renewal fee, some cemeteries wanted to reduce their acreage
670 and that was the issue that Mrs. Cubitt was presenting to the Board.

671

672 Discussion followed as to what procedure would be allowed, if any, as it was the general
673 consensus and understanding of the statutes that this was not permitted. Mr. Floyd asked for all
674 to refer to statute 40-8-120 (D) which reads...

675

676 "The provisions of subsections (A) and (B) relating to a requirement for minimum
677 acreage do not apply to those cemeteries in existence before the effective date of this
678 chapter. If a cemetery owns or controls a total of less than the minimum acreage, this
679 cemetery may not dispose of any of the lands."

680

681 Mrs. Cubitt continued by saying that some cemeteries had questioned whether or not they could
682 deed the cemetery to the Board or what would need to be done to close a cemetery.

683 Discussion followed that the Board could not assume care of a cemetery and that a cemetery,
684 once established, would always be a cemetery and could not be closed but would have to be
685 sold.

686

687 Mrs. Cubitt went on to say that some cemetery owners asked if they could donate their
688 cemetery to a church and would that still qualify to be under the church exemption. Discussion
689 followed that once a perpetual care cemetery was established and if it was taken over by a
690 church it would simply be a perpetual care cemetery maintained by a church.

691

692 **9. Adjournment**

693

MOTION

694 Mr. Riggins made a motion to adjourn. Mr. Finch seconded the motion and it was unanimously
695 carried.

696

697 The January 6, 2011 meeting of the SC Perpetual Care Cemetery Board adjourned at 12:30
698 p.m.

699

700 The next meeting of the SC Perpetual Care Cemetery Board has been scheduled for March 17,
701 2011.