NORTH CAROLINA
BOARD OF FUNERAL SERVICE

Minutes
September 11, 2024, Board Meeting

The North Carolina Board of Funeral Service met for a duly scheduled Board meeting on September 11, 2024, on the campus of Fayetteville Technical Community College, General Classroom Building, Room 108, 2817 Fort Bragg Road, Fayetteville, NC.

Present: Mr. Thomas Hilderbrand, President; Mr. Richard Hincher, Vice President; Ms. Le'Shekia Coleman, Secretary; Dr. Steven L. Lyons; Dr. Kimberly Kelsey; Mr. Robert Nunnaley; and Mr. Gary Overcash. Mr. Allen joined the meeting remotely. Staff in attendance were Mr. Stephen Davis, Executive Director; Ms. Amy Acord, Assistant Director; Mr. Brett Lisenbee, Compliance Officer; and Ms. Catherine Lee, General Counsel.

Mr. Hilderbrand convened the meeting at 9:03 a.m. and led members and staff in a recitation of the Pledge of Allegiance followed by the invocation which Dr. Lyons offered. Mr. Hilderbrand then asked for a moment of silence in remembrance of those lost on September 11, 2001, in the attacks on the World Trade Center in New York City.

He then read the Statement of Ethics and asked if any Board members had any conflict or appearance of conflict of interest. None recused. Mr. Hilderbrand then noted the presence of guests and thanked the Funeral Service Education Program at Fayetteville Technical Community College for hosting the Board meeting. He asked guests to offer self-introductions.

Mr. Hilderbrand continued and recognized Ms. Coleman for the presentation of the minutes from the August 14, 2024, meeting. Ms. Coleman stated that staff had provided the minutes prior to the meeting for review and invited any changes or amendments. None were offered. Mr. Hilderbrand then invited a motion for approval of the August 14, 2024, minutes.

Upon a motion by Dr. Kelsey and a second by Mr. Hincher, the Board voted unanimously by roll call to approve the August 14, 2024, minutes as presented.

Mr. Hilderbrand continued and recognized Mr. Davis for the Finance and Personnel Committee report.

Finance and Personnel Committee Report

Mr. Davis summarized the Statement of Net Position and reported that the Preneed Recovery Trust Fund showed a balance of $844,341 for the period ending July 2024. He noted that the Unrestricted Fund Balance was unchanged from prior reporting periods at $1,589,281. He then highlighted the Statement of Revenues and Expenses and noted that revenue collections represent by license fees, preneed contract fees and cremation fees are consistent with levels from the same reporting period in 2023. He stated that the Board's expenses were at 60.4% of the projected revenues for FY2024 which represented a 2.1% overage for the period ending July 2024. He noted in the Committee Report that Mr. Hilderbrand asked about the Telephone/Data line item on the Statement of Revenues and Expenses and asked why the percentage of expenditure was so low. Mr. Davis said that the percentage of expenditure for each line item will always fluctuate and said that the low percentage for Telephone/Data could be the result of having overestimated the projected costs for this line item for FY2024. He invited any questions or comments.

Mr. Davis continued and updated the Board on the Certificates of Deposit held by First Horizons Bank. He noted that 10 CD's had recently matured and that he had set up a temporary cash account at 3.75% interest for the reinvestment of these funds pending the Board's decision on a more permanent option for these funds. He invited questions and comments. Brief discussion ensued. Mr. Hilderbrand then invited a motion for the approval of the July Financial Reports.

Upon a motion by Ms. Coleman and a second by Mr. Overcash, the Board voted unanimously by roll call to approved the financial reports for the period ending July 2024.

Mr. Hilderbrand then recognized Dr. Kelsey for the Exam Committee report.

Exam Committee Report

Dr. Kelsey reported that the Exam Committee met via Webex on Wednesday, September 4, 2024. She said that the Committee had discussed the First Quarter report from The Conference on the NBE – Arts examination scores, and she asked Ms. Acord to elaborate. Ms. Acord summarized the report from The Conference and explained that it showed the rates of pass/fail for those taking the exam for the first time and for those retaking the exam. There was a brief discussion on exam rates and recognition that there are a number of factors that influence these rates but that the NC rates are not inconsistent with expectations for the reported scores.

Ms. Acord also noted that the newly developed examinations for Pathology and for the Laws, Rules and Regulations of NC exam have been well-received and successful in assuring a reasonable measure of students' proficiency in the subject matter for each. There was a brief discussion regarding the Pathology Examination and prior discussions about its retention. Ms. Acord said that recent changes in the statute allowing the Board to accept a final exam score on a Pathology Exam from an accredited college of mortuary science had been helpful in offering students an additional option for meeting this particular requirement for licensure as a funeral director. Discussion ensued. Mr. Hilderbrand thanked Dr. Kelsey and Ms. Acord for their observations and report. He noted that the Committee report was for informational purposes. He then recognized Dr. Lyons for the Disciplinary Committee Report.

Disciplinary Committee Report

Dr. Lyons presented the following recommendations from the Disciplinary Committee to the Board:

SUMMARY DISMISSALS

C24-0058

DISMISSALS

C24-0030 C24-0037 C24-0045 C24-0052 C24-0053 C24-0057

LETTERS OF CAUTION

M24-0028 M24-0029 M24-0030 M24-0031

NOTICE OF HEARING

C23-0104

Dr. Lyons asked for any questions or comments regarding the Disciplinary Committee report. None were offered. Mr. Hilderbrand then invited a motion for approval of the Disciplinary Committee report:

Upon a motion by Dr. Lyons and a second by Mr. Overcash, the Board voted unanimously by roll call to approve the Disciplinary Committee report as presented.

Mr. Hilderbrand conveyed thanks to the Committee for their work in considering and discussing these issues. He then recognized Mr. Davis for the Executive Director's report.

Executive Director's Report

Mr. Davis reported that he had responded to a request from the NC Secretary of State for the annual report on Board appointments for the period July 1, 2023 to June 30, 2024. He noted that the annual appointments report includes the names and gender of new appointments to the Board.

He reported that he had responded to a request from the NC General Assembly Legislative Library on the NC Crematory and the Board to include a list of members, a copy of the most recent minutes, relevant statutes and rules, and entities to whom the Board submits reports. He said that this request was pursuant to Session Law 2024-45.

Mr. Davis reported that Ms. Acord had sent out ballots to crematories allowing their vote to fill vacancies on the NC Crematory Authority. Ms. Acord provided further details about the election.

Mr. Davis said that his report included the inspections and new licensure reports which were included in their notebooks. Mr. Hilderbrand then recognized Ms. Lee for the Legal Report.

Legal Report

Ms. Lee offered the following updates and metrics regarding disciplinary cases and preneed claims:

DISCIPLINARY MATTERS

Current Active Cases: 45

Pending Investigation: 23
Pending Review by Disciplinary Committee: 0

Pending Dispositive Action: 12
Pending Hearing: 4
Post-Hearing: 0

Other: 6

New files opened since last Board meeting: 15

Notices of Hearing sent since last Board meeting: 0

Consent Orders received since last Board meeting: 0

Cases reviewed by Disciplinary Committee since last Board meeting: 12

PRENEED RECOVERY FUND CLAIMS

Current Active Preneed Recovery Fund Claims: 3

Pending Investigation: 3
Pending Dispositive Action: 0

Preneed Recovery Fund Claims received since last Board meeting: 2

Preneed Recovery Fund Claims re-opened since last Board meeting: 0

Preneed Recovery Fund Claims reviewed by Committee since last Board meeting: 0

Ms. Lee invited questions or comments regarding the Legal Report.

Mr. Hilderbrand thanked Ms. Lee for her report.

Old Business

Mr. Davis reported that he had developed a format for the anticipated legislative proposal that the Laws, Rules and Legislation would be considering and which included an introductory letter from the Board President, information on the Board's licensing categories, and drafts of proposed legislation previously approved by the Board.

New Business

Mr. Hilderbrand announced the passing of Mr. Frank McCree, a former Board member, who died on August 26, 2024, in Fairmont, North Carolina. He noted that the Board would prepare and send a proclamation to Mr. McCree's family recognizing his service to the Board and his community.

Ms. Coleman said that former Representative Kelly Alexander passed away on September 6, 2024, and had been recognized for his commitment to public service and to professional funeral service.

At 10:04 a.m., Mr. Hilderbrand announced a brief recess. The Board reconvened at 10:15 a.m.

<u>Dialogue with the Board</u>

Mr. Hilderbrand announced that the Board looked forward to an exchange of information through a question-and-answer session with guests in attendance. He thanked guests for their time and interest in dialogue with the Board on a range of issues and matters regarding the Board's regulatory role. Approximately 15 guests were present and included students, trainees, faculty from the FTCC Funeral Service Education Program, and licensees. Mr. Hilderbrand opened the session by inviting questions for Board members and Board staff. Questions ranged from the Board's requirements for the Removal and Transportation permit to the challenges associated with identifying employment opportunities for trainees in North Carolina funeral establishments. Other questions concerned provisional licensure and examination preparation.

Mr. Hilderbrand concluded the question-and-answer session and thanked guests for their commitment to professional funeral service and their time in speaking with the Board about issues important to them.

Mr. Hilderbrand then announced that the Board would meet in closed session to hear and consider a personnel matter.

Upon proper motion and vote, the Board voted unanimously by roll call to convene in closed session.

Upon a motion by Mr. Overcash and a second by Ms. Coleman, the Board reconvened in open session. Mr. Hilderbrand invited a motion on the matter discussed in closed session.

Upon a motion by Mr. Nunnaley and a second by Dr. Lyons, the Board voted unanimously by roll call to engage an outside consultant to address the personnel matter discussed in closed session.

Mr. Hilderbrand then asked for any other agenda items. Hearing none, he invited a motion for adjournment.

Upon a motion by Mr. Overcash and a second by Ms. Coleman, the Board voted unanimously by roll call to adjourn the meeting.

Affirmation:

Thomas T. Hilderbrand

Mr. Thomas T. Hilderbrand, President

Le'Shekia Coleman

Ms. Le'Shekia Coleman, Secretary

Date