NORTH CAROLINA BOARD OF FUNERAL SERVICE

Minutes
June 11, 2025 Board Meeting

The North Carolina Board of Funeral Service convened for a duly scheduled Board meeting on June 11, 2025, at the Board offices at 1033 Wade Avenue, Suite 108, Raleigh, NC 27605.

Present: Mr. Thomas Hilderbrand, President; Mr. Richard Hincher, Vice President; Ms. Le'Shekia Coleman, Secretary; Dr. Kimberly Kelsey; Mr. Robert Nunnaley; Mr. Michael Allen and Mr. Gary Overcash. Staff in attendance were Ms. Amy Acord, Interim Executive Director; Ms. Kaylan Krcelic, Administrative Assistant; Mr. Brett Lisenbee, Compliance Officer; and Ms. Catherine Lee, General Counsel.

Mr. Hilderbrand convened the meeting at 9:02 a.m. and recognized Mr. Hincher for the Pledge of Allegiance to the flag. He asked Mr. Nunnaley for the invocation. Following the invocation, Mr. Hilderbrand read the Statement of Ethics and asked if any Board members had any conflict or appearance of conflict of interest.

Mr. Hilderbrand recognized Ms. Coleman for the presentation of the minutes from the May 14, 2025, meeting. Ms. Coleman stated that staff had provided the minutes prior to the meeting for review and invited any changes or amendments. Mr. Hilderbrand invited a motion for approval of the May 14, 2025, minutes.

Upon a motion by Mr. Nunnaley and a second by Mr. Overcash, the Board voted unanimously to approve the May 14, 2025, minutes as presented.

Mr. Hilderbrand then asked Dr. Lyons to present the Disciplinary Committee report. Dr. Lyons stated that staff had provided the Disciplinary Committee report prior to the meeting for review and invited any questions or comments. No comments were offered. Mr. Hilderbrand then invited motions for approval of the Disciplinary Committee report.

Upon a motion by Mr. Allen and a second by Mr. Hincher1, the Board voted unanimously to approve the Disciplinary Committee report with the following dispositions:.

- Summary Dismissal for Case No. C25-0034
- Dismissals for Case Nos. C25-0007, C25-0038, C25-0044, C25-0050, C25-0051
- Issuance of Letter of Caution for Case No. C25-0017
- Issuance of Notices of Hearing for Case Nos. C25-0036, C25-0047
- Issue Preliminary Denial of Application with Opportunity to Appeal for Case No. M25-0017
- Approve MBA request for dissolution in Case No. M25-0019

Mr. Hilderbrand then recognized Ms. Acord for summarizing the Finance and Personnel Committee report.

Finance and Personnel Committee Report

Ms. Acord highlighted the report from the Finance and Personnel Committee based on the Committee report which follows. She noted that the Committee met on August 6, 2025, and reviewed the statement of net position and the statement of revenues and expenses for the period ending June 30, 2025.

Her summary was based upon the following committee report:

> Ms. Acord provided an update on the financials for the reporting period ending June 30, 2025, stating that they remained stable. Ms. Acord reported that current assets were at $3.6 million, up from the previous year's reporting period of $3.4 million. She then highlighted that the Recovery Fund shows a balance of $1,027,455.25. For comparison, the balance for the same reporting period in FY2024 stood at $817,000.00. Ms. Acord asked if any members had questions about the Statement of Net Position. Mr. Hilderbrand asked Ms. Lee if there were any pending preneed recovery fund claims. Ms. Lee indicated that there was one claim pending, but Board staff was working with the insurance company to make the consumer whole without impact to the recovery fund.
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> Ms. Acord then reported that revenue currently stands at 67% of the total budget of $1.7 million. For comparison, during the same reporting period in FY2024, revenue was at 68.8% based on a $1.6 million budget. She also noted that expenses were tracking as expected, with no notable fluctuations to highlight. However, the Board is slightly over budget for this period, with spending at 51.1% rather than the anticipated 50%, resulting in a 1.1% overage.
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> Ms. Acord directed the committee's attention to the Computer Support line item, noting that it had reached 97% of its budget primarily due to the recent website rebuild and the replacement of staff computers. She further explained that she had been in discussions with the Board's IT provider, DIS, about the anticipated need to purchase a new server along with several additional computers. DIS is currently preparing a cost estimate for these items so that the expenditure can be appropriately capitalized.

Upon a motion by Mr. Overcash and a second by Mr. Nunnaley, the Board voted unanimously to recommend approval of the financial reports for the period ending June 30, 2025 to the full Board.

Mr. Hilderbrand asked if there were any other agenda items. Ms. Acord reported that Kaylan Krcelic would be completing her probationary period at the end of June and would become a permanent employee with a modest salary increase.

Ms. Acord reported that staff had engaged in a thorough discussion about the vacant Preneed Manager position. As part of the proposed solution, one of the current inspectors would transition into an assistant role supporting the Compliance Officer, taking on the preneed compliance responsibilities previously handled by the Preneed Manager. Additionally, staff recommended hiring another inspector to address any operational gaps resulting from these adjustments. Meanwhile, the processing duties associated with the Preneed Manager role would remain with the office staff. Discussion ensued.

Upon a motion by Mr. Overcash and a second by Mr. Hincher the Board voted unanimously to realign the Preneed Program Manager position to fall under the Compliance Division and hire another Compliance inspector.

Laws Rules and Legislation Committee Report

The Laws Rules and Legislation committee met on May 13, 2025 to discuss the substance of H1003, edition 3 and an additional change not included in the Bill Summary for H1003 regarding the supervision of provisional funeral directors set forth in GS 90-210.27A(e). Discussion ensued.

Mr. Hilderbrand then recognized Ms. Acord for the Executive Director's report.

Preneed Committee Report

Mr. Hilderbrand indicated that the Preneed Committee met on Thursday, June 5, 2025. He recognized Ms. Lee for summarizing the discussions.

Ms. Lee reported that the Committee reviewed preneed rule 21 NCAC 34D .0202 and recommends that Board staff initiate rulemaking to refine the continuing education requirements for an initial preneed sales license. Specifically, the Committee proposes removing the provision mandating that Board staff conduct the required continuing education instruction and reducing the required continuing education credit from three hours to two hours. Discussion ensued.

Upon a motion by Mr. Overcash and a second by Dr. Kelsey the Board voted unanimously to initiate Rulemaking to amend 21 NCAC 34D. 0202.

Executive Director's Report

Ms. Acord based her report upon the following:

- Traineeship statistics – We currently have 220 active trainees; 19 embalmer trainees, 84 funeral director trainees, and 117 funeral service trainees. For April, Board staff sent 13 disciplinary letters for late submissions and 4 letters for missing monthly work reports. Board staff also certified 2 embalmer traineeships, 11 funeral director traineeships and 6 funeral service traineeships. Ms. Acord commended Kaylan Krcelic and Glenda Ryan on the excellent job they do in keeping the traineeship program running smoothly.

- NCFDA Conference – Board staff attended the conference and conducted a roundtable continuing education class for HB1003. Participation in the discussion was good and Board staff received a lot of positive feedback.

- FDMANC 98th Annual Convention – Board staff will be attending this convention and conducting a round table on HB1003.

After some discussion, Mr. Hilderbrand thanked Ms. Acord for her report and then recognized Ms. Lee for the legal report.

Legal Report

Ms. Lee presented the following metrics regarding disciplinary and preneed matters:

DISCIPLINARY MATTERS

Current Active Cases: 44

Pending Investigation: 23
Pending Review by Disciplinary Committee: 0
Pending Dispositive Action: 11
Pending Hearing: 6
Post-Hearing: 0
Other: 4

New files opened since last Board meeting: 12 C-Files; 3 M-Files

Notices of Hearing sent since last Board meeting: 2

Consent Orders received since last Board meeting: 0

Cases reviewed by Disciplinary Committee since last Board meeting: 11

PRENEED RECOVERY FUND CLAIMS

Current Active Preneed Recovery Fund Claims: 0

Pending Investigation: 0
Pending Dispositive Action: 0

Preneed Recovery Fund Claims received since last Board meeting: 0

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

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

Old Business - None

New Business – None

Upon a motion by Dr. Kelsey and a second by Mr. Nunnaley, the Board voted unanimously by roll call to convene in closed session to hear matters subject to attorney-client confidentiality pursuant to N.C. Gen. Stat. § 143-318.11.

Upon a motion by Mr. Allen and a second by Ms. Coleman the Board voted unanimously to reconvene in open session.

Mr. Hilderbrand invited a motion pertaining to the matters discussed in closed session.

Upon a motion by Mr. Overcash and a second by Mr. Hincher, the Board voted unanimously to accept the Consent Orders in Board Case Number C24-0011, Wayne Russell Funeral Service, Inc and Board Case Number C25-0013, Russell Funeral Home and Cedric Russell.

Upon a motion by Mr. Overcash and a second by Dr. Kelsey , the Board voted unanimously to adjourn the meeting.

Affirmation:

Thomas T. Hilderbrand
Mr. Thomas T. Hilderbrand, President

Le'Shekia Coleman
Ms. Le'Shekia Coleman, Secretary

August 13, 2025
Date