

*Arkansas State Board of Embalmers, Funeral Directors, Cemeteries, and Burial Services
Special Board Meeting Minutes*

Monday, August 30, 2021

1 Commerce Way
Diamond Mine Room– 2nd Floor
Little Rock, AR
1:30 – 2:12 PM

Chairman Bill Booker, Professional Member called the meeting to order. Member(s) present: Billy Curl, Professional Member, Rausch Hodges, Professional Member, Commissioner Alan McClain , Professional Member, Stephanie Neipling, Consumer Member, Josephine Perry, Senior Citizens Member, Bruce Smithson, Professional Member and Steve Whitwell, Professional Member and Vice-Chair.

Staff present: Robert Akers, Director – Funeral Services Division, Amy Goode, Executive Secretary, Amelia Vestal, Senior Securities Examiner, Amanda Gibson, Arkansas Insurance Department, Associate Counsel and Eddie Davis, Director of Security.

1. **Call to Order** – Introduction of Board members and staff.
2. **Approval of the Agenda**

Chairman Booker inquired if there was any desire to change or deviate from the proposed agenda. Hearing none, the Board preceded with the agenda as prepared by staff.

3. **New Business**

- a) **Perpetual Care Cemeteries Application Permit- Transfer of Ownership** ([*§20-17-1012 Permit-Transfer of Ownership*](#))

- i. To consider transfer of ownership of **Forest Park Cemetery**, Fort Smith (License No. 11817) from Forest Park Cemetery Association, Inc. (Tommy Fowler and Cleve Cotner, Jr.) to Fort Smith Cemeteries, Inc. (Larry Bone, Margaret Carter, Lynn Creekmore, and William H. Wilson).
- ii. To consider transfer of ownership of **Roselawn Cemetery**, Fort Smith (License No. 11816) from Roselawn Cemetery Association, Inc. (Tommy Fowler and Cleve Cotner, Jr.) to Fort Smith Cemeteries, Inc. (Larry Bone, Margaret Carter, Lynn Creekmore, and William H. Wilson).

Bill Wilson was present representing Fort Smith Cemeteries, Inc. Present on the phone, was Christopher Brockett, Attorney, Fort Smith Cemeteries, Inc. Tommy Fowler was representing the current owners of the cemetery.

Ms. Gibson stated that there were two items, that the purchaser has requested be waived, the \$1,500 application fee and the profit/loss statement and balance sheet prepared by an independent CPA. Ms. Gibson did encourage the Board to waive those requirements. The purchaser is registered as a non-profit and since they were recently formed, they had no history to report. They did file the minimum net work requirement.

Mr. Fowler stated there was no liens on the cemeteries. Mr. Booker inquired if the cemeteries owe monies to the Fowler and Cotner families for maintenance of the cemeteries. Mr. Fowler stated the loans and debt would have to be forgiven.

Mr. Wilson stated that in effort to finance the activity from February until now, he took out a personal loan in the amount of \$800,000. None of the assets of the cemeteries are pledged to First National Bank for \$200,000 or First Security for \$600,000. In exchange, the Fort Smith Cemeteries, Inc. board voted 3-0 and agreed to give Mr. Wilson a lien on the cemeteries. The only documentation of that is from the minutes of the meeting, held at the law firm where Mr. Brockett practices. His paralegal recorded the meeting minutes. There is no schedule of payments. They do have the obligation to pay the interest as it comes due.

Mr. Brockett wanted to clarify that Mr. Wilson will have a joint collateralization on the properties (Forest Park and Roselawn). That is where the money has gone the last few months to improve the cemeteries. The statement is this, once that mortgage has been filed, any prepaid lots or any lots that become fully paid off, will be immediately released, so there is no obligation of the purchaser to continue to pay this obligation. Fort Smith Cemeteries will guarantee that repayment to Mr. Wilson.

Motion made by Curl to approve the transfer of Forest Park Cemetery to Fort Smith Cemeteries, Inc, to waive the application fee and required balance sheet from an outside CPA, seconded by Whitwell, all in favor. Motion carried.

Motion made by Whitwell to approve the transfer of Roselawn Cemetery to Fort Smith Cemeteries, Inc, to waive the application fee and required balance sheet from an outside CPA, seconded by Smithson, all in favor. Motion carried.

Trust funds will be moving to another bank. New trustee will be First Security Bank for Fort Smith Cemeteries, Inc.

Mr. Whitwell wanted to caution them on investments they are making to get that 4% return because there are certain code provisions that limit your ability to use certain kinds of investments and the extent and percentage you can put towards those types of investments.

We need copies of the trust agreement from the new trustee and representation that 100% of funds did transfer.

4. **Next Meeting Date(s)**

a) Tuesday, September 21, 2021 (9:00 a.m.) Board Meeting and Hearings

5. **Future Meeting Date(s):**

a) **Monday, October 18, 2021 (1:00 p.m.) Rules Sub-Committee**

b) **Tuesday, October 19, 2021 (9:00 a.m.) Board Meeting and Hearings**

6. **Comments and Announcements**

Ms. Gibson stated there was a need for a special meeting prior to the next meeting, to consider some rules required by the 2021 legislative session.

7. **Adjournment**

Motion made by Hodges to adjourn at 2:12 PM, seconded by Curl, all in favor. Motion carried.