

MINUTES
BOARD OF FUNERAL, CEMETERY AND CONSUMER SERVICES
TELECONFERENCE MEETING
September 1, 2011 - 10:00 A.M.

1. Call to Order, Preliminary Remarks and Roll Call

Mr. Jody Brandenburg, Chair, called the meeting to order at 10:00 am.

Mr. Doug Shropshire, Director, requested to make the usual prefatory comments for the record and then take the roll.

As a preliminary matter, let me state for the record that my name is Doug Shropshire. I am Director of the Division of Funeral, Cemetery, and Consumer Services. Today is Thursday, September 1, 2011. The time is approximately 10:00am. This is a public meeting of the Board of Funeral, Cemetery and Consumer Services. Notice of this meeting has been duly published in the Florida Administrative Weekly. An agenda for this meeting had been made available to interested persons. The meeting is occurring by Teleconference with some members of the Public here with the Division staff here in the Alexander Building, in Tallahassee, Florida and in fact we have some members of the Public here with us. My Assistant, Ms LaTonya Bryant-Parker, will take minutes of the meeting.

Persons speaking are requested to identify themselves for the record each time they speak. Participants are respectfully reminded that the Board Chair, Mr. Brandenburg, runs the meeting. Persons desiring to speak should initially ask the Chair for permission. All persons participating by phone, other than the Chair and Board members while speaking, are asked to place their phones on mute at all times while listening. We ask this to enhance the audio quality of the Teleconference. If any Member is disconnected they can call back to the same number called initially. Participants are respectfully reminded of the necessary protocol that only one person may speak at the time.

At this time I will take the roll and Board members will please respond clearly with "present" when I call their name:

PRESENT (via phone):

Joseph "Jody" Brandenburg, Chairman
Gail Thomas-DeWitt, Vice-Chairman (delayed)
Jean Anderson
Lewis "Lew" Hall
Powell Helm
Tracy Huggins (delayed)
Ken Jones
Col. Don Stiegman (delayed)

ABSENT:

Nancy Hubbell

There was a slight delay while waiting for some of the Board members to call in.

Mr. Chairman we have a quorum and the Board may proceed to address the matters on the agenda.

Also Noted as Present:

Doug Shropshire, Executive Director
Allison Dudley, Board Counsel
Anthony Miller, Assistant Director
LaTonya Bryant-Parker, Department Staff
Jasmin Richardson, Department Staff

The Chair questioned whether all Board members received their packets. There were positive responses from the Board members.

2. Application(s) for Preneed Sales Agent

A. Informational Item (Licenses Issued without Conditions) – Addendum A

The application(s) presented are clean and have been approved by the Division. This item is informational only and does not require Board action.

B. Recommended for Approval without Conditions (Criminal History)

(1) Montalvo, Francisco (Appointing Entity: Daytona Memorial Park, Inc.)

On the application received by the Department on July 26, 2011, the Applicant answered “Yes” to the Applicant Background Questions. During the review of his fingerprint results provided by FDLE, it was confirmed that Mr. Montalvo did have one criminal infraction that required disclosing. The criminal history includes one (1) misdemeanor offense relating to a traffic incident of Leave Scene Crash Involving Damage in 2008, which occurred in Volusia County, Florida. Mr. Montalvo disclosed all required information.

Mr. Montalvo, who is now 22 yrs old, regrets taking the blame for this accident, acknowledges his decision was foolish, and he is truly sorry for this decision. He has been very candid, cooperative with the Division’s staffer and has worked very hard to make better decisions. The Department assessment is that if issued a preneed sales agent license, Montalvo would not pose an unreasonable risk to members of the public who might deal with him in preneed transactions.

MOTION: Mr. Ken Jones moved to approve the application. Ms. Jean Anderson seconded the motion, which passed unanimously.

3. Application(s) for Preneed Main License

A. Recommended for Approval without Conditions

(1) Island Cremations, LLC (Merritt Island)

The Department received the application on June 20, 2011 and deficiencies were noted on the application. A deficiency letter was sent to the Applicant as of June 30, 2011 and Applicant responded as of July 20, 2011. A completed background check of all officers revealed no criminal history. Applicant obtained a qualifying funeral establishment license (F064576) as of May 24, 2011 and will sell insurance-funded preneed through Great Western Insurance Company and use the approved pre-arranged funeral agreement.

The Applicant’s financial statements as of June 14, 2011 reflect the following:

Acquired Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	93,608

MOTION: Ms. Gail Thomas-Dewitt moved to approve the application. Mr. Powell Helm seconded the motion, which passed unanimously.

(2) Robert J Harris d/b/a Veterans Funeral Service & Cremation (Sarasota)

The Department received the application on July 18, 2011 and deficiencies were noted on the application. A deficiency letter was sent to the Applicant as of July 21, 2011 and the Applicant responded as of August 10, 2011. A completed background check of all officers revealed no criminal history. Applicant obtained a qualifying funeral establishment license (F060085) as of May 6, 2010 and will sell insurance-funded preneed through Forethought Life Insurance Company and use the approved pre-arranged funeral agreement.

The Applicant’s financial statements as of August 5, 2011 reflect the following:

Acquired Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	10,979

MOTION: Mr. Helm moved to approve the application. Ms. Thomas-Dewitt seconded the motion, which passed with 1 dissenting vote.

- 4. **Application(s) for Preneed Branch License**
 - A. *Recommended for Approval without Conditions – Addendum B*

The Division recommends approval of the application(s).

MOTION: Mr. Lew Hall moved to approve the application(s). Ms. Anderson seconded the motion, which passed unanimously.

- 5. **Application(s) for Continuing Education Course**
 - A. *Recommended for Approval without Conditions – Addendum C*
 - (1) *American Academy McAllister Institute of Funeral Service #9808*
 - (2) *Florida Cemetery, Cremation & Funeral Association #75*
 - (3) *Florida Morticians Association, Inc #133*
 - (4) *International Cemetery & Funeral Association #74*
 - (5) *M.K. Jones & Associates, Inc #9605*
 - (6) *Pinellas County Funeral Home Association #58*
 - (7) *Practicum Strategies #65*
 - (8) *Thanos Institute #80*

The Continuing Education Committee and the Division recommends approval of the application(s).

MOTION: Mr. Hall moved to approve the application(s). Ms. Thomas-Dewitt seconded the motion, which passed unanimously.

- 6. **Application(s) for Florida Law and Rules Examination**
 - A. *Recommended for Approval without Conditions – Addendum D*
 - (1) *Direct Disposer*
 - (a) *Cornelison, Krystal M*
 - (2) *Funeral Director and Embalmer – by Endorsement*
 - (a) *Leadingham, Gary*
 - (b) *Minso, Daniel*
 - (c) *Sincore, Nicholas R*
 - (3) *Funeral Director and Embalmer – by Internship and Exam*
 - (a) *Logan, Ana A*
 - (b) *Smith-Naser, Jennifer*
 - (c) *Reed, Kenyetta M*

The Division recommends approval of the application(s).

MOTION: Mr. Helm moved to approve the application(s). Mr. Hall seconded the motion, which passed unanimously.

- 7. **Application(s) for Internship**
 - A. *Recommended for Approval without Conditions – Addendum E*
 - (1) *Funeral Director and Embalmer*
 - (a) *Von Ohlen, Matthew*

The Division recommends approval of the application(s).

MOTION: Ms. Thomas-Dewitt moved to approve the application(s). Mr. Jones seconded the motion, which passed unanimously.

8. **Application(s) for Embalmer Apprentice**
A. *Recommended for Approval without Conditions – Addendum F*
(1) *Garretson, Kimberly*
(2) *Lugo, Indira C*
(3) *Mayo, Rachel M*

The Division recommends approval of the application(s).

The Chair disclosed his affiliation with SCI Funeral Services of Florida Inc. and stated it would not affect his ability to remain fair and impartial on these application(s) or any other matters before the Board today.

MOTION: Ms. Thomas-Dewitt moved to approve the application(s). Ms. Tracy Huggins seconded the motion, which passed unanimously.

9. **Change in Location of Establishment**
A. *Informational Item (Licenses Issued without Conditions) – Addendum G*
(1) *Casket Gallery and Cremation Service (F040145) (Oviedo)*
(2) *Russell Haven of Rest Cemetery Inc d/b/a Russell Haven of Rest Funeral Home & Cemetery (F052582) (Green Cove Springs)*

The application(s) presented are clean and have been approved by the Division. This item is informational only and does not require Board action.

10. **Registration(s) as a Training Facility**
A. *Recommended for Approval without Conditions – Addendum H*
(1) *Embalming*
(a) *S. E. Combined Services of Florida Inc d/b/a Tampa Care, Administrative & Training Center (Tampa) (F064327)*
(2) *Funeral Directing*
(a) *Mizell-Faville-Zern Funeral Home & Cremation Service (W Palm Beach) (F040308)*
(b) *Moss Feaster Funeral Homes and Cremation Service (Largo) (F041198)*
(c) *Palms Woodlawn Funeral Home (Naranja) (F041235)*
(d) *SCI Funeral Services of Florida d/b/a Fountainhead Funeral Home (Palm Bay) (F056369)*

The Division recommends approval of the application(s).

MOTION: Mr. Hall moved to approve the application(s). Mr. Helm seconded the motion, which passed unanimously.

11. **Consumer Protection Trust Fund Claims**
A. *Recommended for Approval without Conditions – Addendum I*

The Division recommends approval of the claim(s).

MOTION: Mr. Jones moved to approve the claim(s). Mr. Hall seconded the motion, which passed unanimously.

12. **Application(s) for Monument Establishment Sales Agent**
A. *Informational Item (Licenses Issued without Conditions) – Addendum J*

The application(s) presented are clean and have been approved by the Division. This item is informational only and does not require Board action.

13. **Application(s) for Broker of Burial Rights License**
A. *Recommended for Approval without Conditions*
(1) *Cemetery Sales of Florida, Inc. (Hernando)*

The application was received on June 29, 2011 and deficiencies were noted on the application. A deficiency letter was sent to the Applicant on July 6, 2011 and all deficiencies were resolved as of August 1, 2011. The Department completed a background check of all officers which revealed no criminal history. The Division recommends approval of the application.

MOTION: Ms. Thomas-Dewitt moved to approve the application. Mr. Hall seconded the motion, which passed unanimously.

14. Application(s) for Funeral Establishment

A. Recommended for Approval without Conditions

(1) Charles T Hall Funeral Home LLC (Live Oak)

An application for a Funeral Establishment was received on June 16, 2011. The application was incomplete when submitted. All deficient items were returned on July 21, 2011. The fingerprint cards for all principals were returned with no criminal history. The FDIC for the facility will be Janoris Stone (F044261). The establishment passed its inspection on August 16, 2011. The Division is recommending approval without conditions.

MOTION: Mr. Jones moved to approve the application. Ms. Huggins seconded the motion, which passed unanimously.

Ms. Thomas-Dewitt requested that the Division confirm that Jan Stone is not the FDIC of another facility.

Ms. Jasmin Richardson stated that there was an error on the coversheet as Barry Hicks is the FDIC.

Mr. Shropshire stated that the actual application submitted in the Board packet lists Barry L Hicks as the FDIC.

2nd MOTION: Mr. Jones moved to approve the application with Barry L Hicks as the FDIC. Ms. Huggins seconded the motion, which passed unanimously.

B. Recommended for Approval with Conditions

(1) Kaduk Funeral Services Inc d/b/a Morgan Funeral Home and Cremation Services (New Port Richey)

The application was received by the Division on July 19, 2011. The application was incomplete when submitted. All deficient items were received on August 15, 2011. The fingerprint cards for all principals were returned with no criminal history. The FDIC for the establishment will be Theodore Kaduk (F043419). The Division is recommending approval with condition(s) as follows:

- (1) That the closing occur within 60 days of the date of this Board meeting.
- (2) Receipt by the Division within 75 days of this Board meeting, of a letter signed by Applicant or Applicant's attorney, addressed to the Division, certifying that closing has occurred.
- (3) Receipt by the Division within 75 days of this Board meeting, of a copy of the Bill of Sale, executed by all parties, and any and all amendments thereto, also fully executed.
- (4) That the establishment passes an on-site inspection by a member of the Division staff.

MOTION: Ms. Huggins moved to approve the applications with the conditions recommended by the Division. Mr. Hall seconded the motion, which passed unanimously.

(2) Mullins Memorial Funeral Home & Cremation Service LLC (Cape Coral)

An application for a Funeral Establishment was received on August 1, 2011. The application was complete when submitted. The fingerprint cards for all principals were returned with no criminal history. The Funeral Director in Charge will be Shannon Mullins (F044369). The Division is recommending approval with the condition that the establishments pass on-site inspections by a member of the Division staff.

MOTION: Mr. Helm moved to approve the applications with the condition that the establishments pass on-site inspections by a member of the Division staff. Ms. Anderson seconded the motion, which passed unanimously.

15. Application(s) for Removal Service

A. Recommended for Approval with Conditions

(1) Positive Mobility Inc d/b/a Positive Medical Transport (Sebring)

An application for a Removal Service was received on October 25, 2010. The application was incomplete when submitted. The deficient items were completed on June 27, 2011; however the Applicant did not notify the Division that the fingerprints were completed until August 23, 2011. The deficiency letter sent to the Applicant requested they submit documentation and information, along with a signed copy of the deficiency letter once completed. The fingerprint cards for all principals were returned with no criminal history. The Division is recommending approval with the condition that the establishments pass on-site inspections by a member of the Division staff.

MOTION: Ms. Huggins moved to approve the applications with the condition that the establishments pass on-site inspections by a member of the Division staff. Ms. Thomas-Dewitt seconded the motion, which passed unanimously.

(2) Thomas Roderick Moss & Luz Maria Moss d/b/a First Call MTS (Indian Harbour Beach)

An application for a Removal Service was received on July 20, 2011. The application was incomplete when submitted. All deficient items were returned on August 16, 2011. The fingerprint cards for all principals were returned with no criminal history. The Division is recommending approval with the condition that the establishments pass on-site inspections by a member of the Division staff.

MOTION: Mr. Helm moved to approve the applications with the condition that the establishments pass on-site inspections by a member of the Division staff. Ms. Huggins seconded the motion, which passed unanimously.

16. Request(s) to Relocate Cemetery Records

A. Recommended for Approval without Conditions

(1) Russell Haven of Rest Cemetery, Inc (F039437) (Green Cove Springs)

Russell Haven of Rest Cemetery, Inc. (F039437) requests Board approval to relocate cemetery records currently held at 2315 Sandridge Rd, Green Cove Springs, FL 32043 to the location at 2335 Sandridge Rd, Green Cove Springs, FL 32043. This relocation is due to the establishment of a new cemetery office at this location. The licensee affirms the records will be housed securely in fire-proof file cabinets. Pursuant to Rule 69K-6.005, records will be available for review at the licensed facility or an alternative site of the cemetery company if approved by the Board.

MOTION: Ms. Anderson moved to approve the request. Col. Stiegman seconded the motion, which passed unanimously.

17. Pre-Construction Trust Agreement(s)

A. Recommended for Approval without Conditions

(1) DFG Group, LLC d/b/a The Gardens (F019196, F039423) (Boca Raton)

Pursuant to 497.272, a pre-construction trust must be established for the trusting of funds as required for the sale of interment rights, entombment rights, and/or inurnment rights on a pre-construction basis under preneed cemetery contracts.

In accordance with ss. 497.272, Florida Statutes, DFG Group, LLC intends to construct 2 new mausoleums at its Boca Raton location, The Gardens. The licensee has submitted for approval 2 Pre-Construction Trust Agreements along with project specifications for construction of (1) a 3,121-crypt mausoleum and (2) a 550-crypt garden mausoleum, both to be funded by TD Bank, N.A. (Greenville, SC).

The mausoleum projects are summarized as follows:

South Sanctuary Trust Phase II - 3,121 crypt mausoleum, 6 levels, Total of 3,121 casket spaces

Project Amount: \$2,840,892

Garden Estate Community Mausoleum Phase I – 550 crypts, 5 levels, 250 tandem crypts, 50 crypts, Total of 550 casket spaces

Project Amount: \$286,213

Construction Company: Mausoleum Constructors of America, Inc.

MOTION: Mr. Jones moved to approve the agreement. Mr. Hall seconded the motion, which passed unanimously.

B. Recommended for Approval *with* Conditions
(1) Forethought Federal Savings Bank (Batesville, IN)

Pursuant to 497.272, a pre-construction trust must be established for the trusting of funds as required for the sale of interment rights, entombment rights, and/or inurnment rights on a pre-construction basis under preneed cemetery contracts. In accordance with ss. 497.272, Florida Statutes, Forethought Federal Savings Bank submits a Master Pre-Construction Trust Agreement to be utilized by Sea Pines Memorial Gardens, Inc. d/b/a Sea Pines Memorial Gardens (F039612) for construction of a columbarium to be located at 3001 Ridgewood Avenue, Edgewater, FL 32141.

The columbarium project is summarized as follows:

Project: Columbarium – 89" x 86.5" x 87.5"

Project Amount: \$18,709

Construction Company: Premier Columbaria Cremation Memorial Specialists

Approve with the condition(s) that the Department receives the approved trust agreement and construction agreement fully executed by all parties within 60 days from the date of this Board meeting.

MOTION: Ms. Huggins moved to approve the agreement with the condition that the Department receives the approved trust agreement and construction agreement fully executed by all parties within 60 days from the date of this Board meeting. Mr. Hall seconded the motion, which passed unanimously.

18. Executive Director's Report

A. Costs and Revenue Report

Attached for the Board's review, pursuant to s. 497.140, is a report of actual expenses and revenue for the years ending June 30, 2010 and June 30, 2011.

As you will note, operating expenses (Division salaries, etc.) are down approximately 16% for the FY ending June 30, 2011, as compared to the FY ending June 30, 2010. We have reduced these expenses in an effort to match them to our revenue stream.

Non-operating expenses, over which I have no significant control, have remained approximately unchanged.

Total revenue for the year ending June 30, 2011 was \$3,034,935, while total expenses were \$3,113,592 (sum of \$2,438,601 + \$674,991). So there was a slight positive cash flow in the most recent FY.

As you know, the Division is entirely supported by fees paid by licensees. We receive no general revenue from the state. Our operating trust fund was built up over the past years from fees paid by licensees, and is in effect our cash reserve that sustains us between the periodic pulses of cash that flow in from biennial license renewals. The Legislature swept \$200,000 from our operating trust fund, to general revenue, to help with state budget issues, in the legislative session most recently ended. Our operating trust fund balance as of June 30, 2011 is approximately \$1,873,548.

Some of the revenue figures at first glance show significant percentage changes, but as the notes to the statements show, there are not actually any real changes to revenue. What is happening is that our accounting folks have been in effect adjusting the categories they assign the revenue to, moving revenue from one account to another, and it is internally making some accounts increase and some fall.

I anticipate that the FY ending June 30, 2012 will approximately repeat the revenue seen in the FY ending June 30, 2010, and the expenses seen in the FY ending June 30, 2011.

(Data source: 4th Quarter Trust Fund Analysis report, Sarah Goodman email July 29, 2011)

TRUST FUND ANALYSIS
REGULATORY TRUST FUND (573007)/ FUNERAL AND CEMETERY
REVIEW OF QUARTERLY FINANCIAL DATA (ACTUAL)
AS OF 6/30/2011

	ACTUAL AS OF 6/30/2010	ACTUAL AS OF 6/30/2011	%
			Change
FUND BALANCE, BEGINNING (7-1-10) (1)		\$ 1,931,446.13	
AUDIT ADJUSTMENTS		
ADJUSTED BEGINNING FUND BALANCE		\$ 1,931,446.13	
 REVENUES			
<u>OPERATING:</u>			
FEES (2)	\$ 171,781.50	\$ 1,215,762.71	607.74%
LICENSES (3)	2,415,053.70	1,636,842.60	-32.22%
INTEREST AND DIVIDENDS	46,961.46	47,767.78	1.72%
PENALTIES	105,305.21	126,637.86	20.26%
SALES OF GOODS-OUTSIDE STATE	9,398.95	7,356.60	-21.73%
TOTAL OPERATING	\$ 2,748,500.82	\$ 3,034,367.55	10.40%
 <u>NON OPERATING:</u>			
REFUNDS	\$ -	\$ 568.29	
TOTAL NON OPERATING	\$ -	\$ 568.29	
 TOTAL REVENUE	 \$ 2,748,500.82	 \$ 3,034,935.84	
 TOTAL AVAILABLE		 \$ 4,966,381.97	
 EXPENDITURES			
<u>OPERATING:</u>			
SALARIES	\$ 1,306,962.61	\$ 1,058,006.71	-19.05%
OPS	33,253.98	28,000.00	-15.80%
EXPENSES	160,081.91	212,948.12	33.02%
OCO	0.00%
CONTRACTED SERVICES	101,838.78	40,592.66	-60.14%
RISK MANAGEMENT FEES	4,973.00	4,770.00	-4.08%
DMS - HR SERVICES CONTRACT	14,998.00	13,128.00	-12.47%
TOTAL OPERATING	\$ 1,622,108.28	\$ 1,357,445.49	-16.32%

**TRUST FUND ANALYSIS
REGULATORY TRUST FUND (573007)/ FUNERAL AND CEMETERY
REVIEW OF QUARTERLY FINANCIAL DATA (ACTUAL)
AS OF 6/30/2011**

NON OPERATING:

TR/SECTION 215.32 (4)	\$	-	\$	200,000.00
COST ALLOCATION		600,000.00		600,000.00
REFUNDS-STATE REVENUES		15,522.50		4,892.50
ADMIN ASSESSMENT ON INVESTMENTS		2,205.86		2,298.01
SERVICE CHARGE TO GR		<u>218,461.80</u>		<u>273,965.20</u>
TOTAL NON OPERATING	\$	836,190.16	\$	1,081,155.71
TOTAL EXPENDITURES	\$	2,458,298.44	\$	2,438,601.20
CF REVERSIONS	\$	-	\$	20,759.00
FUND BALANCE, ENDING			\$	<u>2,548,539.77</u>
Plus Projected Remaining Revenues (5)				
Less Projected Remaining Operating Expenditures (6)			\$	(674,991.51)
Less Projected Remaining Non-Operating Expenditures (7)				
PROJECTED FUND BALANCE, ENDING 6-30-11			\$	<u>1,873,548.26</u>

NOTES:

(1) Beginning fund balance is from the 7-1-10 opening trial balance.

(2) Fee revenue increases over prior year for two main reasons: 1) Pre-need contract fees were recorded as License revenue in FY 09/10 and are now recorded as fees; and 2) the collection of establishment renewal fees (paid every two years)

(3) License revenue decreases from the prior year for two main reasons: 1) Pre-need contract fees previously recorded here as a License revenue are now recorded as Fees; and 2) there are varying biennial license types (some renew in even FY, others in odd FY) - the odd FY (10/11) are lower than the even fiscal years.

(4) TR Section 215.32 is trust fund sweeps. For FY 10/11 Regulatory TF is to be swept a total of \$5 million. Of this amount, this FID will pay \$200,000.

(5) Projected Remaining Revenues as of 6/30/2011 is Zero.

(6) Projected remaining operating expenditures is the difference between expenditures as of 06/30 and the projected total operating expenditures for FY 10/11. This number assumes the remaining appropriations will be carry forward and expended.

(7) Projected remaining non-operating expenditures as of 6/30/2011 is Zero.

**TRUST FUND ANALYSIS
REGULATORY TRUST FUND (573007)/ FUNERAL AND CEMETERY
REVIEW OF QUARTERLY FINANCIAL DATA (PROJECTED)
AS OF 06/30/2011**

	<u>ACTUAL AS OF 6/30/2011</u>	<u>PROJECTED AS OF 6/30/2011</u>	<u>% of Projected</u>	<u>PROJECTED THRU 6/30/2011</u>	<u>% of Projected</u>
OPERATING REVENUES					
FEES	\$ 1,215,762.71	\$ 1,106,812.00	109.84%	\$ 1,106,812.00	109.84%
LICENSES	1,636,842.60	1,617,986.00	101.17%	1,617,986.00	101.17%
INTEREST AND DIVIDENDS	47,767.78	40,000.00	119.42%	40,000.00	119.42%
PENALTIES	126,637.86	107,142.00	118.20%	107,142.00	118.20%
SALES OF GOODS-OUTSIDE STATE	7,356.60	11,475.00	64.11%	11,475.00	64.11%
TOTAL	\$ 3,034,367.55	\$ 2,883,415.00	105.24%	\$ 2,883,415.00 (A)	105.24%
OPERATING EXPENDITURES					
SALARIES	\$ 1,058,006.71	\$ 1,423,742.00	74.31%	\$ 1,423,742.00	74.31%
OPS	28,000.00	28,000.00	100.00%	28,000.00	100.00%
EXPENSES	212,948.12	403,872.00	52.73%	403,872.00	52.73%
OCO	9,500.00	0.00%	9,500.00	0.00%
CONTRACTED SERVICES	40,592.66	149,425.00	27.17%	149,425.00	27.17%
RISK MANAGEMENT FEES (1)	4,770.00	4,770.00	100.00%	4,770.00	100.00%
DMS - HR SERVICES CONTRACT	13,128.00	13,128.00	100.00%	13,128.00	100.00%
TOTAL	\$ 1,357,445.49	\$ 2,032,437.00	66.79%	\$ 2,032,437.00 (B)	66.79%

NOTES:

(A) Source: Projected revenues reflect current year estimates submitted from Business areas in August 2010.

(B) Source: Current FY 10/11 Appropriations

(1) Risk Management premiums are paid in full (100%) at the beginning of the fiscal year.

The Chair commended Mr. Shropshire on such a phenomenal job and the way the job was done with the staff to reduce expenditures is impressive. The Chair added that he just want it noted on record that he feels this is extraordinary.

Mr. Shropshire thanked the Chair.

Mr. Hall questioned whether the "Cost Allocation" is the allocation that the State is charging for computer used.

Mr. Shropshire stated that it certainly includes the overhead cost for DIS, so it includes the computers, phones and the email system as well as the Division's share of the Accounting, Finance and the other non-revenue producing Division's that provide us some support. Also included is our allocation for the executive offices in the Capitol and so forth.

Mr. Hall questioned whether that is the same computer system we share with the Insurance Division and some of the other Divisions.

Mr. Shropshire stated that the Division does share the ALIS computer system.

Mr. John Rudolph questioned whether Mr. Shropshire feels he has sufficient resources to do the job that has been laid upon the Division.

Mr. Shropshire stated that the Division really does not and is exploring options. The Division has 19 FTEs at this point in time and that is the same number that Ms. Diana Evans-Marr had in the 1990s when all that she was regulating was cemeteries, preneed and a few monument establishments. Now we of course have all the 470 Licensees. The Division has managed to stabilize, at least for the time being, the cash flow although we have to monitor it closely. It has been stabilized at frankly an inadequate level of resources. One of the things that is most concerning of course is keeping up with investigations and examinations.

Mr. Rudolph questioned whether Mr. Shropshire could estimate how many more FTEs and how much additional revenue is needed for the Division to be fully staffed.

Mr. Shropshire stated that he could not answer that right now, but suspects somewhere in the high 20s to really keep up with the exam and investigation load. Everyone has to tighten their belts and so does the Division. We are watching things closely and prioritizing carefully in our examination and investigation activity. The Division is not complaining but we really should have some more resources. The Capitol is looking into that. Mr. Shropshire added that he has informally floated a proposal up to the Capitol to be allowed to use some of the excess funds in the Consumer Protection Trust Fund to engage some additional exam help to keep up with the exams and has received, at least preliminarily, a favorable response to the request. That request would be defensible because it would help defend the Consumer Protection Trust Fund by enhancing and increasing the number of exams the Division is able to do. That is one thing we have working that the Industry may see. Mr. Shropshire has floated variations of that concept before and generally received favorable responses from the Industry. The current proposal would be limited to not more than 5% of the Consumer Protection Trust Fund that is not needed for claims. The Consumer Protection Trust Fund is currently almost \$8 million and we only pay out about \$150k a year so there appears to be some money there that could be usefully applied to protect the fund.

The Chair welcomed back Ms. LaTonya Bryant-Parker and stated that it was good having her back with hopes that she is feeling much better.

Mr. Shropshire stated that the Division is very grateful to have Ms. Bryant-Parker back.

Ms. Bryant-Parker thanked everyone.

B. Legislative Issues (Juhan Mixon and any other interested parties)

Mr. Shropshire stated that Mr. Juhan Mixon requested that this item be placed on the Agenda for legislative issues.

Ms. Corinne Mixon stated that Mr. Mixon is detained in a meeting in Miami and will not be able to attend.

Mr. Shropshire stated that the item would be placed on the October Agenda.

19. Supplemental Agenda Item(s)

The Chair stated that this is quite unusual that the Division would add an item on the agenda after it has come out. This Applicant has been waiting since June 17th for fingerprint cards to be returned and actually they were returned on the day that the Agenda was published, therefore it was not on the initial Agenda. The Chair felt that the fair and equitable thing to do would be to include the items on the Agenda rather than waiting for the October meeting, particularly since the fingerprints were returned with no criminal activity. So the Board is taking the unusual step of put these items on today's Agenda. This is not a normal practice. This is an exception to our rule. The staff is burdened there otherwise, but this is the right thing to do.

A. Recommended for Approval without Conditions
(1) Application for Direct Disposal Establishment

(a) Atlantic Cremation Society of Florida, LLC (Port Orange)

An application for a Direct Disposal license was received on June 17, 2011. The application was incomplete when submitted. All deficiencies were corrected as of August 25, 2011. The fingerprint cards for all principals were returned with no criminal history. The funeral director in charge will be Darin Felton (F044944). The establishment passed its inspection on August 11, 2011. The Division is recommending approval without conditions.

MOTION: Mr. Helm moved to approve the application. Mr. Hall seconded the motion, which passed unanimously.

(2) Application for Preneed Main License

(a) Atlantic Cremation Society of Florida, LLC (Port Orange)

An application for a Preneed Main license was received on June 21, 2011. The application was incomplete when submitted. All deficiencies were corrected as of August 25, 2011. The primary source of delay in processing the application was submission and processing of fingerprints from out-of-state. The fingerprint cards for all principals were returned with no criminal history. The qualifying entity would be the Direct Disposal Establishment.

Applicant reports a net worth of \$96,789.16. The Division is recommending approval.

Mr. Helm questioned the required net worth.

Mr. Shropshire stated that the required net worth is \$10,000.

MOTION: Mr. Helm moved to approve the application. Ms. Thomas-Dewitt seconded the motion, which passed unanimously.

20. Adjournment

The meeting was adjourned at 10:32 a.m.