



Mike DeWine
Governor of Ohio

Cheryl Grossman
Executive Director

William C. Wappner
CFSP, CCO
President

Thomas Taneff
Board Vice President

Ed C. Nurre
Board Secretary Treasurer

Jon W. Rettig Sr.
Board Member

George Horne
Board Member

Amanda E. Crates
Board Member

Minutes of the August 19, 2020

The State of Ohio Board of Embalmers and Funeral Directors' Preneed Recovery Fund Committee

Wednesday, August 19, 2020

10:00 a.m.

Pursuant to Section 4717.03 (A) of the Ohio Revised Code, the State of Ohio Board of Embalmers and Funeral Directors convened its regular meeting of the Board's Preneed Recovery Fund Committee to discuss the Board's business. The meeting was conducted by means of a teleconference call as permitted through a provision to the Open Meetings Act that permits members of public bodies to hold and attend meetings by means of electronic technology. The provision was enacted by the Ohio General Assembly through Substitute House Bill 197 in March 2020.

1. Convening of the Committee – Chairperson Horne

Calling of the Roll

Chairperson George Horne, II called the meeting to order at 10:00 a.m. Executive Director of the Board Cheryl Grossman took roll call for the meeting. The following committee members were in attendance of the meeting:

George Horne, II, Edward C. Nurre, Jr.; Thomas Taneff

Mr. Horne welcomed all to the committee meeting.

Mr. Horne congratulated Preneed Compliance Administrator/Analyst Derek Bogner for all his work and preparation for the committee meeting. He expressed his appreciation to Mr. Bogner. Mr. Bogner thanked Mr. Horne.

Derek Bogner informed that the first application to be reviewed was from J.C. Mr. Bogner summarized the background and recent sale of the funeral home named in the application for reimbursement.

Edward Nurre stated that the funeral home was in his area of the state and that he personally has not seen any activity on the funeral home.

William Wappner asked Mr. Bogner if the funeral home operator was still in business. Mr. Bogner replied that the funeral director closed the facility license, not their individual license.

Mr. Horne asked Mr. Bogner if the reimbursement payment is expected to be issued to the former funeral home or the applicant.

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Board Counselor Christie Limbert responded to Mr. Horne's question by stating that the consumer or applicant is issued a reimbursement payment, not the funeral home or funeral director. She went on to say that the fund can only reimburse a consumer's financial loss. Ms. Limbert added that this case appears to indicate that the deceased was provided funeral goods and services as originally arranged with another funeral home operator. Therefore, the consumer (deceased) was made whole by the funeral director whereas by fulfilling the original preneed funeral contract.

Mr. Bogner stated that the applicant informed him that they intended to pay the funeral director who provided the funeral services from any reimbursement funds received. There was discussion among the committee about who suffers a loss.

Ms. Limbert suggested that the Board consider a decision or policy on issuing payments to those who are deemed to have been made whole.

Mr. Horne stated that the funeral home provided services and has a reasonable expectation to be paid for those services. Ms. Limbert responded that the consumer may pay the funeral director from any resources they have, including any reimbursement funds received, if they desire, but she added that there is no guarantee to the funeral director when they commit to honor a preneed funeral contract presumed to be unfunded.

Mr. Horne asked Mr. Taneff for his opinion. Mr. Taneff replied that he was not in favor of issuing a reimbursement payment in this case.

Mr. Horne asked Mr. Nurre for his opinion. Mr. Nurre replied that this case appears to have had a verbal agreement between the applicant for reimbursement and the funeral director. Mr. Nurre stated that the purchaser/decedent received the funeral services as prearranged. He added that the funeral director may have paid out of pocket to cover any differences, but Mr. Nurre opined that there was no financial loss to the purchaser of the contract. Mr. Nurre agreed with Mr. Taneff and suggested that no reimbursement be made.

Mr. Horne agreed with his fellow committee members.

George Horne moved for the committee to deny approval of the Preneed Recovery Fund Reimbursement Application Form in compliance case number CO2020-6092. The motion was seconded by Thomas Taneff. Mr. Horne asked for discussion on the motion. There was no discussion.

A roll call vote was taken on Mr. Horne's motion. All committee members voted "Yes". Motion carried 3/0.

Derek Bogner informed that the next application to be reviewed was from C.C. Mr. Bogner summarized the background of the funeral home named in the application for reimbursement.

Mr. Horne stated that the funeral home named is in his area of the state and its history is known. He opined that future applications for reimbursement that name this funeral home will increase. Mr. Horne shared the story of the funeral home and explained the past relationship between its former operator and the current one.

Edward Nurre moved for the committee to approve the Preneed Recovery Fund Reimbursement Application Form in compliance case number CO2019-1438 and issue a payment in the amount of \$4,255.00 from the preneed recovery fund. The motion was seconded by George Horne. Mr. Horne asked for discussion on the motion. There was no discussion.

A roll call vote was taken on Mr. Nurre's motion. All committee members voted "Yes". Motion carried 3/0.

Derek Bogner informed that the next application to be reviewed was from R.L. Mr. Bogner informed that the funeral home named in the application for reimbursement was the same as the last case.

Mr. Taneff and Mr. Nurre commented that the documentation indicates differing amounts and questioned Mr. Bogner about the actual amount of loss and the requested amount for reimbursement. Mr. Bogner replied that the requested amount appears to have interest included.

Edward Nurre moved for the committee to approve the Preneed Recovery Fund Reimbursement Application Form in compliance case number CO2020-5867 and issue a payment in the amount of \$6,670.00 from the preneed recovery fund. The motion was seconded by George Horne. Mr. Horne asked for discussion on the motion. There was no discussion.

A roll call vote was taken on Mr. Nurre's motion. All committee members voted "Yes". Motion carried 3/0.

Mr. Horne commented that funeral directors should be cautious about honoring other's preneed funeral contracts. He added that it would be wise to verify the funding status and peruse the contract first, if able.

Mr. Nurre remarked that the committee is committed to being consistent as possible when considering applications for reimbursement from the preneed recovery fund.

Mr. Horne asked aloud if there was any further discussion before the committee. There was none.

Edward Nurre moved for the committee to adjourn its meeting. The motion was seconded by Thomas Taneff. All committee members voted "YES". Motion carried 3/0.

August 19, 2020 meeting of the Preneed Recovery Fund Committee adjourned at 10:25 a.m.