

December 14, 2005
SHARP'S CEMETERY
Director considerations

1. Events in determining the status of Sharp's Cemetery and direction from Directors.
 - a. Harold Diem Contacted Craig Morton, Lawyer February 05, to determine the legal status of Sharp's Cemetery.
 - i. Mr. Morton determined that the cemetery was not registered with the state and only with the court house in Elkton. He filed paper work to register Sharp's Cemetery. We are now registered with the State as Sharp's Cemetery, Incorporated.
 - ii. Mr. Morton than on his own initiative called the State to determine whether Cemetery was exempted from registering with the state by reason of the fact that at one time was owned by the Rock Presbyterian Church. The State stated that it was not and we were required to register with the state "Office of Cemetery Oversight". Papers were sent by the State to properly register with the State and we were given 90days to comply. Compliance would require the Cemetery to set up an initial Perpetual Care fund of \$10,000 and add to the fund 10 percent of any lot sales. We are also obligated to pay funds to the state on lot sales and subject to state audits, every other year, amounting to a cost of from \$4,000 to \$5,000 yearly. Mr. Morton than suggested that we bring the Cemetery under the jurisdiction of Rock Church for exemption from the Perpetual Care Fund. Mr. Diem than presented this to the Directors of Sharp's Cemetery" and the Directors voted to place the Cemetery under Rock Church. Mr. Diem presented to the Rock Church Session for taking over the control, management and ownership of Sharp's Cemetery. The Congregation voted conditionally to accept the proposal.
 - iii. Mr. Diem contacted the State "Office of Cemetery Oversight" for interpretation of various laws giving exemptions from the Perpetual Care fund. They responded that we did not meet these requirements.
 - iv. Mr. Diem, with assistance of Tucker Mackie, contacted Delegate Dave Rudolph for help in getting an exemption for the Perpetual Care Fund through an act of legislation. Delegate Rudolph contacted the State "Office of Cemetery Oversight" and the Attorney's General's for assistance. They responded that Sharp's Cemetery does not meet any of the

exemption considerations. In fact, the State indicated by pending legislation that no Cemeteries will be exempt. Delegate Rudolph initially suggested that we go under the Church for exemption from the Perpetual Care fund requirements. He then suggested in a 2nd meeting that we do nothing at all and to set up a fund for perpetual care to show that we are trying to comply with the law. He stated that another cemetery in Rising Sun has the same situation as Sharp's. The other Cemetery is continuing to operate as they were.

v. Resolutions

1. Directors must agree to the conditions set forth by the Rock Church. This would require that the Sharp's Cemetery transfer all land and liquid assets over the Rock Church. Rock Church than would have total control of the management and operation of the Cemetery and acceptance with all of the conditions set forth by Rock Church.
2. Directors are to decide whether to continue as we have been with an attempt to set up the Perpetual Care fund. Control and management would than be the responsibility of the Directors and officers of Sharp's Cemetery as it is currently.