

Statement by Matthew Dowling regarding Kezmarsky Funeral Home

Political opponents of Representative Dowling are attempting to tie him to disgraced funeral director Stephen Kezmarsky and the court issues currently related to the Kezmarsky Funeral Home. The following information is provided as factual evidence that their attempts are not only unfounded, but patently false. It is our belief the press should have this information prior to the expected barrage of letters to the editor, etc. that are to come in response the new coverage of Rep. Dowling's recent announcement of pending legislation to address issues like those involved in the criminal case against Mr. Kezmarsky.

- From approximately 2002-2007, ages 17 to 22, Matthew Dowling worked as a part-time, seasonal or occasional employee of Kezmarsky Funeral Home. His duties included parking cars, cleaning, and light maintenance on the building and property.
- Mr. Dowling's business – Coordinated 360 – was later hired as an outside vendor of Kezmarsky Funeral Home. Services provided by Coordinated 360 included:
 - Production of memorial DVD's
 - Printing of prayer cards
 - Other miscellaneous printing and design work
 - Rental of audio-visual equipment to the funeral home as needed for funeral services.
- For three consecutive years, Coordinated 360 was also paid as an outside vendor to coordinate a holiday memorial service at the funeral home. As part of this service, Coordinated 360 provided audio-visual services and booked music for the events.

Records show that Mr. Kezmarsky filed for Chapter 13 bankruptcy protection in the U.S. Courts in 2013, the Bankruptcy was converted to a Chapter 14 in 2014, Chapter 11 in 2015, and subsequently, Chapter 7 in 2016. In 2016, two separate items occurred involving Mr. Dowling.

- First: Coordinated 360 was hired to provide "business services" in which they wired, set-up and installed business accounting software (QuickBooks) on computers in the facility. Further, Coordinated 360 digitized past and current bank statements into QuickBooks. Daily oversight and maintenance of the funeral home accounting was performed by the funeral home staff.
- Second: MD Holdings – an LLC comprised of several investors, including David and Darla Dowling, and Karen and Tim Miscovich, with the assistance of Matthew Dowling – made an offer to the U.S. Bankruptcy Court to purchase the assets of Kezmarsky Funeral Home. If successful, Mr. Dowling would have been involved in the new business as General Manager and his wife as Business Manager (a fact included in the business plan provided to potential investors.) Ultimately, this offer was not successful and another bidder was awarded the property.

- At no time during his occasional employment or business services provided to the funeral home was Mr. Dowling responsible for management duties or fiduciary duties. Even those services that had some connection to finance would not have provided information to unearth Mr. Kezmarsky's alleged crimes. In fact, the Trustee appointed by the U.S. Bankruptcy Court – whose duty it was to review financial reports of the funeral home during bankruptcy proceedings – was not aware of Kezmarsky's misdeeds.

Mr. Dowling's own family has been affected by Mr. Kezmarsky's misdeeds. After the bankruptcy, Kezmarsky began working with another funeral home in Uniontown. Mr. Dowling's grandmother was buried from that funeral home. At that time, Mr. Kezmarsky presented an invoice for funeral services to the Dowling family, then submitted documents to the insurance company for an amount greater than the invoice presented to the Dowling family. The Dowling family has filed a complaint with the Office of the Attorney General regarding this issue.

UNITED STATES DEPARTMENT OF JUSTICE
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UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA

IN RE: BANKRUPTCY NO: 15-23073-GLT

STEPHEN E. KEZMARSKY, III
AND NANCY L. KEZMARSKY,

CHAPTER 7

DEBTORS.

UNITED STATES TRUSTEE,

ADV. PROC. NO. ____

PLAINTIFF,

v.

STEPHEN E. KEZMARSKY, III,

DEFENDANT.

COMPLAINT FOR DENIAL OF DISCHARGE
UNDER 11 U.S.C. § 727

COMES NOW Andrew R. Vara, Acting United States Trustee, by undersigned counsel,
who brings this action pursuant to 11 U.S.C. §§ 727(a)(2)(B), (a)(3), or (a)(4)(D) for denial of

the discharge of Stephen E. Kezmarsky, III, and for such other relief as may be equitable and just.

PARTIES

1. Plaintiff, Andrew R. Vara, is the Acting United States Trustee, appointed by the Attorney General of the United States of America, for the Western, Middle and Eastern Districts of Pennsylvania, and the Districts of New Jersey and Delaware. His address for the Western District of Pennsylvania is in care of the Office of the United States Trustee, 1001 Liberty Avenue, Liberty Center, Suite 970, Pittsburgh, PA, 15222.
2. Stephen E. Kezmarsky, III, is the debtor in Case No. 15-23073-GLT and the Defendant in the present adversary proceeding (the “Defendant”). On the Defendant’s bankruptcy petition, he stated that his address was 93 Belmont Circle, Uniontown, PA, 15401. The Defendant subsequently moved and the current address he provided to the court is 71 Pennsylvania Ave., Uniontown, PA 15401.

JURISDICTION AND VENUE

3. This is an adversary proceeding in which the United States Trustee is seeking denial of the Defendant’s discharge under 11 U.S.C. §§ 727(a)(2)(B), (a)(3), or (a)(4)(D). The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157(a) and the Standing Order of Reference of Bankruptcy Cases and Proceedings, dated October 16, 1984.
4. This matter is a core proceeding under 28 U.S.C. § 157(b)(2)(J).
5. Pursuant to Fed. R. Bank. P. 7008, the United States Trustee consents to the entry of final orders by the bankruptcy court.
6. Venue in this Court is proper pursuant to 28 U.S.C. § 1409(a).

7. The United States Trustee has standing to file this complaint under 11 U.S.C. §§ 307 and 727(c)(1).

8. This complaint was timely filed in accordance with Rule 4004(a) of the Federal Rules of Bankruptcy Procedure.

STATEMENT OF FACTS

9. The Defendant filed a voluntary petition, along with his wife Nancy L. Kezmarsky, under chapter 11 of the Bankruptcy Code on August 27, 2015. [Doc. 1]. The schedules and statement of financial affairs were filed on September 21, 2015. [Doc. 50].

10. The Defendant filed his case as an individual case d/b/a Kezmarsky Funeral Home. The Defendant operated a funeral home business in Uniontown, PA. The Defendant was a licensed funeral director.

11. The Defendant's case was subsequently converted to chapter 7 on July 21, 2016. Robert H. Slone, Esq. was appointed as the chapter 7 trustee. [Doc. 186].

12. The trustee was authorized by the Court by Order dated August 25, 2016 to operate the funeral home for a limited amount of time in order to sell the business as a going concern. [Doc. 208].

13. The trustee established a debtor-in-possession bank account for the funeral home. All funds received for payment of funeral services were to be deposited into this account.

14. The trustee hired the Defendant to manage and conduct the business of the funeral home during the period of its operation until the trustee sold the funeral home. [Doc. 199]. The Defendant was paid \$750 per week for his services. *Id.*

15. The trustee instructed the Defendant to report to him regarding the operations of the funeral home. Additionally, the trustee instructed the Defendant to deposit all funds received for funeral services into the funeral home's debtor-in-possession bank account.

16. After receiving court approval for the sale of the funeral home, the trustee sold the funeral home to a third party; the closing was held April 28, 2017. The trustee filed a Report of Sale on May 8, 2017. [Doc. 354].

17. On June 29, 2017, the trustee filed a Status Report that identified discrepancies between the amount of money in the funeral home's debtor-in-possession bank account with the amount of money the funeral home should have received for providing funeral services. The funeral home's known expenses did not reconcile this discrepancy. [Doc. 369].

18. The trustee investigated this discrepancy and discovered that between October 2016 and March 2017, the Defendant provided funeral services to several individuals using the funeral home's facilities and accepted payment for these services. The Defendant also accepted payment for pre-paid funeral expenses. However, the Defendant did disclose or turn over such payments to the trustee. Rather, the Defendant either cashed the payments or deposited them into separate bank accounts owned by the Defendant.

19. Also, in several instances, the funeral services were provided without the knowledge or consent of the trustee and the Defendant failed to record such services in the funeral home's records.

20. Specifically, the Defendant accepted payment for funeral services without turning over the payment to the trustee or depositing the payment into the funeral home's debtor-in-

possession bank account, and he failed to account for the funeral services in the funeral home's records as follows:¹

- a. Marguerite Ziska – the Defendant accepted payment of \$5,738 by check dated March 14, 2017, but did not disclose or turn over this payment to the trustee. Instead, the Defendant cashed this check.
- b. Francis Zorichak – the Defendant accepted payment of \$9,897 by check dated March 2, 2017, but did not disclose or turn over this payment to the trustee. Instead, the Defendant cashed this check.
- c. Alex Bacho – the Defendant accepted payment for funeral services in the amount of \$8,486.80 by check dated February 26, 2017. This payment was not disclosed or turned over to the trustee.
- d. Barbara Amend – The Defendant accepted a pre-paid deposit amount of \$1,868 and the funeral home was designated as a beneficiary on Ms. Amend's life insurance policy in the amount of \$7,000. However, when Ms. Amend died in December 2016, her death was not reported in the funeral home's records, nor was the \$1,868 deposit or \$7,000 life insurance proceeds disclosed or turned over to the trustee.
- e. Dorothy Polatch – The Defendant accepted payment of \$15,000 by check dated October 19, 2016, but did not disclose or turn over this payment to the trustee.

¹ There may be additional instances where the Defendant provided funeral services and/or accepted payment for funeral services without disclosing such services and payments to the trustee that are not yet known to the United States Trustee. Thus, the United States Trustee reserves the right to amend this complaint to add additional instances of such conduct by the Defendant should they be discovered by the United States Trustee during the prosecution of this complaint.

Instead, he deposited \$9,000 into a PNC account that he established on the same day, October 19, 2016, and cashed the remainder.

- f. John Kipila – the Defendant accepted three checks in the amount of \$100 each for a total of \$300 by checks dated December 2, 2016, February 3, 2017, and March 3, 2017. The Defendant did not disclose or turn over these payments to the trustee. Instead, the Defendant deposited these checks into a new bank account he established at First National Bank.

COUNT I: Section 727(a)(2)(B)

21. The Plaintiff incorporates by reference the allegations contained within paragraphs 1 through 20 hereof.
22. 11 U.S.C. § 727(a)(2) provides the Court shall grant a debtor a discharge unless “the debtor, with intent to hinder, delay, or defraud a creditor or an officer of the estate charged with custody of property under this title, has *transferred*, removed, destroyed, mutilated, or *concealed*, or has permitted to be transferred, removed, destroyed, mutilated, or concealed – (A) property of the debtor, within one year before the date of filing of the petition; or (B) property of the estate, after the date of the filing of the petition” (emphasis added).
23. The Defendant’s conduct in accepting payment for funeral services from clients and then depositing the money into his personal bank account or cashing the checks without disclosing or turning over such money to the trustee, or depositing the funds into the funeral home’s debtor-in-possession bank account, constitutes a transfer and concealment of estate property with the intent to hinder, delay or defraud a creditor or officer of the estate in violation of section 727(a)(2)(B).

COUNT II: 727(a)(3)

24. The Plaintiff incorporates by reference the allegations contained within paragraphs 1 through 23 hereof.

25. Under 11 U.S.C. § 727(a)(3), the court may deny a debtor's discharge if "the debtor has failed to keep or preserve any recorded information, including books, documents, records, and papers, from which the debtor's financial condition or business transactions might be ascertained, unless such act or failure to act was justified under all of the circumstances of the case.

26. The Defendant's conduct in willfully failing to keep records of several funeral services provided to clients, as well as the failure to record payment for such services in the funeral home's records, constitutes a violation of section 727(a)(3).

COUNT III: Section 727(a)(4)(D)

27. The Plaintiff incorporates by reference the allegations contained within paragraphs 1 through 26 hereof.

28. Under 11 U.S.C. § 727(a)(4)(D), the court may deny a debtor's discharge if "the debtor knowingly and fraudulently, in or in connection with the case . . . (D) withheld from an officer of the estate entitled to possession under this title, any recorded information, including books, documents, records, and papers, relating to the debtor's property or financial affairs."

29. The trustee is an officer of the estate entitled to possession of the Defendant's books, records and papers relating to his property or financial affairs.

30. The Defendant's conduct in failing to disclose to the trustee the records of funeral services provided to clients, as well as payments for such services, constitutes a knowing and fraudulent withholding of records from the trustee in violation of section 727(a)(4)(D).

WHEREFORE, the United States Trustee requests that the Court deny the Defendant's discharge under 11 U.S.C. §§ 727(a)(2)(B), (a)(3), or (a)(4)(D) and to grant any and all further relief as may be equitable and just.

Respectfully submitted,

ANDREW R. VARA
ACTING UNITED STATES TRUSTEE
Region 3

Dated: November 30, 2017

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Kezmarsky

Funeral Home

2017 Business Plan

Kezmarsky Funeral Home

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I. Executive Summary

The Stephen E. Kezmarsky III Funeral Home builds relationships with families by treating them like family: showing compassion and support before, during, and after a time of loss, and offering professional, meaningful services to our community, guided by strong ethical standards and a respect for every life.

Kezmarsky Funeral Home's competitive advantage will exist by offering premium services at affordable prices, and through our efforts to be good members of the community at large.

Our goal is to grow the funeral home from 127 calls, grossing \$865,201, in the first fiscal year (2017-2018) to 257 calls, grossing \$1,796,826 by the end of the fifth fiscal year – yielding a profit of \$699,390 during that year.

We will excel by offering grief support and community outreach through services, while continuing to operate one of the number rated funeral homes in the Fayette County area.

II. General Company Description

Since 1996, Kezmarsky Funeral Home has been a trusted resource to families in their time of need. As the business enters its third decade, the leadership team has adopted this **mission statement** to steer the funeral home through a period of growth:

The staff of the Stephen E. Kezmarsky III Funeral Home builds relationships with families by treating them like family: showing compassion and support before, during, and after a time of loss, and offering professional, meaningful services to our community, guided by strong ethical standards and a respect for every life.

In keeping with this mission statement, the funeral home's **goals and objectives** are:

- To sustain relationships with families who have come to trust us, by showing appreciation for them and assessing their present and anticipated needs

By the end of December 2017, the funeral home will have in-person contact with a key member of 80 percent of families who arranged funeral services over the past five years. This contact can occur through a personal visit by a member of the funeral home staff, attendance at the monthly support group, or attendance at customer appreciation events such as the "A Time to Remember" service or the summer picnic.

- To build relationships with families we have not served in the past, by solidifying our reputation as a trustworthy, caring team of professionals

By the end of June 2017, each full-time employee of the funeral home will choose a civic or community organization in which to be an active member. The funeral home will support these employees in their endeavors by making reasonable accommodations for paid time off, sponsorship of events, and payment of dues. By September 2017, the funeral home will increase its Web presence through creation of social media accounts and an overhaul of its Website to include a blog, which may also be published in the local newspaper.

- To expand the care we provide after a time of loss, through follow-up calls, visits, and support groups

By September 2017, hire or designate an employee whose primary function is to offer grief support and community outreach through services such as offering follow-up phone calls and visits 30 to 90 days after the loss of a loved one;

leadership of a monthly bereavement group to meet in funeral home; initiation of a grief support camp for children; coordination of Summer Picnic and "A Time to Remember" service; and building a library of grief-related books, videos and other resources to lend to families.

- To enhance our ability to meet families' needs through more streamlined, efficient office procedures and an increased attention to detail

By September 2017: Hire an employee whose primary function is office management. This individual will be responsible for duties that are currently outsourced, including the creation of prayer cards, guest registries, and memorial videos. Implement funeral management software, allowing single data entry with the ability to print multiple forms. Re-structure the existing office space and upgrade technology, including computer network, work stations, printers, telephone system, cellular telephones, and answering service.

The Kezmarsky name is attached to our business, and our **philosophy** is that each interaction we have and each action we take, whether inside or outside of the Funeral Home is a reflection on that name. The way to earn and maintain trust is to develop a reputation for professionalism and compassion. Maintaining a long-term, supportive relationship with families we have served and with families we have not yet served is the key to growing our business and attracting new clientele.

Marketing of our services will be aimed at the community at large, including families who have made arrangements with the funeral home in the past and those who have not developed a strong loyalty to another funeral home. We will also target individuals of all ages who desire the peace of mind of knowing their funeral arrangements are pre-planned. Our bereavement group, grief support camp, Summer Picnic, and "A Time to Remember" memorial service will be open to the general public and will allow us to cultivate a positive, trusting relationship with individuals who may or may not have made arrangements at our funeral home in the past.

The funeral **industry** is a growth industry, especially for our state and region. According to U.S. Census data, the population of persons 65 and older has increased in Pennsylvania from 15.4 percent in 2014 to 17 percent in 2015. In Fayette County, the 2014 figure was even higher, at 19.9 percent.

One noteworthy change in the industry is a continued increase in cremation rates. The Cremation Association of North America reports that cremation rates are rising one-third faster than at the middle of the last decade, and will exceed 50 percent by 2017. However, due to Fayette County's prevalence of practicing Catholics, among whom cremation has not historically been popular, our area has not followed the national trend curve, and we do not foresee a change to that dynamic in the immediate future. At our funeral home, cremation has

commonly been paired with other, more traditional funeral customs, and we are poised to continue encouraging families to take advantage of that option.

Our most important **strengths** as a company are the core competencies of our leadership team. The Funeral Director has worked for approximately 25 years in the industry, the incoming Chief Operating Officer served for nearly a decade as the chief financial officer for a \$1.4-million-dollar non-profit corporation, and the incoming Office Manager has significant management experience as the supervisor of several successful retail operations. Our major competitive advantage will be the importance that every member of the team places on caring for local families and developing personal, trusting relationships with them not only at time of need, but also before and after. The funeral home's leadership team is well-respected in the community and will continue to have an edge because of the value each team member places on showing and earning respect and goodwill.

Moving forward, the funeral home will be structured as a Limited Liability Company (LLC).

A limited liability company (LLC) is the United States-specific form of a private limited company. It is a business structure that combines the pass-through taxation of a partnership or sole proprietorship with the limited liability of a corporation. An LLC is not a corporation; it is a legal form of a company that provides limited liability to its owners in many jurisdictions.

III. Products and Services

Professional Services of the Director and staff. On call to serve families when a death occurs, 24 hours a day, 7 days a week, 365 days a year, offering: removal and transfer the deceased from the place of death (home, nursing home, hospital, etc.) to the funeral home; will also transport deceased to and from crematory if necessary. Staff will perform professional care of the deceased, as requested by the family, which may include washing, embalming, restorative art, dressing, casketing, hairdressing and cosmetology. The funeral director will arrange a consultation with the family to gather information necessary for completing paperwork (certificate of death, etc.) and to arrange the details of the funeral service. Staff will formulate, complete and file of all necessary paperwork, including certificates of death, or other permits and authorizations; acquire a requested amount of certified copies of the certificate of death for the family. The funeral director and staff also compose, with the provided information, an obituary - including service information, biographical information and survivor information - and send to all newspapers requested by the family. We will offer assistance to the family by contacting the family's choice of clergy, other officiates, musicians and singers if requested, and will make arrangements with any special groups (military, fraternal, etc.) to be present at or participate in funeral services; will arrange for honorariums to be given to appropriate persons as requested by the family. As a professional service the staff also contacts and arranges necessary details with the cemetery, crematory or other place of disposition, inquiring about fees, regulations and other requirements prior to funeral services. Staff will help families by arranging flowers, framed photos, photo collages and other memorial pieces in chapel during services and/or visitation; insure care of and return to family after the services. Finally the staff will deliver, at the conclusion of the service, flowers, register book, flower cards, memorial contributions made to the family, photos that were displayed, Memorial Tribute DVD and any other items back to the family.

Provide grief support and answers to social work questions. Staff will be trained to help families with questions about veteran's affairs, social security benefits, insurance claims and other related inquiries. Additionally, support and outreach services will be offered at the funeral home.

Use of the Chapel for funeral services. The Kezmarsky Funeral Home offers one of the largest and most well kept chapels in the area. The chapel, funeral facilities, and parking are contracted for almost all funerals.

Transportation, including use of hearse. Limousines will be contracted, if desired.

Embalming services. Embalming has been a traditionally assumed service. Embalming allows

funerals with viewing to take place more than 72 hours after death without noticeable decomposition. It is still the industry standard, and will be offered at the funeral home.

Cremation services. Cremation services are the fastest growing segment of the death care industry. Cremation services will be offered through a contract with a third party. Transportation of the deceased's body and delivery of the cremains is done by funeral home staff.

Caskets and Urns. The funeral home will offer a large selection of caskets and urns. We will offer a complete line of caskets, for people who want the industry standard. A selection of urns will be displayed at the funeral home as well.

Memorial products, which may include: a register book, acknowledgement cards, thank-you cards, memorial folders, and prayer cards.

Memorial Tribute DVDs, as requested by the family, will be offered directly through the funeral home.

Other Remembrance Products, including: paper and electronic products to celebrate the life of the deceased. Photo enlargements, posters and other photography services are offered by the funeral home.

Grave markers and headstones. A headstone, or gravestone is a stele or marker, usually stone, that is placed over a grave. A tombstone is a stele or marker, usually stone, that is placed over a tomb. The funeral home will offer these items for sale to clients who use the facility.

IV. Marketing Plan

Economics: The U.S. funeral market is estimated to be a \$20.7 billion per year industry. There are approximately 2.4 million funerals in the U.S. per year. A typical funeral in the U.S. costs \$8,000-\$10,000, with an average cost breakdown: Casket \$2,300; Funeral Director's Basic Services Fee \$1,500; Embalming and Body Preparation \$600; Funeral Ceremony and Viewing \$1,000; Misc. \$600 (hearse, death certificates, obituary, etc.); Grave Space and Cost to Dig Grave \$2,000; Headstone \$2,000. Up until 1970's nearly 100% of U.S. funeral homes were independently owned. Now, roughly 14% of U.S. funeral homes are owned by publicly traded corporations that stand to profit from the growing aged population in America.

Customers: Customers come from a broad range socioeconomic backgrounds, and can be any age. However, customers can generally fit into two categories: *Pre-Need* and *Next of Kin*.

Next of Kin customers tend to do less comparison shopping than pre-need customers. They base decisions on what they think their loved one would have wanted and what has traditionally been done in the family at time of death. Cost can be a motivating factor in decisions, however when insurance money is present it tends to be less important.

Pre-Need customers want to make their own final arrangements and are generally worried about becoming a burden, financially and emotionally, on their next of kin. Pre-need shoppers are more inclined to do some comparative shopping; however, they do generally still use the funeral home where their family has a history. These shoppers tend to be in the third trimester of life, looking towards or enjoying their retirement stage.

Kezmarsky Funeral Home's competitive advantage will exist by offering premium services at affordable prices, and through our efforts to be good members of the community at large.

We will do this by offering grief support and community outreach through services such as offering follow-up phone calls and visits 30 to 90 days after the loss of a loved one; leadership of a monthly bereavement group to meet in funeral home; initiation of a grief support camp for children; coordination of Summer Picnic and "A Time to Remember" service; and building a library of grief-related books, videos and other resources to lend to families.

Additionally, each full-time employee of the funeral home will choose a civic or community organization in which to be an active member. The funeral home will support these employees in their endeavors by making reasonable accommodations for paid time off, sponsorship of events, and payment of dues.

Finally, the funeral home will increase its Web presence through creation of social media accounts and an overhaul of its Website to include a blog, which may also be published in the local newspaper.

Promotional Budget: In addition to offering promotional services through staff salaries, there will also be an initial monthly budget of \$300 per month to be used on regular marketing expenses.

Sales Forecast: The sales forecast for the first fiscal year is 127 calls, with income over cost of goods sold of \$620,225, less overhead of \$592,457, with a year-end profit of \$27,769. The budget for the first year could withstand a 5% shortfall without major changes. A 5% increase would yield a profit of \$61,334.

V. Operational Plan

Location

The location of Kezmarsky Funeral Home will be 71 Pennsylvania Ave., Uniontown in the structure where the current business is operated. Because the structure has been recently updated and is continually maintained there is little need for immediate capital improvements.

Some improvements that are necessary do exist in the area of Information Technology and are outlined in Section VIII.

Legal Environment

The current funeral home holds all licensing requirements, permits, and meets health, workplace, or environmental regulations. There is no zoning or building code requirement issues.

Current Insurance coverage will be shopped to reduce the annual premium.

Personnel

The funeral home will be run with a seven person staff, each having individual roles and tasks to perform. Skilled employees include: Stephen E. Kezmarsky, III as a licensed funeral director. Matthew Dowling with his business background. And, Steven A. Kezmarsky with his license to sell preneed policies.

Funeral Home employees will operate using a schedule for regular hours, and on-call times. A written manual of procedures will be prepared within the first 60 days of business and will be signed by each member of the staff.

Independent contractors may be used on occasion for: body removal, body transportation, and facility maintenance.

Inventory

Will be tracked using funeral home management software. Inventory on hand could include: caskets, embalming supplies, clothing for deceased, urns, and keepsakes.

Credit Policies

No in funeral home will be given without the assignment of an insurance policy. Payments can be made via credit card, check, or cash. The option of in-store financing will also be explored.

VI. Management and Organization

Stephen E. Kezmaesky, III, Funeral Director & Supervisor

Serves as the face of the funeral home. Meets with families to make arrangements at their time of need. Supplies the Office Manager with information to be placed in the management software so permits, death certificates, and invoices can be originated. Embalms and cares for the bodies entrusted to the funeral home. Sells items such as urns, and markers. Works viewing as scheduled. Other duties include: light cleaning and yard work.

Matthew D. Dowling, Chief Operating Officer

Responsible for keeping employee files for each employee, verifying that all records are maintained in accordance with state and federal mandates. Oversees payroll, accounts payable, accounts receivable, and vendor relations. Is responsible for all day-to-day operations and employees of the enterprise. Works viewing as scheduled. Other duties include: light cleaning and yard work.

Rebecca L. Dowling, Business Manager

Runs payroll, sends outstanding invoices, and manages accounts payable under the direction of the COO. Creates a bill for each client under the direction of the Funeral Director. Prints prayer cards, register books, and other items as needed for funerals. Scans photos and produces funeral videos. Completes all paperwork for permits, death certificates, etc. Acts as a receptionist for the enterprise. Works viewing as scheduled. Other duties include: light cleaning.

Rob Eddie, Senior Funeral Attendant

Assists with funeral specifics such as placing casket in chapel prior to service; arranging floral offerings; escorting mourners; working with the family to make car lists, contacting and confirming religious leaders and musicians for funeral services. Assists with body pick up from homes or other facilities. Works as the funeral director's key attendant. Works viewing as scheduled. Other duties include: light cleaning and yard work.

Steven A. Kezmarsky, Funeral Attendant / Pre-Need Specialist

Assists with funeral specifics such as placing casket in chapel prior to service; arranging floral offerings; escorting mourners; writes and sends obituaries to relevant newspapers and post on the funeral home website. Assists with body pick up from homes or other facilities. Meets with potential pre-need customers to sell pre-need policies. Works viewing as scheduled. Other duties include: light cleaning and yard work.

David M. Slusarick, Funeral Attendant / Bereavement Support Coordinator

Offer grief support and community outreach through services such as offering follow-up phone calls and visits 30 to 90 days after the loss of a loved one; leadership of a monthly bereavement group to meet in funeral home; initiation of a grief support camp for children; coordination of Summer Picnic and “A Time to Remember” service; and building a library of grief-related books, videos and other resources to lend to families. Maintain the Funeral Home website (with the exception of adding obituaries to the site) and increase web presence through creation of social media accounts and an overhaul of its Website to include a blog, which may also be published in the local newspaper. Works viewing as scheduled. Other duties include: light cleaning and yard work.

Darla R. Dowling, RN BSN, Consultant

With over 25 years experience in Hospice Home Healthcare, Darla one of the business’s landlords, will provide consulting services to the funeral home. Darla’s reputation and contacts in the end of life community are a true asset to the funeral home business.

Maria N. Dowling, Student

Maria Dowling, daughter of the landlords, is currently enrolled in a mortuary science program in Florida and intends on returning to Fayette County to assist in the operation of the family funeral home in 2018.

Professional and Advisory Support

Attorney – an attorney will be kept on retainer and will be used when necessary to review contracts, insurance policies, and other relevant documents on an as needed basis.

Accountant – QuickBooks Online will be used internally to process payroll, accounts receivable, and accounts payable. An accountant may be used for year-end tax purposes.

Insurance agent – An agent will be used to review all policies and to shop for lower premiums.

VII. Five-Year Pro forma

	2017	2018	2019	2020	2021
Expenses					
Utilities	\$30,480	\$30,480	\$32,480	\$30,480	\$34,480
Vehicles / Fuel / Mileage	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
Professional Services / Insurance	\$18,300	\$18,300	\$18,300	\$18,300	\$18,300
Building Maintenance	\$21,000	\$21,000	\$321,000	\$30,000	\$30,000
Marketing	\$50,000	\$50,000	\$20,000	\$18,000	\$15,000
Supplies	\$10,800	\$10,800	\$10,800	\$10,800	\$10,800
Compensation / Employment					
Taxes	\$299,621	\$299,621	\$325,000	\$340,000	\$352,000
Property Taxes	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400
Management Fees	\$144,000	\$144,000	\$144,000	\$144,000	\$144,000
Total Liabilities	\$591,601	\$591,601	\$888,980	\$608,980	\$621,980
Number of Funerals					
Traditional Funeral	92	128	145	165	177
Cremation With Service	20	29	32	37	44
Direct Cremation	15	22	24	28	36
Total Funerals	127	179	201	230	257
Income					
Traditional Funeral	\$724,776	\$1,008,384	\$1,142,310	\$1,299,870	\$1,394,406
<i>Traditional Costs of Goods Sold</i>	-\$232,576	-\$323,584	-\$366,560	-\$417,120	-\$447,456
Cremations With Service	\$112,000	\$162,400	\$179,200	\$207,200	\$246,400
<i>Cremation With Service COGS</i>	-\$8,800	-\$12,760	-\$14,080	-\$16,280	-\$19,360
Direct Cremation	\$28,425	\$41,690	\$45,480	\$53,060	\$68,220
<i>Direct Cremation COGS</i>	-\$3,600	-\$5,280	-\$5,760	-\$6,720	-\$8,640
Profit from Other Sources	\$0	\$25,000	\$67,800	\$77,800	\$87,800
Total Income	\$620,225	\$895,850	\$1,048,390	\$1,197,810	\$1,321,370
Gross Revenue	\$865,201	\$1,237,474	\$1,434,790	\$1,637,930	\$1,796,826
Income over Expenses	\$28,624	\$304,249	\$159,410	\$588,830	\$699,390

VIII. Appendix of Biographies

BIOGRAPHY OF MATTHEW DOWLING

Beginning at age twelve, Matthew Dowling worked for his family businesses learning retail, customer service, construction, and accounting.

After graduation from Uniontown Area High School and obtaining a business management degree from Waynesburg College Matthew worked for a Fortune 500 company as a training and quality manager. In 2005, he opened his own small business, Coordinated 360, a video production and event management provider which serves residents and businesses in the region.

In 2008, while continuing to grow and operate his business, Matthew took a position with the Boy Scouts of America as a District Executive, was promoted to Senior District Executive, and finally to Development Director where he served the local business unit in the chief financial capacity managing a multimillion-dollar annual budget.

After much thought and consideration Matthew took a leave of absence from the Boy Scouts in February 2016 to pursue an elected position in the Pennsylvania General Assembly. In November 2016, Matthew won his race against a ten-year incumbent with a respectable margin. In January 2017, he was sworn in as State Representative for the 51st Legislative District in the Commonwealth of Pennsylvania. Matthew is the first member of his political party to ever hold the seat.

The 51st Legislative District is made up of parts of Fayette and Somerset counties. In Fayette County, the district includes the city of Uniontown and the townships of Georges, German, Henry Clay, Nicholson, South Union, Springfield, Springhill, Stewart and Wharton and the boroughs of Fairchance, Markleysburg, Ohiopyle, Point Marion and Smithfield.

In Somerset County, the district includes the townships of Addison, Elk Lick, Lower Turkeyfoot, Summit and Upper Turkeyfoot and the boroughs of Addison, Confluence, Garrett, Meyersdale, Salisbury and Ursina. The total population of the district is 63,028.

As a job-creator, Matthew knows that small businesses are the backbone of economic vitality in Pennsylvania. Small businesses account for a significant share of the state's economic production and hiring, with nearly 1 million small businesses in existence.

Matthew continues to be devoted to his community through volunteer work with a number of groups, including his involvement with his wife, Rebecca, in founding the Dowling Family Fund at the Community Foundation of Fayette, which aids in assisting local non-profit agencies. They also founded the annual "Share the Spirit" event that has raised significant funds for community services.

Matthew serves as member of the Uniontown Planning Commission, is a former member of the Fayette County Behavioral Services Board and a former director of the Fayette Chamber of Commerce.

As a member of the Rotary, Matthew served as Club President for his local club and as District Governor for the seven-county region.

Matthew and Rebecca have two sons, W. Pierce Dowling and Preston Dowling.

BIOGRAPHY OF REBECCA DOWLING

A graduate of Albert Gallatin Senior High School, Rebecca Harmon-Dowling studied at Saint Vincent College and California University. Her career focuses have been in retail management, primarily in the optical industry.

Rebecca gained much of her practical knowledge of accounting from her time as a store accountant with the Home Depot Corp. She left that position to be an associate store manager with a national shoe retailer and later accepted a position with Pearle Vision as a Store Manager.

After joining the Luxotica corporation as a store manager, she entered the company's senior leadership training program at their corporate headquarters. Rebecca, worked between business units to provide regional resources between Luxotica brands.

Rebecca served as an interim store manager for locations conducting management searches, led regional coaching sessions, interviewed, trained, and coached new members of the regional management team. She did this work in locations across the Western-Pennsylvanian region, where she gained knowledge of market's unique challenges. With her knowledge of insurance systems, regulations, and work to improve her employee's accuracy; the business units she oversaw increased profit margins and reduced waste.

In 2014, Rebecca left Luxotica to join Vision Associates where she works within the Martinelli Eye Care facilities, which are closer to her home.

Rebecca is a member of Rotary International and was recognized as one of the 40 under 40 young professionals within the organization's North American zones. Along with her husband, the Honorable Matthew Dowling, she founded the Dowling Family Fund at the Community Foundation of Fayette County.

Rebecca and her husband have two children W. Pierce and Preston Dowling and reside in Fayette County, Pennsylvania.