

# ARKANSAS CEMETERY BOARD

## Enabling Laws

Act 127 of 2014

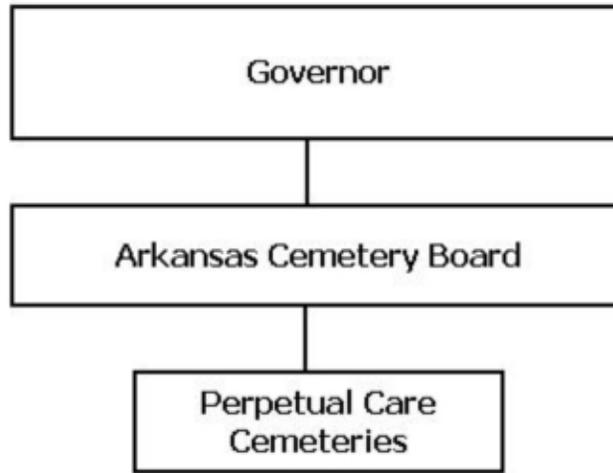
Ark. Code Ann. §20-17-1001, et seq.

Ark. Code Ann. §20-17-1301, et seq.

## History and Organization

Act 352 of 1977 created The Arkansas Cemetery Board. This Act established a seven (7) member Board to administer the issuance of permits to perpetual care cemeteries and to regulate and protect these perpetual care funds. Prior to Act 352 the regulation of perpetual care cemeteries was governed by Act 250 of 1953, as amended. Act 131 of 1983 increased the size of the Board by the addition of one member 60 years of age or over to serve as a representative of the State's elderly population. The Securities Commissioner is a voting member of the Board. The Governor appoints the six members of the Board. Four (4) of the six (6) members of the Board appointed by the Governor are owners or operators of licensed cemeteries in Arkansas. One of the members appointed by the Governor shall not have any interest in a cemetery or funeral home either within or outside of the State. One of the members appointed by the Governor shall be sixty (60) years of age or older, and shall represent the elderly. This member shall not be actively engaged in or retired from any profession or occupation regulated by the Board. The Governor also appoints one (1) alternate member that comes from the industry. The alternate member shall substitute when a conflict of interest disqualifies a regular member. Members are appointed for terms of four (4) years.

The mission of the Board is to protect the interests of Arkansas citizens who have purchased or own spaces in Arkansas cemeteries that are advertised or operated as being perpetual care or permanent maintenance cemeteries. The Board, in conjunction with the staff of the Arkansas Securities Department, performs the duties of this agency.



### **Agency Commentary**

The Arkansas Cemetery Board is responsible for protecting the financial interests of the public by ensuring the physical care of cemeteries and the sound financial condition of the trust funds through the regulation of those companies advertising or operating perpetual care cemeteries in the State of Arkansas. The Board relies on the staff of the Arkansas Securities Department to perform the duties of the Board, such as conduct examinations, examine annual reports, investigate and issue permits, provide legal services and perform administrative duties.

Based upon the level of funding and the amount of revenue expected, the Board is requesting an increase in the appropriation for loans to receivers for insolvent cemeteries from \$40,000 to \$55,000 in each fiscal year. The Board feels that it is important to have the ability to loan funds to insolvent cemeteries that are in court appointed receivership to adequately maintain the care and operation of those cemeteries. The loans to receivers are paid from the Insolvent Loan Fund.

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS CEMETERY BOARD  
FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

None

None

## State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

## Publications

### A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Publication of the Board's Quarterly and Special Board Meeting Agendas	Required by Rule 4.01 of the Ark. Cemetery Board	N	N	110	Publish and mail agenda for each meeting of the Ark. Cemetery Board to interested parties and the public as required by Rule 4.01 of the Board's Rules and to comply with Freedom of Information Act.	220	110.00

## Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %	0	0	0	0	0	0.00 %

## **Analysis of Budget Request**

**Appropriation:** 843 - Cemetery - Cash Operations

**Funding Sources:** NCB - Cemetery Board - Cash in Treasury

The Arkansas Cemetery Board ("Board") was created by Act 352 of 1977 to regulate perpetual care cemeteries including municipal, church, family, and non-profit community cemeteries. The Board is a Cash in Treasury agency funded from the issuance of permits, amended permits, and examination of cemeteries. The staff of the Arkansas Securities Department handles all administrative work; therefore, no positions are needed.

Arkansas Code Annotated §20-17-1025 empowers the Board to provide the funding necessary to make loans to a court appointed receiver or conservator. The loans help assure that a cemetery placed in receivership will be properly maintained and will continue to be a viable operation.

The Board does not have any full-time employees. The Base Level request of \$2,100 each year of the biennium for Regular Salaries is for board member Stipend payments. Base Level Personal Services Matching is for payment of the fringe benefits associated with these payments.

The Base Level request is \$114,261 each year of the biennium.

The Change Level request is \$15,000 each year of the biennium in the Loans line item to ensure sufficient appropriation is available to administer loans to insolvent cemeteries in court appointed receivership in order to adequately maintain and operate those cemeteries.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

## Appropriation Summary

**Appropriation:** 843 - Cemetery - Cash Operations  
**Funding Sources:** NCB - Cemetery Board - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,260	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
<b>#Positions</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Personal Services Matching	5010003	96	161	161	161	161	161	161	161	161
Operating Expenses	5020002	62,807	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Loans	5120029	0	40,000	40,000	40,000	55,000	55,000	40,000	55,000	55,000
<b>Total</b>		<b>64,163</b>	<b>114,261</b>	<b>114,261</b>	<b>114,261</b>	<b>129,261</b>	<b>129,261</b>	<b>114,261</b>	<b>129,261</b>	<b>129,261</b>
<b>Funding Sources</b>										
Fund Balance	4000005	124,898	133,501		84,040	84,040	84,040	29,779	14,779	14,779
Cash Fund	4000045	72,766	64,800		60,000	60,000	60,000	60,000	60,000	60,000
Total Funding		197,664	198,301		144,040	144,040	144,040	89,779	74,779	74,779
Excess Appropriation/(Funding)		(133,501)	(84,040)		(29,779)	(14,779)	(14,779)	24,482	54,482	54,482
<b>Grand Total</b>		<b>64,163</b>	<b>114,261</b>		<b>114,261</b>	<b>129,261</b>	<b>129,261</b>	<b>114,261</b>	<b>129,261</b>	<b>129,261</b>

Expenditure of appropriation is contingent upon available funding.

## Change Level by Appropriation

**Appropriation:** 843 - Cemetery - Cash Operations  
**Funding Sources:** NCB - Cemetery Board - Cash in Treasury

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>114,261</b>	<b>0</b>	<b>114,261</b>	<b>100.0</b>	<b>114,261</b>	<b>0</b>	<b>114,261</b>	<b>100.0</b>
C01	Existing Program	15,000	0	129,261	113.1	15,000	0	129,261	113.1

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>114,261</b>	<b>0</b>	<b>114,261</b>	<b>100.0</b>	<b>114,261</b>	<b>0</b>	<b>114,261</b>	<b>100.0</b>
C01	Existing Program	15,000	0	129,261	113.1	15,000	0	129,261	113.1

### Justification

C01	Based upon the level of funding and the amount of revenue expected, the Board is requesting an increase in the appropriation for loans to receivers for insolvent cemeteries from \$40,000 to \$55,000 in each fiscal year. The Board feels that it is important to have the ability to loan funds to insolvent cemeteries that are in court appointed receivership to adequately maintain the care and operation of those cemeteries. The loans to receivers are paid from the Insolvent Loan Fund.
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