

ARKANSAS CEMETERY BOARD

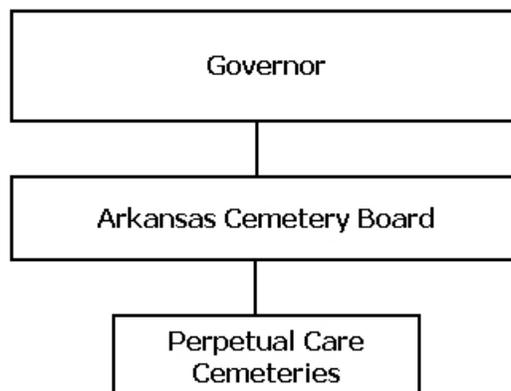
Enabling Laws

Act 770 of 2007
Act 430 of 2007
Ark. Code Ann. §20-17-1001, 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 the Board.



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.

The Board's Change Level request for Operating Expenses totaling \$19,261 each year provides for increases in rent, software licenses and equipment and furnishings costs for the Board's new hearing room at the Arkansas Securities Department. These increases will allow the Board to pay the appropriate costs incurred by the Securities Department when performing duties of the Board. Additionally, the Board is requesting a \$5,000 decrease in the Loans appropriation each year due to increased Operating Expenses and a lack of available funding.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT

AUDIT OF :

ARKANSAS CEMETERY BOARD

FOR THE YEAR ENDED JUNE 30, 2006

Findings	Recommendations
None	None

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		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.

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
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 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 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 continue to be a viable operation.

The Board does not have any full time employees. The Base Level requests 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 Board's Change Level request for Operating Expenses totaling \$19,261 each year provides for increases in rent, software licenses and equipment and furnishings costs for the Board's new hearing room at the Arkansas Securities Department. These increases will allow the Board to pay the appropriate costs incurred by the Securities Department when performing duties of the Board.

The Board is requesting a \$5,000 decrease in the Loans appropriation each year due to increased Operating Expenses and a lack of available funding.

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		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,020	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
#Positions	0	0	0	0	0	0	0	0	0
Personal Services Matching 5010003	78	161	161	161	161	161	161	161	161
Operating Expenses 5020002	48,126	49,739	49,739	49,739	69,000	69,000	49,739	69,000	69,000
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	25,000	25,000	25,000	20,000	20,000	25,000	20,000	20,000
Total	49,224	77,000	77,000	77,000	91,261	91,261	77,000	91,261	91,261
Funding Sources									
Fund Balance 4000005	110,126	146,558		148,293	148,293	148,293	153,293	139,032	139,032
Cash Fund 4000045	85,656	78,735		82,000	82,000	82,000	82,000	82,000	82,000
Total Funding	195,782	225,293		230,293	230,293	230,293	235,293	221,032	221,032
Excess Appropriation/(Funding)	(146,558)	(148,293)		(153,293)	(139,032)	(139,032)	(158,293)	(129,771)	(129,771)
Grand Total	49,224	77,000		77,000	91,261	91,261	77,000	91,261	91,261

Board has no positions. Regular Salaries and Personal Services Matching appropriations are for Board Stipends.

Change Level by Appropriation

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

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	77,000	0	77,000	100.0	77,000	0	77,000	100.0
C01	Existing Program	17,261	0	94,261	122.4	17,261	0	94,261	122.4
C03	Discontinue Program	(5,000)	0	89,261	115.9	(5,000)	0	89,261	115.9
C08	Technology	2,000	0	91,261	118.5	2,000	0	91,261	118.5

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	77,000	0	77,000	100.0	77,000	0	77,000	100.0
C01	Existing Program	17,261	0	94,261	122.4	17,261	0	94,261	122.4
C03	Discontinue Program	(5,000)	0	89,261	115.9	(5,000)	0	89,261	115.9
C08	Technology	2,000	0	91,261	118.5	2,000	0	91,261	118.5

Justification

C01	The Board is requesting a \$17,261 increase in Operating Expenses for FY10 and FY11. The increases are for rent and equipment and furnishings costs for the Board's new hearing room at the Arkansas Securities Department (Agency # 0410).
C03	The Board is requesting a \$5,000 decrease in the Loans appropriation each year due to increased Operating Expenses and a lack of available funding.
C08	The Board is requesting a \$2,000 increase in Operating Expenses for FY10 and FY11 to cover the costs of software licenses. IT Plan: IT Support Costs-Software.