

ARKANSAS CEMETERY BOARD

Enabling Laws

Act 67 of 2010

Act 430 of 2007

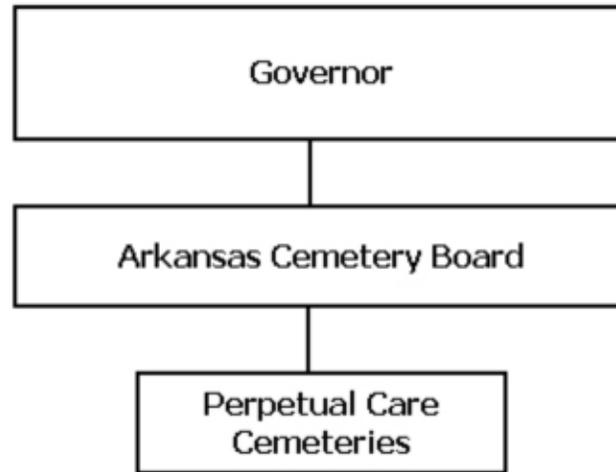
Ark. Code Ann. §20-17-1001, et seq.

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 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.

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 \$20,000 to \$26,000 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, NCB0100.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS CEMETERY BOARD
FOR THE YEAR ENDED JUNE 30, 2007

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

FY2008 - 2009						FY2009 - 2010					FY2010 - 2011						
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 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 only Change Level request totals \$6,000 each year and reflects the following:

An increase in the Loans line item to ensure sufficient appropriation is available to make loans to insolvent cemeteries in court appointed receivership in order to adequately maintain and operate the 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	2009-2010 Actual	2010-2011 Budget	2010-2011 Authorized	2011-2012			2012-2013		
				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	61,302	69,000	69,000	69,000	69,000	69,000	69,000	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	3,000	20,000	20,000	20,000	26,000	26,000	20,000	26,000	26,000
Total	65,400	91,261	91,261	91,261	97,261	97,261	91,261	97,261	97,261
Funding Sources									
Fund Balance 4000005	161,407	162,766		135,260	135,260	135,260	107,754	101,754	101,754
Cash Fund 4000045	66,759	63,755		63,755	63,755	63,755	63,755	63,755	63,755
Total Funding	228,166	226,521		199,015	199,015	199,015	171,509	165,509	165,509
Excess Appropriation/(Funding)	(162,766)	(135,260)		(107,754)	(101,754)	(101,754)	(80,248)	(68,248)	(68,248)
Grand Total	65,400	91,261		91,261	97,261	97,261	91,261	97,261	97,261

Change Level by Appropriation

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

Agency Request

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	91,261	0	91,261	100.0	91,261	0	91,261	100.0
C01	Existing Program	6,000	0	97,261	106.6	6,000	0	97,261	106.6

Executive Recommendation

Change Level		2011-2012	Pos	Cumulative	% of BL	2012-2013	Pos	Cumulative	% of BL
BL	Base Level	91,261	0	91,261	100.0	91,261	0	91,261	100.0
C01	Existing Program	6,000	0	97,261	106.6	6,000	0	97,261	106.6

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 \$20,000 to \$26,000 in each fiscal year.
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