

# ARKANSAS BURIAL ASSOCIATION BOARD

## Enabling Laws

Act 14 of 2005  
Act 91 of 1977  
A.C.A. §23-78-101

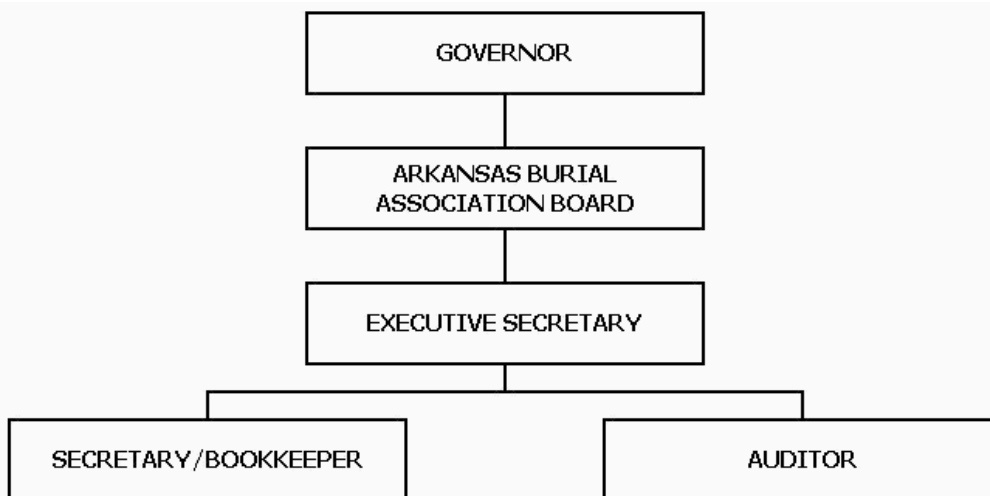
## History and Organization

The Burial Board is charged with administering Act 91 and its subsequent amendments. The mission of the program is to protect the integrity and solvency of burial association funds held in trust for the policyholders.

The Board's responsibility includes but is not limited to: the issuance of burial certificates of authority to burial associations, to set minimum assessments of membership dues for which burial associations may issue policies in specified amounts, to collect annual fees as provided for, to adopt and enforce such regulations as necessary for the proper operation of the Board and burial associations, to conduct audits of associations to ensure compliance with the applicable statutes, rules and regulations and by laws, and to arbitrate disputes between associations and or members.

The Burial Board is a cash fund agency. The Board is comprised of 9 members, 7 actively engaged in the business of burial associations, 1 consumer member and 1 senior citizen member.

The Board staff consists of the Executive Secretary, who serves in the same capacity for the Arkansas State Board of Embalmers and Funeral Directors. The auditor, who conducts on site audits of the 147 burial associations around the State and the office secretary/bookkeeper.



## Agency Commentary

The Arkansas Burial Association Board regulates and monitors the operations of the 148 Burial Associations in the State of Arkansas. To ensure compliance with the Laws, Rules and Regulations governing Burial Associations, audits are conducted on an annual basis.

The Board is requesting an increase of \$2,568 in the first year to offset increases in office rent and fuel costs. Additionally, we anticipate an increase in stipends for Board members due to more frequent Board meetings relevant to proposed rules changes. We are requesting an additional \$2,000 for the second year to replace the Board's computer.

## Audit Findings

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS BURIAL ASSOCIATION BOARD  
FOR THE YEAR ENDED JUNE 30, 2004

Findings	Recommendations
None	None

## Employment Summary

	Male	Female	Total	%
White Employees	1	2	3	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			3	100 %

## Cash Fund Balance Description as of June 30, 2006

Fund Account	Balance	Type	Location
3070000	\$390,298	Checking, Savings, Guaranty	Regions, Arvest, Capital, Bank of America

Statutory/Other Restrictions on use:

A.C.A. §23-78-111 Fees for burial associations to meet expenses of Board

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §23-78-104 Class A misdemeanor for soliciting members except as provided by rules & regs, §28-78-111 Fees set by Board

Revenue Receipts Cycle:

The bulk of the revenue is received at the first of the year.

Fund Balance Utilization:

Fund balances are held for the current and future operation of the Board.

**Publications**

**A.C.A 25-1-204**

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

**Agency Position Usage Report**

FY2004-2005						FY2005-2006						FY2006-2007					
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	Total	Total							
3	3	0	3	0	0.00%	3	3	0	3	0	0.00%	3	3	0	3	0	0.00%

## **Analysis of Budget Request**

**Appropriation:** A15 - Cash Operations

**Funding Sources:** 307- Burial Association Board- Cash

The Arkansas Burial Association Board was created by Act 91 of 1953. The Board is a cash agency funded from the receipt of burial associated fees charged pursuant to Arkansas Code Annotated §23-78-111. The Board's responsibilities include the supervision of all burial associations organized or operating in this State.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. The Base Level request of \$145,359 each year of the biennium for Regular Salaries does include board member Stipend payments. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Board is requesting an increase of \$2,568 above Base Level to cover an increase in fuel costs and office rent. In the second year the Board is requesting an additional \$2,000 to replace the office computer.

The Executive has reviewed the requested increases in rent, mileage and fuel however, based on FY06 actual expenditures, the Base Level provides sufficient appropriation for the 2007-09 biennium. Expenditure of appropriation is contingent upon available funding.

**Appropriation**

**Appropriation:** A15 Cash Operations  
**Funding Sources:** 307- Burial Association Board- Cash

**Historical Data**

**Agency Request and Executive Recommendation**

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	142,358	145,359	142,959	145,359	145,359	145,359	145,359	145,359	145,359
<b>#Positions</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Personal Services Matching	5010003	31,881	32,441	38,396	41,733	41,733	41,733	41,733	41,733	41,733
Operating Expenses	5020002	21,940	27,432	27,432	27,432	30,000	27,432	27,432	32,000	27,432
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>196,179</b>	<b>206,732</b>	<b>210,287</b>	<b>216,024</b>	<b>218,592</b>	<b>216,024</b>	<b>216,024</b>	<b>220,592</b>	<b>216,024</b>
<b>Funding Sources</b>										
Fund Balance	4000005	432,036	431,697		425,965	425,965	425,965	408,373	408,373	410,941
Cash Fund	4000045	153,540	155,000		152,432	155,000	155,000	150,432	155,000	155,000
Transfer from Embalmers Bd	4000530	42,300	46,000		46,000	46,000	46,000	46,000	46,000	46,000
<b>Total Funding</b>		<b>627,876</b>	<b>632,697</b>		<b>624,397</b>	<b>626,965</b>	<b>626,965</b>	<b>604,805</b>	<b>609,373</b>	<b>611,941</b>
Excess Appropriation/(Funding)		(431,697)	(425,965)		(408,373)	(408,373)	(410,941)	(388,781)	(388,781)	(395,917)
<b>Grand Total</b>		<b>196,179</b>	<b>206,732</b>		<b>216,024</b>	<b>218,592</b>	<b>216,024</b>	<b>216,024</b>	<b>220,592</b>	<b>216,024</b>

FY07 Budgeted amount for Regular Salaries exceeds the Authorized Amount due to Stipend payments to Board members.

## Change Level by Appropriation

**Appropriation:** A15-Cash Operations

**Funding Sources:** 307- Burial Association Board- Cash

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	216,024	3	216,024	100.0	216,024	3	216,024	100.0
C01	Existing Program	2,568	0	218,592	101.1	4,568	0	220,592	102.1

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	216,024	3	216,024	100.0	216,024	3	216,024	100.0
C01	Existing Program	0	0	216,024	100.0	0	0	216,024	100.0

### Justification

C01	The Burial Board is requesting an increase in Maintenance and Operations of \$2,568. This is necessary due to the increase of office rent, fuel cost and reimbursement for Board Member mileage. Additionally, they are requesting \$2,000 in the second year to replace the office computer.
-----	---