STATE OF CALIFORNIA
DEPARTMENT OF CONSUMER AFFAIRS

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR
CEMETERY AND FUNERAL BUREAU
1625 N. Market Blvd., Suite S-208, Sacramento, CA 95834
P 916.574.7870 F 916.928.7988 www.cfb.ca.gov

(Read the instructions beginning on page 16 before completing this report.)

2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

CERTIFICATE OF AUTHORITY (LICENSE) NUMBER:	
CORPORATION NAME:	
CEMETERY NAME:	
CEMETERY ADDRESS:	
CEMETERY PRESIDENT OR VICE PRESIDENT	
MAILING ADDRESS: [for written correspondence]	
CEMETERY'S TELEPHONE NUMBER:	( )
AUTHORIZED CONTACT PERSON:	
CONTACT PERSON TELEPHONE NUMBER:	( )

Bureau Use Only

Reporting Period: (check one)

☐ **Calendar Year – Beginning January 1, 2018 and ending December 31, 2018**

☐ **Fiscal Year – Beginning _____ and ending _____**

IMPORTANT REPORTING INFORMATION

1. **FILING DATE –** This report is due on or before June 1, or within five months after close of the cemetery authority's fiscal year (BPC Sections 7612.6 and 7612.7).
2. **AUDIT REPORT –** This report is to be accompanied by an annual audit report, prepared in accordance with generally accepted accounting principals, signed by a certified public accountant (CPA) or public accountant licensed in the State. The scope of the annual audit is to include the inspection, review, and audit of general purpose financial statements of the endowment care fund and special care fund, including the balance sheet, the statement of revenues, expenditures, and changes in fund balance (BPC Section 7612.6(b)).
3. **VERIFICATION –** The president or vice president and at least one other officer of the cemetery corporation must verify this report (BPC Section 7612.6(b)).

California Code of Regulations – CCR Business and Professions Code – BPC Health and Safety Code – HSC
Endowment Care Fund – ECF Special Care Fund – SCF

4. **LATE FILING –** Reports postmarked after June 1, 2019 or more than five months after the close of the cemetery authority's fiscal year end are considered late (BPC 7612.10).

5. **PUBLIC RECORD –** A copy of each annual audit report shall be transmitted to the Bureau and shall be a public record. It shall also be open for public inspection at the offices of the cemetery authority during normal business hours. If the cemetery authority does not maintain offices in the county in which the cemetery is located, it shall file a copy of the annual audit report with the county clerk of the county, which shall be subject to public inspection (BPC Section 7612.9).

Board of Trustees – List all members of the board of trustees over the endowment care fund and special care fund(s). If the trustee over the trust fund(s) is a state or national bank authorized to engage in the trust business, please provide the contact information of the bank and a contact person at the bank for any questions regarding the trust fund(s) (BPC Section 7612.8).
Check box if additional pages are attached in response to this question. ☐

	Trustee Contact Information	Relationship to Cemetery	Trustee Over: ECF	Trustee Over: SCF
a.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐
b.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐
c.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐
d.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐
e.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐
f.	_____ _____ _____ Telephone ( )	_____ _____	☐	☐

2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

1. Does the cemetery authority have a fidelity bond coverage executed by an admitted surety insurer in an amount not less than $50,000 guaranteeing payment to each endowment care fund and special care fund for any monetary loss incurred by the trust funds for acts of fraud or dishonesty by the trustee?

   (HSC Section 8734) Yes ☐ No ☐

   (a) If yes, provide the following:

   - Bond Number or Policy Number: _____
   - Name of Insurance Carrier: _____
   - Effective dates for the Insurance Policy: _____
   - Maximum Amount of Coverage per Loss: _____

   (b) If no, is the trustee over the endowment care fund and/or special care fund(s) a state or national bank authorized to engage in trust business pursuant to the California Financial Code?
   Yes ☐ No ☐

2. Is the trustee investing and reinvesting the trust funds as specified by HSC Sections 8751, 8778, and 8751.1 and in the manner provided in Part 4 of Division 9 of the Probate Code (commencing with Section 16000)?
   Yes ☐ No ☐

3. Has the income earned from the investment of the endowment care fund been used solely for the general care, maintenance, and embellishment of the cemetery authorized by law? (HSC Section 8726)
   Yes ☐ No ☐

4. Are any trust fund(s) investments in default? If yes, identify the investments that are in default. (BPC Sections 7614.7 and 7614.8). Yes ☐ No ☐
   Check box if additional pages are attached in response to this question. ☐

5. Is there a special endowment care trust fund? If yes, state the balance as of the end of the fiscal year $0.00 (BPC 7612.6(a)(2)) Yes ☐ No ☐

6. Has the corporation or any officer, employee, or stockholder thereof and the trustee of the endowment care fund or special care fund entered into any transaction with respect to those endowment care funds or special care funds? If yes, attach a statement showing the transactions entered into between the corporation or any officer, employee, or stockholder thereof and the trustees of the endowment care fund with respect to those endowment care funds. The statement must show the dates, amounts of the transactions, and a statement of the reason(s) for those transactions. (BPC Section 7612.6(a)(5))
   Yes ☐ No ☐

7. Has the cemetery considered the amount it currently collects for endowment care fees based upon current and projected maintenance expenditures, and made any necessary adjustments to ensure sufficient funds are available to perform the maintenance required by the cemetery (CCR Section 2333(g))?
   Yes ☐ No ☐

8. List the contribution rate(s) to the endowment care fund for the sale of interment space in the cemetery during the reporting period for this report (HSC Section 8738).
Check box if additional pages are attached in response to this question. ☐

Type of Interment Space	Deposit Rate
Grave Space: (List for each type - standard grave, child grave, cremated remains burial, etc.)	
_____	$ 0.00 per square foot
_____	$ 0.00 per square foot
_____	$ 0.00 per square foot
Crypts:	
_____	$ 0.00 per crypt
_____	$ 0.00 per crypt
Companion Crypts:	
First crypt	$ 0.00 per crypt
Additional crypts	$ 0.00 per additional crypt
Niches	$ 0.00 per niche
Scatterings	$ 0.00 per service
Other (list reason for other contributions) (HSC Section 8775):	
_____	$ 0.00 per _____
_____	$ 0.00 per _____

SCHEDULE OF INTERMENT SPACE SOLD FOR THE YEAR ENDED _____

Total number of ground burial spaces sold _____

Total number of square feet of ground burial spaces sold _____ square feet

Total number of crypts sold _____

Total number of niches sold _____

Total number of scatterings sold _____

2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

SCHEDULE A

ENDOWMENT CARE FUND

Line No.	Description	Amount	Total
1	**Initial Deposit**		0.00
	Grave Space Contributions Deposited:		
2	Accumulated balance forward from prior year	0.00	
3	Current year deposits	0.00	
4	Total deposits for grave spaces		0.00
	Crypt Space Contributions Deposited:		
5	Accumulated balance forward from prior year	0.00	
6	Current year deposits	0.00	
7	Total deposits for crypt spaces		0.00
	Niche Space Contributions Deposited:		
8	Accumulated balance forward from prior year	0.00	
9	Current year deposits	0.00	
10	Total deposits for niche spaces		0.00
	Scattering Contributions Deposited:		
11	Accumulated balance forward from prior year	0.00	
12	Current year deposits	0.00	
13	Total deposits for scatterings		0.00
	Other Contributions Deposited:		
14	Accumulated balance forward from prior year	0.00	
15	Current year deposits	0.00	
16	Total deposits for other contributions		0.00
17	**Total Corpus From Initial Deposit and Contributions**		0.00
	Accumulated Capital Gains/(Losses) Realized:		
18	Total net capital gains/(losses) since the establishment of the fund through 12/31/17 or previous fiscal year end that has been added to the fund corpus. (This amount should be net of any capital gains previously set aside in the reserve for future maintenance and net of any losses applied against the reserve for losses.)		0.00
	Current Year Capital Gains/(Losses) Realized:		
19	Capital gains/(losses) for the year *(Schedule G1, line 9)*	0.00	
20	If line 19 is a loss, enter amount from *Schedule C1, line 4*	0.00	
21	Total Current year Capital Gains/(Losses) Realized	0.00	
22	Less amount of current year capital gains set aside in the reserve for future maintenance *(Schedule C2, line 2)*	0.00	
23	Current year net capital gains/(losses) added to Accumulated Capital Gains.		0.00
24	**Total Accumulated Capital Gains/(Losses)** add lines 18 and 23		0.00
25	**Total Principal (initial deposit, contributions and accumulated capital gains/[losses])** add lines 17 and 24		0.00

Recalculate

SCHEDULE B

RECONCILIATION OF THE ENDOWMENT CARE FUND TO THE AUDITED ENDOWMENT CARE FUND BALANCE

Line No.	Description	Total
1	**Total Principal (***Schedule A, line 25)*	0.00
2a	Reserve for Losses (*Schedule C1, line 5)*	0.00
2b	Reserve for Maintenance (*Schedule C2, line 6)*	0.00
2c	Unexpended Income (*Schedule C3, line 10)*	0.00
2d	***Total Endowment Care Fund***	0.00
	Add/(Subtract) Reconciling Items:	
2e	Unrealized Capital Gains/(Losses) (*Schedule E1, line 12)*	0.00
2f		0.00
2g		0.00
2h		0.00
2i		0.00
2j		0.00
2k		0.00
3	***Endowment Care Fund Balance Per Audited Balance Sheet***	0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

SCHEDULE C1

ENDOWMENT CARE FUND RESERVE FOR LOSSES

Line No.	Description	Total
1	Beginning balance	0.00
2	Additions to the reserve for the current year income *(Schedule C3, line 6)*	0.00
3	Total available reserve for losses	0.00
4	Less amount applied to current year's capital losses realized *(Schedule A, line 20)*	0.00
5	**Total Reserve for Losses**	0.00

SCHEDULE C2

ENDOWMENT CARE FUND RESERVE FOR FUTURE MAINTENANCE

Line No.	Description	Total
1	Beginning balance	0.00
2	Addition to the reserve for the current year's capital gains *(Schedule A, line 22)*	0.00
3	Addition to the reserve from current year's income *(Schedule C3, line 7)*	0.00
4	Total available reserve for future maintenance	0.00
5	Less current year reserve expended for maintenance *(Schedule H, line 3c)*	0.00
6	**Total Reserve for Future Maintenance**	0.00

SCHEDULE C3

ENDOWMENT CARE FUND INCOME

Line No.	Description	Total
1	Beginning balance unexpended income	0.00
	Additions:	
2	Interest, Dividends, and Rental Income	0.00
3	Total income	0.00
	Subtractions:	
4	Administrative expenses	0.00
5	Compensation paid to the board of trustees *(HSC Section 8733)*	0.00
6	Allocation to Reserve for Losses *(Schedule C1, line 2)*	0.00
7	Allocation to Reserve for Future Maintenance *(Schedule C2, line 3)*	0.00
8	Expenditures for cemetery maintenance *(Schedule H, line 3a)*	0.00
9	Total Expenditures and Distributions	0.00
10	**Total unexpended income**	0.00

Recalculate

SCHEDULE D

SPECIAL CARE FUND
(Preneed Services and Merchandise)

Line No.	Description	Additions / Deductions	Total
1	**Beginning Balance**		0.00
	Additions:		
2	Deposits Received this Period	0.00	
3	Earned Income (Interest, Dividends, and Rental Income)	0.00	
4	Capital Gains/(Losses) Realized This Period (*Schedule G2, Line 9*)	0.00	
5	**Total Additions**		0.00
	Subtractions:		
6	Serviced Preneed Accounts	0.00	
7	Refunds for Canceled or Revoked Preneed Accounts	0.00	
8	Revocation Fees	0.00	
9	Non-Burial Services Provided	0.00	
10	**Total Subtractions**		0.00
	Expenses:		
11	Administrative Fees (*HSC Section 8778.5[b]*)	0.00	
12	Maintenance Expenses (*Schedule H, line 3b*)	0.00	
13	Taxes Paid on Net Income	0.00	
14	**Total Expenses**		0.00
15	**Total Special Care Fund**		0.00

Recalculate

SCHEDULE E1

ENDOWMENT CARE FUND INVESTMENTS

Line No.	Description	Market Value	Cost Basis
1		0.00	0.00
2		0.00	0.00
3		0.00	0.00
4		0.00	0.00
5		0.00	0.00
6		0.00	0.00
7		0.00	0.00
8		0.00	0.00
9	**Total Investments**	0.00	0.00

Net Unrealized Gain/(Loss):

Line No.	Description	Total
10	Total market value	0.00
11	Less total cost basis	(0.00)
12	**Net Unrealized Gain/(Loss)**	0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

SCHEDULE E2

SPECIAL CARE FUND INVESTMENTS

Line No.	Description	Market Value	Cost Basis
1		0.00	0.00
2		0.00	0.00
3		0.00	0.00
4		0.00	0.00
5		0.00	0.00
6		0.00	0.00
7		0.00	0.00
8		0.00	0.00
9	**Total Investments**	0.00	0.00

Net Unrealized Gain/(Loss):

Line No.	Description	Total
10	Total market value	0.00
11	Less total cost basis	(0.00)
12	**Net Unrealized Gain/(Loss)**	0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

SCHEDULE F

CORPUS AND INVESTMENT RECONCILIATION

Line No.	Description	Amount
1	Total endowment care fund principal, reserves, and unexpended income *(Schedule B, line 2d)*	0.00
2	Total special care trust fund(s) balance *(Schedule D, line 15)*	0.00
3	Total trust fund(s)	0.00
4	Less total investments at cost *(Schedule E1, line 11 plus Schedule E2, line 11)*	0.00
5	Difference	0.00

Recalculate

If there is a difference, please explain.

SCHEDULE G1

ENDOWMENT CARE FUND REALIZED CAPITAL GAINS AND LOSSES

Line No.	Description	Date of Disposition	Amt. From Disposition	Cost Basis	Gain (Loss)
1			0.00	0.00	0.00
2			0.00	0.00	0.00
3			0.00	0.00	0.00
4			0.00	0.00	0.00
5			0.00	0.00	0.00
6			0.00	0.00	0.00
7	Total net realized gain/(loss)				0.00
8	Income tax effect of gain realized				0.00
9	Total net realized gain/(loss) after income tax (*Schedule A, line 19*)				0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

SCHEDULE G2

SPECIAL CARE FUND REALIZED CAPITAL GAINS AND LOSSES

Line No.	Description	Date of Disposition	Amt. From Disposition	Cost Basis	Gain (Loss)
1			0.00	0.00	0.00
2			0.00	0.00	0.00
3			0.00	0.00	0.00
4			0.00	0.00	0.00
5			0.00	0.00	0.00
6			0.00	0.00	0.00
7	Total net realized gain/(loss)				0.00
8	Income tax effect of gain realized				0.00
9	Total net realized gain/(loss) after income tax (*Schedule D, line 4*)				0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

SCHEDULE H

CEMETERY MAINTENANCE EXPENSES

Total Maintenance Expenses

Line No.	Descriptive Title of Maintenance Cost	Amount
1a		0.00
1b		0.00
1c		0.00
1d		0.00
1e		0.00
1f		0.00
1g		0.00
1h		0.00
1i		0.00
1j		0.00
1k		0.00
1l		0.00
1m		0.00
1n		0.00
2	**Total Cemetery Maintenance Expenses**	0.00

Funding of Total Maintenance Expenses

Line No.	Revenue Allocation by Source	Amount
3a	Endowment Care Fund Income *(Schedule C3, line 8)*	0.00
3b	Special Care Fund Income *(Schedule D, line 12)*	0.00
3c	Reserve for Maintenance *(Schedule C2, line 5)*	0.00
3d	Income from Cemetery Operation	0.00
4	**Total Revenue Allocated to Maintenance Expenses**	0.00

Recalculate

Check box if additional pages are attached in response to this question. ☐

VERIFICATION of 2018 ENDOWMENT CARE FUND and SPECIAL CARE FUND REPORT

I certify under penalty of perjury, under the laws of the State of California, that I am a duly appointed, qualified, and acting officer of the cemetery corporation and that the statements contained and answers given in this report, including all attachments thereto, are complete, true, and correct to the best of my knowledge and belief.

Signature: _____

Print Name: _____

Title: _____
(President or Vice President)

Date: _____

Signature: _____

Print Name: _____

Title: _____
(Other Corporate Officer)

Date: _____

FILING THE REPORT

- This report must be postmarked on or before June 1, 2019 (fiscal year filers must file within five months after the close of the fiscal year).
- The report is not considered filed if it is not accompanied by the required audit report.
- The report is not considered filed if it is not verified above by the president or vice president and one other officer of the cemetery corporation.
- If the report is not filed by the applicable due date, the cemetery authority is subject to a fine of $400 per month, not to exceed $2000. Failure to file the report may also result in disciplinary action by the Bureau.

  Mail the completed *2018 Endowment Care Fund and Special Care Fund Report* along with the required audited balance sheet, the statement of revenue, expenditures, and changes in fund balance, to:

Cemetery and Funeral Bureau
Annual Cemetery Trust Fund Report
1625 North Market Blvd., Suite S-208
Sacramento, CA 95834

INSTRUCTIONS FOR 2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

Authority

Each cemetery authority shall file with the Bureau annually, on or before June 1, or within five months after close of their fiscal year, a written report in a form prescribed by the Bureau (BPC Section 7612.6).

Records

Each cemetery shall at all times maintain and keep within the State of California all books, accounts, records, cash, and evidence of investments of its general and special care funds. They shall be readily available for inspection and examination by the Bureau in accordance with the provisions of the Business and Professions Code (HSC Section 8747.5).

Bureau's Audit Unit

BPC Section 7613.1 requires the Bureau to examine the endowment care funds and special care funds:

- Whenever it deems necessary and at least once every five years;
- The cemetery authority in charge of endowment care funds fails to file the report required by the applicable statutes; or
- The accountant or auditor qualifies his or her certification of the report that is prepared and signed by a certified public accountant licensed in the state and prepared in accordance with BPC Section 7612.6.

The actual and necessary expense of the examination shall, in the discretion of the Bureau, be paid by the cemetery authority, whenever the examination requires more than one day and the need for continuing the examination is directly related to identified omissions and errors in the management of endowment care funds (BPC Section 7613.1).

2018 ENDOWMENT CARE FUND AND SPECIAL CARE FUND REPORT

PAGE 1

Ensure that you are working with the current form prescribed by the Bureau. The *Endowment Care and Special Care Fund Report* always notes the year reported on the top of each page. In addition, you will be able to locate the form revision date on the bottom of each page of the report.

Complete the basic information portion of the report:

- Enter the Certificate of Authority License Number (COA #)
- Enter the Corporation Name
- Enter the Cemetery Name
- Enter the Cemetery Address
- Enter the Name of the Cemetery President or Vice President.
- Enter the Mailing Address
- Enter the Cemetery's Telephone Number
- Enter the Name of the Authorized Contact Person
- Enter the Telephone Number for the Contact Person

Reporting Period

- Check Calendar Year; or
- Check Fiscal Year and enter accounting period.

PAGE 2

Board of Trustees

Provide a list of all board trustees. Indicate their relationship to the cemetery and if they are the trustee over the ECF, SCF, or both (BPC Section 7612.8).

Note: Not more than one member of the board of trustees of an endowment care fund may have a proprietary interest in the cemetery authority (HSC Section 8732).

Note: No sum in excess of 5 percent of the net income derived from the endowment care fund, or special care fund, or both in any year shall be paid as compensation to the board of trustees for its services as trustee (HSC Section 8733).

Note: Each member of the board of trustees shall provide signatory acknowledgment of understanding of the role of a trustee in managing trust funds. The cemetery authority shall retain acknowledgment during the duration of the trustee's term of office (HSC Section 8731(c)(1)).

Ensure that trustee(s) understand his or her role and purpose of the trust under their management and are familiar with the applicable sections of the Probate Code concerning trustee duties, powers, and liabilities as contained in Part 4 of Division 9 of the Probate Code (commencing with Section 16000).

PAGE 3

Item No. 1

Ensure that your bond is current for the fiscal year reported (if applicable). Surety bonds should not be less than $50,000 for each trust managed by your trustee(s). The bond should cover any monetary loss incurred by the trust(s) for acts of fraud or dishonesty by the trustee(s). Provide evidence of fidelity bond coverage for each trust fund:

- Bond number or policy number
- Name of insurance carrier
- Effective dates of the insurance policy
- Maximum amount of coverage

Item No. 2

This acknowledges that trustees are knowledgeable in the management of the trust funds.

Item No. 3

HSC Section 8726 states that the principal of all funds for endowment care shall be invested and the income only may be used for the care, maintenance, and embellishment of the cemetery.

Item No. 4

BPC Section 7614.8 states that any security or other evidence of debt, if in default as to principal or interest or if not amply secured, shall not be valued as an asset of the endowment care fund above its market value.

Item No. 5

If the cemetery has a special endowment care fund (such as a flower fund), state the balance of such trust as of the last day of your fiscal year.

A special endowment care trust fund can he held in conjunction with the endowment care fund but should be reported separately for internal control purposes. A special endowment care fund is temporarily restricted for the purpose chosen by the fund owner (such as a flower fund established to grant a person’s/family’s wish to purchase flowers for a specific grave(s).

Item No. 6

The officers of the corporation, employees, stockholders, and the trustees of the endowment care fund or special care fund must disclose any related party transactions with respect to funds held in trust. The cemetery must prepare a statement showing the dates, amounts of the transactions, and reasons for those transactions.

PAGE 3 (continued)

Item No. 7

CCR Section 2333 (g) requires the amount collected by the cemetery in endowment care fees under Health and Safety Code Section 8738 to be reconsidered annually by the cemetery based upon current and projected maintenance expenditures and adjusted as necessary to ensure that sufficient funds are available to perform the maintenance required by their rules and regulations.

PAGE 4

Item No. 8

Enter the endowment amounts deposited by the cemetery for grave spaces, crypt spaces, niches, scatterings, and any other contributions received; enter the total grave spaces, crypts, niches, and scatterings sold during the period; enter the total number of square feet of grave spaces sold.

SCHEDULE A

ENDOWMENT CARE FUND

This schedule shows the initial deposit, and prior year contributions, combined with the current year deposits. The total is added to the accumulated capital gains/losses from prior periods, and the total current year's net capital gains/losses. The "Total Corpus" is added to the "Reserve for Losses", "Reserve for Maintenance", and "Unexpended Income" on Schedule B.

Line 1 – This is the initial deposit balance carried forward from the prior year report, Schedule A, line 1.

Lines 2 through 16 – These are the contributions to the endowment care fund. The first line entry is the "accumulated balance forward from the prior year." The second line entry is the amount deposited in the current year. The third line is the sum of these two entries.

Note: Contributions to the endowment care fund must be deposited at the time of or no later than the completion of the initial sale (HSC Secton 8738).

Line 17 – Add lines 1, 4, 7, 10, 13, and 16.

Line 18 – Enter the amount from prior year Schedule A, line 24.

Line 19 – Enter the current year's total net realized gain/(losses) after income tax (from Schedule G1, line 9).

Line 20 – If line 19 is a loss, enter the amount applied against the capital loss, from the Reserve for Losses, from Schedule C1, line 4.

Line 21 – Add line 19 and 20.

Line 22 – Enter the amount set aside in the Reserve for Future Maintenance (Schedule C2, line 2).

Line 23 – Subtract line 22 from 21.

Line 24 – Add lines 18 and 23.

Line 25 – Add lines 17 and 24.

The endowment care fund shall be kept separate and apart from all other cemetery funds (HSC Section 8738.2).

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULE B

RECONCILIATION OF THE ENDOWMENT CARE FUND TO THE AUDITED ENDOWMENT CARE FUND BALANCE

This schedule shows the “Total Principal” from Schedule A added to the ending balances of the, “Reserve for Losses”, “Reserve for Maintenance”, and “Unexpended Income”, to arrive at the “Total Endowment Care Fund”. This is reconciled with the endowment care fund balance reported on the audited financial statements. Reconciling items are reported in detail.

Line 1 – Enter the amount from Schedule A, line 25.

Line 2a – Balance from Schedule C1, line 5.

Line 2b – Balance from Schedule C2, line 6.

Line 2c – Balance from Schedule C3, line 10.

Line 2d – Add lines 1, 2a, 2b, and 2c.

Line 2e – Balance from Schedule E1, line 12.

Line 2f through 2k – Enter the reconciliation items that account for any variances between the “Total Endowment Care Fund” reported on line 2d, and the fund balance reported on the audited financial statements.

Line 3 – This is the total endowment care fund reported on the audited financial statements.

The first reconciliation item, “Unrealized Capital Gains/(Losses)” is given. Other reconciling items may be receivables, payables, due to/from, or from the cemetery general fund, deferred taxes and other expenses, or accrued income not yet received.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULE C1

ENDOWMENT CARE FUND RESERVE FOR LOSSES

The purpose of a reserve for losses is to set aside income for the replenishment of realized capitol losses (principal investment losses). The reserve for losses is funded only from the income (interest, dividends, and rental income) of the ECF. HSC Section 8726.1 requires the trustee of the endowment care fund to create a reserve from which principal losses may be replaced by setting aside a reasonable percentage of the income from the fund.

Line 1 – Enter the amount from prior year Schedule C1, line 5.

Line 2 – Enter the income added to the reserve in the current year (from Schedule C3, line 6).

Line 3 – Add lines 1 and 2.

Line 4 – Enter the amount of capital ***losses*** realized in the current year (to Schedule A, line 20).

Line 5 – Subtract line 4 from line 3.

SCHEDULE C2

ENDOWMENT CARE FUND RESERVE FOR FUTURE MAINTENANCE

The reserve for future maintenance sets aside funds for repair or restoration of property or embellishments in the cemetery which may be necessary or desirable as a result of wear, deterioration, accident, damage, or destruction. This reserve is funded from either income or up to 50 percent annual net capital gains of the ECF. The amount of the reserve may vary, but cannot exceed 10 percent of the endowment care fund balance (reported on the financial statements) (HSC Section 8726.1).

Line 1 – Enter the amount from prior year Schedule C2, line 6.

Line 2 – Enter the addition to the reserve from current year realized capital gains (from Schedule A, line 22) ***or***

Line 3 – Enter the addition to the reserve from current year income (from Schedule C3, line 7).

Line 4 – Add lines 1 and 2, ***or*** lines 1 and 3.

Line 5 – Enter the amount expended for maintenance during the period (to Schedule H, line 3c).

Line 6 – Subtract line 5 from line 4.

SCHEDULE C3

ENDOWMENT CARE FUND INCOME

This schedule reports the current year, and prior year's balance of ECF investment income (interest, dividends, and rental income) and the expenditures for cemetery maintenance, fund administrative, and allocations to reserves for losses and maintenance. The beginning balance of the prior year unexpended income is added to the current year's income, and expenditures and allocations are deducted to arrive at the ending unexpended balance. This schedule should be for reporting income only. Realized capital gains/losses should be reported on Schedule G1. The ending balance of unexpended income should agree with Schedule B, line 2c, and cannot be a negative number.

Line 1 – Enter the amount from prior year Schedule C3, line 10.

Line 2 – Enter current year reoccurring income: interest, plus dividends, plus rental income.

Line 3 – Add lines 1 and 2.

Line 4 – Enter administration expenses paid during the year, including bank and audit fees.

Line 5 – Enter amount paid to the board of trustees during the year (up to 5% of net income).

Line 6 – Enter the amount allocated to reserve for losses (to Schedule C1, line 2).

Line 7 – Enter the amount allocated to reserve for future maintenance (to Schedule C2, line 3).

Line 8 – Enter amount reported for cemetery maintenance (to Schedule H, line 3a).

Line 9 - Add lines 4 through 8.

Line 10 – Subtract line 9 from line 3.

Note: "Net income" means the amount of income remaining after reasonable administrative expenses, including bookkeeping, postage, taxes, and other costs directly related to generating income to the trust fund, have been deducted from the gross income derived from the fund (HSC Section 8733).

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULE D

SPECIAL CARE FUND
(Preneed Services and Merchandise)

All money or property received by a cemetery authority for deposit in a special care fund shall be placed in the custody of the trustee(s) thereof within 30 days after receipt by the cemetery authority. This includes payments for preneed services and merchandise as well as for grave spaces, niches, or crypts that are received for deposit in a special care fund (HSC Section 8777).

Line 1 – Enter the prior year ending balance of the Special Care Fund (Schedule D, Line 15).

Line 2 – Enter current year additions to the fund.

Line 3 – Enter earned income (interest, dividends, and rental income).

Line 4 – Enter capital gains/(losses) realized (from Schedule G2, line 9).

Line 5 – Add lines 2, 3, and 4.

Line 6 – Enter the amount withdrawn for serviced preneed accounts.

Line 7 – Enter the amount withdrawn for refunds, cancellations, or revoked preneed accounts.

Line 8 – Enter the amount of revocation fees withdrawn (HSC Section 8778.5(b)).

Line 9 – Enter other withdrawals for non-burial services provided.

Line 10 – Add lines 6, 7, 8, and 9.

Line 11 – Enter the amount of administrative fees charged to the special care fund.

Line 12 – Enter the amount expended from the fund for maintenance (to Schedule H, line 3b).

Line 13 – Enter the amount of taxes paid on net income for the period.

Line 14 – Add lines 11, 12, and 13.

Line 15 – Add lines 1 and 5, Subtract lines 10 and 14.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULES E1 and E2

ENDOWMENT CARE INVESTMENTS
SPECIAL CARE INVESTMENTS (as applicable)

These schedules report cash and investments of the amounts deposited in the trust funds. If the cemetery holds special care trust funds, Schedule E2 must be completed. Investments are shown at both market value and cost.

Lines 1 through 8 – List all investments of the fund assets individually, including the current market value, and the initial cost of investment. If needed, additional detail should be attached.

Line 9 – Add lines 1 through 8 for both the market value and the cost basis of the invested assets.

Line 10 – Enter the total market value from line 9.

Line 11 – Enter the total cost basis from line 9.

Line 12 – Subtract line 11 from 10.

Note: Any investment(s) in default should be identified.

HSC Section 8725 states: Every cemetery authority which now or hereafter maintains a cemetery may place its cemetery under endowment care and establish, maintain, and operate an endowment care fund. Endowment care and special care funds consisting of trust funds created by irrevocable trust agreements may be commingled for investment and the income therefrom shall be divided between the endowment care and special care funds in the proportion that each fund contributed to the principal sum invested. Special care funds derived from trusts created by a revocable agreement shall not be commingled for investment and shall be accounted for separately from all other funds. The funds may be held in the name of the cemetery authority or its directors or in the name of the trustees appointed by the cemetery authority.

BPC Section 7614.7 states: In any report to the bureau all bonds, debentures or other evidences of debt held by a cemetery corporation if amply secured and if not in default as to principal or interest may be valued as follows:

(a) If purchased at par at the par value.
(b) If purchased above or below par on the basis of the purchase price adjusted so as to bring the value to par at maturity and so as to yield the effective rate of interest on the basis at which the purchase was made.
(c) In such valuation the purchase price shall in no case be taken at a higher figure than the actual market value at the time of purchase.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULE F

CORPUS AND INVESTMENT RECONCILIATION

The purpose of this schedule is to reconcile the fund balances of the endowment care fund and the special care fund shown on Schedule B and Schedule D with the total investment balances stated at cost. An explanation should be provided for any differences.

Line 1 – Enter the endowment care trust fund balance from Schedule B, line 2d.

Line 2 – Enter the special care trust fund balance from Schedule D, line 15.

Line 3 – Add lines 1 and 2.

Line 4 – Enter total investments at cost (Schedule E1, line 11 plus Schedule E2, line 11).

Line 5 – Subtract line 3 from 4. Provide explanations for any differences.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULES G1 and G2

ENDOWMENT CARE FUND REALIZED CAPITAL GAINS AND LOSSES
SPECIAL CARE FUND REALIZED CAPITAL GAINS AND LOSSES (if applicable)

These schedules report the net realized capital gains or (losses) resulting from the sale of invested assets during the year. If the cemetery holds special care trust funds, Schedule G2 must be completed.

Lines 1 through 6 – List all sales of investments during the year. Include the date of the disposition, the amount realized from the sale, the cost basis of the investment sold, and any gain or loss realized. Also, include any adjusting entries for prior period(s). If needed, additional detail should be attached.

Line 7 – Add lines 1 through 6 for the net gain/(loss) realized during the year.

Line 8 – Enter income tax effect of gain/(loss) realized during the year.

Line 9 – Subtract line 8 from line 7.

- If line 7 is a gain, the income tax will reduce the gain.
- If line 7 is a (loss), the income tax effect will be positive and reduce the loss.

Note: The income tax reported on line 8 is the tax as it relates to the realized capital gain.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

SCHEDULE H

CEMETERY MAINTENANCE EXPENSES

The first part of this schedule reports the total maintenance expenses incurred by the cemetery. These expenses should be detailed by components such as labor, benefits, equipment, supplies, materials, etc.

The second part of this schedule reports the funding sources that covered the cemetery's total maintenance expenses and the amount allocated from each source.

Maintenance Expenses:

Lines 1a through 1n – Enter the item and dollar amount for of the cemetery maintenance expenses incurred during the period.

Line 2 – Add all expenses for the total spent by the cemetery during the period.

Funding of Maintenance Expenses:

Line 3a – Enter total maintenance expenses funded by the endowment care fund income (from Schedule C3, line 8).
Line 3b – Enter total maintenance expenses funded by the special care fund income (from Schedule D, line 12).
Line 3c – Enter the total maintenance expenses funded by reserve for maintenance (from Schedule C2, line 5).
Line 3d – Enter the total maintenance expenses funded by cemetery operations.
Line 4 – Add all funding for the total revenue allocated to maintenance expenses.

Note: Line 2 should agree with line 4.

Note: Pressing "Recalculate" will update the report's calculations to reflect the most recent data entered.

STATE OF CALIFORNIA
DEPARTMENT OF CONSUMER AFFAIRS

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR
CEMETERY AND FUNERAL BUREAU
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NOTICE ON COLLECTION OF PERSONAL INFORMATION

Collection and Use of Personal Information

The Cemetery and Funeral Bureau (Bureau) of the Department of Consumer Affairs collects the personal information requested on this form in accordance with Business and Professions Code sections 30, 144, 7600 et. seq., and the Information Practices Act. The Bureau uses this information principally to identify and evaluate applicants for licensure, issue and renew licenses, and enforce licensing and reporting standards set by law and regulation.

Mandatory Submission

Submission of the requested information is mandatory unless otherwise noted on the application and/or form. The Bureau cannot consider your application for licensure or renewal unless you provide all of the requested information.

Access to Personal Information

You may review the records maintained by the Bureau that contain your personal information, as permitted by the Information Practices Act. See below for contact information.

Possible Disclosure of Personal Information

We make every effort to protect the personal information you provide us. The information you provide, however, may be disclosed in the following circumstances:

- In response to a Public Records Act request (Government Code Section 6250 and following), as allowed by the Information Practices Act (Civil Code Section 1798 and following);
- To another government agency as required by State or Federal law; or,
- In response to a court or administrative order, a subpoena, or a search warrant.

Contact Information

For questions about this notice or access to your records, you may contact the Custodian of Records, Cemetery and Funeral Bureau at 1625 North Market Boulevard, Suite S-208, Sacramento, CA 95834, by phone at (916) 574-7870, or by e-mail at emailcfb@dca.ca.gov. For questions about the Department's Privacy Policy, you may contact the Department of Consumer Affairs at 1625 North Market Boulevard, Sacramento, CA 95834, by phone at (800) 952-5210, or by e-mail at dca@dca.ca.gov.