

EXECUTIVE DIRECTOR'S REPORT  
TO THE  
OREGON MORTUARY & CEMETERY BOARD  
FOR MARCH 2010

**Overview**

This report covers the period from January 20<sup>th</sup> 2010 through March 23<sup>rd</sup> 2010.

**Administrative**

**2011-2013 Budget Process Begins**

The State of Oregon budgeting and planning process for the 2011-2013 biennium kicked off March 17<sup>th</sup>. We will be developing budget and program recommendations for the Board's consideration and approval for submittal to the office of Budget and Management for review over the next few months. The Board is an early submittal agency, meaning that the final Agency Request Budget must be completed and submitted by August 1<sup>st</sup>, 2010.

The following is an extract from the State Budget Instructions Document, published by the Department of Administrative Services, Budget and Management Office, highlighting the key economic and demographic trends for the next biennium:

*"The Great Recession took a heavy toll on both Oregon and the nation: double-digit unemployment rates, heavy job losses and severe slack, or underutilization, in the economy. With the initial recovery being tepid by historical standards, the nation and Oregon are expected to fare much better during the 2011-13 biennium. Oregon's Gross State Product is projected to return to historical growth rates, while employment growth will remain steady throughout the biennium.*

- *Inflation is expected to rise moderately during the 2011-13 biennium despite the pressures from high energy and commodity prices. The U.S. Consumer Price Index (CPI) is forecast to rise 3.1 percent during the biennium from the prior biennium. The Gross Domestic Product (GDP) implicit price deflator is expected to increase 2.4 percent over the same period. In most cases, Oregon uses the GDP deflator as the basis for budget development. It is a broader measure and avoids some bias inherent in the CPI measure. The medical price deflator is expected to increase 3.9 percent.*

- *Although economic growth is expected to return in 2010, employment growth through the second half will be subpar by historical standards. Oregon's economy will continue to grow at a more robust pace in the 2011-13 biennium. Even with such stronger growth, and to add some perspective to effects of the Great Recession, by the end of the biennium, it is projected that Oregon will have nearly regained all the jobs lost during the Great Recession. While the manufacturing sector will see strong gains, the leading industries are expected to be health services and professional and business services. Oregon will also benefit from robust Asian economies with increased levels of international trade. Oregon's economic growth is expected to outpace the nation through 2013 in terms of both employment and wages.*

- *Oregon's population is expected to continue growing, but at a slower pace than during the 1990s. The total population is forecast to increase by 96,000 during the 2011-13 biennium, with 64 percent of the change coming from net migration. Oregon's population will approach 4 million by July 1, 2013.*

- *The most rapid growth during 2011-13 is expected in the youngest seniors (age 65-74 years old), followed by oldest seniors (85 years and older). The number of children (under 17) will grow at a rate slower than the state average. Seniors aged 75 to 84 will reverse the declining trend and will start positive growth.*

- *The prison inmate population is expected to grow at a rate of 4.3 percent during the 2011-13 biennium, from 14,352 in July 2011 to 14,974 in July 2013. This follows a forecast increase of 2.7 percent for the 2009-11 biennium, up from 13,972 in July 2009. Growth rates are influenced significantly by 2008's Ballot Measure 57 and 2009's House Bill 3508 which affect sentences and crime definitions for property crimes, and sentence reductions in general. "*

## 2009-2011 Current Budget Status Summary

The following chart includes a summary of the total expenses against plan through the month of **February 2010**, the most current reconciled available. Detailed reports are available at the OMCB offices. As expected at the beginning of a fiscal year, the Board depends predominantly on the cash balance carried over from the prior budget cycle to cover expenses until the influx of licensing revenue, which is billed and received predominantly on a calendar year end cycle. The Board was able to avoid the need for a loan, however Board programs have suffered through longer timelines and response time.

The influx of licensing fee revenue will continue to slow and drop off until the next billing cycle at the end of the calendar year. We will see expenses exceed revenues until that time. The cash balance is essential during these periods between annual licensing cycles.

	2009-2011 Plan (Total Budget)	Biennium to Date (Actuals to Date)	Budget Pace* (33%)
Beginning Cash Balance	\$ 93,262.00	\$ 88,570.00	
Revenues	\$ 1,487,784.00	\$ 354,084.86	24%
<b>Total Projected Avail Revenue</b>	<b>\$1,581,046.00</b>	<b>\$ 442,654.86</b>	
Personal Services	\$ 915,181.00	\$ 236,220.68	
Services & Supplies	\$ 345,006.00	\$ 92,016.31	
<b>Total Expenses</b>	<b>\$ 1,260,187.00</b>	<b>\$ 328,236.99</b>	26%
Projected Ending Cash Balance	\$ 320,859.00	\$ 133,515.77	

### Note: Budgetary Impact of Death Certificate Filing Fee Increase Implementation

Due to the complexity of implementing the filing fee increase, the board will receive approximately \$25K less than estimated as part of the legally adopted budget for FY2009-11.

### Staffing

Brenda Biggs has joined the staff as an Inspector, starting March 15<sup>th</sup>. We are pleased to have her aboard. A recruitment to fill the open investigator position vacated by Ms. Cray is still pending, but expected to be posted in the next month. Ms. Cray is continuing part time with the Board on special projects in the near term. Mr. Bennington is ending his post-retirement continued service with the Board on March 25<sup>th</sup>.

## Operational Summary

### Licensing

Type of License	January 19 2010	March 23 2010	Trend	Change
Embalmer Apprentices	36	35	Down	-1
Interns	6	7	Up	+1
Embalmers	15	16	Up	+1
Funeral Service Practitioner Apprentices	48	49	Up	+1
Funeral Service Practitioners	155	164	Up	+9
Combination License:				
Embalmers	384	401	Up	+17
FSPs	384	401	Up	+17
Military Combination License:				
Embalmer	0	0	-	-
FSP	0	0	-	-
Preneed Salespeople	263	139	Down	-124
Funeral Establishments	194	193	Down	-1
Immediate Disposition Companies	8	8	-	-
Crematoriums	65	65	-	-
Cemeteries, Operating	458	460	Up	+2
Cemeteries, Registered Non-Operating	75	75	-	-
Removal Registrations	15	17	Up	+2
Combined Total of all Licenses, Registrations:	2106	2030	Down	-76

### Licensing Transactions Executed Pursuant to Delegated Authority

1. Permanently Lapsed Licenses - None.
2. Unqualified Applicants - None.
3. Licenses Inactivated:
  - a. Andreason Buell Inc dba **Andreason's Cremation & Burial Services, Eugene, FE-8669**, 1055 Charnelton Street, Eugene OR, closed effective December 31 2009. Permanent records are located at Andreason's Cremation & Burial Service, Springfield.
  - b. **Archer W Harmon**, combination Embalmer FSP, CO-3802, effective January 1 2010.
  - c. **Bonny C Jueden**, Preneed, PN-8372, effective January 21 2010.
  - d. **Dean Michael Markasky**, Preneed license only, PN-8405, effective January 22 2010.
  - e. **Frank S Akin Jr**, combination Embalmer FSP, CO-3003, effective January 1 2010.
  - f. **Glenn Culbertson**, combination Embalmer FSP, CO 3723, effective January 1 2010.
  - g. **Laura King**, Preneed, PN 8726, effective February 3 2010.
  - h. **Leone M Lewis**, FSP, FS-0309, effective January 1 2010.
  - i. **Maksim Kodak**, Preneed, PN-8718, effective February 5 2010.
  - j. **Marilyn L Johnson**, FSP, FS-0398, effective January 1 2010.
  - k. **Monica J Williams**, FSP, FS-0489, effective January 1 2010.
  - l. **Brady C Gamble**, Embalmer, EM-2209, effective January 1 2010.
  - m. **Rebecca M Pedersen**, FSP, FS-0499, effective January 1 2010.
  - n. **Renee R Bishop**, FSP, FS-0011, effective January 1 2010.
  - o. **Richard S Bobzien**, Preneed, PN-8762, effective March 1 2010.
  - p. **Robert K Burns**, combination Embalmer FSP, CO-3068, effective January 1 2010.
  - q. **Robert Scott Kennedy**, Preneed, PN-8669, effective March 1 2010.
  - r. **Shannon Marie Kennedy**, Preneed, PN 8727, effective March 1 2010.

## FSP Examination Results

The most recent exam for funeral service practitioners was held on January 27 2010. The next exam will be offered in April 2010.

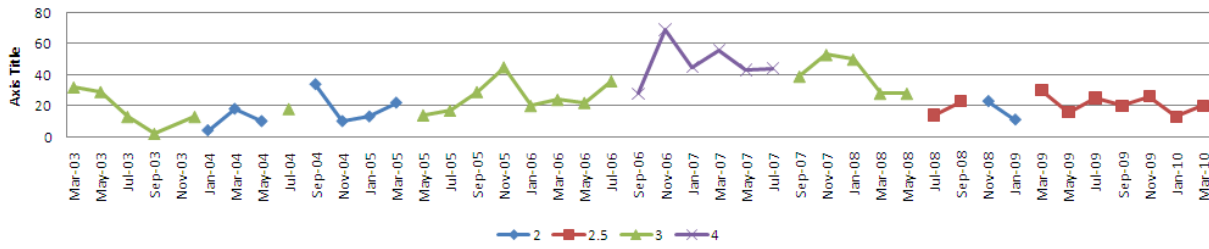
With the recent and upcoming changes to statute and rule as a result of the 2009 session, the Board will need to review and update the exam and study guides in order to properly reflect these changes. The Board should also consider publishing some form of "what's changed" document or explore other means of making existing licensees aware of these changes and their obligation to remain current on all relevant statutes and rules.

FSP Exam Date	Pass Rate			Score Range	
	Passed	Failed		Highest Score	Lowest Score
January 27 2010	3	4	43%	81.5%	70.0%
October 27 2009	3	2	60%	86.0%	69.0%
July 29 2009	13	2	87%	89.5%	67.0%
January 28 2009	6	2	75%	86.0%	64.5%
November 5 2008	1	0	100%	77.5%	77.5%
July 23 2008	16	5	76%	89.5%	56.5%
January 23 2008	12	5	71%	91.5%	60.5%
July 25 2007	13	4	76%	91.0%	68.5%
January 24 2007	2	3	40%	83.5%	71.5%
November 27 2006	3	3	50%	94.5%	58.5%
March 23 2006	1	1	50%	75.5%	73.0%
July 26 2006	13	4	76%	88.0%	69.0%
February 1 2006	9	1	90%	87.0%	74.5%
July 27 2005	10	4	71%	88.0%	68.0%
January 26 2005	10	7	59%	95.0%	61.0%

## Compliance

INVESTIGATIVE CASES	With ABC's	Without ABC's
<b>Total Cases Open</b>	<b>145<sup>1</sup></b> (141 <sup>2</sup> )	<b>64</b> (52)
<b>Pending an Investigative Report</b>	<b>89</b> (96)	<b>32</b> (32)
<b>Completed Investigative Report, presented today</b>	<b>21</b> (21)	<b>10</b> (10)
<b>The Investigation and Report is complete – The Staff has presented the Case to the Board – The Board voted to initiate Disciplinary Action – Pending:</b>		
<b>Notices of Proposed Disciplinary Action pending</b>	<b>9</b>	<b>7</b>
<b>Default/Consent Orders pending (No hearing requested)</b>	<b>5</b>	<b>5</b>
<b>Hearing requested - Final Order pending</b>	<b>16</b>	<b>6</b>
<sup>1</sup> Figure effective on March 24, 2010 <sup>2</sup> Figures from January 19, 2010 ED Report are in parenthesis		
<b>INVESTIGATIVE CASES - AGING REPORT</b>		
<b>Total Cases Pending an Investigative Report</b>	<b>89</b> (96)	<b>32</b> (32)
<b>Cases Opened in last 0-30 days</b>	<b>4</b>	<b>3</b>
<b>Cases Opened in last 31-60 days</b>	<b>3</b>	<b>2</b>
<b>Cases Opened in last 61-90 days</b>	<b>5</b>	<b>4</b>
<b>Cases Opened in last 91-120 days</b>	<b>5</b>	<b>4</b>
<b>Cases Open more than 120 days</b>	<b>72</b> (79)	<b>21</b> (23)
<b>REQUEST FOR EXTENSION:</b> Cases received over 61 days ago (shaded above) require the Board to consider voting to extend the time allowed for an investigative report pursuant to ORS 676.165.		

Completed Inspections By Staff January 2003 Through March 2010



Inspectors = Compliance Manager and Investigators

*(In some bi-monthly periods, CM may have conducted very few or no inspections, but is still counted as FTE for consistency)*

Inspectors	2	3	4		2	2.5	3	4
Mar-03		32			Nov-06			69
May-03		29			Jan-07			45
Jul-03		13			Mar-07			56
Sep-03		2			May-07			43
Dec-03		13			Jul-07			44
Jan-04	4				Sep-07		39	
Mar-04	18				Nov-07		53	
May-04	10				Jan-08		50	
Jul-04		18			Mar-08		28	
Sep-04	34				May-08		28	
Nov-04	10				Jul-08		14	
Jan-05	13				Sep-08		23	
Mar-05	22				Nov-08	23		
May-05		14			Jan-09	11		
Jul-05		17			Mar-09		30	
Sep-05		29			May-09		16	
Nov-05		45			Jul-09		25	
Jan-06		20			Sept-09		20	
Mar-06		24			Nov-09		26	
May-06		22			Jan-10		12	
Jul-06		36			Mar-10		20	
Sep-06			28					