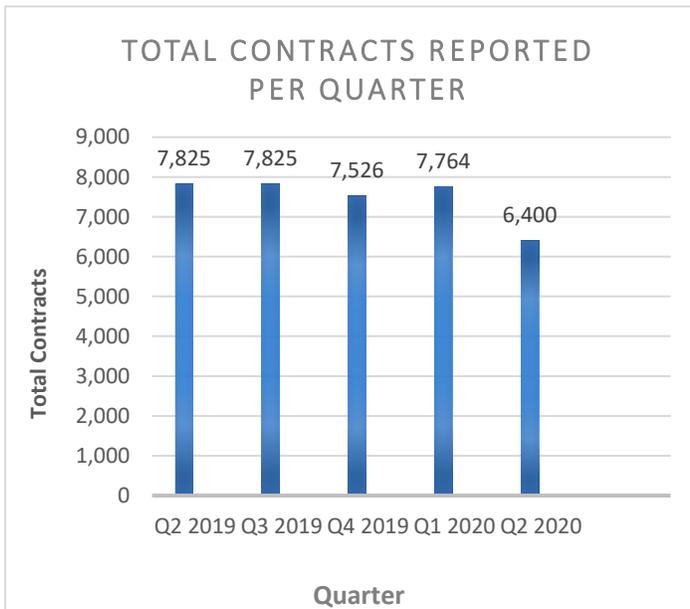




PRENEED RECOVERY FUND ANNUAL REPORT – Fiscal Year 2020

Balance as of June 30, 2020 \$759,844.98

Funds deposited in FY2020	\$373,400.00
Income Dividend Reinvestment earnings on balances in FY2020	\$8,440.37



ARPPS Reporting Highlights

- An average of 7,468 preneed funeral contracts reported quarterly to ARPPS through five quarters.

FISCAL YEAR 2020 PRENEED RECOVERY FUND FEE

\$10
per preneed funeral contract sold between July 1, 2019 and June 30, 2020

** A \$10 fee will be assessed throughout the 2021 fiscal year.*



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Overview

The State of Ohio Board of Embalmers and Funeral Directors' Preneed Recovery Fund balance continued to grow during state fiscal year 2020. At the close of the state's fiscal year on June 30, 2020, the Preneed Recovery Fund had a total available balance of \$759,844.98.

Total deposits to the Automated Reporting and Preneed Payment System (ARPPS) in FY2020 amounted to \$373,400.00 through quarterly payments from Ohio funeral homes and their institutional depositors. An additional \$8,440.37 was earned from investing portions of those funds to a State Treasury Asset Reserve of Ohio (STAR Ohio) account managed by the Treasurer of Ohio. The STAR Ohio program provides Ohio governmental subdivisions the ability to invest in high-grade, short-term securities and offers shareholders safety, penalty fee liquidity and comparatively higher yields. The Board transfers funds to its STAR Ohio account quarterly.

Staffing

The Board successfully hired Derek Bogner in September 2019 to fill the Preneed Compliance Administrator/Analyst position to manage and administer the Preneed Recovery Fund. Mr. Bogner oversees the day to day operations of ARPPS. Additionally, his responsibilities include supervision of Preneed Funeral Contract Annual Report Forms, conducting random compliance audits of preneed records and practices and investigating claims for reimbursement to the Preneed Recovery Fund.

Reimbursement Application

The purpose of the Preneed Recovery Fund is to reimburse purchasers of preneed funeral contracts who have suffered financial loss caused by licensee malfeasance, misfeasance, default, failure, or insolvency.

After the Preneed Recovery Fund Reimbursement Application Form was made available in September 2019, the Board began to receive, investigate and process claims for reimbursement. The Ohio Board of Embalmers and Funeral Directors' newly established Preneed Recovery Fund Committee convened for the first time in January 2020 to consider its first application for reimbursement. The committee reviewed the application and made a recommendation to the Ohio Board of Embalmers and Funeral Directors to approve. The recommendation was accepted, and a reimbursement was approved by the Board during its regular meeting in January 2020. The Preneed Recovery Fund Committee convenes as needed.

At the close of the state's fiscal year on June 30, 2020, the Preneed Recovery Fund has reimbursed a total of \$19,952.00 divided among 5 applications.

The Board is excited to see the Preneed Recovery Fund program fully functional. With a dedicated member of staff to manage the fund, the release of the reimbursement application, safe investment in a fund with gradual growth, the Preneed Recovery Fund is now the scalable consumer protection program it was intended to be.

Visit www.funeral.ohio.gov for more resources and information regarding the Preneed Recovery Fund. Please contact 614-466-4252 for the ARPPS help desk or arpps@funeral.ohio.gov for assistance or questions about the system.