



PERPETUAL CARE FUND - FAQ



The City of Austin Parks and Recreation Department (**PARD**) assumed management of the City's five historic cemeteries on November 1, 1986. Until March 2013, PARD used a contractor, InterCare Corporation, exclusively for cemetery sales, operations, maintenance and management. In assuming direct management of the five City cemeteries, PARD staff uncovered a number of operational and administrative challenges that not only required thorough research, but also required the development and implementation of new processes and procedures in accordance with established State and City laws and industry best practices. Systematically, PARD addressed a number of issues and recently uncovered an additional challenge related to the Perpetual Care Fund (PCF). Unfortunately, other immediate challenges associated with direct cemetery management prevented PARD from addressing this issue until this time.

What is the purpose of the Perpetual Care Fund

The Perpetual Care Trust Fund ("PCTF" or "Fund") was created by City Council in 1983 pursuant to the statutory predecessor of Texas Health and Safety Code Chap. 713, Subchap. A. The PCTF is currently codified in City Code Chap. 10-1, Art. 2. See Attachment 1. The purpose of the Fund is to assure the perpetual maintenance of the cemetery lots and graves in the city cemeteries; invest and reinvest money in trust accounts in the Trust Fund; and apply the income earned by the Trust Fund that is in excess of the amount necessary to maintain the individual cemetery lots or graves to the beautification of the city cemeteries generally.

When was the last contribution made to the PCF

The Cemetery Perpetual Care Interest Fund was utilized for expenditures to operate and maintain the City of Austin's cemetery until FY 2013-14, when all costs associated with cemetery operations were moved to the General Fund. The remaining balance of the fund was transferred to a separate account in FY 2013-14.

What is the current balance of the PCF

The Cemetery Perpetual Care Principal Fund has a current balance of approximately \$1 million. Annual interest earnings on this principal are approximately \$10,000 and the interest is recorded as revenue that goes back into the General Fund. The balance must remain in the fund due to legal requirements (City Code: Article 2. Section 10-1-11).

PCF Historical Timeline

- August 27, 1959** Councilman Bechtol moved to increase cemetery lot charges and set up a special fund for perpetual care to receive 25% of each lot sale.
- Minutes of the City Council dated August 27, 1959

February 10, 1982	COA Ordinance No. 820210-B Establish a Cemetery Endowment Fund transferring all monies from the Perpetual Care Fund.
June 16, 1983	COA Ordinance No. 830616-C Establish a new Perpetual Care Trust Fund.
July 29, 1983	COA Memo – Re: Ordinance, Application, and Certificate of Acceptance – City Perpetual Care Trust Fund Attachments: <ul style="list-style-type: none"> ➤ Draft copy of City Ordinance No. 830616-C ➤ City Clerk Form Instructions (Draft) – COA Application for Acceptance of City Perpetual Care Trust Fund Trust ➤ City Clerk Form (Draft) - COA Certificate of Acceptance of City Perpetual Care Trust Fund Trust
November 6, 1986	COA Ordinance No. 861106-I Transfer responsibility of cemeteries maintenance from Public Works to PARD.
March 24, 1987	Cemetery Operation Trust and Agency Account File Document – Discussion: Brief history, transfer from Public Works, recommendation. Author unknown.
September 21, 1989	COA Memo Re: Cemeteries RFP Additional Information (Intent to contract services)
October 31, 1989	Memo Research History
August 16, 1990	COA Ordinance No. 900816-B Merge Cemetery Endowment Fund into Perpetual Care Fund
September 7, 1990	Memo – Re: Cemetery Trusts From: Financial Services Dept. (FSD) Director B. Dunkerley To: PARD Director M. Mollinedo & City Clerk J. Aldridge Establish FSD, PARD, and City Clerk responsibilities.
September 19, 1990	COA Memo – Re: Merging of Cemetery Endowment and Perpetual Care Fund Attachments: <ul style="list-style-type: none"> ➤ City Ordinance No. 861106-I ➤ City Ordinance No. 830616-C (amended by 861106-I)
September 6, 1991	COA Memo – FSD Controller to ACM Re: Cemetery Fund (Endowment Fund and Perpetual Care Fund discussion)
May 5, 1992	COA Memo – FSD Director to Mayor and Council Re: Cemetery Fund (copy of September 6, 1991 memo to ACM).
July 23, 1998	COA Memo – Law Dept. response to FSD Controller Discussion: Use of Perpetual Care Trust Fund monies.
July 9, 2015	COA Memo – Law Dept. response to FSD Controller Discussion: Are the City’s cemeteries Perpetual Care Cemeteries?