

What's Ahead for 2021?

As the new year dawns, the cemetery and cremation landscape is changing. All around we are seeing innovation and experimentation in a time when, thanks to the coronavirus, change is important – and necessary.

As we begin 2021, we asked some of death care's leaders to share their predictions for the year ahead. They share their visions of the future of cremation, perpetual care, memorialization, grounds maintenance and more.

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Cemetery operators will continue to increase their focus on funding perpetual care accounts. These accounts are designated to fund the upkeep of cemeteries in perpetuity. The cost of this upkeep can run into the hundreds of millions of dollars for large cemetery operations.

Cemeteries will be looking to ensure, rather than hope, that they are on track to have a perpetual care fund that will have enough income to pay

the capital and maintenance expenses while still growing the principal of the fund to keep pace with inflation.

When managing perpetual care funds, investment advisory committees will be re-examining the appropriateness of specific investments for the very long-term obligations of cemeteries. Many investments in perpetual care funds are with entities affiliated with cemeteries. In some cases, investment advisory committees will note that their fiduciary responsibility will require them to move longstanding investments from affiliated entities.

Those seeking to remove cash from a cemetery will continue to view perpetual care funds as low-hanging fruit that can easily be transferred out of cemeteries without affecting the operations of the business. Cemeteries will have to vigorously defend attempts to treat their perpetual care funds as a slush fund available for current needs. They will

be able to do this if they have documentation demonstrating that their perpetual care expense liability offsets the perpetual care funds. Therefore, the perpetual care funds are already spoken for.

Finally, cemeteries that already know that the perpetual care funds are inadequate to support the long-term perpetual care expenses of the cemetery will develop a plan to get them back on track.



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