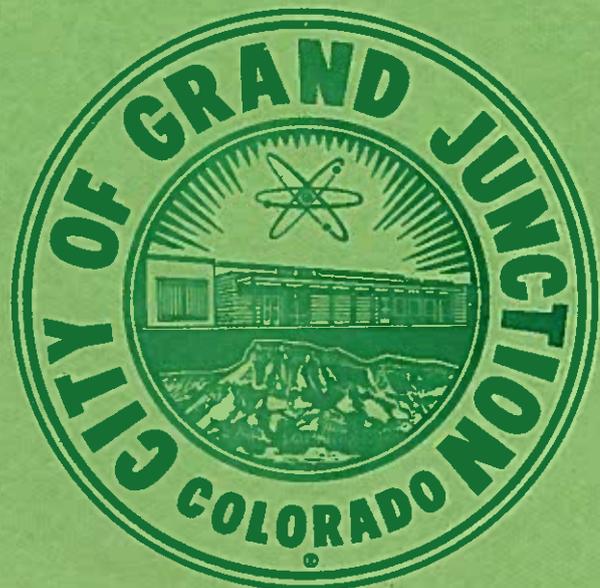


Bill Manchester

CEMETERY REPORT



JULY 28, 1964



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July 28, 1964

Terry L. Novak

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INTRODUCTION

Modern municipalities perform many functions which, while not strictly governmental, benefit all citizens and require a degree of permanency found only in governmental corporations. It is generally conceded that these "proprietary functions" should operate on a self-supporting basis. The management of these functions requires special attention to costs, income, charges, and trends of operation, as well as continual attention to efficient operation.

Since the Grand Junction city cemeteries have not been the subject of such attention for several years, it is advantageous to combine (1) an examination of present cemetery management practices, (2) a projection of cemetery status to 1980, and (3) a study of the feasibility of consolidating the city cemeteries with those operated by the local Masonic Lodge, the Odd Fellows Lodge, and St. Joseph's Catholic Church.

Indications are that these organizations wish the City to assume the operation and maintenance of their cemeteries, in return for which they will cede to the City all cemetery lands, equipment, and perpetual care trust funds in their possession.

The City Council and City Administration, to protect the interests of the taxpayers, have requested this study to determine the advantages and disadvantages, to the City, of the proposed consolidation.

We shall deal with the following questions:

1. What changes can be made in present practices to assure the most efficient operation of the municipal cemeteries?
2. What will be the status of the municipal cemeteries 15 years hence, and what can be done to prepare for their future operation?
3. What is the cost, to the City, of maintaining the present cemeteries, and what would be the cost if the request for consolidation were accepted?
4. What income does the City derive from the present cemeteries, and what would be the income from the consolidated cemeteries?
5. What are the non-monetary advantages of cemetery consolidation -- to the City, to present owners, to interested parties, to the public?
6. What are the non-monetary disadvantages of cemetery consolidation -- to the City, to present owners, to interested parties, to the public?

SUMMARY

1. The Grand Junction city cemeteries have not been a burden upon the taxpayers, either for maintenance and operation, or for capital improvements. (Page 14)
2. On the basis of past experience, we can expect a 2% annual rise in the number of burials and a 4% annual increase in operating expenses. (Page 16)
3. After 1970, the City may increase the income from perpetual care funds beyond the present 4%. (Page 19)
4. Grand Junction compares favorably with other cities in the Rocky Mountain area in both acres maintained per employee and cost of maintenance per acre. (Page 21)
5. The responsible local citizens concerned with cemeteries who were interviewed overwhelmingly approved of the City's cemetery operation. (Page 21)
6. The present surplus of income over expenditures should end in 1973, but, through savings due to mechanization of grave opening, this break-even year could be advanced several years. (Page 36)
7. If the City accepted responsibility for the Masonic and IOOF cemeteries, this break-even point would be 1968, with mechanization extending it several years. (Page 38)

8. By adding the Catholic Cemetery to this aggregate, the break-even year would be 1970, with mechanization extending it also several years. (Page 41)
9. Considering the hazards of projection, there is no reason to oppose consolidation on financial grounds. It can neither harm the City much, nor help it much. (Page 43)
10. Consolidation would yield advantages in beautification of the cemetery area and in centralization of management. (Page 44)
11. Consolidation would yield disadvantages in the adjustment of rates and consolidation of record systems. (Page 44)
12. Since consolidation cannot be opposed on financial grounds, the decision rests upon the importance the Council wishes to attach to the non-monetary advantages and disadvantages of the proposal. (Page 45)

RECOMMENDATIONS

1. The City should investigate the possibility of requesting a loosening of the state restrictions on investments of perpetual care trust funds. (Page 19)
2. The restrictions on the use of surface burial vaults should be loosened to cover only those survaults over which a mower cannot pass. (Page 24)
3. The City should prohibit the placement of raised markers in the Potter's Field area used for burial of indigents. (Page 27)
4. The extra charge for weekend and holiday openings should be raised (making a total of \$55.) in order to discourage Sunday burials and to cover the increased labor cost. (Page 25)
5. The City should store the ceremonial equipment at the cemetery site, once there is room, but only under agreement with the funeral directors that they will maintain the equipment. (Page 26)
6. The City should undertake a small-scale capital improvements program and budget the present accumulation of funds, in 1965 or by supplementary budget, for the purchase of a quonset hut (\$1,800.), a tractor if testing proves it adequate (\$6,600.), and for filling and seeding of the gulch south of Municipal Cemetery (variable). (Page 27)
7. The City should then begin a capital accrual for asphaltting of the roads in the cemeteries. (Page 30)

8. NO RECOMMENDATION IS MADE ON CEMETERY CONSOLIDATION, SINCE PROJECTIONS SHOW THAT IT CAN NEITHER HELP THE CITY MUCH, NOR HINDER IT MUCH. (Page 43)
9. If consolidation is accepted, the City should establish the adjustments of rates shown on page 40. (Page 38)
10. The future operation of Memorial Gardens of the Valley bears watching, since, if it were abandoned, the City may be approached by lot owners to provide maintenance. (Page 45)

I.

HISTORY, MAP, AND PRESENT STATUSCITY CEMETERIES

The City of Grand Junction purchased the Orchard Mesa Cemetery from the former Bannister Furniture and Mortuary Company in 1922. (The markers date to 1885.) The City then developed the Municipal Cemetery three years later on City-owned land. The two City cemeteries¹ have been steadily expanded by earth fill and seeding to the present 38 acres.² The cemetery ordinance was revised in 1946, when the present rates were set in an attempt to make the cemetery operation self-supporting. Since 1944, the City cemeteries have made a profit in 13 years and suffered a loss in 7 years, although these figures do not include water and administrative costs.³ With these costs included, the City cemeteries have been operated at a loss of approximately \$3,000. per year.

MASONIC, IOOF, AND VETERANS' CEMETERIES

The Masonic and Odd Fellows Lodges established their cemeteries, bordering on Orchard Mesa Cemetery, in 1898. The Veterans' cemetery was established in the same year for Spanish-American War veterans, and has expanded continually with the increasing number of veterans.⁴

-
1. To avoid confusion, we shall use the term "municipal cemetery" to refer to the single cemetery bearing that name, and shall refer to the two City-owned cemeteries as "City cemeteries".
 2. Ralph Stocker, City Parks Superintendent, June 22, 1964, 10:00 a.m.
 3. See page 15 for profit-loss graph.
 4. Jack Schmidt, IOOF Cemetery Superintendent, June 23, 1964, 10:30 a.m.

CALVARY CATHOLIC CEMETERY

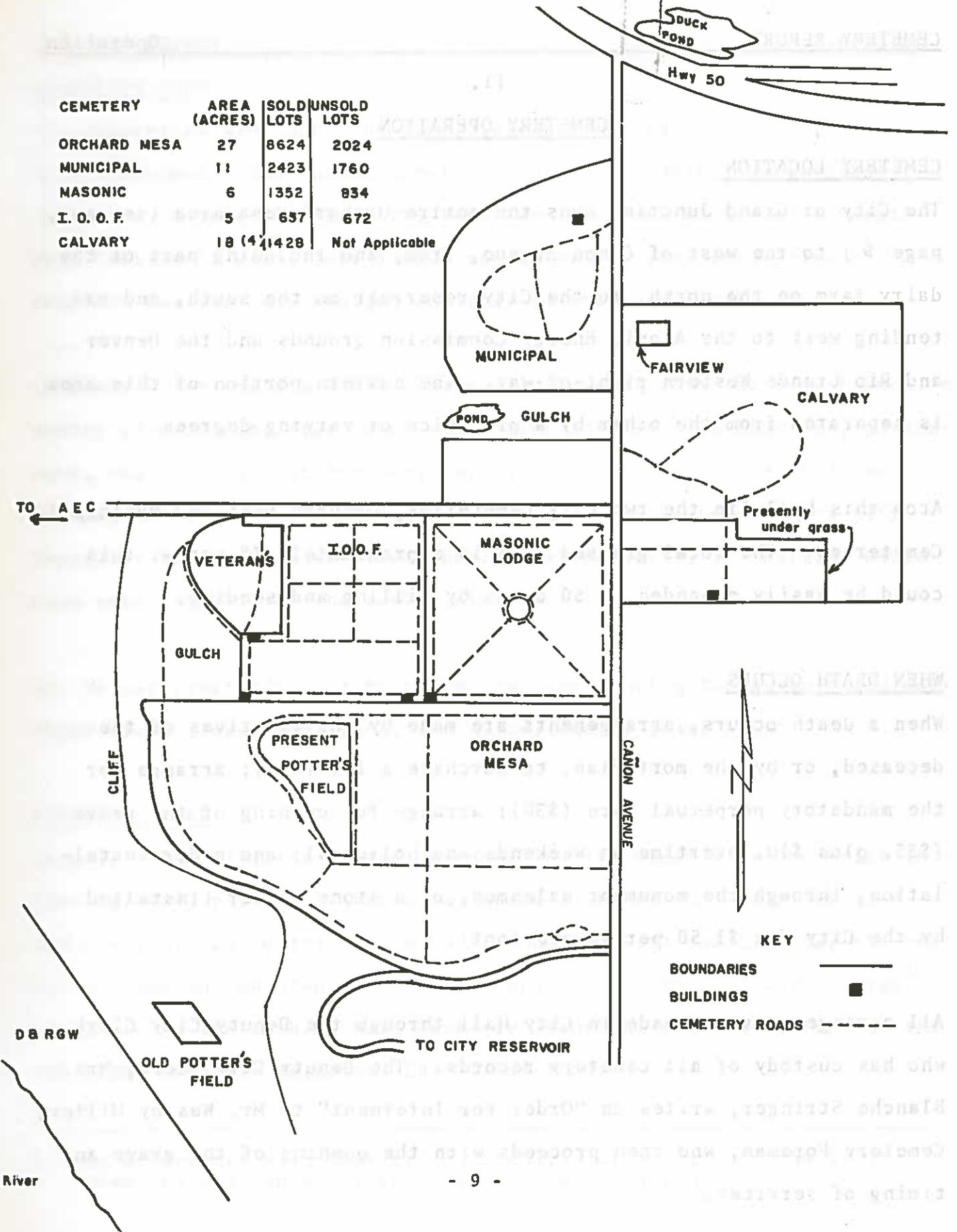
St. Joseph's Catholic Church established Calvary Cemetery in 1906, but presently has only four of its eighteen acres in grass. Fairview Cemetery, the small enclave within Calvary Cemetery, was originally established by the elder Mr. Bannister of the former Bannister Furniture and Mortuary Company. It was sold to the elder Mr. Callahan, the father of the present funeral director, who donated the area to the Catholic Church.¹

Unsold lots in the City cemeteries presently total 3,784. At the present rate of fill, increasing by 2% per year², 3,800 lots will be filled by 1980. The City will not be cramped for space for several years, but should make plans for filling and seeding of new areas since it takes at least three years for a newly-seeded area to become presentable.

The following map may be of assistance.

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1. W. J. Callahan, Callahan-Edfast Mortuary, June 15, 1964, 9:30 a.m.
 2. See chart on page 17.

CEMETERY	AREA (ACRES)	SOLD LOTS	UNSOLD LOTS
ORCHARD MESA	27	8624	2024
MUNICIPAL	11	2423	1760
MASONIC	6	1352	834
I. O. O. F.	5	657	672
CALVARY	18 (4)	1428	Not Applicable



II.

CEMETERY OPERATIONCEMETERY LOCATION

The City of Grand Junction owns the entire Orchard Mesa area (see map, page 9) to the west of Canon Avenue, from, and including part of the dairy farm on the north, to the City reservoir on the south, and extending west to the Atomic Energy Commission grounds and the Denver and Rio Grande Western right-of-way. The eastern portion of this area is separated from the other by a precipice of varying degrees.

Atop this hill lie the two City cemeteries, Orchard Mesa and Municipal Cemeteries. The total grassed area is approximately 38 acres; this could be easily expanded to 50 acres by filling and seeding.

WHEN DEATH OCCURS

When a death occurs, arrangements are made by the relatives of the deceased, or by the mortician, to purchase a lot (\$45); arrange for the mandatory perpetual care (\$30); arrange for opening of the grave (\$35. plus \$10. overtime on weekends and holidays); and order installation, through the monument salesmen, of a stone marker (installed by the City for \$1.50 per square foot).

All arrangements are made in City Hall through the Deputy City Clerk who has custody of all cemetery records. The Deputy City Clerk, Mrs. Blanche Stringer, writes an "Order for Interment" to Mr. Wesley Miller, Cemetery Foreman, who then proceeds with the opening of the grave and timing of services.

ADMINISTRATION

The cemeteries are under the supervision of Mr. Ralph Stocker, Parks Superintendent. The annual cemetery budget and capital improvement plans are included in the Parks Department section of these documents. Mrs. Stringer's wages (she spends approximately one-fourth time on cemetery matters) are charged entirely to the City Clerk's office.

Cemetery water costs are not charged, in keeping with the City Council's policy of providing free water, excepting tap fees, to churches, parsonages, educational institutions, parks, and cemeteries. Mr. William Reeves, Utilities Superintendent, estimated in a survey for the City Manager's Financial Study that the 1963 water costs, if charged, would have been \$4,562. for the two cemeteries.

Mr. Miller presently directs three men (four during the summer) and uses three mowers, one dump truck, and miscellaneous gear.

PERPETUAL CARE

Legally, the relatives of the deceased, or the elderly person prior to passing away, purchases the burial space as he or she would purchase any piece of real estate and makes a contract with the City for the perpetual care and maintenance of the space. The perpetual care charge¹ is placed in the Orchard Mesa Cemetery Perpetual Care Trust Fund or the Municipal Cemetery Perpetual Care Trust Fund.

1. In accordance with Chapter 17, Sections 11 and 12, of the 1953 Compiled Ordinances of the City of Grand Junction.

The ever-growing principal of these funds "shall be preserved as an endowment for the perpetual care and maintenance of graves in said cemetery, and the income from said fund shall be used solely for such purpose" (Section 12). This principal is invested by Mr. William Manchester, City Treasurer, in the legally prescribed bonds and savings accounts available to the City in a manner similar to that of the Firemen's and Policemen's Pension Funds. The interest from this principal (4%) is routed through the budget system to the cemetery income accounts and helps cover the expense of mowing, trimming of trees, and maintenance of facilities.

Although they are not separated in the accounting system, the charges for opening and closing of graves and setting of markers, in Wes Miller's judgement¹, almost exactly pay for the cost of these activities. The mowing, trimming, improvements, etc. which make up the bulk of cemetery expenditures are paid for from the income of lot sales and the trust fund interest.

CEMETERY CHARGES

The present cemetery rates, while high enough to cover all expenses, with the exception of water and administrative costs, do not seem to be excessive. This is especially true when they are compared with the costs, subcosts, hidden costs, etc. of burial in the only competing local cemetery, Memorial Gardens of the Valley. In addition, cemetery

1. Wesley Miller, Cemetery Foreman, June 5, 1964, 2:00 p.m.

costs are only about 12% of the total cost of funeral arrangements.¹

The City has made arrangements with the State and County homes for burial of indigents, at a charge of \$10. in an area not covered by perpetual care.

CONCLUSION

In conclusion, the operation described seems to have functioned as well as can be humanly expected, as shown by the smooth operation of the cemeteries and the favorable opinions of City cemeteries found in interviews.

This may not, however, always be the case. Let us examine the cemetery operations more closely in reference to the past and the trends it uncovers (Part III), the present situation and comparison with other cities (Part IV), and the problems facing the City cemetery operations in the future, especially those posed by the request for consolidation (Part V).

1. Estimate by Rev. J. Kenneth Baird, President of the Grand Junction Ministerial Alliance, June 29, 1964, 2:00 p.m.

III.

THE PASTFINANCING

The graph on page 15 shows that the City cemeteries have not been a drain upon the taxpayer. The only infusion of funds into the cemetery operation was in 1960, when \$3,241. was transferred from the general fund for capital improvements.¹ These totals, however, do not include water and administrative costs, nor do they take into account the income into the perpetual care funds. In general, we could look upon the income into perpetual care as offsetting water and administrative costs, in which case the City has followed, inadvertently, a policy of building up the perpetual care funds from the general fund.

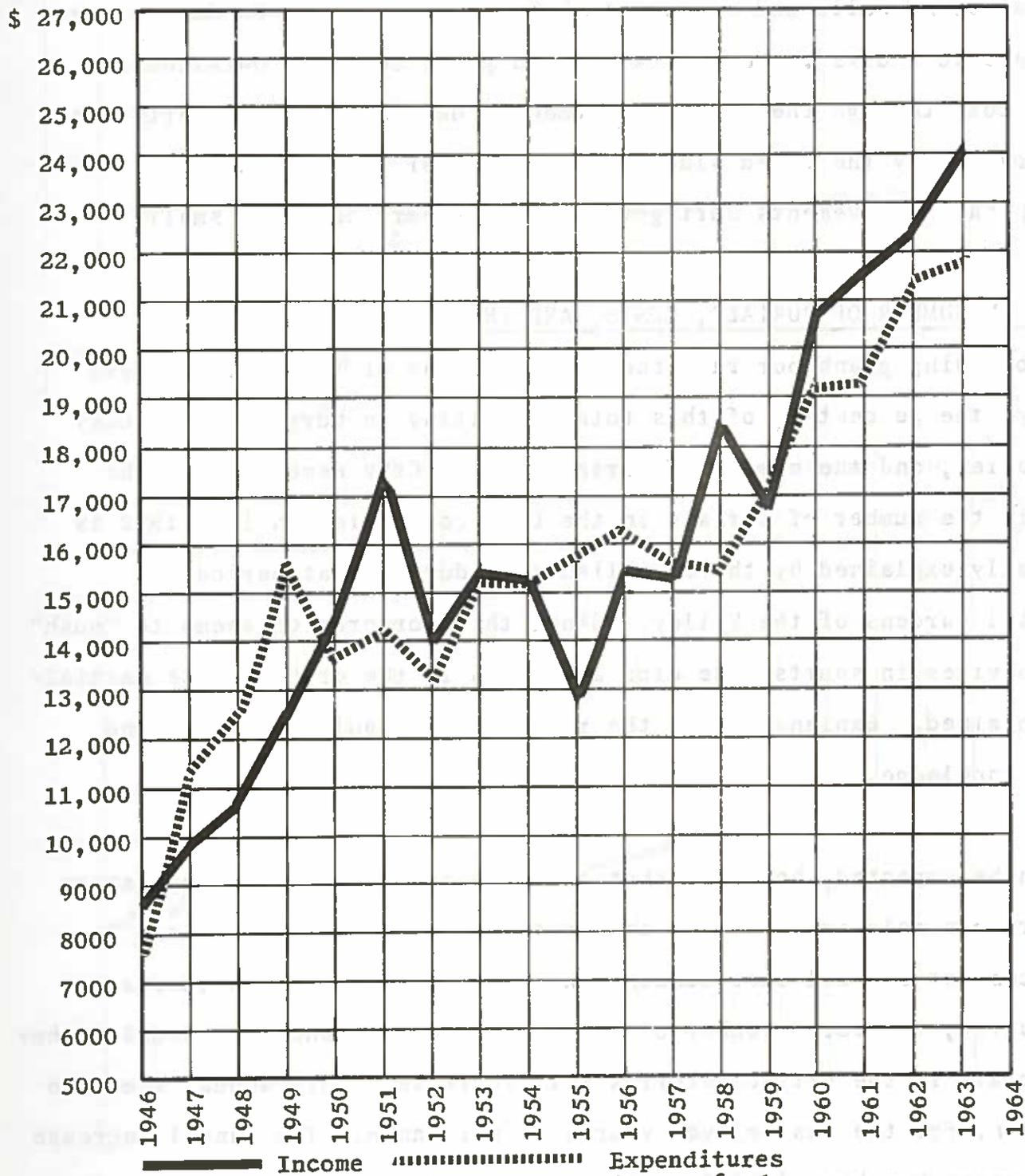
While this point of view is contrary to the legal and accounting procedures, it does point out that the taxpayers have been subsidizing the cemetery operations, just as they have been subsidizing the churches and schools through provision of free water. This subsidy is presently the express policy of the City Council.

CAPITAL IMPROVEMENTS

Small-scale capital improvements in the cemeteries are varied. Seeding and general grounds improvements are undertaken as the need arises and the work-load slackens. One example is the excellent policy Mr. Miller has followed in building stone fences during the winter months, rather than allowing the employees to dawdle away the time otherwise spent in mowing and trimming.

1. Report of Examination, City of Grand Junction, Colorado, 1960; by John E. McNulty, Certified Public Accountant, Grand Junction, Colo.

Cemetery Income¹ and Expenditures², 1946-1963, Orchard Mesa and Municipal



- 1. Excluding income into perpetual care funds
- 2. Excluding water costs, clerk, and administration

Source: Audit Reports, City of Grand Junction, 1946-1963.
 (1963 unpublished)

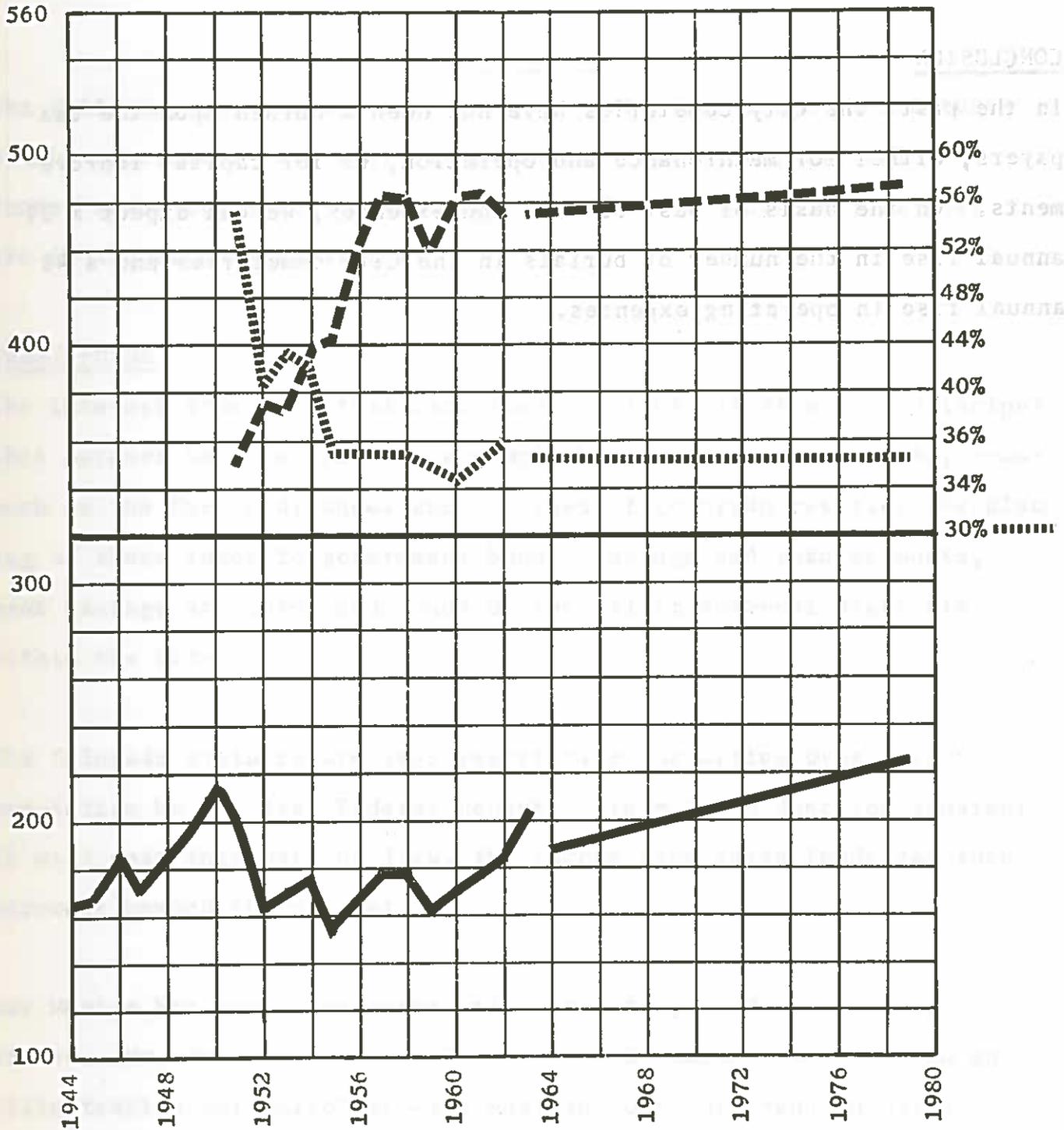
Several stone walls and equipment sheds were built by WPA during the "alphabetical days". Nursery stock and grass seed are obtained at small cost through the Parks Department's own nursery, and fertilizer is provided by the dried sludge from the sewer plant. The total cost of capital improvements during the past 20 years has been small.

TREND IN NUMBER OF BURIALS, COSTS, AND INCOME

The following graph portrays the annual deaths of residents of Mesa County, the percentage of this total resulting in burial in the City cemeteries, and the number of burials in the City cemeteries. The drop in the number of burials in the City cemeteries in 1950-1952 is partially explained by the establishment, during that period, of Memorial Gardens of the Valley. Since this corporation seems to "push" its services in spurts, the dips and rises in the graph may be partially explained. Explanation of the remaining irregularity is beyond human knowledge.

It can be expected, however, that the number of deaths per population will remain relatively steady and that the percentage of burials in City cemeteries will also remain generally constant. With increasing population, the total number of deaths in the area and the annual number of burials in the City cemeteries will increase. This annual increase has been, for the past eleven years, 2% per annum. The annual increase in expenses has been 4.022%. Since the majority of the expenses of cemetery operation are for personal services, it is obvious that most of this annual increase is due to the 4% annual rise in salaries.

Burial Statistics, Mesa County and Grand Junction, 1944-1963

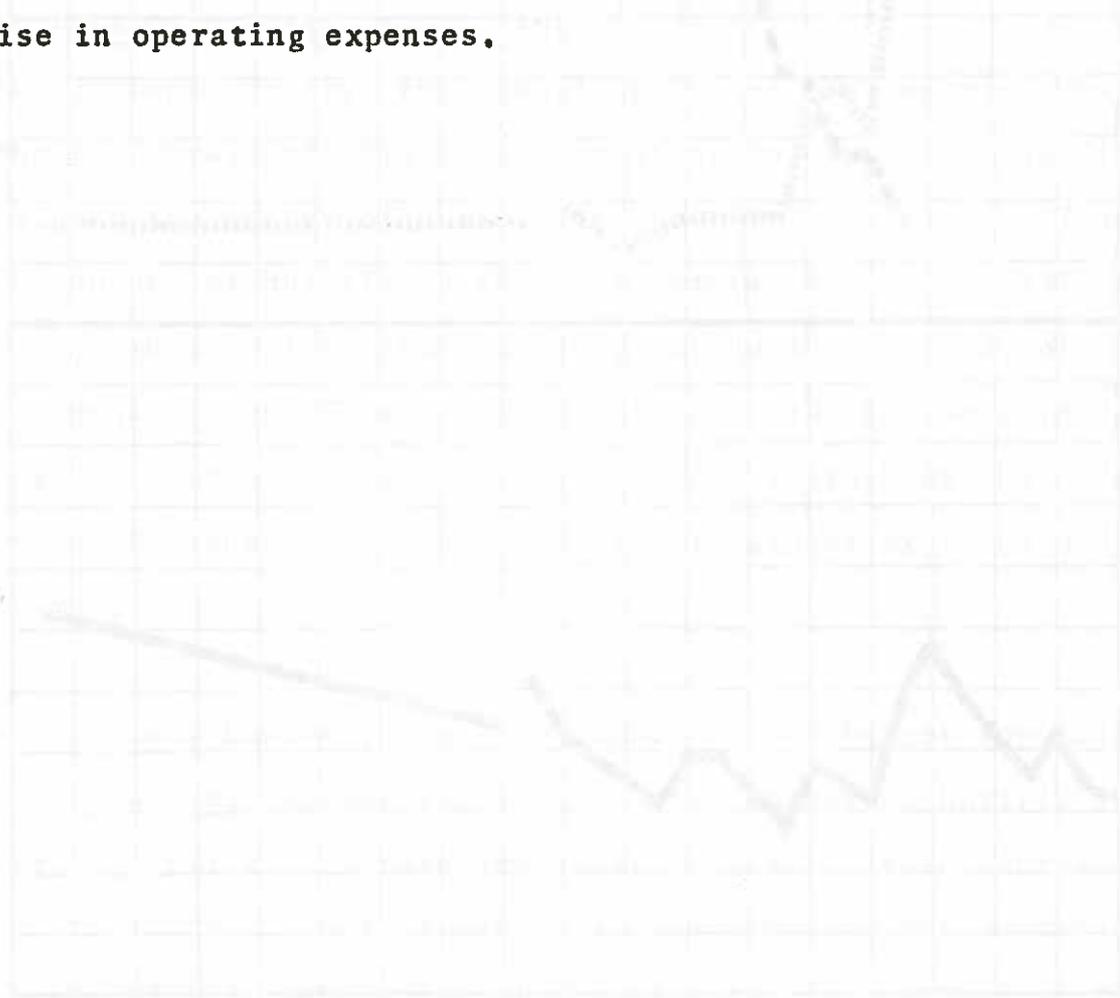


- (1) ——— Number of burials in City cemeteries.
- (2) - - - - - Number of deaths in Mesa County, including City.
- (3) % of County deaths resulting in a burial in City cemeteries.
Table on right side of graph.

Sources: (1) Tabulation of "Orders for Interment," 1944-1963.
 (2) Dr. C.R. Reinstein, Mesa County Health Department, June 22, 1964, 1:45 pm.
 (3) (1) divided by (2)

CONCLUSION

In the past, the City cemeteries have not been a burden upon the taxpayers, either for maintenance and operation, or for capital improvements. On the basis of past burials and expenses, we can expect a 2% annual rise in the number of burials in the City cemeteries and a 4% annual rise in operating expenses.



IV.

THE PRESENT

The following pie-chart breaks down the 1963 income and expenditures of the cemeteries into their components. Income to perpetual care funds, water cost, and administrative costs are separated, as they are in the accounting system.

TRUST FUNDS

The interest from perpetual care funds in 1963 was 4% of the principal. This appears to be a definite accomplishment for Mr. Manchester, inasmuch as the City ordinances and the laws of Colorado restrict the placing of these funds to government bonds, savings and loan accounts, bank savings accounts, and bonds of special improvement districts within the City.

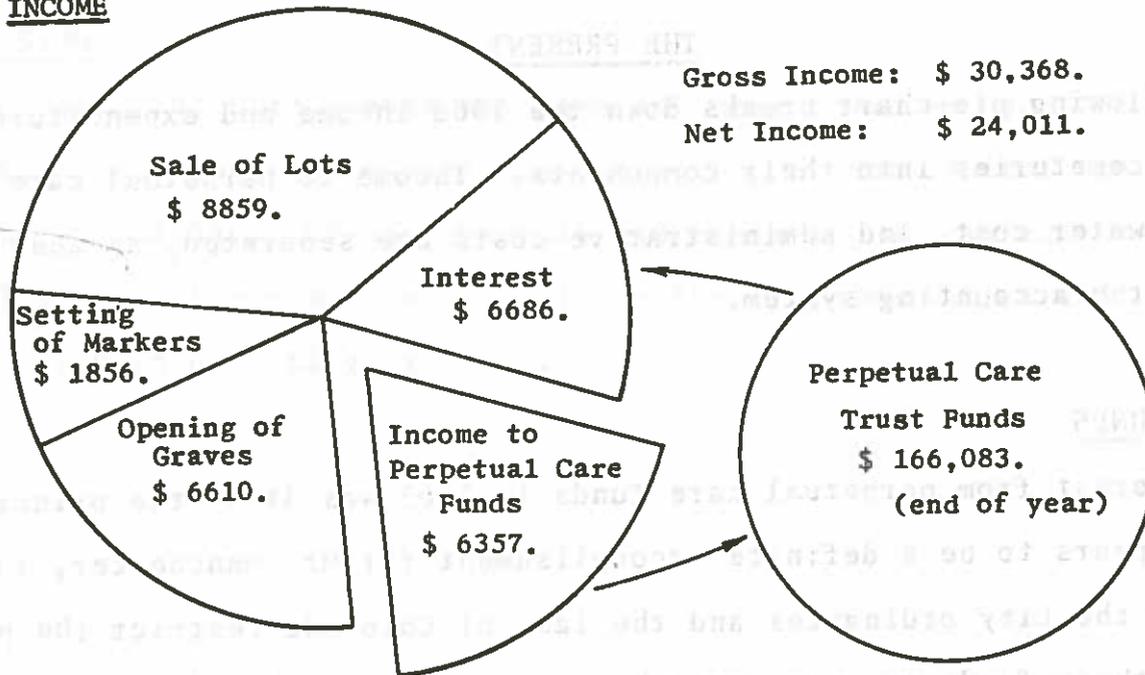
The Colorado statutes are less restrictive for cities over 25,000 population by the last Federal census. Since Grand Junction apparently will pass this mark by 1970, the income from these funds can then increase beyond the present 4%.

New Mexico has much less restrictive statutes, as do many other states. Mr. Robert Ramsay of Boettcher and Company has prepared an "illustrative portfolio" showing what the City of Grand Junction could expect in interest and appreciation if the Colorado statutes were similar to those of New Mexico.¹ He has also prepared another

1. Mr. Robert Ramsay, Boettcher and Company, June 30, 1964, 2:00 p.m.

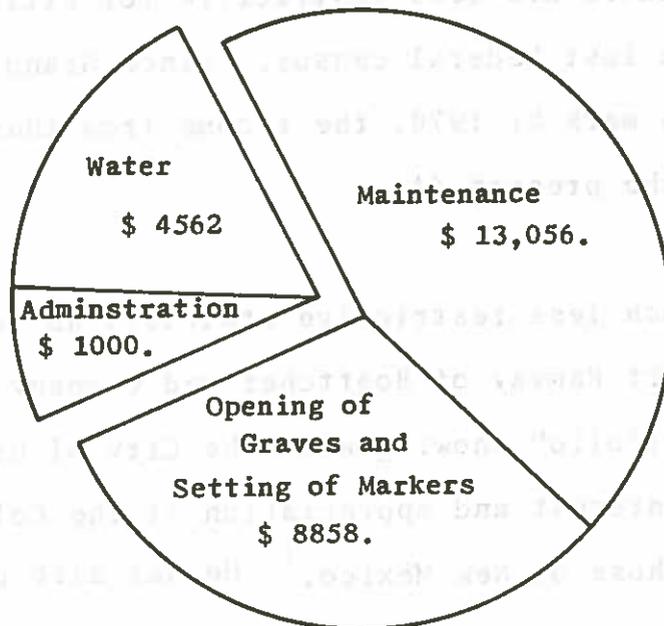
Income and Expenditures, Orchard Mesa and Municipal Cemeteries, 1963

INCOME



EXPENDITURES

Gross Expenditure: \$ 27,476.
Net Expenditure: \$ 21,914.



Source: Report of Examination, City of Grand Junction, 1963
John E. McNulty, C.P.A., Grand Junction, Colorado
 (unpublished)

portfolio to see if the City could obtain a higher rate of interest by shifting the present disposition of its trust funds to other legal securities. These two portfolios are contained in the appendix.

COMPARISON WITH OTHER CITIES

Examination of Grand Junction's performance in its cemetery operation must include comparison with other cities of similar size and structure in this area. Statistics on such subjects are deficient. The best available, without insupportable research, are from The Municipal Year Book of 1958. While the accuracy of the following charts is limited by the vagaries of statistical reporting in the local government field, they should give us some indication of Grand Junction's performance.

Grand Junction is above average in acres maintained per employee and our cost of maintenance per acre is \$200. below the average. These figures support the writer's personal judgement that the City employees concerned with cemeteries have been doing their job well and that the administrative arrangements are substantially sound.

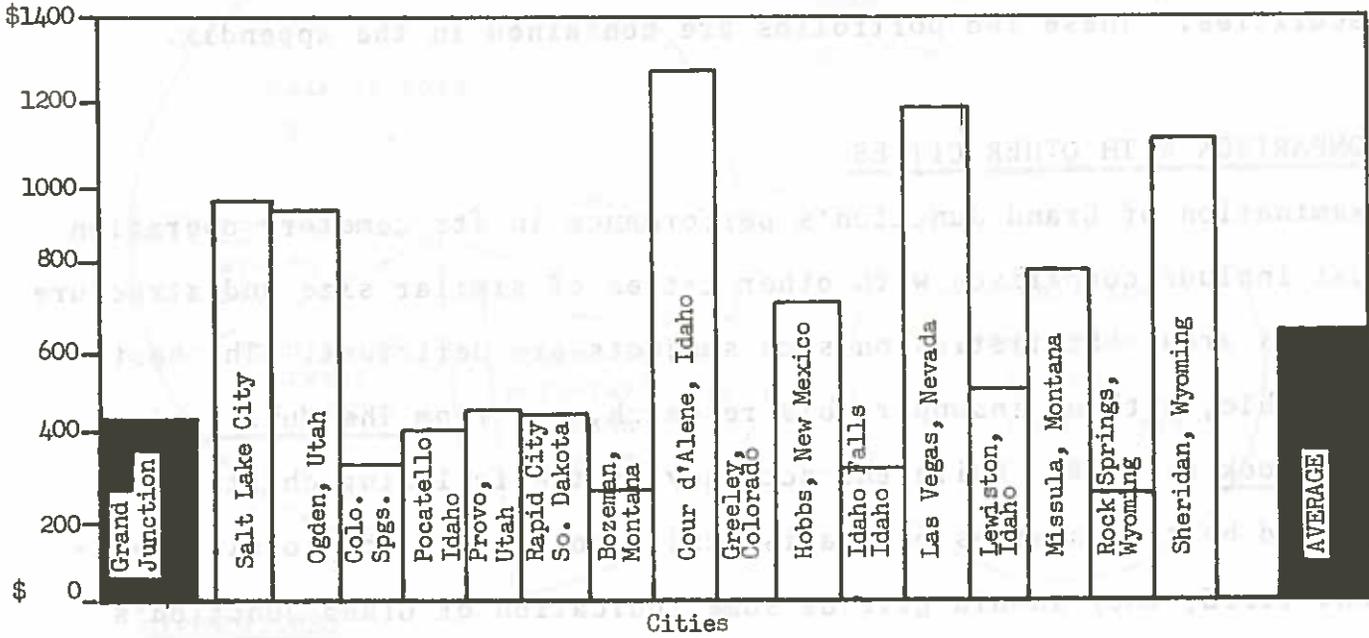
INTERVIEWS

Another source of support for this position is the opinions the writer found in his interviewing of local citizens concerned with the City cemeteries. Not one of these individuals¹ expressed dissatisfaction

1. They include, among others: Mr. Floyd Akers, Contact Office, Veteran's Administration Hospital; Mr. Vincent Zimmer, Assistant Registrar, Veteran's Administration Hospital; Mr. Earnest Leinberger, Assistant Director, District Office, Social Security Administration; W. H. Snyder and Sherwood Snyder, Colorado Survault Co.; E.L. Clements, G. J. Monument Co., Edward A. Martin, Martin's Mortuary; W.J. Callahan, Callahan-Edfast Mortuary; Paul Martin, Martin's Mortuary; J. Kenneth Baird, President, Grand Junction Ministerial Alliance.

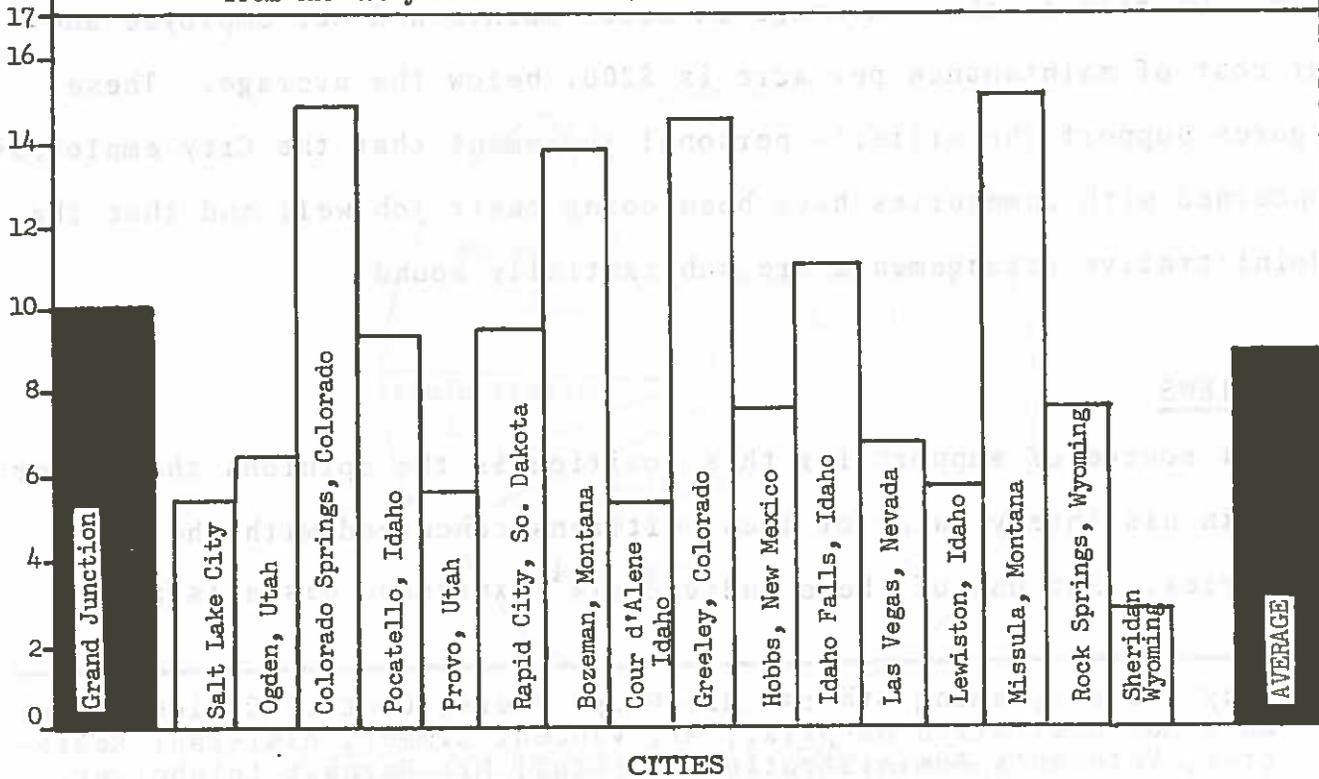
Maintenance Costs per Acre, Selected Rocky Mountain Area Cities, 1958.

Source: The Municipal Yearbook, 1958, pp. 335-340, (including those cities listed from the Rocky Mountain Area.)



Number of Acres Maintained per employee, Selected Rocky Mountain Area Cities, 1958.

Source: The Municipal Yearbook, 1958, pp. 335-340, (including those cities listed from the Rocky Mountain Area.)



with the City's service. Exceptions to endorsement of the City level of cemetery service were Mr. Larry Sherman and Mr. John Sigman, the management of Memorial Gardens of the Valley. These gentlemen¹ seem to think a 100% increase in the City's charges would be just jolly.

POSSIBLE CHANGES

While none of the responsible individuals interviewed had any complaints, several people recommended small changes in the operating procedures. These include:

1. Burial Vaults.

Lifting the restrictions on use of underground surface burial vaults (survaults)².

Since the usual burial method leaves a mound of dirt which eventually settles,



Old and new-type survaults

leaving an impediment to efficient mowing, many cemeteries have made burial in surface vaults mandatory. But this practice

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1. Larry Sherman, John Sigman, Memorial Gardens of the Valley, June 15, 1964, 1:00-2:00 p.m.
 2. W. H. and Sherwood Snyder, Colorado Survault Company, June 15, 1964, 2:00-3:00 p.m.

involves approximately \$300. extra cost to the family of the deceased. The present City restrictions¹ limit the use of survaults to those lots which already have them. This restriction was, however, adopted before the development of the newer survaults which have an almost flat surface over which a mower can easily pass. Since many people prefer the concrete survault and since their continued restriction is to no advantage to the City, it is recommended that this restriction be changed to refer to only those survaults with the raised covers.

In addition, another type of concrete vault made of prefabricated thin concrete panels, assembled in the grave, is available. The City of Pueblo requires these for all burials in its cemetery, manufactures them in the city shops, and sells them at the cemetery site. The cost is \$30.90 for the cement liner.² The City Council may wish to adopt this practice and perhaps rely upon the monument manufacturers to supply the liners.

2. Prohibit Sunday Services.³ This is a common practice in both private and public cemeteries throughout the nation. The ministers would be particularly benefited by this change, since Sunday is a busy day for them anyway. The morticians would also like a day of rest. This change would, however, be a hardship upon relatives of

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1. Chapter 17, Section 8, Part 5, 1953 Compiled Ordinances of the City of Grand Junction, Colo.
 2. City of Pueblo, Colo., Resolution No. 1704, as amended by the City Council, April 13, 1964.
 3. Rev. J. Kenneth Baird, President, Grand Junction Ministerial Alliance, June 29, 1964, 2:00 p.m., and Paul Martin, Martin's Mortuary, June 29, 1964, 9:30 a.m.

deceased who fly into Grand Junction, attend a Sunday funeral, and fly back to work the next morning. In light of this, it is recommended that, rather than prohibit Sunday burials, the City increase the charge for weekend and holiday openings to \$55. This would tend to discourage Sunday burials except when necessary and, in addition, would cover the City's overtime labor costs. The present \$10. extra charge does not fully cover this cost.

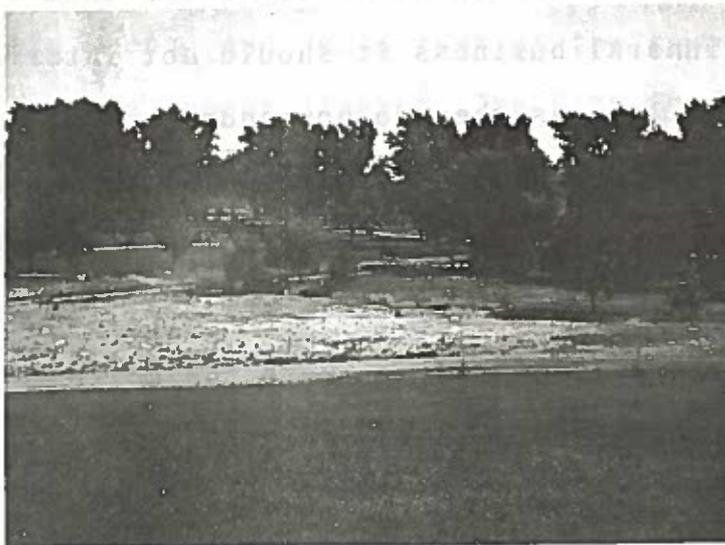
3. Funeral Processions. The City has been requested to prohibit funeral processions.¹ This would be a boon to the morticians and could also prevent traffic hazards. Funeral processions are, however, a deeply ingrained tradition in our society. It is the opinion of the Chief of Police that since the City is not in the funeral business it should not interfere with funeral processions, as long as they do not endanger the lives of motorists.² Since most processions come down Fifth Street, while Seventh Street is relatively free of traffic, the processions could easily take the latter more attractive street if traffic is a problem. If they are still problematic to the mortuaries, they can disallow the processions themselves.
4. Ceremonial Equipment. The City has been asked³ to furnish the lowering device and greens used in the graveside ceremony. The two

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1. Paul Martin, Martin's Mortuary, June 29, 1964, 9:30 a.m.
 2. Karl Johnson, Chief of Police, Grand Junction, Colo., July 28, 1964, 10:00 a.m.
 3. Edward A. Martin, Martin's Mortuarv. June 15, 1964, 8:30 a.m.
W. J. Callahan, Callahan-Edfast Mortuary, June 15, 1964, 9:30 a.m.

local funeral directors are willing to donate a set of ceremonial equipment if it would be kept in storage at the cemeteries. This would make it unnecessary for the morticians to transport their sets back and forth several times per week. The cost to the City would be about \$200. per year for replacement of greens and maintenance of equipment. But since the City is not in the funeral business, it is recommended that the City not accept the gift, but allow the funeral directors to store their equipment on the site under agreement that the equipment would remain their property and its maintenance would remain their responsibility. It may be necessary, however, to wait until a new storage building is erected.

5. Flat Markers

The cemetery foreman was of the opinion¹ that the Potter's Field area should be restricted to flat, grass-level, markers. Since the City has taken it upon itself to maintain these



Potter's Field - an area without perpetual care for burial of indigents.

1. Wesley Miller, July 28, 1964, 10:45 a.m.

areas without perpetual care income, and since a lot in this area costs only \$10., it seems only natural that the area should be maintained as cheaply as possible. It is thus recommended that the City Council prohibit raised markers in the Potter's Field area, sections E and D of Orchard Mesa Cemetery.

6. Improvements.¹ There are four items proposed, each of which will correct a need which is obvious to even the most casual observer. These are:

- | | |
|--|-----------|
| a. Quonset hut for storage of equipment | \$ 1,800. |
| b. Purchase of a small tractor with back-hoe, shovel, and scraper attachments (subject to trial) | 6,600. |
| c. Paving of roadways with 2" asphalt | 20,900. |
| d. Filling and seeding of the area south of the present Municipal Cemetery | variable |

A complete table of these capital improvements is included in the Appendix, page 51.

1. Ralph Stocker, Parks Superintendent, June 8, 1964, 3:00 p.m. and July 15, 1964, 1:30 p.m.

The quonset hut, preferably in green, would allow the elimination of the present "eyesore" sheds and allow more efficient use of the equipment.



The present equipment shed is an eyesore.

A new building of this type would beautify the area considerably.

Mr. Miller¹ estimates that with a backhoe to dig graves he could get by with one fewer employee, and save approximately \$4,000. per year in expenses.

Backhoe with
"Cemetery
Bucket"

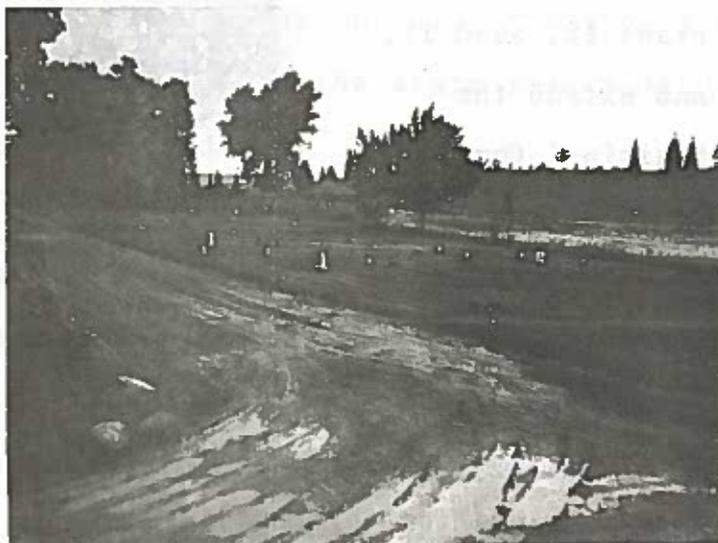
--a chance to
save \$4,000.
per year



1. Wesley Miller, July 14, 1964, 3:00 p.m.

The City of Pueblo uses a small tractor with backhoe and estimates the hourly cost of operation at \$2.53.¹ Complications arise, however, when the tractor is used among the present monuments since the City is responsible for any damage inflicted by its equipment. It is thus recommended that a tractor dealer be allowed to conduct a demonstration of the equipment before a decision is made to purchase one.²

The paving of the roadways is the largest item on the list and may require several years of capital accrual. There is no doubt, however, that such paving would be a great benefit to the aesthetics of the cemeteries.



The present dirt roads easily develop ruts and puddles. Note Potter's Field in the background. The few upright stones hinder maintenance.

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1. Letter from Carl J. Sterner, Foreman of Mountain View Cemetery, dated July 10, 1964.
 2. A demonstration of a Ford 4000 series tractor with backhoe was held at 9:30 a.m. July 30, 1964. Those present included LeRoy Coleman and "Dutch" Nossaman of Western Implement Company, Ralph Stocker, Parks Superintendent; Lynn Taylor, Purchasing Agent; J. M. Lacy, City Manager; and Wes Miller Cemetery Foreman.

The gulch lying south of the Municipal Cemetery is another eyesore which could be eliminated. Mr. Stocker would like to fill in the area, grade it, seed it, and extend the Municipal Cemetery south to the road.



The filling and seeding of the gulch area would remove an eyesore and provide space for expansion.

Since the City has had excellent experience with sanitary land fill, the cost of the project would be very small. The City is presently attempting to secure the excess dirt from the new 5th Street bridge for this purpose.

The cemetery fund as of May 31, 1964 had accumulated \$9,858.85. By the end of the year this total should approach \$11,000. Perhaps this money could be earmarked in the 1965 budget (or earlier, if possible) for the purchase of the quonset hut and the possible purchase of the tractor. An accrual could then be started for the paving project. This money has accumulated because the cemetery operation has made a small profit for the past four years.

CONCLUSION

It appears that the financing and operation of the Grand Junction city cemeteries are in order, that Grand Junction's performance ranks well with that of comparable cities, and that the interested public is well satisfied with the cemetery operation.

It is recommended that:

1. The City investigate, perhaps through the Municipal League, the possibility of requesting a loosening of the state restrictions on investment of perpetual care funds.
2. The restrictions on the use of surface burial vaults be loosened to cover only those survaults over which a mower cannot pass.
3. The City prohibit the placement of raised markers in the Potter's Field area used for burial of indigents.
4. The extra charge for weekend and holiday openings be raised (making a total of \$55.) in order to discourage Sunday burials and to cover the increased labor cost the City entails.
5. The City store the ceremonial equipment at the cemetery site, but only under agreement with the funeral directors that they will maintain the equipment.
6. The City undertake the small-scale improvements program and budget the present accumulation of funds for the purchase of a quonset hut, a tractor, and for filling and seeding of the gulch south of the Municipal Cemetery.

V.

THE FUTURE

Future projections should be used carefully, but are necessary for planning purposes. In the following projections, we must pay close attention to the trends in the elements of the future situation we attempt to predict. We are attempting to predict future cemetery costs and future cemetery revenues. The elements which make up these totals, and the trends of these elements, are as follows:

Cemetery Costs:

- a. Number of burials, presently rising at 2% per annum¹
- b. Burial costs, presently rising at 4% per annum²
- c. Maintenance costs, presently rising at 4% per annum³
- d. Water costs, presently rising at 2% per annum⁴
- e. Administrative costs, presently rising at 4% per annum⁵

Cemetery Income:

- a. Number of burials, presently rising at 2% per annum.
- b. Income from the sale of each lot, static.
- c. Income to perpetual care funds from each lot, static.
- d. Interest from perpetual care funds, static at 4%, but the total increases as the funds accumulate.
- e. Income from opening and setting of markers, static.

Cemetery costs are rising at 4% each year, while income is rising only because of the 2% annual increase of burials and the accumulation of perpetual care trust funds. This portends trouble for the future operation of City cemeteries.

1. See page 16 and chart, page 36

2. Ibid., chart page 15.

3. Included in cost of operation figure, Ibid.

4. Estimated by Mr. William Reeves, Utilities Supt., June 18, 1964, 2:00 p.m.

5. Almost entirely salary costs, which are rising at 4% per year by City personnel policy.

ALTERNATIVES

In attempting to project cemetery finances to 1980 and examine the monetary advantages and disadvantages of cemetery consolidation, we must isolate the alternatives available to the City of Grand Junction.

The first is to continue as at present with no major change in practices. The City would thus refuse consolidation and continue to operate Orchard Mesa and Municipal Cemeteries.

The second is to take over, as requested, the present IOOF and Masonic Lodge cemeteries and operate them in conjunction with the present City cemeteries.

The third is to consolidate the present City cemeteries, the IOOF and Masonic cemeteries, and Calvary Cemetery. This is a separate alternative because the Calvary Cemetery has no perpetual care trust funds to cede to the City, while the two lodges would cede a total of \$64,133. to the City perpetual care trust funds. By consolidating all five cemeteries an inequity would arise, with the Calvary Cemetery not carrying its share of the burden.

The Veteran's Cemetery, the only other facility in that area, has been excluded from these alternatives because the American Legion Veterans' Cemetery Commission has decided to wait and see what becomes of the consolidation proposals.¹ This fourth alternative may have to be considered later.

1. Mr. Henry Strankman, V.P. of Veterans' Cemetery Association, June 16, 1964, 3:00 p.m.

MECHANICS OF CONSOLIDATION¹

Under consolidation, a legal agreement would be made between the City and the present operators of the cemeteries that the City would assume responsibility for full operation and maintenance of the areas, while the City would receive all perpetual care trust funds, equipment, and cash on hand presently owned by the operators of these cemeteries. The City would receive full unencumbered title to the land. Relevant information is contained in the following chart:

Cemetery	Total Acreage	Burials in 1963	PC ¹ Funds	Total 1963 Income	Water Cost if Charged
Orchard Mesa	27	206	\$167,323.	\$24,011.	\$3,259.
Municipal	11				
Masonic	6	8	39,066.	3,222.	678.
IIOF	5	6	25,067.	1,673.	593.
Calvary	18(4) ²	40	none	3,939.	521.

1. Totals are for December 31, 1963

2. Only 4 of the 18 acres are in grass and require maintenance.

Final approval for consolidation would have to come from the Master and Wardens of the Masonic Lodge, the IOOF Board of Cemeteries and a lodge vote, the Bishop of the Catholic Church in this area, and, of course, the City Council.

- All information in this section was from interviews with:
 Mr. Thomas Charles, Secretary of Masonic Lodge #55, June 8, 1964, 9:00 a.m.
 Mr. Jack Schmidt, Superintendent of the IOOF Cemetery, June 4, 1964, 11:00 a.m., and June 23, 1964, 10:30 a.m.
 The Reverend A. J. Bertram, Pastor, St. Joseph's Catholic Church, and Mr. Charles Traylor, Attorney for the Catholic Church, June 9, 1964, 10:00 a.m.

The two lodges would require no restrictions placed on sale of graves in what are now their cemeteries; the Catholic Church would ask that the Calvary area be set aside for Catholics and members of Catholic families, but others may be buried there.¹

The annual number of burials to be expected is portrayed in the following graph. (Page 36)

ALTERNATIVE I.

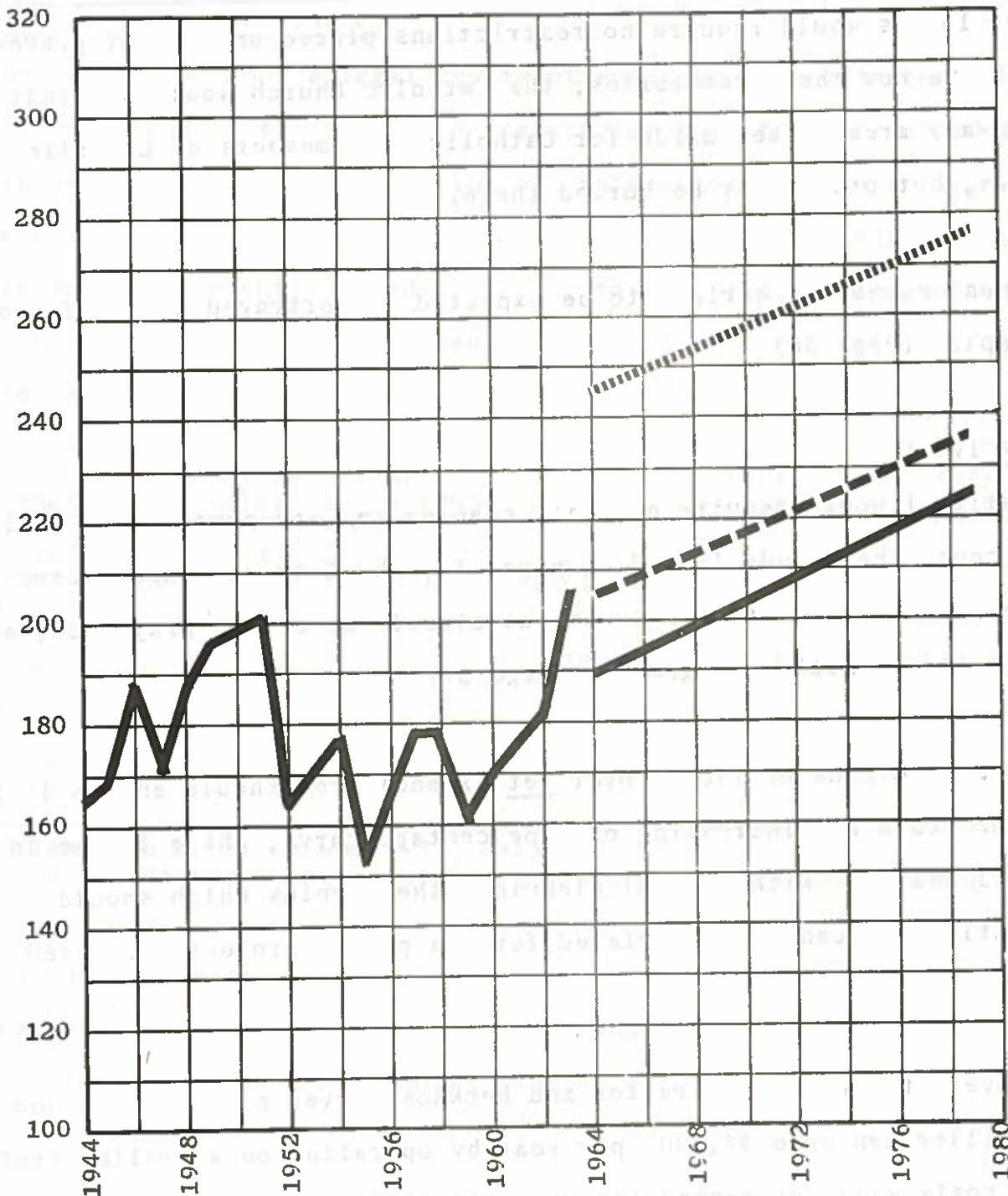
Alternative I would require no major changes in City practices. Taking into account the trends listed on page 32, the City can expect cemetery income and expenditures to be, as closely as can be projected, as they are in the following graph. (Page 37)

The present surplus of income over net expenditures should end in 1973, since the costs are increasing on a percentage curve, while income increases linearly. With careful planning, the surplus which should exist until 1973 can be accumulated for the paving project discussed earlier.

If, however, the use of a tractor and backhoe proves practicable, and if Mr. Miller can save \$4,000. per year by operating on a smaller staff, the net costs will not exceed income until 1980. The crystal ball grows increasingly fuzzy as we approach 1980.

-
1. Mr. Thomas Charles, Secretary of Masonic Lodge #55, June 8, 1964, 9:00 a.m.
Mr. Jack Schmidt, Superintendent of the IOOF Cemetery, June 4, 1964, 11:00 a.m., and June 23, 1964, 10:30 a.m.
The Reverend A. J. Bertram, Pastor, St. Joseph's Catholic Church, and Mr. Charles Traylor, Attorney for the Catholic Church, June 9, 1964, 10:00 a.m.

Number of Burials To Be Expected

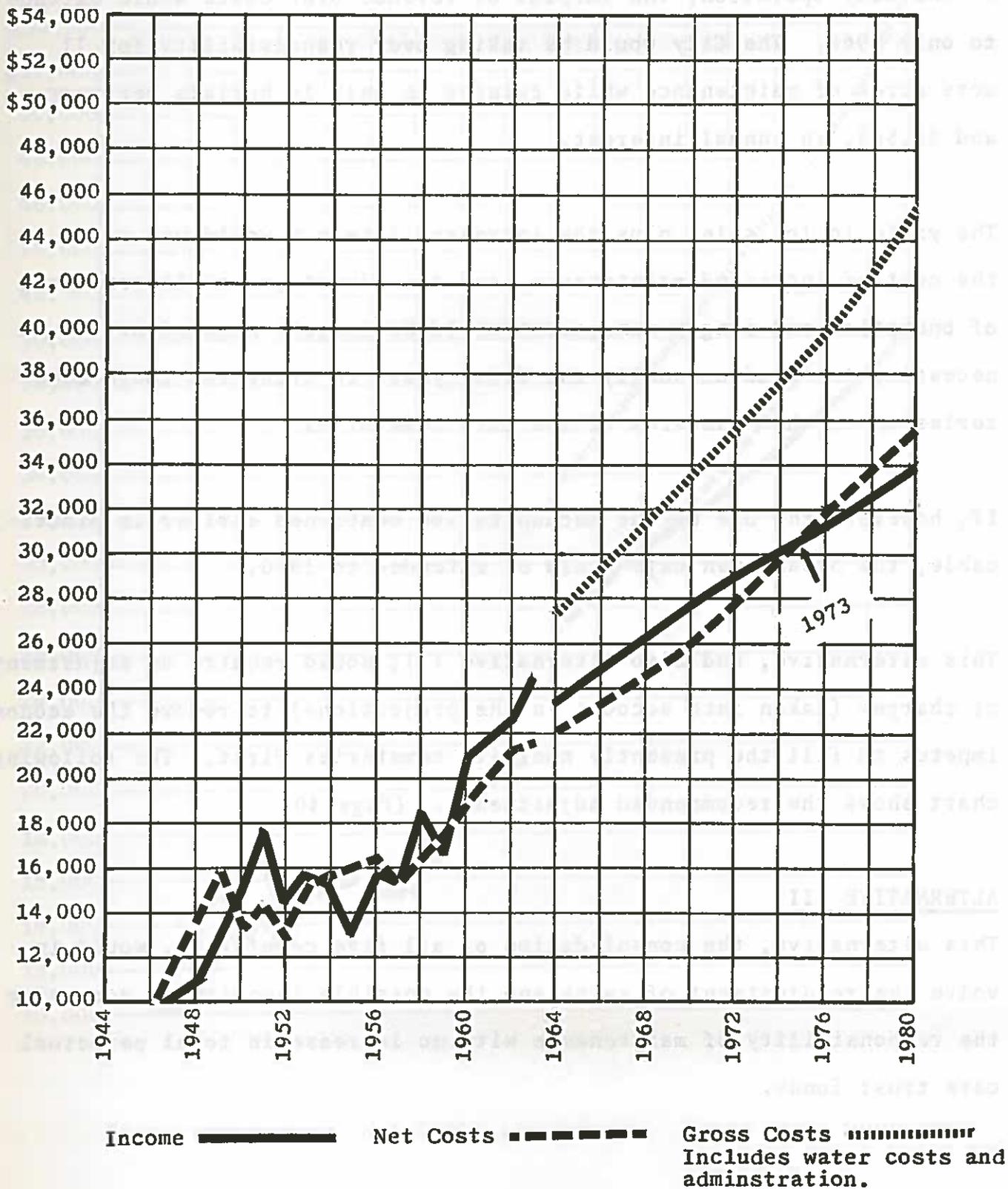


Source: Tabulation of "orders for interment", 1944-1963; Chart page 29, and projection according to a 2% annual increase.

Alternative I Alternative II Alternative III

Alternative I

Income and Expenditures, Orchard Mesa and Municipal Cemeteries.
 Projected according to trends listed on page 32.
 Sources listed on page 32.
 (Mathematical Table available upon request.)



ALTERNATIVE II

In the case of Alternative II, to add the Masonic and IOOF cemeteries to the City operation, the surplus of revenue over costs would extend to only 1968. The City would be taking over responsibility for 11 more acres of maintenance while gaining in only 14 burials per year and \$2,563. in annual interest.

The yield in lot sales plus the increased interest would not cover the cost of increased maintenance; and the advantages of larger scope of operation and single management would be largely negated by the necessity to spend unusually the first years to bring the lodge cemeteries up to the standards of the City cemeteries.

If, however, the use of the mechanization mentioned earlier is practicable, the break-even date would be extended to 1976.

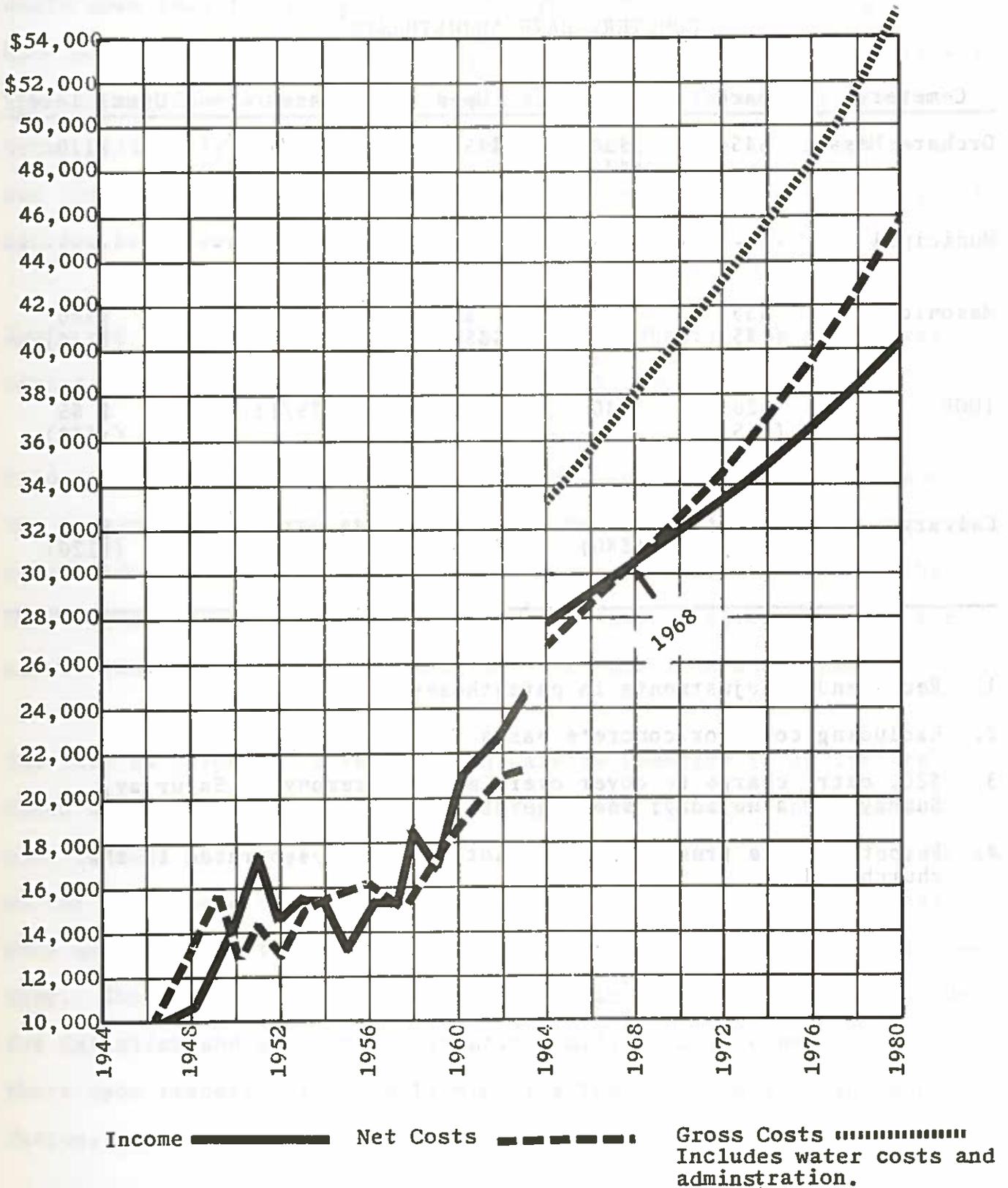
This alternative, and also Alternative III, would require an adjustment of charges (taken into account in the projections) to remove the economic impetus to fill the presently non-city cemeteries first. The following chart shows the recommended adjustments. (Page 40)

ALTERNATIVE III

This alternative, the consolidation of all five cemeteries, would involve the readjustment of rates and the possible inequity of accepting the responsibility of maintenance with no increase in total perpetual care trust funds.

Alternative II

Income and Expenditures, Orchard Mesa, Municipal, Masonic and IOOF Cemeteries.
 Projected according to trends listed on page 32, and chart on page 36, Sources listed on page 32.
 (Mathematical Table available upon request.)



CEMETERY RATE ADJUSTMENTS¹

Cemetery	45 Space	30 PC	35 + 50 Open	Bases	Usual Total ²
Orchard Mesa	\$45	\$30 (\$40)	\$35-55 ³	\$1.50/ft. ² (\$1.75)	\$110
Municipal	-----same as above-----				
Masonic	\$35 (\$45)	\$40	\$25 (\$35-55)	\$1.75/ft. ²	\$100 (\$120)
IOOF	\$20 (\$45)	\$40	\$25 (\$35-55)	\$1.75/ft. ²	\$ 85 (\$120)
Calvary	-----\$75 ⁴ ----- (\$45)	----- (\$40)	\$35 (\$35-55)	\$1.75/ft. ²	\$110 (\$120)

1. Recommended adjustments in parentheses.
2. Excluding cost for concrete bases for monuments.
3. \$20. extra charge to cover overtime if ceremony on Saturday, Sunday, or a holiday; see page 25.
4. Perpetual care trust funds are not, as such, separated in the church budget.

Projection of income and expenditures for the full 53 acres as was done with the first two alternatives shows that, in this case, the cemeteries would move into the red in 1970. Alternative III thus appears to be more profitable than Alternative II. The reason for this is that, with the Calvary Cemetery, the City would add 40 burials per year to its total, with only 4 extra acres of maintenance. This is enough to offset the lack of perpetual care funds. This margin would, however, only set the break-even point ahead two years.

Again, if \$4,000. per year can be saved by mechanization of cemetery operations, this break-even point would not come until 1976.

Readjustment of rates in Calvary Cemetery would not unduly increase the charges, but a problem arises with the Catholic Church's practice of providing funeral services for indigents at church expense. The City would have to stipulate in any consolidation agreement that the church would continue to pay the costs of burial in such cases.

The lack of perpetual care funds in Calvary Cemetery is an item to which many people would object. There appear to be two alternatives open to meet this objection. The City could, first, ask that a portion of the empty land owned by the Church be ceded to the City for whatever use the City thought fit, such as expansion of the Municipal Cemetery. The Church would then have the remainder of the area set aside for Catholics and members of Catholic families, with others buried there upon request. This would minimize the unfairness of the consolidation.

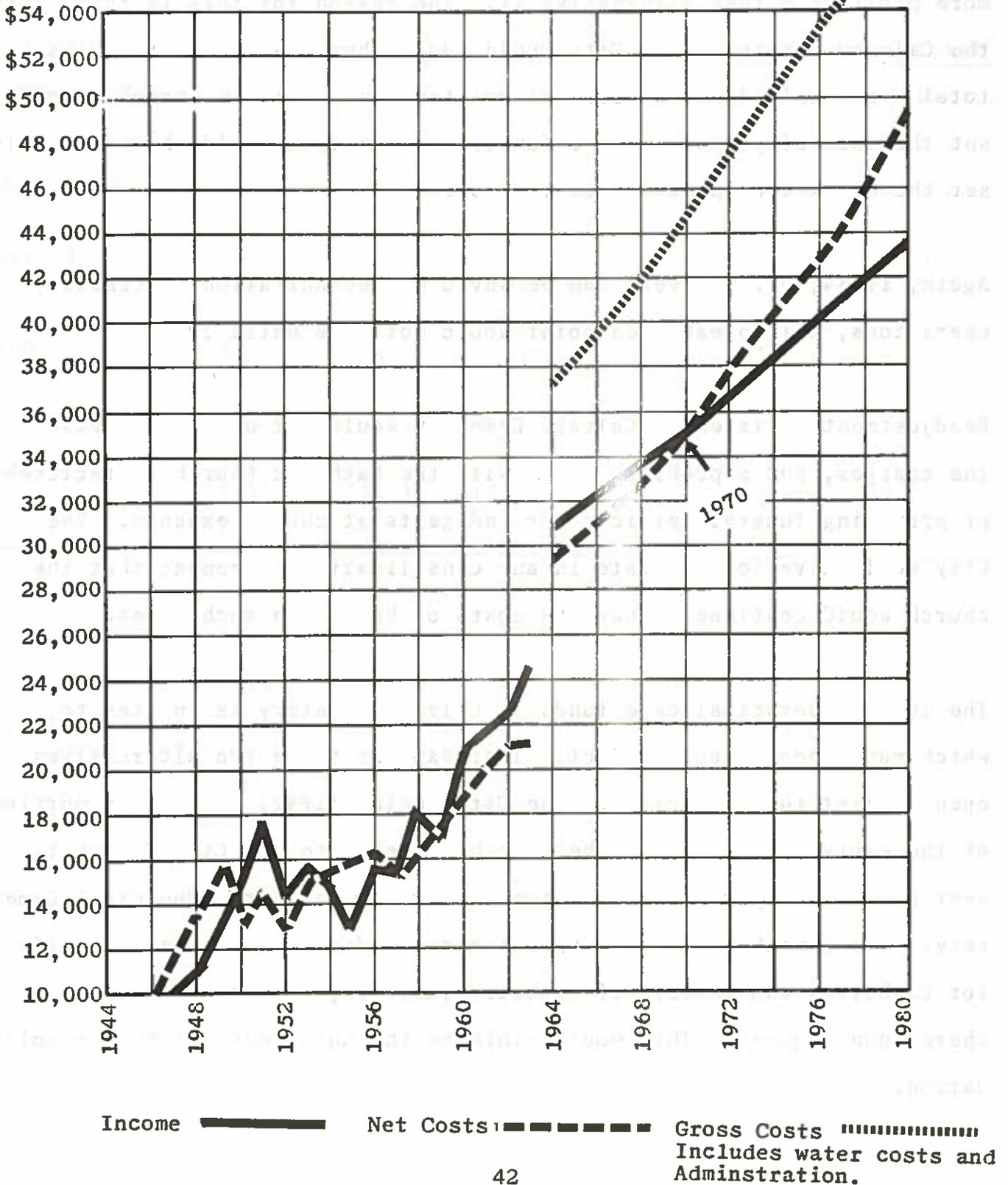
Alternative III

Income and Expenditures, Orchard Mesa Municipal, Masonic, IOOF and Calvary Cemeteries.

Projected according to trends listed on page 32, and chart on page 36.

Sources listed on page 32.

(Mathematical Table available upon request.)



The second alternative would be to ask the Church to give to the City Perpetual Care Fund an amount equal to what they would have collected in perpetual care. This would wipe out the inequity and would cost the Church, in Helen Tomlinson's estimate,¹ about \$50,000.

CONCLUSION

It appears that the City of Grand Junction could operate its cemeteries on a break-even basis under each alternative for several years. But at the present rate of increase in costs the cemetery operation would begin to lose money in 1972 (Alternative I), 1968 (Alternative II), or 1970 (Alternative III).

If the use of a backhoe proves practicable, and a saving of \$4,000. per year can be achieved, each of these break-even years would be set forward several years.

It is difficult to make a recommendation concerning consolidation since projection of finances involves so much conjecture; but since efficiencies of operation can be made, there is no reason to oppose consolidation on financial grounds. Consolidation would be of little value to the City. But, if efficiencies of operation are conscientiously pursued, consolidation can also do little harm.

This is a colorless recommendation, but it is the only one consistent with the facts. The decision must rest on grounds other than financial.

1. Helen Tomlinson, City Clerk, July 30, 1964, 12:45 p.m.

NON-MONETARY FACTORSADVANTAGES

Consolidation would undoubtedly have important aesthetic advantages. By bringing the new acquisitions to a par with the present City cemeteries and establishing a common program of mowing, trimming, and planting, the attractiveness of the area could be improved.

Since the public's use of the facilities is mostly during times of personal stress, during which times the attractiveness of the surroundings become more important, this beautification can be an important service to the public.

Centralizing of administration is also an advantage. The morticians, marker suppliers, and, to a lesser degree, the public, must now deal with four separate managements. One management would decrease the trouble.

DISADVANTAGES

The adjustment of rates which would be necessary to forestall the filling of the former private cemeteries first may create some hard feelings against the City since the Masons, the Odd Fellows, and the Catholics would each see an increase in rates immediately after the City acquired the cemeteries.

Consolidation of record systems would not be a great problem, inasmuch as all the record systems are basically similar. It would, however, require a period of readjustment for the Deputy City Clerk.

CONCLUSION

The importance to be attached to these non-monetary advantages and disadvantages of consolidation must be decided by the City Council. The issue largely rests upon these non-monetary considerations, for, as we have shown, financially, consolidation will do little good, but also little harm.

CAPITAL IMPROVEMENTSA. QUONSET HUT (for storage of equipment)Quotations:

1. S&F Building Service, June 8, 1964, 3:30 p.m.:
Rigid frame rectangular, 20x30x10,
sloped roof, 10x9 sliding door, FOB site, \$1,627.
2. Miller Steel, June 8, 1964, 4:00 p.m.:
Rigid frame rectangular, 28x30x10,
sloped roof, 10x9 sliding door, green,
FOB site, \$1,557.
Additional for color, 180.
3. Livoni Construction, June 8, 1964, 4:30 p.m.:
Half-circle roof, 28x31,
10x10 sliding door, \$1,362.

Concrete floor:

- Grand Junction Building Materials Company,
9:00 a.m., June 9, 1964:
Floor for 28x31 size building, \$ 273.
Plus labor done by City crews, 300.

TOTAL FOR QUONSET HUT, using average of buildings.....\$1,800.

B. TRACTOR WITH BACKHOE, SHOVEL, AND SCRAPER ATTACHMENTS
(Subject to trial)

Quotation: (Phone call by Lynn Taylor, July 15, 1964, 8:30 a.m.)

1. Western Implement Company

- Ford 4000 series Industrial tractor, \$3,900.
with hydraulic backhoe & cemetery bucket 2,700.
- Ford 2000 series tractor with 10-foot
backhoe and heavy duty front end, \$6,000.

TOTAL FOR TRACTOR AND ATTACHMENTS.....\$6,600.

C. ASPHALTING OF ROADS

(Prices from Dave Hickman, June 10, 1964, 11:00 a.m.)

- Strip 5" of dirt and gravel for 12,530 sq. yd. road \$1,740.
Lay 4" base gravel, 3,480.
Lay 2" asphalt, 15,663.

TOTAL FOR ASPHALTING (\$1.66/sq. yd. of road).....\$20,883.

CAPITAL IMPROVEMENTS (continued)

D. FILLING AND SEEDING OF GULCH AREA

Filling could possibly be done by sanitary fill up to the top 6 feet, and the remainder could be regular fill dirt, possibly from the stripping of roads for the asphalt project. Cost is impossible to judge.

Fencing: (Lynn Taylor, June 9, 1964, 9:00 a.m.)

1270 ft. of fence, 4 ft. chain link @ \$29.34

per 100 feet.....\$372.62.

B. TRACTOR WITH BACKHOE, SHOVEL, AND SCRAPER ATTACHMENTS
(Subject to trial)

Quotation: (Phone call by Lynn Taylor, July 15, 1964, 8:30 a.m.)

1. Western Implement Company
Ford 8000 series tractor with 10-foot backhoe and heavy duty front end, \$8,000.
Ford 8000 series industrial tractor with hydraulic backhoe & cemetery bucket, \$2,700.

TOTAL FOR TRACTOR AND ATTACHMENTS.....\$10,700.

C. ASPHALTING OF ROADS

(Prices from Dave Dickman, June 10, 1964, 12:00 a.m.)

Strip 5" of dirt and gravel for 12,000 sq. yd. road, lay 4" base gravel, lay 2" asphalt, \$12,000.
Strip 5" of dirt and gravel for 12,000 sq. yd. road, lay 4" base gravel, lay 2" asphalt, \$12,000.

TOTAL FOR ASPHALTING OF ROADS.....\$24,000.

Appendix "B"

August 10, 1964

Mr. T. L. Novak
c/o City Manager's Office
Grand Junction, Colorado

Dear Mr. Novak,

The attached is a condensed breakdown of the present investments of the Orchard Mesa Cemetery Perpetual Care Fund and Municipal Cemetery Perpetual Care Fund. Our purpose in examining this was to determine what better investments might be utilized. Under the present restrictive covenants for a City the size of Grand Junction regarding investment of such funds, authority is not granted to invest in securities for the purpose of appreciation but solely to invest funds in conservative limited risk, fixed income investments.

Upon examination of the attached holdings, it would appear that little improvement could be made to increase income other than to purchase Treasury Bills and Bonds which are available to yield between 4 and 4 1/4% compared to 3 1/2% yield on your present Treasury Bills. One could also point out by this same method funds presently in bank savings accounts would provide greater yield in such Treasury Bonds. As additional municipal issues at higher yields might be available, these could be considered but presently the portfolio has probably maximum return from its municipals without sacrificing greatly in quality.

It should be noted that under present investment restrictions, equity type investments, which have the possibility of increasing in value through the years, are not legal investments. History has shown that inflation has deteriorated the purchasing power of the dollar and, therefore, conservative institutional investors have found it prudent and necessary to have some investments in non-fixed income securities which have the opportunity of appreciation. Without this type of investment, such funds as the Cemetery Funds can only increase in value by reinvestment or compounding of the interest and dividend return. This may or may not be sufficient to combat inflationary trends. Also, higher yielding corporate securities are not presently legal investments so yield possibilities are restricted.

Appendix "B"

Page 2
Mr. T. L. Novak
Aug. 10, 1964

It is noted that in the State of New Mexico, the Public Employees Retirement System Funds has approximately 7% invested in common stocks and the New Mexico Education Retirement Fund has approximately 20% in common stocks.

Thank you for the opportunity of reviewing these funds. I hope this information is of some value to you and that, if we can be of further service, you will not hesitate to call on us.

Very truly yours,

BOETTCHE AND COMPANY



Robert H. Ramsay

Enc.
RHR/c

Appendix "B"

<u>Name of Security</u>	<u>Amount</u>	<u>Indicated Income</u>	
Bank Savings Accounts @ 4% (1)	\$34,775.88	\$ 1,391.03	
Savings & Loans @ 4 1/4% (2)	80,000.00	3,400.00	
U. S. Treasury Bills @ 3.5%	5,946.84	207.87	
Improvement Dist #57 Bonds @ 4%	17,000.00	680.00	
Lincoln Park Pool Bonds @ 4%	25,000.00	1,000.00	
Sewer Dist #17 Bonds @ 4%	600.00	34.00	
Improvement Dist #54 Bonds @ 4%	<u>4,000.00</u>	<u>160.00</u>	
	<u>\$167,322.72</u>	<u>\$6,862.90</u>	4% Over All Yield

(1) Assuming a 12 months period of deposit

(2) A 4 1/4% rate is assumed although a higher rate may be paid by one or more associations from time to time.