



REQUEST FOR INTEREST (RFI)

R08-156SE CEMETERY BUSINESS ALLIANCE

for
CITY OF COLORADO SPRINGS CEMETERY

INFORMATIONAL PROPOSALS/LETTERS OF INTEREST WILL
BE ACCEPTED THROUGH
January 30, 2009, CLOSE OF BUSINESS 5:00 P.M.

Sandy Elliott,
Contracting Specialist
City Finance Department, Contracting Division
30 S. Nevada Ave, Ste 201
Colorado Springs, CO 80903
Phone (719) 385-5275 Fax (719) 475-8477
selliott@springsgov.com

1.0 INTRODUCTION

1.1 Purpose

The City of Colorado Springs, through its Cemetery enterprise, is seeking to gauge private sector interest in potentially forming a business alliance(s) for the delivery of death care related services and products. Therefore the City will assess the offers submitted based on the interest and qualifications of the responses to determine;1) there is qualified interest within the private sector to form business alliances and 2) the qualified interest is for services and products that if competed would be of significant benefit to the City and City of Colorado Springs.

Responses to this RFI are considered non-binding proposals and are only used to gather information to determine the number of valid competitors that exist in the local market and to determine potential products or services that would be considered legitimate candidates for future competitive procurements. All firms that respond to this RFI will be added to the bidder's list for any future formal competitive procurement for these services if the City determines from the responses that there is sufficient interest and the City will benefit from future procurements.

1.2 Background

The City of Colorado Springs operates two cemeteries (Evergreen and Fairview) which together form the Cemetery enterprise. These Cemeteries have a longstanding place in the history of with Colorado Springs being among the first cemeteries in the City and as the final resting place for many prominent figures from the City's early development. See attachment "A" for the histories on each facility.

As enterprises of the City, no taxpayer support is provided for these operations. Instead, financial resources are generated through the sale of grave spaces and other related products and services (vaults, opening/closing fees, niches, headstone foundations, etc.). A copy of the current pricing list is attached as attachment "B". The Colorado Springs City Council has directed staff to explore potential partnership opportunities with the private sector to enhance service provisions to the public and increase operational revenues.

The following is a partial listing of possible business expansion areas for which the City is seeking interest:

1. Burial estates
2. Green burials
3. Grave markers
4. Asset sales
5. Cemetery management
6. Cremation services
7. Pre-need sales
8. Funeral home relationship
9. Joint marketing
10. Capital Improvements

The above is not intended to be an exhaustive list. The City of Colorado Springs will consider any and all reasonable suggestions for future business alliances.

Included as attachment "C" are approved budgets and accompanying narratives for the years 2006-2008. Limited additional information can be found on www.springsgov.com/cemeteries.

2.0 INSTRUCTION FOR RESPONDENTS

2.1 Format

Responses should be prepared simply and economically, and preferably be 50 or less single-sided pages. All responses should include:

- o Company Name, Address, Phone, Fax and Email
- o Short biography of company
- o Details of qualifications (and years of experience) as they relate to the minimum requirements of this RFI
- o List of references for your company of similar contracts or agreements for these types of services, including the names of contact and phone numbers who may be contacted to verify the above minimum experience requirements.
- o Estimated hourly rates (non-binding: for informational and budgetary purposes only).

2.2 Response Submissions

Responses will be accepted anytime by the Contracting Division at the address below through January 30, 2009 at 5:00 p.m. This is the latest the submissions will be accepted. Vendors mailing their response must allow sufficient mail delivery time to ensure receipt of their response by the specified date and time. Respondents shall submit one unbound original and one (1) copy of submittal documents in a sealed package and identified as instructed in section 2.3 below.

2.3 Identification

Information shall be submitted in a sealed envelope(s) or container(s) with the RFI solicitation number, date for submission of offer and the offeror's name clearly marked on the outside of the envelope(s) or container(s).

RFI No. R08-156SE: Cemetery Business Alliance
 Due Date: January 30, 2009 at Close of Business, 5:00 p.m.
 Company:

The City of Colorado Springs is not liable for late submission of, or discarding of, responses due to any technological reason, such reason being caused by an action of either the City of Colorado Springs or the respondent.

2.4 Proprietary Information

If a response contains information that the respondent does not want disclosed to the public, or used for any purpose other than the evaluation of this response, all such information must be indicated with the following or similar statement:

"The information contained on pages _____, _____, and _____ shall not be duplicated or used in whole or in part for any purpose other than to evaluate the response provided. If a contract is awarded to this firm as a result of the submission of such information, the City of Colorado Springs shall have the right to duplicate, use, or disclose this information to the extent provided in the contract. This restriction does not limit the City of Colorado Springs' right to use the information herein if obtained from another source."

All such nondisclosure items specified in the response shall be subject to disclosure as provided in Part 2 of Article 72 of TITLE 24 C.R.S. (the "Colorado Public Records Act") or as otherwise provided by law.

2.5 Response and Material Ownership

All material submitted in response to this RFI becomes the property of the City of Colorado Springs except for software products that are made available for demonstration purposes and proprietary material. All responses will be available for public review.

2.6 Cost of Responses

The City of Colorado Springs is not liable for any cost incurred by vendors in preparing their response. Respondents may be asked to clarify or expand upon information provided.

2.7 Inquiries

Vendors may make inquiries of a procedural nature concerning this RFI to:

Sandy Elliott, Contracting Specialist
City of Colorado Springs Contracting Division
30 S. Nevada Avenue, Suite 201
Colorado Springs, CO 80903
Phone: (719) 385-5275, Fax: (719) 475-8477
Email: selliott@springsgov.com

Responses to this RFI are considered non-binding proposals and are only used to gather information to determine the number of valid competitors that exist in the local market for future competitive procurement. All firms that respond to this RFI and meet the minimum criteria in section 1.2 below will be added to the bidder's list for any future formal competitive procurement for these services.

Evergreen and Fairview Cemeteries

History

Evergreen Cemetery is Colorado Springs' oldest continuously operated cemetery, established shortly after the town was founded in 1871. In 1875, it was deeded to the City of Colorado Springs by Colorado Springs' founder General William Jackson Palmer.

Several cemeteries served the Colorado Springs area before Evergreen's founding. All these cemeteries were either abandoned or moved to other sites for various reasons. Within the City's inaugural year, General Palmer reserved acreage outside of Colorado Springs proper to create Evergreen Cemetery. A portion of the old El Paso County Cemetery was moved to Evergreen Cemetery. Until 1877, when the Cemetery's name was changed to Evergreen, it was called Mt. Washington or Mountain Home Cemetery.

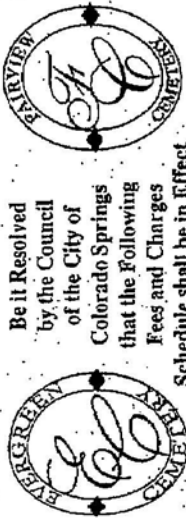
Today, Evergreen Cemetery is a 200-acre urban oasis located inside Colorado Springs. More than 80,000 individuals are interred in this facility. City cemeteries average between 600 to 700 burials annually. Despite these impressive numbers, the City cemeteries have room for at least another 75 to 100 years.

Twenty years after the City of Colorado Springs began operating Evergreen Cemetery, Fairview Cemetery in nearby Colorado City was established. Its management was assumed by the City when annexed by Colorado Springs in 1917.

Fairview Cemetery is tucked inside a west Colorado Springs neighborhood. The 32-acre site exudes the charm and quaintness of a frontier graveyard. Fairview is home to many fascinating figures who were instrumental in establishing the history of Colorado City, which for a brief time was the territorial capital of Colorado. As early as 1859, Colorado City was a supply town for prospectors looking for gold in the Rocky Mountains. Fairview Cemetery continues to attract those who wish to join the ranks of Colorado City's early day history makers. In fact, Fairview has remained the cemetery of choice for many local west side residents of Colorado Springs.

Most cemetery blocks at the cemeteries are endowed, which means the grave space purchasers paid for perpetual care of their grave sites. Created in 1902, the Perpetual Care Fund provides the resources for the City's obligation to mow, water and fertilize cemetery grounds forever. Aboveground monument maintenance is the responsibility of the purchasers and their heirs. In the last ten years Evergreen cemetery has embarked on fundraising campaigns with Friends groups to begin restoring Cemetery structures and older monuments where heirs no longer exist.

In 2008, the City passed an ordinance which created a Perpetual Care Fund for new aboveground improvements. Grave space owners may now choose to place site improvements beyond the traditional headstone and enjoy the commitment of perpetual care by the enterprise operation.



Be it Resolved
by the Council
of the City of
Colorado Springs
that the following
Fees and Charges
Schedule shall be in Effect
for all Municipally Owned and Operated Cemeteries,
Effective January 1, 2007:

CITY OF COLORADO SPRINGS CEMETERIES

2007 Fees & Charges Schedule

Casket Grave Spaces

Basic spaces	\$800
Premium spaces	\$1,000
Premier spaces	\$1,300
Double depth spaces	\$1,750
Child spaces	\$325
Infant spaces	\$295

Opening and Closing Fees

Casket burial	\$800
Pre-need Opening and Closing for caskets	\$800
Child/Infant burial	\$295
Cremation Opening and Closing	\$400
Vault or Vault Bed Supervision fee*	\$100

*This fee is charged on all burial vaults or vault beds
used in either of the City Cemeteries and is included in
our prices

Burial Vaults*

City Polyguard	\$600
Cremation Vault	\$250
Tamping fee in lieu of burial vault	\$500

Note: Other Vaults, including oversized are available
upon request, at current market price.

*Prices include Sales Tax and Vault Supervision fee

Cremation Options

Upright Cremation spaces	\$600
Old section Cremation spaces	\$500
Flat stone Cremation spaces	\$400
Cremation Estates	\$1,200
Cremation Garden (includes opening and closing and engraving)	\$500
Columbarium Niches (includes engraving)	
Bottom row	\$1,200
Second row	\$1,300
Third row	\$1,400
Top row	\$1,500
Palmer Columbarium Niches (includes engraving)	\$2,500
Heart level	\$2,200
1st and 7th row	\$2,300
2nd and 6th row	\$2,400
3rd and 5th row	\$400
Cremation Opening and Closing	\$400

Overtime Charges

Saturday charge (8:00 AM till 1:00 PM)	\$200
Saturday afternoon, Sundays, all City Holidays and Weekdays after 5:00 PM	\$800
Weekdays from 4:15 to 5:00 PM	\$135

Miscellaneous Fees and Charges

Adult casket disinterments	\$945
Double depth disinterments	\$1,445
Infant/Cremains disinterments	\$325
Canopy request	\$150
Certificate Transfer fee	\$100
VA Marker setting fee	\$100
Memorial Foundations	
Inspection fee (per square inch)	\$40
Setting fee (per square inch)	\$40
Memorial Bench fee	\$250
New Vault Testing fee	\$600
Contract Admin. Fee	10% of contracted amount
"Here Lies Colorado Springs" book	\$30
Vault or Vault Bed Supervision fee	\$100

Social Services Assistance*

DHS Grave Space	\$200
DHS Opening and Closing	\$300

*With approval from the Department of Human
Services



The City Cemeteries pre-sell grave spaces, niches,
opening and closing fees and select burial vaults
for those desiring to lock in burial costs before
need.

We also sell grave spaces and niches over time
with a contract that requires \$100 down payment
per space or niche, a 10% Admin. Fee and
quarterly payments ending in one year. No burials
or inurnments until space or niche is paid in full.
All pre-need services require space or niche
ownership.

All Cemetery fees must be paid before burials.
The Cemeteries do not accept insurance
consignments, promissory notes or other
agreement instruments.

See Cemetery offices for grave decoration policies
and information on clean-up periods.



Call for an appointment today:

Evergreen Cemetery
1005 South Hancock Avenue
(719) 578-6646

Fairview Cemetery
1000 South 26th Street
(719) 578-6638



Cemeteries

William B. DeBoer, Jr., Manager • 1005 S. Hancock Ave., Colorado Springs, CO 80903 • (719) 578-6646 • wdeboer@springsgov.com

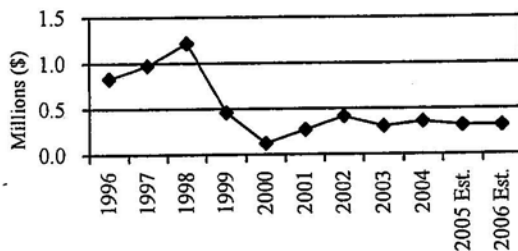
MISSION

To provide self-supportive, quality cemetery services for the public for the interment of the deceased in a dignified and respectful manner and to maintain the perpetual care responsibilities to the cemetery grounds.

SERVICES

- Perform burials, inurnments and disinterments
- Sales of cemetery spaces and niches
- Sales of burial vaults and flat headstones
- Pre-need sales of cemetery spaces, niches, and burial services
- Maintain cemeteries' grounds and honor perpetual care responsibilities
- Maintain burial records and historical data and provide cemetery information
- Install memorial foundations and Veterans Administration (VA) markers

ESTIMATED FUND BALANCE



BUDGET SUMMARY

	2003 Actual	2004 Actual	2005 Budget	2005 Est. Year End	2006 Budget
Sources of Funds					
Interments and Removals	\$ 417,262	\$ 418,600	\$ 458,325	\$ 421,695	\$ 491,340
Sales of Lots	363,285	396,096	429,025	401,822	464,145
Interest - Endowment & Other	259,273	258,059	260,000	193,000	252,000
Sales Burial Vaults & Bronze Markers	112,538	137,747	139,000	143,666	153,000
Miscellaneous	45,875	50,437	53,000	51,472	55,500
Total	\$1,198,233	\$1,260,939	\$1,339,350	\$1,211,655	\$1,415,985

BUDGET SUMMARY

	2003 Actual	2004 Actual	2005 Budget	2005 Est. Year End	2006 Budget
Uses of Funds					
Salary/Benefits	\$ 717,386	\$ 762,977	\$ 755,209	\$ 755,209	\$ 786,684
Operating	374,182	452,103	557,774	496,381	545,112
Capital Outlay	225,000	13,721	27,500	0	84,000
Capital Project	0	0	0	0	0
Total	\$1,316,568	\$1,228,801	\$1,340,483	\$1,251,590	\$1,415,796

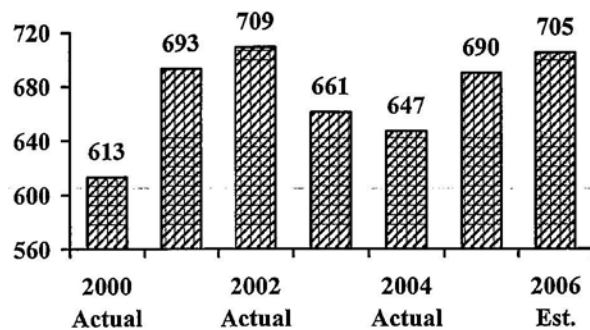
The estimated ending fund balance differs from that in the Comprehensive Annual Financial Report. It is determined by netting current assets and current liabilities less outstanding obligations such as contracts and purchase orders. This allows for only current liquid and available amounts to be appropriated by the Division.

PERSONNEL

	2003 Actual	2004 Actual	2005 Budget	2005 Est. Year End	2006 Budget
Classification					
Manager	1.0	1.0	1.0	1.0	1.0
Supervisor	3.0	3.0	3.0	3.0	3.0
General	8.0	8.0	8.0	8.0	8.0
FTE Total	12.0	12.0	12.0	12.0	12.0

PERFORMANCE INDICATORS

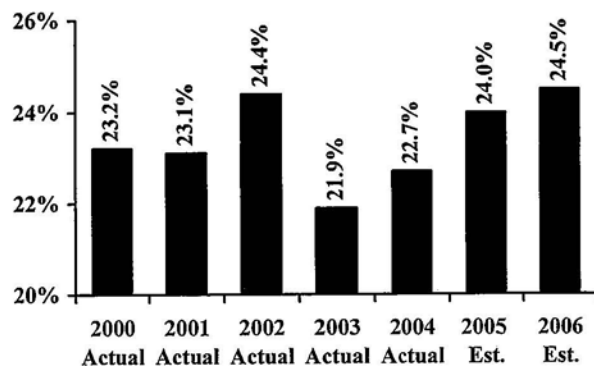
of Burial Services



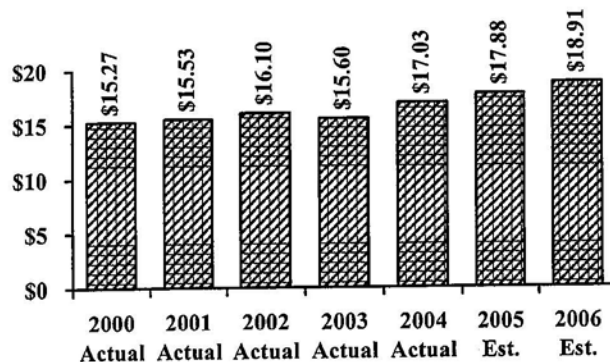
The Cemeteries performed 647 burial services in 2004. In 2004, the death rate for El Paso County decreased nearly 6 percent; but the Cemeteries only saw about a 2 percent reduction in services from the previous year. In 2004, of the 3,311 people who died in the county, 58.77 percent or 1,946 persons chose cremation as final disposition. The Pikes Peak region has some of the highest cremation rates in the nation. Cremation services account for only about 25 percent of the City cemeteries' business. The biggest problem affecting the cemeteries is the amount of people who do not use them anymore. The Division will continue to promote the facilities and try to focus on attracting more cremation customers as funds allow. Because of the self-funded status of the cemeteries, the Cemeteries will stay open as long as the community continues to support operations. As with all cemeteries, eventually they close and only existing graves are maintained. Fairview Cemetery has already reached a point where future expansion is unfeasible and operations there are heavily subsidized by Evergreen Cemetery.

Market share for the City cemeteries is calculated by the number of burial services performed annually versus the number of deaths in El Paso County minus the deceased that are shipped out of State, donated to the anatomical board, or entombed. Although the Division remains optimistic for the future, currently the market share is slipping. Factors influencing market share include the rapidly escalating cremation rates, competition from private cemeteries and free military burials at national cemeteries for veterans and spouses, and a societal shift of people not valuing burial services anymore. There will always be families that choose ground burial, but this will become more costly; and the availability of premier burial sites will be drastically reduced. Increasing operating costs versus declining participation will jeopardize the affordability and ability for many cemeteries including the City cemeteries to stay open.

% of Market Share



Maintenance Cost per Grave Site



Cost per gravesite maintained is calculated by dividing a baseline figure of 70,000 graves into annual salaries and benefits and operating expenses less capital expenditures. In the past, the cost per grave maintained has steadily increased over time. Maintenance costs typically rise over time. What has become more burdensome is that the cost per grave is rising faster than inflation, and participation is showing downward trends. Upward moving salaries and benefits, rapidly rising water costs, and fuel and energy increases will affect how long the cemeteries will be self-supportive and more importantly how long Evergreen and Fairview Cemeteries will be open. Evergreen has room for another 75 or 100 years of burials, but it is doubtful financially how long it can continue to serve the community because of its self-supportive nature.

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERY FUND
CEMETERIES**

		2003	2004	2005	2006
	ACCOUNT	ACTUAL	ACTUAL	BUDGET	BUDGET
51205	CIVILIAN SALARIES	532,444	554,511	551,891	580,473
51210	OVERTIME	13,444	14,857	16,500	15,500
51220	SEASONAL TEMPORARY	20,880	21,840	22,880	22,880
51230	SHIFT DIFFERENTIAL	0	4	0	0
51240	RETIREMENT TERMINATION SICK	881	12,096	0	0
51245	RETIREMENT TERM VACATION	(349)	10,429	0	0
51255	CONVERSION OF SICK LEAVE	2,207	0	0	0
51260	VACATION BUY	415	0	0	0
51299	SALARIES REIMBURSEMENTS	(412)	0	0	0
51610	PERA	53,066	57,519	56,759	57,684
51615	WORKERS COMPENSATION	19,251	17,795	19,545	21,879
51620	EQUITABLE LIFE INSURANCE	1,635	1,680	2,208	2,332
51625	VISION CARE	700	703	864	766
51640	DENTAL INSURANCE	4,184	4,376	5,142	5,104
51655	RETIRED EMP MEDICAL INS	10,622	10,419	14,972	17,637
51665	CASH BACK	1,685	3,176	2,155	4,031
51675	UNEMPLOYMENT INSURANCE	0	0	3,000	3,527
51690	MEDICARE	4,384	4,614	5,125	4,335
51695	CITY EPO MEDICAL PLAN	52,349	48,959	54,168	50,536
	TOTAL SALARIES AND BENEFITS	717,387	762,977	755,209	786,684
52110	OFFICE SUPPLIES	2,313	2,167	2,500	2,250
52115	MEDICAL SUPPLIES	72	112	500	450
52120	SOFTWARE MICRO/WORD PROCESS	547	588	500	500
52122	CELL PHONE EQUIP AND SUPPLIES	81	137	0	0
52125	GENERAL SUPPLIES	1,537	1,846	2,500	2,000
52135	POSTAGE	556	589	800	850
52140	WEARING APPAREL	166	468	500	500
52145	PAINT AND CHEMICAL	0	0	500	500
52150	SEED AND FERTILIZER	14,638	11,906	16,000	14,000
52165	LICENSES AND TAGS	16	0	100	100
52175	SIGNS	0	105	250	150
52190	JANITORIAL SUPPLIES	522	413	750	500
52205	MAINT LANDSCAPING	0	150	1,000	1,000
52210	MAINT TREES	8,813	8,925	14,000	12,000
52215	MAINT GROUNDS	13,129	20,311	12,000	18,000
52220	MAINT OFFICE MACHINES	0	0	50	50
52225	MAINT MICROS WORD PROCESSOR	1,319	0	500	250
52235	MAINT MACHINERY & APPARATUS	17,184	28,874	22,500	25,000
52240	MAINT NONFLEET VEHICLES EQP		267	2,000	750
52250	MAINT RADIOS ALLOCATION	2,000	1,873	2,500	2,500
52265	MAINT BUILDINGS & STRUCTURE	6,044	580	30,000	30,000
52270	MAINT WELLS AND RESERVOIRS	5,952	7,768	6,000	7,000
52405	ADVERTISING SERVICES	20,945	14,828	20,000	15,550
52410	BUILDING SECURITY SERVICES	0	400	0	5,000
52450	LAUNDRY & CLEANING SERVICES	0	0	100	100
52575	SERVICES	104,576	102,397	156,074	119,200
52605	CAR MILEAGE	0	57	100	100
52615	DUES AND MEMBERSHIP	740	400	1,200	800
52625	MEETING EXPENSES IN TOWN	23	0	300	300
52630	TRAINING	593	60	600	100

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERY FUND
CEMETERIES**

		2003	2004	2005	2006
	ACCOUNT	ACTUAL	ACTUAL	BUDGET	BUDGET
52635	EMPLOYEE EDUCATIONL ASSIST	0	140	2,000	2,000
52645	SUBSCRIPTIONS	0	0	150	150
52655	TRAVEL OUT OF TOWN	2,061	2,062	2,000	2,000
52705	COMMUNICATIONS	11,365	11,134	10,978	16,750
52735	TELEPHONE LONG DIST CALLS	650	138	600	500
52736	CELL PHONE AIRTIME	579	1,076	650	1,200
52740	GENERAL INSURANCE-CITY	1,706	1,553	1,500	1,500
52743	UTILITIES STREET LIGHTS	517	339	600	500
52746	UTILITIES ELECTRIC	4,975	6,162	7,000	7,200
52747	UTILITIES GAS	4,412	6,041	8,300	8,300
52748	UTILITIES SEWER	426	654	2,500	2,500
52749	UTILITIES WATER	37,710	59,391	80,000	96,934
52775	MINOR EQUIPMENT	166	0	3,000	500
52795	RENTAL OF EQUIPMENT	0	91	500	350
52805	ADMIN PRORATED CHARGES	80,028	82,188	77,003	75,318
52806	PAYMENT IN LIEU OF TAXES	5,160	3,696	3,269	3,310
52872	MAINT FLEET VEHICLES EQP	9,887	11,723	13,000	13,000
52874	OFFICE SERVICES PRINTING	1,387	1,049	1,500	1,200
52875	OFFICE SERVICES RECORDS	113	81	100	100
52880	PURCHASES FOR RESALE	9,199	57,288	47,000	50,000
52893	RENTAL OF FLEET VEHICLES	0	0	100	100
52927	TEL COM PASSTHRU LONG DIST	0	0	100	100
52970	ENVIRON PROTECTION PROGRAM	2,074	2,076	2,100	2,100
	TOTAL OPERATING EXPENSES	374,182	452,103	557,774	545,112
53050	MACHINERY AND APPARATUS	0	9,360	0	38,000
53070	VEHICLES REPLACEMENT	0	0	17,500	20,000
53090	BUILDINGS AND STRUCTURES	225,000	4,361	10,000	26,000
	TOTAL CAPITAL OUTLAY	225,000	13,721	27,500	84,000
	ORGANIZATION TOTAL	1,316,568	1,228,801	1,340,483	1,415,796

Cemeteries

William B. DeBoer, Jr., Manager • 1005 S. Hancock Ave., Colorado Springs, CO 80903 • (719) 578-6646 • wdeboer@springsgov.com

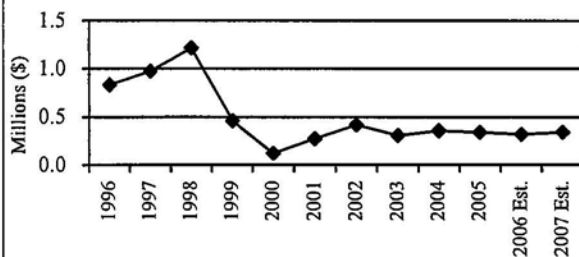
MISSION

To provide self-supportive, quality cemetery services for the public for the interment of the deceased in a dignified and respectful manner and to maintain the perpetual care responsibilities to the cemetery grounds.

SERVICES

- Perform burials, inurnments and disinterments
- Sales of cemetery spaces and niches
- Sales of burial vaults and flat headstones
- Pre-need sales of cemetery spaces, niches, and burial services
- Maintain cemeteries' grounds and honor perpetual care responsibilities
- Maintain burial records and historical data and provide cemetery information
- Install memorial foundations and Veterans Administration (VA) markers

ESTIMATED FUND BALANCE



BUDGET SUMMARY

	2004 Actual	2005 Actual	2006 Budget	2006 Est. Year End	2007 Budget
<u>Sources of Funds</u>					
Interments and Removals	\$ 418,601	\$ 488,686	\$ 491,340	\$ 490,622	\$ 501,126
Sales of Lots	396,096	426,448	464,145	443,827	475,749
Interest – Endowment & Other	258,059	100,917	252,000	215,000	260,000
Sales Burial Vaults & Bronze Markers	137,747	132,850	153,000	141,500	147,000
Miscellaneous	50,437	54,447	55,500	55,301	59,500
Total	\$1,260,939	\$1,181,267	\$1,415,985	\$1,346,250	\$1,443,375
<u>Uses of Funds</u>					
Salary/Benefits	\$ 762,977	\$ 768,550	\$ 786,684	\$ 790,000	\$ 747,833
Operating	452,103	476,936	545,112	496,821	626,104
Capital Outlay	13,721	0	84,000	59,000	68,000
Capital Project	0	0	0	0	0
Total	\$1,228,801	\$1,245,486	\$1,415,796	\$1,345,821	\$1,441,937

The estimated ending fund balance differs from that in the Comprehensive Annual Financial Report. It is determined by netting current assets and current liabilities less outstanding obligations such as contracts and purchase orders. This allows for only current liquid and available amounts to be appropriated by the Division.

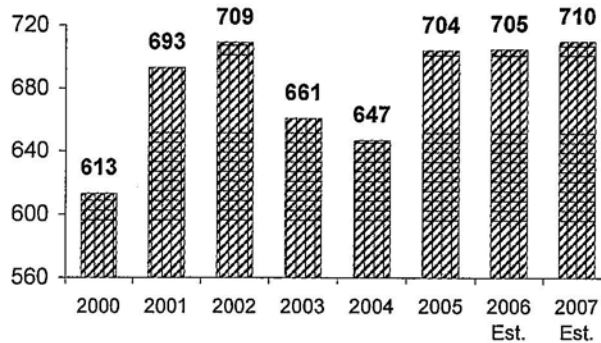
PERSONNEL

Classification	2004 Actual	2005 Actual	2006 Budget	2006 Est. Year End	2007 Budget
Manager	1.0	1.0	1.0	1.0	1.0
Supervisor	3.0	3.0	3.0	3.0	3.0
General	8.0	8.0	8.0	8.0	7.0
FTE Total	12.0	12.0	12.0	12.0	11.0

For 2007, one Maintenance Mechanic position is eliminated.

PERFORMANCE INDICATORS

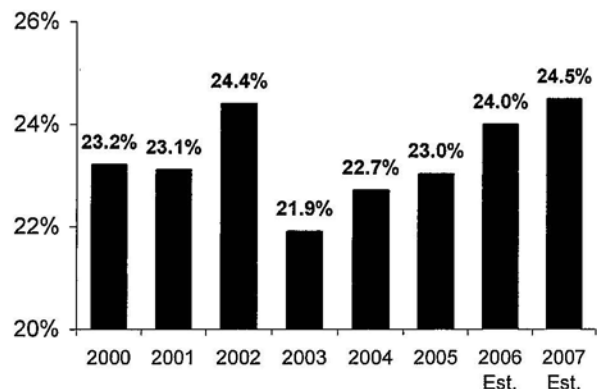
of Burial Services



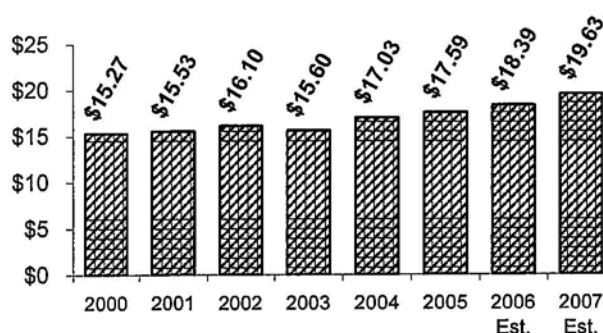
The cemeteries performed 704 burial services in 2005. In 2005, the death rate for El Paso County increased 6.31 percent. The City cemeteries saw an 8.1 percent increase in burial services. Last year, of the 3,522 people who died in the county, 59.7 percent or 2,103 persons chose cremation. The Pikes Peak region has some of the highest cremation rates in the nation. In 2005, cremation services accounted for only about 29.42 percent of the City cemeteries' business. Evergreen and Fairview hosted 210 cremation services last year or only 10 percent of all cremation dispositions. On a positive note, the City cemeteries currently account for 53.4 percent of all the burials in El Paso County. The biggest problem affecting the cemeteries is the amount of people who do not use them anymore. The Division will continue to promote the facilities and try to focus on attracting more cremation customers as funds allow. Because of the self-funded or enterprise status of the cemeteries, the Cemeteries will stay open as long as the community continues to support operations.

Market share for the City cemeteries is calculated by the number of burial services performed annually versus the number of deaths in El Paso County minus the deceased that are shipped out of state, donated to the anatomical board, or entombed. Factors influencing market share include the rapidly escalating cremation rates, competition from private cemeteries and free military burials at national cemeteries for veterans and spouses, and a societal shift of people not valuing burial services anymore. Although our market share has only moved a percentage point up or down over the last few years, these seemingly small percentages impact revenue. Like other cemeteries all across the nation, we will have to deal with declining participation and increasing costs that support our operations.

% of Market Share



Maintenance Cost per Grave Site



Cost per gravesite maintained is calculated by dividing a baseline figure of 70,000 graves into annual salaries and benefits and operating expenses less capital expenditures. The cost per grave maintained has steadily increased over time. Maintenance costs have risen since 2000. What has become more burdensome is that the cost per grave is rising faster than inflation, and participation is showing downward trends. In 2007, the cemeteries will not replace a retiring FTE; and depending on how prospective bids come out, we will be looking at outsourcing the mowing and trimming operations at Evergreen. Like other similar businesses, when opportunities arise to contract out various services, we will most certainly explore these chances to reduce operating costs but will always seek to maintain quality and reliability.

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERIES FUND
CEMETERIES**

	2004	2005	2006	2007
ACCOUNT	ACTUAL	ACTUAL	BUDGET	BUDGET
51205 CIVILIAN SALARIES	554,511	559,060	580,473	543,179
51210 OVERTIME	14,857	19,367	15,500	17,000
51220 SEASONAL TEMPORARY	21,840	22,560	22,880	24,960
51230 SHIFT DIFFERENTIAL	4	0	0	0
51240 RETIREMENT TERMINATION SICK	12,096	14,595	0	0
51245 RETIREMENT TERM VACATION	10,429	890	0	0
51260 VACATION BUY	0	144	0	0
51299 SALARIES REIMBURSEMENTS	0	(863)	0	0
51610 PERA	57,519	57,989	57,684	53,213
51615 WORKERS COMPENSATION	17,795	17,802	21,879	22,426
51620 EQUITABLE LIFE INSURANCE	1,680	1,724	2,332	2,300
51625 VISION CARE	703	697	766	766
51640 DENTAL INSURANCE	4,376	4,638	5,104	5,200
51655 RETIRED EMP MEDICAL INS	10,419	10,533	17,637	14,500
51665 CASH BACK	3,176	3,238	4,031	4,250
51675 UNEMPLOYMENT INSURANCE	0	0	3,527	3,200
51690 MEDICARE	4,614	4,621	4,335	4,500
51695 CITY EPO MEDICAL PLAN	48,959	51,556	50,536	52,339
TOTAL SALARIES AND BENEFITS	762,977	768,550	786,684	747,833
52110 OFFICE SUPPLIES	2,167	1,139	2,250	2,250
52115 MEDICAL SUPPLIES	112	77	450	450
52120 SOFTWARE MICRO WORD PROCESS	588	0	500	500
52122 CELL PHONES EQUIP / SUPPLIES	137	0	0	200
52125 GENERAL SUPPLIES	1,846	1,975	2,000	2,000
52135 POSTAGE	589	659	850	850
52140 WEARING APPAREL	468	110	500	500
52145 PAINT AND CHEMICAL	0	0	500	300
52150 SEED AND FERTILIZER	11,906	12,779	14,000	14,500
52165 LICENSES AND TAGS	0	0	100	100
52175 SIGNS	105	0	150	150
52190 JANITORIAL SUPPLIES	413	601	500	650
52205 MAINT LANDSCAPING	150	0	1,000	1,000
52210 MAINT TREES	8,925	8,775	12,000	14,000
52215 MAINT GROUNDS	20,311	11,382	18,000	18,000
52220 MAINT OFFICE MACHINES	0	0	50	50
52225 MAINT MICROS WORD PROCESSOR	0	0	250	250
52235 MAINT MACHINERY / APPARATUS	28,874	26,211	25,000	12,500
52240 MAINT NONFLEET VEHICLES EQP	267	0	750	1,000
52250 MAINT RADIOS ALLOCATION	1,873	1,600	2,500	2,500
52265 MAINT BUILDINGS / STRUCTURE	580	7	30,000	30,000
52270 MAINT WELLS AND RESERVOIRS	7,768	6,591	7,000	7,500
52405 ADVERTISING SERVICES	14,828	10,607	15,550	16,000
52410 BUILDING SECURITY SERVICES	400	0	5,000	0
52440 HUMAN SERVICES	0	106	0	0
52450 LAUNDRY / CLEANING SERVICES	0	0	100	100
52455 LAWN MAINT SERVICE	0	0	0	120,000
52575 SERVICES	102,397	103,807	119,200	69,275
52605 CAR MILEAGE	57	0	100	100
52615 DUES AND MEMBERSHIP	400	740	800	800

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERIES FUND
CEMETERIES**

		2004	2005	2006	2007
	ACCOUNT	ACTUAL	ACTUAL	BUDGET	BUDGET
52625	MEETING EXPENSES IN TOWN	0	309	300	300
52630	TRAINING	60	0	100	100
52635	EMPLOYEE EDUCATION ASSIST	140	40	2,000	2,000
52645	SUBSCRIPTIONS	0	0	150	150
52655	TRAVEL OUT OF TOWN	2,062	602	2,000	2,000
52705	COMMUNICATIONS	11,134	6,259	16,750	11,750
52735	TELEPHONE LONG DIST CALLS	138	82	500	300
52736	CELL PHONE AIRTIME	1,076	1,566	1,200	200
52738	BASE CHARGES CELL	0	0	0	1,300
52740	GENERAL INSURANCE-CITY	1,553	1,512	1,500	1,600
52743	UTILITIES STREET LIGHTS	339	177	500	0
52746	UTILITIES ELECTRIC	6,162	6,281	7,200	7,500
52747	UTILITIES GAS	6,041	6,145	8,300	8,500
52748	UTILITIES SEWER	654	912	2,500	2,500
52749	UTILITIES WATER	59,391	124,743	96,934	115,000
52775	MINOR EQUIPMENT	0	324	500	500
52795	RENTAL OF EQUIPMENT	91	333	350	400
52805	ADMIN PRORATED CHARGES	82,188	77,004	75,318	78,618
52806	PAYMENT IN LIEU OF TAXES	3,696	3,264	3,310	4,500
52872	MAINT FLEET VEHICLES EQP	11,723	19,211	13,000	16,000
52874	OFFICE SERVICES PRINTING	1,049	984	1,200	1,200
52875	OFFICE SERVICES RECORDS	81	74	100	100
52880	PURCHASES FOR RESALE	57,288	37,874	50,000	52,500
52893	RENTAL OF FLEET VEHICLES	0	0	100	100
52927	TEL COM PASSTHRU LONG DIST	0	0	100	0
52970	ENVIRON PROTECTION PROGRAM	2,076	2,076	2,100	2,400
NEW	STORMWATER FEE	0	0	0	1,061
	TOTAL OPERATING EXPENSES	452,103	476,936	545,112	626,104
53050	MACHINERY AND APPARATUS	9,360	0	38,000	18,000
53070	VEHICLES REPLACEMENT	0	0	20,000	20,000
53090	BUILDINGS AND STRUCTURES	4,361	0	26,000	30,000
	TOTAL CAPITAL OUTLAY	13,721	0	84,000	68,000
	ORGANIZATION TOTAL	1,228,801	1,245,486	1,415,796	1,441,937

Cemeteries

William B. DeBoer, Jr., Manager • 1005 S. Hancock Ave., Colorado Springs, CO 80903 • (719) 578-6646 • wdeboer@springsgov.com

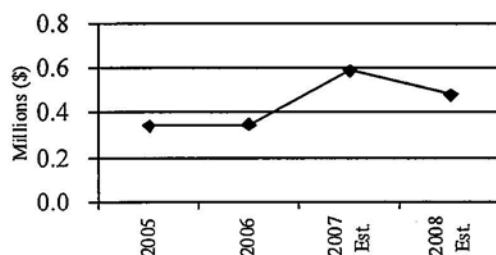
MISSION

To provide self-supportive, quality cemetery services for the public for the interment of the deceased in a dignified and respectful manner and to maintain the perpetual care responsibilities to the cemetery grounds:

SERVICES

- Perform burials, inurnments and disinterments
- Sales of cemetery spaces and niches
- Sales of burial vaults and flat headstones
- Pre-need sales of cemetery spaces, niches, and burial services
- Maintain cemeteries' grounds and honor perpetual care responsibilities
- Maintain burial records and historical data and provide cemetery information
- Install memorial foundations and Veterans Administration (VA) markers

ESTIMATED FUND BALANCE



BUDGET SUMMARY

	2005 Actual	2006 Actual	2007 Budget	2007 Est. Year End	2008 Budget
Sources of Funds					
Interments and Removals	\$ 488,686	\$ 478,995	\$ 501,126	\$ 483,558	\$ 502,945
Sales of Lots	426,448	466,663	475,749	469,784	489,996
Interest – Endowment & Other	100,917	174,841	260,000	178,300	208,700
Sales Burial Vaults & Bronze Markers	132,850	125,644	147,000	142,000	143,000
Miscellaneous	54,447	64,465	59,500	248,098	75,478
Total	\$1,181,267	\$1,310,608	\$1,443,375	\$1,521,740	\$1,420,119
Uses of Funds					
Salary/Benefits	\$ 768,550	\$ 780,702	\$ 747,833	\$ 732,615	\$ 767,425
Operating	476,936	473,579	626,104	499,033	665,096
Capital Outlay	0	45,000	68,000	54,000	95,000
Capital Project	0	0	0	0	0
Total	\$1,245,486	\$1,299,281	\$1,441,937	\$1,285,648	\$1,527,521

The estimated ending fund balance differs from that in the Comprehensive Annual Financial Report. It is determined by netting current assets and current liabilities less outstanding obligations such as contracts and purchase orders. This allows for only current liquid and available amounts to be appropriated by the Division.

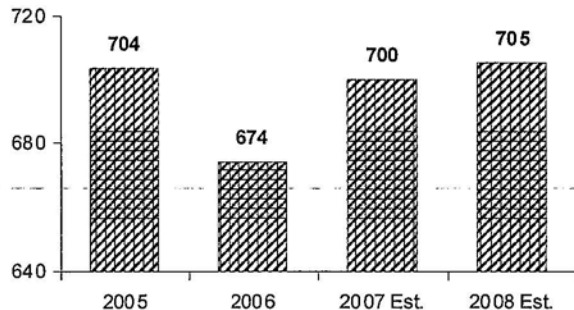
PERSONNEL

Classification	2005 Actual	2006 Actual	2007 Budget	2007 Est. Year End	2008 Budget
Manager	1.00	1.00	1.00	1.00	1.00
Supervisor	3.00	3.00	3.00	3.00	3.00
General	8.00	8.00	7.00	7.00	7.00
FTE Total	12.00	12.00	11.00	11.00	11.00

For 2007, one Maintenance Mechanic position was eliminated.

PERFORMANCE INDICATORS

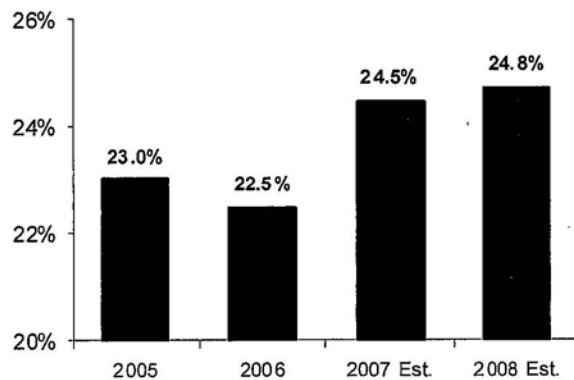
of Burial Services



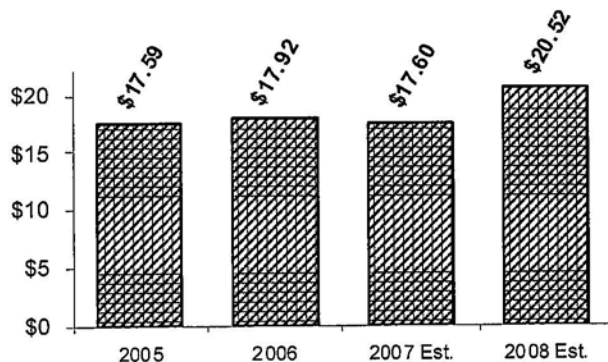
The cemeteries performed 674 burial services in 2006. In 2006, the death rate for El Paso County decreased 2.7% from 2005. The City cemeteries saw a 4.3% decrease in burial services. Last year, of the 3,345 people who died in the county, 63% or 2,120 persons chose cremation. The Pikes Peak Region has some of the highest cremation rates in the nation. In 2006, cremation services accounted for only about 31% of the City cemeteries' business. Evergreen and Fairview hosted 206 cremation services last year or only about 10% of all cremation dispositions. On a positive note, the City cemeteries currently account for about 53% of all the burials in El Paso County. The unique challenge affecting the cemeteries is the amount of people who do not use them anymore. The Division will continue to promote the facilities and try to focus on attracting more cremation customers as funds allow. Because of the self-funded status of the Cemeteries, the Cemeteries will stay open as long as the community continues to support operations.

Market share for the City cemeteries is calculated by the number of burial services performed annually versus the number of deaths in El Paso County minus the deceased that are shipped out of state, donated to the anatomical board, or entombed. Factors influencing market share include the rapidly escalating cremation rates, competition from private cemeteries, free military burials at national cemeteries for veterans and spouses, and a societal shift of people not valuing burial services anymore. Although our market share has only moved a percentage point up or down over the last few years, these seemingly small percentages impact revenue.

% of Market Share



Maintenance Cost per Grave Site



Cost per gravesite maintained is calculated by dividing a baseline figure of 70,000 graves into annual salaries and benefits and operating expenses less capital expenditures. The cost per grave maintained has steadily increased over time. The maintenance cost per grave decreased slightly for 2007 because of the reduction of one FTE; but due to increases in other areas, the prediction for 2008 is a significant increase. Operations will continue to be examined for maintenance efficiencies; but as costs increase, cemetery fees and charges will need to be raised in 2009 to keep pace with the needs of running two municipal cemetery operations in the manner that the community demands.

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERIES FUND
CEMETERIES**

ACCOUNT	2005 ACTUAL	2006 ACTUAL	2007 BUDGET	2008 BUDGET
51205 CIVILIAN SALARIES	559,060	571,800	543,179	558,116
51210 OVERTIME	19,367	22,507	17,000	17,000
51220 SEASONAL TEMPORARY	22,560	23,380	24,960	12,000
51240 RETIREMENT TERMINATION SICK	14,595	4,070	0	16,000
51245 RETIREMENT TERM VACATION	890	-12	0	0
51260 VACATION BUY	144	745	0	0
51299 SALARIES REIMBURSEMENTS	-863	-732	0	0
51610 PERA	57,989	63,258	53,213	58,534
51615 WORKERS COMPENSATION	17,802	21,139	22,426	22,426
51620 EQUITABLE LIFE INSURANCE	1,724	1,759	2,300	2,300
51625 VISION CARE	697	693	766	800
51640 DENTAL INSURANCE	4,638	4,620	5,200	5,200
51655 RETIRED EMP MEDICAL INS	10,533	6,877	14,500	10,000
51665 CASH BACK	3,238	3,170	4,250	3,500
51675 UNEMPLOYMENT INSURANCE	0	0	3,200	0
51690 MEDICARE	4,621	4,743	4,500	4,500
51695 CITY EPO MEDICAL PLAN	51,556	52,683	52,339	57,049
Total Salaries and Benefits	768,550	780,702	747,833	767,425
52110 OFFICE SUPPLIES	1,139	1,968	2,250	2,300
52115 MEDICAL SUPPLIES	77	0	450	400
52120 COMPUTER SOFTWARE	0	0	500	350
52122 CELL PHONES EQUIP/ SUPPLIES	0	30	200	100
52125 GENERAL SUPPLIES	1,975	3,129	2,000	3,000
52135 POSTAGE	659	734	850	850
52140 WEARING APPAREL	110	384	500	500
52145 PAINT AND CHEMICAL	0	0	300	250
52150 SEED AND FERTILIZER	12,779	6,858	14,500	10,000
52165 LICENSES AND TAGS	0	0	100	100
52175 SIGNS	0	0	150	150
52190 JANITORIAL SUPPLIES	601	538	650	650
52205 MAINT LANDSCAPING	0	0	1,000	750
52210 MAINT TREES	8,775	17,985	14,000	25,000
52215 MAINT GROUNDS	11,382	13,969	18,000	16,000
52220 MAINT OFFICE MACHINES	0	0	50	50
52225 MAINT COMPUTER SOFTWARE	0	0	250	200
52235 MAINT MACHINERY/APPARATUS	26,211	25,658	12,500	10,500
52240 MAINT NONFLEET VEHICLES EQP	0	3,820	1,000	2,000
52250 MAINT RADIOS ALLOCATION	1,600	1,720	2,500	2,500
52265 MAINT BUILDINGS/STRUCTURE	7	2,665	30,000	10,000
52270 MAINT WELLS AND RESERVOIRS	6,591	4,116	7,500	7,500
52405 ADVERTISING SERVICES	10,607	10,619	16,000	16,000
52440 HUMAN SERVICES	106	0	0	0
52450 LAUNDRY/CLEANING SERVICES	0	0	100	100
52455 LAWN MAINTENANCE SERVICE	0	0	120,000	160,952
52573 CREDIT CARD FEES	0	0	0	4,778
52575 SERVICES	103,807	111,215	69,275	72,775
52605 CAR MILEAGE	0	0	100	100
52615 DUES AND MEMBERSHIP	740	795	800	800

**CITY OF COLORADO SPRINGS
BUDGET DETAIL**

**CEMETERIES FUND
CEMETERIES**

	2005	2006	2007	2008
ACCOUNT	ACTUAL	ACTUAL	BUDGET	BUDGET
52625 MEETING EXPENSES IN TOWN	309	300	300	300
52630 TRAINING	0	695	100	500
52635 EMPLOYEE EDUCATION ASSISTAN	40	45	2,000	500
52645 SUBSCRIPTIONS	0	0	150	150
52655 TRAVEL OUT OF TOWN	602	2,028	2,000	1,000
52705 COMMUNICATIONS	6,259	6,813	11,750	10,500
52735 TELEPHONE LONG DIST CALLS	82	123	300	250
52736 CELL PHONE AIRTIME	1,566	591	200	700
52738 CELL PHONE BASE CHARGES	0	880	1,300	1,000
52740 GENERAL INSURANCE-CITY	1,512	1,503	1,600	1,600
52742 STORMWATER FEE	0	0	1,061	1,200
52743 UTILITIES STREET LIGHTS	177	82	0	0
52746 UTILITIES ELECTRIC	6,281	6,441	7,500	7,600
52747 UTILITIES GAS	6,145	7,008	8,500	8,600
52748 UTILITIES SEWER	912	984	2,500	2,000
52749 UTILITIES WATER	124,743	112,486	115,000	120,000
52775 MINOR EQUIPMENT	324	1,376	500	1,500
52795 RENTAL OF EQUIPMENT	333	0	400	300
52805 ADMIN PRORATED CHARGES	77,004	75,318	78,618	74,082
52806 PAYMENT IN LIEU OF TAXES	3,264	3,310	4,500	3,309
52872 MAINT FLEET VEHICLES EQP	19,211	18,209	16,000	25,000
52874 OFFICE SERVICES PRINTING	984	959	1,200	1,200
52875 OFFICE SERVICES RECORDS	74	96	100	100
52880 PURCHASES FOR RESALE	37,874	25,932	52,500	52,500
52893 RENTAL OF FLEET VEHICLES	0	120	100	150
52970 ENVIRON PROTECTION PROGRAM	2,076	2,076	2,400	2,400
Total Operating Expenses	476,936	473,579	626,104	665,096
53050 MACHINERY AND APPARATUS	0	0	18,000	0
53070 VEHICLES REPLACEMENT	0	0	20,000	35,000
53090 BUILDINGS AND STRUCTURES	0	45,000	30,000	60,000
Total Capital Outlay	0	45,000	68,000	95,000
Total Expenses	1,245,486	1,299,281	1,441,937	1,527,521