

Vermont Cemetery Association Perpetual Care Formula Worksheet

What value should my perpetual care / endowment care fund be?

WORKSHEET

WORKSHEET		<i>EXAMPLE:</i>
A.	Total Annual Budget (include volunteer hours minimum \$25/hr)	\$5,000
	\$ _____	
B.	# of total graves (sold and unsold inventory)	1000

C.	Budget / # of graves A / B	\$5.00
	\$ _____ Annual Cost per Grave	
D.	C / % return (Principal amount for each grave, part of selling price) (3% - 5% return is conservative, should add 2%-4% for growth)	\$62.50 8% return (\$5.00 / .08)

	Portion of Lot Price	
E.	D multiply by # of graves (Value of Endowment Fund Needed at a minimum)	\$62,500
	\$ _____	

Endowment / Perpetual Care Fund - a cemetery investment fund in which only the annual earnings are used in the financing of a cemetery budget including maintenance, equipment purchase, capital projects and future land acquisition.