



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer

**From:** **Alex Wolfe, Deputy Clerk**  
**Rebekah Msuya-Collison, Director of Legislative Services**

**Date:** November 1 2021

**Report:** CL37-2021

**Subject:** Cemetery Services Fees and Charges By-law Update

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### **Recommendations:**

**That** South Huron Council receives the report from Alex Wolfe, Deputy Clerk, and Rebekah Msuya-Collison, Director of Legislative Services re Cemetery Service Fees and Charges By-Law Update; and

**That** the Municipality no longer offer preneed interment (opening/closing) sales; and

**That** the proposed recommended changes to Cemetery Services Fees be approved effective January 1, 2022; and

**That** the necessary by-law be forwarded to Council for the required three readings.

### **Purpose:**

Information and Approval

### **Background and Analysis:**

South Huron Committee of the Whole received the Exeter Public Cemetery Master Plan presentation and report at their August 30, 2021<sup>st</sup> meeting. The presentation provided Council a framework and approach to future administration of the Exeter Public Cemetery. South Huron Council validated and approved the Exeter Public Cemetery Master Plan Summary of

Recommendations and High-level Implementation Plan (report CL#32-2021) at their September 20<sup>th</sup> 2021<sup>st</sup>.

As part of the recommendations from the plan, staff were tasked to bring a report to Council with the proposed fee changes. The report was to include fee comparisons with other municipalities and to provide Council a rationale for their consideration. Staff have reached out to other local municipal cemeteries for price lists in addition to those that were completed by the Consultant as part of the Master Plan process. A copy of the results of the staff survey are attached to this report as Appendix 1 and the Consultant review forms part of the Master Plan.

## **Legislative Overview**

Under *the Ontario Funerals, Burials and Cremation Services Act*, the municipality is responsible for the management, administration, customer service, maintenance and development of the Exeter Public Cemetery grounds and buildings. The Municipality of South Huron provides financial support through the annual taxes raised to supplement the operational costs associated with the care and maintenance of all cemeteries (both active and abandoned).

### **Care and Maintenance**

The current Cemetery Fees and Charges By-Law was passed in 2016. There are legislated changes under Ontario Regulation 30/11 under *the Funeral, Burial and Cremation Services Act, 2002* (FBCSA) which come into effect January 1, 2022. The changes with respect to price lists will require the municipality to increase the minimum care and maintenance fund/account contribution amounts.

### **Format of Price List**

In October of this year, the Bereavement Authority of Ontario (BAO) provided a set of price list templates for bereavement sector operators and recommended that operators make use of the one that applies to their business. The price list template was developed by the BAO to address a recommendation in the Auditor General's Report that templates be developed to enhance price transparency, consumer understanding, and improves protection for consumers.

The proposed price list will include these legislative and template changes.

## **Price Analysis**

Section 6 of the Master Plan provided a competitive price analysis and the consultants noted that the Exeter Public Cemetery prices are reasonably relative to comparable municipal cemeteries and in-line with regional averages. The Plan noted several opportunities that should be evaluated which were outlined in recommendation Number 4 on page 6-37 of the Cemetery Master Plan as follows:

“The Municipality of South Huron should:

- Institute a non-resident surcharge;
- Adjust prices annually to reflect changes in the Consumer Price Index; and,
- Reserve a portion of interment right sales for capital replacement of depleting assets.”

### Non-resident Surcharge

The Master Plan recommends a non-resident surcharge be added to the Cemetery Fees and Charges. The intent of this recommendation is to equitably distribute cemetery costs to those individuals who do not support South Huron through their tax payments. The non-resident surcharge would be applicable, based on certain Council determined parameters and description, to a non-resident purchasing services.

Cemeteries have different definitions on when a non-resident fee is applicable. Some municipalities have non-resident fees on all cemetery services while others have non-residents fees to only certain services. Following a review of regional municipalities, the following municipalities have some type of non-resident surcharge fee: Perth East, Lambton Shores, Goderich, North Huron and St. Mary’s.

Staff will proceed with the following actions in 2022:

- collecting data on the interment records on whether the purchase of services are from a resident or non-resident (this data is not currently being collected);
- review different by-laws for parameters of defining “non-resident” for the purposes of the cemetery fees;
- review historical data as Exeter Public Cemetery at one time did have a non-resident fee, which was removed

**Recommendation #1:** No non-resident surcharge for the 2022 proposed cemetery fees and further review the recommendation to provide Council with clear recommendations for decision making purposes.

### Adjust prices annually to reflect changes in the Consumer Price Index

The Cemetery Plan recommends that prices should be raised each year to ensure that they keep pace with the inflationary rise in costs and would also make it easier to prepare the budget as we would already know what the new rate is going to be. If Council adopts this recommendation, the By-Law will be prepared per existing municipal CPI increase policies (Pay Administration Policy) for consistency.

**Recommendation #2:** Annual CPI increase be incorporated into the 2022 Fees and Charges By-Law.

### Reserve a portion of interment right sales for capital replacement of depleting asset.

Staff have reviewed this recommendation with the Financial Services department and determined that it may take external resources to provide inputs for the analysis.

**Recommendation #3:** Review to take place in 2022 and not part of this update.

### Columbarium Niche:

The current fee by-law states specific fees per specific rows in the Columbarium and the fee template provided by the BAO provides for a range of fees which correlate to the different levels of Niches.

**Recommendation #4:** No change in fees and the format in the proposed fee template changed per BAO template.

### Disinterment Burial (Cremation)

The current by-law does not provide for a distinction between a disinterment of a casket burial and a disinterment for cremation burial and the fee charged for both was \$1,225.00 plus HST.

**Recommendation #5:** Reduce fee in line with the regional average (\$457.00 plus HST) as set out in the Cemetery Master Plan for a disinterment of a cremation burial. This service is very rare and there is little impact to the budget.

### Winter Fee charge:

This fee was included in previous Cemetery By-laws and was removed in the 2014 Cemetery Rates By-Law. The Cemetery Master Plan recommended that appropriate surcharges be added to the fee schedule for winter interment to cover the added costs incurred by the Municipality and those relating to the contractor's winter surcharges for this service.

The Cemetery Master Plan provided a recommendation of the regional average of \$561.00 plus HST. Staff completed a regional cost comparison as an outcome of comments from previous meetings. Staff noted that winter interments listed for some municipalities was the total costs to inter, not just the separate surcharge for winter. Staff reviewed Exeter Public cemetery costs for winter burials and regional cost comparisons and recommend a different fee for Council consideration.

**Recommendation # 6:** Addition of fee of \$300.00 plus HST be set as a fee surcharge for winter burials (traditional).

#### No Vault Set-Up:

The municipality does not maintain equipment for no vault interments and currently recommend a third party with proper equipment and training provide this service. Since 2017/2018, staff have provided contact information to stakeholders to arrange for this service.

**Recommendation #7:** Remove fee as this service is not provided by the municipality.

#### Mausoleum Storage:

Following a review of mausoleum storage in the last five years, the Municipality has provided an average of 1-2 storages for individuals, mostly for funeral homes outside of the Municipality and not interred in the Exeter Public Cemetery.

Throughout the COVID-19 pandemic the directive from the Registrar of the Bereavement Authority of Ontario has been that there is to be no storing of decedents and that disposition occur as soon as possible. There has been no mausoleum storage in 2020/2021.

**Recommendation #8:** Remove storage services and associate fee.

#### Pouring of Monuments/Markers/Foundations & Staking Fee:

Currently there is one contractor that pours foundations at the cemetery and stakeholders have asked the municipality to consider streamlining the process and create flexibility. The current contractor provides limited dates for this service and stakeholders would prefer more flexibility.

Currently, the municipality pays the contractor the full amount received for each foundation fee with no fees received for staff time in staking the placement of monuments. The Municipality will continue to collect payment for Care and Maintenance contribution for monuments and markers. Staff

will continue to complete the installation of markers, and the pouring of any foundations required for markers.

The staking fee falls in line with the following Cemetery Master Plan recommendations:

- that operational expenses should be entirely covered by the fees charged and collected at their time of provision; and
- to continue to improve current cemetery processes, procedures and communications with stakeholders

**Recommendation #9:** Addition of staking fee to the By-Law. There is no recommendation to change the process or fees for the installation of markers.

#### Care and Maintenance Contributions (monuments/markers):

As of January 1, 2022 there is a change in minimum care and maintenance fund/account contribution amounts as set out in Ontario Regulation 30/11 under the Funeral, Burial and Cremation Services Act, 2002 (FBCSA). Care and Maintenance Contributions on lot sales requires no changes and meets the new legislation, the only changes required are to update Care and Maintenance contributions for monuments and markers.

**Recommendation #10:** Update monument and marker contributions per legislation.

#### Preneed interment (opening/closing) sales:

The Cemetery Master Plan recommends that the Municipality only offer preneed sales of interment rights as delivered at the time the contract is paid. The Municipality will continue to allow the purchase of rights to a grave prior to need. The Municipality's only obligation is to maintain that interment right into perpetuity.

Any preneed sale of services, such as future openings/closings are discouraged as they create a future obligation to the Municipality of an unknown amount. Preneed interment sales that have already been collected will be honoured, however it is recommended to no longer offer preneed interment (opening/closing) sales.

**Recommendation #11:** No longer offer preneed interment (opening/closing) sales.

#### Operational Considerations:

The Cemetery Master Plan recommends an annual review of the cemetery fees to confirm adequate care and maintenance contributions, as well as to confirm that costs for services are being covered.

### **South Huron's Strategic Plan:**

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies Strategic Objectives. The following elements are supported by the actions outlined in this report:

- ✓ Administrative Efficiency and Fiscal Responsibility
- ✓ Transparent, Accountable, and Collaborative Governance

### **Financial Impact:**

The proposed fee schedule is attached as Appendix 2, with proposed changes in red, and reasoning behind the proposed changes provided.

Staff are proposing the 2022 fee adjustments to:

- Allow Cemetery Services to meet the upcoming 2022 Cemetery Operating Budget and move closer towards cost recovery of services model.
- Meet legislative requirements
- Streamline current processes and provide stakeholder flexibility

Revenues and expenses will vary depending on the number of the interments, sales and services required. The proposed changes have been adjusted to reflect the recommendations from the Cemetery Master Plan, legislative changes and regional cost comparisons.

### **Legal Impact:**

There are no legal implications for the Corporation resulting from the proposed recommendation.

### **Staffing Impact:**

There are no staffing implications for the Corporation resulting from the proposed recommendation.

### **Communication Actions:**

Ongoing direct communication with stakeholders.

**Policies/Legislation:**

*Funeral, Burial and Cremation Services Act, 2002 (FBCSA)*  
By-Law 28-2016 – Cemetery Rates By-Law

**Consultation:**

S. Becker, Director of Financial Services/Treasurer  
J. Roberts, Deputy Treasurer

**Related Documents:**

Appendix 1 - Regional Cost Comparison  
Appendix 2 – Proposed Fee Schedule Comparison Chart  
[Exeter Public Cemetery Master Plan](#)  
[CL#032-2021 Appendix 1 – High-level Implementation Plan](#)  
[BAO Cemetery Care and Maintenance Fund/Account Contribution Amount Increases \(effective January 1, 2022\)](#)

Respectfully submitted,

**Alex Wolfe, Deputy Clerk**

**Rebekah Msuya-Collison, Director of Legislative Services**