

# Committee of the Whole (1) Report

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**DATE:** Tuesday, June 1, 2021

**WARD(S):** ALL

**TITLE:** CEMETERY SERVICES REVIEW

**FROM:**

Zoran Postic, Deputy City Manager, Public Works

**ACTION:** DECISION

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## **Purpose**

To provide an overview of the City's cemetery services and recommendations to ensure the long-term sustainability of service to citizens.

### **Report Highlights**

- The City provides basic cemetery services that are compliant with Ontario's Funeral, Burial and Cremation Services Act (FBCSA).
- The City's cemeteries have sufficient inventory to service expected demand for the next 30 years.
- Site assessments identified a prioritized list of assets for rehabilitation to ensure continued compliance with the FBCSA.
- There is opportunity to improve long term financial sustainability while still meeting best practices for contributions to the cemetery Care & Maintenance Fund (C&MF).
- The existing cemetery by-law was implemented in 1993 and should be revised to reflect legislative updates and to improve ease of use.

## **Recommendations**

1. That Council endorse the recommendations as substantially provided in this report.

## **Background**

**The City operates twenty (20) cemeteries and offers basic interment services, with casket burials as the primary mode of interment.**

The City operates seven (7) active and (13) thirteen inactive cemeteries (Attachment 1). There are also seven (7) privately held cemeteries that operate in the City. The City's active cemeteries offer services for casket and cremation burial and plot marking.

The City's cemeteries serviced 3.4% of resident casket burials and 5.7% of resident cremations from 2015 through 2019. Residents' preferred interment mode is casket burial, which is driven by the City's ethnic and religious profile. The City's cremation rate of 23.4% contrasts with the national average of 73%, the provincial average of 64% and the York Region average of 63%.

Maintenance services include grass cutting, headstone repairs and spring and fall clean up. Administrative services include plot sales, payment processing, and records management. Demand for interment services is expected to increase as the City's death rate over the next 25 years is expected to increase from 4.6 per 1,000 residents to 5.1 per 1,000 residents.

**The City is in compliance with its obligations under the Funeral, Burial and Cremation Services Act (FBCSA), which includes a Care and Maintenance Fund (C&MF) to generate income for the care and maintenance of cemeteries.**

Bereavement sector services within Ontario are governed by the FBCSA. The act requires all cemetery operators to ensure that the interments of human remains are carried out in a decent and orderly manner; that quiet and good order are maintained in the cemetery at all times; that all cemetery grounds are maintained to ensure the safety of the public and to preserve the dignity of the cemetery; and that every person has reasonable access.

The provisions of the FBCSA are administered by the Bereavement Authority of Ontario (BAO), a government delegated administrative authority (DAA). The act also decrees that a local municipality is responsible for the maintenance of abandoned cemeteries, which are those cemeteries where an owner or operator is unknown or cannot be found, is unable to maintain it, or is not licensed. A cemetery contributes a percentage of annual sales revenue to the C&MF with payments made after the installation of plot markers. Income generated through investment can be retained in the fund to compound growth or withdrawn to support site care and maintenance expenses.

**The City's Cemetery By-Law 180-92, "A By-law to Provide for the Regulation and Operation of Cemeteries Owned by the City of Vaughan", was introduced in 1993.**

The City's cemetery by-law, 180-92, provides rules and regulations that govern the operation of cemeteries owned by the City of Vaughan. The by-law includes information related to cemetery administration, business hours, a list of active and inactive cemeteries, and a fee schedule as well as providing direction to City staff and citizens regarding the use of cemetery services. The FBCSA and its subsequent revisions were enacted after the introduction of the City's by-law.

**A Public Work's operational review identified the need for a cemetery services review to recommend steps to ensure long term sustainability.**

The City's cemetery services have not had a formal review since the introduction of the by-law. Legislative changes and an evolving marketplace make it important to conduct a review to ensure legislative requirements are met and that the resulting strategy will provide long-term financial sustainability.

**Previous Reports/Authority**

Not Applicable

**Analysis and Options**

**The City retained Lees & Associates to conduct a Cemetery Services Review.**

Lees & Associates conducted a comprehensive review of the City's cemetery services (Attachment 2). The review included the following components:

- site visits and asset condition analysis
- supply and demand analysis with a review of the existing plot inventory
- stakeholder consultation
- service level and delivery review
- peer municipality scan focusing on operations, administration, and fee structure
- asset management analysis
- financial analysis

**The City's active cemeteries have 30 years of inventory, which can be increased through an in-fill strategy.**

Based on current trends, the City has approximately 30 years of lot inventory available. This equates to 1,100 casket lots and 70 cremation lots. An analysis shows that the City has 0.8 acres of undeveloped lands on its active cemetery sites, which could provide an additional 12 years of cemetery lot sales through the implementation of an in-fill strategy.

Aligned with report findings, staff recommend that the City convert low-traffic paths, roads, and other amenities to interment space. It is also recommended that a study be conducted to determine the most cost-effective approach to implement the in-fill options. The in-fill strategy is a cost-effective alternative to the acquisition of new lands to meet future interment demands.

**The condition assessment of cemetery assets produced a list of rehabilitation and replacement requirements, prioritizing safety and accessibility needs first.**

Site visits of City cemetery assets were conducted to assess existing asset conditions to ensure efficient service delivery and the City's compliance with the FBCSA. The visits identified that conditions encountered by cemetery visitors generally align with the FBCSA. However, site improvements are recommended to ensure the City's continued compliance with the FBCSA with a focus on public safety, accessibility, and aesthetic quality to preserve the dignity of cemetery sites. Staff have developed cost estimates for the asset rehabilitation identified in Attachment 3 and endorse the phased implementation of these improvements. The asset condition information collected will be incorporated into an asset management plan.

**Asset management recommendations will be addressed in collaboration with the City's Infrastructure Planning and Corporate Asset Management (IPCAM) department.**

The review included the City's current initiatives to identify and track the condition of its assets, as well as the asset management tools and current asset care and maintenance practices. The review identified some gaps in asset management. The review has also concluded that the City has historically addressed cemetery asset care on an as needed basis. Benchmarking results indicate that several municipalities in York Region and within the GTHA have cemetery asset management systems in place.

In accordance with report findings, staff recommend that a cemetery asset management plan be developed to ensure that cemetery infrastructure is maintained in good working condition and in accordance with the FBCSA. The asset management plan will be implemented in phases with the collaboration of the Infrastructure Planning and Corporate Asset Management (IPCAM) department. The plan is to include data collection, on-going condition assessment and lifecycle costing, rehabilitation, and replacement. It will be beneficial in managing cemetery assets and ensuring long term sustainability of the assets.

**Development of Standard Operating Procedures, cross training and the addition of a dedicated resource are recommended to ensure effective service delivery.**

The City maintains more active cemeteries than any other municipality in York Region.

A benchmarking study of operational resource allocation found that the City's cemetery services have less staffing on a per acre basis than its peers. This will have an impact on service delivery if not addressed.

Cemetery services require specialized skills such as plot marking and the opening and closing of graves. These activities may also be required beyond regular business hours, including evenings, weekends, and holidays. Staff recommend cross training and the addition of a trained resource for oversight and delivery of cemetery services.

The review identified the need for the development of Standard Operating Procedures (SOPs). SOPs are a key element in quality control that ensure activities are conducted in a consistent, efficient, and safe manner.

Staff recommend the development of a comprehensive SOP to provide clear direction in operations and administration of cemetery service delivery and to ensure staff health and safety.

**Though the City meets best practices for BAO reporting and annual contributions to its C&MF, there is an opportunity to improve financial sustainability through service price adjustments.**

Financial statements submitted to the BAO delineate the City's annual contributions, interest earned, and withdrawals to fund current maintenance needs. The City contributes 50% of its lot sales to its C&MF, which exceeds the legislated minimum of a 40% contribution. The C&MF is 60% funded for the City's current level of site care.

Most municipalities support cemeteries as a community service to their residents while striving to decrease the demand on the tax base and move toward breakeven. A benchmarking study amongst peer municipalities reveals opportunities for the City to increase fees for certain services offered.

Staff recommend fee increases including: raising the cremation burial fee to \$500, the introduction of a 25% premium for non-Vaughan residents, an increase to other cemetery service rates by 5% in 2021 and 2022, and an increase in rates of 3% per annum from 2023 onward. The proposed increases will enable the City to accelerate fiscal sustainability and reduce the burden on taxpayers. With these adjustments, the City's cemeteries are expected to consistently achieve operating breakeven in three years.

**A cemetery by-law update is recommended to ensure consistency with the most recent revisions of the FBCSA.**

Staff concur with the recommended revamp of the current by-law. The report identified two themes: expanding and strengthening by-law content; and improving ease of use.

The expansion and strengthening of content include ensuring consistency with the FBCSA legislation, improving definitions, and replacing outdated terminology.

Regarding ease of use, key elements include a logical flow of sections in the by-law and consistent use of terms, descriptions, and details.

**The review provides recommendations to address gaps and to ensure long term sustainability of service delivery to citizens.**

The review categorizes recommendations in terms of near-term (one to three years), medium-term (four to seven years), and long-term (seven years and beyond). Staff have reviewed the recommendations and provided the following implementation summary to ensure long term sustainability of the cemetery business unit. There are recommendations that have implementation components that are near, medium, and long-term.

<b>Recommendations</b>	<b>Near-Term</b>	<b>Medium-Term</b>	<b>Long-Term</b>
Implement an in-fill strategy to increase lot sales capacity		✓	
Perform asset rehabilitation to ensure public safety, accessibility, and continued compliance with the FBCSA	✓	✓	
Develop an Asset Management Plan to ensure the longevity of cemetery assets	✓	✓	✓
Provide additional resources to ensure efficient service delivery	✓		
Develop a consolidated Standard Operating Procedure (SOP) to provide clear guidelines for consistent service delivery	✓		
Increase services fees to ensure long term financial sustainability of the cemetery business unit	✓	✓	
Amend Cemetery By-law 180-92 to ensure consistency with legislative changes and alignment with the FBCSA	✓		

**Financial Impact**

The impact on revenues of the proposed fee changes will be estimated as part of a more detailed analysis to be undertaken and any increase in revenue will be included in future year operating budgets. The asset rehabilitation program will cost approximately \$180,000 and the additional FTE to support cemetery services is estimated to cost \$90,000 annually. Any capital or operating funding requirements will be considered as part of the annual budgeting process and evaluated against other City priorities.

**Broader Regional Impacts/Considerations**

There are no broader regional impacts.

## **Conclusion**

It is recommended the City implement an in-fill strategy to increase lot inventory as a cost-effective means to address demand and to execute prioritized asset repairs to ensure public safety, accessibility, and continued compliance with the FBCSA. The phased implementation of an asset management plan will ensure long term sustainability of assets and cross training of existing resources combined with an additional operational resource and SOP development will ensure efficient service delivery to citizens. An adjustment in service fees will improve financial sustainability and an update of the by-law will ensure its alignment with current legislation.

**For more information**, please contact Nadia Paladino, Director of Parks Forestry and Horticulture Operations.

## **Attachments**

1. Cemetery Location Map
2. Cemetery Services Review; LEES + ASSOCIATES
3. Rehabilitation Cost Estimate

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## **Approved by**

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## **Reviewed by**



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