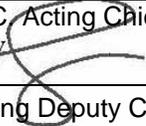


HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 14.1.8
Halifax Regional Council
March 8, 2016

TO: Mayor Savage and Members of Halifax Regional Council
Original Signed by 

SUBMITTED BY: _____
John Traves, Q.C. Acting Chief Administrative Officer
Original Signed by 

Jane Fraser, Acting Deputy Chief Administrative Officer

DATE: February 28, 2016

SUBJECT: Amendment to Administrative Order Number 20, Respecting Fees for Cemetery Services

SUPPLEMENTARY REPORT

ORIGIN

Halifax Regional Council – February 11, 2014 – Item 11.5.3 – Amendments to Administrative Order Number 20 – Respecting Fees for Cemetery Services. Regional Council passed the following motion:

MOVED by Councillor Adams, seconded by Councillor Hendsbee that Halifax Regional Council direct staff to bring forward amendments to Administrative Order 20, *Respecting Fees for Cemetery Services*, which eliminates the weekday after hour [4:00 pm] and weekend or holiday burial fees, and ensures that the cost of providing burial services is equitable for all customers and that the proposed amendments are, if possible, revenue neutral to the Municipality.

Halifax Regional Council – October 27, 2015 – Item 11.1.6 – Amendments to Administrative Order Number 20 – Respecting Fees for Cemetery Services. Regional Council passed the following motion:

MOVED by Councillor Hendsbee, seconded by Councillor Mason, THAT Halifax Regional Council direct staff to review the cemeteries fee structure set out in Administrative Order 20 and return to Council prior to approval of the 2016/17 budget with fee structure options in order to achieve the following objectives:

- a. adopt weekday after hour, weekend, and holiday rates identified in Table 1 of the staff report dated October 16, 2015;
- b. implement rates to offset the revenue loss as identified in Table 1 of the staff report dated October 16, 2015;
- c. recovery of increased cemetery operating costs incurred since the last fee schedule update in 2013; and
- d. potentially enable cost neutral operation of municipal cemeteries, as previously directed by Council, while respecting benchmark pricing of private sector cemeteries within the municipality.

RECOMMENDATION ON PAGE 2

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, subsection 59(3), "In addition to matters specified in this Act or another Act of the Legislature, the Council may adopt policies on any matter that the Council considers conducive to the effective management of the Municipality,"

Halifax Regional Municipality Charter clause: 61(5) (d) "The Municipality may... (d) Sell deeds for cemetery lots and certificates of perpetual care"

By-law C-700, the *Cemeteries By-law*, section 24:

- 1) The cemetery fees shall be prescribed from time to time by Council by Policy.
- 2) The cemetery fees prescribed under subsection 1 of this section may be all inclusive, partially inclusive or may be different for the:
 - (a) type of cemetery fee;
 - (b) type of interments or disinterment;
 - (c) time and day of interments;
 - (d) date of purchase of a burial lot;
 - (e) date of purchase of the right to use a niche lot;
 - (f) date maintenance care is paid;
 - (g) transfer of burial lots or niche lots;
 - (h) foundation/marker administrative fee;
 - (i) rental of types of vaults; and
 - (j) any other matter the Council sets out in the Policy.

RECOMMENDATION

It is recommended that Halifax Regional Council adopt the amendments to Administrative Order Number 20, Respecting Fees for Cemetery Services, provided as Attachment D.

BACKGROUND

On April 13, 2010, Regional Council received a recommendation report regarding "Service Review – Burial Services" which contained 19 recommendations for the future management of cemeteries. Recommendation #1 stated:

- 1) *Best practice indicates the general rated tax payer should not be required to subsidize cemetery services in their local municipality. It is, therefore, recommended that HRM take on the principle of cost recovery for HRM cemeteries. A budget should be established which produces at least a net zero cost to the taxpayer.*

The cemetery fee structure, which is contained within Administrative Order 20, has been amended twice since 2010 and was last updated by staff and approved by Council in 2013. Despite previous amendments to Administrative Order 20 and operational cost efficiencies, cemetery services have not yet achieved a budget "which produces at least a net zero cost to the taxpayer". For example, the current revenues received do not cover the annual grass cutting contract of approximately \$87,000.00.

In responding to Regional Council's original motion of 2014 regarding the elimination of weekday/weekend after hours fees, staff provided a report on October 27, 2015, which resulted in the following direction from Council:

- THAT Halifax Regional Council direct staff to review the cemeteries fee structure set out in Administrative Order 20 and return to Council prior to approval of the 2016/17 budget with fee structure options in order to achieve the following objectives:
- a. adopt weekday after hour, weekend, and holiday rates identified in Table 1 of the staff report dated October 16, 2015;
 - b. implement rates to offset the revenue loss as identified in Table 1 of the staff report dated October 16, 2015;

- c. recovery of increased cemetery operating costs incurred since the last fee schedule update in 2013; and
- d. potentially enable cost neutral operation of municipal cemeteries, as previously directed by Council, while respecting benchmark pricing of private sector cemeteries within the municipality.

During the debate, Councillor Adams proposed instead “that fees charged for burial service be consistent regardless of the day of the week (weekdays or weekend) with an extra charge of \$100 after 4pm, again regardless of the day of the week.” Staff committed to reviewing Councillor Adams’ proposal in addition to the rates identified in Table 1 of the staff report dated October 16, 2015, provided below:

Table 1 – Proposed Fee Change and Revenue Impact

Additional Service Fee	Existing Fee	Incremental, Direct Labour Cost (including benefits)	Proposed Fee	Proposed Fee Revenue Loss - (Annual Estimate)
After 4:00 p.m. Weekdays	\$150	\$79.94 (2 hrs service @ time and half)	\$100	\$200 - \$400
Weekend Saturday	\$500	\$159.88 (4 hrs call out @ time and half)	\$175	\$5,000 - \$7,500
Weekend Sunday/Holiday	\$500	\$213.16 (4 hrs call out @ double time)	\$225	\$600 - \$800
Total Revenue Loss				\$5,800 - \$8,700

DISCUSSION

Staff has completed a fee analysis provided in Attachment A based on the options directed by Council. For the purpose of staff’s analysis, cost neutral operation has been defined as being recovery of all of the costs incurred by the Parks & Recreation business unit (expenditure budget) in support of direct daily operation of the six municipal cemeteries. The proposed net expenditure budget for 2016/17 is \$344K and includes \$155K for compensation/benefits and \$195K for contract services as well as other costs. The net expenditure budget does not include costs such as major fencing restoration, plot depressions, headstone restoration or building support services. Therefore, cost neutral operation for the purpose of setting fees in this report should not be thought of as full cost recovery and does not completely achieve “net zero cost to the taxpayer”.

The results of the options presented in Attachment A are summarized below:

- Option 1: Status Quo. If existing fees are maintained, the project number of services would result in a budget recovery of \$260K which falls short of achieving cost neutral operations by \$84K.
- Option 2: Adopt reduced weekday after hour, weekend, and holiday rates identified in Table 1 of the staff report dated October 16, 2015. This option results in a further projected net annual loss of \$11,000 if all other rates remain the same. This option falls short of achieving cost neutral operations by \$95K.
- Option 3: Achieve cost neutral operation of municipal cemeteries and adopt reduced weekday after hour, weekend, and holiday rates identified in Table 1 of the staff report dated October 16, 2015, while respecting benchmark pricing of private sector cemeteries within the municipality. This option achieves cost neutral operations through several proposed increases to the current fees for services that are in line with the market scan provided in Attachment B. The largest increased cost recoveries are generated through the proposed fee increases for lot

sales which staff believes are appropriate given the premium location of the current municipal cemeteries.

Option 4: Adopt the fees in Option 3 with a \$100 flat weekday after hour fee and eliminate weekend and holiday fees. Based on conversations with other cemetery operators, the removal of weekend premium fees is expected to more than double the demand for weekend services whereby services currently delivered through the week will shift to the weekend. Staff had difficulties trying to forecast the additional costs that will incur from servicing the increased weekend demand. For the purposes of the option analysis, staff assumed the additional service will be provided through contract services and staff overtime for an additional estimated budget of approximately \$16K; however, the costs could range higher depending on the time and location of the services requested. The net financial impact of this option is that it falls short of achieving cost neutral operations by \$21K.

Based upon the analysis above, and in order to ensure that cemeteries are progressing toward net zero cost to the taxpayer as recommended by Council, staff recommends that Council adopt the proposed revised fee structure as provided in Option 3 and summarized in Table 2 below.

By adopting the proposed fees, HRM will be more in line with industry rates and will recover additional revenue that can help address state of good repair challenges within the cemeteries. It should be noted that support for low income families/individuals/veterans will continue to be supported through HRM's ongoing relationship with the Department of Community Services and the Last Post Fund.

Table 2 – Existing and Proposed Fee Change

Fee	Existing Fee Amount	Proposed Fee Amount	Projected Services	Total
Single grave lot	\$1,400	\$2,300	30	\$58,650*
Cremation lots	\$1,050	\$1,500	40	\$51,000*
HRM Columbarium	\$2,500	\$2,500	5	\$10,625*
Standard interment	\$785	\$900	50	\$45,000
Double-depth / vault/oversize interment	\$1,000	\$1,100	4	\$4,400
Cremation interment	\$400	\$500	180	\$90,000
Columbarium interment	\$400	\$400	10	\$4,000
Maintenance care	\$150	\$300	220	\$66,000
Standard disinterment	\$800	\$900	0	\$0
Cremation Disinterment	\$400	\$500	0	\$0
After 4:00 p.m. Mon-Fri rate	\$150	\$100	20	\$2,000
Saturday rate	\$500	\$175	29	\$5,075
Sunday and holiday rate	\$500	\$225	1	\$225
Transfer Fee	\$100	\$100	2	\$200
Foundation/Marker Fee	\$75	\$75	100	\$7,500
Projected Annual Revenue				\$344,675
Projected Annual Operating Costs				\$344,048

*Less 15% allocated to Perpetual Care Fund

FINANCIAL IMPLICATIONS

Approval of the recommendation will allow for the implementation of a fee structure that results in a cost neutral operation for HRM cemeteries relative to the current Parks budget. In addition, the reduction of weekday/weekend/holiday premium fees provides a more appropriate reflection of actual costs.

COMMUNITY ENGAGEMENT

Not applicable.

ENVIRONMENTAL IMPLICATIONS

None.

ALTERNATIVES

- Alternative 1: Halifax Regional Council could choose to maintain status quo fee structure. This is not recommended as HRM would continue to run a budget deficit for cemeteries (ie. subsidized) and would not be addressing the recommendations adopted by Council in the Cemeteries Service Review.
- Alternative 2: Halifax Regional Council could direct staff to draft an alternate Administrative Order that adopts another fee structure option, or a variation of a fee structure option, provided within this report.
- Alternative 3: Halifax Regional Council could direct staff to develop a fee structure and Administrative Order that completely achieves “net zero cost to the taxpayer”. The fee structure recommended in this report is a substantial step forward in achieving cost neutrality. Staff would recommend implementing the proposed rates and monitoring market impact before increasing rates further at this time.

ATTACHMENTS

- Attachment A – Fee Structure Option Analysis
Attachment B – Market Scan Analysis - Canadian City/Municipality and other Halifax Regional Cemeteries
Attachment C – Showing Proposed Changes to Administrative Order Number 20
Attachment D – Amending Administrative Order
Attachment E – Proposed Administrative Order 20 Incorporating Proposed Changes
Attachment F – Staff Report dated October 16, 2015

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Bonnie Murphy, Cemetery Administrator, 902-490-6236

Attachment A - Fee Structure
Option Analysis

Options		1		2		3		4		
		Status Quo		Reduced After hours/Weekend/Holiday Rates		Cost Neutral Operation (reduced after hours/weekend/holiday rates)		Cost Neutral Operation (no premium for weekend/holiday)		
Fee	2016/17 Projected Services	Existing Fee Amount	Total	Proposed Fee Amount	Total	Proposed Fee Amount	Total	Projected Services - Revised	Proposed Fee Amount	Total
Single grave lot	30	1,400	35,700	1,400	35,700	2,300	58,650	30	2,300	58,650
Cremation lots	40	1,050	35,700	1,050	35,700	1,500	51,000	40	1,500	51,000
Columbarium	5	2,500	10,625	2,500	10,625	2,500	10,625	5	2,500	10,625
Standard interment	50	785	39,250	785	39,250	900	45,000	50	900	45,000
Double-depth/vault interment	4	1,000	4,000	1,000	4,000	1,100	4,400	4	1,100	4,400
Cremation interment	180	400	72,000	400	72,000	500	90,000	180	500	90,000
Columbarium interment	10	400	4,000	400	4,000	400	4,000	10	400	4,000
Maintenance care	220	150	33,000	150	33,000	300	66,000	220	300	66,000
Standard disinterment	-	800	-	800	-	900	-	-	900	-
Cremation disinterment	-	400	-	-	-	500	-	-	500	-
After 4:p.m. Mon-Fri rate	20	150	3,000	100	2,000	100	2,000	20	100	2,000
Saturday rate	29	500	14,500	175	5,075	175	5,075	58	-	-
Sunday and holiday rate	1	500	500	225	225	225	225	4	-	-
Transfer fee	2	100	200	100	200	100	200	2	100	200
Foundation/Marker fee	100	75	7,500	75	7,500	75	7,500	100	75	7,500
Recovery/Revenue			\$ 259,975		\$ 249,275		\$ 344,675			\$ 339,375
Cost Neutral Expenditure Budget			\$ 344,048		\$ 344,048		\$ 344,048			\$ 360,000 *
Surplus/Deficit			-\$ 84,073		-\$ 94,773		\$ 627			-\$ 20,625

* Labour costs are expected to increase with the elimination of fees on Saturday and Sunday.

Attachment B – Market Scan Analysis
Canadian City/Municipality and other Halifax Regional Cemeteries

	Halifax	Calgary	Edmonton (Northern Lights)	Regina	Brandon
Single Grave (Traditional) Plot	\$1400.00	\$2723.00	\$2369.00	\$1425.00	\$1525.00
Cremation Plot	\$1050.00 4 urns	\$1756.00	\$1177.00 2 urns	\$535.00 1 urn	\$686.00
Columbarium Niche	\$2500.00	\$2708.00	\$3550.00 - \$4240.00	\$2010.00 - \$3095.00	\$3115.00
Standard interment	\$785.00	\$1569.00	\$933.00	\$890.00	\$945.00
Cremation interment	\$400.00	\$445.00	\$374.00	\$285.00	\$410.00
Columbarium Interment	\$400.00	\$445.00	\$151.00	\$150.00	Included in cost of niche
Double Depth/Vault	\$1000.00	\$1569.00	\$1380.00	\$1425.00	\$1365.00
Traditional Disinterment	\$800.00	\$3262.00	\$2567.00	\$2930.00	\$1138.00
Cremation Disinterment	\$400.00	\$610.00	\$441.00	\$470.00	\$364.00
Maintenance Fee/Perpetual Care	\$150.00	15% of plot fee	25% of plot fee	15% of plot fee	15% of plot fee
Transfer Fee	\$100.00	\$110.00	\$142.00	\$150.00	\$75.00

	Halifax	Calgary	Edmonton (Northern Lights)	Regina	Brandon
Foundation Marker Fee	\$75.00	\$150.00	\$75.00	\$125.00	\$96.00
Winter Vault Rental movement	\$200.00	-	-	-	-
Monthly Winter Vault Rental	\$50.00	-	-	-	-
Traditional interment weekend/holiday overtime	\$500.00	\$1106.00	\$300.00	\$550.00	Sat \$698.00 Sun/Holiday \$945.00
Cremation interment weekend/holiday overtime	\$500.00	\$288.00	\$97.00	\$295.00	Sat \$391.00 Sun/Holiday \$566.00
After 4:00 pm Monday - Friday	\$150.00	-	\$97.00	\$295.00	
Every ½ hour past 4:30 Monday to Friday or scheduled time		\$175.00			\$126.00

**Attachment B – Market Scan Analysis
Local Halifax Regional Cemeteries**

	HRM Owned (6 sites)	St John's Halifax	Brookside Bedford Residents	Gates of Heaven Lower Sackville	Oakridge Dartmouth / Sackville
Single Grave (Traditional) Plot	\$1,400	\$950	\$1,200 - \$2500	\$2,075	\$2,025 - \$2,400
Cremation Plot	\$1,050 (4 cremations)	\$750 (4 cremations)	\$650 (2 cremations)	\$1,775 (2 cremations)	\$1,390 (3 cremations)
Columbarium Niche	\$2500	\$2050	\$2000	\$2500 - \$3000	\$2600 - \$3500
Standard Interment	\$785	\$900	\$850	\$775	\$890
Cremation Interment	\$400	\$500	\$350	\$450	\$525
Columbarium Interment	\$400	Included in niche price	\$150	\$385	\$450
Double Depth/Vault	\$1000	\$1050	n/c	n/c	\$1100
Traditional Disinterment	\$800	\$900	\$850	\$775	\$2200 - \$2600
Cremation Disinterment	\$400	\$500	\$350	\$450	\$720
Maintenance Fee/Perpetual Care	\$150	\$425 (traditional) \$100/\$375 (cremation) \$700 (Columbarium)	-	\$325	15% included in price of plot
Transfer Fee/New Deed	\$100	n/c	\$25	n/c	\$50
Foundation Marker Fee	\$75	\$50	n/c	\$300	n/c

	HRM Owned (6 sites)	St John's Halifax	Brookside Bedford Residents	Gates of Heaven Lower Sackville	Oakridge Dartmouth / Sackville
Winter Vault Rental movement	\$200	-	-	-	-
Monthly Winter Vault Rental	\$50	-	-	-	-
Traditional Burial weekend/holiday overtime rate	\$500	\$250.00 Saturday \$750 Sunday/Holiday	n/c Saturday \$100 Sunday/Holiday	Do not bury on Sundays, pay staff 44 hours to offset Saturday interments	\$600 Saturday \$900 Sunday/Holiday
Cremation burial weekend/holiday overtime rate	\$500	\$250 Saturday \$750 Sunday/Holiday	n/c Saturday \$100 Sunday/Holiday	Do not bury on Sundays, pay staff 44 hours to offset Saturday interments	\$200 Saturday, Sunday and Holiday
After 4:00 pm Monday - Friday	\$150	\$250.00 after 3:00 pm	n/c	n/c	\$600 after 3:00 (traditional) \$200 after 3:00 (cremation)

Attachment C
Halifax Regional Municipality
Administrative Order Number 20
Respecting Fees for Cemetery Services

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

1. SHORT TITLE

The Administrative Order may be cited as Administrative Order Number 20, Fees for Cemetery Services Administrative Order.

2. CEMETERY FEES ESTABLISHMENT

Whereas By-Law C-700 provides for the sale of burial rights and the provision of other services related to municipal cemeteries, the schedule of fees is as follows:

Schedule of Fees - HRM Cemeteries Price

1. Lot and Niche Fees Except for the Last Post Fund Columbarium

A. Single grave lot	\$1,400.00 2,300.00
B. Cremation lots (holds up to 4 cremations)	\$1,050.00 1,500.00
C. Infant lots (in special infant sections)	\$200.00
D. Repealed	
E. HRM Columbarium (up to 2 urns)	\$2,500.00

Except for interments in the Last Post Fund Columbarium, an additional fee for maintenance care in the amount of ~~\$150.00~~ **300.00** will be added to each of the lots mentioned above and provides for the first interment in the lot. Subsequent interments are outlined in section 2 below.

15% of the proceeds of the lot sales will be deposited in a trust or reserve to provide for maintenance care of the lots.

2. Interment Fees Except for the Last Post Columbarium

A. Standard interment	\$785.00 900.00
B. Double depth/vault/oversize (where site conditions permit)	\$1,000.00 1,100.00
C. Cremation interment (including HRM Columbarium)	\$400.00 500.00
D. HRM Columbarium interment	\$400.00

3. Additional Fees Except for the Last Post Fund Columbarium

A.	Transfer fees (no tax payable)	\$100.00
B.	Research fee (per hour)	\$50.00
C.	Foundation/ mark administration fee	\$75.00
D.	Vault rental (handling fee per movement)	\$200.00
E.	Rental fee (per month)	\$50.00
F.	Maintenance care fee for a second and all subsequent interments	\$150.00 300.00
G.	Standard disinterment	\$800.00 900.00
H.	Cremation disinterment	\$400.00 500.00
I.	Weekend/Holiday rate (additional \$500.00 flat rate added to price)	
	a. Saturday rate	\$175.00
	b. Sunday/Holiday rate	\$225.00
J.	Burials after 4:00 pm Mon-Fri (additional \$150.00 100.00 flat rate added to price)	

If a maintenance care fee was not included at the time of purchase, a maintenance care fee shall be applied at the time of interment pursuant to clause 3F except for interments in the Last Post Fund Columbarium (no additional maintenance fee).

Tax is payable on all fees.

4. Niche Fees - Last Post Fund Columbarium – Purchased Prior to August 13, 2008

A.	Single Interment in Last Post Columbarium (including the cost of the maintenance fee, opening and closing, deed, engraving the niche panel and all applicable taxes)	\$1,840.00
B.	Double Interment Last Post Columbarium (including the cost of the first and second maintenance fee, first and second opening and closing, deed, engraving the niche panel and all applicable taxes)	\$2,140.00
C.	Second maintenance care fee (per movement) plus	\$50.00

Attachment C
(Showing Proposed Changes to AO 20)

applicable taxes are included in the fee of B.

- D. Opening and closing fee per interment plus applicable taxes is included in A. and B. \$250.00

5. Niche Fees - Last Post Fund Columbarium - Purchased from Last Post Fund after August 12th 2008

- A. Single Interment in Last Post Columbarium \$2,106.00
(including the cost of the niche, one opening and closing fee, maintenance fee, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- B. Double Interment Last Post Columbarium \$2,727.50
(including the cost of the niche, two opening and closing fees, two maintenance fees, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- C. Weekend/Holiday rate (plus applicable tax) \$500.00
- a. Saturday rate \$175.00
- b. Sunday/Holiday rate \$225.00
- D. Burials after 4:00 pm Mon/Fri (plus applicable tax) ~~\$150.00~~ 100.00

6. Niche Fees – Last Post Fund – Purchased from HRM at Any Time

- A. Single Interment in Last Post Columbarium \$2,106.00
(including the cost of the niche, one opening and closing fee, maintenance fee, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- B. Double Interment Last Post Columbarium \$2,727.50
(including the cost of the niche, two opening and closing fees, two maintenance fees, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- C. Weekend/Holiday rate (plus applicable tax) \$500.00
- a. Saturday rate \$175.00
- b. Sunday/Holiday rate \$225.00
- D. Burials after 4:00 pm Mon-Fri (plus applicable tax) ~~\$150.00~~ 100.00

Attachment C
(Showing Proposed Changes to AO 20)

Done and passed in Council this 25th day of January, 2000.

Deputy Mayor

Municipal Clerk

I, Vi Carmichael, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on January 25, 2000.

Vi Carmichael, Municipal Clerk

Amendment # 1

Notice of Motion:

December 11, 2007

Approved:

February 5, 2008

Amendment # 2

Notice of Motion:

June 22, 2010

Approved:

July 6, 2010

Amendment # 3

Notice of Motion:

June 25, 2013

Approved:

September 10, 2013

**HALIFAX REGIONAL MUNICIPALITY
ADMINISTRATIVE ORDER 20
RESPECTING FEES FOR CEMETERY SERVICES**

BE IT ENACTED by the Council of Halifax Regional Municipality that Administrative Order 20, the *Respecting Fees for Cemetery Services* Administrative Order is amended as follows:

1. Subsection 1 of section 2 titled "Lot and Niche Fees Except for the Last Post Fund Columbarium" is amended by:
 - (a) striking out the number "1,400.00" at the end of clause A;
 - (b) adding the number "2,300.00" at the end of clause A;
 - (c) striking out the number "1,050.00" at the end of clause B;
 - (d) adding the number "1,500.00" at the end of clause B;
 - (e) striking out the number "150.00" after the words "amount of" and before the words "will be added" in the second line of the paragraph after clause E; and
 - (f) adding the number "300.00" after the words "amount of" and before the words "will be added" in the second line of the paragraph after clause E.

2. Subsection 2 of section 2 titled "Interment Fees Except for the Last Post Columbarium" is amended by:
 - (a) striking out the number "785.00" at the end of clause A;
 - (b) adding the number "900.00" at the end of clause A;
 - (c) striking out the number "1,000.00" at the end of clause B;
 - (d) adding the number "1,100.00" at the end of clause B;
 - (e) striking out the brackets and words "(including HRM Columbarium)" after the word "interment" in clause C;
 - (f) striking out the number "400.00" at the end of clause C;
 - (g) adding the number "500.00" at the end of clause C;
 - (h) adding the following clause immediately after clause C and before subsection 3:

D. HRM Columbarium interment	\$400.00
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3. Subsection 3 of section 2 titled "Additional Fees Except for the Last Post Fund Columbarium" is amended by:
 - (a) striking out the number "150.00" at the end of clause F;
 - (b) adding the number "300.00" at the end of clause F;
 - (c) striking out the number "800.00" at the end of clause G;
 - (d) adding the number "900.00" at the end of clause G;
 - (e) striking out the number "400.00" at the end of clause H;
 - (f) adding the number "500.00" at the end of clause H;
 - (g) striking out the symbol and number "\$500.00" after the word "additional" and before the word "flat" in the bracket in clause I;
 - (h) adding the following sub-clauses immediate after clause I and before clause J:

a. Saturday rate	\$175.00
b. Sunday/Holiday rate	\$225.00
 - (i) striking out the number "150.00" after the word "additional" and before the word "flat" in the bracket in clause J; and
 - (j) adding the number "100.00" after the word "additional" and before the word "flat" in the bracket in clause J.

4. Subsection 5 of section 2 titled “Niche Fees – Last Post Fund Columbarium – Purchased from Last Post Fund after August 12th 2008” is amended by:
- (a) striking out the number “500” at the end of clause C;
 - (b) adding the following sub-clauses immediate after clause C and before clause D:
 - a. Saturday rate \$175.00
 - b. Sunday/Holiday rate \$225.00
 - (c) striking out the number “150.00” at the end of clause D; and
 - (d) adding the number “100.00” at the end of clause D.
5. Subsection 6 of section 2 titled “Niche Fees – Last Post Fund – Purchased from HRM at Any Time” is amended by:
- (a) striking out the number “500” at the end of clause C;
 - (b) adding the following sub-clauses immediate after clause C and before clause D:
 - a. Saturday rate \$175.00
 - b. Sunday/Holiday rate \$225.00
 - (c) striking out the number “150.00” at the end of clause D; and
 - (d) adding the number “100.00” at the end of clause D.

**Halifax Regional Municipality
Administrative Order Number 20
Respecting Fees for Cemetery Services**

BE IT RESOLVED as an Administrative Order of the Council of the Halifax Regional Municipality as follows:

1. SHORT TITLE

The Administrative Order may be cited as Administrative Order Number 20, Fees for Cemetery Services Administrative Order.

2. CEMETERY FEES ESTABLISHMENT

Whereas By-Law C-700 provides for the sale of burial rights and the provision of other services related to municipal cemeteries, the schedule of fees is as follows:

Schedule of Fees - HRM Cemeteries Price

1. Lot and Niche Fees Except for the Last Post Fund Columbarium

A. Single grave lot	\$2,300.00
B. Cremation lots (holds up to 4 cremations)	\$1,500.00
C. Infant lots (in special infant sections)	\$200.00
D. Repealed	
E. HRM Columbarium (up to 2 urns)	\$2,500.00

Except for interments in the Last Post Fund Columbarium, an additional fee for maintenance care in the amount of \$300.00 will be added to each of the lots mentioned above and provides for the first interment in the lot. Subsequent interments are outlined in section 2 below.

15% of the proceeds of the lot sales will be deposited in a trust or reserve to provide for maintenance care of the lots.

2. Interment Fees Except for the Last Post Columbarium

A. Standard interment	\$900.00
B. Double depth/vault/oversize (where site conditions permit)	\$1,100.00
C. Cremation interment	\$500.00
D. HRM Columbarium interment	\$400.00

3. Additional Fees Except for the Last Post Fund Columbarium

A.	Transfer fees (no tax payable)	\$100.00
B.	Research fee (per hour)	\$50.00
C.	Foundation/ mark administration fee	\$75.00
D.	Vault rental (handling fee per movement)	\$200.00
E.	Rental fee (per month)	\$50.00
F.	Maintenance care fee for a second and all subsequent interments	\$300.00
G.	Standard disinterment	\$900.00
H.	Cremation disinterment	\$500.00
I.	Weekend/Holiday rate (additional flat rate added to price)	
	a. Saturday rate	\$175.00
	b. Sunday/Holiday rate	\$225.00
J.	Burials after 4:00 pm Mon-Fri (additional \$100.00 flat rate added to price)	

If a maintenance care fee was not included at the time of purchase, a maintenance care fee shall be applied at the time of interment pursuant to clause 3F except for interments in the Last Post Fund Columbarium (no additional maintenance fee).

Tax is payable on all fees.

4. Niche Fees - Last Post Fund Columbarium – Purchased Prior to August 13, 2008

A.	Single Interment in Last Post Columbarium (including the cost of the maintenance fee, opening and closing, deed, engraving the niche panel and all applicable taxes)	\$1,840.00
B.	Double Interment Last Post Columbarium (including the cost of the first and second maintenance fee, first and second opening and closing, deed, engraving the niche panel and all applicable taxes)	\$2,140.00
C.	Second maintenance care fee (per movement) plus applicable taxes are included in the fee of B.	\$50.00

Attachment E
(Incorporating Proposed Changes)

- D. Opening and closing fee per interment plus applicable taxes is included in A. and B. \$250.00

5. Niche Fees - Last Post Fund Columbarium - Purchased from Last Post Fund after August 12th 2008

- A. Single Interment in Last Post Columbarium \$2,106.00
(including the cost of the niche, one opening and closing fee, maintenance fee, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- B. Double Interment Last Post Columbarium \$2,727.50
(including the cost of the niche, two opening and closing fees, two maintenance fees, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- C. Weekend/Holiday rate (plus applicable tax)
 - a. Saturday rate \$175.00
 - b. Sunday/Holiday rate \$225.00
- D. Burials after 4:00 pm Mon/Fri (plus applicable tax) \$100.00

6. Niche Fees – Last Post Fund – Purchased from HRM at Any Time

- A. Single Interment in Last Post Columbarium \$2,106.00
(including the cost of the niche, one opening and closing fee, maintenance fee, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- B. Double Interment Last Post Columbarium \$2,727.50
(including the cost of the niche, two opening and closing fees, two maintenance fees, engraving of niche panel, deed, and all applicable taxes but excluding C and D)
- C. Weekend/Holiday rate (plus applicable tax)
 - a. Saturday rate \$175.00
 - b. Sunday/Holiday rate \$225.00
- D. Burials after 4:00 pm Mon-Fri (plus applicable tax) \$100.00

Attachment E
(Incorporating Proposed Changes)

Done and passed in Council this 25th day of January, 2000.

Deputy Mayor

Municipal Clerk

I, Vi Carmichael, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on January 25, 2000.

Vi Carmichael, Municipal Clerk

Amendment # 1

Notice of Motion:

December 11, 2007

Approved:

February 5, 2008

Amendment # 2

Notice of Motion:

June 22, 2010

Approved:

July 6, 2010

Amendment # 3

Notice of Motion:

June 25, 2013

Approved:

September 10, 2013

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.6
Halifax Regional Council
October 27, 2015

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by _____
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 16, 2015

SUBJECT: Amendment to Administrative Order Number 20, Respecting Fees for Cemetery Services

ORIGIN

Halifax Regional Council – February 11, 2014 – Item 11.5.3 – Amendments to Administrative Order Number 20 – Respecting Fees for Cemetery Services. Regional Council passed the following motion:

MOVED by Councillor Adams, seconded by Councillor Hendsbee that Halifax Regional Council direct staff to bring forward amendments to Administrative Order 20, *Respecting Fees for Cemetery Services*, which eliminates the weekday after hour [4:00 pm] and weekend or holiday burial fees, and ensures that the cost of providing burial services is equitable for all customers and that the proposed amendments are, if possible, revenue neutral to the Municipality.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, subsection 59(3), “In addition to matters specified in this Act or another Act of the Legislature, the Council may adopt policies on any matter that the Council considers conducive to the effective management of the Municipality,”

Halifax Regional Municipality Charter clause: 61(5) (d) “The Municipality may... (d) Sell deeds for cemetery lots and certificates of perpetual care”

By-law C-700, the *Cemeteries By-law*, section 24:

- 1) The cemetery fees shall be prescribed from time to time by Council by Policy.
- 2) The cemetery fees prescribed under subsection 1 of this section may be all inclusive, partially inclusive or may be different for the:
 - (a) type of cemetery fee;
 - (b) type of interments or disinterment;
 - (c) time and day of interments;

RECOMMENDATION ON PAGE 2

- (d) date of purchase of a burial lot;
- (e) date of purchase of the right to use a niche lot;
- (f) date maintenance care is paid;
- (g) transfer of burial lots or niche lots;
- (h) foundation/marker administrative fee;
- (i) rental of types of vaults; and
- (j) any other matter the Council sets out in the Policy.

RECOMMENDATION

It is recommended that Halifax Regional Council direct staff to review the cemeteries fee structure set out in Administrative Order 20 and return to Council prior to approval of the 2016/17 budget with fee structure options in order to achieve the following objectives:

- a. adopt weekday after hour, weekend, and holiday rates identified in Table 1 of this report;
- b. implement rates to offset the revenue loss as identified in Table 1;
- c. recovery of increased cemetery operating costs incurred since the last fee schedule update in 2013; and
- d. potentially enable cost neutral operation of municipal cemeteries, as previously directed by Council, while respecting benchmark pricing of private sector cemeteries within the municipality.

BACKGROUND

On April 13, 2010, Regional Council received a recommendation report regarding "Service Review – Burial Services" which contained 19 recommendations for the future management of cemeteries. Recommendation #1 stated:

- 1) *Best practice indicates the general rated tax payer should not be required to subsidize cemetery services in their local municipality. It is, therefore, recommended that HRM take on the principle of cost recovery for HRM cemeteries. A budget should be established which produces at least a net zero cost to the taxpayer.*

The cemetery fee structure, which is contained within Administrative Order 20, has been amended twice since April 2010 and was last updated by staff and approved by Council in 2013. The current table of cemetery fees is provided in Attachment 2. Despite changes to fees in 2013 and operational cost efficiencies, cemetery services have not yet achieved a budget "which produces at least a net zero cost to the taxpayer" (i.e., cost neutral operation). For example, the current revenues received do not cover the annual grass cutting contract of approximately \$87,000.00.

The February 11, 2014 motion of Council directs staff to "bring forward amendments to Administrative Order 20, *Respecting Fees for Cemetery Services*, which eliminates the weekday after hour [4:00 pm] and weekend or holiday burial fees, and ensures that the cost of providing burial services is equitable for all customers and that the proposed amendments are, if possible, revenue neutral to the Municipality".

The estimated annual revenue loss that would result from Council's motion to eliminate fees would range from approximately \$11,000 - \$23,000 as identified in Table 1 of this report. Therefore, the elimination of weekend/holiday/after hour fees without a corresponding revenue offset would serve to drive cemetery services further away from the objective of establishing a budget that is net zero cost to the taxpayer. Accordingly, this report provides Council with an analysis of options for potentially eliminating/reducing the weekend/holiday/after hour fees and seeks Council's direction for a full review of cemetery fees to potentially achieve a cost neutral operation.

DISCUSSION

In February of 2008, Council approved By-Law C-700 which set standards for columbarium structures and mausoleums and improved upon cemetery standards. Council also approved Administrative Order 20 – Respecting Cemetery Fees which established the fees to be charged for cemetery services provided by

the Municipality. Amendments to Administrative Order 20 – Respecting Cemetery Fees were subsequently approved on July 6, 2010 and September 10, 2013 (see Attachment 2 for fees now in effect.)

The charts below reflect the number of interments completed since 2013/14, as well as the number of those interments that were completed outside of normal business hours.

Interments	2013-2014	2014-2015	April 2015-Sept 30, 2015
Cremation	172	144	119
Traditional	56	60	28

After Hour Service	2013-2014	2014-2015	April 2015-Sept 30, 2015
After 4:00 pm Weekday	7	4	4
Weekend Saturday	12	18	17
Weekend Sunday	3	2	1
Holiday	0	0	0

The current weekend/holiday/after hour rates are shown in Table 1 below. These premium rates are charged in addition to the standard interment fees when the interment occurs outside of normal business hours. An HRM employee from Cemetery Operations is required to be present at all burials to receive payment and the necessary burial permit. This cannot be provided in advance and must accompany the movement of the remains. The employee is typically onsite for approximately two hours for all interments. The costs associated with providing this overtime service are determined by the current NSUPE Collective Agreement and are reflected in Table 1.

As can be seen from Table 1, current additional weekend/holiday/after hour fees being charged are in excess of the incremental overtime labour costs incurred. Therefore, there is a case to be made for adjusting these additional fees to better reflect the incremental costs incurred and the objective of a revenue neutral operation. Staff recommends reducing the weekend/holiday/after hour to align more closely with the direct costs incurred, (see “proposed fees” in Table 1). However, it must be noted that reducing or eliminating the additional fees as directed in Council’s motion will incur an overall decrease in annual revenues if there is no offsetting increase elsewhere in the cemeteries fee schedule. Staff anticipates that a reduction or elimination of the additional fees will also drive an increase in demand for after hour business, potentially doubling after hour interments, given the local market comparison of fees conducted by staff and provided as Attachment 1. Respective projected revenue losses associated with Council’s motion to eliminate the fees and staff’s recommendation to reduce the fees are provided in Table 1.

Table 1 – Proposed Fee Change and Revenue Impact

Additional Service Fee	Existing Fee	Incremental, Direct Labour Cost (including benefits)	Proposed Fee	Proposed Fee Revenue Loss - (Annual Estimate)	Fee Elimination Revenue Loss (Annual Estimate)
After 4:00 p.m. Weekdays	\$150	\$79.94 (2 hrs service @ time and half)	\$100	\$200 - \$400	\$1,200 - \$2,400
Weekend Saturday	\$500	\$159.88 (4 hrs call out @ time and half)	\$175	\$5,000 - \$7,500	\$9,000 - \$18,000
Weekend Sunday/Holiday	\$500	\$213.16 (4 hrs call out @ double time)	\$225	\$600 - \$800	\$1,000 - \$3,000

Staff considered several fee alternatives as follows:

Direct Cost Recovery – it is common practice for cemeteries to charge a specific fee for service as opposed to a cost recovery approach. Specific fee amounts provide cost certainty for customers and enables easy cost comparison between service providers.

Fee Elimination – it is common practice for cemeteries to charge additional fees for after hour service. Eliminating the after-hour fees for HRM cemeteries would undercut other local cemeteries and potentially double the amount of after-hour service provided thereby creating potential annual revenue losses as shown in Table 1.

Maintain Existing Fees (Status Quo) - staff conducted a market pricing comparison of other municipally-operated cemeteries in Canada as well as privately-operated cemeteries within the Halifax Regional Municipality. This comparison is found as Attachment 1. The attachment shows that the existing fees being charged are relatively consistent with fees charged at other cemeteries. It is also noted that the current demand for after hour service provision has increased significantly in 2015/16 to date, which indicates that current fees are generally acceptable to the marketplace.

After considering the above alternatives, staff recommends that Council direct staff to adopt the proposed weekend/holiday/after hour fees identified in Table 1 and complete a review of the remainder of the cemetery fees to:

- a. offset the revenue loss associated with the implementation of the rates identified in Table 1;
- b. recover increased cemetery operating costs incurred since the last fee schedule update in 2013; and
- c. potentially enable cost neutral operation of municipal cemeteries, as previously directed by Council, while respecting benchmark pricing of private sector cemeteries within the municipality.

The proposed fees in Table 1 achieve a revenue-neutral solution through recovery of the direct incremental labour costs incurred for after hour service.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report. Adoption of staff's recommended after hour fees are expected to result in an estimated annual revenue reduction of \$6,000 to \$9,000 from HRM cemeteries - R855. Staff expects to offset this revenue loss through a full review of the fee structure in Administrative Order 20, subject to Council approval.

COMMUNITY ENGAGEMENT

No requirement identified.

ENVIRONMENTAL IMPLICATIONS

No implications identified.

ALTERNATIVES

1. Council could direct staff to adopt a different set of weekend/holiday/after hour rates.
2. Council could defer giving direction on the weekend/holiday/after hour rates until after receiving staff's advice regarding the full fee structure options. This alternative is not recommended as it is better for staff to know how Council wishes to address premium rates before undertaking the balance of the fee structure review.

3. Council could direct staff to adopt new weekend/holiday/after hour rates without undertaking the balance of the fee review. This alternative is not recommended as it would decrease revenues to the municipality that would have to be absorbed in the budget or passed through to taxpayers. It would also push the cemetery services further away from achieving Council's previous direction of becoming a cost neutral operation.
4. Council could decide not to alter the existing fee structure outlined in Administrative Order 20. This is not recommended by staff as the fees should be adjusted to improve cost recovery.

ATTACHMENTS

Attachment 1 Market Scan Analysis of Canadian City/Municipality and other Halifax Regional Cemeteries

Attachment 2 Cemetery Rates (effective September 10, 2013)

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Bonnie Murphy, Cemetery Administrator (902) 490-6236

Report Approved by: Brad Anguish, Director, Parks and Recreation, (902) 490- 4933

**Attachment 1
Market Scan Analysis of Canadian City/Municipality and other Halifax Regional Cemeteries**

	Halifax	Calgary	Edmonton	Niagara Falls	Regina	Hamilton
Traditional burial weekend/holiday overtime rate	\$500.00	\$1033.00	\$329.00	\$550.00	\$335.00	\$734.00
Cremation burial weekend/holiday overtime rate	\$500.00	\$269.00	\$106.00	\$295.00	\$205.00	\$581.00
After 4:00 p.m. Monday - Friday	\$150.00		\$106.00		\$205.00	\$181.00
Every ½ hour past 4:30 Monday to Friday or scheduled time		\$164.00		\$30.00		\$105.00

Note: All the above have union staff that are employed full time

	Halifax	St John's (Halifax)	Pleasant Hill	Gates of Heaven	Oakridge
Traditional Burial weekend/holiday overtime rate	\$500.00	\$225.00 after 12:00 on Saturday	\$100.00	Do not bury on Sundays, pay staff 44 hours to offset Saturday interments	\$600.00 on Saturday \$900.00 on Sunday/Holiday
Cremation burial weekend/holiday Overtime rate	\$500.00	\$225.00 after 12:00 on Saturday	\$100.00	Do not bury on Sundays, pay staff 44 hours to offset Saturday interments	\$200.00 on Saturday, Sunday and Holiday
After 4:00 pm Monday - Friday	\$150.00	\$150.00 after 3:00 p.m.	n/c	n/c	\$600.00 after 3:00 (traditional) \$200.00 after 3:00 (cremation)

Attachment 2 – Cemetery Rates (effective September 10, 2013)

Lot Fees	
Single Grave Lot	\$1,400.00
Cremation Lots (holds up to 4 cremations)	\$1,050.00
Infant Lots (in special infant sections)	\$200.00
Columbarium	\$2,500.00
Interment Fees	
Standard Interment	\$785.00
Double depth/vault/oversize (Where site conditions permit)	\$1,000.00
Cremation Interment	\$400.00
Additional Fees	
Transfer Fee (No tax payable)	\$100.00
Research Fee (per hour)	\$50.00
Foundation/ Mark Admin Fee	\$75.00
Vault Rental (handling fee)	\$200.00
Rental Fee (per month)	\$50.00
Perpetual Care for all interments	\$150.00
Standard Disinterment	\$800.00
Cremation Disinterment	\$400.00
Weekend/Holiday Rate (Additional/Flat Rate added to price)	\$500.00
Burials after 4:00 p.m. Monday-Friday	\$150.00