

NO: F005

COUNCIL DATE: November 27, 2017

FINANCE COMMITTEE

TO: **Mayor & Council**

DATE: **November 16, 2017**

FROM: **General Manager, Parks, Recreation & Culture**

FILE: **4100 - 01**

SUBJECT: **Proposed 2018 Cemetery Fee Increases**

RECOMMENDATION

The Parks, Recreation & Culture Department recommends that the Finance Committee recommend that Council:

1. Approve adjustments to the City's cemetery fees as documented in Appendix "I" to this report; and
2. Authorize the City Clerk to bring forward the appropriate amendment Bylaw to the Surrey Fee Setting By-law No. 14577 for the required readings.

INTENT

The purpose of this report is to provide information regarding proposed adjustments to the City's cemetery fees and to recommend that the Finance Committee recommend to Council that the cemetery fee adjustments, as documented in Appendix "I", be adopted as part of the City's Fee-Setting Bylaw.

BACKGROUND

The majority of municipalities in the lower mainland operate cemeteries. The City of Surrey operates three (3) municipal cemeteries: Sunnyside Lawn Cemetery, Hazelmere Cemetery and Surrey Centre Cemetery. A smaller number of cemeteries are owned and operated by various religious entities (eg: Catholic cemeteries, Jewish cemeteries etc.) and there are also a small number of "corporate cemeteries" that operate on a for-profit basis.

Sunnyside Lawn Cemetery

This cemetery is located in South Surrey on 28 Avenue, is the largest of the 3 cemeteries having an area of 11.3 ha, with only 2 ha developed. This cemetery offers traditional and cremation burial as well as a granite columbarium structure that provides for niche interment in a landscaped environment.

Hazelmere Cemetery

This cemetery is the oldest and smallest (0.61 ha) of the 3 cemeteries and is a pioneer cemetery located on 16 Avenue.

Surrey Centre Cemetery

This cemetery is located in the West Cloverdale area of the city at the intersection of Old McLellan Road and 60 Avenue. A portion of this cemetery is listed on the Heritage Registry, and contains the burial sites of many of Surrey's founding families. The cemetery is approximately 5.26 ha in area with about half being developed. Corporate Report R137; 2015 provided Council an update on the Surrey Centre Cemetery Development Plan. This plan included significant capital upgrades to the cemetery that will increase interment and memorialization options for families, maximize the interment capacity of available lands and beautify the site through improved landscaping and walking trails. City staff is in the final stage of building permit approval for this project and development is projected to commence in early 2018.

The last comprehensive fee increase for cemeteries occurred in 2010. The proposed changes to the fee structure for 2018 will provide better equity with municipal cemetery market rates and continue to ensure the financial sustainability of this service.

DISCUSSION

The operation of Surrey's civic cemeteries is currently funded entirely from operating revenues. There has been a modest operating surplus since 2011; this surplus has been allocated to cemetery capital needs. While Surrey's civic cemeteries are currently self-sustaining from an operating perspective, capital development costs are presently unfunded and there is no allocation in the 10-year capital plan for such developments.

Recent media reports have highlighted the dwindling supply of available cemetery lands in Metro Vancouver and development of Surrey's remaining unused cemetery lands is required to ensure that sufficient interment space is available to Surrey families and to provide a diversity of services to meet their needs. Such developments, like the pending Surrey Centre Cemetery development, also provide improved park-like amenities to residents that utilize these green spaces.

The current Surrey Centre Cemetery development is being funded from proceeds of the sale of a 0.71 ha portion of this cemetery that occurred in 2003. This strategy for funding ongoing cemetery development is unsustainable; therefore the generation of annual operating surpluses from all civic cemeteries is required in order to subsidize future development costs. Adjustment of the cemetery fees, as detailed in this report, will support the ongoing financial sustainability of Surrey's civic cemeteries by balancing rising costs for staffing, equipment, contractors and materials.

In preparing for 2018 fee-setting changes, staff reviewed lower mainland municipal, religious and corporate cemetery fees to ensure that:

1. City of Surrey fees remained close to, or below, the municipal average for such fees;
2. City of Surrey's fees were not excessively low so as to result in a disproportionate share of purchases by non-residents, as compared to resident purchasers;
3. Existing revenue streams were maintained to ensure that operating costs were adequately subsidized; and
4. Interment & memorialization costs remained affordable for Surrey residents.

Based on this review, the recommended fee adjustments are set out in Appendix “I” which would replace Schedule F, of the current Surrey Fee Setting By-law No. 14577. The proposed rate adjustments from 2017 to 2018 are summarized in Appendix “II”.

A series of appendices are attached to this report to provide fee comparisons with other municipal, religious and corporate cemeteries that are located in the lower mainland of British Columbia. Appendix “III” provides a comparison of Surrey’s current cemetery fees with other municipal cemeteries in the lower mainland. Appendices “IV”, “V” and “VI” provide comparisons of the City of Surrey’s current cemetery fees with three non-municipal cemeteries that are located within Surrey. Two of these cemeteries are corporate cemeteries which operate on a for-profit basis, and the third is a Catholic cemetery which is the largest religious cemetery located within Surrey. There are a number of very small religious cemeteries located within Surrey that offer services only to members of their respective congregations.

Comparisons are provided for the following respective services at Surrey based cemeteries in the following Appendices:

- Casket burial – Appendix “IV”
- Cremation burial – Appendix “V”
- Columbarium interment – Appendix “VI”

The fee comparisons contained in Appendices “IV”, “V” and “VI” are more meaningful than Appendix “III”, as most families will generally seek out cemetery services within the community in which they reside rather than simply seeking out other municipal cemeteries in the lower mainland.

SUSTAINABILITY CONSIDERATIONS

The City of Surrey operates municipal cemeteries in order to provide high quality death-care services to its residents in an affordable manner as well as working with the Provincial Ministry of Social Development and Social Innovation to provide affordable services to financially disadvantaged people across the region. Cemetery fee-setting is a balance between generating adequate revenue streams to subsidize operating and capital costs and ensuring that services are affordable to all families. This focus supports the following Desired Outcomes and Strategic Directions in the Sustainability Charter:

- Inclusion – DO1: Surrey welcomes, includes, embraces and values the diversity of people who live here.;
- Inclusion – DO2: Surrey is a caring and compassionate city that learns about and supports its residents of all backgrounds, demographics and life experiences;
- Inclusion – DO24: Surrey has a strong social infrastructure that supports the needs of its diverse and growing population;
- Inclusion – SD6: Create, enhance and increase awareness of services that support people with economic barriers; and
- Infrastructure – SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

CONCLUSION

Based on the above discussion, it is recommended that the Finance Committee recommend that Council:

- Approve adjustments to the City's cemetery fees as documented in Appendix "I" to this report; and
- Authorize the City Clerk to bring forward the appropriate amendment by-law to the Surrey Fee Setting By-law No. 14577 for the required readings.

Laurie Cavan
General Manager
Parks, Recreation & Culture

Appendix "I": Revised By-Law 14577, Schedule F – Cemetery Fees
Appendix "II": Current & Proposed Cemetery Fee Comparison
Appendix "III": Comparison of Typical Interment Costs for Municipal Cemeteries
Appendix "IV": Comparison of Casket Burial Costs for Cemeteries within Surrey
Appendix "V": Comparison of Cremation Burial Costs for Cemeteries within Surrey
Appendix "VI": Comparison of Columbarium Interments Costs for Cemeteries within Surrey

Schedule F Surrey Fee Setting By- law

Pursuant to Section 194 of the "Community Charter" there is hereby levied a Fee for Cemetery services provided as

follows:

DEFINITIONS

1. In this By-law, terms shall have the meanings ascribed to them in "City of Surrey Cemetery Management By-law No. 16174" and as set out below:
 - ADULT LOT means a Lot designated, and appropriately sized, in the approved Cemetery plan for the Interment of adult Human Remains.
 - ADULT PREMIUM LOT means an Adult Lot that has been designated in the approved Cemetery plan as having a different pricing structure due to unique location benefits and limited supply, as determined by the Administrator.
 - CHILD LOT means a Lot designated and appropriately sized, in the approved Cemetery plan for the Interment of Child Human Remains.
 - HANDLING FEE means the Fee paid for handling of Cemetery products not purchased from the City.
 - INFANT LOT means a Lot designated and appropriately sized, in the approved Cemetery plan for the Interment of Infant Human Remains.
 - MEMORIAL BOARD or PILLOW MARKER means a structure of bronze, granite or approved material, which commemorates names of decedents that may or may not be interred in the Cemetery.
 - NON-RESIDENT means a person who does not reside in the City at the time application is made for a Right of Interment or Interment Authorization.
 - PREPARATION & PLACEMENT means the process of completing an Interment including, but not limited to, administrative, legal, labour and equipment resources provided to facilitate the opening of a Lot, deposition of Human Remains or Cremated Remains and the subsequent closing of the Lot.
 - RESIDENT means a person who resides in the City at the time application is made for a Right of Interment or Interment Authorization. Proof of residency is required.
 - RIGHT OF INTERMENT means a certificate that provides for the future right to inter Human Remains or Cremated Remains in a designated Lot. Right of Interment Fees shall include required contributions to the Maintenance Care Fund.
 - STILLBORN LOT means a Lot designated, and appropriately sized, in the approved Cemetery plan for the Interment of Stillborn Human Remains.
 - SURRENDER FEE means the charge for the surrender, to the City, of a Right of Interment for an unoccupied Lot.
 - TRANSFER FEE means the charge for the transfer of a Right of Interment for an unoccupied Lot to an immediate Family Member.
 - VETERAN LOT means a Lot designated in the approved Cemetery plan for the Interment of Veteran Human Remains.

FEES

2. All Fees shall be payable by the Applicant at the office of the Cemetery Administrator at the time of application.

RESIDENT INTERMENT FEES (\$) – Plus GST

Ground Burial	<i>Right of Interment</i>	<i>Preparation & Placement</i>	TOTAL
Adult Lot ^A	2,400.00	1,150.00	3,550.00
Adult Premium Lot ^A	3,600.00	1,150.00	4,750.00
Veteran Lot ^A	1,900.00	1,150.00	3,050.00
Child Lot	No charge	450.00	450.00
Infant Lot or Stillborn Lot	No charge	300.00	300.00
Cremation Single Interment Ground Lot ^B	950.00	550.00	1,500.00
Cremation Double Interment Ground Lot ^B	1,400.00	550.00	1,950.00
Cremation - Additional Interment on Full Size Lot ^B	700.00	550.00	1,250.00

Cremation	<i>Right of Interment</i>	<i>Preparation & Placement</i>	TOTAL
Single Niche	1,900.00	350.00	2,250.00
Double Niche 1 st Interment	2,500.00	350.00	2,850.00
Double Niche 2 nd Interment		350.00	350.00
Family Estate	14,400.00		14,400.00
Family Estate Interment		350.00	350.00
Ossuary Placement ^C	190.00	220.00	410.00
Scattering ^C	190.00	220.00	410.00
Small Bronze Memorial Location on Board or Pillow <i>(plus cost of bronze memorial)</i>	100.00	75.00	175.00

^A Grave Vault is mandatory; refer to Cemetery Services & Products listing

^B Cremation Vault is mandatory; refer to Cemetery Services & Products listing

^C At Need only

NON-RESIDENT INTERMENT FEES (\$) – Plus GST

Ground Burial	<i>Right of Interment</i>	<i>Preparation & Placement</i>	TOTAL
Adult Lot ^A	3,500.00	1,150.00	4,650.00
Adult Premium Lot ^A	5,000.00	1,150.00	6,150.00
Veteran Lot ^A	2,450.00	1,150.00	3,600.00
Child Lot	No charge	450.00	450.00
Infant Lot or Stillborn Lot	No charge	300.00	300.00
Cremation Single Interment Ground Lot ^B	1,350.00	550.00	1,900.00
Cremation Double Interment Ground Lot ^B	1,700.00	550.00	2,250.00
Cremation - Additional Interment on Full Size Lot ^B	950.00	550.00	1,500.00

Cremation	<i>Right of Interment</i>	<i>Preparation & Placement</i>	TOTAL
Single Niche	2,125.00	350.00	2,475.00
Double Niche 1 st Interment	2,675.00	350.00	3,025.00
Double Niche 2 nd Interment		350.00	350.00
Family Estate	16,200.00		16,200.00
Family Estate Interment		350.00	350.00
Ossuary Placement ^C	290.00	220.00	510.00
Scattering ^C	275.00	220.00	495.00
Small Bronze Memorial Location on Board or Pillow (plus cost of bronze memorial)	100.00	75.00	175.00

^A Grave Vault is mandatory; refer to Cemetery Services & Products listing

^B Cremation Vault is mandatory; refer to Cemetery Services & Products listing

^C At Need only

MISCELLANEOUS FEES FOR CEMETERY SERVICES & PRODUCTS (\$) – Plus GST

Memorials

Marker Permit Fee	Permit Fee	Maintenance Care Fund	TOTAL
Flat Memorials	225.00	75.00	300.00
Upright Memorials	415.00	135.00	550.00
Memorial Leveling <i>(beyond Cemetery standards)</i>			235.00
Cremation Bronze Memorials	Memorial	Maintenance Care Fund	TOTAL
Columbarium Bronze Niche Plate	625.50	69.50	695.00
Columbarium Bronze Second Name Scroll	216.00	24.00	240.00
Bronze Memorial <i>(Right of Interment to be added)</i>	112.50	12.50	125.00
Columbarium Bud Vase			195.00

Administration Fees

Late Arrival (after 3:00 p.m.) Monday to Friday, all services	495.00
Right of Interment Certificate Replacement	45.00
Transfer Fee ^D	80.00
Surrender/Sell Back Fee ^E	80.00
Handling Fee - Burial Vault	400.00
Handling Fee - Cremation Vault	80.00
Saturday (Double time) ^F	Preparation & Placement Fee x two
Sunday and Statutory Holidays (Triple Time) ^F	Preparation & Placement Fee x three
Exhumation or Disinterment	Preparation & Placement Fee x two

Cemetery Products

Grave Vault	995.00
Wilbert Monticello Vault	Cost + 50%
Cremation Vault - Double	195.00
Flower Container - Black	125.00

Cemetery products not listed: Prices to be reviewed and set on a regular basis by the Administrator and set out in a Schedule of Prices available at the Cemetery Services office.

^D To Family Members only.

^E To City of Surrey only. Based on purchase price, minus Maintenance Care Fund.

^F Interment Subject to approval by Administrator, with minimum 48 hours' notice (not including weekends and observed holidays).

MINISTRY OF SOCIAL DEVELOPMENT & SOCIAL INNOVATION (\$) – Plus GST

Ground Burial	Right of Interment	Preparation & Placement	Vault	TOTAL
Adult Lot ^A	2,480.00	1,150.00	995.00	4,625.00
Veteran Lot ^A	1,655.00	1,150.00	995.00	3,800.00
Child Lot	0.00	450.00	N/A	450.00
Infant Lot or Stillborn Lot	0.00	300.00	N/A	300.00
Cremation Single Interment Ground Lot ^B	950.00	550.00	195.00	1,695.00
Cremation Double Interment Ground Lot ^B	1,075.00	550.00	195.00	1,820.00

Cremation	Right of Interment	Preparation & Placement	Urn (if applicable)	TOTAL
Single Niche	950.00	350.00	195.00	1,495.00
Double Niche 1 st Interment	1,130.00	350.00	195.00	1,675.00
Double Niche 2 nd Interment		350.00	195.00	545.00
Ossuary Placement or Scattering	240.00	220.00		460.00
Bronze Niche Memorial	695.00			695.00
Bronze Memorial	240.00			240.00

^A Grave Vault is mandatory
^B Cremation Vault is mandatory

Administration Fees

Late Arrival (after 3:00 p.m.) Monday to Friday, all services	495.00
Handling Fee - Burial Vault	400.00
Handling Fee - Cremation Vault	80.00
Handling Fee for products not purchased from the City (excluding vaults)	Cost + 50%

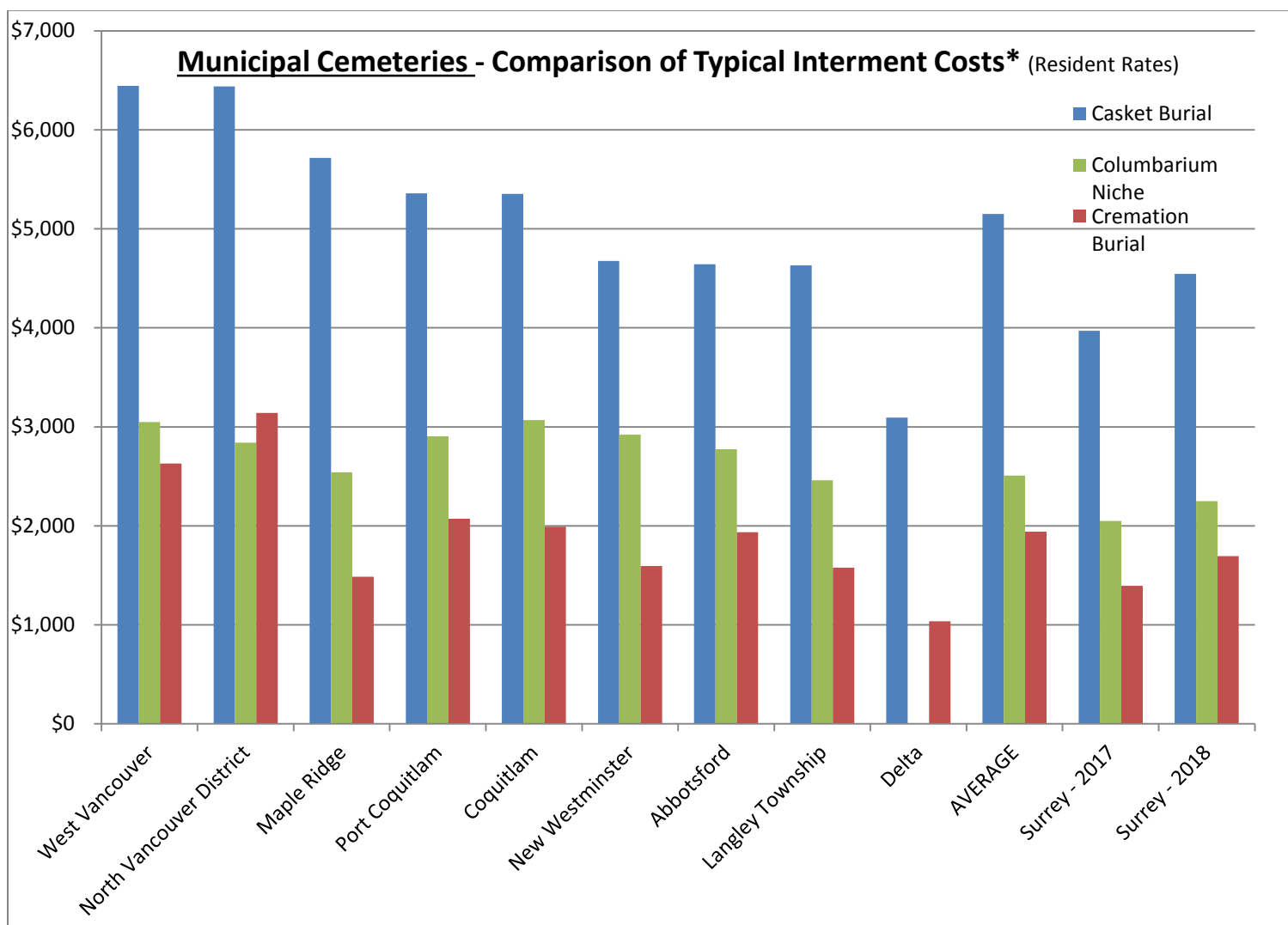
APPENDIX "II"

Comparison of Current & Proposed Cemetery Fees

			Current \$ (2017)	Proposed \$ (2018)	Increase \$
BURIAL INTERMENT RIGHTS	Adult	Resident	2,100	2,400	300
		Non-Resident	3,200	3,500	300
	Adult Premium Lot	Resident	3,200	3,600	400
		Non-Resident	4,600	5,000	400
	Veteran	Resident	1,600	1,900	300
		Non-Resident	2,150	2,450	300
	Child	Resident	0	0	0
		Non-Resident	0	0	0
	Infant	Resident	0	0	0
		Non-Resident	0	0	0
CREMATION INTERMENT RIGHTS	Cremation Single	Resident	800	950	150
		Non-Resident	1,200	1,350	150
	Cremation Double	Resident	1,200	1,400	200
		Non-Resident	1,500	1,700	200
	Cremation – Additional Interment on Full Size Lot	Resident	500	700	200
		Non-Resident	750	950	200
	Single Niche	Resident	1,700	1,900	200
		Non-Resident	1,925	2,125	200
	Double Niche	Resident	2,300	2,500	200
		Non-Resident	2,475	2,675	200
	Family Estate	Resident	7,200	14,400	7,200
		Non-Resident	8,100	16,200	8,100
	Ossuary Placement	Resident	345	410	65
		Non-Resident	445	510	65
Scattering	Resident	190	410	220	
	Non-Resident	275	495	220	
SERVICE FEES - Preparation & Placement	Adult Burial	Resident	975	1,150	175
		Non-Resident	975	1,150	175
	Child	Resident	450	450	0
		Non-Resident	450	450	0
	Infant	Resident	300	300	0
		Non-Resident	300	300	0
	Cremation	Resident	450	550	100
		Non-Resident	450	550	100
	Columbaria	Resident	350	350	0
		Non-Resident	350	350	0
Family Estate	Resident	350	350	0	
	Non-Resident	350	350	0	

		Current \$ (2017)	Proposed \$ (2018)	Increase \$
MEMORIALS	Ground Memorials			
	Cremation, Single and Double	300	300	0
	Columbarium			
	Bronze Memorial	695	695	0
	Bud Vase	195	195	0
	2nd Date of Death	240	240	0
	Memorial Boards			
	Pillow Memorial	240	240	0
Wall Memorial	240	240	0	
ADMIN. FEES	Late Arrival	495	495	0
	Transfer Fee	80	80	0
	Surrender/Sell Back Fee	80	80	0
	Saturday Interment	x2	x2	0
	Sunday & Stat Holidays	x3	x3	0
	Disinterment – Casket Burial	x1	x2	1,325
CEMETERY PRODUCTS	Grave Liner	895.00	995.00	100.00
	Grave Vault	895.00	995.00	100.00
	Cremation Vault Double	195.00	195.00	0.00
	Flower Container	95.00	125.00	30.00

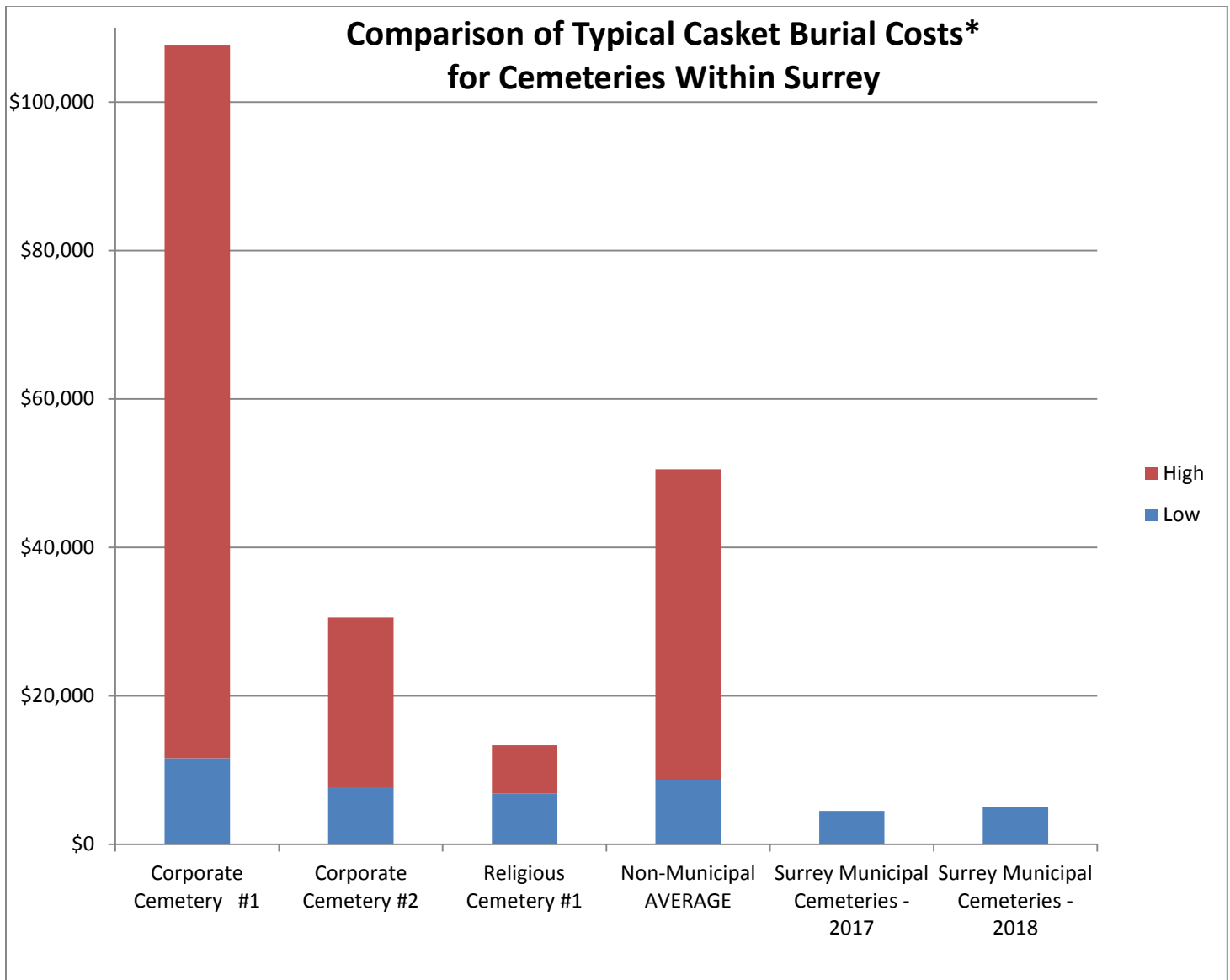
Note: This table does not include the fees for the Province of British Columbia's *Ministry of Housing and Social Development* (the Ministry), as this is an all new fee structure developed specifically designed for services for the Ministry. The fees for the Ministry fall between the rates for residents and non-residents, taking into account the typical mix of resident and non-resident clients whose affairs are managed by the Ministry.



*Typical Interment Costs include: (1) Right of Interment (2) Burial Vault (3) Preparation & Placement

This graph provides a comparison of Surrey’s current cemetery fee structure compared with other municipal cemeteries in British Columbia. Almost all municipal cemeteries have different fees for resident and non-resident customers. For simplicity, the fee comparison shows resident fee rates only, as this is the most commonly charged rate. The differing rate structure for residents and non-residents reflects the fact that almost all municipal cemeteries subsidize the operation of cemeteries, in varying degrees, through property taxes.

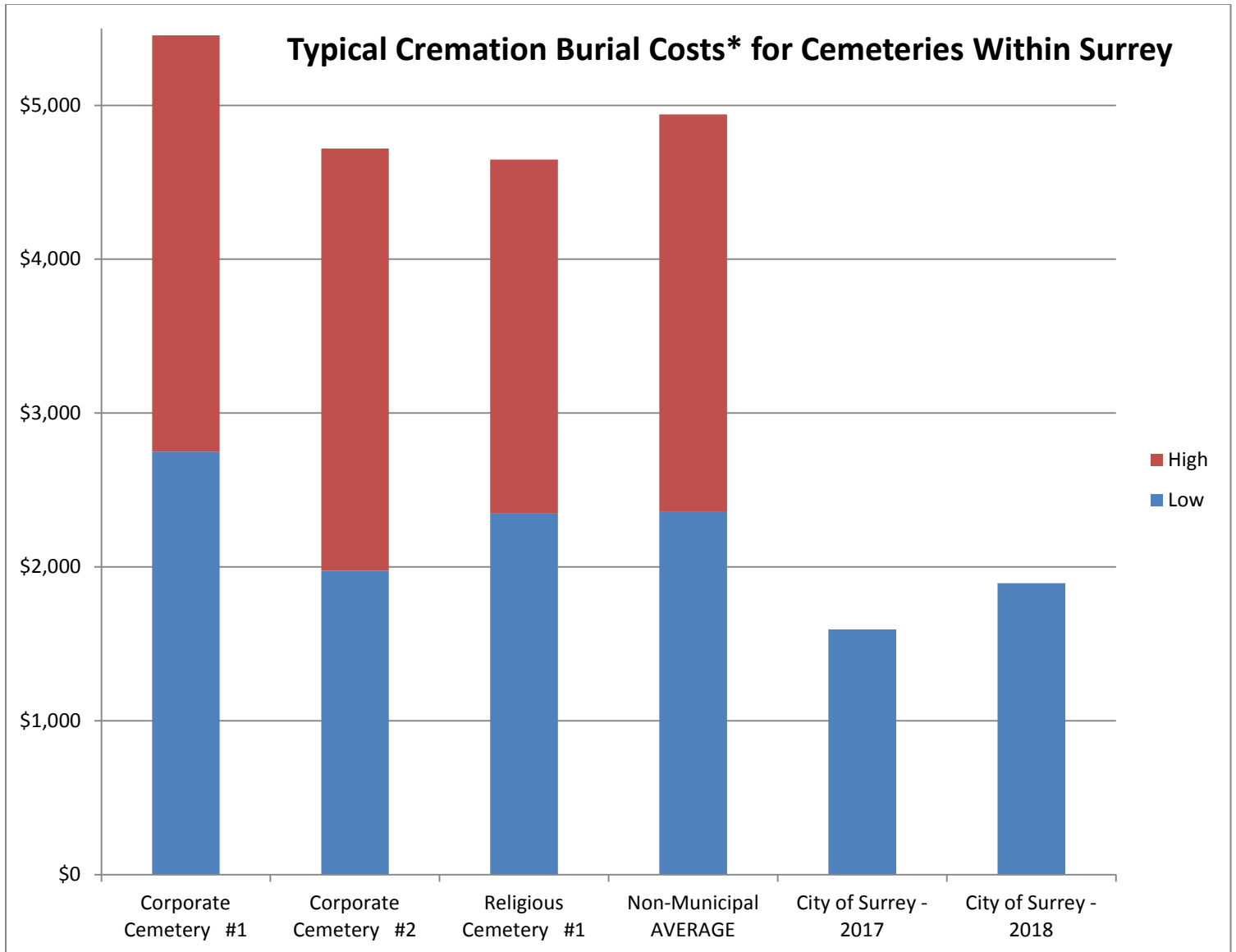
The graph illustrates that Surrey’s current municipal cemetery fees are among the lowest in the lower mainland. By way of example, Surrey’s full casket burial with right of interment included, at the resident rate, is \$3,970, while the average fees for the same service provided by lower mainland municipal cemeteries is \$5,150. Implementation of the proposed new fee structure for City of Surrey cemeteries will result in fees for this same service being \$4,545 (14% increase), which is closer to, but still \$605 lower than, the market rate and the average for other municipal cemeteries located in the lower mainland of British Columbia. It should be noted that the City of Vancouver’s only municipal cemetery, Mountain View Cemetery, charges between \$24,180 and \$27,140 for a casket burial in that cemetery.



*Typical Casket Burial Costs include: (1) Right of Interment (2) Burial Vault (3) Preparation & Placement

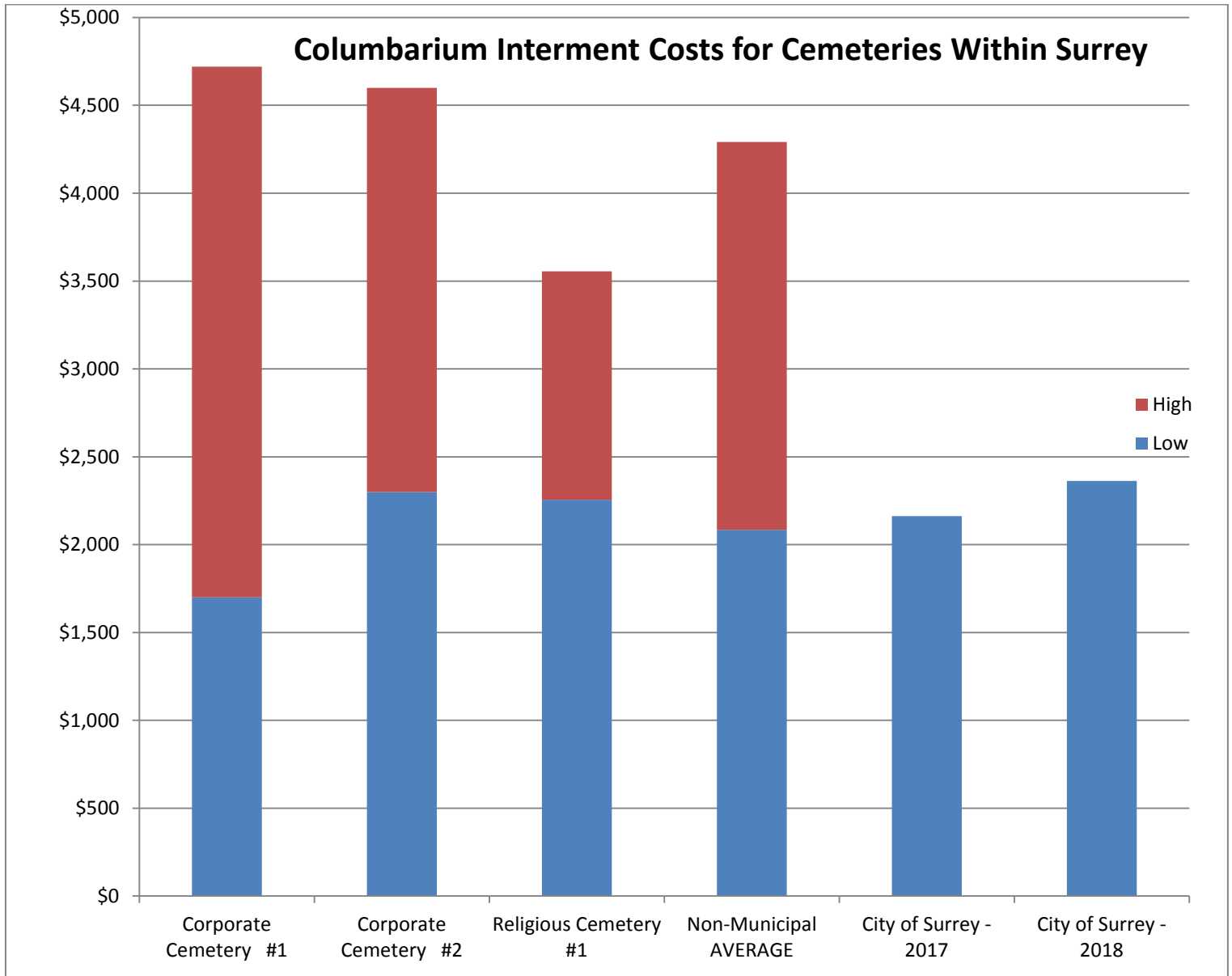
It should be noted that corporate cemeteries have a very wide range of prices for their services so the following graphs include the highest prices and lowest prices offered for these services. Corporate and Religious cemeteries do not offer any discounted pricing for Surrey residents which is in contrast to the City’s municipal cemeteries.

Appendix “IV” illustrates that Surrey’s current municipal cemetery fees for casket burial costs are much lower than those of the corporate or religious cemeteries based in Surrey. Unlike Surrey’s municipal cemeteries, the other cemeteries have full services that may include a funeral home, crematorium, rental rooms for memorials or life celebrations, and a wider range of interment opportunities. It should be noted that those services are in addition to the basic interment fees that are the subject of this comparison. The corporate cemeteries have strong marketing programs while religious cemeteries cater to specific market segments that are prepared to pay more for interment opportunities within their specific religions.



*Typical Cremation Burial Costs include: (1) Right of Interment (2) Burial Vault (3) Preparation & Placement

APPENDIX "VI"



*Typical Columbarium Interment Costs include: (1) Right of Interment (2) Niche Interment