

## Woodlawn Cemetery Fee and Rates for 2022 to 2023

### RECOMMENDATIONS

1. That the proposed Woodlawn Cemetery fee increase for services provided for 2022/2023, as included in the 2022/2023 Preliminary Business Plan and Budget, be approved; and
2. That the City Solicitor be instructed to draft the appropriate amendments to Bylaw No 6453, Cemeteries Bylaw, 1984.

### ISSUE

This report requests approval for an increase to cemetery fees, as outlined in the 2022/2023 Proposed Woodlawn Cemetery Fee Schedule, effective January 1, 2022 and January 1, 2023.

### BACKGROUND

At its December 20, 2010 meeting, City Council approved phased-in transfers of funding to create the Cemetery Assurance Fund and increase the transfer of funds to the Perpetual Care Fund, based on audit recommendations. The full phase-in was achieved in 2013, with \$90,000 allocated annually to the Cemetery Assurance Fund and an additional annual allocation of \$114,000 to the Perpetual Care Fund. These increases were initially funded by the mill rate with the intent of increasing fees each year, keeping in mind the impact to market share, until there is no longer a requirement for mill rate funding.

### DISCUSSION/ANALYSIS

Woodlawn Cemetery sells, graves, cremation, interment services, installs monument foundations and provides other related services.

The City established a Perpetual Care Fund, which covers the costs associated with ongoing maintenance for the grounds. All revenues collected as perpetual care fees are transferred to this fund, and in turn, all income earned from this fund is transferred to operations as revenue.

Revenue for Woodlawn Cemetery is comprised of a combination of fees and the interest earned from the Perpetual Care Fund. Therefore, an increase in fees is required when the revenue from the Perpetual Care Fund is not sufficient to cover the increased operating costs.

Administration is recommending an overall average fee increase of 3% per year for 2022 and 2023. Recently, Woodlawn Cemetery has not been able to achieve their revenue budgets. The Department has reduced 2022 budgeted volumes, in order to align more closely with the current expected number of burials. The 2022 increases in revenue from the 3% annual fee increase will be off set by a decrease in the budgeted volumes. The 2023 increases in revenue from the 3% annual fee increase will contribute to a reduction of Woodlawn Cemetery's reliance on the mill rate.

The increase of the marketing budget of \$20,000 in 2022 will go towards the development of a cemetery specific marketing strategy to increase awareness and market capture with the aim of increasing cemetery revenue and further reducing the Cemetery's reliance on the mill rate. The 2022 and 2023 proposed Woodlawn Cemetery Fee Schedule is provided in Attachment 1.

The budget for Woodlawn Cemetery is affected by inflationary increases in salaries, utility rates, cemetery supplies and services necessary to maintain current service levels. Transfers to reserves and interest rates also impact the cemetery's budget on an annual basis.

The projected 2022 operating budget includes:

- revenue rate increase: (\$38,900)
- revenue volume decrease \$18,900
- marketing increase \$20,000
- increase in Perpetual Care Fund income: (\$400)
- utility rate increase: \$3,700
- equipment increase: \$3,900
- staff compensation increase: \$9,000
- increase to staff training \$3,000
- increase to insurance premiums \$3,800
- increase to perpetual care reserve transfer: \$2,300

The budgeted 2022 mill rate impact will be \$53,200, an increase of \$25,300 from the 2021 budget.

The projected 2023 operating budget includes:

- revenue rate increase: (\$39,500)
- increase in Perpetual Care Fund income: (\$3,600)
- utility rate increase: \$3,900
- equipment increase: \$4,600
- staff compensation increase: \$500
- increase to insurance premiums \$3,900
- increase to perpetual care reserve transfer: \$4,500

The budgeted 2023 mill rate impact will be \$27,500; a decrease of \$25,700 from the 2022 budget.

## FINANCIAL IMPLICATIONS

An increase in fees is required to cover increased operating costs and reduce reliance on mill rate funding. A comparison of cemetery fees in Western Canadian cities is provided in table below.

City	Casket Plot	Cremation Plot	Open/ Close Casket	Open/ Close Cremains	Saturday Overtime Casket Cremains	Columbarium
Calgary	\$4,456	\$3,465	\$1,828	\$518	\$760 - \$1,276	\$3,951 - \$8,275
Edmonton	\$2,754 - \$5,198	\$1,368	\$1,225	\$525	\$339 - \$ 572	NA
Brandon	\$2,035	\$960	\$1,250	\$560	\$530 - \$ 900	\$3,900
Winnipeg	\$2,670	\$1,245	\$1,180	\$710	\$365 - \$ 955	\$3,515
Regina	\$1,835 - \$2,415	\$ 695 - \$2,375	\$1,275	\$420	\$385 - \$ 715	\$3,980 - \$4,335
Saskatoon	\$1,910 - \$2,480	\$1,230 - \$1,410	\$1,500	\$650	\$370 - \$ 670	\$3,230 - \$3,660

The objective for Woodlawn Cemetery is to operate at 100% cost recovery, with fees and interest earned from the Perpetual Care Fund covering all costs. This objective is unable to be achieved in the 2022 and 2023 budgets. There will be a \$25,200 increased mill rate impact in 2022, from these budget changes mainly, as a result of the decrease in budgeted number of burials and the addition of a marketing budget. This will be partially offset in 2023, with a \$25,700 mill rate reduction mainly due to the increased revenue.

## OTHER IMPLICATIONS

Amendments to Bylaw No. 6453, Cemeteries Bylaw, 1984, are required to support implementation of the proposed fee changes.

## APPENDICES

1. 2022 & 2023 Proposed Woodlawn Cemetery Fee Schedule

Business Line: Community Support

SP/2021/PK/Budget/Woodlawn Cemetery Rate and Fee for 2022 and 2023/mh