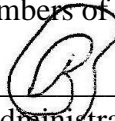
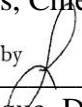


Item No. 11.1.8
Halifax Regional Council
July 23, 2013

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: June 6, 2013

SUBJECT: By-law Respecting an Amendment to the Cemeteries By-law and Amendments to Administrative Order Number 20 (Cemeteries)

SECOND SUPPLEMENTARY REPORT

ORIGIN

Halifax Regional Council meeting of January 10, 2012 – Item No 11.1.6 – By-law Respecting Amendment to the Cemeteries By-Law and Amendment to Administrative Order Number 20.

Halifax Regional Council meeting of August 11, 2012 – Item 11.1.6 First Reading, as Amended, Proposed By-law C-702, An Amendment to By-law C-700, Respecting Cemeteries and Administrative Order 20 Respecting Fees for Cemetery Service.

On January 10, 2012 First Reading was given to By-law C-702 and amendments proposed to Administrative Order Number 20. Staff was requested by Council to meet with representatives of the Last Post Fund to address issues that were brought forth by the Fund, the primary issue being the subsequent maintenance fees for opening and closing of niches for additional interments.

On August 7, 2012, First Reading was again given to By-law C-702 and amendments proposed to Administrative Order Number 20. Regional Council deferred the matter back to staff for additional consultation with the Last Post Fund.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter including clauses: 61(5) (d), 188(1) (c), (f), (ka), and 188 (2) (b).

RECOMMENDATION

It is recommended that Halifax Regional Council:

- 1) give first reading to the proposed amendments to the By-law Respecting an Amendment to the Cemeteries By-law, C-702 as amended, set out in Attachment “A” of this Second Supplementary Report;
- 2) give first reading to the proposed amendments to Administrative Order Number 20 as amended, set out in Attachment “E” of this Second Supplementary Report;
- 3) direct staff to enter into the Memorandum of Understanding with the Last Post Fund, set out in Attachment I of this Second Supplementary Report;
- 4) accept the conveyance from the Last Post Fund of the Last Post Columbarium in the Fairview Cemetery, as set out in Attachment I of this Second Supplementary Report; and
- 5) authorize the Director of Transportation and Public Works to execute the Memorandum of Understanding with the Last Post Fund, as set out in Attachment I of this Second Supplementary Report.

BACKGROUND

Cemetery Operations met with the Nova Scotia Branch of the Last Post Fund on January 13, 2012, and December 20, 2012 to discuss issues that were brought forth at the Regional Council session of January 10, 2012 and August 11, 2012. As a result of these meetings with the Last Post Fund representatives, staff identified changes required to report 11.1.6 (Background section) pertaining to the history of the Last Post Fund, as well as, clarifications and corrections of items proposed in By-law C-702 and Administrative Order Number 20 and have drafted a Memorandum of Understanding between the Last Post Fund and the Municipality. Legal Services reviewed the changes and were of the opinion that the revisions were substantial requiring this report to go back to Council for first reading.

The January 13, 2012 and December 20, 2012 meetings with the Last Post Fund was beneficial and provided an opportunity for the Last Post Fund to provide feedback and to seek updates on several related matters such as reviewing a draft of the MOU.

Staff has worked diligently and cooperatively with the Last Post Fund and recognize that the Last Post Fund are not in agreement in applying Section 3 f. of Administrative Order Number 20, which identifies the maintenance fee for subsequent interments. The initial maintenance fee of \$150 is charged at the time of the sale of the niche. A second maintenance fee is only charged at the time of a second opening/closing. Prior to August 13, 2008, the initial and any subsequent interments were charged a maintenance fee of \$50. The challenge is to find a balance that covers

the financial obligations and risks of both HRM and the Last Post Fund and, in reaching that balance, staff is recommending that new sections be added to the Administrative Order creating a separate fee structure for the Last Post Fund.

Once all the niches are sold, the maintenance of the Last Post Fund columbarium will become the responsibility of HRM in perpetuity. Although the columbarium is presently owned and maintained by the Last Post Found, HRM is still required to provide general maintenance and some repairs. Litter clean-up is ongoing during the summer maintenance season and fall leaf clean up. During the winter, snow and ice is cleared off the concrete pad as a regular part of winter maintenance activities. There is maintenance care to the structure and the area immediately surrounding. For example, every year the structure is completely power washed and scrubbed down. HRM assumes the risk for broken granite panel/niche covers that carry a replacement cost of \$1,000 each. These panels are extremely fragile and become brittle in cold weather; two slabs have been replaced to date either because of a defect in the material or human error. Cemetery staff estimates the cost of a typical annual maintenance plan for the LPF columbarium will be approximately \$1,500. Where the Last Post Fund retains 100% of sales revenue, the maintenance fee will be the only source of revenue for columbarium maintenance.

The Last Post Fund also suggested a change in Section 3 (2) as the present wording could be interpreted as not being applicable to the Last Post Fund. Cemetery staff agrees that Cemetery Operations should approve of any monuments or markers that are being installed in HRM owned cemeteries. The Last Post Fund has now agreed to all the proposed changes and the attached MOU.

Cemetery staff has proceeded with the construction of an HRM owned columbarium within the 2012 business cycle. This now requires adding the HRM Columbarium fee to Administrative Order Number 20 under Lot Fees and clarifying that the cremation interment fee includes interments in the HRM columbarium.

DISCUSSION

In order to ensure that the appropriate funding is available in future years to maintain the Last Post Columbarium, staff recommends that Council adopt the fee structure as outlined in the amendments as proposed in By-law C-207 and Administrative Order Number 20. Once all the niches are sold by the Last Post Fund, the care and maintenance of the structure will become the responsibility of the Halifax Regional Municipality in perpetuity. HRM is committed to following best industry practice and minimizing the financial risk to the HRM tax payer. A scan of maintenance /perpetual care fees specific to columbarium structures shows that HRM rates are considerably on the low end of the scale even when factoring in a second maintenance fee for the subsequent opening/closing. For HRM, the total maintenance care ranges from \$100 to a maximum of \$300 (2 x \$150) with the second being deferred to the time of the second opening /closing. Local market comparables for columbariums range from \$200 to \$625 and are due at the time of sale of the niche.

At present, fifteen per cent (15%) of HRM's lot sales revenue go into a trust account to ensure financial solvency in future years. This, however, is not applicable to the sale of the Last Post Fund niches, as the Last Post Fund retains sale revenues. Revenue pertaining to maintenance fees, however, is captured in a cemetery operating/maintenance account. Applying the second maintenance fee (where applicable) as per the Administrative Order Number 20 is necessary to ensure that HRM has the appropriate funds to maintain the Last Post Columbarium. The maintenance fee for the second opening is dependent on the decision of the owner; therefore, HRM is not guaranteed this fee. If HRM recommended only one fee for maintenance then a higher fee would be necessary to minimize the financial risk to the HRM tax payer. The proposed maintenance fee structure provides a reasonable approach to all parties and a financial model to ensure the long-term perpetual care and maintenance of the structure.

As per the Cemetery Service Review, HRM has moved forward with its own columbarium and the HRM columbarium was operational in the fall of 2012. The amendments to the Cemetery By-law and Administrative Order need to be finalized in order to lay the framework of the MOU with the Last Post Fund, as well as position Cemetery Operations to move forward with the HRM columbarium. The maintenance fee structure would be the same for all parties in the future with the exception of the niches for the Last Post Columbarium. (Note: we have our columbarium in place.)

A summary of changes can be found in Attachment E. Revisions have been made to Attachment B and C.

FINANCIAL IMPLICATIONS

The impact to the Cemetery Operating/Maintenance Account (Cost Centre R855) is anticipated to be a total of \$20,000 for subsequent openings and closing of niches, as well as, an annual expense of approximately \$1,500 for cleaning of the structure. HRM also assumes the risk for broken granite panel/niche covers that carry a replacement cost of \$1,000 each. These panels are extremely fragile and become brittle in cold weather; two slabs have been replaced to date, either because of a defect in the material or human error.

COMMUNITY ENGAGEMENT

Cemetery Operations met with the Last Post Fund's representatives on January 13, 2012 to discuss issues that were brought forth from Regional Council's meeting of January 10, 2012.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

1. Do not proceed with the revisions to the Cemeteries By-law or Administrative Order Number 20 as it pertains to subsequent maintenance fees for the Last Post Fund Columbarium. This is not recommended by staff.
2. Explore waiving the maintenance fees and turning over the maintenance of the Columbarium to the Last Post Fund. HRM would continue to provide opening/closing services for the applicable fees. This is not recommended by staff, and may not be acceptable to the Last Post Fund.

ATTACHMENTS

- Attachment A: By-law C-700, By-law Respecting Municipal Cemeteries; proposed amendments incorporated in bold, italics and underlined.
- Attachment B: By-law C-702, By-law respecting an Amendment to the Cemeteries By-law; proposed amendments in bold
- Attachment C: Consolidated By-law C-700 with amendments from By-law C-702 incorporated
- Attachment D: Administrative Order Number 20 incorporating proposed amendments; proposed amendments incorporated in italics and underlined
- Attachment E: Administrative Order amending Administrative Order Number 20
- Attachment F: Consolidated Administrative Order Number 20
- Attachment G: Council Report 11.1.1 - By-law respecting an Amendment to the Cemeteries By-law and Amendments to Administrative Order Number 20 (Cemeteries) of January 10, 2012; proposed changes incorporated in bold, italics and underlined
- Attachment H: Summary of changes resulting from meeting with the Last Post Fund January 13, 2012
- Attachment I: Memorandum of Understanding between HRM and the Last Post Fund

**Supplementary Report – By-law Respecting an Amendment to the Cemeteries
By-law and Amendments to Administrative Order Number 20
Council Report**

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July 23, 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.

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