

Subject: Cemetery User Fees**Recommendation:**

BE IT RESOLVED THAT Council receive Report #2024-0212 Cemetery User Fees, for information;

AND THAT Council adopt the recommendation to increase the Town of Pelham Cemetery User Fees for Plot Purchases and Interments by 10% for 2025.

Background:

The Town of Pelham owns and operates 3 municipal cemeteries: Fonthill Cemetery, Hillside Cemetery, and Hansler Cemetery. Fonthill Cemetery and Hillside Cemetery are the only two that are active and generate revenue.

The Town cemetery fees have been gradually increased by approximately 3% a year for the last several years. Public Works staff determined that previous increases have not sufficiently covered all costs of cemetery operations. Through recent research of like-size municipalities within the Niagara Region, staff have determined that the Town of Pelham is charging significantly less for plot purchases (resident and non-resident) and interments (full and cremation burial).

Analysis:

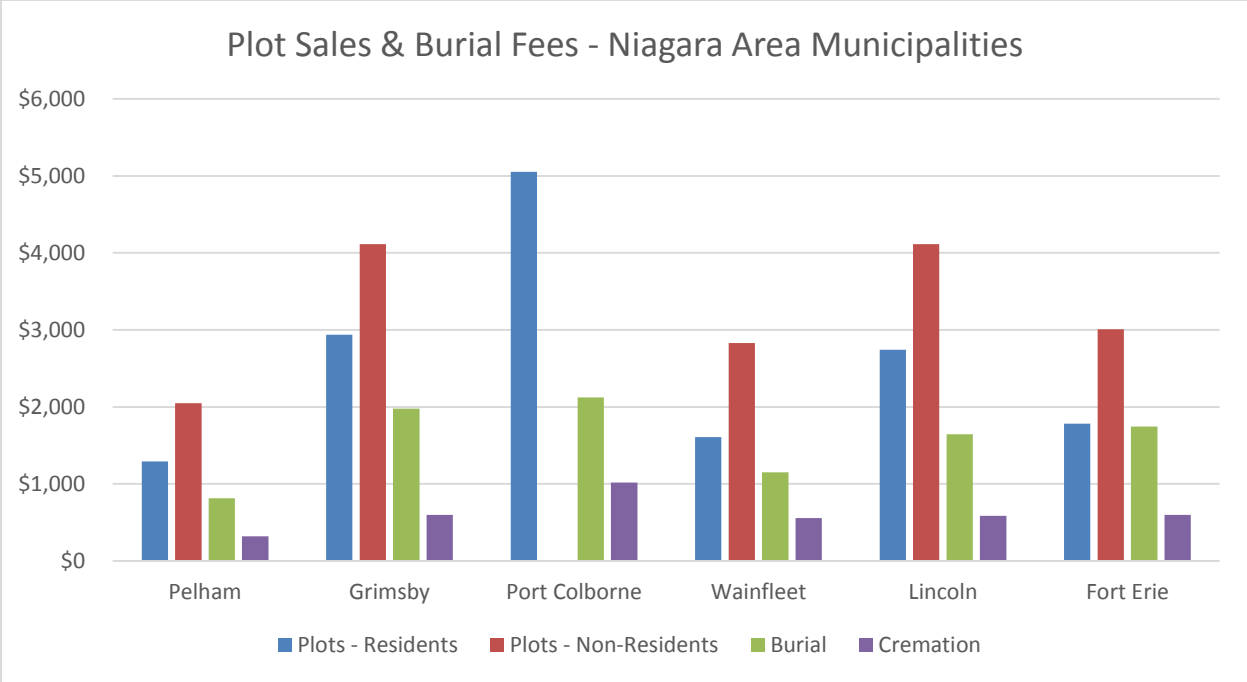
Over the course of the last few months, staff have evaluated and investigated the cost of running the Fonthill and Hillside Cemeteries with the anticipation of user fee review and approval nearing the 2025 calendar year. Staff reviewed the annual operating costs for cemeteries—including staffing, equipment, contracted services, supplies, and materials—and found that revenue from cemetery user fees does not fully cover these costs.

Revenue analysis for the last 5 years, indicates that revenue has been gradually increasing, however, the increases haven't been large enough to fully cover the operating costs. The user fee revenue from the last 5 years is listed below.

Town of Pelham Cemeteries Revenue				
Year	Total Revenue	Care & Maintenance	Licenses	Net Revenue
2019	94,328	16,015	1,028	77,285
2020	115,008	14,435	932	99,641
2021	104,858	4,823	1,032	99,003
2022	121,742	19,267	1,431	101,044
2023	147,789	44,743	1,303	101,743
Average	116,745	19,857	1,145	95,743

Public Works staff have reviewed five like-size municipalities within the Niagara Region. Below is a detailed graph comparison of plot sales and interment fee revenue from each municipality. Staff have compared both cremation and traditional (full) burial interments and plot purchases for residents and non-residents. The data indicates that the Town of Pelham’s fees are significantly less than each of these five municipalities and well below the average.

2024 Cemeteries User Fees Comparison				
Municipality	Sale of Plots		Interment (Opening & Closing)	
	Resident (incl. C&M + hst)	Non-Resident (incl. C&M + hst)	Traditional (Full) Burial (incl. hst)	Cremation Burial (incl. hst)
Pelham	\$1,292	\$2,049	\$812	\$319
Grimsby	\$2,935	\$4,115	\$1,976	\$599
Port Colborne	\$5,051		\$2,124	\$1,017
Wainfleet	\$1,606	\$2,829	\$1,148	\$556
Lincoln	\$2,742	\$4,113	\$1,645	\$584
Fort Erie	\$1,782	\$3,008	\$1,744	\$596
Average	\$2,568	\$3,223	\$1,575	\$612



It is understood by cemetery staff that several non-Pelham residents have purchased plots in Town cemeteries simply because of price as multiple purchasers have mentioned this during their transactions. While the Town does charge more to a non-resident purchaser, the amount is less than some like-size municipalities' resident rates. Staff are not opposed to sales to non-residents (who are frequently former residents who feel emotional ties to the community). However, land and cemetery space are finite and burials for non-residents should not be motivated by cost consideration. At a minimum, the non-resident rate should be the average of the rate paid at neighbouring municipalities.

The Town of Pelham is required by the *Funeral, Burial and Cremation Services Act, 2022*, which is administrated by the Bereavement Authority of Ontario (BAO) to have a trust account, referred to as a Care and Maintenance Fund (C & M). Specific fees have C & M listed. For each plot purchased within the town cemeteries, 40% of the fee is transferred into C & M. Both foundations and flat marker installations are charged between \$100-\$400 in addition to installation cost depending on the size of the monument (this fee is regulated by the BAO). The interest that this trust generates annually is required to be used solely to offset the cost of maintaining the cemeteries, such as monument repairs, existing municipal structure repairs, and regular turf maintenance.

Financial Considerations:

Staff recommends increasing plot purchase and interment fees by 10% for 2025. Increasing the fees will allow the Town to be more comparable to area

municipalities and generate additional revenue to offset cemetery operating costs. This increase will be reevaluated by staff in future budgets to bring them more in line with other municipality fees and until the Town can reach full cost recovery of cemetery operations from user fee revenue.

The increased fees will allow the Town to pay for cemeteries' operating costs more equitably by shifting part of the burden from property taxes to user fees.

A 10% increase would generate approximately \$6,600 in additional revenue from Plot sales and Internment Fees (based on the current 2025 draft budget).

Although the 10% increase is a higher than previous increases, the Town's cemetery user fees are still the lowest with other comparable municipalities in the Niagara Region and well below the average.

Alternatives Reviewed:

As an alternative, Council could increase the fees by more than 10%.

As a further alternative, Council can decline to increase fees by 10% for plot sales and interment user fees for the 2025 calendar year. Administrative and operational staff recommend moving forward with this increase to assist with covering the annual expenses to run the cemeteries within the Town of Pelham.

Strategic Plan Relationship: Financial Health

Increase in the Town of Pelham cemetery user fees would allow for less dependence on the tax levy to support staff, maintenance, and functions of our Town cemeteries.

Consultation:

Undertaken with the Supervisor of Beautification and Manager of Financial Services and Deputy Treasurer.

Other Pertinent Reports/Attachments:

Town of Pelham – Cemetery User Fees 2024

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