Cemetery Service Study Prepared for the Town of Creston

Prepared by Barry McLean

October 16, 2012
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Executive Summary

The Town of Creston participates in a long standing Regional District Cemetery Service established by Supplementary Letters Patent in 1977 which includes the Town, all of Electoral Areas A, B and C. In the past the four participants participated in the annual operating deficit and capital costs of the Forest Lawn cemetery based on a tax on the participant’s assessed values. Five rural cemeteries also receive funding from the same service although on a reduced scale.

The Town of Creston has been advised that funding for the Forest Lawn cemetery will cease in two years and the Town is looking at options which may be available to them for continued operation of the Forest Lawn cemetery.

The RDCK gives annual grants to the Town of Creston, Lister, All Saints Anglican, Boswell, Gray Creek and Crawford Bay. As the largest cemetery, Forest Lawn receives the largest grant and in past it equaled the operating and capital deficit. In the past few years, financial grants have been set at specific amounts and there has not been any capital works since 2010. The Town has amended their bylaws to increase fees and introduced non-resident rates to avoid subsidizing those outside the taxation area. On average there are approximately 70 interments at Forest Lawn, over half of the annual interments are cremated remains.

The five rural cemeteries are managed by volunteer boards and are small with minimal number of annual interments. Each of the cemeteries has their own fees, however they are all minimal and each of the cemeteries has a prescribed method of operation. In each case the rural cemeteries are meant to serve a relatively small localized area.

The Creston cemetery fees and rates were compared to a number of similar sized municipalities in the province and Creston’s fees and rates compared favourably with other cemeteries operated by municipalities and Regional Districts. Larger centers in the province have introduced much higher rates and provided much broader ranges of services at their cemeteries. In general municipal cemeteries are subsidized by taxation. In attempts to minimize the level of subsidization, some cemeteries have contracted operations, however; none of those surveyed showed a profit. Many of the municipalities have adopted a policy of increasing fees on an annual basis to stabilize the tax subsidy.

Cremation has become much more popular in British Columbia, and many of the municipalities are offering a broader range of alternatives for cremains, including scattering gardens, and columbaria. Dealing with cremated remains is much less costly for municipalities however since most cemeteries are on large tracts of land there remains an ongoing cost to maintain the larger site.
The average number of interments at Forest Lawn over the past four years is 74, a higher number than would be expected from a Town with a population of just over 5,000. In 2011, 76% of interments were former residents of Creston, and the surrounding electoral areas. For those that were considered to be residents, 70% were from the Town of Creston, 2% from Electoral Area A, 20% from Electoral Area B and 8% from Electoral Area C. These numbers do not reflect the census percentages which are Creston 38% Electoral Area A 15%, Electoral Area B 37%, and Electoral Area C 10%. There is a tendency for seniors to move to the Town or to become residents of the seniors homes located in the Town, thereby significantly increasing the numbers of burials identified as residents of Creston. Sixty seven percent of the persons over 80 in the Town of Creston, Areas A, B and C reside in the municipal boundaries. The numbers confirm Forest Lawn is serving a wider regional population not just the Town of Creston.

A number of options for cemetery operation and maintenance were discussed beginning with requesting the Regional District to take over the cemetery operation. Due to the results of previous discussions with the Regional District little consideration was given to this option. Operation of the site by volunteers was explored next. The size of the cemetery and number of interments would probably overextend the limits of volunteerism. The wording of the Town’s union agreement respecting contracting would also affect many of the alternative methods of operation such as contracting out the operation and maintenance. However, following the terms of the collective agreement the Town could explore the option. Next, privatization of the operation was discussed. Of all the alternatives, privatization would probably be the most controversial and may be the most difficult to accomplish.

Finally the option of the Town continuing to maintain and operate the site was discussed. Continued increases in fees, reductions in maintenance, consideration of the Town taking control of any new columbaria, having a development plan done and consideration of additional options for disposing of cremains as well as greater involvement by the Rural Area Directors were all presented for consideration.

Lastly, withdrawal from the RDCK cemetery service was considered with the conclusion that this was the least favourable option and that it would be far better to explore methods of maintaining a regional service, possibly by amending the method of sharing the costs.
Introduction

The Town of Creston owns and operates two cemeteries, the Pioneer Cemetery located in the Town of Creston and Forest Lawn which is located in Area B of the Regional District of Central Kootenay (RDCK). Pioneer Cemetery is not an active cemetery; Forest Lawn is the active cemetery. Funding for operation and capital additions to Forest Lawn is provided by a combination of user fees and taxation. The taxation for cemeteries is a service of the RDCK. Taxpayers from the Town of Creston, and Electoral Areas A, B, and C area are taxed on property assessments based on a requisition for funds from the RDCK. On an annual basis, the RDCK provides grants to a number of cemeteries in the taxation area including Crawford Bay Cemetery, Boswell Cemetery, Lister Community Cemetery, All Saints Anglican Cemetery and Gray Creek Cemetery as well as Forest Lawn. As the largest and most active cemetery, Forest Lawn receives the largest grant which in the past equaled the annual operating and capital deficit. The grants to the cemeteries in the Electoral Area cemeteries are based on an annual request for funds and submitted financial statements.

In 1977, the RDCK was issued Supplementary Letters Patent (SLP) giving authority for the “function” of cemetery operation for the member municipality of the Town of Creston and Electoral Areas A, B and C. The service was to be funded on the basis of a taxation levy on the basis of assessment. Two subsequent amendments were made to the SLP, the first, in 1978 allowed for grants in aid to be made towards operation and maintenance of any cemeteries within the boundaries of the Town of Creston, and Electoral Areas A, B and C. The second amendment, in 1979 added the ability to give grants for capital projects, including land acquisition, development and improvement.

The RDCK has chosen not to become directly involved in cemetery operation, choosing instead to fund cemeteries by way of financial grants in aid. The number of cemeteries receiving grants has increased in numbers over the years with the Gray Creek Cemetery being the last added.

The Town of Creston has been advised that their cemetery funding from the Regional District of Central Kootenay will cease in two years and they have entered into a contract with Barry McLean to prepare a report detailing the funding history, operating costs and statistics on the funded cemeteries. Other cemetery operations in the province will be contacted and different models of operation will be investigated for the Town of Creston’s consideration. As options are presented, the expected outcomes will be presented.
Participants in RDCK Service

Pioneer Cemetery located in the Town of Creston is primarily a historical cemetery. It is located in the municipal boundaries of the Town and although there are no new plots available some family funerals are still allowed.

Forest Lawn Cemetery is located in Area B of the Regional District of Central Kootenay but is owned and operated by the Town of Creston. The site is a total of 51 acres with approximately 9 acres developed and has the potential for 4,627 plots with the ability to operate for another 15 years before additional land must be cleared and prepared for burials. The schedule of cemetery fees was last amended in 2011 and the amounts were increased substantially to reflect the current cost of operations. Persons outside the Creston, Area A, B and C electoral areas are charged an additional amount as non-residents. On an annual basis, the number of burials and cremations varies but on average numbers approximately 70. In the past, the RDCK covered the year end deficit for operations and capital expenditures based on a billing produced at each year end. The RD grant was received in the fiscal year following the deficit. Since 2009 there has been no RD funding for capital expenses and subsequently no capital expenditures since 2010. In 2011 and 2012 the grant appears to have been fixed at $36,000 and funding may cease in two years. Cost has become an issue with Forest Lawn and the rural area directors have stated that they have no input into the operation but are required to fund the shortfalls. The rural directors are also concerned with high operational costs and the choice of operating the cemetery with staff rather than by contract. The columbarium at the cemetery is owned by the local funeral home who do all the openings and closings and only the care fee is passed on to the Town. Property insurance for the columbarium is provided by the Town after they are full, however there is a $5,000 deductible for any claims.

The Lister Community Cemetery is located in the community of Lister in Electoral Area B a few miles south of the Town of Creston. The cemetery is operated by a volunteer board and has between 0 and 3 burials each year. The plots are sold for $275 to Lister residents and for non-residents the cost is $1,250. The non-resident rate was introduced when the Town raised rates and was introduced to discourage persons outside the local area from shopping for inexpensive plots. The Lister cemetery and the All Saints Anglican cemetery share a riding lawnmower purchased a number of years ago with a grant from RDCK. Lister and the Anglican cemetery hire a maintenance person to do lawns and upkeep at an annual cost of $1,500. Burials are arranged by the local funeral home at the cost of the survivors or estate of the deceased. Over the years a number of improvements have been completed including fencing, a gazebo, and re-alignment of head stones. In the near future, a new shed will have to be constructed to house the mower.
Cemetery Study

The All Saints Anglican cemetery, established in 1939, is located close to the Lister cemetery in Area B and is operated by a volunteer board. The cemetery property is approximately one and three quarter acres and has approximately 80 plots with three to four available plots. At present plots sell for $100 and openings and closings are done by a volunteer and funeral arrangements are made by families with the local funeral home. On average there is one internment per year and in general the plots are purchased by local residents who have some ties to the Church of England. There are at present no restrictions on who may be buried and there is no non-resident fee. The committee has been discussing possible changes to rates. Cremations have become the most popular method of internment. The committee has a fencing project to complete, there is a new gazebo and in the near future some more area may have to be prepared for plots since there are a very limited number still available. The cemetery receives an annual grant from the RDCK of $2,000.

The Boswell cemetery is located north of Creston in Electoral Area A and serves the residents of Boswell only. The actual boundaries for service are somewhat arbitrary and are subject to the cemetery board’s decision. The cemetery is operated by the Boswell Farmers Institute, a volunteer group. On an annual basis there are approximately 3 to 4 burials, split roughly 50% burials and 50% cremations. There is no charge for a plot or for burials with work being done by community volunteers. In recent times, surviving family has routinely made a donation for services and the donations are used to augment the Boswell cemetery budget of $1,500. The RDCK annually provides a grant of $1,500 which is used to cover grass cutting, maintenance, and other upkeep. In the near future, fencing will be required.

The Gray Creek cemetery is located near Gray Creek Store in Electoral Area A and is located on land donated by the Lymbery family in 1920. The cemetery is operated by volunteers and there is approximately one burial per year. The cemetery is for local residents with plots costing $100 or a plaque on the memorial wall costing $250. It is up to the person or person arranging the funeral to look after all arrangements and costs of having the grave opened and closed. All graves now require a grave liner to prevent settling. The cemetery has a lawn mower with a blower attachment for winter services and contracts summer maintenance out. The cemetery now receives a $2,000 annual grant from the RDCK to assist with ongoing maintenance, upkeep and capital needs.

The Crawford Bay cemetery is located in Electoral Area A and is approximately an acre in size. The cemetery is operated by a volunteer board and the number of burials range from one per year up to a maximum of six. In recent years cremations have accounted for approximately 75% of the interments. The cost of a plot is $350 and the cost of opening and closing the grave site is $350. The board looks after hiring the equipment to do the opening and closing. The annual grant from the RDCK is $3,350 and is used to pay insurance, mowing, gardening and general maintenance at the site. The board
has discussed improving the fencing but has yet to make any decision. There are no additional charges for non-residents and there has been interest from part-time residents to buy plots because of the low price.

Summary Table

<table>
<thead>
<tr>
<th>Cemetery Name</th>
<th>Size of Cemetery</th>
<th>Maximum yearly interments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest Lawn</td>
<td>51 acres 9 developed</td>
<td>82</td>
</tr>
<tr>
<td>Lister Community</td>
<td>Approximately 2 acres</td>
<td>4</td>
</tr>
<tr>
<td>All Saints Anglican</td>
<td>1 ¾ acres</td>
<td>1</td>
</tr>
<tr>
<td>Boswell</td>
<td>.86 acres</td>
<td>3</td>
</tr>
<tr>
<td>Gray Creek</td>
<td>1 acre</td>
<td>1</td>
</tr>
<tr>
<td>Crawford Bay</td>
<td>Approximately 1 acre</td>
<td>6</td>
</tr>
</tbody>
</table>

Comparisons to Other Municipalities and Regional Districts

In the province it is relatively common for Regional Districts to be involved with cemeteries. The most common model is a financial grant and the sizes of the grants vary significantly between Regional Districts. Two Regional Districts, Powell River (PRRD) and Sunshine Coast (SSCRD) own and operate cemeteries.

PRRD uses their own parks staff to operate the two cemeteries and also hire a student over the summer in addition to a labourer for 26 weeks per year. The tax subsidy for the cemetery is significant, amounting to close to $80,000 per year for operations plus funds for capital works. According to the financial manager there is strong public support for the cemetery development plan prepared by Lees and Associates completed in 2010 which recommends capital improvement of approximately $300,000 in the next five years with no reductions in operating costs. The RD has a capital reserve fund for cemeteries. There are other cemeteries in the Regional District but they do not receive funding from the District. The development plan recommends increasing the options for interments and memorials due to the trends towards fewer burials and more cremations. The Lees report suggests changing the cemetery to “integrate low cost/high return cremation options including columbaria, large family vessels and a scattering garden”. PRRD has no additional charges for non-residents.

SSCRD has owned and operated Seaview cemetery since 1976. Seaview is funded by the whole of the Regional District and is the only active cemetery on the Sunshine Coast. The taxation levy for the cemetery is significant, ranging from over $70,000 in 2009 up to $89,000 in 2011. Operation of the cemetery (burials) is handled by SSCRD parks personnel and a contractor is hired by expression of interest to do cemetery maintenance. The board increased the fees two years ago to recover costs and only
offers a scattering garden for cremated remains, no columbarium. At the present time there are no non-resident fees but they are being considered for the future.

In surveying municipalities of comparable size with the Creston operation, there seemed to be a general consensus that fees were not covering the costs of operation. A number of communities surveyed, have multi-year bylaws with annual fee increases in order to avoid falling further behind in recoveries. Most of the communities had introduced non-resident fees to try to minimize or eliminate the level of tax subsidy for a non-resident. The biggest problem with cemetery operation appears to be the very long term nature of the operation. Although there is a perpetual care fund, only the interest on the fund may be expended and the interest generated is minimal and does not cover the cost of ongoing maintenance. In most of the budgets and financial statements, the revenues generated from cemeteries fell far short of the operation and maintenance costs. Most bylaws, Creston’s included, had based fees on recovering actual labour and machine costs of the actual burial. All of the municipalities reviewed charged higher fees for after hour or weekend interments although there was a considerable disparity in the additional charges. Municipalities with similar populations to Creston had a considerable variance for rates with Creston being above the average rates in most categories. Cities such as Kelowna, Kamloops and Vancouver tended to have much higher rates for plot and columbarium sales and Vancouver imposed much higher fees for after hour and weekend services. The larger municipalities also offered a much broader array of services.

Some municipalities have attempted to reduce costs of operations by contracting out a portion of cemetery operations. One larger municipality estimated they had saved $17,000 annually by contracting out maintenance of the municipal cemetery; only Sunshine Coast Regional District and Armstrong/Spallumcheen contract out the actual opening and closing of burial sites. Most municipalities chose to have their own staff and equipment used to open and close gravesites.

With cremation growing in popularity many cemeteries are now providing the alternative of either burying cremains, scattering ashes or placing the ashes in a columbarium niche or simply having a remembrance book or wall. In general, when columbariums are provided they are constructed and managed by the municipality. The municipalities have charges similar to burials for columbariums, opening and closing fees, perpetual care fees and non-resident charges. According to the Lees and Associates Study prepared for PRRD, British Columbia has the highest rate in Canada for cremations at 70% compared to a national average of 55%. Due to the increasing demand for disposal of cremated remains, columbariums and scattering gardens are becoming much more popular and appear to be much less expensive for municipalities to operate. However, most cemeteries are on large tracts of land requiring ongoing maintenance
and despite the popularity of cremations the cost to maintain the larger cemetery continues and increases annually.

Green or natural burials are gaining popularity in the United Kingdom and the U.S.A.; however they have not yet become popular in Canada and B.C.; however there is at least one example at Royal Oak Burial Park in Victoria. In a green cemetery, the body is not embalmed and caskets are made of material which quickly degrades. The burials occur in more natural surroundings such as forested areas and tombstones are replaced by natural stones or native plants. Natural groundcover replaces the manicured lawns. Although the interments may take more space than conventional gravesites the maintenance of sites is minimized.

**Creston Population and Demographics**

In the last four years the Forest Lawn Cemetery has had an average of 74 interments. With a population of approximately 5,000 people, the Town statistically should experience an average of 35 deaths per year based on British Columbia population projections produced by BC Statistics. For each 1,000 population there is an average death rate of .7% on an annual basis. The higher than normal amount of interments would seem to indicate that the cemetery is serving a larger population than just the municipality and is in fact a regional cemetery. The combined population of the Town of Creston, electoral Areas A, B and C in the 2006 census was 12,850. The 2011 census showed some growth resulting in a total of 13,283 not yet adjusted to include first native reserve populations. Statistically the larger area should experience approximately 90 deaths annually. The numbers would appear to indicate that Creston’s municipal cemetery is in fact serving the regional population. The difference between the expected total and the actual average can be attributed to burials in the 5 outlying cemeteries as well as the choice of some of the population to have their remains scattered outside of conventional cemeteries.

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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Interred</td>
<td>Expected</td>
<td>Service Area %</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2011</td>
<td>Deaths</td>
<td></td>
</tr>
<tr>
<td>Creston</td>
<td>5306</td>
<td>35</td>
<td>37</td>
<td>70.0%</td>
</tr>
<tr>
<td>Area A</td>
<td>2030</td>
<td>1</td>
<td>14</td>
<td>2.0%</td>
</tr>
<tr>
<td>Area B</td>
<td>4464</td>
<td>10</td>
<td>31</td>
<td>20.0%</td>
</tr>
<tr>
<td>Area C</td>
<td>1372</td>
<td>4</td>
<td>10</td>
<td>8.0%</td>
</tr>
<tr>
<td>Others</td>
<td>16</td>
<td></td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>66</td>
<td>92</td>
<td>50</td>
<td></td>
</tr>
</tbody>
</table>

Municipal staff did the breakdown above for the 2011 and 2012 year categorizing the interments by address. In 2011, 76% of interments were former residents of Creston, and the surrounding electoral areas. For those that were considered to be residents,
70% were from the Town of Creston, 2% from Electoral Area A, 20% from Electoral Area B and 8% from Electoral Area C. The census populations are Creston 38%, Electoral Area A 15%, Electoral Area B 37%, and Electoral Area C 10%. The numbers of interments is much higher from the municipality than expected and lower in the electoral areas than expected. I believe the discrepancy can at least partially be explained by rural residents who chose to retire in Town or who spend their last years in care facilities located within the municipal boundaries. According to Statistics Canada, as people age they tend to move from single family dwellings into multi unit housing and eventually to care homes. Using 2011 Census data we see the mean age of Creston residents is 55.2 years compared to Area A at 56.2, Area B at 48.6, and Area C at 52.8. A higher percentage of Creston residents are age 65 and older than any of the surrounding electoral areas and when we look at the number of residents 80 and over we see 63% of that population segment lives in the Town of Creston. I believe the numbers illustrate that many of the rural area residents become Town of Creston citizens as they age.

2011 Census Chart

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Mean Age</th>
<th>65+</th>
<th>% population 80+</th>
<th>% population</th>
<th>% 80+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area A</td>
<td>2030</td>
<td>56.2</td>
<td>540</td>
<td>26.6%</td>
<td>105</td>
<td>5.2%</td>
</tr>
<tr>
<td>Area B</td>
<td>4464</td>
<td>48.6</td>
<td>955</td>
<td>21.4%</td>
<td>180</td>
<td>4.0%</td>
</tr>
<tr>
<td>Area C</td>
<td>1372</td>
<td>52.8</td>
<td>295</td>
<td>21.5%</td>
<td>45</td>
<td>3.3%</td>
</tr>
<tr>
<td>Creston</td>
<td>5306</td>
<td>55.2</td>
<td>1755</td>
<td>33.1%</td>
<td>580</td>
<td>10.9%</td>
</tr>
<tr>
<td>Totals</td>
<td>13172</td>
<td>55.2</td>
<td>3545</td>
<td>33.1%</td>
<td>910</td>
<td></td>
</tr>
</tbody>
</table>

The population of British Columbia is expected to grow according to BC Statistic’s projections and with an aging population the incidence of death is expected to climb. The southern regions of the provinces are expected to see a higher percentage of older people as more and more of the population retires and seeks more moderate climates. The 2011 Census data for Creston indicates the median age for the Town on Creston is 13.3 years higher than the BC average. The result will be an increase in the annual numbers of interments over the next decades and an increasing tax subsidy unless fees are increased to cover a greater share of the costs.

Cemetery Considerations

Most municipal governments are involved in cemetery operation and in most cases it is a sensitive area. People in general wish to see the resting place of their loved ones well cared for. If a cemetery is not well cared for the municipality generally begins to receive complaints.
In most municipalities the parks crews and public works people are charged with maintenance of the cemeteries and opening and closing of the grave or cremation sites. The equipment used is the same equipment used to care for roadways and parks. Wages and equipment charges are billed against the cemetery operation and sales of plots, openings and closings of sites are shown as revenue. In all the municipalities and regional districts surveyed, not one showed a profit. In all cases there was a tax subsidy. The only difference lay in the level of subsidy and whether there was regional participation. In many cases, the municipalities were following a program of annual increases in fees in order to reduce the amount of taxation subsidy.

There seems to be a division between smaller municipalities and larger municipalities. Although per unit costs of operation should be similar, the larger municipalities are much more aggressive in their fee structures and offer a much broader range of services, much like a business would. Possibly in larger centers the council is slightly less connected to the population and is prepared to view the cemetery as more of a business unit than a public service. The more businesslike approach is likely as a result of the volume of business and the ability to devote more resources to the operation.

There can be considerable debate about cemeteries and the inevitable question of why the taxpayer should be responsible to subsidize the operation of cemeteries. There is no correct answer to the debate. The best that a cemetery operator can do is to impose rates which cover as much of the costs as they are comfortable with and to cover the balance with taxation. Due to the extremely long term nature of cemeteries and the ongoing need for care it is unlikely most municipalities would be willing or able to increase rates to the level that no tax subsidy is required.

**Options**

The Town of Creston has recognized that the current funding model is changing and is considering alternatives to the status quo. Some possible operational models are presented below for the council’s consideration.

1. **Operation by the Regional District**

   One alternative would be to request the Regional District take over operation of the cemetery. The RDCK has authority to operate the cemetery through its SLP and it can be shown that the cemetery is serving a wider population than the Town of Creston. The RDCK could operate the cemetery by way of contract, or with staff and all fees, and operational decisions would become the responsibility of the board and would be voted on in most cases by the Town of Creston, Area A, B and C board representatives at the regional level.
It is unlikely that this alternative would be acceptable based on RDCK staff correspondence from August and September 2010 which confirmed that the Town could not force the RDCK to assume responsibility for cemetery operation and the Town, as the landowner cannot arbitrarily discontinue operations. In general the RDCK appears to be much less likely to take on services they have not previously been involved in. Therefore, this option will not be explored further at this point.

2. **Operation by Volunteers**

As presented earlier, the RDCK cemetery service funds a number of rural cemeteries which are operated by volunteer boards with operation and maintenance done by a combination of volunteers and minor contracts. Although the model works for the rural cemeteries it is unlikely to work for the Town of Creston operation. Both the size of the cemetery and the number of interments would certainly stress the limits of volunteerism. In addition, the Town would have to follow the terms of its collective agreement. In essence, the Town would be contracting out to a group of volunteers and as such would have to ensure that no staff would be laid off as a result of the contracting. The other provision in the collective agreement requires the Municipal Engineering or service department to prepare a proposal for consideration and if it is the most favourable it is to be awarded the work.

Again, it is unlikely that a cemetery of the size of Forest Lawn would be candidate for contracting to a group of volunteers, no matter how dedicated they may be. However, if the Town chose to follow this route it would have to prepare a request for proposals which would have to be responded to by the Town as well as any community group wanting to take on the operation on a volunteer basis.

3. **Contracting Cemetery Operation and Maintenance**

The Town could consider contracting the cemetery operation and maintenance or portions thereof. A number of municipalities have contracted out the maintenance of their cemeteries but I have not encountered a municipality who has turned over the entire operation to a contractor. In order to consider privatization, the Town would have to prepare very clear terms of reference and request proposals from interested parties. The Engineering department would also have to prepare a proposal based on the same criteria which would have to be compared to any private proposal. If there was a clear advantage to contracting and no layoffs of municipal staff would occur the Town would be able to contract.

The Town could certainly consider this approach, particularly the maintenance portion. As mentioned earlier, a larger municipality on the island was able to save approximately $17,000 by contracting out maintenance only. There would still be some municipal involvement in the cemetery in areas such as contract management.
and inspections to ensure the contract was being fulfilled. In addition, it is likely the administrative staff would still maintain the records and prepare annual reports of the cemetery operation.

As long as the municipality retained ownership and control over the cemetery, it is unlikely the public would become too concerned, particularly if cost savings could be shown and local people were being employed to do the work.

4. Privatization of the Cemetery Service

Perhaps the most controversial proposal would be handing over operation and control of the cemetery to a private company or individual. The cemetery land belongs to the Town of Creston and as such is governed by the Cremation, Internment and Funeral Services Act and is restricted to usage. In order for the Town to cease operating the cemetery the Town would have to seek permission from the director under the Business Services and Consumer Protection Act. The Director would have to approve all arrangements. The Town would have to make application to the Director who has the authority to approve the arrangement, impose conditions on the arrangement or amend or impose conditions on arrangements.

The privatization or handing over of the cemetery would probably be the most difficult option and the one with the most potential for controversy. It may also be very difficult to attract a new owner to assume control and ownership. The Director of the Business Services and Consumer Protection Act would primarily be concerned with the safeguarding and continuation of the site and protection of remains and any funds. In all probability one of the conditions would be a default of returning the service to the Town in the case of a default by the new owner. The public reaction to relinquishing the ownership and operation of the cemetery to a private concern may be severe. It would take a very strong business case to persuade the majority of the public and a portion of the public would never accept that privatization is justified.

5. Continued Operation of the Cemetery by the Town

On a long term basis the current operation by the Town is not sustainable. Eventually there will be a need to undertake capital projects and in the absence of Regional funding the annual deficit will increase substantially resulting in an increased tax load for the Town.

At the moment the revenues cover the costs of interments, however the ongoing maintenance is not covered and is subsidized by taxation. The perpetual care fund does little to cover the ongoing costs since only the interest can be used for care and
with a fund of approximately $100,000 the interest revenue does very little. Faced with rising costs and declining taxation revenue the Town has little choice but to review their current operation.

The Town revised the fees in 2011 to better reflect current costs. I would recommend the Town annually revise the fees to reflect the annual increase in costs, or more simply adopt a bylaw showing fees increasing for the next five year period. Many other municipalities have adopted bylaws with schedules increasing by a reasonable percentage annually.

The Town has already reduced the maintenance on the cemetery and no longer irrigates the grass. After some initial complaints, most citizens have accepted the lower level of maintenance which has produced some cost savings.

The overall operation of the cemetery should be thoroughly reviewed and a development plan adopted. There are some firms in British Columbia with expertise in cemetery operation and design that could provide the service. Prior to entering into a contract a cost sharing formula should be agreed upon with the Rural Area partners. A Plan would explore issues such as the increasing numbers of cremations and smaller numbers of conventional burials there may be opportunity to reduce the footprint of the cemetery which requires care. Green or natural burials are growing in popularity and possibly an area of the cemetery could be set aside for this purpose, reducing the area maintained. Memorial books and plaques are becoming increasingly popular as well as scattering gardens. Introducing more options which are less labour intensive and are more profitable will enhance the profitability. Finally, the Town should review the current arrangements for the columbarium. The funeral home installs the units, maintains and insures them and provides the Town with 10% of the sales revenue as a contribution to the care fund. Once all the niches are full the Town takes ownership and maintains and insures the units in perpetuity. The interest on the 10 % contribution to the Town will not cover the maintenance and probably not even the insurance. When a new columbarium is required the Town should consider owning and operating the structure. Rates must be set high enough to, recover the capital expenditure, recover all the costs of openings and closing and a contribution toward overall cemetery maintenance as well as a care fund contribution and a capital reserve. If the Town does not choose to own and operate the columbarium, it must amend the contract with the owner to increase contributions towards overall cemetery maintenance, the care fund as well as a capital reserve. Even though the columbariums have a small footprint, they are part of the overall cemetery and should participate in the capital and maintenance costs.
One of the complaints from the Electoral Area Directors appears to be the lack of input and control regarding the operation of the cemetery. Possibly a cemetery committee could be established with rural participation. The committee could review the development plan, the revised revenue plan and consider proposed methods of reducing the overall costs of operation. By including rural input in the operation of the cemetery it may be possible to maintain some regional funding which would enhance the cemetery operation and avoid a fundamental change in the cemetery service.

6. Withdrawal From RDCK Cemetery Service

Despite the best efforts of the Town to improve the cemetery operation, should the RDCK withdraw all funding, the Town would be forced to apply to withdraw from the cemetery service under the provisions of the Local Government Act. In addition to withdrawing from the service, the Town should then amend the cemetery bylaw to change the definition of non-resident to include persons residing in Electoral Areas A, B and C. The changes may be controversial due to the fact that the electoral areas have participated in the capital works and it may be prudent to phase in the changes over a longer period.

Conclusions

It is my personal feeling that the dissolution of the cemetery service is the least desirable alternative and will cause the most problems. For both the municipal and rural area residents the best alternative is to make the operation as efficient as possible and adjust the rates as required to minimize the deficit. In other jurisdictions partners have found ways to cooperate. The City of Nelson, Electoral Areas E and F share in the Nelson municipal cemetery deficit. For many years, the rural contribution was based on the proportion of rural resident interments compared to the total interment. In recent years the formula has been changed to a fixed dollar amount probably to avoid the peaks and valleys which used to occur. However, the proportionate model could be considered for the Creston cemetery. In the Okanagan, adjoining municipalities Spallumcheen and Armstrong, with similar populations, share a cemetery and each pay one half of the annual deficit by taxation.

Recommendations

1. Prepare a Cemetery Development Plan with particular emphasis on any changes which would result in reduced maintenance and operational costs while emphasizing the lower cost, higher revenue options.
2. Prepare a bylaw with annual increases sufficient to cover any known cost increases.
3. Engage the rural area directors in a dialogue to come to mutually agreeable terms with regard to the continued funding of the cemetery operations.

4. Consider the options presented and choose the best alternative or a combination of choices to minimize the cost of operations and maximize the revenue potential.
Cemetery Study

Cremation, Internment and Funeral Services Act excerpt

Sale, lease or encumbrance of land restricted

27 (1) In this section:

"applicant" means a person who submits an application under subsection (4);

"owner" includes a creditor who has the legal authority to exercise a remedy of seizure, sale, foreclosure or cancellation of an agreement for sale of lands on which a place of interment is located.

(2) An owner of a place of interment may do the following, in relation to the land on which the place of interment is situated, only with a director's permission:

(a) transfer ownership of, or an interest in, the land or otherwise encumber the land;

(b) file an application to register a charge against the land.

(3) Subsection (2) does not apply to the sale of rights of interment.

(4) To apply for permission under subsection (2), the owner must submit to a director

(a) the information required by the director, in the form and manner required by the director, and

(b) the information, fees and other payments required by the regulations.

(5) Subject to this section, a director may

(a) permit an applicant to transfer ownership of, or an interest in, the land or otherwise encumber the land,

(b) impose conditions in respect of the permission, and

(c) amend or revoke conditions imposed under paragraph (b).

(6) Before a director makes a decision under subsection (5), the director must give the applicant an opportunity to be heard.

(7) A director must provide an applicant with written reasons if the director refuses permission or the director imposes conditions to the permission under subsection

(8) After receiving written reasons under subsection (7), an applicant may request the director to reconsider his or her decision in accordance with section 60.
Proportion of seniors living in special care facilities increases with age

As people age, they are more likely to live in collective dwellings that provide ongoing support and assistance services, professional health monitoring, care and treatment.

In 2011, 352,205 seniors aged 65 and over, or 7.1% of all seniors, lived in a collective dwelling that focussed on special care to seniors. The prevalence of seniors living in special care facilities, such as nursing homes, chronic care and long-term care hospitals and residences for senior citizens, increased with age (Figure 4). Among the age group 65 to 69, about 1% lived in special care facilities in 2011; among seniors aged 85 and over, the proportion was 29.6%.

The proportion for seniors living in special care facilities was similar among women and men aged 65 to 74. However, past the age of 75, the prevalence of living in this type of collective dwellings increased considerably for both sexes, but at a different pace. Among women aged 85 and over, the share in special care facilities was 33.4%, higher than the share of 21.5% for men.

Figure 4
Percentage of the population aged 65 and over living in special care facilities\(^1\) by age group, Canada, 2011

Note: 1. Refers to nursing homes, chronic care or long-term care hospitals and residences for senior citizens.
Proportion of seniors living in a single-detached house declines with age

Census data show that the share of the population living in a single-detached house varies as individuals age (Figure 3). Among younger age groups, the proportion of men and women who lived in a single-detached house was similar. The prevalence of living in this type of housing declined for both sexes once individuals reached the age of 55. The decrease was more pronounced for women.

The share of seniors living in collective dwellings increased with age. The 2011 Census counted 393,095 seniors aged 65 and over, or 7.9% of all seniors, living in a collective dwelling. Among seniors aged 65 to 69, 1.6% lived in a collective dwelling as compared to a proportion of 31.1% for seniors aged 85 and over.

Figure 3
Percentage of the population aged 15 and over living in a single-detached house by age group, Canada, 2011

2011 Canada Census Data

Table 1 Creston, Town – Age distributions by broad age groups and sex, 2011 Census

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<th>Age groups</th>
<th>Both sexes</th>
<th>Males</th>
<th>Females</th>
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<td>0 to 14</td>
<td>12.2%</td>
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<td>15 to 64</td>
<td>54.8%</td>
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<td>65 and over</td>
<td>33.1%</td>
<td>30.7%</td>
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In 2011, the percentage of the population aged 65 and over in Creston, Town was 33.1%, compared with a national percentage of 14.8%. The percentage of the working age population (15 to 64) was 54.8% and the percentage of children aged 0 to 14 was 12.2%. In comparison, the national percentages were 68.5% for the population aged 15 to 64 and 16.7% for the population aged 0 to 14.
In 2011, the median age in Creston, Town was 55.2 years. In comparison, the median age of British Columbia was 41.9 years.

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Table 4 Canada, British Columbia and Creston, Town – Median age, 2006 and 2011 censuses
### Selected Rates for similar sized municipalities

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<tr>
<th></th>
<th>Creston</th>
<th>Kelowna</th>
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<th>Fernie</th>
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References


