
City of Kelowna
MEMORANDUM

DATE: September 29, 2004
FILE: 4100-00
TO: City Manager
FROM: Dennis Radford, Cemetery Manager
RE: Cemetery Bylaw 8807 Amendments

RECOMMENDATION:

THAT City Council approves the Fee amendments as proposed,

AND THAT the housekeeping items required to conform to the new Provincial Legislation of the Business Practices and Consumer Protection Act and the Cremation, Interment and Funeral Services Act be implemented.

BACKGROUND:

Kelowna Memorial Park Cemetery (KMPC) has a mandate to maintain self-sufficiency and has been doing so both in capital investment and operations since 1999. The 1 million dollar investment in the Promontory Green Interment Garden has proven very successful. Since officially opening the Promontory Green in 2002, the facility has generated in excess of 1.5 million dollars in gross revenue and has been recognized internationally for the design and variety of interment options that meet various economic and cultural needs of the community. Although the Promontory Green remains the flagship of the cemetery, there has been a shift in inventory sales as the older part of the cemetery is virtually sold out and cremation continues to be a strong option in B.C. These trends have resulted in fewer casket plot sales.

The challenge to remain self-sufficient at this time requires KMPC to increase fees to keep pace with inflation. Since we have not had a general increase to fees since 1999, it is necessary to increase all fees immediately by 3.5% effective October 1, 2004. In addition fee increases for 2005 and 2006 by 2.5%, the projected average inflation rate. In 2007 staff will review the inflation rate % increase and come forward with a report to City Council to adjust the fee schedule accordingly. Appendix 1 is an example of the percentage increases and the outcome to the final cost of a lot selection.

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In addition to the above we will be exploring other ways to maintain self sufficiency in the future. For example KMPC has tested the sale of certain products, including cremation urns and bronze memorial markers. The one-stop-shop nature of purchasing a niche and urn in the same transaction has received a positive response by the public, but this was strongly opposed by local funeral industry. If we decide to pursue this revenue opportunity we will follow up with a separate report to City Council.

The British Columbia Provincial Government on July 4, 2004 has enacted new legislation; Business Practices and Consumer Protection Act (BPCP). With this Act there are two other pieces of legislation, The Cremation, Interment and Funeral Services Act and the BPCP Authority Act. Although the full impact of the new legislation is not known, one major change is that the Registrar of Cemetery and Funeral Service is replaced by a self-reliant board to administer the legislation. Revenue for the board will be based upon service charges, licensing fees and fines for non compliance. These proposed fees have yet to be announced. Another major change to the legislation is that Bylaw approvals are no longer required by the B.C. Government which should streamline the process. The Act now simply requires that you make bylaws and that the Director of the BPCP Authority can intervene should there be any issues. Similarly, price lists are required to be made available to the public, but are no longer required to be approved by the Government first.

Cemetery Manager

Cc Direct of Parks and Leisure Services, David Graham
 Direction of Financial Services, Paul Macklem
 Parks Manager, Joe Creron

Cemetery Bylaw 8807 Amendments

Appendix 1 Proposed Cemetery Fees Example

| PRODUCT/SERVICE | CURRENT | 3.50% 2004 | NEW PRICE | 2.50% 2005 | NEW PRICE | 2.50% 2006 | NEW PRICE |
|--|-----------------|---------------|-----------------|----------------|-----------------|------------------|-------------------|
| G7 LAWN CRYPT (Upright Marker) | | | | | | | |
| LOT | 1,675.00 | 58.63 | 1,733.63 | 43.34063 | 1,776.97 | 44.42 | \$1,821.39 |
| REPLACEMENT | 560.00 | 19.60 | 579.60 | 14.49 | 594.09 | 14.85 | \$608.94 |
| CARE | 745.00 | 26.08 | 771.08 | 19.27688 | 790.35 | 19.76 | \$810.11 |
| Total | 2,980.00 | 104.30 | 3,084.30 | 77.1075 | 3,161.41 | 79.035188 | \$3,240.44 |
| G1, G7 LAWN CRYPT (Flat Marker G 7) | | | | | | | |
| LOT | 1,250.00 | 43.75 | 1,293.75 | 32.34375 | 1,326.09 | 33.15 | \$1,359.25 |
| REPLACEMENT | 625.00 | 21.88 | 646.88 | 16.17188 | 663.05 | 16.58 | \$679.62 |
| CARE | 625.00 | 21.88 | 646.88 | 16.17188 | 663.05 | 16.58 | \$679.62 |
| Total | 2,500.00 | 87.50 | 2,587.50 | 64.6875 | 2,652.19 | 66.304688 | \$2,718.49 |
| G4 LARGE PLOT (Upright Marker) | | | | | | | |
| LOT | 840.00 | 29.40 | 869.40 | 21.735 | 891.14 | 22.28 | \$913.41 |
| REPLACEMENT | 420.00 | 14.70 | 434.70 | 10.8675 | 445.57 | 11.14 | \$456.71 |
| CARE | 420.00 | 14.70 | 434.70 | 10.8675 | 445.57 | 11.14 | \$456.71 |
| Total | 1,680.00 | 58.80 | 1,738.80 | 43.47 | 1,782.27 | 44.55675 | \$1,826.83 |
| G4 LARGE PLOT (Flat Marker) | | | | | | | |
| LOT | 600.00 | 21.00 | 621.00 | 15.525 | 636.53 | 15.91 | \$652.44 |
| REPLACEMENT | 300.00 | 10.50 | 310.50 | 7.7625 | 318.26 | 7.96 | \$326.22 |
| CARE | 300.00 | 10.50 | 310.50 | 7.7625 | 318.26 | 7.96 | \$326.22 |
| Total | 1,200.00 | 42.00 | 1,242.00 | 31.05 | 1,273.05 | 31.83 | \$1,304.88 |
| SEC C,D,E | | | | | | | |
| LOT | 420.00 | 14.70 | 434.70 | 10.8675 | 445.57 | 11.14 | \$456.71 |
| REPLACEMENT | 210.00 | 7.35 | 217.35 | 5.43375 | 222.78 | 5.57 | \$228.35 |
| CARE | 210.00 | 7.35 | 217.35 | 5.43375 | 222.78 | 5.57 | \$228.35 |
| Total | 840.00 | 29.40 | 869.40 | 21.74 | 891.14 | 22.28 | \$913.41 |
| SEC A,B | | | | | | | |
| LOT | 210.00 | 7.35 | 217.35 | 5.43375 | 222.78 | 5.57 | \$228.35 |
| REPLACEMENT | 105.00 | 3.68 | 108.68 | 2.716875 | 111.39 | 2.78 | \$114.18 |
| CARE | 105.00 | 3.68 | 108.68 | 2.716875 | 111.39 | 2.78 | \$114.18 |
| Total | 420.00 | 14.70 | 434.70 | 10.87 | 445.57 | 11.14 | \$456.71 |