

City Cemeteries

Led by: Director of Parks & Open Spaces

Description

The City has two active operating cemeteries that offer a wide range of interment products and services: Prairie Sky Cemetery and Queen's Park (although the land supply for casket interments at Queen's Park will likely end in 2023). The City also has a new regional park and cemetery being planned (in central north Calgary) and four historic cemeteries (Union, Burnsland, Chinese and St. Mary's). The Government of Alberta's Cemetery Act states that only municipalities and faith-based organizations can provide new cemeteries. There is a provincial obligation to maintain cemetery sites in perpetuity.

Value and benefits

Cemeteries are an essential service. City Cemetery customers are assured of a diverse selection of affordable, quality cemetery services and products meeting the diverse cultural, religious and non-sectarian needs of Calgarians. City Cemeteries provides interment options (i.e., casket and cremation burials and products) as well as memorialisation products and services (i.e., monuments, urns, memorial plaques) at affordable, value-based costs. Established for over 130 years, The City of Calgary's municipal cemeteries contribute more than 160 hectares of public green spaces and historically and culturally significant landscapes. This open space also contributes to biodiversity and urban environmental well-being.

Customers

Cemetery customers are families and individuals purchasing interment space and related products in advance or at the time of need. Cemeteries are also of interest to genealogical and historical interest groups as well as Calgarians for passive recreation (walking, wildlife viewing, etc.). Cemeteries also host cultural, religious and holiday events.

What we deliver

City Cemeteries provides interment services and products (i.e., burial and cremation interment options, memorialisation), maintenance and perpetual care programs. Key daily work includes: customer service and sales (counselling families about interment and product options), excavating and repairing graves, site and turf maintenance, liaising with funeral service providers, etc.

Partners

City Cemeteries works with funeral home service providers, memorialization providers (monuments, urns, headstones, etc.) and related product suppliers.

\$8 Million	Cemetery gross revenues (2021)
1,597	Total interments (2021)
93%	Citizen satisfaction
<1 month	Casket space available at Queen's Park

Key assets

City Cemeteries stewards 160 hectares of land within Calgary. Key assets include irrigation systems, roads, pathways and concrete foundations. New assets include the Prairie Sky Cemetery in the southeast. Also, land was acquired for a new regional park and cemetery in north central Calgary to support the city's long-term cemetery needs (however capital work is not yet funded).

City Cemeteries
2022 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)



Note: Internal recoveries is how The City accounts for the costs of goods or services between services

What we have heard & what we are watching

What we have heard

Citizen satisfaction is high for Calgary's municipal cemeteries with 93 per cent of Calgarians approving. Serving a diverse demographic of cultural, religious, and non-religious communities, high satisfaction was reported (90 per cent or higher) in all equity categories, including: gender, visible minorities, ages, immigrants and those with disability status or family member with disability. For citizens' value dimensions, "Sustainability" was ranked first, followed by "Quality", "Availability" and "Legislative Compliance". Ongoing tracking of 3-1-1 and in-house cemetery feedback forms also provide City Cemeteries with insights on customer concerns, preferences and service requests.

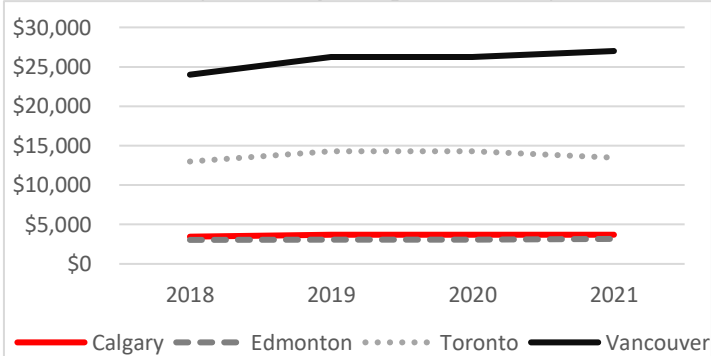
What Council has directed

Economic Resilience is supported through annual price benchmarking and ongoing contributions (and use of) the Perpetual Care Fund (PCF). Each year, City Cemeteries directs 40 per cent of revenues from interment products and memorialisation sales into the PCF to fulfill legislative requirements to ensure cemetery maintenance in perpetuity. Social Equity is supported through the provision of a wide range of prices, products and services, including low-cost options and provision of interment services regardless of a citizen's cultural background and beliefs. Social Resilience is supported by The City's historic cemeteries serving as cultural landscapes and supporting community and family gathering spaces. Climate Resilience is supported by initiatives such as the availability of green burials, green spaces for the urban canopy growth and maintenance activities such as using compost tea instead of fertilizers.

What we are watching

Trends include more City Cemetery customers purchasing lower-priced, value-based products and services. Traditional cultural burial practices are increasing along with immigration. Second- or third-generation Canadians are increasingly moving towards cremation options. The pandemic in 2020-21, caused greater demands for cemetery services (whenever gathering restrictions were lifted). Industry trends include proactive initiatives such as eco-friendly green burial options to lessen the environmental footprint of traditional interments. The activation of cemeteries as public green space will also continue as cemeteries host diverse community activities. There is a short-term risk that revenues may decline with a transition to the south Prairie Sky Cemetery as this new cemetery builds customer awareness and clientele. Other risks include no long-term water source at the new cemetery, severe weather impacting maintenance and unfunded capital for a new north regional park and cemetery.

2021 Municipal Cemetery Average Plot Fee Comparisons



City of Calgary Cemeteries 2021 Annual Report

Comparing our service

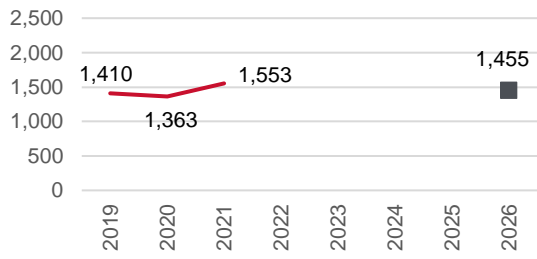
The City of Calgary's burial plot and cremation niche fees are close to the national median or below the competitive market, with interment fees remaining at consistent, competitive levels. To bring fees to a more competitive market level, gradual price increases will occur in 2023-26 based on annual fee reviews. There were no price increases during 2021 and 2022 due to the pandemic. The municipal cemeteries compared with Calgary's Queen's Park in the chart are Northern Lights (Edmonton), Mountain View (Vancouver) and Necropolis (Toronto).

Measuring performance & where we want to go

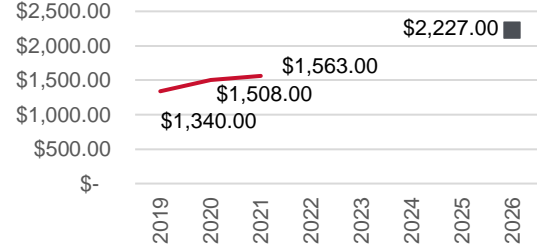
For Council Approval

— Actuals ■ Expected Future Performance

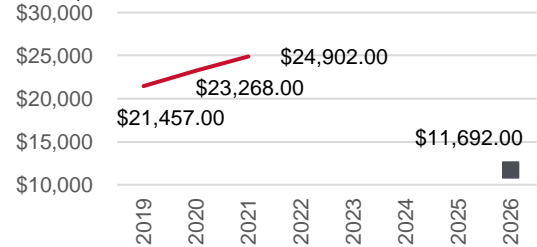
PM1: Total Interments



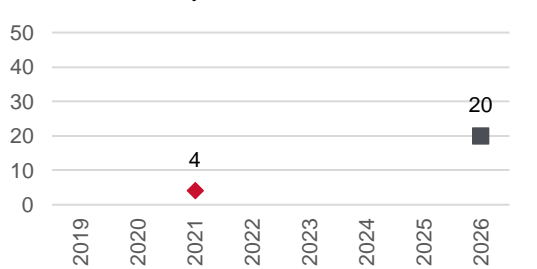
PM2: Cemetery Interment Revenue (thousands of dollars)



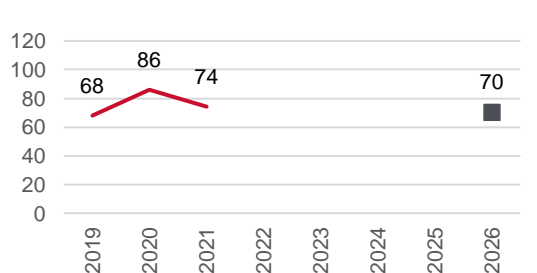
PM3: Perpetual Care Fund Total (thousands of dollars)



PM4: Eco-Friendly Interments



PM5: Income-Assisted Interments



Story behind the curve

This measure represents annual burial plot, cremation and mausoleum interments. Annual interment totals have been steady since 2019. In 2021, there was a slight overall increase with the lifting of restrictions for public gatherings due to the pandemic. Looking towards 2026, a slight decline in total interments is expected due to the end of the service's land supply for casket burials at Queen's Park Cemetery.

This total is for annual burial plot, cremation and mausoleum interments revenues. Revenue was below projections for most of 2019 to 2021 due to pandemic impacts, inflation and no price increases in 2020 or 2021. Looking towards 2026, revenues are expected to increase with more advance planning and at-need plot purchases (that were delayed during the pandemic) as well as gradual price increases to better reflect market levels and inflation.

City Cemeteries transfers 40 per cent of its annual revenue to a Perpetual Care Fund (PCF). This fund supports provincial legislation to pay for cemetery maintenance in perpetuity (i.e., once a cemetery runs out of land and no longer generates revenue). The PCF will enter a period of decline in 2023-26 (before rebounding in 2030-on and growing again towards more self-sustainability) as the service 1) loses revenue from Queen's Park Cemetery 2) establishes Prairie Sky Cemetery amid capital funding constraints and 3) works towards establishing a future northern regional park and cemetery site.

The design and opening of the Prairie Sky Cemetery introduces green burials as an interment option. The City's first green burials occurred in Q3 2021. Green burials offer a dignified option with minimal environmental impacts (e.g. reduction of carbon emissions and habitat preservation). Green burials feature the use of non-toxic and biodegradable materials, such as ecofriendly caskets and burial shrouds. In comparable markets, this option has not been popular to date. The four burials in 2021 represented some pent up demand for this option. Slow growth is expected in the coming years.

City Cemeteries operates under a not-for-profit business model. In addition to a wide variety of dignified, value-based services and pricing options for all Calgarians, City Cemeteries provide services to customers in financial constraints who would likely not be able to afford interment services provided by private cemetery providers. This measure shows the number of customers participating in Provincially sponsored Social Assistance Programs that The City provides interment space to at reduced rates.

What we plan to do

Result for 2023-2026

City Cemeteries will transition operations to Prairie Sky Cemetery as the land supply for casket burials at Queen's Park Cemetery ends in 2023. To support Calgarians requiring this service, a new building to serve as a gathering space for the community and conduct administrative business is needed.

How we are going to get there

Complete Phase One of development at Prairie Sky Cemetery by 2026 to continue providing this provincially legislated service for the coming decades of Calgarians.

Meet Calgarian's needs and expectations for cemetery services by designing and constructing a customer service and administrative building at Prairie Sky Cemetery by 2024 (the service is currently working out of the nearby Ralph Klein Park building).

Manage Calgarians' expectations by implementing a closing strategy for Queen's Park Cemetery once casket interment space land supply ends in 2023.

Provide a diverse range of affordable and value-based cemetery products and service options by conducting an annual cemeteries price benchmark analysis.

Connect with Calgarians by re-establishing interactive community events (i.e., Mother's and Father's Day flowers, historic cemetery tours, etc.) and exploring new opportunities.

Support climate resilience by implementing climate-friendly initiatives through the strategic design, development and operations of the Prairie Sky Cemetery and new north cemetery-regional park (i.e. tree planting, seeding vs. sodding, natural landscapes, etc.).

Reduce water use by implementing innovative, alternative products and strategic cemetery design (i.e., monument rain shadowing, drip irrigation, open green space).

Support The City's climate strategies by introducing more natural landscape spaces within current cemetery spaces (i.e., reduced mowing cycles, less irrigation, native grasses, support wildlife and biodiversity, etc.).

Continually improve service and mitigate environmental impacts by exploring actionable and effective emerging interment trend opportunities (i.e., green burial, scattering gardens, cremation alternative interment options, etc.).

Ensure service sustainability in the coming decades by continuing to allocate 40 per cent of annual interment and memorialization product sales to The City of Calgary's Perpetual Care Fund.

Provide a safe and healthy environment for cemetery visitors, employees, contractors and volunteers by strengthening the commitment to safety and well-being.

Operating budget needed to achieve results

For Council Approval

Breakdown of net operating budget (\$000s)

	2023		2024		2025		2026	
	Base	One-time	Base	One-time	Base	One-time	Base	One-time
Previous Year's Net Budget	1,342		1,356		1,387		1,425	
Previously approved One-time budget		-		-		-		-
2022 One-time carry forward		-		-		-		-
Revenue Changes	(1,100)	-	-	-	-	-	-	-
Internal Recoveries Changes	(76)	-	-	-	-	-	-	-
Inflation	14	-	31	-	38	-	32	-
Operating Impact of Previously Approved Capital	-	-	-	-	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-	-	-	-	-
Service Reductions	-	-	-	-	-	-	-	-
Service Increases	1,176	-	-	-	-	-	-	-
Total net budget	1,356	-	1,387	-	1,425	-	1,457	-

Total Operating Budget (\$000s) for Approval

	2022 Budget	2023			2024			2025			2026		
	At April 30	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditures	8,700	9,890	-	9,890	9,921	-	9,921	9,959	-	9,959	9,991	-	9,991
Recoveries	-	(76)	-	(76)	(76)	-	(76)	(76)	-	(76)	(76)	-	(76)
Revenue	(7,358)	(8,458)	-	(8,458)	(8,458)	-	(8,458)	(8,458)	-	(8,458)	(8,458)	-	(8,458)
Net	1,342	1,356	-	1,356	1,387	-	1,387	1,425	-	1,425	1,457	-	1,457

Note: Figures may not add up due to rounding

Capital budget needed to deliver service

For Council Approval

Activity	Investment Name	2023 Request (\$000s)	2024 Request (\$000s)	2025 Request (\$000s)	2026 Request (\$000s)	2027+ Request (\$000s)	Total Request (\$000s)
Annual Investment Program(s)							
419860	Cemeteries Lifecycle	500	500	500	500	-	2,000
Program(s)							
		-	-	-	-	-	-
Projects(s)							
419810	Prairie Sky Cemetery	1,400	3,500	1,750	-	-	6,650
Sub-Total (New Budget Requests)		1,900	4,000	2,250	500	-	8,650
Previously Approved Budget Remaining		-	-	-	-	-	-
Total Capital Investment		1,900	4,000	2,250	500	-	8,650

Explanation of capital budget requests

Annual Investment Program(s)

Activity 419860: Cemeteries Lifecycle

Replace or upgrade cemetery infrastructure assets as they reach the end of their life. This investment supports infrastructure repairs and replacements at The City's revenue-generating and historic cemeteries.

Funding From: Capital Reserves (\$2,000 thousand)

Contributing Services: None

Operating Impact: None

Projects(s)

Activity 419810: Prairie Sky Cemetery

Construct a customer service/administrative building and complete phase 1 development. Investing in the Prairie Sky Cemetery allows The City to provide quality burial services through the provision of a new customer service building.

Funding From: Municipal Sustainability Initiative (\$3,325 thousand) Canada Community-Building Fund (\$3,325 thousand)

Contributing Services: Construct a customer service/administrative building and complete phase 1 development. Investing in the Prairie Sky Cemetery allows The City to provide quality burial services through the provision of a new customer service building.

Operating Impact: None