



City of  
**Peterborough**

---

**TO:** Members of the Joint Services Steering Committee

**FROM:** Ken Doherty, Director of Community Services

**MEETING DATE:** April 14, 2011

**SUBJECT:** Report CSSSJSSC11-003  
Funeral Services Report

---

## **PURPOSE**

A report to the Joint Services Steering Committee for information purposes only.

## **RECOMMENDATION**

That the Committee endorse the recommendation outlined in Report CSSSJSSC11-003 dated April 14, 2011, of the Director of Community Services as follows:

That the Funeral Services report be received.

## **BUDGET AND FINANCIAL IMPLICATIONS**

For the purposes of this report, there is no immediate financial impact for 2011. Any changes to the fee structure will be addressed as part of the 2012 budget deliberations.

## **BACKGROUND**

A letter dated March 7, 2011 from Hendren Funeral Homes and Community Alternative Funeral Home was sent to officials of the City and County requesting fee increases for funeral services paid by Social Services. (Appendix A)

For many years, Social Services has assisted with the payment of basic funeral services for deceased residents of the City and County of Peterborough, where the estate has no financial means to pay for the cost from other sources, such as proceeds from life insurance. For those receiving Ontario Works and Ontario Disability Support Program payments, the Ontario Works legislation allows for cost sharing of funeral and burial services under the discretionary benefit program. For 2011, the provincial share of the cost is 81.2% and the municipal share is 18.8%. By 2018, this cost is fully funded by the province.

In addition, deceased residents of the City and County not receiving these social assistance programs could apply for financial assistance through their next of kin, complete a financial need test and, if eligible, receive assistance towards the cost of a basic funeral and cemetery fees. Funds issued are paid 100% by the municipality with no provincial cost share.

### **Current Policy**

Under Section 34 of the Cemetery Act, cemetery fees to be paid on behalf of a “Welfare Administrator” now known as Ontario Works Administrator are payable up to a maximum of \$1,000. In some instances, Social Services is able to obtain reimbursement of the Canada Pension Plan death benefit if the deceased was eligible to receive it. The maximum CPP death benefit amount currently is \$2500.

The current discretionary benefit policy allows for the following approved costs:

- Up to \$2250 towards the cost of a basic funeral, including HST.
- Up to \$1,000 towards the cost of burial/cremation services, including HST.
- Payment of the cost of a crypt, if required by the cemetery.

Last year, approximately \$147,000 was spent on this discretionary benefit, indicating a volume of approximately 45 individuals.

### **Survey of Other Municipalities**

Over the past few years, there has been significant demand by funeral service providers for increases in the payment for funeral services across the province. A 2010 survey coordinated by one municipality obtained responses from 34 CMSM/DSSABs who offered a wide spectrum of “full funeral” service cost. On the low end, the Ontario Works directive guideline of \$2250 is used by some municipalities, including Peterborough. At the other end, one CMSM sets an amount of \$5,340. Taking the cost of the various rates from the survey, the average amount was \$3,100 excluding HST.

### **Proposed Options**

The correspondence received, Appendix A, proposed two options requesting a January 1, 2012 start date:

1. Plan A -\$2,200 plus HST (\$286) for total of \$2486. This option does not include an actual funeral service for the family and friends of the deceased.
2. Plan B -\$5,200 plus HST (\$676) for total of \$5,876. This option includes a funeral service for the family.

In addition, there is a request to allow for the payment of additional services: oversize casket and additional transportation costs depending on the individual circumstances.

In the City's current policy, HST is included in the approved expenses up to the maximum allowable. With the recent introduction of harmonized provincial and federal sales taxes, funeral homes and cemeteries have absorbed this increased cost.

Staff intends to meet with representatives of the funeral homes and/or cemeteries to further discuss the options of fees for their services. Any recommended increases would be considered as part of the 2012 budget. At a minimum, staff intends to propose a change in policy to include the provision that the HST or other applicable taxes be an approved cost in addition to other changes in the fee structure.

### **Impact on Discretionary Benefits Costs**

Over the past several years, the discretionary benefit costs have been increasing due to higher caseloads and greater demand for the various items and services. Approved budgets have not kept pace at the same rate as the projected expenditures. Any decision to raise funeral and or cemetery fees while not addressing the funding shortfall of other discretionary benefits will require Council to decide the priority of service as staff monitor 2011 expenditures and prepare for the 2012 budget.

Submitted by,

Ken Doherty  
Director of Community Services

Linda Mitchelson  
Social Services Division Manager

Contact Name:  
John Coreno, Financial Assistance Program Manager  
Phone – 705-748-8830 Ext. 3886  
Fax – 705-876-4610  
E-Mail – jcoreno@peterborough.ca

Attachments:  
Appendix A: Correspondence from Funeral Homes