





**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
 Financial Planning, Administration and Policy Division  
 and  
**PUBLIC WORKS DEPARTMENT**  
 Environmental Services Division

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	December 7, 2023
<b>SUBJECT/REPORT NO:</b>	Hamilton Municipal Cemeteries Trust Fund Audit – Management Update (FCS23090 / PW23078) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
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<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	
<b>SUBMITTED BY:</b>	Cynthia Graham Director, Environmental Services Public Works Department
<b>SIGNATURE:</b>	

### RECOMMENDATION(S)

- (a) That the 17 Recommendations proposed by the Office of the City Auditor attached in Appendix “A” to Report (FCS23090 / PW23078), continue to be implemented in order to strengthen program governance, controls and financial reporting; and
- (b) That the amendment to By-law No. 12-151, being a By-law respecting the City of Hamilton’s Cemeteries, be amended, attached as Appendix “B” to Report FCS23090 / PW23078, which has been prepared in a form satisfactory to the City Solicitor, be enacted by Council.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

## **EXECUTIVE SUMMARY**

The overall objection of Hamilton Municipal Cemeteries Trust Funds Audit (Report AUD23001) was to gain an understanding of the current processes relating to the revenue collected by the City of Hamilton Cemeteries Administrative Office and the financial processes to record the revenues and trust funds allocations and evaluate the compliance with the *Funeral, Burial and Cremation Services Act (FBCSA)* with regard to the management of trust monies.

The Office of the City Auditor (OCA) made 17 Recommendations to strengthen program governance, controls and financial reporting. Staff has reviewed the recommendations and is sharing an update on the status of each item herein.

Recommendation 10 in Appendix “A” to Report FCS23090 / PW23078 outlines the need to update the City’s Cemetery By-laws to include a policy for refunds for lots / graves or niches / columbaria to ensure compliance with the *Funeral Burial and Cremation Services Act*.

### **Alternatives for Consideration – Not Applicable**

## **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: N/A

Staffing: N/A

Legal: N/A

## **HISTORICAL BACKGROUND**

On January 19, 2023, Council directed the General Managers of Public Works and Corporate Services to implement the Management Responses contained within the Hamilton Municipal Cemeteries Trust Funds Audit (Report AUD23001) and report back to Audit, Finance and Administration Committee by December 2023 on the nature and status of actions taken in response to the Report.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The *Funeral, Burial and Cremation Services Act, 2002 (FBCSA)* and Regulations made thereunder establish the legislation respecting funerals, burials, cremations and related services within the Province of Ontario. The FBCSA, Sections 51 to 60 and Ontario Regulation 30/11, Sections 76 to 95, establish the legislation pertaining to trust funds and management. Portions of the recommendations of the Hamilton Municipal Cemeteries Trust Funds Audit (Report AUD23001) are related to the requirements of the Act and the management actions bring the City into compliance with this Act.

## **RELEVANT CONSULTATION**

- Corporate Services Department – Legal and Risk Management Services Division, Legal Services Section and Financial Services Division, Accounting Services Section
- City Manager’s Office – Office of the City Auditor

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**

A working group has been established, representing the Environmental Services Division in Public Works, as well as, the Financial Planning, Administration and Policy Division and the Financial Services Division in Corporate Services.

An implementation plan for the audit recommendations has been developed and work is underway in completing the various action items. A summary of the progress to date is attached to Report FCS23090 / PW23078 as Appendix “A”. Please note, The Office of the City Auditor has not validated the information contained in Appendix “A” to Report FCS23090 / PW23078.

Implementation of the recommendations will ensure compliance with the *Funeral, Burial and Cremation Services Act* (FBCSA), improve governance and controls, incorporate industry best practices and support continuous improvement.

The implementation plan includes standard operating procedures that will form part of the Environmental Services Quality Resource Centre. The Environmental Services Quality Resource Centre (ES QRC) is a framework that documents processes, procedures and responsibilities to ensure compliance as it relates to the *Funeral, Burial and Cremation Services Act* and Accounting Principles and Practices.

Per the Auditor’s recommendation, an update to the City’s Cemetery By-Laws has been recommended to include a policy for refunds for lots / graves or niches / columbaria to ensure compliance with the *Funeral, Burial and Cremation Services Act*. The Cemeteries Section is recommending that there be no cancellation of Interment Rights or Scattering Rights after 30 days of signing. Notwithstanding this Section 5.12, an Interment Rights Holder or a Scattering Rights Holder may re-sell their Interment Rights or Scattering Rights to a third party in accordance with Section 5.9 and 5.10 of the By-law and in accordance with the *Funeral Burial and Cremation Services Act* and the Regulations made thereunder.

As required, a subsequent report will be provided to the Audit, Finance and Administration Committee which will include a further status update on the progress implementing the Recommendations from the Hamilton Cemeteries Trust Funds Audit (AUD23001).

**ALTERNATIVES FOR CONSIDERATION**

N/A

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS23090 / PW23078 – Hamilton Cemeteries Trust Funds Audit Deliverables

Appendix “B” to Report FCS23090 / PW23078 – Amendment to By-law No. 12-151

JM/KB/dt