

# LITCHFIELD COUNCIL



*Community effort is essential*

## Thorak Regional Cemetery Board Meeting **BUSINESS PAPER** **WEDNESDAY 17/07/2019**

Meeting to commence following the Litchfield Council Meeting at  
6:30pm  
In Council Chambers at 7 Bees Creek Road, Freds Pass

**Silke Maynard, Interim Chief Executive Officer**

Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.



## THORAK REGIONAL CEMETERY BOARD MEETING

**Notice of Meeting**  
to be held in the Council Chambers, Litchfield  
on Wednesday, 17 July 2019

Silke Maynard  
Interim Chief Executive Officer

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Number	Agenda Item	
1	Opening of Meeting	
2	Apologies and Leave of Absence	
3	Disclosures of Interest	
4	Confirmation of Minutes	
	THAT the minutes of the Thorak Regional Cemetery Board Meeting held 26 June 2019, 3 pages, be confirmed.	
	Minutes have been distributed under separate cover and are publicly available on Council's website <a href="http://www.litchfield.nt.gov.au/council/council-meetings/council-minutes">http://www.litchfield.nt.gov.au/council/council-meetings/council-minutes</a> or in hard copy by request.	
5	Business Arising from the Minutes	
	Nil	
6	Presentations	
7	Accepting or Declining Late Items	
8	Notices of Motion	
9	Officers Reports	
9.1	Thorak Regional Cemetery Finance Report – June 2019	1-5
9.2	Thorak Regional Cemetery Quarterly Performance Report April to June 2019	6-8
10	Other Business	
11	Confidential Items	
12	Next Meeting	
13	Close of Meeting	



# BOARD REPORT

<b>Agenda Item Number:</b>	9.1
<b>Report Title:</b>	Thorak Regional Cemetery Finance Report – June 2019
<b>Report Number:</b>	19/0086
<b>Meeting Date:</b>	17/07/2019
<b>Attachments:</b>	Nil

## Purpose

The purpose of this report is to present the monthly finance report for Thorak Regional Cemetery for the period ended 30 June 2019.

## Recommendation

THAT the Thorak Regional Cemetery Board receives and notes the finance report for the period ended 30 June 2019.

## OPERATING RESULT

The results included in this report are preliminary results as at the end of June, the end-of-year processing is on-going and yet to be finalised along with the accounts currently being audited. The results for the 2018-2019 Financial Year will be finalised and presented to Council in the Annual Report prior to the 15 November 2019.

Thorak Regional Cemetery has completed 324 internments and cremations in 2018/19, an increase from the prior financial year. Below provides a comparison with the same report period last year:

Activity	June 2018	June 2019	Variance
Burials	94	118	24
Cremations	180	206	26
	<b>274</b>	<b>324</b>	<b>50</b>

An increase in revenue of \$332,011 was received to 30 June 2019. This increase is offset against increases in insurance premiums, consultancy costs and drainage repairs totalling \$91,582. This equates to a surplus of \$240,429 compared to budget.

Operating revenue is favourable by \$332,011 compared to YTD Budget for the period 1 July to 30 June 2019. This increase in income is mainly attributed to additional burial and cremation ceremonies and the associated administration fees.

Operating expenses incurred to date are unfavourable compared to the Budget, with operating expenses equating to \$91,582 above Original Budget. This is a result of professional fees for consultancy and legal services above the annual budget. The operating expenditure to date is 106% of the annual budget.

No capital revenue is expected in the 2018-2019 financial year. The capital project for the resealing of Thorak Regional Cemetery carpark was completed in December and bore inspections were completed in March. These projects equated savings of \$1,778 in capital expenditure compared to the 2018-2019 Budget.

## OPERATIONAL RESULTS

	2018/19 YTD Budget	2018/19 YTD Actuals	2018/19 Annual Budget	2018/19 Annual Forecast	Variance +ve (-ve)	Note
<b>REVENUE</b>						
User Fees and Charges	777,447	1,109,458	777,447	1,109,458	332,011	1
<b>TOTAL REVENUE</b>	<b>777,447</b>	<b>1,109,458</b>	<b>777,447</b>	<b>1,109,458</b>	<b>332,011</b>	
<b>EXPENSES</b>						
Contractors	124,600	191,352	124,600	199,232	(74,632)	2
Materials	179,000	210,707	179,000	210,768	(31,768)	3
Other Expenses	30,300	44,758	30,300	47,141	(16,841)	4
Employee Costs	486,849	426,031	486,849	455,190	31,659	5
<b>TOTAL EXPENSES</b>	<b>820,749</b>	<b>872,848</b>	<b>820,749</b>	<b>912,331</b>	<b>(91,582)</b>	
<b>TOTAL</b>	<b>(43,302)</b>	<b>236,610</b>	<b>(43,302)</b>	<b>197,127</b>	<b>240,429</b>	

### Explanations for Forecast variances to Original Budget

**Note 1** – Forecasted increase in all areas of Cemetery and Interment Fees in addition to an incline in expected revenue from the Non-Resident Administration Fee.

**Note 2** - Professional Fees for consultancy services and legal fees at Thorak Regional Cemetery. Additionally, projected expenditure for the replacement of damaged section of drain along entrance to Cemetery.

**Note 3** - Increased insurance premiums of \$4,227 above annual budget and additional service expenditure being for the transportation of deceased and increased costs associated with the implementation and monthly charges for the fibre internet connection.

**Note 4** – Increased expenditure in both machinery parts and service & repair costs for maintenance of Thorak plant and motor vehicles.



**Note 5** – Expected savings in employee costs with minimal grounds staff. This is offset against contracted staff from recruitment agencies.

## CAPITAL RESULTS

	2018/19 Budget	2018/19 YTD Actuals	2018/19 Forecast	Variance +ve (-ve)
<b>REVENUE</b>				
Thorak Regional Cemetery	-	-	-	-
<b>TOTAL REVENUE</b>	-	-	-	-
<b>EXPENSES</b>				
Thorak Regional Cemetery	17,530	15,752	15,752	1,778
<b>TOTAL EXPENSES</b>	<b>17,530</b>	<b>15,752</b>	<b>15,752</b>	<b>1,778</b>
<b>TOTAL</b>	<b>(17,530)</b>	<b>(15,752)</b>	<b>(15,752)</b>	<b>1,778</b>

## CAPITAL PROJECTS 2018/19 – THORAK CEMETERY

The table below is Council's capital projects for Thorak Cemetery in accordance with the Budget and Municipal Plan.

Thorak Cemetery Expenditure	Estimated Date of Completion	Budget	YTD Actuals	Forecast	Forecast Variance +ve (-ve)	Comment
<b>Capital projects commencing in 2018/19</b>						
Resealing of Bitumen – Office Carpark and Workshop	30/06/2019	10,000	9,000	9,000	1,000	 Works complete.
Inspect existing bores x3	30/06/2019	7,530	6,752	6,752	778	 Works complete.
<b>TOTAL</b>		<b>17,530</b>	<b>15,752</b>	<b>15,752</b>	<b>1,778</b>	

## CASH & INVESTMENTS

Date Invested	Invested Amount	Days Invested	Invested with	Interest Rate	Maturity Date	Return
11/01/2019	341,626	214	Bendigo	2.70%	13/08/2019	5,408

## DEBTORS

Total Sundry Debtors at 30 June 2019 are \$55,722, compared to \$63,300 as at 31 May 2019. The majority of outstanding debtors are with the three funeral service providers.

Category	Current	30 Days	60 Days	90 Days and over	Balance
Cemetery	\$39,510	\$15,362	\$185	\$665	\$55,722
% of TOTAL DEBTORS	71%	27%	1%	1%	

**Action summary of 90 Days Debtors:** \$665.00

### Invoice #1

The debt recovery process was implemented for the outstanding amount of \$480 and a payment plan is in progress.

### Invoice #2

The debt recovery process was implemented for the outstanding amount of \$185. Awaiting confirmation of action.



## CEMETERY FINANCIAL RESERVE




The Thorak Regional Cemetery Reserve balance as at 30 June 2019 is forecast to be \$462,263.

	Balance as at 1/7/2018	Forecast TO Reserve	Forecast FROM Reserve	Forecast Net Movement	Forecast Balance as at 30/06/2019
Cemetery Reserve	237,586	224,677	-	224,677	462,263

## THORAK CEMETERY KEY PERFORMANCE INDICATORS (KPI)

The table below tracks the KPI's for the Thorak Regional Cemetery as set out in the 2018/19 Municipal Plan.

Key Performance Indicator	Target	Status	Comment
Compliance with Cemetery Regulations	100%		Compliant with regulations
Achievement of Operational Budget	100%		Surplus in revenue to offsets the higher than budget unforeseen expenditures

-  KPI met
-  KPI in progress, on track
-  KPI not met

## Links with Strategic Plan

A well run Council.

## Legislative and Policy Implications

Local Government (Accounting) Regulations and the Northern Territory Cemeteries Act.

## Risks

There are long term financial sustainability challenges in relation to the renewal and upgrade of existing assets including buildings, road and irrigation infrastructure. A submission to the Minister for Housing and Community Development advocating for a new governance structure was submitted and Council is awaiting a response. The submission is a partnership submission between Litchfield and the cities of Darwin and Palmerston.

## Financial Implications

To date, the non-Litchfield resident administration charge has raised additional revenue totalling \$85,095.

**Recommending Officer:** **David Jan, Acting Director Community and Corporate Services**

Any queries on this report may be directed to the Recommending Officer on telephone (08) 8983 0600.

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<b>Agenda Item Number:</b>	9.2
<b>Report Title:</b>	Thorak Regional Cemetery Quarterly Performance Report – April to June 2019
<b>Report Number:</b>	19/0087
<b>Meeting Date:</b>	17/07/2019
<b>Attachments:</b>	Nil

## Purpose

This report presents to the Thorak Regional Cemetery Board (“the Board”) the quarterly report for April to June 2019.

## Summary

This report provides the Board with an update of activities undertaken at Thorak Regional Cemetery over the last quarter, including statistical comparisons to the previous quarter and same time last year, an update of the progress made on the Service Review recommendations, as well as a brief overview of projects.

## Recommendation

THAT the Thorak Regional Cemetery Board receives and notes the Thorak Regional Cemetery Quarterly Performance Report for April to June 2019.

## Background

This quarter shows a marked increase in cremations compared to both the last quarter and the same quarter last year by 15 and 16 respectively. The national trend still leans toward cremation as the preferred option however, this increase may also be due to the funeral directors using our facilities, capturing more of the cremation business. Burials, on the other hand decreased by 15 compared to the last quarter but increased by 6 compared to the same quarter last year. Ash interments and chapel hire were similar in number to the last quarter. Pre-purchased exclusive rights were down by 7 compared to the last quarter, this decline has been consistent over the last 3 years.

**Table 1:** Comparison of main services provided from the last quarter, January to March 2019 to this quarter April to June 2019; as well as this quarter to the same quarter last year.

Number of:	April to June 2018	April to June 2019	Last Quarter Jan to Mar 2019	Increase /decrease on last quarter
Cremations	48	64	49	+ 15
Burials	17	23	38	-15
Ash Interments	5	4	4	=
Ex rights Pre-need Burials	5	2	9	-7
Chapel Hire	11	21	21	=



Below, Table 2 compares cremations and burials in the last year by municipality, with Darwin residents still the highest users of the cemetery, accounting for 55% of cremations and 66% of burials performed, compared to Litchfield residents accounting for 15.5% of total cremations and 12% of total burials.

**Table 2:** Number of cremation and burials by municipality in the last financial year.

Municipality	Cremations (186 Total)	% of Total	Burials (138 Total)	% of Total
Litchfield	29	15.5%	16	12%
Darwin	102	55%	91	66%
Palmerston	29	15.5%	18	13%
Other	26	14%	13	9%

Looking at the cremations and burials by municipality over the last two years (Table 3), an increase of just over 2% in cremations and 2% in burials by Litchfield residents can be seen. There is also a marked increase in other users from outside the Litchfield, Darwin and Palmerston municipalities, with an increase of 8% in cremations and 6% in burials.

**Table 3:** Annual percentage of the total cremations and burials in the last two years by municipality.

Municipality	Annual Cremations 2017/2018	Annual Cremations 2018/2019	Annual Burials 2017/2018	Annual Burials 2018/2019
Litchfield	13%	15.5%	10%	12%
Darwin	50%	55%	65%	66%
Palmerston	15%	15.5%	15%	13%
Other	22%	14%	3%	9%

Table 4, below shows the variation over the last two years of some of the main services. There is a marked increase in burials, up 47% from 2017-18 numbers. This goes against the national preference toward cremations. There were also increases in ash interments and chapel hire. This may be due to more promotion of our services by staff when talking with customers. Cremations fell by 6% and pre-purchased graves fell by 10%.

**Table 4:** Annual comparisons of main services for the last two years.

Services	Actual for 2017/18	Actual for 2018/19	Variation	Variation %
Cremations	199	186	-13	6% ↓
Burials	94	138	+32	47% ↑
Ash Interments	23	28	+5	23% ↑
Ex Rights Pre-need Burials	20	18	-2	10% ↓
Chapel Hire	67	79	+12	18% ↑

During this quarter, the following projects were undertaken:

#### **Policy and Procedures**

A Memorial Display Policy was approved under CEO delegation, allowing the rental of space on a concrete beam for stone masons and similar trades to display their memorials and monuments. Expected to generate approx. \$5,000 income per annum.

## Staff and Training

A full-time grounds person/cemetery worker commenced in April on a 12-month fixed term contract as part of the budgeted staffing plan.

Contracted staff from a recruitment agency has been used to cover staff on annual leave during May and June.

## Grounds and Maintenance

Quotes were sought for the contract of grave digging. Contract was awarded to Chris's Backhoe Hire.

All issues highlighted in the tree risk report have been rectified.

The sprinklers in the lawn irrigation system are being progressively raised. This appears to be improving the sprinkler range.

## Other

The extended cremation package introduced as additional revenue option for Thorak Regional Cemetery was sold five times in June.

## Progress on the implementation of Service Review recommendations endorsed by the Board:

- Risk assessments of all tasks performed by staff, and safety audits of all buildings and work spaces is well underway, expected to be completed by September; and
- The information brochure is currently with a graphic designer.

### Links with Strategic Plan

A well-run Council

### Legislative and Policy Implications

Not applicable

### Risks

Not applicable

### Financial Implications

Operational revenue remains favourable.

### Community Engagement

Not applicable

**Recommending Officer:** David Jan, Acting Director Community and Corporate Services

Any queries on this report may be directed to the Recommending Officer on telephone (08) 8983 0600.

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