

LITCHFIELD COUNCIL



Community effort is essential

Thorak Regional Cemetery Board Meeting

BUSINESS PAPER
WEDNESDAY 15/02/2017

Meeting to be held commencing 6:00pm
In Council Chambers at 7 Bees Creek Road, Freds Pass.

Kaylene Conrick, 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.

AGENDA

Number Agenda Item Page

1	Opening of Meeting	
2	Apologies and Leave of Absence	
3	Confirmation of Minutes Recommendation: THAT the minutes of the Thorak Regional Cemetery Board Meeting held 18 January 2017 2016, 3 pages, be confirmed.	
4	Business Arising from the Minutes	
5	Conflict of Interest	
6	Accepting or Declining Late Items	
7	Notices of Motion	
8	Officers Reports	
	8.1 Finance Report January 2017	1-4
9	Other Business	
10	Confidential Items	
11	Next Meeting	
12	Close of Meeting	

NOTE: Attachments too large to include in the agenda can be found on Council's website at
www.litchfield.nt.gov.au

Agenda Item Number: 8.1
Report Title: Thorak Cemetery Report January 2017
Meeting Date: 15/02/2017
Attachments:

Purpose

The purpose of this report is to present the monthly financial report for Thorak Regional Cemetery for the period ended 31 January 2017.



Recommendation

THAT Council receive the Thorak Regional Cemetery finance report for the period ended 31 January 2017.

Background

During January 2017 a detailed review of all activity areas of the Thorak Regional Cemetery to provide an accurate forecast to 30 June 2017 and to inform 2017/18 budget deliberations.

Forecasts for Thorak Regional Cemetery are summarised in the table below.

Item	Summary	Indicator
Operating Income	There is an unfavourable variance of \$76,767 in operating income forecast at 30 June 2017.	
Operating Expenditure	There is a favourable variance of \$47,189 in operating expenditure forecast at 30 June 2017	

To conclude, Thorak Regional Cemetery's overall forecast result is unfavourable to Budget by \$29,578. However, this is better than previously forecast due to significant savings made in the operating expenditure.

OPERATING RESULT

Below is a summary of the operating results to the end of January 2017.

The Cemetery had 21 internments and cremations (6 burials and 15 cremations) compared to 18 (10 burials and 8 cremations) during January last year. Year to date total at the end of January is 149 interment and cremations (54 burials and 95 cremations), down 2 compared to the same period last year (84 burials and 67 cremations).

The end of financial year revenue is forecast to decrease by \$76,767 against Budget because of the reduction in burials of 36%, confirming the national trend that cremations are preferable opposed to burials.

End of financial year expenditure levels are forecast to decrease by \$47,189.

Revenue and expenditure levels will continue to be monitored closely throughout the financial year.

	2016/17 YTD Actuals	2016/17 Budget	Forecast	Variance +ve (-ve)
REVENUE				
User Fees and Charges	457,372	842,450	765,683	(76,767)
TOTAL REVENUE	457,372	842,450	765,683	(76,767)
EXPENSES				
Contractors	71,716	143,500	119,587	(23,913)
Materials	123,473 ⁽¹⁾	163,781	154,059	(9,722)
Other Expenses	20,278	42,000	31,446	(10,554)
Employee Costs	266,267	528,578	525,578	(3,000)
TOTAL EXPENSES	481,734	877,859	830,670	(47,189)
TOTAL	(24,362)	(35,409)	(64,987)	(29,578)

(1) YTD expenditure for Materials reflects the timing of total annual insurance premiums (\$28,033) and administration overheads (internal transfer of \$60,000 from Thorak to Council) already paid for the 2016/17 financial year.

CAPITAL RESULTS

The 2016/17 net capital expenditure relates to the trade-in and purchase of a new motor vehicle, in accordance with Council's Motor Vehicle policy. The disposal will occur at the next fleet auction with a reserve of \$10,500.

Thorak Cemetery's Case Tractor was disposed of on 14 December 2016, the proceeds from Pickles Auctions will be \$26,827, after fees and charges.

	2016/17 YTD Actuals	2016/17 Budget	Forecast	Variance +ve (-ve)
REVENUE				
Thorak Regional Cemetery	26,827	12,000	36,500	24,500
TOTAL REVENUE	26,827	12,000	36,500	24,500
EXPENSES				
Thorak Regional Cemetery	30,201	40,000	30,201	9,799
TOTAL EXPENSES	30,201	40,000	30,201	9,799
TOTAL	(3,374)	(28,000)	6,299	34,299

CASH & INVESTMENTS

Date Invested	Invested Amount	Days Invested	Invested with	Interest Rate	Maturity Date	Return
30/06/2016	406,398	365	Bendigo	2.86%	30/06/2017	11,623

DEBTORS

Total Sundry Debtors at 31 January 2017 are \$70,625. The outstanding debtors are with the three funeral service providers and reflects the activity at the Cemetery over the past month.

Category	Current	30 Days	60 Days	90 Days and over	Balance
Cemetery	\$51,807	\$17,426	\$0	\$1,392	\$70,625
% of TOTAL DEBTORS	73.3%	24.7%	0.0%	2.0%	

Action summary of 90 Days Debtors:

\$1,152.00

One invoice is in 90 days and over. Reminder notices have been sent to the postal address associated with the outstanding invoice. Attempts have been made to find the executor of the deceased estate. The debt recovery process will be implemented.



CEMETERY FINANCIAL RESERVE

The 2016/17 forecast result will draw down \$58,688 from the Reserve leaving a balance as at 30 June 2017 will be \$78,771.


	Balance as at 1/7/2016	Forecast TO Reserve	Forecast FROM Reserve	Forecast Net Movement	Forecast Balance as at 30/06/2017
Cemetery Reserve	137,459	-	(58,688)	(58,688)	78,771

THORAK CEMETERY KEY PERFORMANCE INDICATORS (KPI)

The table below tracks the KPI's for the Thorak Regional Cemetery as set out in the 2016/17 Municipal Plan.

Key Performance Indicator	Target	Status	Comment
Compliance with Cemetery Regulations	100%		
Achievement of Operational Budget	100%		As a result of the 67% reduction in burials, the operational budget will be exceeded.

 KPI met

 KPI in progress, on track

 KPI not met

Links with Strategic Plan

Priority 1 – Everything you need.

Legislative and Policy Implications

The financial accounts for the Thorak Regional Cemetery are undertaken in accordance with the Local Government (Accounting) Regulations, the Local Government Act and the Cemeteries Act.

Risk

There remains ongoing financial sustainability challenges in operating the Thorak Regional Cemetery.

Financial Implications

The financial implications are discussed in this report.

Recommending Officer: David Jan, A/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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