

LITCHFIELD COUNCIL



Community effort is essential

Thorak Regional Cemetery Board Meeting **BUSINESS PAPER** **WEDNESDAY 15/05/2019**

Meeting to commence following the Litchfield Council Meeting at
6:30pm

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.



THORAK REGIONAL CEMETERY BOARD MEETING

Notice of Meeting
to be held in the Council Chambers, Litchfield
on Wednesday 15 May 2019

Kaylene Conrick
Chief Executive Officer

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 Wednesday 17 April 2019, 3 pages, be confirmed. Minutes have been distributed under separate cover and are publicly available on Council's website http://www.litchfield.nt.gov.au/council/council-meetings/council-minutes 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 Finance Report – April 2019 1-4
10	Other Business
11	Confidential Items
12	Next Meeting
13	Close of Meeting



BOARD REPORT

Agenda Item Number:	9.1
Report Title:	Thorak Regional Cemetery Finance Report – April 2019
Report Number:	19/0062
Meeting Date:	15/05/2019
Attachments:	Nil

Purpose

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

Recommendation

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

OPERATING RESULT

To date Thorak Regional Cemetery has completed 260 internments and cremations, an increase from the same time last year. Below provides a comparison with the same report period last year:

Activity	April 2018	April 2019	Variance
Burials	83	102	19
Cremations	149	158	9
	232	260	28

A forecast increase in revenue of \$168,424 is expected to 30 June 2019. This increase will offset against forecasted increases in insurance premiums, consultancy costs and drainage repairs totalling \$78,545. This equates to a surplus of \$89,879 compared to budget.

Operating revenue is favourable by \$210,452 compared to YTD Budget for the period 1 July to 30 April 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 YTD Budget, equating to \$26,526 below actual spend. This is a result of professional fees for consultancy and legal services above the annual budget. The operating expenditure to date is 89% of the annual budget.

No capital revenue is expected in the 2018/19 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 generated savings of \$1,778 in capital expenditure compared to the 2018/19 Budget.

OPERATIONAL RESULTS

	2018/19 YTD Budget	2018/19 YTD Actuals	2018/19 Annual Budget	2018/19 Annual Forecast	Variance +ve (-ve)	Note
REVENUE						
User Fees and Charges	697,270	907,722	777,447	945,871	168,424	1
TOTAL REVENUE	697,270	907,722	777,447	945,871	168,424	
EXPENSES						
Contractors	107,913	132,292	124,600	166,506	(41,906)	2
Materials	162,191	205,377	179,000	231,353	(52,353)	3
Other Expenses	26,438	40,490	30,300	44,586	(14,286)	4
Employee Costs	405,710	350,619	486,849	456,849	30,000	5
TOTAL EXPENSES	702,252	728,778	820,749	899,294	(78,545)	
TOTAL	(4,982)	178,944	(43,302)	46,577	89,879	

Explanations for Forecast variances to Original Budget

Note 1 – Forecasted increase in Cemetery and Interment Fees in addition to an increase 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 acquisition of six surge protectors to eliminate risks of lightning strikes and the removal and replacement of damaged section of drain along entrance to Cemetery (awaiting insurance claim advice).

Note 3 - Increased insurance premiums of \$4,227 above annual budget and additional service expenditure being for the transportation of deceased and burial capsule acquisitions.

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.

CAPITAL RESULTS

	2018/19 Budget	2018/19 YTD Actuals	2018/19 Forecast	Variance +ve (-ve)
REVENUE				
Thorak Regional Cemetery	-	-	-	-
TOTAL REVENUE	-	-	-	-
EXPENSES				
Thorak Regional Cemetery	17,530	15,752	15,752	1,778
TOTAL EXPENSES	17,530	15,752	15,752	1,778
TOTAL	(17,530)	(11,808)	(15,752)	1,778

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
Capital projects commencing in 2018/19						
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.
TOTAL		17,530	15,752	15,752	1,778	

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 April 2019 are \$56,083, compared to \$49,001 as at 31 March 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	\$40,452	\$14,887	\$0	\$745	\$56,083
% of TOTAL DEBTORS	72.1%	26.6%	0.0%	1.3%	

Action summary of 90 Days Debtors:

\$745.00

Invoice #1

The debt recovery process was implemented for the outstanding amount of \$560 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 \$268,411.

	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	30,825	-	30,825	268,411

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%		Deficit forecasted higher than budget due to 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 Administration Charge has raised additional revenue totalling \$68,905.

Recommending Officer: Silke Maynard, 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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