

# LITCHFIELD COUNCIL



*Community effort is essential*

## Thorak Regional Cemetery Board Meeting **BUSINESS PAPER** **WEDNESDAY 18/04/2018**

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, 18 April 2018**

Kaylene Conrick  
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 full minutes of the Thorak Regional Cemetery Board Meeting held 21 March 2018, 4 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	
6	Presentations	
7	Accepting or Declining Late Items	
8	Notices of Motion	
9	Officers Reports	
9.1	Finance Report – March 2018	1-4
9.2	Thorak Regional Cemetery Quarterly Performance Report January – March 2018	5-7
9.3	Extension of Cremation Services	8-10
9.4	Setting of Charge for Hold on Exclusive Right	11-15
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 – March 2018
<b>Report Number:</b>	18/0046
<b>Meeting Date:</b>	18/04/2018
<b>Attachments:</b>	Nil

## Purpose

The purpose of this report is to present the monthly financial report for Thorak Regional Cemetery for the period ended 31 March 2018.

## Recommendation

THAT the Thorak Regional Cemetery Board receive and note the finance report for the period ended 31 March 2018.

## OPERATING RESULT

To date Thorak Regional Cemetery has completed 222 internments and cremations, an increase from the same time last year. Below provides a comparison with the same report period last year:

Activity	July – March 2017	July – March 2018	Variance
Burials	74	77	3
Cremations	121	145	24
	<b>195</b>	<b>222</b>	<b>27</b>

Operating revenue is forecasted to be \$102,675 higher than the 2017/18 budget, this forecasted revenue has increased since the last monthly finance report due to an increase in burials and cremations, chapel hire and the Cemetery Administration fee for non-residents.

Operating expenses are slightly higher due to insurance premiums and the annual administration fee have been recognised for the full year and employee costs are approximately \$45k lower than budget at this stage of the financial year as a result of reduced groundsmen staffing trial and a vacancy earlier in the financial year, which has now been filled.

No capital revenue has been received to date.

Capital expenditure of \$8,081 has occurred for the supply and installation of two road culverts, the project works were undertaken to address public safety concerns. Microwave links between Thorak Regional Cemetery and Litchfield Council Office are also an area of concern with an amount of \$17,892 forecasted to be spent on upgrading the connection prior to 30 June 2018. The existing microwave links have been damaged from numerous lightning strikes. The above-mentioned expense might increase depending on the outcome of the insurance claim.

## OPERATIONAL RESULTS

	2017/18 Budget	2017/18 YTD Actuals	2017/18 Forecast	Variance +ve (-ve)	Note
<b>REVENUE</b>					
User Fees and Charges	725,125	770,316	827,800	102,675	1
<b>TOTAL REVENUE</b>	<b>725,125</b>	<b>770,316</b>	<b>827,800</b>	<b>102,675</b>	
<b>EXPENSES</b>					
Contractors	84,800	68,343	120,211	(35,411)	2
Materials	189,210	166,686	202,363	(13,153)	3
Other Expenses	26,600	25,663	31,967	(5,367)	4
Employee Costs	491,045	309,138	446,045	45,000	5
<b>TOTAL EXPENSES</b>	<b>791,655</b>	<b>569,830</b>	<b>800,586</b>	<b>8,931</b>	
<b>TOTAL</b>	<b>(66,530)</b>	<b>200,486</b>	<b>27,214</b>	<b>93,744</b>	

### Explanations for Variances to Original Budget

**Note 1** – Increase in User Fees mainly as a result of the introduction of the 10% Administration fee applied to all non-residents of the Litchfield Municipality.

**Note 2** – Increase in contractor costs due to numerous works actioned for Tree Assessments, Policy Development and Legal Fees as a result of changing criteria of the beam in section B to enable monuments to be built.

**Note 3** – Increase in Gas Charges with increased Cremations.

**Note 4** – Unexpected Machinery repairs on the Hino truck, Polaris and Backhoe.

**Note 5** – Reduction in employee costs due to the current trial with reduced staffing.

## CAPITAL RESULTS

The 2017/18 net capital expenditure relates to the supply and installation of two road culverts on the main verge due to public safety concerns and the replacement of Thorak Cemetery's microwave link between Litchfield Council and the Cemetery.

	2017/18 Budget	2017/18 YTD Actuals	2017/18 Forecast	Variance +ve (-ve)
<b>REVENUE</b>				
Thorak Regional Cemetery	-	-	-	-
<b>TOTAL REVENUE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>				
Thorak Regional Cemetery	-	8,081	25,964	(25,964)
<b>TOTAL EXPENSES</b>	<b>-</b>	<b>8,081</b>	<b>25,964</b>	<b>(25,964)</b>
<b>TOTAL</b>	<b>-</b>	<b>(8,081)</b>	<b>(25,964)</b>	<b>(25,964)</b>

## CASH & INVESTMENTS

Date Invested	Invested Amount	Days Invested	Invested with	Interest Rate	Maturity Date	Return
29/06/2017	418,032	365	Bendigo	2.75%	29/06/2018	11,496

## DEBTORS

Total Sundry Debtors at 31 March 2018 are \$71,124. The majority of outstanding debtors are with the three funeral service providers.

Category	Current	30 Days	60 Days	90 Days and over	Balance
Cemetery	\$50,955	\$18,273	\$30	\$1,866	\$71,134
% of TOTAL DEBTORS	71.6%	25.7%	0.1%	2.6%	

**Action summary of 90 Days Debtors:** \$1,866.00

Three invoices relate to 90 days and over. Reminder notices have been sent on numerous occasions.

### **Invoice #1**

The debt recovery process was implemented for the outstanding amount of \$872 and a payment plan has commenced.

### **Invoice #2**

The debt recovery process has also commenced for the outstanding amount of \$240.

### **Invoice #3**

The invoice has been resent to the debtor with the outstanding amount of \$110.

### **Invoice #4**

The invoice has been resent to the debtor with the outstanding amount of \$644.



## CEMETERY FINANCIAL RESERVE




The Thorak Regional Cemetery Reserve balance, as at 30 June 2018, is forecast to be \$213,294

	Balance as at 1/7/2017	Forecast TO Reserve	Forecast FROM Reserve	Forecast Net Movement	Forecast Balance as at 30/06/2018
Cemetery Reserve	212,044	1,250		1,250	213,294

## THORAK CEMETERY KEY PERFORMANCE INDICATORS (KPI)

The table below tracks the KPI's for the Thorak Regional Cemetery as set out in the 2017/18 Municipal Plan.

Key Performance Indicator	Target	Status	Comment
Compliance with Cemetery Regulations	100%		
Achievement of Operational Budget	100%		

-  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 is currently under development. 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 \$52,731.

**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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<b>Agenda Item Number:</b>	9.2
<b>Report Title:</b>	Thorak Regional Cemetery Quarterly Performance Report January – March 2018
<b>Report Number:</b>	18/0059
<b>Meeting Date:</b>	18/04/2018
<b>Attachments:</b>	Nil

## Purpose

This report presents to the Thorak Regional Cemetery Board (“the Board”) the quarterly report for January – March 2018.

## Summary

This report provides the Board with an update of work conducted at Thorak Regional Cemetery over the last quarter including statistical comparisons to the previous 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 report for January – March 2018.

## Background

The third quarter of this financial year has seen a slight increase in the number of services sold at Thorak. Comparisons of the same time last year are shown in Table 1 below. The largest increase came from Cremations 26%. Burials decreased by 23% compared to the same time last year. This is in line with the national trend towards cremations. Both ash interments and exclusive right pre-need sales remained similar in number to last year. Chapel hire increased by 19%.

**Table 1:** Comparison of main services provided from January to March 2018 with the same time in the previous year.

<b>Number of:</b>	<b>January – March 2017</b>	<b>January – March 2018</b>	<b>Increase / Decrease</b>
Cremations	35	44	+26%
Burials	26	20	-23%
Ash Interments	3	3	0
Ex rights Pre-need Sales	5	4	-20%
Chapel Hire	16	19	+19%

Table 2 below compares cremations and burials by municipality, with Darwin residents still the highest users of the cemetery, with 54% of cremations and 70% of burials being purchased by people in the Darwin region.

**Table 2:** Number of cremation and burials by municipality

<b>Municipality</b>	<b>Cremations</b>	<b>% of Total</b>	<b>Burials</b>	<b>% of Total</b>
Litchfield	7	16%	2	10%
Darwin	24	54%	14	70%
Palmerston	3	7%	4	20%
Other	10	23%	0	0

The following activities were undertaken over the last quarter:

### **Policy and Procedures**

Development of the Cemetery Plan and a review of all Safe Working Procedures and Forms are in process. Two new policies have been established, being the Memorials and Rights of Interment policies.

### **Internet**

Internet and network access issues have continued during this quarter. Although temporary measures reduced the frequency of interruptions. Infrastructure for the approved microwave links has been ordered and installation will be undertaken in the coming quarter.

### **Staff and Training**

The Thorak Regional Cemetery Manager completed Certificate IV in Leadership and Management. The reduced work hours trial was extended until the end of April 2018. Outcomes of the trial will be reported to the Board in due course.

### **Ground and Maintenance**

The ornament policy continues to be a high priority with the final disposal of all unclaimed items taking place.

Cyclone Marcus caused over 16 trees to fall, mainly around the perimeter fence line, damaging some areas of the fence; two large trees fell across the two-lane entrance road, with some damage to the side drains; only three headstones were damaged. Strict removal of illegal objects during the pre-cyclone clean-up greatly contributed to reduced debris and less damage throughout the grounds.

### **Memorial Rocks**

Rocks placed alongside the middle road have been made available to attach memorial plaques (no ashes). This will generate income and give another option for memorialisation.

### **Implementation of Family Mausoleums**

With the approval of the Memorials policy in March 2018 Thorak regional Cemetery will offer in future the option of Family Mausoleums on the grounds in a dedicated area.



## **Establishment of Jewish Cemetery**

With approval of the Board in March 2018 the cemetery staff will initiate the establishment of a Jewish Section at Thorak Regional Cemetery.

### **Progress of implementation of the Service Review:**

- The review of all current policy and procedures continues with a consultant working with staff. Two policies have been accepted by the Board.
- An Asset Management Plan is currently being developed by the Asset Management Officer for future maintenance and costs.
- A cost analysis of all services is currently being undertaken.
- Enquiries have begun into the possible use of the old cremator to cremate pets.
- Changes to rostered days off for staff has improved productivity. Where possible burial and cremation services are encouraged to happen on the full staff days to ensure efficiencies and appropriate staffing levels.
- Upgrade of IT has begun with the replacement microwave dish on order.
- Official quarterly meetings with Funeral Directors have been scheduled

### **Links with Strategic Plan**

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### **Legislative and Policy Implications**

Not applicable

### **Risks**

Not applicable

### **Financial Implications**

Not applicable

### **Community Engagement**

Not applicable

**Recommending Officer:** **Silke Maynard, Director Community and Corporate Services**

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## BOARD REPORT

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<b>Agenda Item Number:</b>	9.3
<b>Report Title:</b>	Extension of Cremation Services
<b>Report Number:</b>	18/0062
<b>Meeting Date:</b>	18/04/2018
<b>Attachments:</b>	NIL

### Purpose

This report presents for Council consideration the proposal to extend services at Thorak Regional Cemetery (TRC).

### Summary

Thorak Regional Cemetery often receive enquiries regarding cremations, and costs involved for transportation and coffins, these calls are currently referred to the local funeral directors. Enquiries are often from people who do not wish to spend a lot of money, or would like to reduce their carbon footprint, or simply want a no-frills service.

The three local funeral directors all provide a pick up and deliver service from any institution and/or location of death and sell coffins in different price ranges. TRC is proposing to offer only pick-up from the Darwin Hospital as this does not require after hours service.

This service would provide an additional income stream to the cemetery operational budget.

The cemetery does not currently have any vehicles which would accommodate a coffin, so external contractors were approached about providing the transportation component of the package. As part of the process a local courier was approached to quote. The vehicle meets all requirements. An agreement of terms and conditions will be drawn up for the service and training of procedures at the hospital provided. The courier will be the primary contractor, and second contractor will be used as back up option.

Light weight flat pack capsules have been sourced for TRC to purchase and assemble. Storage space is available at TRC.

A clear administration process has been clarified with Darwin Hospital for the release of the body from the morgue and required legal documents. This requires minimal variation to our existing administration processes for cremation.

With offering this additional service TRC has an opportunity to increase income through the additional service and increase the usage of the cremator as a complete package allows customers to purchase all service directly from TRC at a low market price.

## Recommendation

THAT the Board:

1. approve the establishment of extended cremation services with pick up from the Darwin Hospital;
2. set a charge of \$2,229 for the Cremation service package; and
3. set a charge of \$400 for the sale of an assembled capsule.

## Background

The extension of services will deliver a service that currently is delivered by commercial operators. The Board is operating the Cremator at the commercial market and needs to ensure that the delivery of this service is lucrative for TRC. The extension of the service might increase the market share of cremation services for TRC, increase income and therefore improve the overall financial situation of TRC.

## Links with Strategic Plan

*Priority # 1 – Everything you need*

## Legislative and Policy Implications

The Local Government Act NT does not apply to the delivery of cremation services as it is not a Local Government service. The Cemetery Act and Regulations are followed with the cremation processes.

## Risks

No risk can be identified with extending the services of TRC.

## Financial Implications

The extension of the cremation service will have an initial expense of \$2,111.00 for the purchase of the flat pack capsules. This will be recouped when sold.

The extended service will be part of a cremation package which includes the coffin/capsule, transportation, cremation, and collection of ashes. Ashes can be posted if required as per existing additional fee. Individual capsules can also be sold separately.

Market research and costing have identified a proposed fee of \$2,229 for the cremation package and \$400 for the assembled capsule.

## Community Engagement

Not applicable

**Recommending  
Officer:**

**Silke Maynard, Director Community and Corporate Services**

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<b>Agenda Item Number:</b>	9.4
<b>Report Title:</b>	Setting of Charge for Hold on Exclusive Right
<b>Report Number:</b>	18/0063
<b>Meeting Date:</b>	18/04/2018
<b>Attachments:</b>	A – Report to TRC Board 21/03/2018

## Purpose

This report presents for Council consideration the proposal to set the charge for placing a hold on an Exclusive Right at Thorak Regional Cemetery (TRC).

## Summary

At the Board's meeting held in March 2018 the Board approved CEM02 Rights of Interment Policy. When setting the policy, the Board has changed its practice of reservation of Exclusive Rights to placing a Hold on an Exclusive Right (See Attachment A).

The Board has to set a new charge for the change in policy. As the Hold on an exclusive Right is merely an administrative process for a short period of time a low charge of \$160 is proposed. The existing charge for reservations on Exclusive Rights will be removed from the Fees and Charges of TRC.

## Recommendation

THAT the Board:

1. set a charge of \$160 inclusive GST to place a Hold on an Exclusive Right as per policy CEM02; and
2. remove the charge for reservation of Exclusive Rights from the current Fees and Charges.

## Background

The Board's resolution at the 21<sup>st</sup> March 2018 meeting reads:

*“THAT the Thorak Regional Cemetery Board*

- 1. Approve CEM02 Rights of Interment Policy;*
- 2. Approve CEM03 Memorials Policy; and*
- 3. Note the Memorials Specifications by Cemetery Areas.”*

With approval of the policy CEM02 a new charge needs to be set to allow Cemetery staff to sell a Hold on an exclusive Right.

## Links with Strategic Plan

*Priority # 1 – Everything you need*

## Legislative and Policy Implications

Not applicable

## Risks

Not applicable

## Financial Implications

The proposed charge of \$160 inclusive GST is anticipated to cover the cost with administering an Hold on an Exclusive Right.

## Community Engagement

Not applicable

**Recommending Officer:** **Silke Maynard, Director Community and Corporate Services**

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<b>Agenda Item Number:</b>	9.2
<b>Report Title:</b>	Rights of Interment and Memorials Policy
<b>Report Number:</b>	18/0043
<b>Meeting Date:</b>	21/03/2018
<b>Attachments:</b>	A – DRAFT CEM02 Right of Interment Policy B – DRAFT CEM03 Memorials Policy C – DRAFT Memorial Specification by Cemetery Areas

## Purpose

This report presents for Council approval the new Rights of Interment Policy and the Memorials Policy for Thorak Regional Cemetery.

## Summary

A review of existing Thorak Regional Cemetery policies, legislative requirements, proposed changes to the Cemeteries Act Northern Territory and best practice approaches has led to the development of two new policies. The following policies are submitted for approval by Council:

- CEM02 Rights of Interment Policy
- CEM03 Memorials Policy

The **Rights of Interment Policy** formalises what is the current practice and is in accordance with the Cemeteries Act. What has been added is within the remit of the Board as the Cemeteries Act suggests it is for the Board to decide the circumstances for granting or refusing interment rights and setting the terms and conditions.

The following are suggested amendments to policy from the current process followed by the Cemetery:

- That the Board sets the term of validity for exclusive rights at 25 years, renewable for a further 25 years only.  
Currently the cemetery has no limitations to exclusive rights. It is common practice to restrict exclusive rights and the legislation allows for the restriction. There will be transitional provisions in the Cemeteries Act for currently existing rights. Currently existing exclusive rights will expire in 60 years.
- That the Board change the practice of allowing what are currently called ‘reservations’ with the payment of a relatively nominal fee to exist until at need. This locks up sites (currently for up to sixty years) and can lead to access issues at the time of interment. Further, it is possible people can be more casual about their commitment. It also means there could be inadequate funds available for the continuing development and maintenance of the Cemetery if the hold is not converted into an at-need interment within a reasonable timeframe.

The policy will enable people to make a non-refundable payment to place a hold on a site of interment for a period of 3 months before paying the full fee to purchase the exclusive rights of interment for that site.

The **Memorials Policy** formalises expectations for the construction of a variety of memorials that are currently documented in a brochure. The only major change is the addition of an extra option for memorialising – family mausoleums. These are only able to be built in a Section newly made available to house such mausoleums in line with the Thorak Regional Cemetery Masterplan.

## Recommendation

“THAT the Thorak Regional Cemetery Board

1. Approve CEM02 Rights of Interment Policy;
2. Approve CEM03 Memorials Policy; and
3. Note the Memorials Specifications by Cemetery Areas.

## Background

At Thorak Regional Cemetery customers currently have the option to purchase a reservation for a fee of \$213 to \$868 (depending if it is a full burial or cremated remains interment), that has no expiry. This is an uncommon practice for cemeteries and can pressure the cemetery to have to expand whilst not receiving income from those reserved plots. Furthermore, it opens up the possibility that those reservations are not realised and create vacant areas that are not useable.

The proposed change to the reservation process sees the fee being reduced to an administration charge to allow customers to place a hold on a selected site for 3 months (with option to extend to a maximum of six months) to then purchase the exclusive right on the site. Current reservations will have the option to transition to a hold or Exclusive Right over a period of twelve months from approval of the policy.

The purchase of Exclusive Rights had no time limitation for Thorak Cemetery in the past. The current legislation allows the Board to limit the right and the proposed change to the Cemeteries Act sees the limitation being included in the Cemeteries Act at 25 years plus extension of 25 years.

Introducing this limitation will allow the cemetery to resell plots of the Exclusive Right has not been extended and no interment has taken place.

## Links with Strategic Plan

Priority # 1 – Everything you need

## Legislative and Policy Implications



The Department of Housing and Community services is currently reviewing the Cemeteries Act to bring it in line with interstate legislation. The proposed policies have been drafted to comply with the current legislation and the proposed amendments to the Cemeteries Act.

### **Risks**

There is a low social impact risk for the Board as customers currently holding an Exclusive Right will be limited to 60 years from date of issue of the Exclusive Right as proposed form of transition. Thorak Regional Cemetery staff will need to identify and contact Exclusive Rights holders to inform about the change in policy.

Furthermore, Thorak Regional Cemetery will have to go through an audit to identify current reservations held that will need to be transferred either to Exclusive Rights or holds within a 12 months period.

### **Financial Implications**

The proposed changes to the Rights of Interment Policy will assist in increasing the long-term financial sustainability of the cemetery. The changes proposed will require a change to the current Fees and Charges structure. It is proposed that the reservation right for any exclusive right be set at \$160 for the 3 months' timeframe and the purchase of Exclusive rights is at the cost of the listed interment fees.

Adding family mausoleums as an option for memorialising the deceased, expands the range of possibilities for customers and will require the establishment of a new fee in the Thorak Regional Cemetery Schedule. The charge will be proposed at a similar level of the Interment Fee for the current Orthodox section. Due to the space required for the mausoleums on the cemetery.

### **Community Engagement**

Nil

**Recommending Officer:** **Silke Maynard, Director Community and Corporate Services**

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