

FinPro Member Update – Edition 17, 2022

President's Message

Hello all,

Spring!! Woohoo – it's fantastic to finally have winter behind us. I don't know about you, but I'm sick of the rain!

I was pleased to see the Minister for Health's Mary-Anne Thomas announce that work from home recommendations have been lifted – giving more Victorians the option to return to work and delivering a further boost to economies like the Melbourne CBD. Hopefully, and fingers crossed, this is a positive sign for the CBD and returning to a more normal, but new way of working. [Updated Work From Home Recommendations | Premier of Victoria](#)

It's great to have events returning to 'in person', and I encourage you to get in quick and register for our [conference](#), which is now only 54 days away....

This week was the LGPro CEO/Directors Forum, with nearly 100 in attendance yesterday in Daylesford. I had the privilege of representing FinPro on a panel to discuss cost shifting and financial sustainability and it was great to hear a range of views on these topics. What was clear to me was that the system needs a real review as now it is not just 10 or so Councils struggling financially, but to differing extents. All 79 Councils now have real financial challenges, especially with operational and capital costs increasing well above our income raising capacity. FinPro continues its work with the MAV on a joint piece of work on financial sustainability and a truer position of our financial position. This will be finalised in the coming months and discussed at our Conference as well.

Today I'm at the Rural Councils Victoria (RCV) Forum, bringing together over 120 Mayors, Councillors and CEOs to discuss opportunities and challenges in our rural Councils. RCV have launched a State Election Platform which includes a range of funding asks across roads, infrastructure, housing, emergency management, planning and tourism. More information is available at [Forum 2022 resources – Rural Councils Victoria](#)

Go the Swans!

Cheers, Bradley



Bradley Thomas
President – FinPro and CEO, Hepburn Shire

Membership News

We welcome new members, **Ronny Zhao**, Finance Systems Project Lead, and **Ian Yap**, Systems Accountant, from Stonnington CC, **Simon Walsh** from CT Management, **Kerry Thomson**, Financial Accountant at Swan Hill RCC, **Girisha Abeypala**, Financial Services DCP Accountant and **Paul Pritchard**, Corporate Reporting and Performance Officer at Maribyrnong CC, **Mandy Chuah**, Property Analyst at Casey CC and Josie Fletcher, Development Contributions Officer at Mitchell SC.

We congratulate **Charlene Adams** on her new role at Whittlesea CC as Senior Financial Services Accountant (DCP). Charlene moves to Whittlesea from Mitchell SC.

We welcome back to the sector **John Brockway** who has joined the Warrnambool CC team as Manager Financial Services. He returns after a few years out of the sector.



Come and join us in Cape Schanck for the 2022 FinPro Conference.

If you are interested in:

- Meeting others within the LG Finance Sector,
- Hearing about what is happening in LG Finance (and beyond),
- Broadening your knowledge in a range of area,
 - Sharing ideas, and / or
 - Having some fun

Then register now to attend the Conference.

We have a great line-up of speakers / topics and events lined up – just for you 😊

Full details are available online now!

**Thank-you to our amazing sponsors for supporting our conference and supporting the LG sector.
We look forward to seeing you at Cape Schanck!**

Technical Updates

Local Government Legislation Amendment (Rating and Other Matters) Act 2022

FinPro is liaising with Local Government Victoria (LGV), seeking information and proposing a webinar to discuss the Local Government Legislative Amendment (Rating and Other Matters) Act 2022.

The Act received Royal Assent in August 2022 and makes changes to the arrangements for unpaid rates and charges, consideration of ratepayers facing financial hardship, service rates and charges and special rates and charges. The Act also introduces a new public benefit criteria for councils to offer rate rebates and concessions.

We will keep you posted on the upcoming webinar. In the meantime, LGV have prepared fact sheets on the Act and can be viewed with this link.

<https://www.localgovernment.vic.gov.au/our-programs/council-rates-and-charges>

The RMA (Revenue Managers Association) have also incorporated sessions into their AGM on 15 September and FinPro members are invited to attend. See details below.

Upcoming RMA event

Dear FinPro Members,

The Revenue Management Association will be holding their 2022 AGM on Thursday 15 September 2022, and we would like to extend an invite to you.

An informative day has been planned, with all content related to the Local Government Amendment Bill 2022. Please find [attached agenda](#) for further information.

Attendance is \$60 for non-members. Please register your attendance by 5pm on 8 September 2022.: <https://www.rma.org.au/event-registration>

We hope to see you there!

Kind regards,

Kolina Johnson on behalf of the Revenue Management Association Inc
RMA President

LGV Update

The following Bulletin was distributed to councils on Tuesday 23 August 2022 and is included here for member information.

BULLETIN: 44/2022

2021-22 COUNCIL REPORTING REQUIREMENTS

Annual reports and performance reporting data are key mechanisms to allow Victorian councils to demonstrate accountability and transparency to their local communities.

Section 98(1) of the *Local Government Act 2020* (the Act) requires councils to prepare an annual report in respect of each financial year. The annual report must be presented to a council meeting (open to the public) by **31 October 2022**.

Please note there is no provision in the Act to extend this deadline and failure to do so may be treated as a breach of the Act.

Councils are reminded that the Act no longer requires them to submit their annual budget or annual report to the Minister for Local Government. Each council must comply with its own public transparency policy and the public transparency principles in section 58 of the Act.

Councils are also reminded their Local Government Performance Reporting Framework data must be submitted to Local Government Victoria by **17 October 2022**, with the data be published on the Know Your Council website in early November. Any outstanding data at this time will be excluded from the release.

Please contact the Local Government - Performance Reporting team at performance@ecodev.vic.gov.au for any assistance or queries in relation to this advice.

Colin Morrison
Acting Executive Director, Local Government Victoria

VAGO Report – August 2022

The VAGO Status Report for August 2022 was circulated to councils by VAGO on Wednesday 31 August, and is [included here](#) for member information.

Sections included within the report are:

- VAGO Annual Plan
- VAGO Financial Audit – Update
- VAGO Performance Audit – proposed engagements
- VAGO Performance Audit – engagements in progress
- VAGO recently tabled Parliamentary reports
- Other Victorian Integrity and Local Government related bodies
- Other Australian audit offices

FinPro Finance Support Group Ready to Start - Development Contributions

Development Contribution Plans (DCP) allow councils to obtain funds from developers to assist in the delivery of local infrastructure. Development contributions are payments or in-kind works provided by developers towards the supply of infrastructure including roads, drains, pathways as well as sporting facilities and community projects.

We are aware that approximately 30 councils have Development Contribution plans and that many of the council finance staff working with these plans would be interested in collaborating with other councils about how they operate, the systems they use and how they administer the plans.

FinPro is therefore establishing a Finance Support Group for finance staff who work with Development Contributions. There are currently 16 members who have expressed interest in being part of this group and their first meeting (online) will be on Thursday 8 September at 10am. Email [gab](mailto:gab@finpro.org.uk) if you are interested in being a part of the group.

TCV Loan rates as at 31st of August 2022

	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	3.4556	3.4692	3.3100	3.4000	0.0615	-0.0524
3 year	3.8657	3.8820	3.6650	3.7050	0.2089	0.0727
5 year	4.0427	4.0604	3.8700	3.8950	0.3347	0.1973
7 year	4.2424	4.2620	4.0150	4.0400	0.4169	0.2942
10 year	4.4822	4.5041	4.2050	4.2300	0.5438	0.4349
12 year	4.6579	4.6817	4.3300	4.3550	0.6653	0.5616
15 year	4.8222	4.8478	4.4950	4.5250	0.8072	0.7026
11am (at Call)	2.1650				BBSW	
30 day	2.3100				1 Month	2.0400
60 day	2.5200				3 Month	2.4566
90 day	2.7300				6 Month	3.0067
180 day	3.2800					

TCV Investment rates

Cash	1.8000		4 Month	2.6558
1 Month	2.0300		5 Month	2.8450
2 Month	2.2381		6 Month	2.9967
3 Month	2.4466		1 Year	3.1442

These loan interest rates and margins are indicative only and current as at the time of calculation. The rates and margins indicated include the TCV administration fee of 0.115%, the DTF Guarantee Fee of 0.15% and Execution of 0.05%

*Fixed rate (Principal and Interest) assumes principal balance is reduced to zero over equal instalments until maturity.

Interest rates are higher over the fortnight, there was a slightly greater increase in the longer dated tenors, but all rates are above the rate two weeks ago. Global interest rates were the impetus for an increase in yields locally, as the US Federal Reserve Chair guided the market towards a higher and more sustained interest rate cycle ahead. The risks from inflation are not abating as quickly as had been hoped, and price increases are a significant risk to the economy. Given this, central banks, including the RBA in Australia, need to slow the economy by raising the cash rate. The pricing for these risks has returned to markets, leading to higher interest rates across all time periods.

The Australian economy is also showing signs of resilience, with the unemployment rate at multi decade lows of 3.4% and extremely strong retail sales. The housing sector is starting to moderate, and this will be taken into consideration, but the RBA is well on the track to returning monetary policy to a neutral or tight setting from their historically low starting point and there are few signs from the economy that the process should slow yet.

Disclaimer

Treasury Corporation of Victoria (TCV) provides indicative borrowing rates information to its Clients for general information purposes only, based on facts and data available to TCV at the time of preparation. Rates, market values, yields and outcomes will be subject to variations due to fluctuations and changed market conditions. TCV therefore does not warrant or represent that these rates will be complete, accurate or suitable for use for any Client purposes. The information provided is not to be taken as indicative of the actual trading price at which TCV, or a third party, is or would be prepared to execute a new transaction or to liquidate or unwind existing transactions.

TCV accepts no responsibility or liability for any direct or indirect loss, damage, cost or expense whatsoever incurred by the Client or any other person as a result of any error, omission or misrepresentation (whether arising from negligence or otherwise) in the rates information or in connection with or relating in any way whatsoever to the rates information.

The indicative rates information provided by TCV is not, without TCV's prior written consent, to be disclosed to any other person.

Current positions advertised on the FinPro Website

Role	Council	Web Link	Closing Date
Strategic Procurement Coordinator	Banyule City Council	See here	6 September 2022 (was 31 August)
Coordinator Financial Accounting Operations	Yarra City Council	See here	2 September 2022
Team Leader Revenue Services	Maroondah City Council	See here	4 September 2022
Assistant Accountant (2 roles)	Mornington Peninsula SC	See here	9 September 2022
Team Leader Financial Accounting	Cardinia SC	See here	11 September 2022
Team Leader Accounts	Knox City Council	See Here	11 September 2022
Asset Accountant	Yarriambiack SC	See here	16 September 2022

Thank-you to our 2022 FinPro Conference Sponsors

- [APV Valuers & Asset Management](#)
- [Commonwealth Bank](#)
- [CT Management Group](#)
- [Curve](#)
- [Insightsoftware](#)
- [Imperium Markets](#)
- [ITVision](#)
- [Lygon](#)
- [LG Solutions](#)
- [Laminar Capital / Perpetual](#)
- [MAGIQ Software](#)
- [National Australia Bank](#)
- [Nelnet](#)
- [Promaster](#)
- [Satori](#)
- [TCV](#)
- [TechnologyOne](#)
- [Westpac](#)
- [Zipform](#)

And our Conference Sector Partners

- [LGV and](#)
- [VAGO](#)

FinPro Executive Team 2022

President	Bradley Thomas (Hepburn SC)
Vice-President – Chair PD	Belinda Johnson (Southern Grampians SC)
PD Committee Members	Alan Wilson (Melbourne CC) Charles Nganga (Casey CC) Melissa Baker (South Gippsland SC) Aaron Gerrard (Whittlesea CC)
Vice-President – Chair Technical	Tony Rocca (Maroondah CC)
Technical Committee Members	Danny Wain (Monash CC) Fiona Rae (Golden Plains SC) Nathan Morsillo (Greater Bendigo CC) Simone Wickes (Frankston CC) Wei Chen (Yarra CC)
Chair Advocacy and Vision	Binda Gokhale (Contractor)
Secretary / Treasurer	Gabrielle Gordon

FinPro Contact Details

FinPro (Local Government Finance Professionals Inc.)
 Executive Officer – Gabrielle Gordon
 Email: gabrielle@finpro.org.au
 Mobile: 0400 114 015 Web: www.finpro.org.au