

FinPro Member Update – Edition 3, 2023

President's Message

Well, it's a hot one today, that's for sure!!! Make sure you stay cool, hydrated and relaxed.

I'm very excited to let you know that we have over 270 attendees already registered for our in-person PD Day on Friday 24th February. It will be great to see so many of you there and we are very excited that the team from Payable Pty Ltd have come on board to sponsor the day [For Local Government | Payble](#). There is still time to register and I encourage you to - [FinPro Professional Development Seminar - FinPro](#). Registrations must close on Sunday 19 February, and if you are registered and now unable to attend, please feel free to send someone in your place.

I know most of you are deep into budget discussions across your organisations, Executive and Councillors, and I'm hearing it's a very tough year for the discussions with the financial challenges really starting to bite in Local Government. My advice; continue to be frank and fearless with your advice to the Executive and Councillor Teams, they are starting to listen...and reach out to your colleagues, we are there to support each other.

Also remember to look after yourself during this busy and challenging time with some great resources on [PukaUp | Home](#) with Wayne Schwass and his team that we have heard from at a number of FinPro events over the past few particularly difficult years.

Take care everyone,



Bradley Thomas,
President FinPro and CEO Hepburn Shire

Membership News

Welcome to new members:

Alison Wilson, Asset Accountant at Glen Eira City Council,

Andi Smith, Finance Business Partner, Frankston City Council,

Ling Ling Ooi, Management Accountant, and **Karmal Khangura**, Management Accountant at Kingston City Council, and

Mark Akrigg, Tricia Hannah, Gabrielle Killeen, Jo Liu, Karen Manaszczuk and Joshua Robins – all at the City of Greater Geelong.

Congratulations to **Stuart Adam** on your new role at Frankston CC as Coordinator Management Accounting. Stuart was previously at Yarra Ranges SC, and to

Charlene Adams who has re-joined Mitchell SC as Development Contributions Coordinator after a move to Whittlesea.

Upcoming Professional Development Day – next Friday 24 February 2022

You are invited to a full day seminar at the Melbourne Convention and Exhibition Centre on Friday 24 February 2023.

Registration will be from 9am, with the sessions commencing at 9.45 and concluding at 3.00pm. A networking session will then run from 3.00 – 4.00pm.

Program sessions include:

- Economic session presented by Emma Lawson, Economist TCV
- Launch of Model Budget 2023/24 and Model Financial Statements 2022/23
- ESC Update
- LGV Update
- Top 5 Issues for Australian Business Leaders in 2023, and
- Cyber Security and Fraud Awareness.

Our lunchtime sponsors for this seminar are [Payable Pty Ltd](#).



[Full details of the program available here](#) [Registrations close Sunday 19 February 2023.](#)

[REGISTER HERE](#)

RMA Country Conference 2023 – All Seasons Resort and Conference Centre Bendigo

Please join the Revenue Managers Association at the RMA Country Conference for 2023, to be held at the All Seasons Resort and Conference Centre in Bendigo from Wednesday 22 March to Friday 24 March.

The agenda has now been finalised and presenters include State Revenue Office, Victorian Electoral Commission, Essential Services Commission, Local Government Victoria, as well as a Financial Hardship Panel Discussion. Full agenda is attached. If your Revenue/Rates team have not yet registered for the RMA Conference, we highly recommend attendance. The agenda includes important updates relating to changes occurring in the industry, as well as general information related to Revenue/Rates. Attending also provides the opportunity to network and engage with other Revenue/Rates teams across Victoria. Registrations online: <https://www.rma.org.au/conference-registration>.

Please note that accommodation at the venue is **now fully booked** – there may still be accommodation available at nearby locations: [Golden Reef Motor Inn](#) and the [Best Western Crystal Inn](#). Both of these are within a short walking distance to the conference venue.

Any enquiries can be emailed to: conference@rma.org.au

Kolina Johnson, RMA President

Technical Updates

There are always a lot of issues on the table for discussion at our FinPro Executive meetings and our Committee meetings.

Our FinPro Tech Committee is currently advocating/involved in the following:

- Rating Guide & Best Practice - still awaiting further updates on advocacy piece from LGV
- Model Budget and Accounts - leading to PD Day
- Windfall Gains Tax
- Invitations to Comment on the following:
 - o ITC 49 *Post-implementation Review of AASB 1059 Service Concession Arrangements: Grantors;*
 - o ITC 50 *Post-implementation Review – Income of Not-for-Profit Entities;* and
 - o ITC 51 *Post-implementation Review of Not-for-Profit Topics – Control, Structured Entities, Related Party Disclosures and Basis of Preparation of Special Purpose Financial Statements.*

FinPro Finance Software Register

Councils will be aware that we compiled a Council Software Register in mid-2021. We are now updating this listing and have reached out to the most senior finance person at each council to assist. If your council has yet to update these details, please contact [gab](#) to find out more.

This register is a valuable source of information for councils, particularly those who wish to contact other councils to find out more about particular systems. Please note that the register is only made available to councils. We aim to have the register updated by the end of February 2023.

Windfall Gains Tax

Is re-zoning of Council land on your horizon? Then you need to consider whether the Windfall Gains Tax (WGT) applies to your Council. The tax is already in effect.

WGT applies when Council land is rezoned, whether or not it is sold thereafter. So, if you rezone land and hold onto it, you would still be liable for the tax. You can defer payment of the tax for up to 30 years or until the land is sold if we like. It's essentially a tax on the uplift in land value created by a rezoning event, and the liability sits with the landowner at the time.

How do you calculate the uplift (windfall) amount?

- CIV 1 (Value at 1 Jan) less CIV 2 (Value after re-zoning event)

Tax rates are significant on the uplift (windfall component) 62.5% < \$500K and 50% > \$500K. Exemptions do apply for example Re-zoning commercial to public land use.

We note that FinPro will run a webinar on this topic as soon as we can. Watch this space..

TCV Loan rates as at 14th of February 2023

	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	4.1493	4.1688	4.0650	4.1250	0.1228	0.0085
3 year	4.1208	4.1393	4.1150	4.1400	0.2140	0.0701
5 year	4.2396	4.2593	4.1550	4.1850	0.3420	0.2061
7 year	4.4067	4.4280	4.2450	4.2750	0.3831	0.2638
10 year	4.7336	4.7584	4.4250	4.4600	0.5586	0.4628
12 year	4.9207	4.9477	4.5650	4.5950	0.6731	0.5875
15 year	5.1213	5.1506	4.7500	4.7800	0.8253	0.7440
11am (at Call)	3.6650				BBSW	
30 day	3.4850				1 Month	3.2650
60 day	3.5850				3 Month	3.4890
90 day	3.6950				6 Month	3.8697
180 day	4.0650					

TCV Investment rates

Cash	3.3000		4 Month	3.6330
1 Month	3.2550		5 Month	3.7517
2 Month	3.3596		6 Month	3.8597
3 Month	3.4790		1 Year	3.8438

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.

Commentary:

There was a sharp rise in yields over the last fortnight, as markets reassessed the inflation risks in the economy and the RBA raised the cash rate by 25bps to 3.10%. The biggest increase was in the 1-year yield, as more interest rate rises were priced in for the RBA, after they were particularly vehement in their desire to control inflation from its elevated levels. There are also increased inflation risks being priced in over time, as economic data has been better than expected. Yields were higher across the time periods, reversing some of the prior declines and bringing us back to levels seen in recent months. Some of this is also global market conditions, which have also seen yields rise, and Australia follows. The short, dated interest rates rose, following the RBA as the 11am call rate is up 25bps,

while there was a more modest increase in the other short-term rates, as some of the rate hikes were already priced in.

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.

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FinPro CPD Hours for 2022

Date	Event – topic	CPD Hrs.
3.2.22	Webinar – TCV Loans Framework	1 hr.
24.2.22	Webinar – Keeping Members Updated	2 hrs.
2.3.22	Webinar – The Asset Plan	1 ¼ hrs.
10.3.22	Webinar – Deliberative Engagement	1 hrs.
7.4.22	Webinar – Gender Equity	1 hr.
3.6.22	Seminar – PD Day – Melbourne Convention Centre	4 hrs.
22.7.22	Webinar – Assets and ED320	2 hrs.
6.10.22	LG Amendment (Rating and other matters) Act 2022	1 hr.
26.10.22 - 28.10.22	Conference – RACV Cape Schanck - Full Conference	13 hrs.
3.11.22	Disaster Funding Webinar	1 hr.
11.11.22	Pre-election webinar	.5 hrs.
13.11 - 16.11.22	Financial Management and Leadership Skills Program – CountryPlace Kalorama	17 hrs.
2.12.22	AGM and end of year luncheon	1 hr.

Member Story – Liz Collins, Finance Manager @ East Gippsland Shire

The following story was included in the East Gippsland SC Newsletter recently, and is shared here for member interest. Liz is a current FinPro member, and has been a great supporter and support for the sector over many years – 45 to be exact!

Well done Liz, Keep up the great work 😊

Liz's Career Milestone

Our Finance Manager, Liz Collins, recently achieved 45 years' service in local government.

Liz's career has taken her to a number of councils and there have been plenty of changes in both finance and local government since Liz's first day at the City of Sale on 23 January 1978.

"Back then we produced about 6000 rates notices. We had to type up each rate notice in duplicate.



"Then along came an accounting machine which was an exciting innovation. It used punch paper tape and read magnetic stripped cards. It would print out in A3 a continuous stream of printing paper, which were then put in folders.

"There was no such thing as a photocopier; but what we had was a spirit duplicator, where you placed a document, that had been typed on a special form, on a drum and rolled it to make multiple copies.

"The auditing process back then involved the auditor adding and checking every single financial transaction that Council made. Now, auditing is completely different in how they review all the financial data.

"In those early days at the City of Sale the Rate Collector used to calculate rates by hand and write them up on a rates and valuation card, add them up and check that she and the accounting machine got the same answer.

"Technology in the mid-1980s saw the accounting machine replaced with a mainframe computer and dumb terminals and we thought that this was a total technological revolution. There was a room filled up with these huge cabinets and we did daily backups onto mini discs.

"The fax machine and telex were also revolutionary at the time. They allowed us to send and receive information quickly. Before then, everything would be by mail. You'd send a letter off and have to wait a couple of weeks to get a response back. There was no email until much later, probably the mid-1990s.

"That technology was the norm for many years and then technology just went to a whole new level and today people can get messages and pay bills with a smartwatch. The amount of change has been amazing," Liz said.

After 11 years Liz moved to the Shire of Avon, based in Stratford, as the Assistant Shire Secretary. “April 10 was rate payment day. People would queue up around the block to pay by cash or cheque. In those days councils ran their own elections. We would go out to the towns and small community halls, set up the polling station and after the close at 6pm would go back to the office and count the votes.” Liz also recalled work protocols that are long gone.

“Some of the things that used to be normal at work would be shocking today. Women were not allowed to wear pants in the office; it was skirts or dresses only. I remember enforcing that rule and now I always wear pants to work! “People could smoke inside – even when serving customers. There was also no such thing as maternity or paternity leave, women were just expected to resign when they had children.

“One of the biggest, non-technology changes occurred while I was at Shire of Avon.

In 1994 Avon amalgamated with four other councils to form Wellington Shire Council. “I do think it was a good thing. Many small councils wouldn’t have had the resources and ability to survive and meet community expectations, considering the range of responsibilities councils have and the legislative requirements that local government works within.

“The changes in business operations were also significant. It changed the way local government delivered its services and our finance legislation and regulations changed.

“In the early days, local government’s prescribed accounting and budgeting was different to commercial businesses.

In the early 1990s that changed and local government accounting is now no different to any other business in terms of complying with accounting standards. This was a big change for all councils and over time how we do budgets and reporting completely changed with new legislative requirements.

” Following a few years at Wellington, Liz moved to Pyrenees Shire as General Manager Corporate Services, and the returned back to Gippsland to Latrobe City Council.

While at Latrobe City, open plan offices were built. “I thought that it wouldn’t work after all those years having an office, but I loved it. I still sit out with my team now and couldn’t imagine going back to an office.”

Liz has been at East Gippsland Shire for almost 10 years. “My first love is finance. You spend so much time at work so you have to love what you do. Accounting in local government is like working in 150 different businesses, it has so much variety.

“I undertook all of my study during my working life which I might never have done if I hadn’t worked in local government. The variety of jobs in local government is amazing, there’s not many careers that aren’t catered for in this sector,” Liz said.

“The people I’ve met along the way and the lifelong friendships I’ve made from my first day until now is all because I entered the wonderful world of local government. I feel very fortunate to not only have spent 45 years in this great industry of local government; but also for the opportunities I have had along the way and to be able to look back and see where the sector has come from to where it is today is truly amazing”.

FinPro – Current finance jobs available in the sector

Job	Organisation	Link	Closing date
Coordinator Financial Accounting Services	Baw Baw Shire	Council website	19 Feb 2023
Accounts Payable Officer	Moyne Shire Council	Council website	20 Feb 2023
Financial Accountant	Colac Otway Shire	Council website	23 Feb 2023
Assistant Accountant	Glen Eira City Council	Council website	23 Feb 2023

Thank-you to the Lunchtime sponsors of our 24 Feb 2023 PD

[Payable Pty Ltd](#)

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Gabrielle Gordon

FinPro Contact Details

FinPro (Local Government Finance Professionals Inc.)

Email: gabrielle@finpro.org.au

Mobile: 0400 114 015

Web: www.finpro.org.au