

FinPro Member Update – Edition 23, 2023

President's Message

Welcome to the Summer of 2023/24! It's not quite what we'd call warm yet – but it's coming!

Our commitment to advocating for our members on issues affecting the financial sector continues. We take pride in being the go-to reference point for regulatory bodies on financial matters impacting our sector. In the past weeks, we've seized several opportunities to champion the cause of our members through advocacy work, and I'm thrilled to share these updates with you:

Recent Advocacy Highlights:

Collaboration with MAV: Continuing our collaboration with the MAV, we're working towards preparing a submission for the upcoming (2024) State Parliament inquiry into Local Government funding and services.

Special Guest at February PD Day: Save the date! We're delighted to announce that The Hon. Melissa Horne, Minister for Local Government, will join us at our February PD Day on Friday, 23 February, at the Melbourne Convention and Exhibition Centre.

Expressing Appreciation and Commitment: We've communicated our appreciation to Minister Horne for the recent reforms aimed at boosting confidence in local government. Additionally, we've expressed FinPro's eagerness to actively participate in the sector consultation process over the coming months.

Acknowledging Federal Government's Funding Commitments: We're pleased with the Federal Government's announcement of increased Roads to Recovery and Black Spot funding. We've conveyed our gratitude to The Hon. Catherine King MP and offered FinPro's assistance in developing any related guidelines, and enquired whether there will be any additional 'own' funding contributions.

Addressing Reporting Concerns: We've reached out to Minister Horne, VAGO, and LGV, noting our disappointment regarding the confusion and lack of flexibility in relation to reporting LGPRF data. We're committed to collaborating with those agencies to improve the process to ensure greater efficiency.

What's Ahead:

We'll keep you updated on the progress of our advocacy efforts.

With the AGM postponed to February, the Executive Committee are finalising an exceptional lineup of speakers for our seminar on 23 February. We are also partnering with David Edgerton APV Valuers and Asset Management to offer in-person regional workshops in Bendigo, Benalla, Melbourne, Morwell, and Warrnambool in February. Stay tuned for more details in upcoming updates.

Get Involved:

Your engagement is crucial! If you have any questions or if there's anything FinPro can assist you with, please reach out.

Let's make this summer a season of collaboration and progress!

Bradley



Bradley Thomas,
President FinPro and CEO Hepburn Shire

Membership News

Welcome to new members:

Abbey Webster who has commenced at the Rural City of Wangaratta as Accountant.

Professional Development Update

Planning is well underway for our 2024 Professional Development Program.

We can confirm the following events:

1. Regional Asset Workshops with David Edgerton, Director APV

David will be running a series of regional workshops during the week commencing Monday 12 February 2024. These workshops will be free of charge and run from 10am – 2pm. The workshops will further the discussions held during our webinars in 2023 which were very highly attended and well received. Details of these webinars are [available here](#) and [here](#).

- Monday 12.2.24 Morwell
- Tuesday 13.2.24 Melbourne
- Wednesday 14.2.24 Warrnambool
- Thursday 15.2.24 Bendigo
- Friday 16.2.24 Benalla

Final details and registration options will be made available and circulated Tuesday 12 December 2023.

2. FinPro Professional Development Day – Melbourne Convention & Exhibition Centre

Our first in-person event for 2024 will be held on Friday 23 February. We have booked in a great line-up of speakers and topics for the day:

- Minister Melissa Horne MP
- Phin Zeibell – Economist TCV
- Dr Niki Vincent, Public Sector Gender Equity Commissioner
- Tracey Egan, Gender Diversity & Equity Coordinator, Monash CC
- Launch of Model Budget and Model Financial Statements
- Holly Ransom – Closing Keynote on Leadership

Our AGM, postponed from 1 December 2023, will also be held during this seminar.

Final details and registration options will be made available and circulated Tuesday 12 December 2023.

We look forward to seeing many of you at our events in 2024. These are always great opportunities to share ideas, meet other members and to learn not only how other members do things, but also expand your knowledge.

Other proposed topics for 2024

- Cyber security
- Ethics Training (to meet the CPA Ethics requirements)
- Finance Systems
- Audit and Risk Committees
- Councillor Induction

Technical Committee Update

Model Budget and Model Financial Statements

Both working parties are continuing to meet and work on these Models.

The Models will both be launched at the FinPro Professional Development Day on 23 February 2024 and the working groups have advised that there will be no material changes to either one.

VAGO status Report – November 2023

This morning VAGO issued their [November LG Status report](#)

The report covers several important pieces of information, and we encourage all members to read to be familiar with VAGO's news, timelines and upcoming audits and reviews.

TCV Loan and Investment Rates as 29 November 2023

	Fixed Rate		Fixed Rate		Floating Rate	
	(Interest Only)		(Principal and Interest)*		(margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	4.7094	4.7339	4.7500	4.7800	0.2575	0.0868
3 year	4.6201	4.6435	4.6600	4.6850	0.3887	0.2302
5 year	4.7490	4.7738	4.6800	4.7100	0.4898	0.3540
7 year	4.9741	5.0014	4.7800	4.8100	0.5886	0.4716
10 year	5.3406	5.3723	5.0000	5.0400	0.7902	0.6960
12 year	5.5162	5.5503	5.1450	5.1850	0.8883	0.8019
15 year	5.6791	5.7152	5.3350	5.3750	0.9892	0.9054

11am (at Call)	4.6650				BBSW	
30 day	4.5250				1 Month	4.2988
60 day	4.5650				3 Month	4.3881
90 day	4.6050				6 Month	4.6200
180 day	4.8650					

TCV Investment rates

TCV note the current TCV 11am/At Call deposit rate has recently increased to 4.30%. The 11am deposit can be easily utilised for council's daily working capital requirements. Instructions to invest/withdraw funds are requested prior to 3pm for transactions to be processed on the same day. We encourage councils to review the rates currently paid on their at-call accounts with their transactional bank and consider this facility to maximise returns on any surplus cash balances.

Cash	4.3000		4 Month	4.4400
1 Month	4.2888		5 Month	4.5300
2 Month	4.3109		6 Month	4.6100
3 Month	4.3781		1 Year	4.4089

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.

Bond markets have rallied significantly over the last month, making November a banner month for bonds. US 10-year yields are down an incredible ~75bp since the peaks in late October (at the time of writing on 30 November). More accommodative data on both sides of the Atlantic has been the driver, with markets betting that the Fed and ECB are well and truly done for the cycle. Domestically, concerns have been heightened that the RBA could raise rates again, given hawkish language from RBA Governor Michelle Bullock. But October monthly CPI surprised on the downside.

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 and 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.

FinPro CPD Hours

Needing to update your CPD Hours Diary – refer to our list of professional development opportunities we have provided during 2023. [FinPro CPD Hours](#)

Current jobs in the sector

[Senior Accountant](#) Murrindindi Shire Council Applications close 10 December 2023

General Information

VAGO Report – Contractors and Consultants in the Victorian Public Service

VAGO recently tabled their report on the recent audit on contractors and consultants in the Victorian Public Service.

A copy of the report is [available here](#)

Vision Super Educational Webinars

Vision Super have developed a range of webinars to help you understand your super better. Come along and listen to our superannuation experts and find out how you can get the most out of your super.

GENERAL SUPER 101

Whether you're new to super or need a refresher about how super works, this webinar is for you. Come along and learn the basics in this General Super 101 webinar which will look at consolidation, investments, contributions and insurance within super.

To attend the **11:00am - 12:00pm session on Tuesday 12 December 2023**, register [via the link](#)

FIRST HOME SUPER SAVER SCHEME

The first home super saver scheme (FHSSS) helps Australians boost their savings for a first home by allowing you to build a deposit inside superannuation, giving you a tax cut. This webinar will discuss how the scheme works and the eligibility requirements.

To attend the **01:00pm - 1.30pm session on Tuesday 12 December 2023**, register [via the link](#)

PRE-RETIREMENT

If retirement is approaching, it's time to make sure you have everything in place for a comfortable and secure lifestyle after you stop working. Come along to Vision Super's webinar to find out how to get yourself on track for a fulfilling retirement.

To attend the **11:00am - 12:00pm session on Thursday 14 December 2023**, register [via the link](#)

HOW TO BOOST YOUR SUPER

In this session we will look at why it is important to be conscious of growing our super balance, highlighting some of the challenges we all face such as the gender super balance gap and economic pressures.

We will look at some steps that you can take to potentially grow your super and walk through some case studies that show how small steps today may have a big impact on your future..

To attend the **11:00am - 12:00pm session on Friday 15 December 2023**, register [via the link](#)

Home owners owe tens of millions in overdue rates as mortgage stress bites

Copy of article from The Age 29.11.23

Home owners in Melbourne's fastest-growing suburbs owe tens of millions of dollars in overdue rates as rising inflation pushes more ratepayers into mortgage stress.

The total amount of rates arrears in the city's outer growth corridors has risen more than 80 per cent in the past three years, analysis of financial statements from Melbourne's three largest councils reveals.

The cities of Hume, Casey and Wyndham collected a combined \$766.6 million in rates from property owners last financial year and had \$99 million worth of rates in arrears.

The combined rates arrears grew 81 per cent between mid-2020 and mid-2023, from \$54.4 million to \$98.9 million, and is seen as a sign that home owners in growth suburbs are under worsening financial pressure.

Wyndham experienced an 85.6 per cent increase in rates arrears between 2019-20 and 2022-23, with the amount owed rising from \$18.8 million to \$34.9 million.

The outer northern City of Hume, which includes the rapidly growing mortgage belt suburbs of Craigieburn, Kalkallo and Mickleham, has had an even larger rise in arrears in that time. It attributed the jump to "new home owners who may not have had previous experience with paying rates".

"These individuals could find themselves facing financial challenges, particularly in managing a mortgage, especially in light of rising interest rates," the council said in a recently published report.

The council's quarterly financial update, published last week, revealed rates arrears had risen from \$27.87 million at the end of June to \$37.94 million by mid-October.

Weekly household incomes in Hume are below the Victorian and national medians.

City of Hume councillor Joseph Haweil said it was clear that the Reserve Bank's decision to increase interest rates 12 times in 18 months was pushing people to the edge.

"This is a very worrying trend, reflecting the real pressure that people, particularly working-class people in growth areas, are facing," Haweil said.

"I think there are a lot of people who have sought the great Australian dream of home ownership in the growth areas, but they have done so at a time when interest rates were historically low, never really anticipating this sort of crushing and blunt tool being used by the Reserve Bank to deal with inflation."

Last week Reserve Bank governor Michele Bullock [flagged further interest rate rises](#) to force down inflation, which is at 4.35 per cent, and said strong demand for haircuts, dentists and dining out were signs that spending continued to overheat the economy.

Haweil said this was not the case in disadvantaged areas such as Hume.

"They're not throwing money around as if they are millionaires," he said of residents.

"These are people who are working two jobs, three jobs ... to service their mortgages and maintain a standard of living."

Council "heat maps" reveal that Craigieburn is at the heart of Hume's growing arrears problem.

Craigieburn Education and Community Centre manager Rita McMillan said the number of people visiting the centre to get food packages had roughly tripled this year, but the centre had also had a drop in donations.

"We are a small neighbourhood house relying on donations, but we are struggling there too," McMillan said. "We find that staff here are actually paying for food out of their own pockets."

Demand for the education programs the centre offers, such as short courses in digital literacy and English as an additional language, had also dropped, McMillan said.

The courses are free for healthcare cardholders but cost up to \$190 for others.

"We are not getting the take-up that we used to, and I would put that down to people ... just struggling."

In Casey, in Melbourne's south-east, there was a 41.8 per cent increase in rates arrears between August 2020 and now, rising from \$18.4 million to \$26.1 million.

"We understand that many people may face challenges in paying their rates, and we work hard to support ratepayers by providing flexibility to affected customers where possible," Casey chair of administrators Noelene Duff said.

The City of Whittlesea's most recent annual report reveals rates arrears grew 25 per cent in 12 months, from \$22.2 million in 2021-22 to \$27.8 million in 2022-23.

The City of Melton's most recent annual report shows a 49.7 per cent increase in rates debtors from \$12.41 million to \$18.58 million.

"There has been an increase in council rates hardship support to residents as they deal with interest rate increases and other rising cost-of-living pressures," the council said.

Special Offer – Rachael Robertson

Rachael Robertson recently presented to the members of FinPro and has personally received wonderful messages and feedback after her presentation.

Rachael has a lot of experience with Melbourne & regional Victorian LGAs. Our feedback from previous LGA Clients is that Rachael's keynote resonates with their diverse teams of people, skills & roles.

Rachael's story and messages help to build a strong culture by providing practical tools that change behaviours and reinforce the foundation that "respect trumps harmony".

1. The ability to have direct conversations and go straight to the source (No Triangles)
2. A commitment to One Team, we are in this together
3. The language and tools to deal with niggling things before they become big issues (Bacon Wars)
4. A culture of recognising and celebrating positive momentum
5. A belief that anyone can lead, regardless of title (Lead Without a Title --> Safety leadership)

Fees

Included in the fee is a one-on-one telephone briefing session directly with Rachael to ensure that she is completely across the desired outcomes and themes, allowing her to tailor her presentation accordingly.

- *Recording is not permitted without a prior discussion with Rachael or a member of her team - happy to discuss further*
- *Fees are quoted in AUD and are subject to 10% GST*

Rachael will be reviewing pricing in late December but will honour these fees if you book prior to 31/12/23.

Bespoke Keynote presentation - tailored to the Client brief - up to 1 hour - 45mins + 15mins Q&A)	AUD
Live Presentation - on premises "Face-to-Face" (F2F): Standard fee	\$12,500
<i>Rachael would like to offer a reduced fee for Keynote presentation for Melbourne-based LGAs (within 2 hours of CBD)</i>	<i>\$7,500</i>
<i>Rachael would like to offer a reduced fee for Keynote presentation for Victorian Regional LGAs (> 2 hours outside of CBD)</i>	<i>\$9,000</i>

Travel

Rachael lives approx. 15km from Melbourne CBD - Client to cover travel related to this event:

If you are interested, please email Rachael's Events Manager: Lisa Ryan

- E: events@rachaelrobertson.com.au
- M: 0425 254 213

Thank-you to our 2023 Conference attendees, speaker and sponsors

- American Express – www.amex.com.au
- APV Valuers & Asset Management – [APV Case Study – October 2022](#)
- Australian Payments Plus – www.auspayplus.com.au
- Commonwealth Bank – www.cba.com.au
- CT Management – www.ctman.com.au
- Curve Securities – [2023 FinPro Conference – Curve Case Study](#)
- Datacom – www.datacom.co.nz
- Ibis Information Systems – www.ibisinfosys.com.au
- Imperium Markets – www.imperium.markets
- Laminar Capital – [2023 FinPro Conference – Case Study Laminar Capital Perpetual](#)
- LG Solutions – [2023 FinPro Conference – Cloud Year End Case Study – Corangamite & LG solutions](#)
- Lighthouse Group – [2023 FinPro Conference – Lighthouse Local Government Case Study](#)
- MAGIQ Software – www.magiqsoftware.com
- Mastek Ltd – [2023 FinPro Conference – Mastek Case Study 1 – Ipswich Council](#) and [2023 FinPro Conference – Mastek Case Study 2 – Moonee Valley City Council](#)
- National Australia Bank – www.nab.com.au
- NetNet International – www.xetta.com
- Satori – www.satoriassured.com
- TCV – www.tcv.vic.gov.au
- VFMC – [2023 FinPro Conference – Case Study VFMC](#)
- Westpac – www.westpac.com.au
- Maddocks Recoveries – www.maddocksrecoveries.com.au
- TechnologyOne Corp – www.technologyonecorp.com

FinPro Executive Team 2023

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

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OneCouncil Solution.




Bass Coast Shire Council Case Study

The Challenge

- Old on-premise legacy technology
- Bespoke disparate systems
- Inefficient manual paper-based processes

To deliver a smart community or city, you first need to be a smart council. TechnologyOne's OneCouncil SaaS ERP solution helps councils offer better, more flexible services to their residents. It enables councils to take advantage of innovative technologies, such as cloud and smart mobile devices to future proof your organisations. By removing the burden of managing your technology environment, you can focus on becoming 'smarter' and delivering better services to your community.

TechnologyOne's OneCouncil Solution Helps Local Governments To:

-  Gain a single source of truth
-  Deliver seamless and engaging customer experience
-  Connect councils with their communities anytime, anywhere on any device

Key Benefits Seen By Bass Coast Shire Council

- Complete visibility of resident requests from the time it is submitted to the job being completed in the field
- Time efficiency savings
- TechnologyOne's Field App has replaced the need for manual timesheet completion for 70 field staff members
- Employees are able to do more value-add work now they can work anywhere
- Bass Coast Shire Council is now a 24/7 service, meeting customer's expectations of being able to reach them anywhere and at any time.
- Better customer and employee experiences with modern systems and modern ways of working.

Feedback from Bass Coast Shire Council:

"Our team are now doing work that benefits the community rather than pushing paper and entering data into a system that is disparate from others."

-Wayne Mack, General Manager: Business Transformation, Bass Coast Shire Council