

## FinPro Member Update – Edition 8, 2024

### President's Message

We hope you are all travelling well. I know some of you will be taking an extra day off on Friday, enabling an extra Long Weekend. Enjoy!

Our Executive came together last week in person for our regular monthly meeting and there were a whole range of topics we discussed.

- Work continues on the waste guidelines, and we have reached out and requested a meeting with the Essential Services Commission (ESC) to see if there is a desire to work together on a simplified approach for those that will need to undertake a rate cap variation to move revenue from waste charges to general rates.
- We are planning for a senior finance leaders' workshop on 29 August 2024. This event will be to discuss financial sustainability but importantly how can we work together as finance professionals, to improve in the short, medium and long term – we will have more information and dates in our next update.
- We have received a draft from the AEC Group on a report to assist in the preparation of a submission to both the State and Federal Parliament inquiries into LG sustainability. We hope to release the final version in the coming fortnight, to assist in your submissions.

For me, as a New Zealander living in Australia, ANZAC Day holds profound significance, commemorating the shared history and comradeship between our nations. It's a time to honour the bravery of our soldiers who stood together in conflicts worldwide. ANZAC Day serves as a poignant reminder of the sacrifices made by those who served, instilling a deep sense of national pride and unity.



**Bradley Thomas,**  
**President FinPro and CEO Hepburn Shire**

### Membership News

We welcome the following new members:

**Andrew Nankivell**, Acting Manager Corporate Services at Mount Alexander Shire, **Paul Brown**, Accountant at the Rural City of Wangaratta, and **Sharni Cameron**, coordinator Financial Planning, Performance & Reporting, Cardinia Shire.

Congratulations to member **Belinda Arnott** who has commenced at the City of Casey as Head of Finance. Belinda was previously at Yarra Ranges Shire.

## Professional Development

### 2024 FinPro Leadership Program

Our 2024 Leadership Program commences on Sunday 5 May, and we wish the following participants in this year's program every success, hoping they will all take each opportunity made available to them through this wonderful program.

- Anja Edwards, Coordinator Budget and Business Support, Yarra City Council
- Belinda Arnott, Head of Finance, Casey City Council
- Claresta Belinda, Financial Accountant, Whitehorse City Council
- Colette Lim, Systems Accountant, Maroondah City Council.
- Mark Versis, senior Financial Services Accountant, Whittlesea City Council
- Michelle Cox, Accountant Banking & Systems, Macedon Ranges Shire
- Natalie Martin, Manager Financial Services, Hepburn Shire
- Nathan Cutting, Coordinator Finance Operations, City of Greater Bendigo
- Riley Morton, Finance Business Partner, Merri-bek City Council
- Salomme Menezes, Financial Accountant, Buloke Shire
- Trent Sayers, Financial Controller, Rural City of Wangaratta
- Yuki Cheah, Financial Accounting Coordinator, Manningham City Council

### SAVE THESE DATES!

**Friday 14 June 2024** – Professional Development Day at the Melbourne Convention Centre

**Wednesday 23 October to Friday 25 October 2024** – Annual Conference at RACV Cape Schnack

**Friday 6 December 2024** – End of Year Luncheon, PD and AGM at Leonda by the Yarra

### Windfall Gains Tax Webinar

Discussions around Windfall Gains Tax seems to have built up in recent weeks.

In May 2023 we ran a webinar on this topic. For some there might be value in revisiting the recording of this webinar, run in conjunctions with Maddocks Lawyers.

[FinPro Webinar - Windfall Gains Tax - YouTube](#)

### Local Government Victoria – Quarterly Newsletter

LGV distribute a quarterly newsletter.

The April Edition was released today – [copy available here.](#)

## Technical Updates

### FinPro Advocacy: Inquiry into LG funding and services

As previously advised, FinPro Executive has partnered with the AEC group [AEC Group | ECONOMICS | FINANCE | MARKET RESEARCH | Australia \(aecgroup ltd.com\)](#) to prepare and release a discussion paper for the sector to inform a submission to the upcoming Legislative Council Economy and Infrastructure Committee Inquiry in local Government Funding and Services.

A copy of the discussion paper is available - [AEC Report \(finpro.org.au\)](#)

Once the discussion paper is completed, we will share with all our members. Our aim is to distribute this at least a few weeks BEFORE submissions close (date yet to be released) in order that it may inform your own council's submission.

We note that there is both a Victorian State Government, and a Federal Government Inquiry running along similar lines. At this stage, the Victorian Government has not set a date for submissions, however the Federal Government is accepting submissions up to 31 May 2024, (was previously 6 May 2024).

### LGPRF Working Groups

The LGPRF working groups are still happening. Stream 1 has had 2 meetings now already to feed back about the changes. Members will be happy to know that strong feedback was provided about the restricted / unrestricted cash measure... These are longer term though – so changes won't be there for this coming year end unfortunately, and more detail is here about the process LGV is going through:

<https://www.localgovernment.vic.gov.au/strengthening-councils/lgprf-technical-working-groups>

### VAGO – Local Government Status Report – April 2024

VAGO issued their April 2024 status report last Friday, 19 April.

A copy of the status report is [included here](#) for member information.

It is noted that this report touches on the valuation of land, buildings and infrastructure assets given our findings and recommendations within the Results of 2022-23 Audits: Local Government report ([Results of 2022–23 Audits: Local Government | Victorian Auditor-General's Office](#)).

VAGO recommends that finance teams, prior to 30 June each year, prepare and present a paper to their audit and risk committee (ARC) as follows:

## Local government

### Valuation of land, buildings and infrastructure assets

We recommend that finance teams, prior to 30 June each year, prepare and present a paper to their audit and risk committee that outlines:

- the requirements of the council's accounting policy with respect to property, infrastructure assets, plant and equipment
  - ❑ the asset capitalisation threshold
  - ❑ which asset classes are recorded at cost v's fair value
  - ❑ the frequency of assets valuations
- date of the last independent valuation by asset class
- their approach to assessing the fair value of each class of property, infrastructure assets, plant and equipment in the current year
  - ❑ the asset classes scheduled for an independent revaluation in the current year v's those subject to a desktop valuation
    - reference point for a desktop valuation (i.e. Rawlinsons construction guide or ABS producer price indice)
  - ❑ how asset condition data is captured and considered in the fair value assessment
  - ❑ key assumptions being adopted
  - ❑ key milestones being worked towards
- likely outcomes for the respective reporting cycle (expected movements in fair value relative to the existing carrying amount and resultant impact on the financial report).

## Artificial Intelligence (AI)

How is your Council using AI? Do you have an AI policy and currently using AI tools?

AI is here to stay and how we manage the risks associated with AI tools becomes critical from a privacy perspective.

AI is an opportunity to add value by replacing manual tasks. Councils are using AI effectively in minute taking, council report writing, customer service chat bots, correspondence and Accounts payable scanning tools. The risk though of potential data breaches means that councils need to ring fence their data.

Example from an AI policy:

## AI POLICY: Aligns With Five Key Principles

Despite the regulatory updates' complexities, new requirements align on **five key principles common to global efforts to regulate AI. Aligning our AI governance with these principles will ensure we are best prepared for new regulations as they develop.**

1	<b>Transparency</b>	This guideline emphasises clear attribution of work output generated by AI applications, ensuring proper recognition of the technology's contribution. It also highlights the importance of maintaining records of AI usage for work purposes and being able to share these records with appropriate personnel when requested.
2	<b>Fairness</b>	Ensure AI output and decisions are free from bias and discrimination.
3	<b>Human Oversight</b>	Ensure human review of AI-generated content before public release. Verify the accuracy and appropriateness of produced content.
4	<b>Risk Management</b>	Employees reviews the output of AI applications to ensure compliance with the Council's code of conduct and values, while refraining from using any output that discriminates against individuals based on various protected attributes.
5	<b>Privacy</b>	Employees must only share information with approved personnel and input sensitive information into approved AI systems.

Source: Gartner

## ESC – Webinar for Councils, Monday 29 April 2024

Members of the FinPro Executive attended the ESC' Maximum Interest Rate Advice Workshop on the 28 March 2024.

The ESC has been asked to provide input into and advise the Minister of what principles may be considered for the setting of the penalty interest rate.

They will be holding a webinar on Monday 29 April 2024 from 10:30am to 12:30pm for councils to provide an opportunity for them to explain their advice and provide council staff with an opportunity to ask questions about that advice. FinPro Executive members will be in attendance again to both provide insight and also understand the direction the ESC is headed.

It is understood that the ESC intends on having guest speakers attend the session, who will share their perspectives on supporting customers facing hardship.

If you would like to attend this webinar, here is the [link to register](#). Once registered, you will receive an email during the week commencing 22 April 2024 with a link to join the webinar.

If you are having difficulty accessing the form or submitting your registration, please email [localgovernment@esc.vic.gov.au](mailto:localgovernment@esc.vic.gov.au).

## Upcoming FinPro Executive Committee Meetings

The FinPro Executive Committee formally meet every 4 – 6 weeks and discuss both technical issues and professional development opportunities.

The next meeting of the Committee will be Friday 24 May online.

If you have any questions or areas of interest / concern that you would like the Executive team to discuss, please contact our Executive Officer, Gab Gordon and let her know, and she will include on the agenda. She can be emailed via [gabrielle@finpro.org.au](mailto:gabrielle@finpro.org.au)

Following meetings for the year are:

- Friday 21 June (in person)
- Friday 26 July (online)
- Friday 30 August (in person)
- Friday 20 September (online)
- Friday 29 November (in person)
- Friday 6 December 2024 – AGM and end of year luncheon

## TCV Loan and Investment Rates as of 22 April 2024

	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	4.6290	4.6530	4.6800	4.7200	0.3403	0.1327
3 year	4.5725	4.5955	4.5850	4.6100	0.4836	0.3089
5 year	4.7436	4.7683	4.6350	4.6650	0.6253	0.4747
7 year	5.0083	5.0360	4.7650	4.8000	0.7654	0.6379
10 year	5.3670	5.3991	5.0100	5.0450	0.9537	0.8541
12 year	5.5779	5.6127	5.1650	5.2050	1.0837	0.9946
15 year	5.7789	5.8163	5.3700	5.4100	1.2220	1.1374
11am (at Call)	4.6650				BBSW	
30 day	4.5350				1 Month	4.3025
60 day	4.5750				3 Month	4.3669
90 day	4.6050				6 Month	4.6178
180 day	4.8550					

### 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.

### TCV Investment rates

Cash	4.3000		4 Month	4.4425
1 Month	4.2925		5 Month	4.5250
2 Month	4.3255		6 Month	4.6078
3 Month	4.3569		1 Year	4.3280

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 yields have risen substantially this month – especially in the United States – as investors reassess the trajectory of coming rate cuts in response to strong US data and higher than expected inflation. We now only expect a single Fed and RBA cut in 2024, down from three and two respectively. Geopolitical risks have been at the forefront of people's minds, but do not appear to have heavily impacted markets, at least at this stage.

### Disclaimer

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

## General Information

### State Budget 2024-25



### Gab's Family Hedgehog Slice recipe – no baking required.

#### Ingredients:

- 160gm butter
- 125gm caster sugar
- 2 tbsp. cocoa
- 2 tbsp. coconut
- 1 egg (beaten)
- ½ tsp vanilla extract
- 1 pkt Marie biscuits (crushed, but not to a powder – have some bigger bits too)
- Additionally, icing sugar, cocoa and boiling water for icing



#### Method

1. Line a rectangular dish with glad wrap (or similar) approx. 20cm square is a good size
2. Crush biscuits and pop in a mixing bowl.
3. In a saucepan, melt butter and sugar. When melted, add cocoa and vanilla and mix well.
4. Remove from heat, cool slightly (1 min), then, whilst mixing with a spoon, add in beaten egg and coconut and mix well. You need to mix quickly so that the egg does not cook in the warm butter / sugar mix.
5. Pour mixture straight into the crushed biscuits and mix thoroughly. Mixture should be moist, but not sloppy!
6. Place into the lined dish and press down hard with a spoon to flatten the surface and place in the fridge to harden – about 2 hrs.
7. Ice with chocolate icing, and scatter some coconut on top for decoration, chop into bite sized pieces and enjoy!



## Current Job Vacancies

[Coordinator Revenue Services](#), Maribyrnong City Council Applications close 26 April 2024

[Senior Finance Business Partner](#), Yarra City Council Applications close 30 April 2024

[Chief Financial Officer](#), Gannawarra Shire Council Applications close 2 May 2024

[Finance Officer](#), Gannawarra Shire Council Applications close 2 May 2024

[Coordinator Finance Operations](#), Wyndham City Council Applications close 5 May 2024

FinPro is happy to provide information about any relevant employment opportunities available at our member councils.

To have your organisation's employment vacancies included on our website and in our Member Update please contact our Executive Officer, [Gabrielle Gordon](#)

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## Thank-you to our 2023 Conference sponsors.

- American Express – [www.amex.com.au](http://www.amex.com.au)
- APV Valuers & Asset Management – [APV Case Study – October 2022](#)
- Australian Payments Plus – [www.auspayplus.com.au](http://www.auspayplus.com.au)
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- MAGIQ Software – [www.magiqsoftware.com](http://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](http://www.nab.com.au)
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- TechnologyOne Corp – [www.technologyonecorp.com](http://www.technologyonecorp.com)



## 2024 Conference Sponsorship

We will shortly be calling for Expressions of Interest for sponsorship of our 2024 Conference which will be held at RACV Cape Schanck from 23 – 25 October.

If you would like to receive information about sponsorship opportunities, please contact our office at [gabrielle@finpro.org.au](mailto:gabrielle@finpro.org.au)

## FinPro Executive Team 2024

<b>President</b>	Bradley Thomas (Hepburn SC)
<b>Vice-President – Chair PD PD Committee Members</b>	Belinda Johnson (Horsham Rural CC) Alan Wilson (Melbourne CC) Melissa Baker (Casey CC) Nathan Kearsley (Latrobe CC) Aaron Gerrard (Whittlesea CC) John Brockway (Warrnambool CC)
<b>Vice-President – Chair Technical Technical Committee Members</b>	Tony Rocca (Maroondah CC) Binda Gokhale (Contractor) Fiona Rae (Golden Plains SC) Nathan Morsillo (Greater Bendigo CC) Simone Wickes (Monash CC) Wei Chen (Yarra CC) Navec Lorkin (Knox CC)
<b>Secretary / Treasurer</b>	Gabrielle Gordon

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