

## FinPro Member Update – Edition 15, 2024

### President's Message

As we step into the second month of this financial period (how?), I want to take a moment to reflect on the incredible progress we've made and the challenges we've overcome together. The dedication and resilience shown by each of you have been nothing short of inspiring.

In our last update, we celebrated the achievements of Bradley and Nathan Morsillo, who represented FinPro with distinction at the Committee inquiry into local government funding and services. We eagerly anticipate sharing more developments with you as they unfold.

Looking ahead, we have some exciting events lined up. FinPro is organizing a strategic session for senior finance leaders on the 29th of August, and Vision Super will be hosting a Defined Benefit update on the 8th of August. These gatherings are not just meetings but opportunities for growth, learning, and forging stronger bonds within our sector.

The recent VAGO report and the ongoing inquiry into local government funding and services underscore the importance of our work and the impact it has on our communities. As we navigate these complex issues, let's continue to harness the power of collaboration and shared knowledge.

I encourage you to share your successes, insights, and even your favourite podcasts with us. Your contributions help us all to stay connected and informed.

As we press on with the year-end processes, remember that you are not alone. We are here to support each other, to share in our successes, and to face our challenges head-on.

Until our next update, I wish you all the best in your endeavours. Keep up the fantastic work and look forward to seeing some of you at our upcoming events!

Warm regards,

Tony



**Tony Rocca,**  
**FinPro Vice President Technical & Director/CFO at Maroondah Council**

## Professional Development

### Dates for your diary:

- FinPro Conference – 23 – 25 October 2024 at RACV Cape Schanck
- FinPro AGM and end of year luncheon – 6 December 2024 at Leonda by the Yarra

### Future Focused Financial Sustainability Summit

Be a part of the future finance leadership of the sector!

On the back of the recent advocacy work FinPro has undertaken, we will be facilitating a strategic session for senior and experienced finance leaders in the sector. The session will be the first of its kind and focussed on financial sustainability resulting in tangible outcomes for the sector in the long term.

The invitation has been sent to the senior finance person at each council. As this session has a limited capacity of max 70 people, we are encouraging the most senior finance person, i.e. Corporate Director, CFO or Finance Manager, in each council to attend.

**Date:** Thursday, 29 August 2024

**Time:** Workshop commences at 1.30pm followed by dinner and guest speaker at 6.30pm

**Where:** The Windsor, Spring Street Melbourne

**What:** Facilitated afternoon session in a collaborative environment. Great to have Jenny Scicluna on board to facilitate the session. Jenny brings 24 years experience in Local Government Leadership, most recently as General Manager Corporate Services & Transformation at City of Yarra.

**Investment:** (includes workshop from 1:30pm, afternoon tea, dinner and networking event from 6:30 - 10pm): \$200 pp (includes GST)

If you would like to have a chat about the session, please reach out to our Exec Member Simone Wickes on 0455 448 110

### Vision Super - Defined Benefit update

Vision Super is hosting a Defined Benefit update on Thursday 8 August 2024. You will hear the latest on the Fund's Defined Benefit, including the VBI. Michael Wyrsh, Chief Investment Officer and Sean Ellis, GM - Strategy and Growth, will share an update on the Fund and how the Defined Benefit is being managed, followed by a Q&A session.

You can attend in person, or watch the event online. A light lunch will be provided on arrival to those attending in person. Please RSVP your attendance either in person or [online](#).

**Date:** Thursday, 8 August 2024

**Time:** 12pm – 2pm

**In person:** The Cluster, level 20, 31 Queen Street Melbourne

**Online:** Link to event will be sent closer to the date

## Technical Updates

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

The Victorian State Government, via the Legislative Council Economy and Infrastructure Committee, continues to hold sessions for the Inquiry into Local Government Funding and Service Delivery in Victoria.

[Inquiry into Local Government funding and services \(parliament.vic.gov.au\)](http://parliament.vic.gov.au)

We note that FinPro aims to collaborate with the sector and State Government to benefit our communities, and we recognise that Councils play a crucial role and are part of the solutions in ensuring the financial sustainability of the sector.

**A copy of the report ([Full](#) and [Summary](#)) is available here and we have shared these with members.**

FinPro has made a submission to the Federal Inquiry – [available here](#).

FinPro has made a submission (as prepared in conjunction with The AEC Group and included above) to the State government Inquiry – [available here](#). Full submissions (Submission 11 plus supplementary submission) are available [here](#).

Submissions to the State Inquiry has now closed and you can access all submissions [here](#). Corrected transcripts of these hearings are published [here](#).

The following update was posted from the inquiry recently:

#### ***Camperdown hosts hearing on local government***

*Members of parliament conducting an inquiry into local government funding and services are travelling to southwest Victoria next week.*

*The Legislative Council Economy and Infrastructure Committee will hold a public hearing in Camperdown on Wednesday 7 August.*

*You can [watch the live broadcast](#) or attend the Killara Centre at 210-212 Manifold Street from 11 am.*

*Seven Victorian councils are scheduled to give evidence throughout the day.*

*Representatives of Swan Hill Rural City, Corangamite Shire, Greater Geelong, Hindmarsh Shire, Pyrenees Shire, Moyne Shire and Warrnambool City will have the opportunity to present and respond to questions from Members of the Committee.*

*The Upper House inquiry is assessing local governments' ability to deliver core services and the effects of cost shifting from state and federal governments to local council.*

*The sustainability of current revenue structures and alternative funding models are also being considered.*

*The Committee launched the public hearing phase of its inquiry in Melbourne in June.*

*It is travelling to other regional and suburban areas as part of the probe, which has received 106 public submissions.*

*For more information, including the inquiry's full terms of reference go to the [website](#).*

*Issued: 1 August 2024*

## **VAGO Status report**

VAGO distributed their July 2024 report just before last fortnight's newsletter. A copy of the full report is available on the FinPro website – linked [here](#).

Just a reminder that a key one that will likely end up on audit reports and future management letter points is about the AASB 13 changes for next financial year.

See page 11 of the July VAGO update, or refer to the technical updates here: <https://www.audit.vic.gov.au/news/significant-accounting-developments-may-2024-20240708>

## **Essential Services Commission and Waste Guideline Implementation**

Efforts are underway to develop a process that will help the sector adapt to the newly introduced Waste Guidelines, including exploring how the Essential Services Commission could contribute to ensuring compliance. Any further updates in this space will be provided in forthcoming member updates.

## **Fire Services Levy and Increased Administration**

One of the challenges that the sector has faced this year is the increased fire services levy (FSL) above the rate cap and CPI, which has added to the cost pressures and budget constraints of councils. The FSL is a state government charge that funds the provision of fire and emergency services in Victoria, and it is collected by councils on behalf of the State Revenue Office. However, the FSL rates are set by the Fire Services Property Levy Act 2012 and are not subject to the rate cap.

This means that the FSL has increased significantly more than the rate cap and CPI in recent years, resulting in higher bills for ratepayers and more complex and time-consuming administration for councils. Many councils have reported difficulties in explaining the FSL increase to their communities, especially considering the rate cap and the financial hardship caused by the COVID-19 pandemic. Some councils have also experienced technical issues with the FSL calculation and invoicing system, which have caused delays and errors.

We have been advocating on behalf of our members to the FSL Commissioner and the State Revenue Office to seek more guidance, support and transparency on the FSL rates and methodology, as well as to highlight the resource implications and customer service challenges that the FSL poses for councils. We have working together with the Revenue Managers Association to share information, feedback and advocacy efforts.

We will continue to engage with the FSL Commissioner and the State Revenue Office to seek improvements and solutions for the FSL issues that affect the sector. We appreciate the efforts and cooperation of all councils and revenue managers in this matter.

## TCV Loan and Investment Rates as at 31 July 2024

Maturity	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
<b>1 year</b>	4.5985	4.6219	4.6850	4.7100	0.3883	0.1541
<b>3 year</b>	4.4029	4.4242	4.4500	4.4750	0.5790	0.3926
<b>5 year</b>	4.5634	4.5865	4.4700	4.5000	0.7435	0.5841
<b>7 year</b>	4.8449	4.8711	4.6000	4.6350	0.9139	0.7805
<b>10 year</b>	5.2281	5.2588	4.8500	4.8850	1.1291	1.0250
<b>12 year</b>	5.4447	5.4782	5.0100	5.0500	1.2610	1.1701
<b>15 year</b>	5.6748	5.7113	5.2300	5.2700	1.4160	1.3323
<b>11am (at Call)</b>	4.6650				<b>BBSW</b>	
<b>30 day</b>	4.4850				<b>1 Month</b>	4.3397
<b>60 day</b>	4.5450				<b>3 Month</b>	4.4899
<b>90 day</b>	4.5850				<b>6 Month</b>	4.7825
<b>180 day</b>	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

<b>Cash</b>	4.3000		<b>4 Month</b>	4.5775
<b>1 Month</b>	4.3297		<b>5 Month</b>	4.6900
<b>2 Month</b>	4.4049		<b>6 Month</b>	4.7725
<b>3 Month</b>	4.4799		<b>1 Year</b>	4.2969

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 collapsed in the wake of better-than-expected Australian core CPI and the Fed signalling that a rate cut is coming as soon as September. 10-year Treasury yields are just above 4% both here and in the US at the time of writing. We expect the Fed to cut in September, but the RBA to remain on hold until early next year.

### 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.

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## Upcoming FinPro Executive Committee Meetings

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

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.

Following meetings for the year are:

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

## Current Job Vacancies

[Team Leader – Financial Analysis](#) - Greater Shepparton City Council

Applications close 2 Aug 2024

[Finance Support Officer \(0.5\)](#) - Mitchell Shire Council Applications close 5 Aug 2024

[Finance Officer – Home Care Packages](#) – Mount Alexander Shire Council

Applications close 5 Aug 2024

[Senior Accountant](#) – Glenelg Shire Council Applications close 8 Aug 2024

[Coordinator Rates and Revenue](#) – Murrindindi Shire Applications close 9 Aug 2024

[Manager Finance](#) – Mount Alexander Shire Council applications close 12 Aug 2024

## Membership News

Welcome to our new member this month - [Suman Kunwar](#) has joined the team at Wodonga Council as Finance Officer.

## 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)
- Commonwealth Bank – [www.cba.com.au](http://www.cba.com.au)
- CT Management – [www.ctman.com.au](http://www.ctman.com.au)
- Curve Securities – [2023 FinPro Conference – Curve Case Study](#)
- Datacom – [www.datacom.co.nz](http://www.datacom.co.nz)
- Ibis Information Systems – [www.ibisinfosys.com.au](http://www.ibisinfosys.com.au)
- Imperium Markets – [www.imperium.markets](http://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](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)
- NetNet International – [www.xetta.com](http://www.xetta.com)
- Satori – [www.satoriassured.com](http://www.satoriassured.com)
- TCV – [www.tcv.vic.gov.au](http://www.tcv.vic.gov.au)
- VFMC – [2023 FinPro Conference – Case Study VFMC](#)
- Westpac – [www.westpac.com.au](http://www.westpac.com.au)
- Maddocks Recoveries – [www.maddocksrecoveries.com.au](http://www.maddocksrecoveries.com.au)
- TechnologyOne Corp – [www.technologyonecorp.com](http://www.technologyonecorp.com)

The 2024 FinPro Conference will run from 23 – 25 October 2024 at RACV Cape Schanck.

EOI's for conference sponsorship have now closed and the 2024 sponsors will be announced shortly.

## 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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