

FinPro Member Update – Edition 9, 2023

President's Message

Well, there's never a dull moment working in Local Government!

This week we saw the delivery of the Federal Budget, and I'm sure you will see mixed news for Local Government. Our partnerships with all tiers of government are critical if we are to see success for our communities, especially during a time of super high inflation combined with cost-of-living pressures on individuals as well as businesses and governments. We have included in our update information shared by the MAV and the ALGA in regard to this.

Also, we have seen news of an inquiry that will occur in the Victorian Parliament in regard to cost shifting onto Local Government. We are excited that such a review will occur and will be looking to provide input to the review to ensure our members voices are heard. More on this as further information becomes available. The inquiry is set to be finalised and reported by 30 June 2024.

All that said, the highlight this week for us was the commencement of our 2023 FinPro Leadership Program, starting with a 3 ½ day Residential Program up in the Dandenong's. Twelve fantastic individuals worked hard, got to know each other, learnt from each other, and had a bit of fun too. A big thank-you to the Executive who were involved in the program, and in particular to the awesome Belinda Johnson (Southern Grampians Shire Council) who was the Facilitator and glue for the program, our fantastic speakers and presenters, and those that had to jump in at the last minute to help. The next step for the group is taking part in the mentoring program. We needed 12 mentors and have 10 lined up. If you are interested in helping one of these super-stars continue their journey, please contact [gab](#).

Enjoy the weekend. I'm actually in Queensland visiting family and staying warm for the weekend.



Bradley Thomas,
President FinPro and CEO Hepburn Shire



Membership News

Welcome to our new members:

- **Liz Higgins**, Accountant at Towong Shire,
- **Fiona Steward**, Financial Accountant – Fixed Assets at Greater Shepparton City Council,
- **Ella Edwards**, Senior Developer Contributions Accountant at Whittlesea City Council,

We farewell **Dennis O'Keefe** today as he leaves Alpine Shire where he was Manager Corporate.

SAVE THE DATE: FinPro in-person Seminar – Friday 16 June 2023 @ MCEC – Program out next week!

SAVE THE DATE: FinPro Conference – 25 – 27 October 2023 @ RACV Cape Schanck

2023 FinPro Leadership Program

Last Sunday our 2023 intake for the FinPro Leadership program commenced their Leadership journey with us.

Congratulations to all the participants – what a fantastic group of finance professionals.

- Zechariah Soon, Senior Corporate Finance Analyst at Melbourne City Council
- Beau Mittner, Manager Finance at Moira Shire,
- Abbas Mahr, CFO at West Wimmera Shire
- Megan Prentice, Financial Accounting Officer at Latrobe Shire
- Joseph Kay, Finance Business Partner at Bass Coast Shire
- Tegan Finch, Financial Accountant at Melton City Council
- Faith Denhere, Management Accountant at Brimbank City Council
- Sonia Giofches, Coordinator Financial Accounting at Colac Otway Shire
- Katrina Wilson, Finance Manager at Stonnington City Council
- Leah Mullins, Coordinator Management Accounting & Analysis at Greater Bendigo SC
- John Wacheke, Asset Accountant at Campaspe Shire and
- Dylan Howard, Manager Finance at Towong Shire



Upcoming Professional Development

FinPro Webinar: NEXT Thursday 18.5.23 @ 12.30 – 1.30pm – Windfall Gains Tax

[REGISTER NOW](#)

Windfall Gains Tax (WGT) is one of the most significant tax regime changes since the introduction of GAIC. WGT is however more challenging for councils than GAIC for a variety of reasons, including the fact that Council-owned land is not necessarily exempt from the tax.

[Register now](#) for this Free Webinar

Technical Updates

Model Budget 2023-24 and Financial Statements 2022-23 available now

The following documents are [available at this link](#):

- Asset Plan Guidance 2022
- Financial Plan 2023-24 to 2032-33
- Model Budget 2023-24
- Model Financial Report 2022-23
- Annual Report Performance Reporting 2022-23
- Performance Reporting Framework 2022-23
- Performance Reporting Framework 2023-24

Thank-you to all the sector representatives that played an active role in preparing these documents. LGV launched the Models at the FinPro Seminar on Friday 24 February 2023. A copy of the presentation slides is [available here](#):

It is worth noting that LGV sent councils an update on the Local Government Performance Reporting Framework earlier this week. This was sent to all councils from knowyourcouncil@ecodev.vic.gov.au and covered:

- Updated ABS population estimates for 2022
- SEIFA 2021 released
- Submitting targets for 2023-24
- Registering for a review

If you have any questions about the information please contact the Local Government Performance Reporting Team – knowyourcouncil@ecodev.vic.gov.au

Local Government Funding and Service Delivery Inquiry

On 3 May 2023 the Legislative Council passed the following motion regarding local government funding and service delivery.

That this House requires the Economy and Infrastructure Committee to inquire into, consider and report, by 30 June 2024, on local government funding and service delivery in Victoria, including but not limited to –

- 1. the effects of cost shifting from the state and federal governments to local councils in an examination of vertical and horizontal fiscal imbalances;*
- 2. whether local councils are adequately delivering on their core service delivery objectives;*
- 3. the overall revenue structure of local government;*
- 4. whether the existing revenue structure is sustainable and appropriate or if alternative models of funding would be more sustainable and appropriate; and*
- 5. any other related matters*

We are pleased to see such a review occurring and will fully participate.

The MAV have also released a media statement which you can view at - [Inquiry must find balance for councils amid cost shifting | MAV website](#)

Anticipated Changes to 2015 Regulations – Rate Notice Information

We are aware and working to try and get more clarity or detail around the changes that have been flagged by the RMA in an email last week to RMA members for Rates Notices. If you are unaware of the detail, please feel free to email either the RMA info@rma.org.au or FinPro gabrielle@finpro.org.au for the information.

Neither FinPro nor the RMA were consulted in detail about any of the changes to the details on Rates notices. Some of the changes, to our initial reading, aren't helpful for the ratepayer or Council's. Also, for some of the changes, our systems will take some time to be able to incorporate changes.

FinPro will jointly advocate to LGV that this is too short a timeframe for changes to be announced and seek a discussion, and if possible, a pause. Today we have sent a joint letter to LGV regarding these proposed changes.

However, all that said, as soon as we know anything with more certainty, we'll do our best to get out a separate message to members.

Kind regards,

Nathan Morsillo / Tony Rocca (FinPro Exec members)

2023 Federal and State Budgets

The following information has been provided by the MAV and is included for member information:

All indicators point to this year's Federal and State budgets being particularly challenging for the local government sector; especially in Victoria.

Keeping with tradition, the Federal budget will be delivered tonight, Tuesday 9 May, with the Victorian budget handed down later than usual on 23 May.

As always, the MAV will undertake a detailed analysis of the state and federal budgets and their implications for the local government sector.

We are also holding two briefing sessions – one for mayors, councillors and council executive staff, and the other for council communications and advocacy staff.

Briefing for mayors, councillors, council executive staff

Date: Wednesday 24 May

Time: 4.30pm to 5.30pm

Delivery: online

[Register here](#)

Briefing for council communications and advocacy staff

Date: Thursday 25 May

Time: 3.00pm- 4.00pm

Delivery: Online

[Register here](#)

Solid Budget for local government, FA Grants increase to more than \$3 billion

The following article was issued by ALGA and is shared here for member information.

Tonight's Federal Budget represented a solid investment in local government, with \$3.1 billion in Financial Assistance Grants to be provided to your councils in the coming twelve months.

This funding is a vital investment in our nation's productivity, allowing us to employ nearly 200,000 Australians and provide local services in every corner of our nation.

However, it is disappointing that another Federal Budget has passed without the Government delivering on their pre-election promise of "fair increases" to these grants. Alongside your state and territory associations, we will continue to work with the Government to see this happen, returning local government funding to at least one percent of Commonwealth taxation revenue.

We all know our local roads are in a state of significant disrepair, with increasingly frequent natural disasters as a result of dangerous climate change. We appreciate the local roads funding we receive, but will continue to advocate for a significant increase to the Roads to Recovery Program that will support all councils to build better, more resilient roads.

It was also disappointing to see that the Local Roads and Community Infrastructure Program wasn't extended in tonight's Budget, beyond the Government's \$750 million pre-election commitment delivered in the October 2022 Budget.

Over the past three years this program has been successful in helping us deliver much-needed local infrastructure projects, including libraries, community sporting fields, local roads, parks and playgrounds.

The end of this program will be partially offset by two new urban funding programs – a \$200 million Thriving Suburbs Program and a \$150 million Urban Precincts and Partnerships Program, which complement the Growing Regions and Regional Precincts and Partnerships Programs announced last October.

An overview of the funding for councils in this year's Budget:

- \$3.1 billion in Financial Assistance Grants
- \$484 million in Roads to Recovery funding
- \$60 million over three years in supplementary road funding for South Australian councils
- \$200 million Thriving Suburbs Program (local governments eligible to apply)
- \$150 million Urban Precincts and Partnerships Program (local governments eligible to apply)
- \$120 million Black Spot Program
- Additional \$13.5 million round of the Remote Airstrip Upgrade Program
- \$236 million over 10 years for flood warning infrastructure (rain gauges)
- \$10 million for a national waste education campaign.

You can find further details about these funding announcements [on our website](#), and in [ALGA's media release](#).

ALGA also welcomes the Government's \$83 million investment in a legislated Net Zero Authority that will coordinate communities' transformation to a low carbon economy.

Finally, it was great to see a strong focus in this year's Budget on supporting vulnerable people in our communities.

We play a critical role providing community services and welcome this increased support for vulnerable Australians.

Federal Budget Summary – HLB Mann Judd

HLB Mann Judd have also issued a summary report on the Federal Budget that was delivered this week – [read more here](#)

TCV Loan and Investment Rates as at 10 May 2023

Maturity	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	4.1037	4.1221	4.1700	4.1800	0.2658	0.1259
3 year	3.8166	3.8318	3.9100	3.9200	0.3130	0.1779
5 year	3.8862	3.9021	3.8700	3.8850	0.3747	0.2554
7 year	4.0795	4.0971	3.9300	3.9500	0.4114	0.3075
10 year	4.4456	4.4669	4.1200	4.1450	0.5827	0.4970
12 year	4.6838	4.7076	4.2700	4.3000	0.7221	0.6443
15 year	4.9310	4.9575	4.4900	4.5200	0.8999	0.8228
11am (at Call)	4.1650				BBSW	
30 day	4.0450				1 Month	3.8051
60 day	4.0750				3 Month	3.8774
90 day	4.1150				6 Month	4.0265
180 day	4.2650					

TCV Investment rates

Cash	3.8000		4 Month	3.9234
1 Month	3.7951		5 Month	3.9683
2 Month	3.8349		6 Month	4.0165
3 Month	3.8674		1 Year	3.7971

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%

Disclaimer

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General Information

Exploring the latest Regional Economic Trends: Key Insights from 2023 NIEIR Dataset (a .id blog)

.id recently published the 2023 NIEIR State of the Regions (SOR) dataset. This dataset is the country's only economic and employment dataset that provides annual economic and employment information at the LGA level. It is essential for informed decisions, especially during this crucial moment for the Australian economy.

Today's blog explores [five insights from the SOR release](#).

Current jobs in the sector

[Unit Manager Financial Compliance and Control](#) – Whittlesea City Council – closes 21.5.23

[Manager Corporate](#) – Alpine Shire Council – closes 21.5.23

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