

## FinPro Member Update August 2020 (Edition 3)

### President's Message

Good morning,

Another action-packed week in Local Government! It was great to get clarity on the Local Government elections timing and that these [will go ahead in October](#). Whether you and your Council were pushing for them to stay in October or have a delay, the certainty of when they will occur is helpful for everyone. Good luck over the coming months, and I encourage you to stay off social media a little bit as potential candidates have their say on how they 'think' Councils are performing. Remember, this is the political beast that is LG - we are all doing an amazing job in very trying conditions!

With the elections occurring there won't be any delays in the transition into the new LG Act. Please make sure you keep up to date through <https://engage.vic.gov.au/local-government-act-2020> website and give consideration to nominating to being part of our FinPro working group.

There are only a few Councils left to have their budgets adopted. I know that once the budget is adopted it is a real weight off the finance team. We are all deep into audits as well! So much fun...

We continue work on our advocacy for the sector and this week provided to each CEO and Mayor, as well as the Minister and other peak bodies, a copy of information from our recent survey and an associated report around the survey responses. We have had some positive replies to this being helpful for the sector. Remember, if there is ever a topic you believe FinPro should be advocating on please let us know.

This Sunday will mean that we are ½ way through this current range of restrictions – I hope you are taking the time to look after yourself! I've just had a look at the BOM app and it looks like its freezing for the next week, so not the worst week to be inside!

Bradley



**Bradley Thomas - FinPro President**  
**Director Community and Corporate Services – Hepburn Shire**

## Membership News

We welcome a number of new members this week:

- **David Anderson**, who is Acting in the role of Director Corporate Services at Central Goldfields Shire since Paul Brumby left.
- **Natasha Miller**, Accountant at Moyne Shire Council
- **Nathan Cutting**, Project Accountant at the City of Greater Bendigo
- **Lisa Horan**, Management Accountants at the City of Greater Bendigo
- **Tim Hogan**, Systems and Asset Accountant at Baw Baw Shire
- **Chris Ranasnighe**, Finance Officer, Loddon Shire Council

If you have any news to share with the FinPro membership please forward this to [Gab](#).

## FinPro Professional Development

Our next Lunch and Learn session is scheduled for **Friday 4 September 2020** (Please note that this will replace the session previously penciled in for Friday 28 August 2020. Details will be distributed to members early next week on this upcoming session.

Recordings of our recent sessions are available online:

LUNCH AND LEARN – Setting a New Work Mindset - 31 July 2020 [\*\*WATCH NOW\*\*](#)

FinPro Q&A – Technical discussion – 6 August 2020 [\*\*WATCH NOW\*\*](#)

## FinPro Technical Committee News / Updates

### General Information

The LGV website provides a host of information: [LGV - COVID19 Information](#)

The FinPro Website provides a host of information: [FinPro Resource Library](#)

### Compulsory candidate training - Council Elections 2020

LGV have now launch Compulsory candidate training -

<https://www.localgovernment.vic.gov.au/council-governance/candidate-training>

### Election Costs

The Victorian Electoral Commissioner wrote to CEOs this week noting it has published its COVIDSafe election plan for the October 2020 local government elections. A link to the plan is <https://www.vec.vic.gov.au/voting/2020-local-council-election/providing-safe-elections>.

It was pleasing to read in the letter the following comment “As advised previously, it remains my intention to engage with Government on the matter of costs associated with COVID-19-specific personnel and distancing protections and that these not be passed on to councils. I will keep you informed”.

## Update from VAGO

Sanchu Chummar, Acting Sector Director, Local Government at VAGO has provided the following update for members:

*I hope you are safe and well. Find below and attached a sector update for your reference.*

*A Couple of recurrent topical issues are:*

1. *Revenue / Income Accounting Standard implementation:*

- *Complexities in accounting for receipts received by entities during 2019-20 (operating grants, contributions received in advance, capital grants receipt etc..) under new standards (AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of not-for-profit entities) is coming up as queries. Requirements of these standards apply to each transaction based on the substance of individual agreement / contract / transaction. Refer to relevant Accounting Standards and LGV issued guidance on transition to new Accounting Standards as resources. I find the illustrative examples in the standards (there are some specific Australian illustrative examples for not-for-profit entities) as useful guidance material as well.*
- *Working with Victoria Fund - Based on review of this funding arrangement with DJPR, our position is to account for this receipt under AASB 1058 Income of not-for-profit entities. i.e. recognise income on receipt during 2019-20 and not as unearned income / liability as at 30 June 2020.*

2. *Minimum expectations in relation to Cv19 disclosures in 2019-20 financial report:*

- *I am finding a variety of Cv19 disclosures in the financial reports, ranging from very detailed to minimal disclosures. Understand the need for each Council / entity to tailor their disclosures to suit their actual facts and circumstances. Minimum expectations are (consistent with my earlier communications on this topic):*
  - *Cv19 impact on 2019-20 operations of the council/entity;*
  - *Cv19 impact on management accounting estimates, judgements and assumptions*
  - *Cv19 impact disclosure as part of Subsequent event / Events occurring after balance date note.*

Attached documents:

- [VAGO LG Sector Update – August 2020](#)
- [CV19 Disclosure Guidance for local government sector – VAGO August 2020](#)
- [30 June 2020 Financial Reporting – COVID-19 Disclosures – DTF guidance](#)

*Refer to the attached documents as resources, noting that the DTF guide is not applicable to the LG sector. However, it is a good resource to prompt thinking about impacts and disclosures. I have tailored this for LG sector and added to my earlier guidance (attached). Hope you find this useful.*

VAGO performance audit and other integrity bodies August 2020 audit update is attached for your reference.

Other matters:

- VBI index as at 30 June 2020 have been finalised at 104.6%.
- IBAC recently released information sheets to help state and local government sectors to review and strengthen integrity responses and improve capacity to prevent corrupt conduct during times of emergency and crisis. <https://www.ibac.vic.gov.au/publications-and-resources/article/information-sheet-building-integrity-during-times-of-crisis-or-emergency>

If you have any queries, please feel free to reach out. Stay safe and well.

**Thank-you and kind regards, Sanchu**

### Local Government Act 2020 – EOI's for working party

The following information was distributed to members earlier this week – **EOI's close 12 midday, Monday 24 August 2020.**

We are looking to engage a working group to assess the integrated framework in relation to the new Local Government Act and its key elements, such as:

- Budget;
- Financial Plan;
- Asset Plan; and
- Revenue and Rating Plan

This working group will complement the work LGV are doing as part of the co-design. As reference, the following [link](#) has more information on that particular work

Please think about someone in your Council who would be willing to nominate to be on this group. It is an opportunity to continue towards the end outcomes and work alongside other vested members, as well as LGV, to help ensure the outcome meets sector needs.

Please note, there will be a time commitment of being involved in the group, however, this could be a valuable way to spend time and get something out of it for the Council you work for as well.

Expressions of interest to be part of the group are to be submitted prior to 12 midday, Monday 24 August 2020.

Please email your interest to [Gab](#), answering the following 5 points below. Applications should include the subject line: "FinPro LG Act Working Group"

1. Your Council category: (Regional | Metro | Interface | Small/Rural)
2. Your current position:
3. How long have you been working in Local Government?
4. What is your motivation to be part of the working group?
5. What would you expect as the key outcome of having such a group?

## Information request from the Victorian Ombudsman – update

Last week we included in our Member Update a copy of a letter we had sent to the Victorian Ombudsman asking for consideration to be given to extend the timeframes around the provision of information back to them.

As an update we include below is an extract from the letter sent to CEO's yesterday (20/8) in relation to the change of deadline to provide information back to the Victorian Ombudsman.

*"I write further to my letter of 5 August. A number of councils in regional Victoria have asked me to defer the investigation, as they try to support their communities and staff during the pandemic and prepare for council elections.*

*I acknowledge the current pressures facing councils, and the impact of my request on smaller councils, and have therefore reconsidered the information and data I am requesting of all councils at this time. A revised request is attached. If you need further time to provide this information, you are welcome to do so by Friday, 30 October 2020. If you can provide this information earlier, that would of course be appreciated. I encourage your staff to contact my office if there are difficulties with the revised request or timeframe."*

## Implementing the changes to the Accounting Standards

FinPro has developed some guidance to assist members. This information is provided following consultation with both LGV and VAGO and is included on our [website](#).

## 2020/21 Council Budget Parameters and Budget Adoption Timelines

A reminder that FinPro are providing an up-to-date picture across the state of the progress of adoption of Council Budgets for 2020/21, along with measures taken within the budget to assist communities to cope with the effects of COVID-19. As Council's adopt their budgets, please provide the updated information to [gab](#) so that she can update the survey accordingly.

Also of note is a [report](#) that FinPro have prepared that should be read alongside the survey results. The report was distributed to all CEO's, the Minister Local Government and key stakeholders, as well as all FinPro members, earlier this week and has been well received by the sector.

## Job Vacancies

FinPro is happy to place advertisements on our website for any finance related positions our members councils are advertising. Please send the following details through to [Gab](#)

The following position is currently being advertised:

- **Director Corporate Services**
- City of Ballarat
- <https://www.salcorp-hr.com.au/wp-content/uploads/2020/08/PD-Ballarat-Corporate-Services-Director-6Aug2020-Final.pdf>
- For further details please contact Christine Mileham on 0409 380 385 or at [applications@salcorp-hr.com.au](mailto:applications@salcorp-hr.com.au)
- Applications close 24 August 2020
  
- **Management Accounting Coordinator**
- Mitchell Shire Council
- <https://careers.mitchellshire.vic.gov.au/cw/en/job/492688/management-accounting-coordinator>
- For enquiries please contact Nicole Maxwell on 5734 6262
- Applications close 9am Monday 7 September 2020
  
- **Manager Financial Services**
- Monash City Council
- <https://www.davidsonexecutive.com.au/job/manager-financial-services-city-of-monash/>
- For further information please contact Melanie Pecanek on 0408 898 734
- Applications can be made up to 9am on 28 August 2020

## FinPro Executive Members

**President** – Bradley Thomas (Hepburn Shire Council)

**Executive Officer** – Gab Gordon

**Vice-President:** Chair Technical Committee – Tony Rocca (Maroondah City Council)

### **Technical Committee members:**

- Danny Wain (Monash City Council)
- Kristy Stephens (Bass Coast Shire)
- Liz Rowland (Western Water)
- Mark Montague (Yarra City Council)
- Nathan Morsillo (Greater Bendigo City Council)
- Vishantri Perera (Yarra Ranges Shire Council)

**Vice-President:** Chair Professional Development committee – Binda Gokhale (Wyndham CC)

### **Professional Development Committee members:**

- Belinda Johnson (Southern Grampians Shire)
- Charles Nganga (Casey City Council)
- John Brockway (Surf Coast Shire) – also leads the FinPro Mentoring Program
- Kim Jaensch (Frankston City Council) – leads the FinPro Leadership Program

---

Thank-you to our 2019 Conference sponsors

We look forward to seeing you back at our next annual conference from 20 – 22 October  
2021 at RACV Cape Schanck

---

To Contact FinPro:

Gabrielle Gordon – Executive Officer

M: 0400 114 015

E: [gabrielle@finpro.org.au](mailto:gabrielle@finpro.org.au)

W: [www.finpro.org.au](http://www.finpro.org.au)