

FinPro Member Update November 2020 (Edition 3)

President's Message

Good morning,

Well I don't know about you, but I think the year just gets busier and busier and I can't wait for a bit of a break over Xmas and NY. I hope you will get some time to get away from work over this period and have the opportunity to spend it with family, friends or your pets.

Many of you will have spent time with your new Councillors over the last couple of weeks, bringing them up to date with all that is LG! What a great sector we have the pleasure to work in; but there is plenty going on, so I'm sure it has been intense starting the induction process with them.

This week we saw the release of the Victoria State Government Budget - <https://www.dtf.vic.gov.au/state-budget/2020-21-state-budget> . It is with interest that I note that the CPI forecast for 2020/21 is 0.75% and for 2021/22 its 1.50%. We wait with anticipation to see what the Rate Cap will be when released by the Minister by the end of the year. What number will you be using in your Financial Plan assumptions?

Lastly, FinPro has secured a meeting with the Minister Local Government in the new year and we look forward to talking about FinPro, and especially the financial challenges and opportunities Councils face as we respond to the COVID-19 pandemic.

On a day that we celebrate Victoria achieving 28 days without any new cases, congratulations to everyone for playing your part in this amazing feat!



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

Membership News

With Council's updating and renewing their membership for the coming year, we are very pleased and appreciative of the 72 Councils and 3 libraries that have renewed their membership for 2020/21.

We also welcome the following new members to FinPro:

- **Anthony DeJong**, CFO at the Municipal Association of Victoria.

We are appreciative too of the organisations who have partnered with us this year as part of our Corporate Partnership Program and this week we welcome **VISION SUPER** as our new Corporate Partner.

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

Membership Renewal information [available here](#)

Corporate Partnership information [available here](#)

FinPro Technical Committee News / Updates

Local Government Act Implementation

The FinPro Local Government Act 2020 Working Group is meeting for the third time today.

A reminder to go to <https://engage.vic.gov.au/local-government-act-2020> for all LG Act information.

LGPRF Steering Group Update

The LGPRF Steering Group met yesterday (27/11). This is their first meeting since March 2020. Convened by LGV, Tony Rocca, VP FinPro is represented in this group. A Strategic Directions Paper is currently being finalised and a technical working group will be convened in 2021 for the purpose of integrating target setting with the annual budget process.

LGV will keep the sector informed during the process.

Update from Local Government Victoria

The following Bulletin was sent out to all councils on Wednesday 25 November 2020 and it shared here as information only.

BULLETIN: 76/2020 BUDGET 2020

Yesterday, the Victorian Budget 2020/21 was tabled in Parliament by Treasurer Tim Pallas.

This year's budget focuses on people - protecting and creating jobs, looking after families, building strong and connected communities, and setting Victoria up for a strong recovery.

The Minister's media release on the Local Government appropriation is available here.

An overview of the key budget highlights for the Local Government portfolio:

- *\$75 million for critical infrastructure in local communities through the Growing Suburbs Fund.*
- *\$13.3 million over two years for the Living Libraries Infrastructure Program and the Public Libraries Program to help local councils and regional libraries renew, redesign or rebuild libraries.*
- *\$2.79 million for the Roadside Weeds and Pests Program.*
- *\$1 million for the Municipal Emergency Resourcing Program (MERP) to help councils with emergency management planning in readiness for major threats like bushfire and flood.*
- *Councils will be able to access low interest loans from the \$100 million Local Government Community Infrastructure Loans Scheme, which is already supporting arts and culture facilities, bike trails and community hubs across the state.*
- *\$6.3 million over two years for the Women Building Surveyors Program, giving women an opportunity to take on surveyor cadetships in local government.*

You can also visit the Victorian Budget 2020-21 website to see the full range of initiatives that are funded through this year's budget.

Colin Morrison

Acting Executive Director, Local Government Victoria

Victorian State Budget 2020-21

This information is shared courtesy of the MAV.

There are many other initiatives of interest to councils arising from the [State Budget](#), some high-level announcements include:

1. \$465 million for Victorian Tourism Recovery package, including \$107 million Visitor Economy Industry Support Package and a travel voucher scheme
2. \$450 million road maintenance blitz
3. \$123.8 million over four years for Bushfire Recovery Victoria
4. \$114 million for community sports, including \$6.0 million for the Sporting Clubs Grants program and \$108.0 m in 2020-21 and \$2.0m in 2021-22 for the Community sports Infrastructure Stimulus Program
5. \$75 million for the Growing Suburbs Fund, noting that the number of eligible councils has increased, with the inclusion of peri-urban councils alongside interface councils in 2020-21
6. \$13.3 million over two years for the Living Libraries Infrastructure Program and the Public Libraries Resource Program to renew, redesign or rebuild libraries
7. \$626 million Digital Future Now initiative, including \$250 million to co-fund business grade broadband connectivity for Victorian regional towns through the Gigabit State program and \$300 million for the Mobile Black Spot program
8. \$30 million funding for kindergarten refurbishment and minor works program, \$2.5 million for Early Start Kindergarten for refugee and asylum seeker children, and \$49 million over two years for financial support for families to access kindergarten and services in the 2021 year for their children
9. \$30 million for a range of gender equality initiatives, including implementation of the Gender Equality Act 2020
10. \$6.3 million Women Building Surveyors Program to surveyor cadetships in local government

The State Government will also be relying on councils to continue to provide stable ongoing delivery of key services and community support. In this regard we welcome the following programs being funded for 2020-21:

11. \$18.5 million for the OPLE's program for the protection of the environment
12. \$2.8 million towards the roadside weeds and pests' program
13. \$1.0 million for the Municipal Emergency Resourcing Planning program
14. School crossing supervisors will be funded for another year
15. Additional \$5.6 million over four years for councils to access low interest loans from the Local Government Community Infrastructure Loans Scheme which is supporting dog parks, bike trails and community hubs

The State Government's [media release on local communities](#) summarises the local government-specific funding.

Update from VAGO

The following information was distributed to the sector from VAGO on Monday 23 November and is shared here as information only.

Hi all,

I hope you are safe and well.

Find below and attached local government sector update for your reference.

VAGO performance audit and other integrity bodies **November 2020 update is attached** for your reference

LG 2019-20 VAGO Parliamentary Report:

- We are in the process of collating and analysing financial report and performance statement data for LG Parliamentary report preparation. We will send individual council data sets this week to Council's Finance/ Accounts teams to confirm accuracy.
- We have decided not to send the questionnaire supporting focus area (COVID-19 impact) to councils for response. We will collate this information from published sources (Councils financial report, performance statement, adopted budgets etc.,) for our analysis.

Other matters:

- Andrew Greaves and I presented at the FinPro mini-conference on 22 October 2020. Andrew presented his views and insights into the topic of 'Emerging Risks and Audit focus'. Refer [link to view the YouTube recording](#).
- The AASB staff recently updated the 'AASB Staff FAQs' document to clarify the timing of recognition of financial assets in relation to arrangements that fall within the scope of AASB 1058 Income of Not-for-Profit Entities. The updated document includes a new section (section 5) to assist NFP entities in accounting for **non-statutory transactions (such as grants) where the entity has not yet fully performed the activities required under the arrangement and the associated asset (e.g. grant funding in cash or other assets) has not yet been received**. While the key principle for recognition of financial assets remains unchanged (i.e. entities only recognise a financial asset when they have an unconditional right to receive it), the staff FAQs clarify the recognition principles and include a number of examples. Refer [AASB Staff FAQs](#) for more details.

If you have any queries, please feel free to reach out.

This email is sent to audit committee members, senior management in local government sector and LGV. This email with some additional audit related matters will also be forwarded to VAGO audit service providers. Feel free to pass this information to anyone who will benefit from it.

Sanchu Chummar

Acting Sector Director, Local Government, Victorian Auditor-General's Office

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FinPro Professional development

Upcoming Events

Budget Preparation for 2021/22 – As many Councils are already preparing for their upcoming Budgets, the FinPro Executive are putting together a 1-hour webinar for **10 December 2020**.

During this webinar we will hear from a range of Councils about how they are approaching the particular challenges of this budget cycle:

- Setting a new Council Plan covering the period 2021/22-2024/25 in a new term of Councillors
- Compliance with all the new requirements under the Local Government Act 2020
- Changing service requirements and expectations from our communities and other stakeholders, and
- Ongoing impact of COVID-19,

Panellists will speak both in terms of external community and stakeholder engagement and driving an integrated approach to align with their Council's strategic objectives.

Further details about this event will be distributed early next week. In the meantime, we encourage you to book this time in your diary – **Thursday 10 December 2020 from 10.00 – 11.00am**

FinPro AGM – this event was to be held at the end of November, however given that the current rules provide for up to 5 months for organisations to hold their AGM (due to COVID), the FinPro Executive have decided to delay the AGM until February 2020 in the hope that we will be able to provide at least a hybrid 'live' and 'virtual' event at that time. This event may be held by Region, depending on the restrictions at the time.

FinPro Leadership Program 2021 – Our next Leadership Program will be held from **16 – 19 May 2021**. Proudly supported by Vision Super, this program will offer the opportunity for up to 12 Emerging Leaders from within the FinPro Membership to take part in a 3-day residential program, onsite at Country Place Kalorama. We encourage all our members to consider applying for this program, or encouraging someone within their Council who they believe would be suitable to apply. Applications will open in February 2021.

FinPro Conference 2021 – This event is booked in at RACV Cape Schanck for **Wednesday 20 – Friday 22 October 2021**.

Past Events

Copies of past recordings and presentations are available on our [website](#).

Information included:

- FinPro Mini-Conference 2020 (21 and 22 October 2020)
- Councillor onboarding (1 October 2020)

Message from our Partner – Vision Super

In a year like no other, it's been positive news for Vision Super and the Fund's long-term future.

Vision Super continues to be one of Australia's top rated and top performing funds, and just as importantly, we are able to do so while remaining steadfast to our beliefs, vision, and sustainable investment strategies, while always keeping our members in focus.

For all Australian superannuation funds it has been a tumultuous few years and the superannuation industry continues to face much scrutiny and many challenges. As a result, the industry faces an ever-changing landscape, and many funds are looking to strengthen and even consolidate in order to navigate the evolving regulatory and political landscape.

Over the past few years, we've had the opportunity to take stock of both our history and our future journey, and where our competition and the broader industry are headed too.

Through this process though it's become clear that Vision Super will continue to be in a very strong position, by continuing to be an industry leader through demonstrated commitment to its members, low fees, and sustainable investment philosophy.

Our vision is centered around being a sustainable, low cost, high performing fund, while always putting our members first when investing their money for their future. However, we also believe for super to be truly super, it needs to have a positive impact on the planet.

As a result, Vision Super has a new look. The refreshed Vision Super brand is built on four powerful pillars. The first three, form our vision; high performance, sustainability and low cost. The last is awarded - that is independent and verified industry recognition of our multiple and long-term achievements.



The simplest way to immerse yourself in Vision Super's new brand is to visit our website www.visionsuper.com.au

Apart from the new look we updated the website because for most it is the starting point to get answers. So, it has been updated to make it easier for you to search and find the answers you may have so you can feel informed and make decisions when it comes to your super.

Anyone can join online, so if you're not already a member, learn more and join today. Easy, convenient super just for you.

This information does not take into account your personal objectives, financial situation or needs. You should consider whether it is appropriate for you and your personal circumstances before acting on it and, if necessary, you should seek professional financial advice. Before making a decision to invest in any Vision Super product, you should read the relevant Vision Super Vision Product Disclosure Statement (PDS). Ratings (awards) are just one factor that you should consider when deciding to join Vision Super. Vision Super Pty Ltd ABN 50 082 924 561 AFSL 225054 is the Trustee of the Local Authorities Superannuation Fund ABN: 24 496 637 884. www.visionsuper.com.au

Job Vacancies

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

Current positions

- **Coordinator Financial Accounting**
- Knox City Council
- www.careers.knox.vic.gov.au/en/job/492870/coordinator-financial-accounting
- For further information about the role please contact Dennis Bastas, Acting Manager Business & Financial Services on 0418 523 203
- Closing Date – Sunday 29 November 2020

- **Accountant**
- City of Wodonga
- <https://www.wodonga.vic.gov.au/careers>
- For further information about the role please contact Nicola Gleeson Coopes, Manager Finance on 0466 942 198
- Closing Date – Thursday 3 December 2020

- **Financial Accountant**
- Moreland City Council
- <http://applynow.net.au/jobs/MOR50-financial-accountant>
- For further information about the role please contact Glenn Johnston on 9240 2482
- Closing Date – 5.00pm, Friday 4 December 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

We thank our 2020 Corporate Partners

- Commonwealth Bank
- CT Management
- MAGIQ Software
- LG Solutions
- VOTAR Partners
- Vision Super

[Corporate Partnership](#) is available to all businesses and is an opportunity to support FinPro, our members and the sector as we journey through COVID and are unable to provide face-to-face Professional Development and live sponsorship opportunities.

For further information please contact Gabrielle Gordon on 0400 114 015 or at gabrielle@finpro.org.au