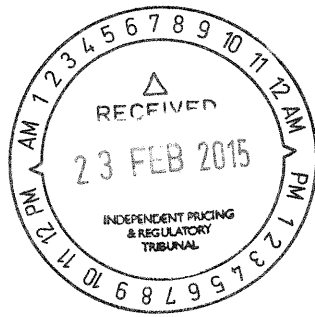


IPART
P.O.Box K35
Haymarket Post Shop
NSW 1240



Dear Sir/Madam.

The Deniliquin Council, located in the South West area of New South Wales, has made it known that it intends to apply to IPART to alter its Delivery Program to introduce a levy on all businesses in the LGA of Deniliquin.

Council has had a number of information sessions regarding this issue and has received a very negative response to the introduction of the levy which seems to have been ignored by Council.

The business owners are supportive of a promotion campaign but believe that funding for that campaign should be sourced from Council's current revenue stream.

The business owners in Deniliquin are vigorously opposed to the introduction of a new levy on their businesses and the majority have signed a petition to show their displeasure.

It should be noted that there are many vacant shops in the C.B.D of Deniliquin and a lot of these are owned by out of town investors. Unfortunately those absentee owners could not all be contacted to comment on the issue nor to sign the petition had they been inclined to do so.

However it is further noted that Mr Lester Wheatley, Real Estate Agent, who manages over 80% of the commercial businesses in the CBD has indicated that he is 'vehemently opposed' to the proposed levy and has indicated (Pastoral times 30/1/2015);

"he would recommend to his business clients that they do not support the levy as proposed".

A copy of that petition is attached.

Also attached are;

- a copy of an extract from the Council's minutes of the 26th March 2014 showing Council to be in a healthy financial position.
- A copy of report in the Local Newspaper, the Pastoral Times of the 30th January 2015.
- A copy of Statement of cash flows year ended 30th June 2014 showing an increase of \$1,098,000.00 in Total cash equivalents and investments over the previous year.

The Deniliquin Businesses cannot, and nor should they, be asked to fund this promotion on top of the very high rates already being paid to the Deniliquin Council.

The Deniliquin Community has recently experienced the closure of the District Forests and the Red Gum Industry on the basis that the conversion of the forests to National and Regional Parks. The community was assured by Government that this would lead to an influx of many thousands of visitors to the region. Unfortunately the reality is that fewer visitors now come to the region because of the restrictions that apply to the National and Regional Parks.

We trust that IPART will take the issues raised in the petition into account when considering the Council's application.

Signed

On behalf of the Business Owners in Deniliquin.

57/14 **SUBJECT:** **MINUTES OF THE GENERAL MEETING OF THE RIVERINA AND MURRAY REGIONAL ORGANISATION OF COUNCILS (RAMROC) HELD IN JERILDERIE ON 5 MARCH 2014**

FROM: **GENERAL MANAGER
Des Bilske**

Moved Councillor Howley

That Council note the Minutes of the General Meeting of the Riverina and Murray Regional Organisation of Councils (RAMROC) held in the Ian Gilbert Room at Jerilderie Shire Council on Wednesday 5 March 2014 at 10.00am.

Seconded Councillor Hall

CARRIED

CORPORATE AND GOVERNANCE REPORTS

58/14 **SUBJECT:** **INVESTMENT REPORT AS AT 28 FEBRUARY 2014**

FROM: **DIRECTOR CORPORATE SERVICES
Terri Maguire**

Moved Councillor Howley

That Council note and receive the Report on Investments totalling \$13,902,991 with a carrying value of \$13,619,741 inclusive of cash on hand for day to day operations, and \$51,684 interest earned for the month of February 2014.

Seconded Councillor Fogarty

CARRIED

Business leader's opposition to levy

Elders Deniliquin principal Lester Wheatley says he is vehemently opposed to Deniliquin Council's proposed Promotion Fund.

Council says a \$195 levy could generate a local promotion fund of more than \$150,000 a year.

But Mr Wheatley says "it is crazy timing" and that council must improve the state of the CBD and town entrances before Deniliquin would benefit.

He also says the payment should be spread across the entire rate base and not only from the pockets of business property owners.

"I am not confident in council's ability to conduct a promotion, as many years of them failing would testify," Mr Wheatley said.

"I feel the levy should not just be placed on business property owners as there may be no ability to pass on other charges outside the agreed lease.

"It is unfair to target a portion of the community when everyone benefits from improved economic conditions.

"Some business property owners have been stuck with vacant business properties for some time and paying exorbitant rates for no services. And now they want to add more costs to those rates.

"I also think until Deni Council improve the facilities in Deni we will not benefit from the proposal.

"At the moment Deni looks disgusting in terms of our disgraceful entrances and increased water prices stopping people from watering their gardens. We also have the iconic Federal Hotel building in the centre of the CBD in a terrible state, which impacts on the entire area.

"Expending this money would be of minimal benefit to the town before these matters are addressed."

Mr Wheatley said council was side-stepping its responsibility to Deniliquin. He said it should clean up its own operations before considering a Promotion Fund.

"It is my opinion that council is not running efficiently or effectively at the moment... some of this wouldn't be helped by the reduction in council employees recently," Mr Wheatley said.

"Council says it will create 400 jobs by the Promotion Fund but we have no idea where they will come from. The figures have just been plucked from the sky.

"I am not against a Promotion Fund entirely, just the timing of this one being proposed now."

Mr Wheatley — who leases almost 80 per cent of Deniliquin's commercial buildings — said he would be recommending his business clients do not support the levy as is currently proposed.

Health scholarships now open

Students studying health courses who attended Deniliquin High School may be eligible for Ochre Health's Rural Health Scholarships.

Ochre Health is offering two scholarships — one for Indigenous people and one for non-Indigenous people.

The Ochre Health Foundation scholarship provides \$2000 to assist successful applicants in covering costs related to health studies.

Applicants must have completed secondary schooling at Deniliquin High School or one of the other 13 towns where Ochre Health manages a health facility.

Examples of health courses that would be eligible include medicine, dentistry or dental technician, nursing (EN and RN), aboriginal health worker, optometry and allied health courses like physiotherapy, occupational therapy, podiatry, dietetics, psychology, speech therapy and exercise physiology.

Applications close February 27, 2015 and should be submitted to scholarship@ochrehealth.com.au. Successful applicants will be announced on March 6, 2015.

Ochre Health manages the Deni Medical Centre.



■ Rural Health Scholarship 2013 recipient Ethan Johnson and Ochre Health general manager Maureen Thornhill.

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Deniliquin Council

Statement of Cash Flows

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
Cash Flows from Operating Activities				
<u>Receipts:</u>				
8,654	Rates & Annual Charges		9,284	8,693
2,610	User Charges & Fees		2,887	2,297
409	Investment & Interest Revenue Received		549	422
5,110	Grants & Contributions		4,081	6,545
-	Bonds, Deposits & Retention amounts received		-	26
492	Other		(630)	722
<u>Payments:</u>				
(5,590)	Employee Benefits & On-Costs		(5,875)	(5,151)
(3,858)	Materials & Contracts		(4,010)	(4,507)
(276)	Borrowing Costs		(255)	(521)
-	Bonds, Deposits & Retention amounts refunded		(95)	-
(2,628)	Other		(1,986)	(1,912)
-	Net Cash from Library		-	145
4,923	Net Cash provided (or used in) Operating Activities	11b	3,950	6,759
Cash Flows from Investing Activities				
<u>Receipts:</u>				
500	Sale of Investment Securities		500	1,266
-	Sale of Infrastructure, Property, Plant & Equipment		68	115
<u>Payments:</u>				
-	Purchase of Investment Securities		(5,001)	(44)
(4,204)	Purchase of Infrastructure, Property, Plant & Equipment		(2,322)	(7,350)
(3,704)	Net Cash provided (or used in) Investing Activities		(6,755)	(6,013)
Cash Flows from Financing Activities				
<u>Receipts:</u>				
-	Proceeds from Borrowings & Advances		-	3,433
<u>Payments:</u>				
(608)	Repayment of Borrowings & Advances		(601)	(521)
(608)	Net Cash Flow provided (used in) Financing Activities		(601)	2,912
611	Net Increase/(Decrease) in Cash & Cash Equivalents		(3,406)	3,658
6,121	plus: Cash & Cash Equivalents - beginning of year	11a	11,213	7,555
6,732	Cash & Cash Equivalents - end of the year	11a	7,807	11,213
Additional Information:				
	plus: Investments on hand - end of year	6b	5,281	777
	Total Cash, Cash Equivalents & Investments		13,088	11,990

Please refer to Note 11 for additional cash flow information

IPART

P.O.Box K35

Haymarket Post Shop

NSW 1240

Dear Sir/Madam

We the undersigned business owners and commercial property owners in Deniliquin wish to express our total rejection of the Deniliquin Council's attempt to raise additional revenue by the introduction of a Levy on Businesses in Deniliquin.

Deniliquin Businesses already pay a very high rate of tax when compared with other towns of similar size in the region. Businesses are struggling and in the last 12 months up to 30 businesses have been forced to close.

Council has not helped the situation by continuing to use out of town companies for local work (refer Pastoral Times 13th June 2014). There has been a number of instances where Council has reportedly chosen to employ out of town trades persons and suppliers to upgrade Council premises.

Businesses in Deniliquin have suffered a significant down turn in recent years with firstly the Rice Mill closing for some years because of the drought (now reopened at a lower through put level), the closure of the Red Gum Industry and the closure of the Abattoir (now planning to reopen).

The effect of the drought still lingers resulting in closure of many businesses and those businesses that have survived cutting their margins to the bone.

Council is in a very strong financial position with approximately \$13 million invested. Council should be funding the Development program from its internal revenue source and from the many grants that are available for this type of program.

Council has, through the Play on the Plains Group and others, been able to source high dollar value grants for many projects in the town. This should continue but the development of a Visitor Incentive program should not come

out of the pockets of the business houses very few of which are involved in the Tourism Industry.

Many of the towns businesses operate out of rental accommodation. Councils' comments that the Landlords will not pass on this extra cost is laughable. The Landlords will not only pass that cost on but pure economics dictates that they must add their margin to that cost. So the proprietors of the business will have to pay more.

Council has said that the increase in cost is minimal.

However Businesses in Deniliquin have been operating on a very small, and sometimes non-existent, margin and when the overheads are factored in any additional cost is a very high burden. We predict that there will be further businesses closing if this imposition goes ahead.

Business owners in Deniliquin believe that the proposed levy is a ruse to get around rate pegging. Council should, as it has done before, fund the Visitor incentive program from its already high revenue stream.

The design of the Levy lacks fairness. By charging all business houses the same rate then the individual business proprietor and sole trader will pay the same rate as the large supermarkets such as Coles, McDonalds etc.

There are many empty business shops in Deniliquin both in the CBD and elsewhere. The owner of these untenanted buildings will be forced to pay the levy with no means of passing that cost on.

Council's initial approach was to use the levy to increase the membership of the Chamber of Commerce. That would mean that the Council would be forcing commercial property land holders to become members of what is a voluntary organisation. Fortunately this has been dropped but apparently without any communication with the President of the Chamber. (Pastoral Times 13/12/14).

There are many businesses in Deniliquin that do not rely on or have very little benefit from visitor groups. However there does not appear to be any recognition of this and all will have to pay whether they benefit or not.

This is unacceptable.