

Your rates for the 2005/06 financial year

Dear Wanganui Ratepayer

Wanganui District Council has unanimously committed to a nil rates increase for the 2005/06 financial year.

This means council will collect the same total amount of money from rates as it did in 2004/05. However, due to property revaluations in 2004, individual rates bills will vary – some properties will have increases but most will have rate decreases. The *Local Government (Rating) Act 2002* requires councils to strike rates based upon property and land valuations as determined by Quotable Value (previously Valuation New Zealand). Quotable Value's most recent valuation was conducted at the end of last year.

Generally, if a property's land value has increased more than the average (85%), and its capital value has increased more than the average (44%), the rates will increase. But if a property has not had a comparable increase in value, then its rates will drop.

This table shows the effect of revaluations across the district.

Suburb	Average Rateable Capital Value (\$)	% Increase from 2004	Average Rateable Land Value (\$)	% Increase from 2004
Castlecliff	\$78,961	60.7	\$22,429	166.9
Gonville	\$95,657	40.2	\$23,817	105.8
Springvale	\$156,164	36.9	\$38,790	51.3
St John's Hill	\$216,595	43.9	\$55,343	50.4
Aramoho	\$93,236	44.4	\$13,839	54.3
Central City	\$110,711	43.7	\$27,348	76.3
Wanganui East	\$99,360	40.8	\$21,220	52.5
Bastia/Durie Hill	\$143,795	46.9	\$37,585	53.1
Wanganui Rural	\$148,922	40.5	\$44,901	116.3

Source: Quotable Value 2005

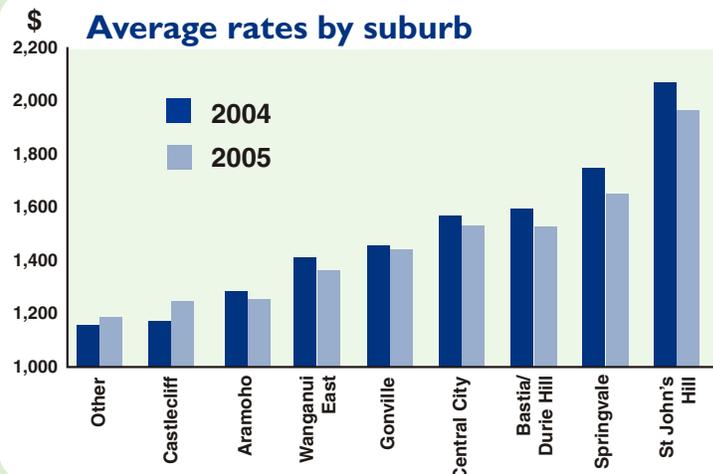
Average residential rates in the Wanganui District will decrease by 1.9% from last year. Of all suburbs, only Castlecliff will experience an increase in rates due to their phenomenal rise in land values (167%) and capital values (61%).

The following gives an indication of average rate movements across Wanganui suburbs from 2004/05 to 2005/06:

Average rates by suburb

Suburb	Average Rates 2004	Average Rate 2005	%Increase/Decrease
Other	1,150	1,173	+ 2.0
Castlecliff	1,166	1,237	+ 6.1
Aramoho	1,282	1,262	- 1.6
Wanganui East	1,406	1,356	- 3.5
Gonville	1,447	1,433	- 1.0
Central City	1,552	1,522	- 2.0
Bastia/Durie Hill	1,579	1,524	- 3.5
Springvale	1,729	1,632	- 5.6
St John's Hill	2,067	1,948	- 5.8

Average rates by suburb



Council has also resolved to conduct a formal rates review. Your feedback will be invited on rates related issues like equity and comparability between residential and commercial rates.

Wanganui house prices continue to soar

Although some Wanganui people may have to pay slightly higher rates, we are all getting richer as house prices continue to surge and exceed the national average by almost three times. For the year to June 2005, house prices soared by 39% in Wanganui but just 14.2% across the rest of New Zealand.

In other words, house owners are about 40% richer than they were a year ago. Wanganui residents tend to own their own home so that wealth gain is evenly distributed throughout the community.

Changes to the 2005/06 Draft Annual Plan

Some changes have been made from the Draft Annual Plan for 2005 to include new projects in the Annual Plan for 2005/06. They include:

PROJECT	\$
Graffiti removal	10,000
Community security patrols	50,000
Castlecliff Beach upgrade	25,000
Heart of Wanganui project	120,000 (revitalising the Queens Park amenities)
Kowhai Park facelift	30,000
Footpath repair and renewal	100,000
City Marina repairs	30,000
Youth policy initiatives	56,000 (including new Youth Council)



WANGANUI
REFERENDUM

05

update

Council will fund the three highest-ranking projects from *Referendum '05*.

The Splash Centre extension and Central City waterfront development will be funded from the sale of non-performing council assets. Footpath repair and renewal will receive \$100,000 of extra council revenue from this year's budget.



Best wishes,

Michael Laws
MAYOR

