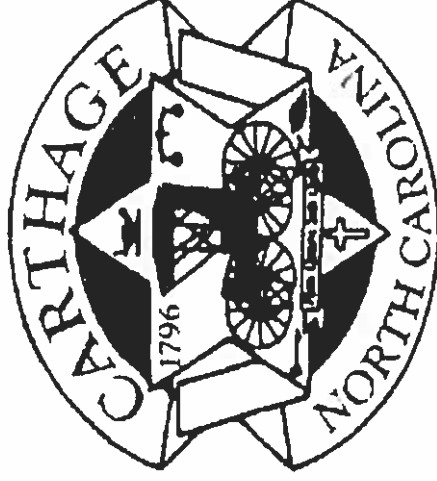


Town of Carthage

State of the Town Report

Board of Commissioners

Budget Workshop



March 7, 2015

Town of Carthage

Mayor Lee McGraw

Mayor Pro-Tem Milton “T” Dowdy, Jr. **Commissioner George Wilson, Jr.**

Commissioner Artie Barber **Commissioner Jimmy Chalfinch**

Commissioner Marvin Phillips

Tom Robinson, Town Manager

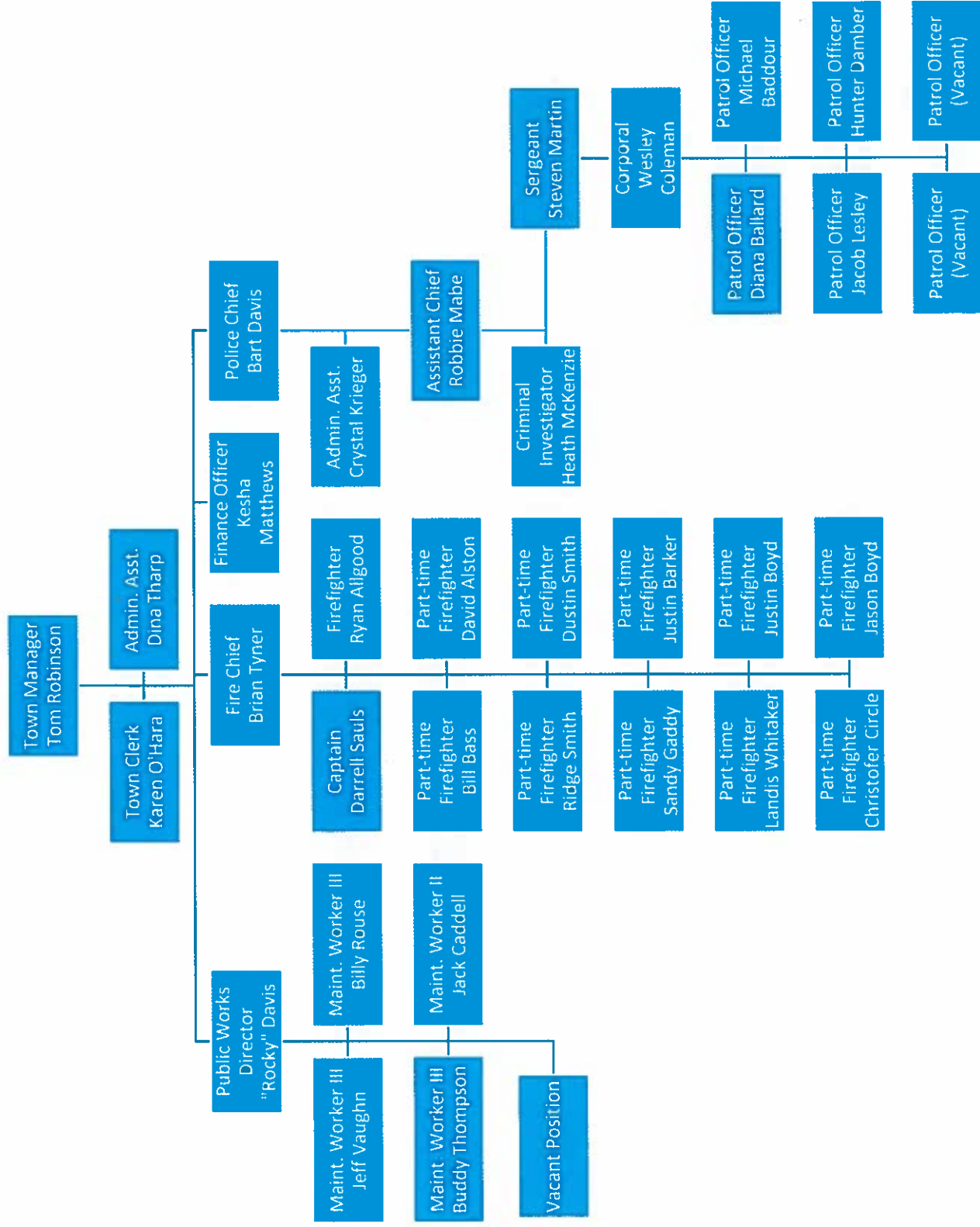
Karen O’Hara, Town Clerk **Kesha Matthews, Finance Officer**

Bart Davis, Chief of Police **Brian Tyner, Fire Chief**

A.H. “Rocky” Davis, Director of Public Works

Town of Carthage Staff

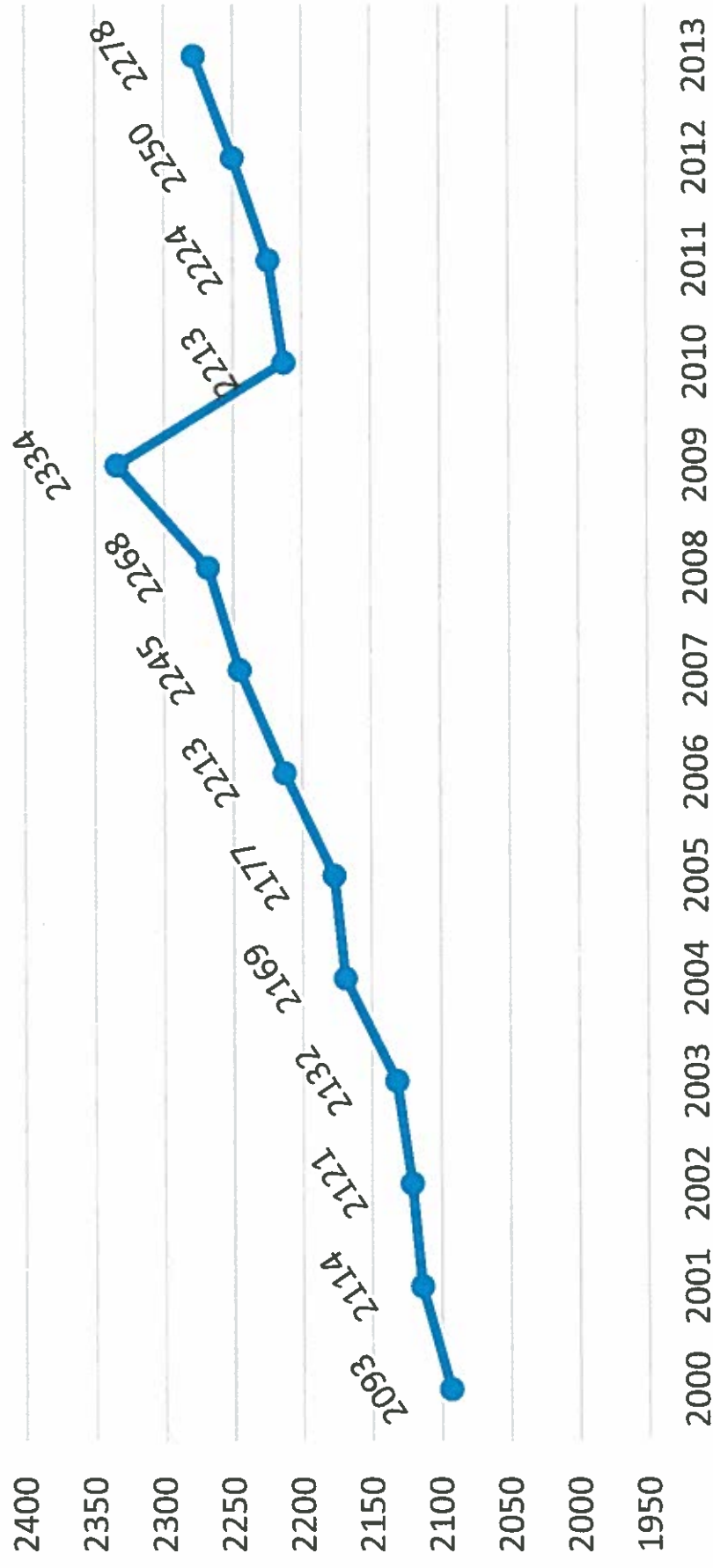
(24 Full-time, 11 Part-time)



Added /Deleted Staff Positions

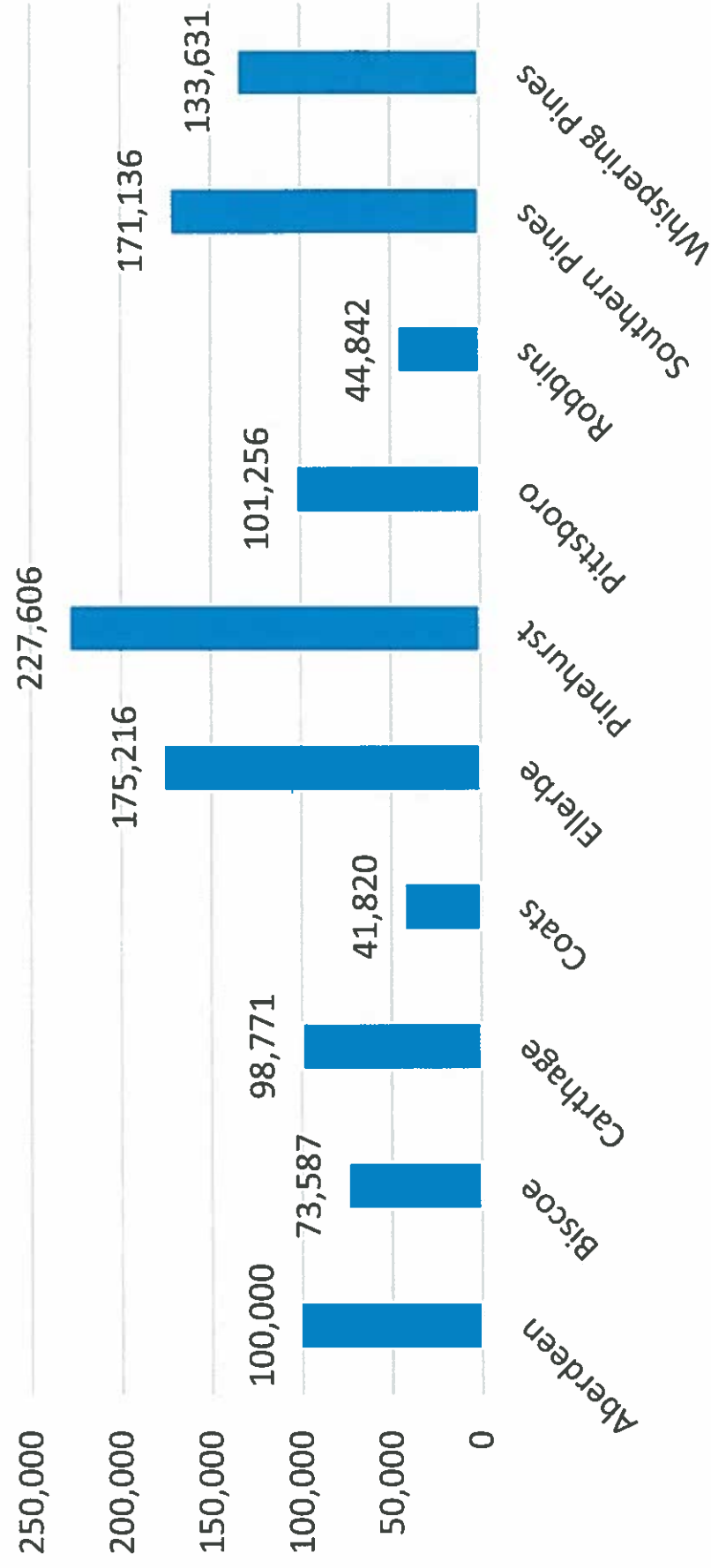
- 2007-08
 - None
- 2008-09
 - None
- 2009-10
 - None
- 2010-11
 - None
- 2011-12
 - None
- 2012-13
 - Abolished Assistant Director of Public Works
 - Maintenance Worker III
- 2013-14
 - Town Manager (full-time to part-time)
 - Police Officer
 - 2 Full-time Firefighters (SAFER Grant)
 - 4 Part-time Firefighters (SAFER Grant)
- 2014-15
 - Planner (part-time)

Population



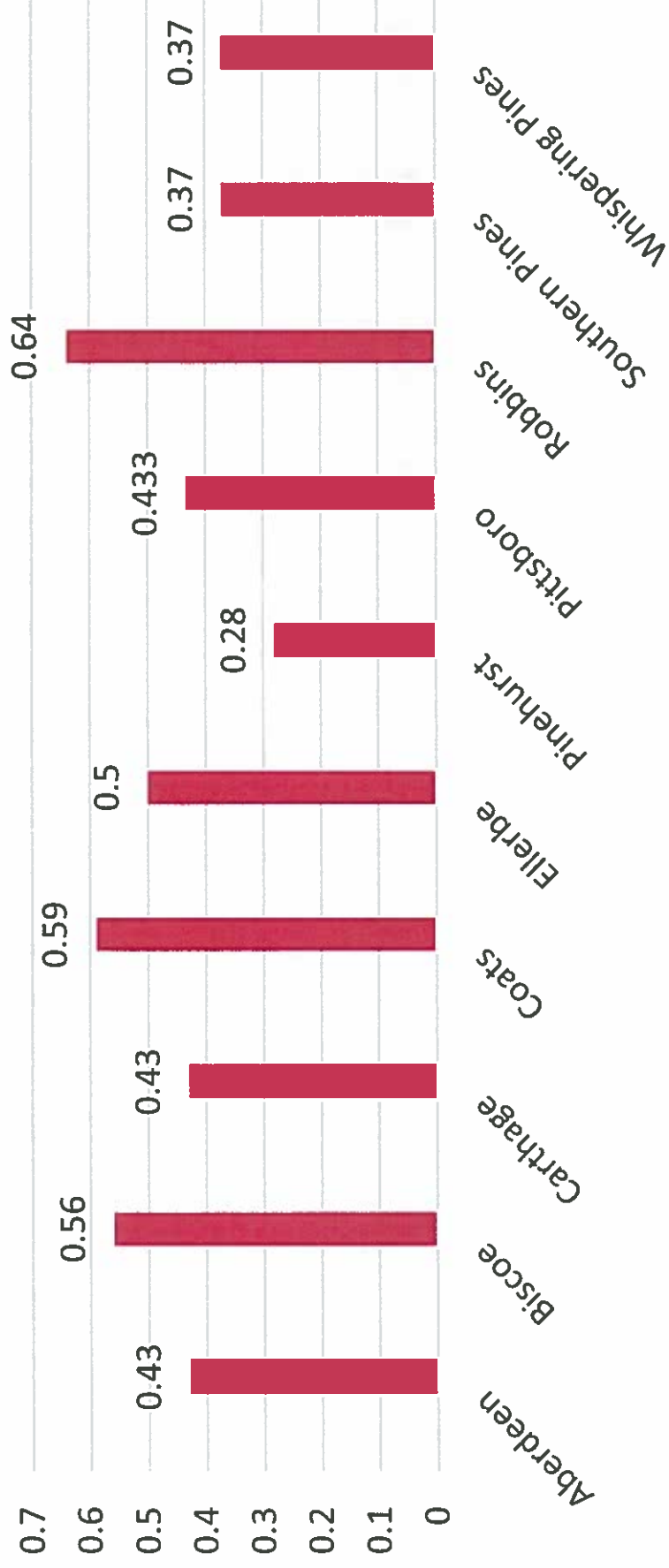
The sharp decline in population in 2010 is due to receiving information from the US Census. Population totals effect population distributed revenues, like sales tax.

Tax Base Per Capita



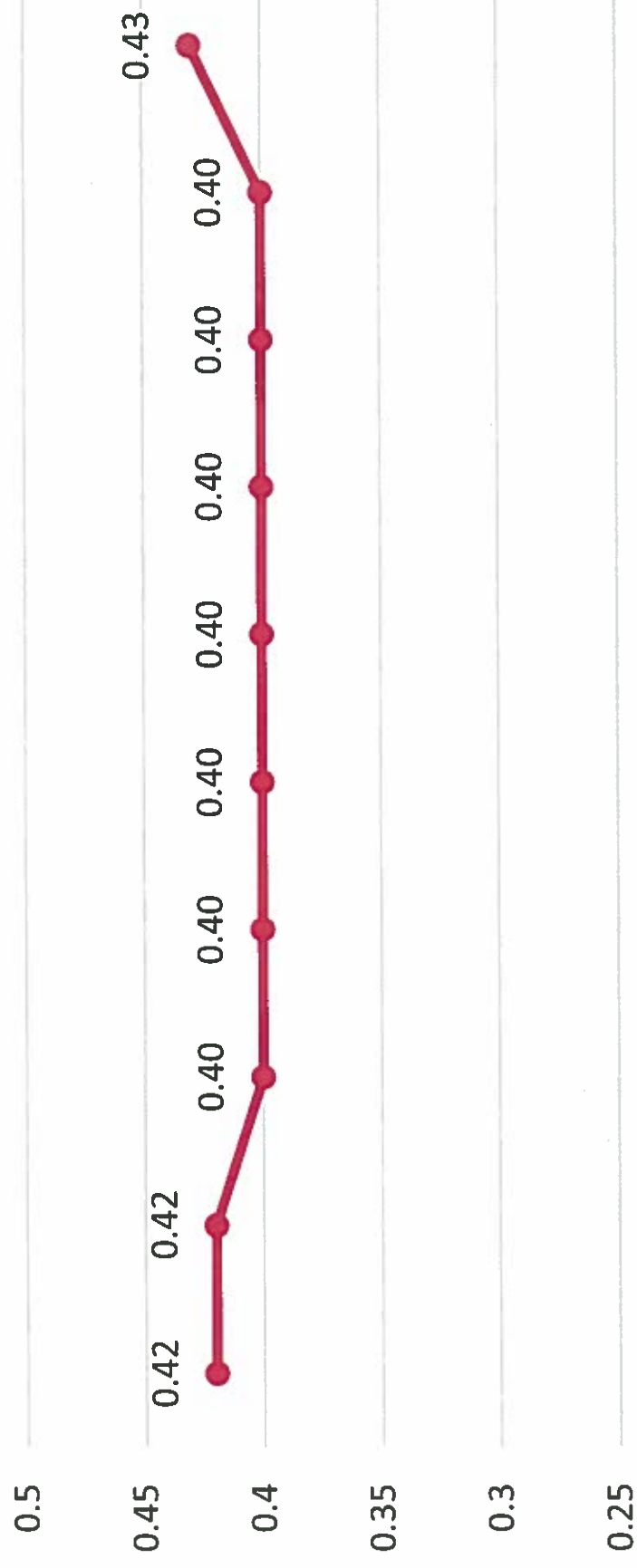
Tax Rate Comparison

Property Tax Rate Per \$100 Valuation (FY 2014-15)

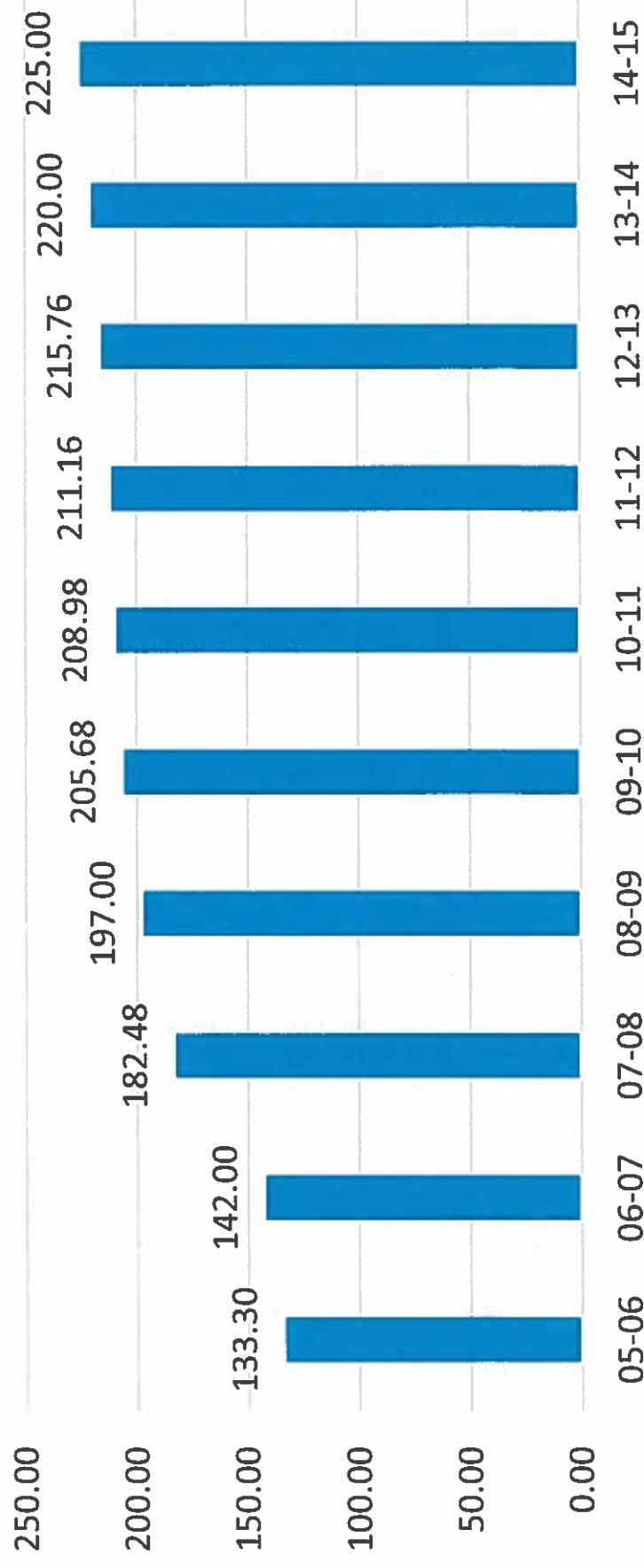


Property Tax Rate History

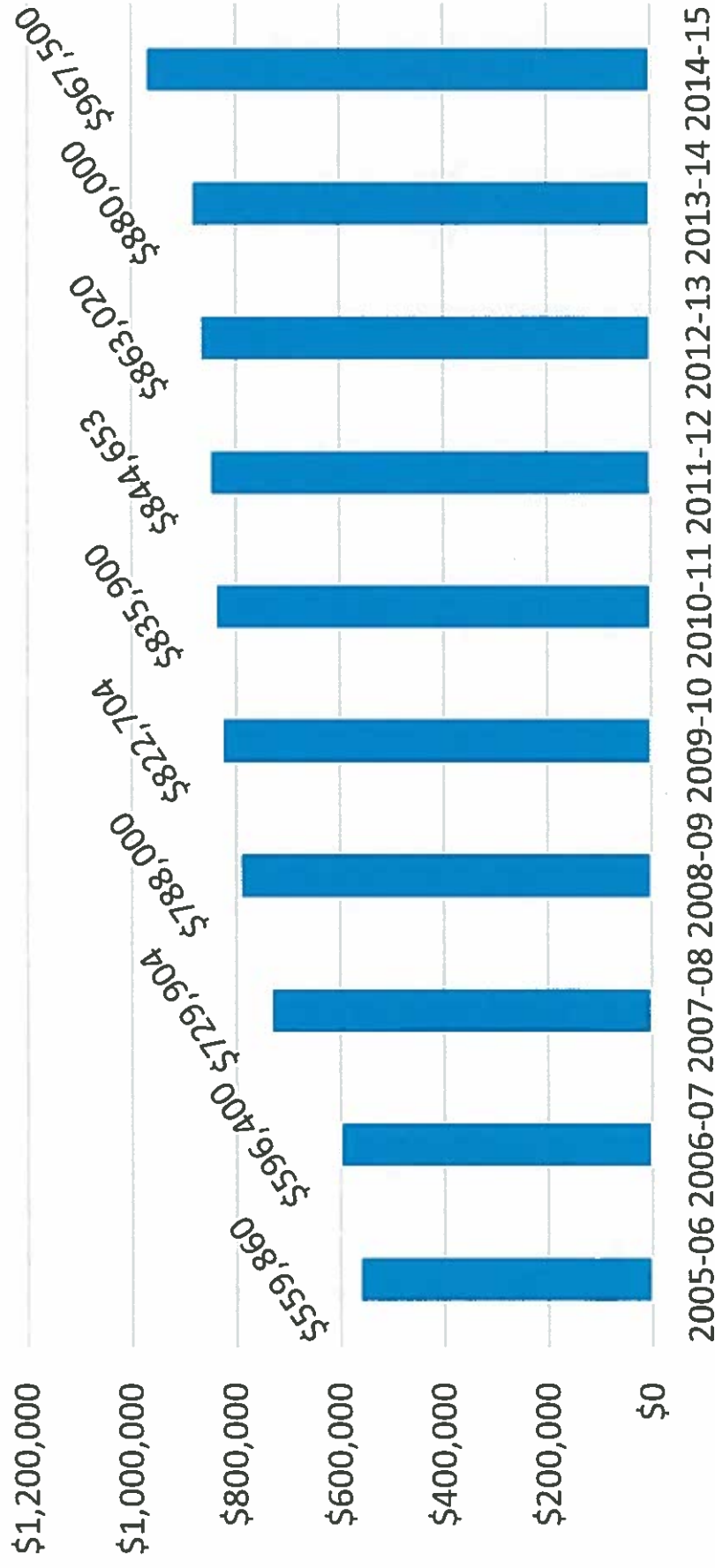
Property Tax Rate Per \$100 Valuation



Tax Valuation History (In Millions)

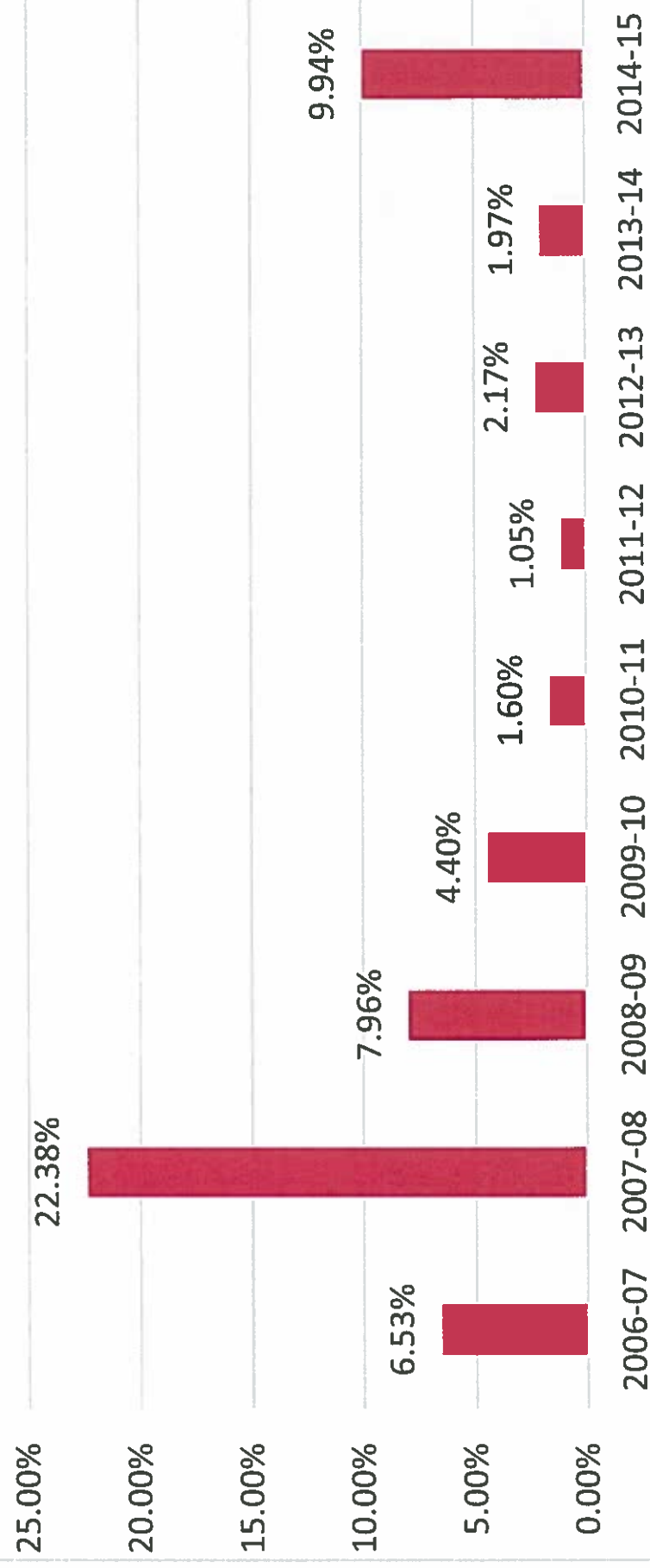


Property Tax Levy History



2014-15 value reflects 3 cent property tax increase.

Property Tax Levy Percentage Change from Previous Year

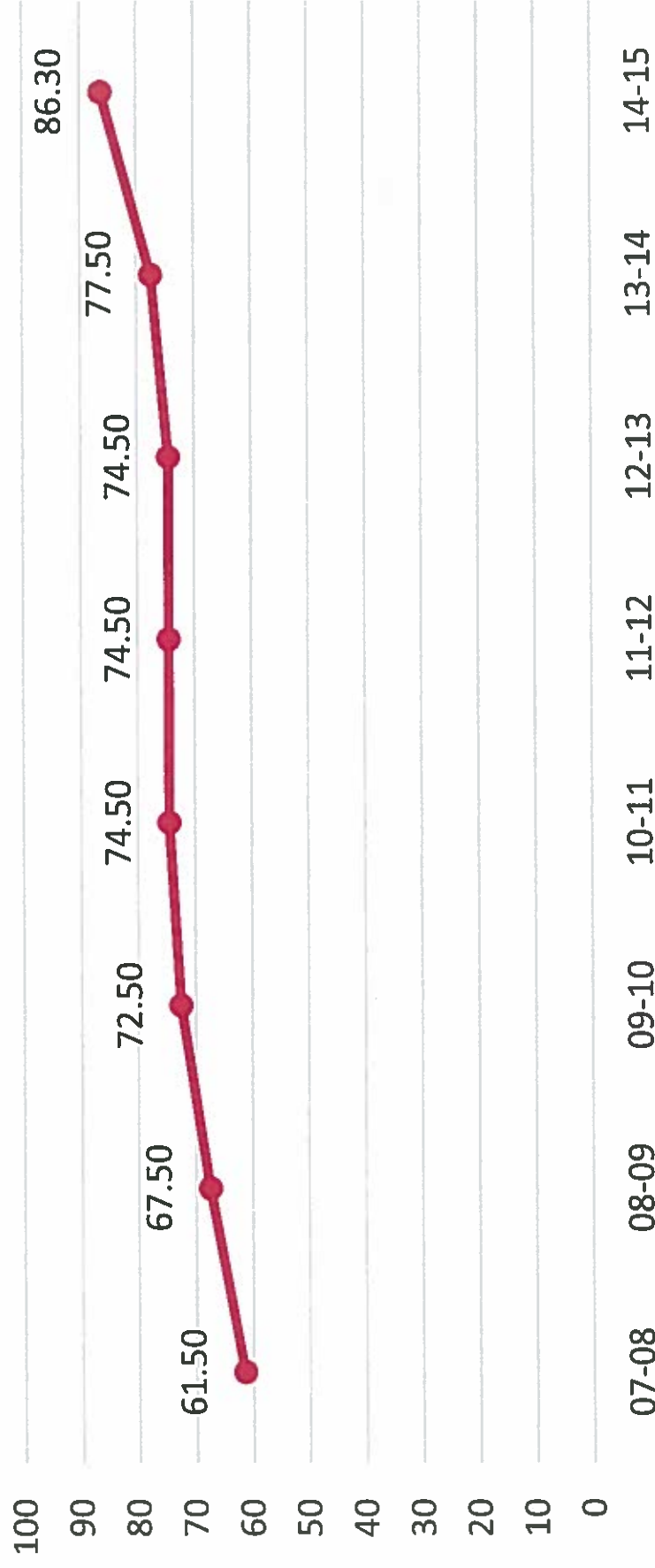


2007-2008 TAX REVALUATION YEAR

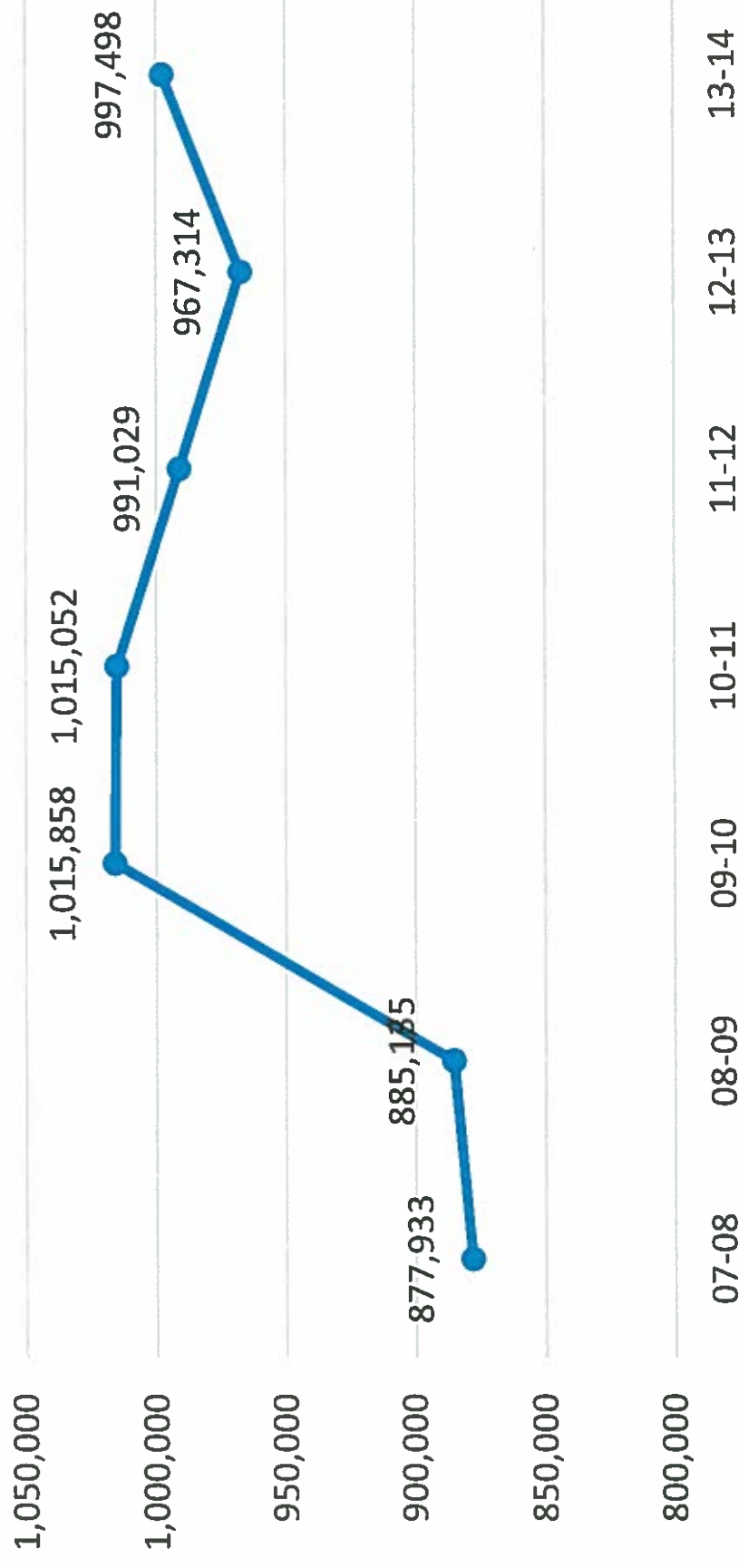
2014-15 number reflects 3 cent property tax increase.

Water & Sewer Rate History

Cost Per 5,000 Gallons - Residential



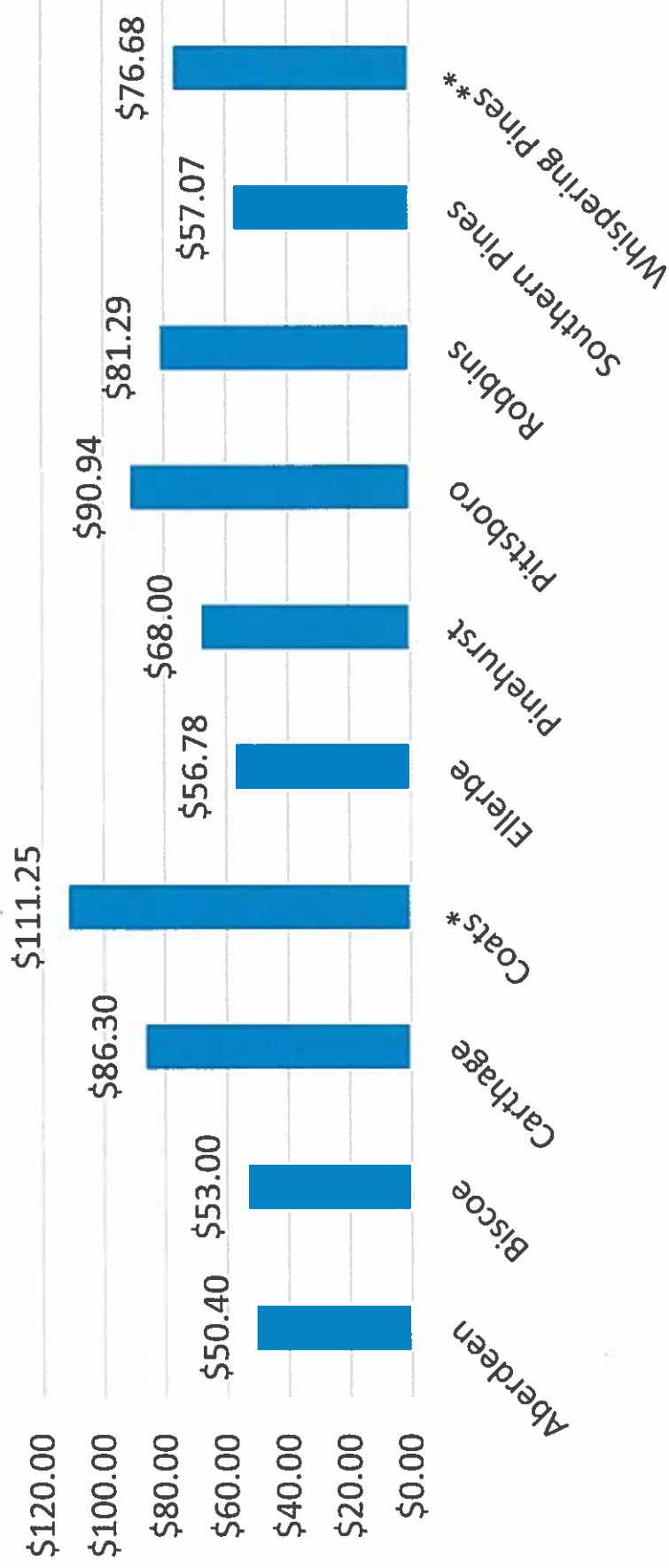
Water & Sewer Revenue History



The decline in revenues is believed to be attributed to customers' voluntary water conservation and also the replacement of old water meters. The new meters show more accurate consumption readings.

Water & Sewer Rate Comparison

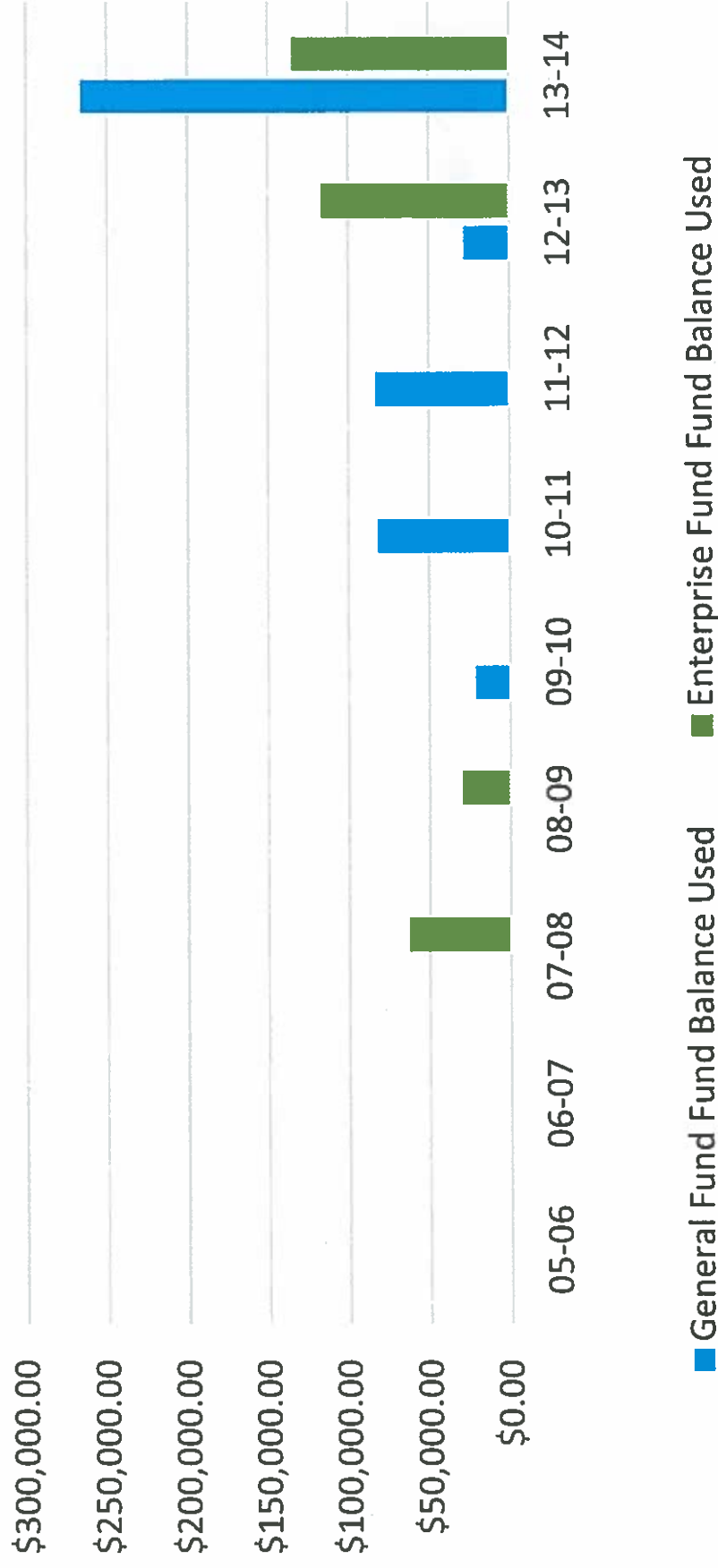
Cost Per 5,000 Gallons - Residential



*The Town of Coats bills water only, the sewer is billed by the County.

**Whispering Pines' water is billed by a private company; the sewer is billed by the County

Fund Balance Used



The significant increase in use of General Fund fund balance is due to transfer to Water Sewer Fund for purchase of water plant filters, generators and other one-time expenses.

Town of Carthage Challenges/Issues

- Very low rate of growth in tax base and levy
- Pay back of Rural Center – Little River water line funding
- What will be new property valuations at next Moore County Revaluation in 2015-16
 - Moore County tentatively projecting a 3% loss in valuation for Carthage.
 - Town would need an operating tax rate of 44.3 cents to maintain the same property tax revenue
- Water and sewer rates relatively high but just covering operating expenses, no depreciation
 - Will need to look at water and sewer rates needed to cover debt service payments for new USDA water and sewer loans
- General fund revenues not covering expenses; need to be sustainable

- Level of service, especially Fire Department
- What are Town's strategic goals for next 5 to 7 years
 - Rebuild fund balance
 - Develop 5 to 7 year Capital Improvement Plan
 - Fund capital needs
 - Large amount of water and sewer needs
 - Streets and sidewalks

TOWN OF CARTHAGE

OUTSTANDING DEBT AT JUNE 2015

<u>GENERAL FUND</u>	DESCRIPTION	Financing Agency	ACCOUNT #	AMOUNT OF ISSUE	DATE OF ISSUE	BALANCE 6/30/2014	PAYMENTS		BALANCE 6/30/2015
							PRINCIPAL ONLY	ADDITIONS	
MUNICIPAL BUILDING		USDA RURAL DEV.	10-500-91	630,000.00	4/23/2002	543,054.07	0.00	9,671.88	533,382.19
(6) POLICE VEHICLES		FORD CREDIT	10-510-20	205,369.34	7/31/2012	102,518.98	0.00	49,802.72	52,716.26
2007 PIERCE FIRETRUCK		USDA RURAL DEV.	10-530-20	350,000.00	5/24/2007	258,011.65	0.00	153,971.00	104,040.65
2015 CHEVY TAHOE		FIRST BANK	10-530-20	31,600.00	12/4/2014	0.00	31,600.00	0.00	31,600.00
2005 FERRARA CRASH TRUCK		BB&T	10-530-20	42,291.45	10/21/2011	25,825.30	0.00	8,427.59	17,397.71
SUB-TOTAL GENERAL FUND				1,259,260.79		929,410.00	31,600.00	221,873.19	739,136.81
WATER & SEWER FUND									
2013 FORD F150		FORD CREDIT	30-870-74	28,714.77	9/13/2012	14,328.11	0.00	6,935.19	7,392.92
SEWER SYSTEM UPGRADE		USDA RURAL DEV.	30-850-91	1,056,000.00	11/18/2014	0.00	1,056,000.00	15,000.00	1,041,000.00
2015 CHEVY 2500 TRUCK		FIDELITY BANK	30-870-84	42,653.30	9/18/2014	0.00	42,692.00	0.00	42,692.00
VENTRAC TRACTOR		FIDELITY BANK	30-870-84	34,308.00	9/18/2014	0.00	34,308.00	0.00	34,308.00
SEWER TRUCK		FIDELITY BANK	30870-84	87,869.00	2/2/2015	0.00	87,869.00	0.00	87,869.00
BACKHOE		FIDELITY BANK	30-870-81	79,986.00	11/22/2010	20,965.80	0.00	20,965.80	0.00
SUB-TOTAL W&S				1,329,531.07		35,293.91	1,220,869.00	42,900.99	1,213,261.92
GRAND TOTAL GENERAL AND WATER & SEWER				2,588,791.86		964,703.91	1,252,469.00	264,774.18	1,952,398.73

GENERAL FUND

POLICE DEPARTMENT
FORD CREDIT PAID JULY 2015 (\$205,369.34)

BUILDINGS & GROUNDS
USDA PAID JANUARY 2042 (\$630,000.00)

FIRE DEPARTMENT
USDA PAID MAY 2027 (\$350,000.00)
BB&T PAID SEPTEMBER 2017 (\$42,291.45)

WATER & SEWER FUND

WATER & SEWER
FORD MOTOR CREDIT PAID SEPTEMBER 2015 (\$28,714.77)
FIDELITY BANK PAID OCTOBER 2019 (\$164,869.00)
DIVISION OF WATER QUALITY PAID MAY 2014 (\$972,480.00)