

Town of Carthage

State of the Town Report

Board of Commissioners

Planning & Budget Workshop



February 25, 2017

Town of Carthage

Mayor Lee McGraw

Mayor Pro-Tem Milton "T" Dowdy, Jr. Commissioner George Wilson, Jr.

Commissioner Artie Barber Commissioner Jimmy Chaffinch

Commissioner Marvin Phillips

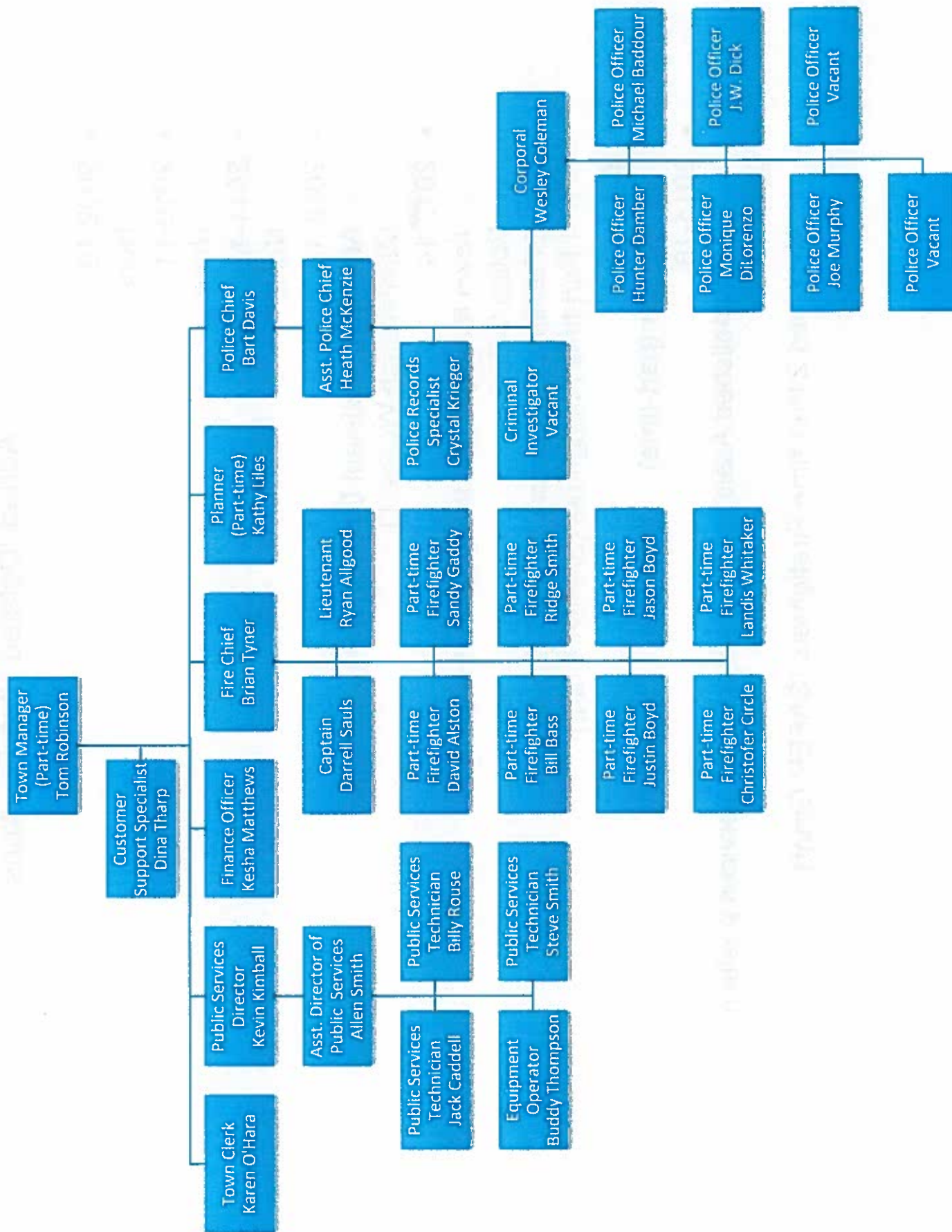
Tom Robinson, Town Manager

Karen O'Hara, Town Clerk Keshia Matthews, Finance Officer

Bart Davis, Chief of Police Brian Tyner, Fire Chief

Kevin Kimball, Director of Public Works

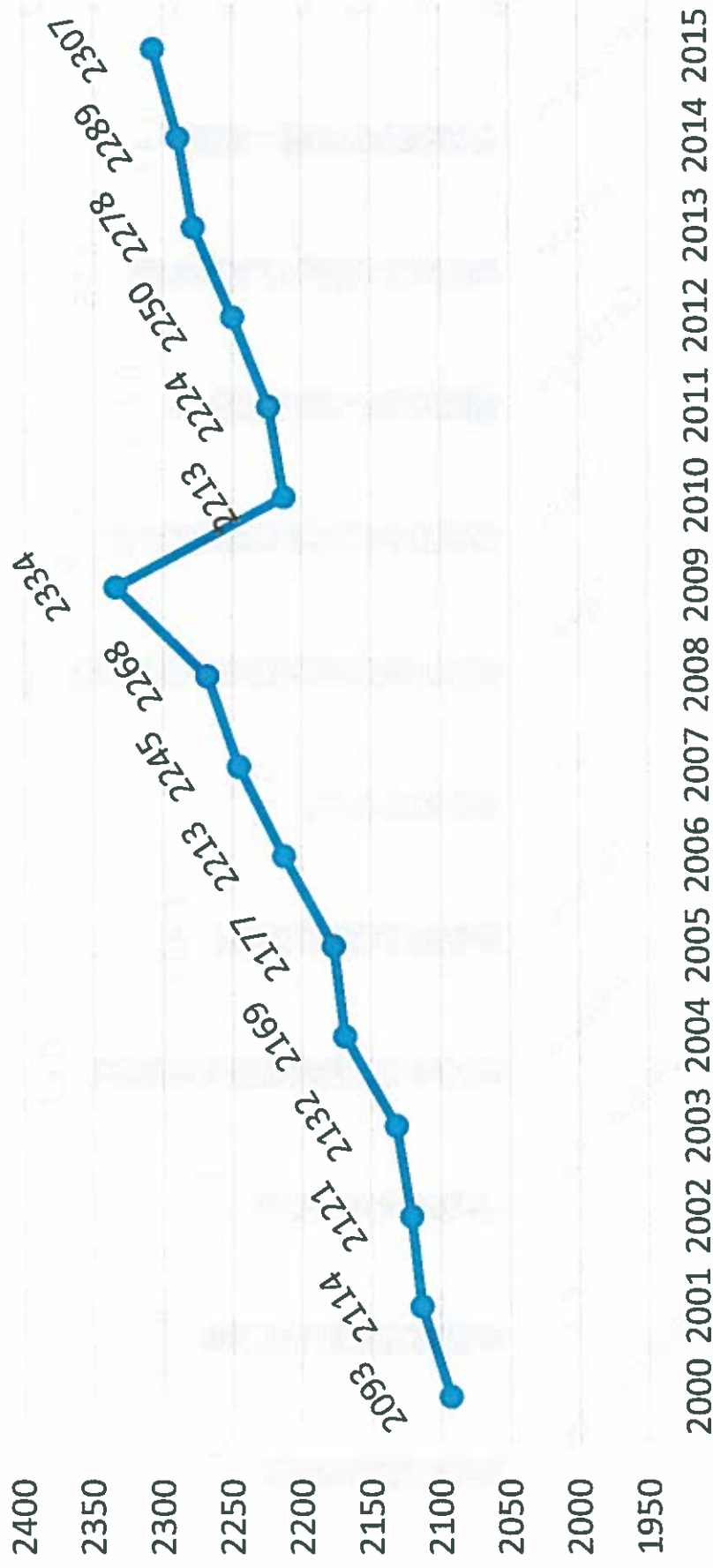
TOWN OF CARTHAGE STAFF
(24 Full-Time, 10 Part-time)



Added /Deleted Staff Positions

- 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)
- 2015-16
 - Re-established Assistant Director of Public Services position
- 2016-17
 - Abolished 2 Part-time Firefighters (SAFER Grant)

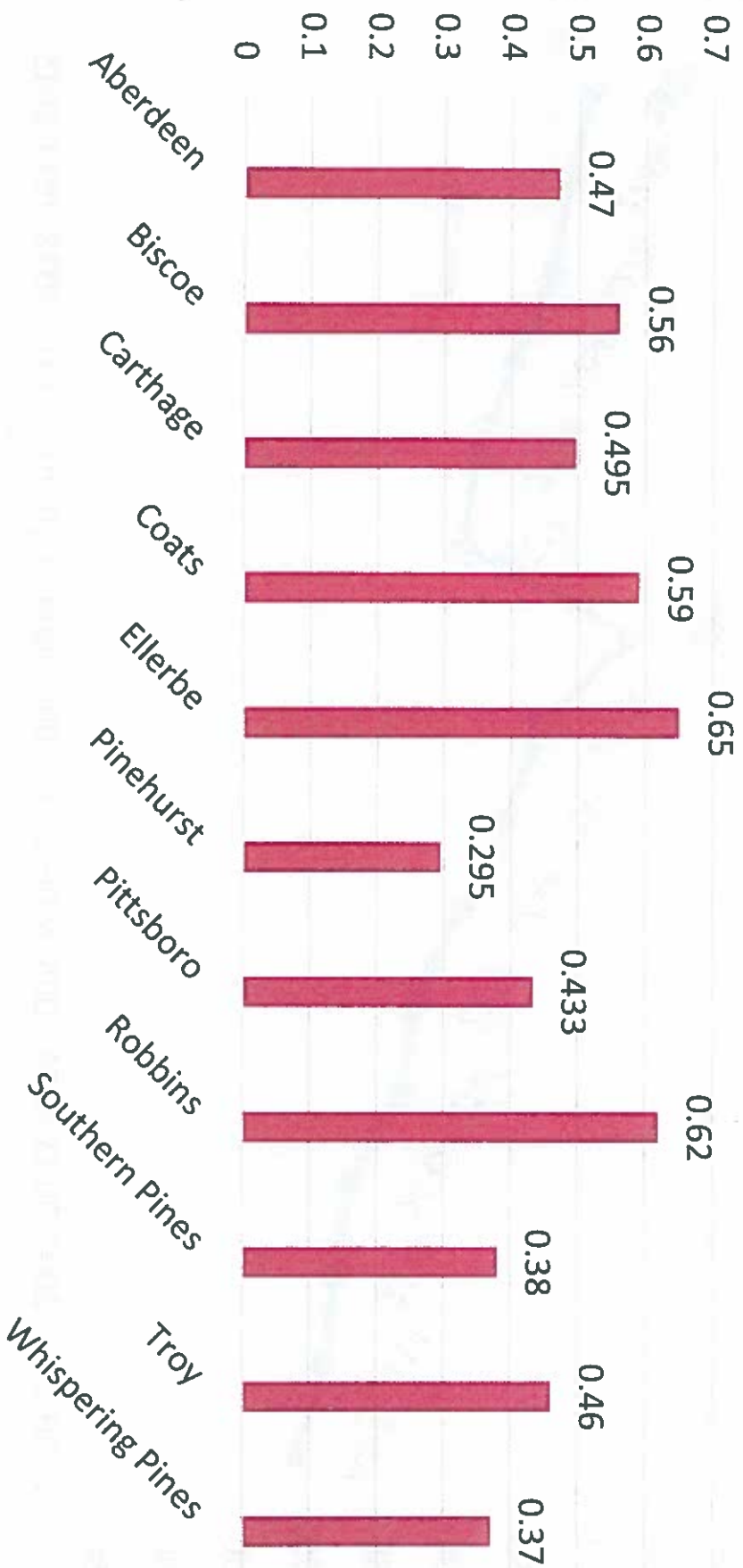
Population



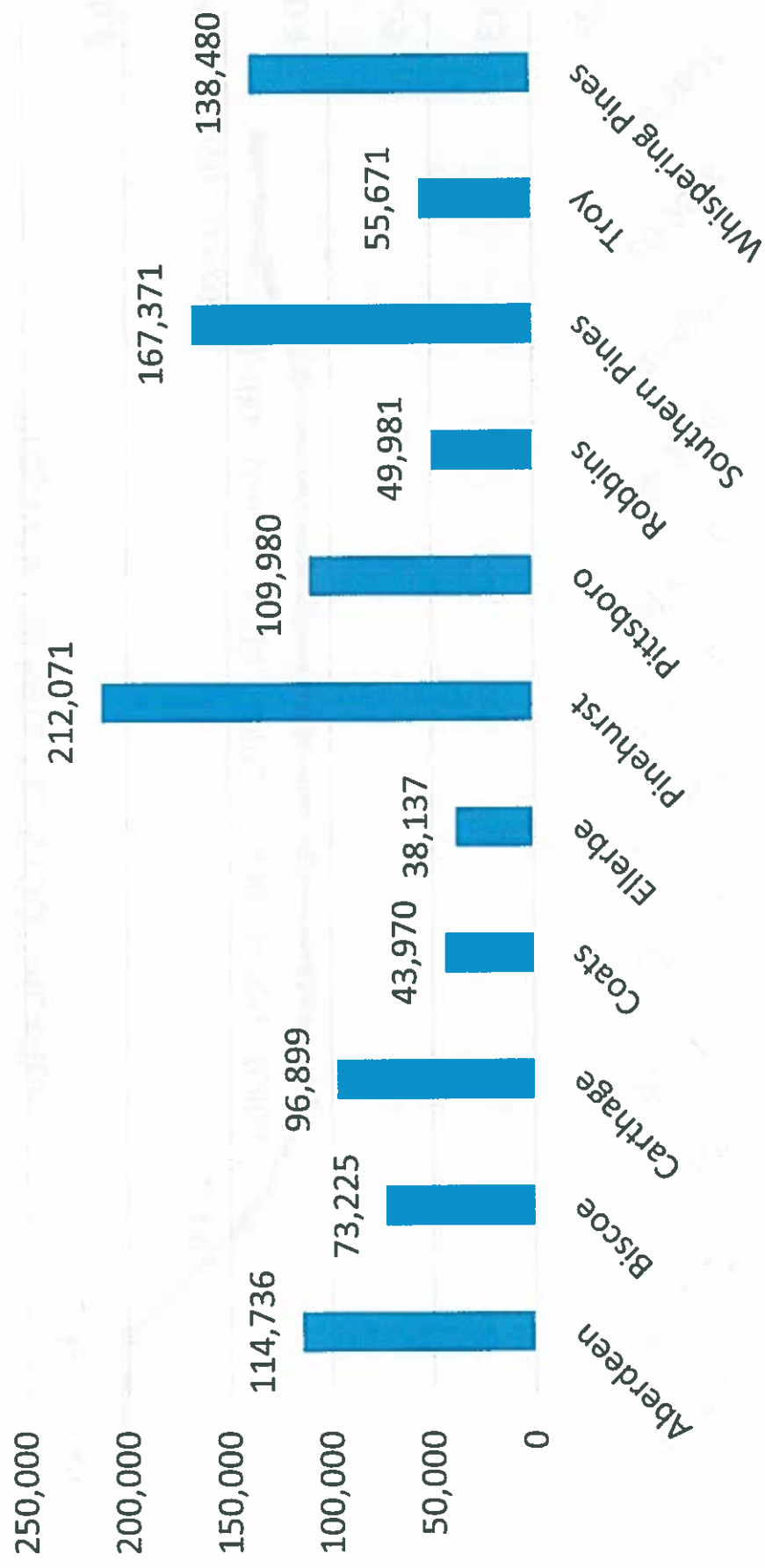
The sharp decline in population in 2010 is due to receiving information from the US Census. Population totals effect population distributed revenues, like sales tax.

Tax Rate Comparison

Property Tax Rate Per \$100 Valuation (FY 2016-17)

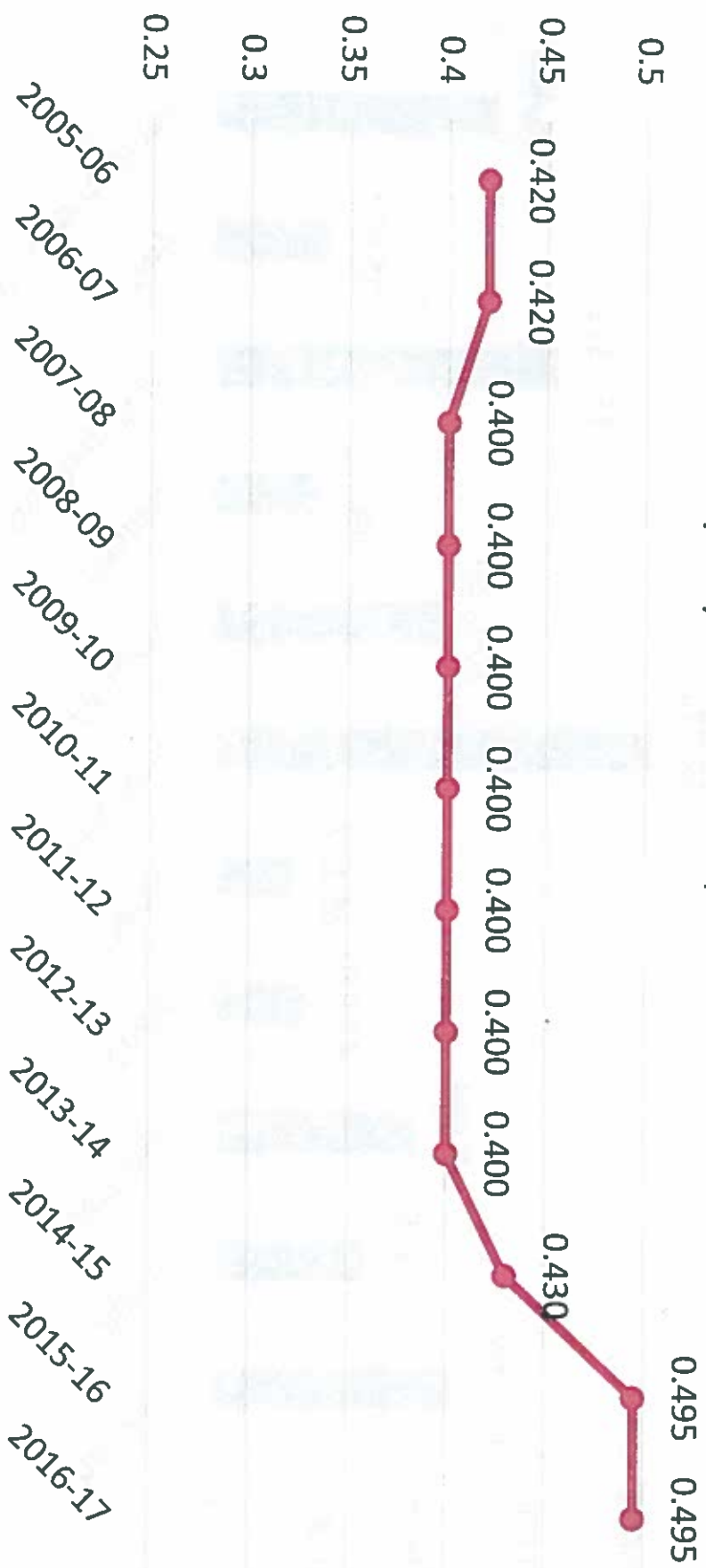


Tax Base Per Capita

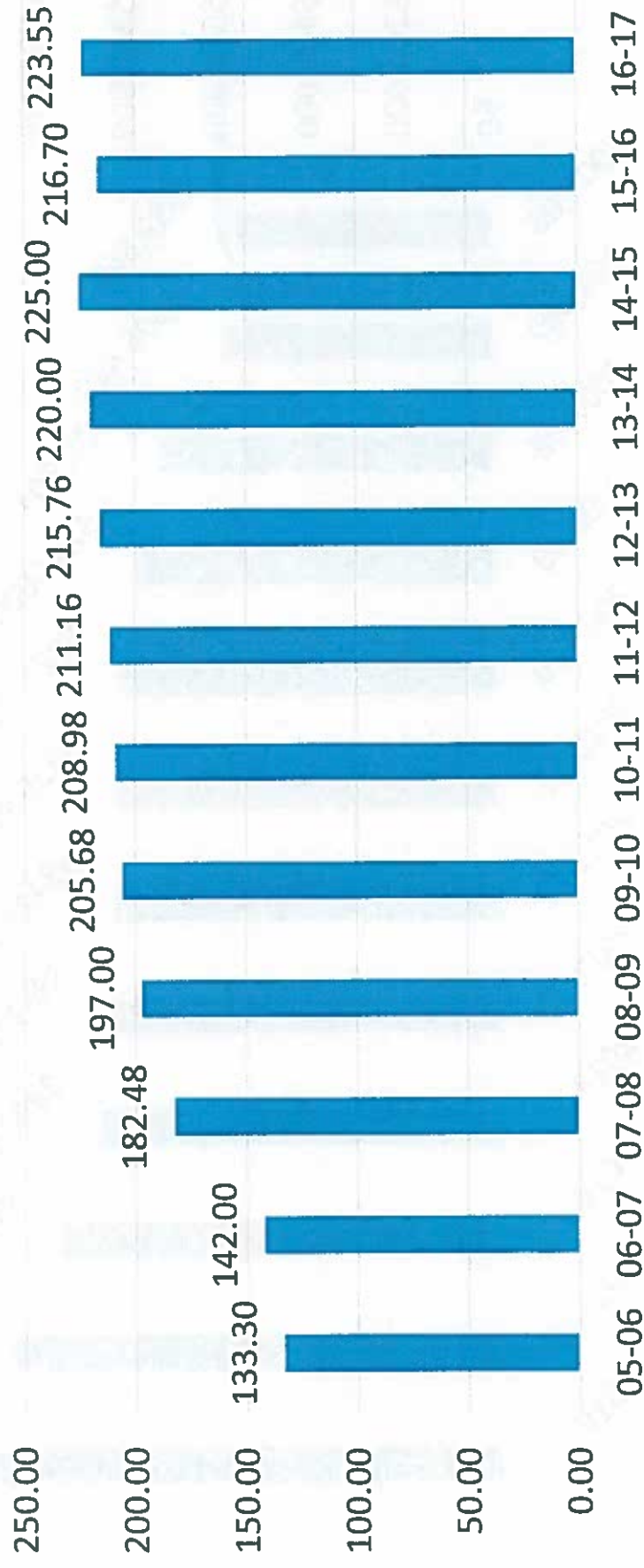


Property Tax Rate History

Property Tax Rate Per \$100 Valuation

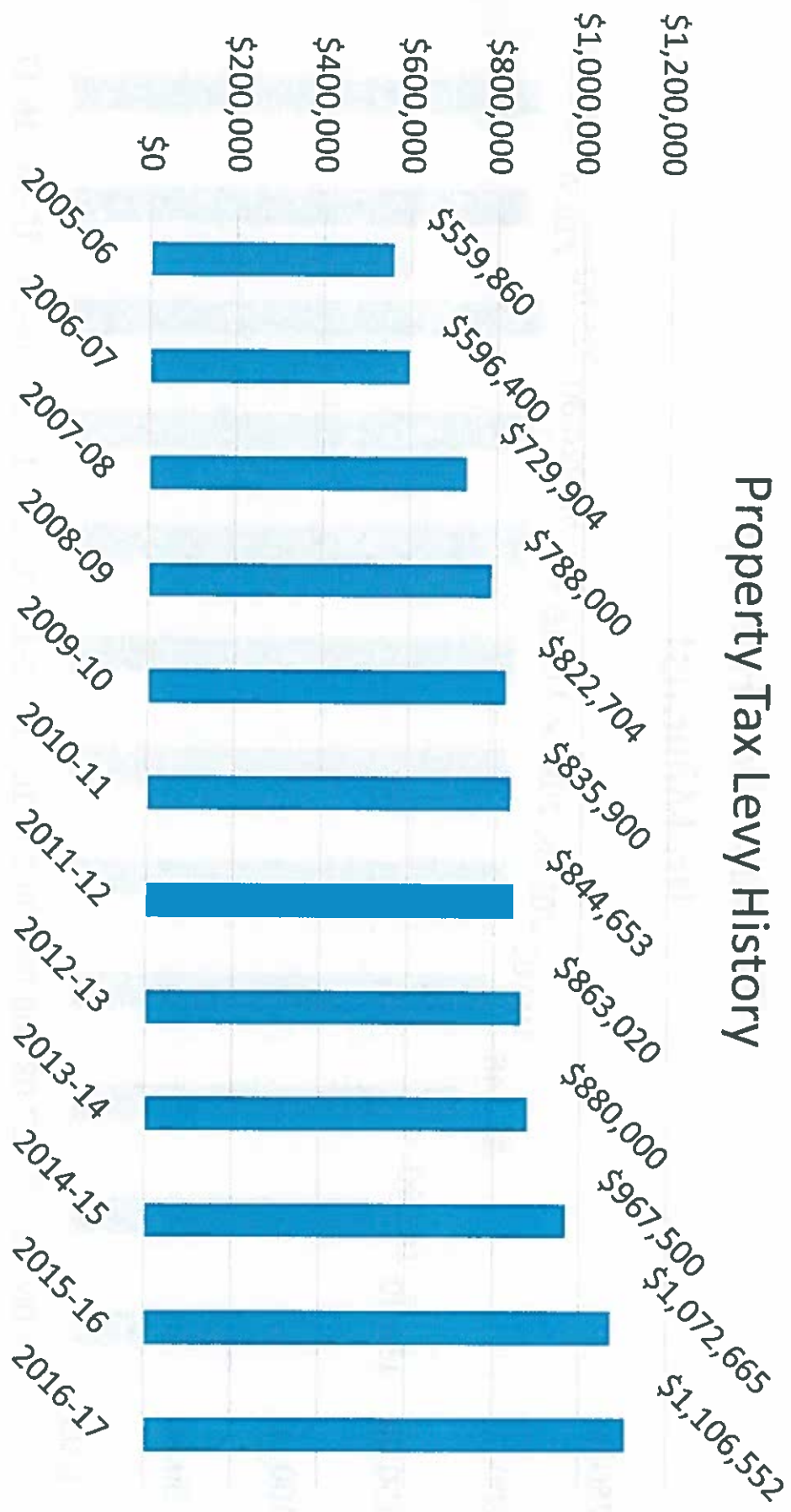


Tax Valuation History (In Millions)



2007-2008 and 2014-2015 WERE TAX REVALUATION YEARS

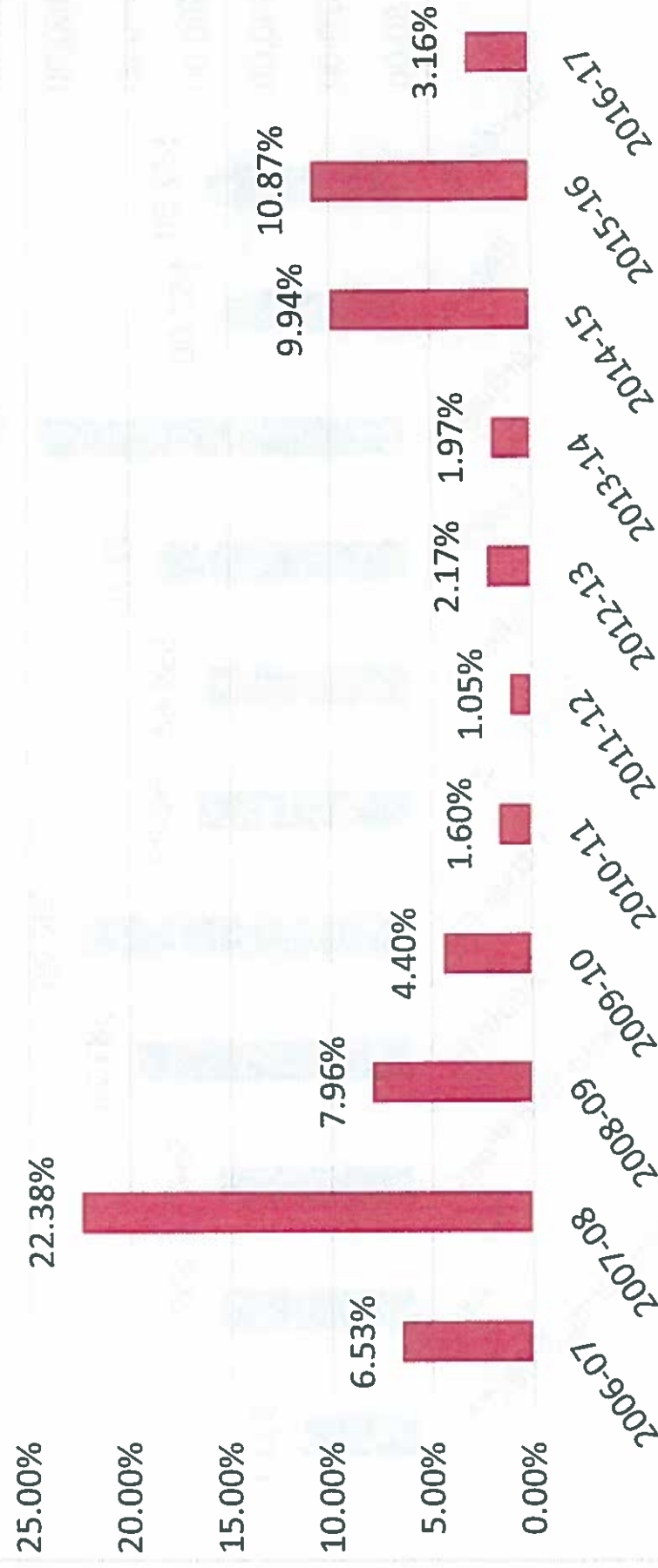
Property Tax Levy History



2014-15 value reflects 3 cent property tax increase.

2015-16 value reflects 6.5 cent property tax increase.

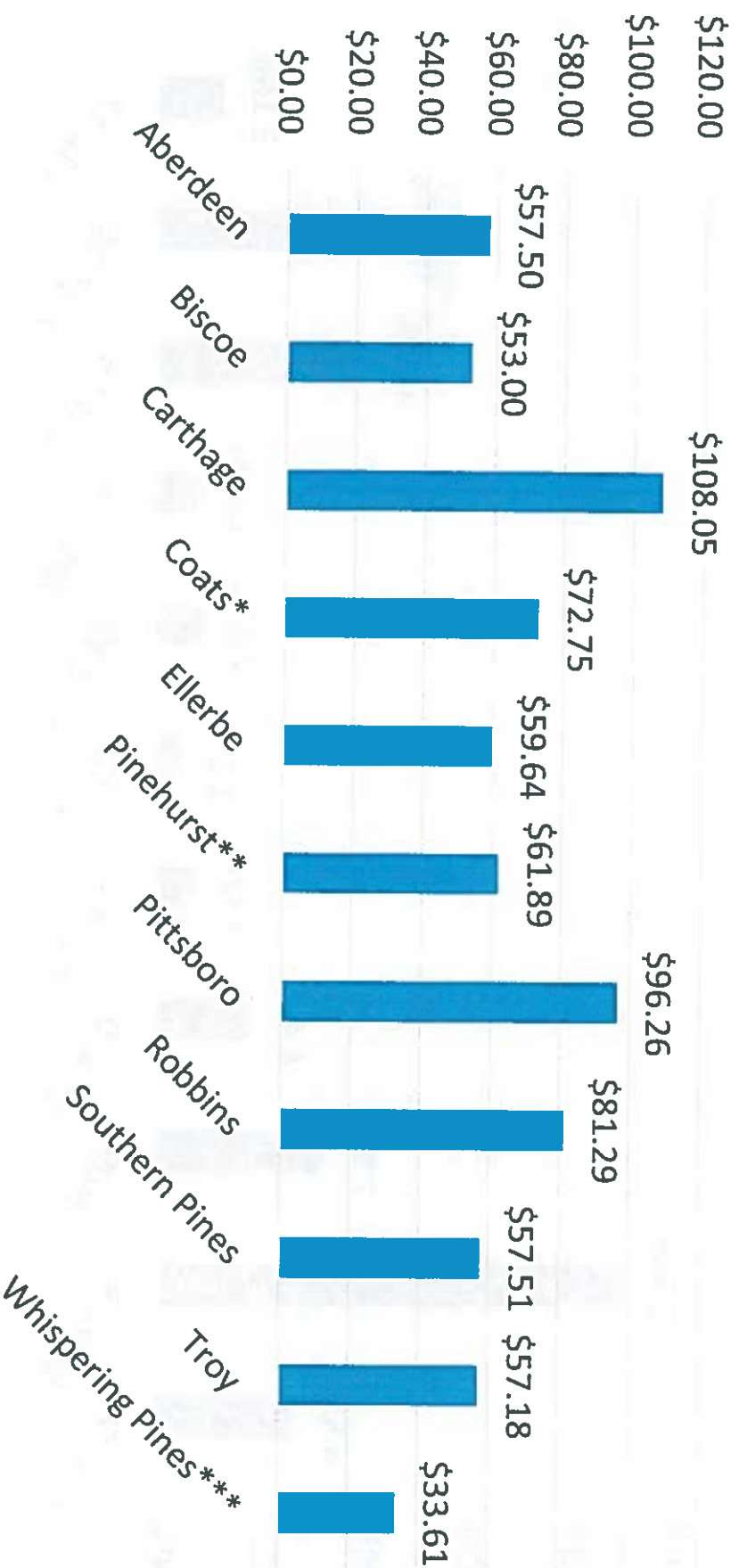
Property Tax Levy Percentage Change from Previous Year



2007-2008 AND 2014-15 TAX REVALUATION YEARS
2014-15 number reflects 3 cent property tax increase.
2015-16 number reflects 6.5 cent property tax increase.

Water & Sewer Rate Comparison

Cost Per 5,000 Gallons - Residential



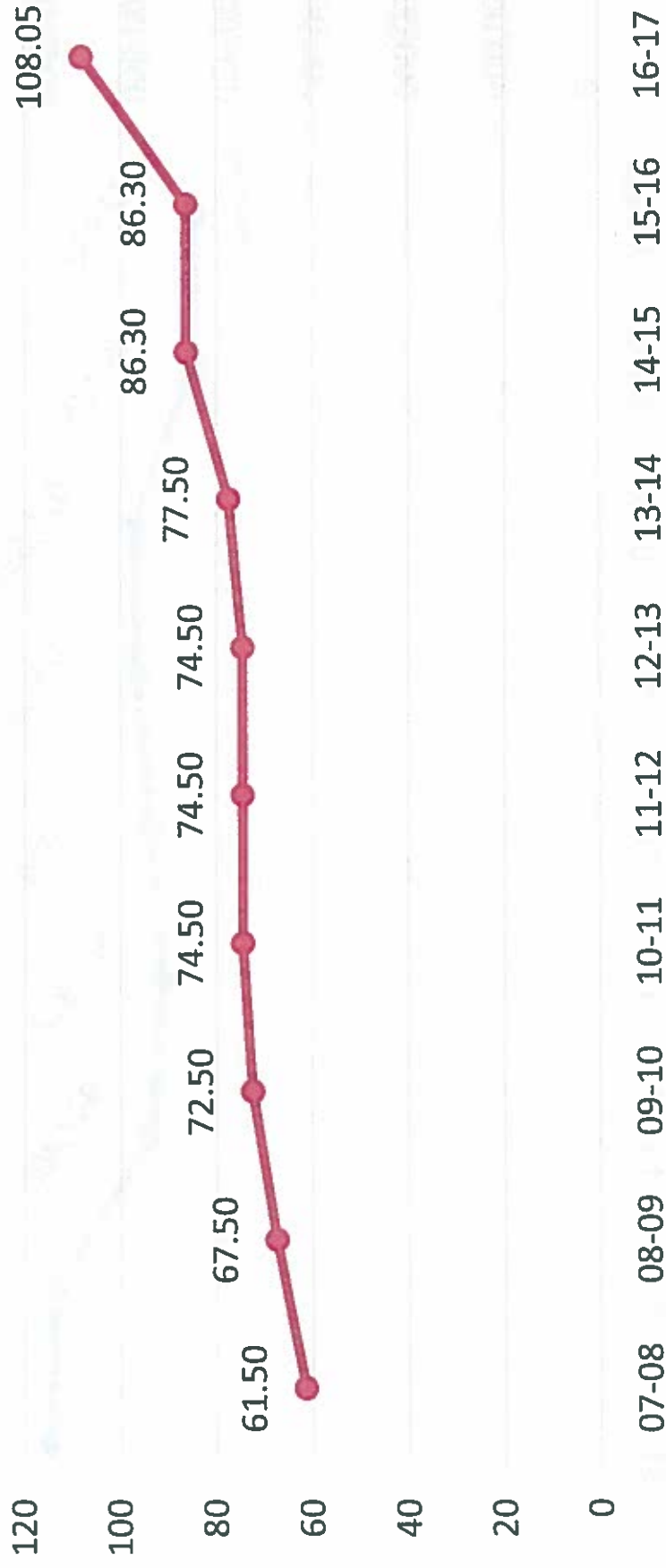
*The Town of Coats bills water only, the sewer is billed by the County.

**Pinehurst water and sewer are billed by Moore County Public Utilities.

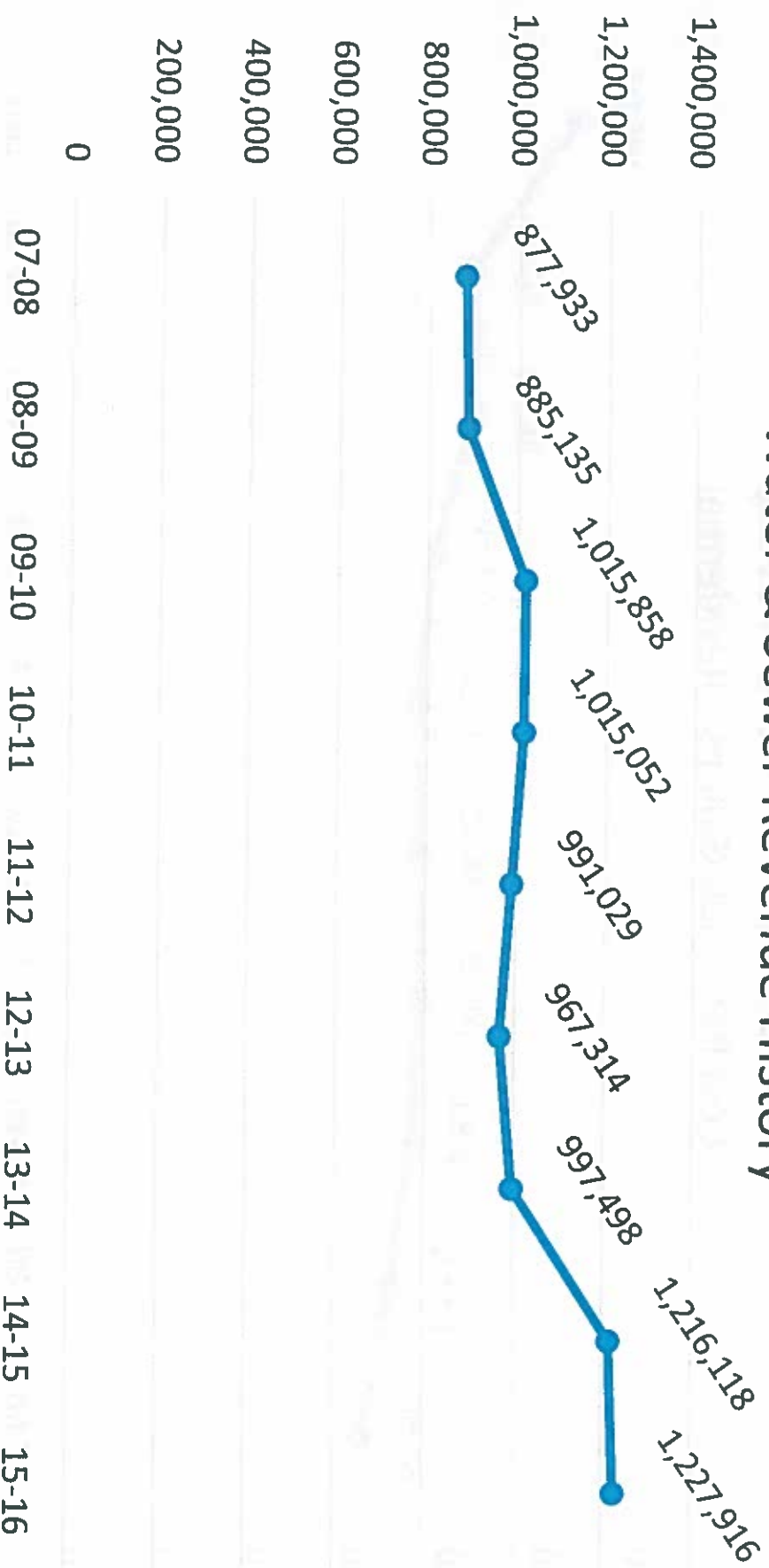
***Whispering Pines' water is billed by a private company; they have septic systems, so no sewer.

Water & Sewer Rate History

Cost Per 5,000 Gallons - Residential

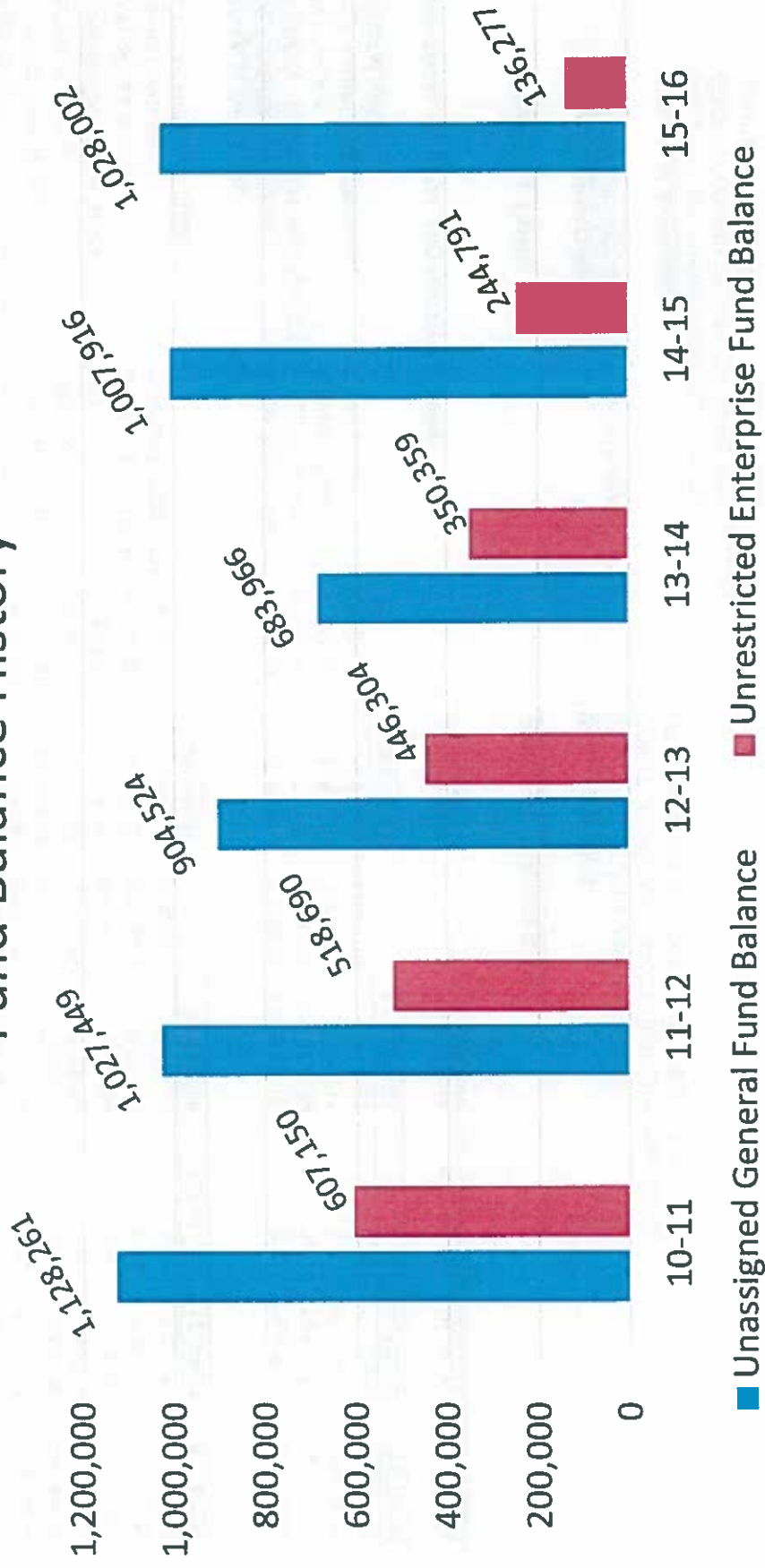


Water & Sewer Revenue History



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.

Fund Balance History



FY15-16 Unrestricted Enterprise Fund Balance Available decreased due to USDA Reserve requirements.

**TOWN OF CARTHAGE
OUTSTANDING DEBT AT JUNE 2017**

<u>GENERAL FUND</u>		Financing Agency		ACCOUNT #	AMOUNT OF ISSUE	DATE OF ISSUE	BALANCE 6/30/2016	ADDITIONS	PAYMENTS PRINCIPAL ONLY	BALANCE 6/30/2017
<u>MUNICIPAL BUILDING</u>		USDA RURAL DEV.		10-500-91	630,000.00	4/23/2002	533,256.41	0.00	10,069.92	523,186.49
(3) POLICE VEHICLES, (1) FIRE VEHICLE		FORD CREDIT		10-510-20*	164,571.15	9/14/2016	0.00	164,541.15	57,808.41	106,732.74
2007 PIERCE FIRETRUCK		USDA RURAL DEV.		10-530-20	350,000.00	5/24/2007	226,582.51	0.00	16,693.48	209,889.03
2015 CHEVY TAHOE		FIRST BANK		10-530-20	31,600.00	12/4/2014	15,863.82	0.00	15,863.82	0.00
2005 FERRARA CRASH TRUCK		BB&T		10-530-20	42,291.45	10/21/2011	8,790.44	0.00	8,790.44	0.00
TYSON-JONES BUILDING		CHARLES WATSON		10-500-60	46,000.00	2/27/2015	30,928.56	0.00	5,285.72	25,642.84
ROOF REPLACEMENT		CENTURY COMMITTEE		10-500-91	30,000.00	3/25/2015	26,025.14	0.00	4,074.24	21,950.90
<u>SUB-TOTAL GENERAL FUND</u>					<u>1,294,462.60</u>		<u>841,446.88</u>	<u>164,541.15</u>	<u>118,586.03</u>	<u>887,402.00</u>
<u>WATER & SEWER FUND</u>		USDA RURAL DEV.		30-811-91	1,056,000.00	11/18/2014	1,026,000.00	0.00	16,000.00	1,010,000.00
SEWER SYSTEM UPGRADE		FIDELITY BANK		30-810-91*	77,000.00	9/18/2014	62,730.09	0.00	14,867.51	47,862.58
2015 CHEVY TRUCK/VENTRAC TRACTOR		FIDELITY BANK		30-811-91	87,869.00	2/2/2015	70,665.14	0.00	16,748.18	53,916.96
SEWER TRUCK		FIRST BANK		30-811-91	73,218.00	10/14/2016	0.00	73,218.00	0.00	73,218.00
SEWER VACUUM TRUCK					<u>1,294,087.00</u>		<u>1,159,395.23</u>	<u>73,218.00</u>	<u>47,615.69</u>	<u>1,184,997.54</u>
<u>SUB-TOTAL W&S</u>										
<u>GRAND TOTAL GENERAL AND WATER & SEWER</u>					<u>2,588,549.60</u>		<u>2,000,842.11</u>	<u>237,759.15</u>	<u>166,201.72</u>	<u>2,072,399.54</u>

GENERAL FUND

POLICE DEPARTMENT

FORD CREDIT PAY OFF September 2018 (\$164,541.15)

BUILDINGS & GROUNDS

USDA PAY OFF JANUARY 2043 (\$630,000.00)

CENTURY COMMITTEE PAY OFF APRIL 2022 (\$30,000)

CHARLES WATSON PAY OFF JANUARY 2022

FIRE DEPARTMENT

USDA PAY OFF MAY 2027 (\$350,000.00)

BB&T PAY OFF SEPTEMBER 2017 (\$42,291.45)

FIRST BANK PAY OFF NOVEMBER 2016 (\$31,600)

WATER & SEWER FUND

WATER & SEWER

USDA PAY OFF JUNE 2054 (\$1,056,000)

FIDELITY BANK PAY OFF OCTOBER 2019 (\$164,869.00)

FIRST BANK PAY OFF OCTOBER 2020 (\$73,218)

* Payment split between another department within same fund

TOWN OF CARTHAGE

DEBT SCHEDULE

General Fund

General Fund	Description	Date of Issue	Amount of Issue	Balance Due as of 6/30/16	Payment				
					FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Police	3 2017 Explorers	9/14/2016	127,950.00	0.00	44,904.94	44,904.94	44,904.94		
Fire	2007 Pierce Firetruck	5/24/2007	350,000.00	226,582.51	26,040.00	26,040.00	26,040.00	26,040.00	26,040.00
	2005 Crash Truck	10/21/2011	42,291.45	8,790.44	8,977.67				
	2015 Tahoe	12/4/2014	31,600.00	15,863.82	15,992.49				
	2017 Explorer	9/1/2016	36,591.15	0.00	12,903.47	12,903.47	12,903.47		
Public Works	Municipal Building	4/23/2002	630,000.00	543,054.07	35,466.95	35,466.95	35,466.95	35,466.95	35,466.95
	Tyson-Jones Building	2/27/2015	46,000.00	26,428.56	5,285.72	5,285.72	5,285.72	5,285.72	5,285.72
	Tyson-Jones Building Roof	4/14/2015	30,000.00	26,025.14	4,724.86	4,724.86	4,724.86	4,724.86	4,724.86
Water/Sewer									
Public Works	Sewer Vacuum Truck	10/14/2016	73,218.00	0.00	0.00	19,099.99	19,099.99	19,099.99	19,099.99
	Sewer System Upgrade	11/18/2014	1,056,000.00	1,026,000.00	44,215.00	43,775.00	44,335.00	43,867.50	43,400.00
	2015 Truck/Ventrac Tractor	9/18/2014	77,000.00	62,730.09	17,099.66	17,099.66	17,099.66	17,099.66	
	Sewer Truck	2/2/2015	87,869.00	70,665.14	19,262.68	19,262.68	19,262.68	19,262.68	
	Active Sewer Project		523,000.00			22,630.00	22,630.00	22,630.00	22,630.00
	Active Water Project		1,766,000.00			67,426.00	67,426.00	67,426.00	67,426.00

NOTE: New debt replaces the following debt that was paid off

6 Patrol Cars Paid off FY 15-16, Annual payment of \$55,800.08

2015 Tahoe Paid off FY 16-17, Annual payment of \$15,992.49

GENERAL FUND

Town of Carthage
Capital Improvement Budget Plan
 2% INFLATION FACTOR

DEPT	PROJECT	TOTAL ESTIMATED COST TODAY	TOTAL COST FY 2017-18 (INCL. INFLATION FACTOR)	TOTAL COST FY 2018-19 (INCL. INFLATION FACTOR)	TOTAL COST FY 2019-20 (INCL. INFLATION FACTOR)	TOTAL COST FY 2020-21 (INCL. INFLATION FACTOR)	TOTAL COST FY 2021-22 (INCL. INFLATION FACTOR)	TOTAL
PD	Replace Police Vehicles	270,000			286,526			286,526
FD	New Fire Engine	500,000	510,000					510,000
FD	Replace Hurst Tools	20,000		20,808				20,808
STREETS	New Mini Excavator	54,000	55,080					55,080
STREETS	New Sidewalk-Rockingham St.	61,332	62,559					62,559
STREETS	New Snow Plow Attachment	6,457	6,586					6,586
STREETS	Replace On-Call Truck	30,000		31,212				31,212
STREETS	replace 2 John Deere Gators	24,000	24,480					24,480
STREETS	Replace John Deere 1445 Mower	20,000		20,808				20,808
STREETS	Replace John Deere 997 Mower	20,000		20,808				20,808
STREETS	Replace Limb Truck	85,000			90,203			90,203
STREETS	Replace 2001 Dodge 2500 Truck	51,000	52,020					52,020
BLDGs	Buggy Museum Renovation	500,000		520,200				520,200
			710,725	613,836	376,729	0	0	1,701,290

FUNDING SOURCES		FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	TOTAL
OPERATING BUDGET		93,625	41,616				135,241
FUND BALANCE							0
CAPITAL RESERVE		55,080	52,020				107,100
INSTALLMENT FINANCING		562,020		376,729			938,749
DEBT			260,100				260,100
GRANTS			260,100				260,100
FUNDRAISING		710,725	613,836	376,729	0	0	1,701,290

Town of Carthage
Capital Improvement Budget Plan
 2% INFLATION FACTOR

WATER & SEWER FUND

DEPT	PROJECT	TOTAL ESTIMATED COST TODAY	TOTAL COST FY 2017-18 (INCL. INFLATION FACTOR)	TOTAL COST FY 2018-19 (INCL. INFLATION FACTOR)	TOTAL COST FY 2019-20 (INCL. INFLATION FACTOR)	TOTAL COST FY 2020-21 (INCL. INFLATION FACTOR)	TOTAL COST FY 2021-22 (INCL. INFLATION FACTOR)	TOTAL
W/S	Replace Wacker Jumping Jack Tamp	5,000	5,100					5,100
WATER	Replace WTP Filters	100,000	102,000					102,000
WATER	Elevated Tank Maintenance	20,000		20,808				20,808
SEWER	Rehab Manholes	48,000	48,960	49,939	50,938	51,957	52,996	254,790
SEWER	Sewer Main Rehab	275,000	280,500	286,110	291,832	297,669	303,622	1,459,733
WATER	Replace Fire Hydrants (5)	20,000	20,400	20,808	21,224			62,432
WATER	Demolition of Water Tanks	53,000	54,060			0		54,060
				0				0
				0				0
				0				0
							0	0
						0		0
							0	0
								0
			511,020	377,665	363,994	349,626	356,618	1,958,923

FUNDING SOURCES	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	TOTAL
OPERATING BUDGET						88,340
FUND BALANCE	25,500	41,616	21,224			0
CAPITAL RESERVE						0
INSTALLMENT FINANCING						0
DEBT						0
GRANTS	485,520	336,049	342,770	349,626	356,618	1,870,583
	511,020	377,665	363,994	349,626	356,618	1,958,923

Town of Carthage
Capital Improvement Budget Plan
2% INFLATION FACTOR

[illegible]

FUNDING SOURCES		FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	TOTAL
OPERATING BUDGET							0
FUND BALANCE							0
CAPITAL RESERVE							0
INSTALLMENT FINANCING							0
DEBT							0
GRANTS							0
		0	0	0	0	0	0

Town of Carthage Challenges/Issues/Opportunities

- Low rate of growth in tax base and levy
- Pay back of Rural Center – Little River water line funding
- Loss of Utility Capital Revenue from Impact Fee lawsuit and potential revenue payback
- Water and sewer rates high but just covering operating expenses. Need to fully cover depreciation
- What are Town's strategic goals for next 3 to 5 years
 - Rebuild fund balance in General Fund and Enterprise Fund
 - Maintain 5 year Capital Improvement Plan
 - Fund capital needs; i.e. new fire truck
 - Sewer Capacity – need to work with Southern Pines and Moore County
 - Work to reduce sewer I & I, Flows

- Streets and sidewalks
- Image and appearance of Town
- Downtown Development Plan
- Rehabilitation of Tyson-Jones Building
- Vision for Carthage's future – what do we want to be; realistically what's possible
- Update Town's 1999 Land Use Plan
- Disposition of old historic courthouse in traffic circle – maybe turn into County museum and Arts Center
- Disposition of Moore County Library if chosen as site for new courthouse; keep in downtown Carthage
- Town Manager position – how is part-time manager position working, any issues, desired changes