

November 4, 2016

Capital Asset Condition Ratio Data

It is important to annually review capital needs and adequately fund facility/infrastructure maintenance. One quantitative barometer for assessing the need for facility upgrades and capital improvement is the capital asset condition ratio.

The measure specifically considers the remaining useful life of facilities and equipment based on depreciation. A higher ratio suggests an organization is making capital investments and facility/infrastructure upgrades on a routine basis. The performance target for this measure is 50% or above.

The County's overall result for both the General Fund and the primary Stanly Utilities Enterprise Fund over the past six (6) fiscal years is illustrated below:

General Fund

FY 2010-2011		49%
FY 2011-2012		46%
FY 2012-2013		44%
FY 2013-2014		42%
FY 2014-2015		41%
FY 2015-2016		41%

It is important to note, once the capital assets and associated depreciation for the new radio communications system are realized in FY 16-17, the County's General Fund capital assets condition ratio will exceed 50% the first time since FY 03-04.

Utilities Fund

FY 2010-2011		55%
FY 2011-2012		55%
FY 2012-2013		51%
FY 2013-2014		50%
FY 2014-2015		48%
FY 2015-2016		46%

Tax Assessment to Sales Ratio

The NC Department of Revenue has released the 2015-2016 assessment to sales ratios (ASRs) for each county. The ASR provides an indication as to how effectively property and buildings are assessed for tax purposes.

The goal is to have an ASR as close to 100% as possible. This indicates that on average tax assessment values match the fair market value of property and buildings of the same or similar characteristics. An ASR above 100% indicates that on average the assessed values exceed the fair market value of property.

Property values in a large percentage of counties (41%) meet or exceed the fair market value (as determined by actual sales data).

Stanly County's assessment to sales ratio (as of January 1, 2016) is one of the lowest in the state at 90.73%. In fact, only five (5) counties in the entire state have a lower sale to assessment ratio. Further, in the twelve (12) county Charlotte region, only Mecklenburg has a sale to assessment ratio less than Stanly County. This is positive information for local taxpayers given Stanly County's average tax assessment value only represents approximately 91% of the fair market value.

Thus, Stanly County's effective tax rate is \$0.6079 cents per \$100 valuation. Only two (2) counties in the 12 county Charlotte region have a lower effective tax rate than Stanly County. These counties are Lincoln (\$0.5724) and Catawba (\$0.5697).

Stanly County's next property revaluation is set for January 1, 2017.

Upcoming Meetings & Events

Regular Board Meeting
Monday, November 7
7:00 PM
Commons Meeting Room