

## 13 MUNICIPAL FINANCE

This section examines tax information, valuations, revenues and expenditures, long-term debt and the fund balance in order to determine the Town's overall financial health. It should be noted that property taxes provide funding to three separate areas: education, county government and local government.

The information available to us and presented in this section suggests that St. George is in a healthy financial position.

### 13.1 Comparative Tax Information

**Table 13-1** contains comparative property valuation information for St. George and its surrounding communities. St. George has the third highest State valuation in Knox County at \$800,150,000. It accounts for approximately 11% of the value of Knox County. Property revaluations were done in St. George in 1986, 1989, 1995, 2001, 2003 and 2011.

<b>Table 13-1</b>		
<b>Comparative Property Valuation</b>		
<b>Knox County</b>	<b>2011 State Valuation</b>	<b>2016 State Valuation</b>
Appleton	\$132,350,000	\$126,250,000
Camden	\$1,250,550,000	\$1,198,200,000
Cushing	\$264,100,000	\$295,100,000
Friendship	\$264,400,000	\$244,450,000
Hope	\$190,100,000	\$189,700,000
Isle Au Haut	\$82,850,000	\$85,250,000
Matinicus	\$36,950,000	\$33,650,000
North Haven	\$470,450,000	\$425,150,000
Owls Head	\$375,050,000	\$362,600,000
Rockland	\$792,050,000	\$765,100,000
Rockport	\$1,002,250,000	\$996,250,000
<b>St. George</b>	<b>\$822,050,000</b>	<b>\$800,150,000</b>
South Thomaston	\$284,100,000	\$249,500,000
Thomaston	\$323,100,000	\$358,300,000
Union	\$235,950,000	\$224,550,000
Vinalhaven	\$557,300,000	\$490,850,000
Warren	\$314,450,000	\$296,900,000
Washington	\$146,150,000	\$141,750,000
<b>Totals</b>	<b>\$7,544,200,000</b>	<b>\$7,283,700,000</b>

Source: Maine Revenue Services

## 13.2 Valuations and Taxes

Table 13-2 provides a summary of St. George's tax information for the period from 1985-2015. It reflects the total valuation, tax commitment and actual tax rate for the years cited.

During the thirty-year period from 1985-2015, St. George saw a 1094 percent increase in its community valuation, a 614 percent increase in its tax commitment, and a 40 percent overall decrease in its tax rate.

In 1985 the school assessment accounted for 72% of the tax bill, the county assessment accounted for 9% of the tax bill, and the remaining 19% was for municipal services. In the year 2016, the school assessment accounted for 65.53% of the tax bill, the county assessment accounted for 11.02% of the tax bill, and the remaining 23.45% was for municipal services.

<b>Table 13-2</b>			
<b>St. George Total Valuation &amp; Taxes</b>			
1985	\$72,251,555	\$989,846.30	\$13.70
1986	\$114,125,827	\$1,135,552.00	\$9.95
1987	\$120,173,815	\$1,105,599.10	\$9.20
1988	\$124,120,885	\$1,278,445.12	\$10.30
1989	\$226,086,844	\$1,763,477.38	\$7.80
1990	\$227,549,540	\$1,956,926.04	\$8.60
1991	\$227,435,693	\$2,274,356.93	\$10.00
1992	\$230,955,000	\$2,355,741.00	\$10.20
1993	\$232,800,128	\$2,560,801.41	\$11.00
1994	\$235,852,828	\$2,665,136.96	\$11.30
1995	\$282,993,100	\$2,858,230.31	\$10.10
1996	\$283,238,800	\$3,002,331.28	\$10.60
1997	\$287,110,300	\$3,129,502.27	\$10.90
1998	\$290,259,300	\$3,133,331.30	\$11.00
1999	\$293,960,800	\$3,319,449.70	\$11.50
2000	\$296,908,200	\$3,592,589.22	\$12.10
2001	\$353,336,000	\$3,957,363.20	\$11.20
2002	\$360,133,700	\$4,105,524.10	\$11.40
2003	\$481,931,500	\$4,674,735.55	\$9.70
2004	\$493,074,700	\$5,029,361.94	\$10.20
2005	\$497,720,400	\$5,314,908.28	\$10.70
2006	\$507,152,700	\$6,035,117.13	\$11.90
Percentage Increase from 1995-2006	601.93%	509.70%	-13.14%

Source: St. George Financial Summary

Table 13-2 (continued)			
Tax Years	Total Valuation	Tax Commitment	Tax Rate
2007	\$518,470,500	\$6,273,217.78	\$12.10
2008	\$528,744,800	\$6,513,561.04	\$12.30
2009	\$535,233,610	\$6,690,420.13	\$12.50
2010	\$896,489,200	\$6,544,371.16	\$7.30
2011	* \$892,923,400	\$9,197,111.02	\$10.30
2012	\$851,598,100	\$6,557,305.37	\$7.70
2013	\$855,921,900	\$6,590,598.63	\$7.70
2014	\$861,746,800	\$6,893,974.40	\$8.00
2015	\$862,334,700	\$7,071,144.54	\$8.20
Percentage Change			
From 1985-2015	1094%	562.46%	-43.80%

\* this was an 18-month period to change the fiscal year

### 13.3 Revenues and Expenditures

**Table 13-3** provides a summary of the combined revenues and expenditures for the Town of St. George from 2001-2016. The revenues are broken down to identify the sources of revenue coming from local property tax, Federal and State sources, and other sources. Expenditures are also broken down into the categories of education, municipal, and county.

For the fifteen years from 2001-2016, there was a 78.68% increase (over \$3.1 million) in revenue from property tax.

The revenue from Federal and State sources saw a decrease from 2001 to 2016, from \$179,349 to almost \$115,226. This decrease can be attributed to the State of Maine's general overall decrease in funding to municipalities.

### 13.4 Long-Term Debt

In 1990 the Town of St. George issued \$130,000 of general obligation securities to fund the purchase of a pumper and a tanker for the Fire Department. Prior to this bond issuance, the Town of St. George had had no long-term debt since 1967, when it retired its elementary school debt. In general, the Town had wished to remain as debt-free as possible.

At the 2002 Annual Town Meeting the voters approved the issuance of bonds to fund the Transfer Station Expansion Project and part of the new Tenants Harbor Fire Station. The bonds for the two projects cost totaled \$1.75 million. These bonds will be paid in full in the year 2014.

In May 2015 the Town voted to acquire waterfront property at 10 Cold Storage Road in Port Clyde. This purchase was funded with \$785,000 in bonds, payable over a 10-year period.

### 13.4 Overlapping Debt

The Town is liable for its proportional share of any defaulted debt issued by entities of which it is a member. The overlapping bonded debt applicable to the Town is as follows:

- St. George Municipal School District - \$526,689
- Knox County - \$ 200,018

Review Table 13-3 on next page.

**Table 13-3**

MUNICIPAL REVENUES & EXPENDITURES							
	Total						% increase 2001-2005
	2001	2002	2003	2004	2005		
<b>Revenues</b>							
Property Tax	\$3,957,363.00	\$4,105,524.00	\$4,674,736.00	\$5,029,362.00	\$5,314,908.00		34.30%
Fed & State	\$179,349.00	\$234,690.00	\$163,019.00	\$174,484.00	\$171,503.00		-4.37%
Other sources	\$80,000.00	\$85,000.00	\$90,000.00	\$95,000.00	\$70,000.00		-12.50%
Total	\$4,216,712.00	\$4,425,214.00	\$4,927,755.00	\$5,298,846.00	\$5,556,411.00		31.77%
<b>Expenditures</b>							
Education	\$3,090,242.00	\$3,370,640.00	\$3,624,640.00	\$3,771,123.00	\$4,000,182.00		29.45%
Municipal	\$643,439.00	\$588,652.00	\$778,128.00	\$912,096.00	\$979,571.00		52.24%
County	\$456,292.00	\$439,427.00	\$487,833.00	\$565,954.00	\$541,755.00		18.73%
Total	\$4,189,973.00	\$4,398,719.00	\$4,890,601.00	\$5,249,173.00	\$5,521,508.00		31.78%
	Total						% increase 2006-2010
	2006	2007	2008	2009	2010		
<b>Revenues</b>							
Property Tax	\$5,960,226.11	\$6,210,447.68	\$6,470,165.15	\$6,638,017.16	\$6,271,261.80		5.22%
Fed & State	\$165,958.18	\$157,410.37	\$160,798.49	\$160,229.31	\$128,652.50		-22.48%
Other sources	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Total	\$6,126,184.29	\$6,367,858.05	\$6,630,963.64	\$6,798,246.47	\$6,399,914.30		4.47%
<b>Expenditures</b>							
Education	\$4,264,856.04	\$4,351,306.98	\$4,464,189.00	\$4,602,139.50	\$4,439,621.58		4.10%
Municipal	\$1,287,809.00	\$1,328,606.95	\$1,443,944.97	\$1,466,258.75	\$1,236,065.16		-4.02%
County	\$573,519.25	\$687,944.12	\$722,829.67	\$729,848.22	\$724,227.56		26.28%
Total	\$6,126,184.29	\$6,367,858.05	\$6,630,963.64	\$6,798,246.47	\$6,399,914.30		4.47%
	Total						% increase 2011-2016
	2011-2012 *	2012-2013	2013-2014	2014-2015	2015-2016		
<b>Revenues</b>							
Property Tax	\$11,522,231.65	\$6,590,160.12	\$6,590,598.63	\$6,956,298.00	\$7,071,144.54		-38.63%
Fed & State	\$317,652.99	\$169,528.31	\$35,617.52	\$128,674.00	\$40,611.70		-87.22%
Other sources	\$1,054,364.99	\$669,796.94	\$817,998.55	\$769,946.00	\$884,550.25		-16.11%
Total	\$12,894,249.63	\$7,429,485.37	\$7,444,214.70	\$7,854,918.00	\$7,996,306.49		-37.99%
<b>Expenditures</b>							
Education	\$6,162,859.50	\$4,172,214.00	\$4,140,390.00	\$4,602,975.00	\$4,570,182.96		-25.84%
Municipal	\$3,179,447.88	\$2,229,361.09	\$2,251,810.71	\$2,764,938.97	\$3,110,951.85		-2.15%
County	\$717,971.98	\$743,311.22	\$753,599.29	\$744,601.03	\$806,723.89		12.36%
Total	\$10,060,279.36	\$7,144,886.31	\$7,145,800.00	\$8,112,515.00	\$8,487,858.70		-15.63%
	% increase 2001-2016						
<b>Revenues</b>							
Property Tax	78.68%						
Fed & State	-77.36%						
Other sources	1005.69%						
Total	89.63%						
<b>Expenditures</b>							
Education	47.89%						
Municipal	383.49%						
County	76.80%						

\* The year 2011-2012 reflects a year and a half due to the change in fiscal year.