

2014 MMA Fiscal Survey Report & Analysis
October 2015

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Introduction & Methodology

The financial information contained in this report is provided by the municipal officials who generously participated in the local government finance survey distributed jointly by the U.S. Census and MMA in May 2015. The goal of this collaborative effort is to consolidate the several financial surveys conducted by the two organizations into a single annual request to the communities.

As shown in *Table 1*, 171 communities participated in this year's request for revenue and expenditure data generating a response rate of 35%. Rates of participation were highest in communities with populations between 5,000 and 9,999 and lowest among communities with populations between 10,000 and 30,000. A list of participating municipalities is provided in *Appendix A*.

Table 1
Participating Municipalities

Population Group	# of Municipalities in Group	# of Municipalities in 2014 Fiscal Survey	Response Rate
Over 30,000	3	1	33%
10,000 - 30,000	16	4	25%
5,000 - 9,999	44	20	45%
3,500 - 4,999	38	11	29%
2,000 - 3,499	65	25	38%
1,000 - 1,999	116	46	40%
Under 1,000	207	64	31%
<i>Totals</i>	<i>489</i>	<i>171</i>	<i>35%</i>

In the seven years MMA and the U.S. Census have been collaborating in this effort, municipal participation rates have ranged from a high of nearly 50% in 2008 to a low of 27% in 2013. Although this year's participation rate of 35% is not the strongest on record, the data presented in this report are nonetheless valuable. The information collected in the survey enables municipal officials, state officials and citizens to compare revenue and expenditure data in one community with other similarly situated communities. The fiscal survey also serves as an important advocacy tool for the Association. The data collected in the survey enable MMA's legislative staff to show state officials, the business community and other interest groups how municipalities collect and spend revenue.

For the purpose of this report, the data are presented in two ways. A "data disclaimer" follows this introduction.

1. Population Group Averages and Statewide Projections. Based on the information provided by the 171 participating municipalities, the data contained in this report use average revenue and expenditure data, calculated by population group, to project statewide revenues and expenditures. A three-step formula is used to calculate statewide projections.

- First, average revenue and expenditure data are calculated for each of the seven population groups.
- Second, average revenue and expenditure data are multiplied by the number of municipalities in each population group, yielding estimated group-wide totals.
- Third, all of the population group totals are summed to achieve a projected statewide total.

2. Municipal Data. The information collected in the survey is also presented on a municipality-by-municipality basis and sorted by population categories. This format, which is available as a separate Excel document, provides a convenient way for municipal officials to see how their revenue and expenditure data compare with other municipalities.

We hope you find this information useful. If you have any questions about the methodology used to project statewide estimates or the information contained in the report, please contact Kate Dufour at 1-800-452-8786 or kdufour@memun.org.

Thank you for your ongoing interest in this important project.

Data Disclaimer

The information presented in this report includes the data provided by the 171 participating communities and MMA's calculated projections of statewide municipal revenues and expenditures. To test the accuracy of the projection methodology, which is described in detail on page 2, projected statewide estimates are compared to the actual statewide information regarding property tax revenues collected, as well as the resources distributed to municipalities under six programs: General Purpose Aid to Education, Municipal Revenue Sharing, the Homestead Property Tax Exemption, Tree Growth, General Assistance, and Local Road Assistance.

In nearly all cases the projections are on target. With the exception noted below, the largest margin of error between projection and actual was approximately 8%, yielding statewide estimates \$2 million greater than the \$23 million distributed under the state aid for roads program. The lowest margin of error was .03%, just \$86,000 short of the actual reimbursement provided under the Homestead exemption program.

However, when projecting the reimbursement provided to municipalities under the state/municipally funded General Assistance (GA) program, the difference jumps to 210%. The projection methodology yields GA reimbursements of \$4 million, although actual GA reimbursement to municipalities statewide was over \$12 million in 2014.

There is an explanation for the General Assistance-related margin of error.

With respect to the GA program, the "right" mix of survey participants is crucial to the projection of statewide revenue. The municipalities that play host to a significant majority of Maine's neediest residents are underrepresented in this survey. According to the Department of Health and Human Services, 84% of all General Assistance aid was distributed to GA applicants during 2014 in communities with populations over 30,000. Unfortunately, municipalities in that population category accounted for less than 1% of total survey participants. If all communities with populations over 30,000 had been able to participate in this year's survey, the margin of error between projected and actual GA reimbursement would have dropped to 5%.

Although the GA reimbursement-related anomaly in the projection methodology can be defended, it nonetheless underscores a "rate of participation" shortcoming of the survey that needs to be corrected.

MMA staff is very interested in receiving recommendations on how to improve the participation rate in this survey effort, particularly among the higher population municipalities. Since the U.S. Census Bureau has already developed the 2015 version of the survey that will be mailed out in January 2016, it may be too late to implement all recommended changes in the next survey cycle. However, we are committed to making all possible changes in the coming year, with the goal of improving the survey that will be mailed out in January of 2017 and subsequent years.

If you have any suggestions on how the Association can assist you with this important endeavor, please contact Kate Dufour at 1-800-452-8786 or kdufour@memun.org.

Your input, participation, time and resources are greatly valued and appreciated.

Summary of Findings – Projected Statewide Revenues & Expenditures

*Note: Unless otherwise indicated, the summary of findings that follow are the **2014 projected statewide total revenues and expenditures**. Information regarding data limitations and methodology used to project statewide revenue and expenditure data is described in more detail in the preceding “Introduction and Methodology” and “Data Disclaimer sections of the report. .*

Participation

- 171 municipalities returned the 2014 fiscal survey for a response rate of 35%.
- 45% of communities with populations between 5,000 and 9,999 participated in the survey, generating the highest participation rate. Municipalities with populations between 10,000 and 30,000 had the lowest rate of participation, with only 4 of the 16 communities of that submitting fiscal data.

Revenues

- Municipal source revenue (e.g., property taxes, fees for services, motor vehicle excise taxes, etc.) accounted for 72% of the \$4.1 billion in projected revenue for municipal use generated in 2014 from all sources (municipal, state, federal and other source revenue).
- Property taxes accounted for 76% of the \$2.9 billion in municipal source revenue expended in 2014 to provide a variety of local government services.
- \$1.1 billion in state aid is projected to have been distributed to communities statewide. The \$922 million projected to have been distributed as the state’s share of K-12 education funding accounted for 85% of the total. According to the Department of Education, in 2014 municipalities actually received \$942 million in state aid.
- \$68 million in municipal revenue sharing is projected to have been distributed to communities statewide in 2014, accounting for the second largest source of state revenue. According to the data published by the Maine Office of Fiscal and Program Review, during 2014 municipalities actually received \$66 million in municipal revenue sharing distributions.
- To help round out local government budgets, municipalities received and utilized \$80 million in other source revenue, including federal grants, appropriations from undesignated surplus, reserve and trust fund accounts.

Expenditures

- Municipalities across the state spent \$4 billion to provide an array of local government services. The cost of providing K-12 education consumed 60% of all local level spending.
- In 2014, municipalities are projected to have spent nearly \$442 million on general administrative services, with \$158 million (36%) expended on employee benefits alone. Spending on general administrative services accounted for 11% of total spending.
- It is projected that \$314 million was expended statewide to provide police, fire, EMS and other public safety related services. Public safety expenditures accounted for 8% of all local government spending in 2014.
- Funding for road and bridge improvements continued to outpace the collection of transportation related revenue. In 2014, municipalities are projected to have spent \$247 million to maintain and repair roads and bridges. In that same year, communities collected \$234 million in motor vehicle excise tax and local road assistance program revenues, and the \$13 municipal difference was funded with property tax revenue. The costs associated with maintaining and improving local roads and bridges accounted for 6% of total spending.
- \$187 million was spent in 2014 on “other public works” services, including solid waste and recycling and water and sewer services. The provision of these services accounted for 5% of total local government spending.
- Municipalities spent \$25 million to enforce codes, administer and fund the municipal share of the General Assistance (GA) program and support local social service agencies. Spending in this category accounted for less than 1% of total municipal spending.
- \$75 million was spent to fund parks and recreation programs, libraries and other cultural activities. Investments in these programs and services accounted for 2% of total spending.
- Of the \$2.2 billion in property tax revenue projected to have been collected in 2014, \$147 million, or 7%, was used to fund county government services, and 67% of all property tax revenues - \$1.5 billion – used to fund the local required and “additional local” share of K-12 education. The remaining \$577 million (26%) was used to help offset the cost of providing all other local government services (e.g., general administration, public safety, road maintenance, code enforcement, parks, libraries, etc.).
- \$107 million in acquired municipal debt and \$58 million in school debt is projected to have been retired in 2014.

Municipal Revenue Sources

Table 2
2014 Municipal Revenue - Population Group and Statewide Projections

Population Group	Property Taxes	Excise Tax		Interest	Licenses	Service	Other	Total Municipal
		Motor Vehicle	Watercraft	Property Taxes	Permits/Fees	Fees		
Over 30,000	\$ 149,349,993	\$ 11,776,227	\$ 141,279	\$ 362,211	\$ 2,408,835	\$ 49,263,069	\$ 101,433,357	\$ 314,734,971
10,000 - 30,000	485,109,748	46,208,344	389,068	1,184,028	14,463,936	60,399,232	21,170,232	628,924,588
5,000 - 9,999	564,225,275	53,420,739	414,562	2,522,149	10,609,268	82,643,091	18,697,015	732,532,098
3,500 - 4,999	269,001,798	25,694,827	322,280	947,740	4,778,982	8,138,979	7,852,489	316,737,094
2,000 - 3,499	246,657,219	28,648,577	282,760	1,614,561	5,960,682	8,706,618	47,227,375	339,097,791
1,000 - 1,999	292,790,885	27,148,978	488,240	1,785,704	3,093,892	18,282,718	7,053,192	350,643,607
Under 1,000	217,876,380	16,596,378	383,609	1,123,884	3,771,292	10,333,037	13,088,204	263,172,784
<i>2014 Total</i>	<i>\$ 2,225,011,299</i>	<i>\$ 209,494,069</i>	<i>\$ 2,421,797</i>	<i>\$ 9,540,276</i>	<i>\$ 45,086,886</i>	<i>\$ 237,766,744</i>	<i>\$ 216,521,863</i>	<i>\$ 2,945,842,934</i>
<i>% of Total</i>	<i>75.5%</i>	<i>7.1%</i>	<i>0.1%</i>	<i>0.3%</i>	<i>1.5%</i>	<i>8.1%</i>	<i>7.4%</i>	<i>100.0%</i>

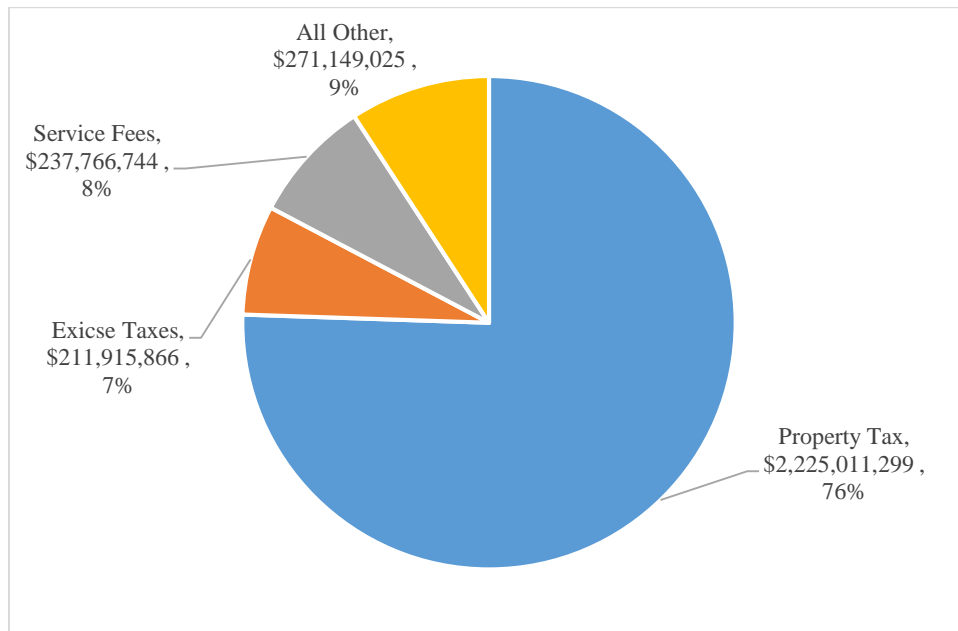
Municipal Revenue Sources

Municipal Revenue Category Overview. For the purposes of this survey, municipal sources of revenues were grouped into six categories:

1. Property taxes;
2. Motor vehicle and watercraft excise taxes;
3. Interest earned and other charges assessed on the late payment of property taxes;
4. License, permit and fee revenues collected from the issuance of business licenses; building, zoning, plumbing, and electrical permits; impact, enterprise, motor vehicle registration and cable television franchise; and from the sales of dog, marriage, hunting and fishing licenses;
5. Service fees, including but not limited to special police services, park and recreation concessions, municipal building and library use, printing and photocopying, parking facilities, and road and street charges; and
6. Other sources of municipal revenue not reported in the above listed categories.

Projections - 2014 Municipal Revenue. As shown in the data presented in *Table 2* on the previous page and in *Chart 1* below, it is projected that in 2014 municipalities across the state raised \$2.9 billion in municipal source revenue. Of the total, \$2.2 billion in property tax revenue was generated accounting for 76% of all municipal revenue. Motor vehicle and watercraft excise taxes and locally assessed fees for services collectively generated \$450 million accounting for 15% of total municipal revenue.

Chart 1
2014 Projected Statewide Municipal Revenue



Projected vs. Actual Municipal Revenue. Although the actual data for all municipal revenue sources are not available, the amount of property tax revenues collected are reported in Maine Revenue Services' annually published *Municipal Valuation Return Statistical Summary* (MVR). According to the data published in the 2013 MVR, municipalities statewide actually collected \$2.3 billion in property taxes compared to the \$2.2 billion projected using the 2014 survey data. The resulting margin of error between MMA's projection and actual statewide property tax collections is 2%.

State Revenue Sources

Table 3

2014 State Revenue - Population Group and Statewide Projections

Population Group	Revenue Sharing	Homestead Exemption	Road Asst. (LRAP)	General Assistance	Tree Growth	State Aid Education	Veterans' Reimburse	Other	Total State
Over 30,000	\$ 8,731,716	\$ 2,284,932	\$ 1,260,432	\$ 1,243,974	\$ -	\$ 117,781,605	\$ -	\$ 5,625,066	\$ 136,927,725
10,000 - 30,000	14,497,008	4,562,400	4,073,492	1,067,484	406,896	204,786,396	153,328	4,141,568	233,688,572
5,000 - 9,999	17,974,004	6,471,841	5,229,228	636,017	838,649	218,407,787	292,142	6,196,726	256,046,396
3,500 - 4,999	7,035,014	2,780,066	2,619,920	191,617	250,422	99,868,622	97,259	7,672,261	120,515,182
2,000 - 3,499	8,087,771	3,440,369	3,485,173	362,465	567,138	141,739,901	141,255	1,371,145	159,195,217
1,000 - 1,999	7,548,480	3,373,916	4,466,796	278,393	2,229,750	91,944,424	144,945	3,647,700	113,634,404
Under 1,000	3,635,063	1,927,545	3,993,330	143,794	3,501,833	47,409,609	89,564	1,864,334	62,565,072
<i>2014 Total</i>	<i>\$ 67,509,058</i>	<i>\$ 24,841,070</i>	<i>\$ 25,128,371</i>	<i>\$ 3,923,744</i>	<i>\$ 7,794,689</i>	<i>\$ 921,938,345</i>	<i>\$ 918,494</i>	<i>\$ 30,518,798</i>	<i>\$ 1,082,572,568</i>
<i>% of Total</i>	<i>6.2%</i>	<i>2.3%</i>	<i>2.3%</i>	<i>0.4%</i>	<i>0.7%</i>	<i>85.2%</i>	<i>0.1%</i>	<i>2.8%</i>	<i>100.0%</i>

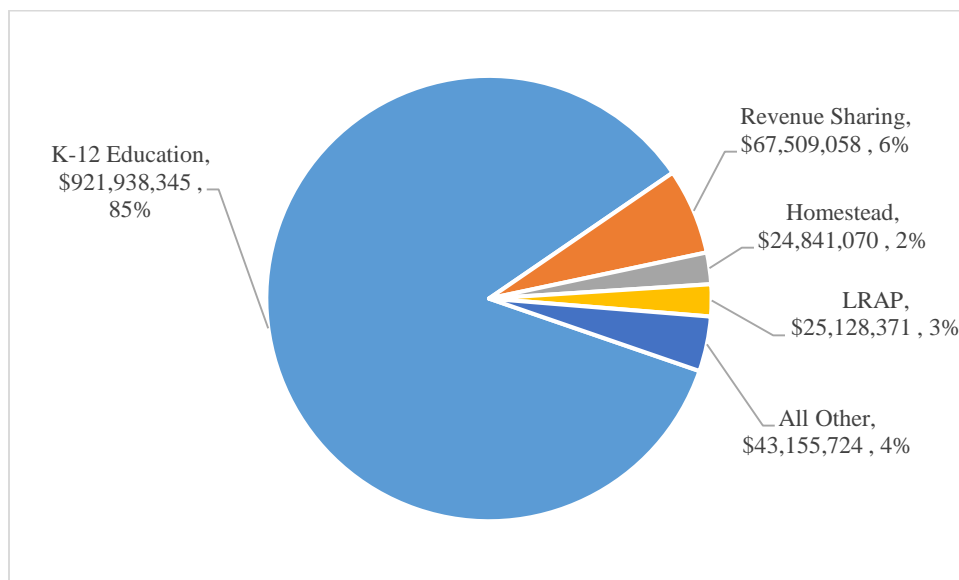
State Revenue Sources

State Revenue Category Overview. For the purposes of this survey, information was gathered on eight sources of state revenue:

1. Municipal revenue sharing;
2. Homestead Exemption program;
3. Local Road Assistance Program (LRAP)
4. General Assistance (GA);
5. State aid for K-12 education;
6. Tree Growth program;
7. Veterans' exemption program; and
8. All other sources of state revenue not recorded in the categories listed above (e.g., BETE, housing and community development grants, state operating and capital grants, etc.).

Projections - 2014 State Revenue. As shown in *Table 3* on the previous page and in *Chart 2* below, it is *projected* that in 2014 municipalities across the state received \$1.1 billion in state aid. Of the total, 85% (\$922 million) is projected to have been distributed to municipalities through the K-12 school funding formula. Despite the actions of the Legislature over the last decade to cut and flat fund the municipal revenue sharing program, the projected \$68 million distributed as revenue sharing accounted for the second largest source of state revenue in 2014.

Chart 2
2014 Projected Statewide State Revenue



Projected vs. Actual State Revenue. According to the data prepared by the Department of Education and the Office of Fiscal and Program Review (OFPR), in 2014 municipalities statewide actually received a combined \$1.1 billion in state aid for K-12 education, municipal revenue sharing, Homestead Exemption, local road assistance, and tree growth programs. As shown in *Table 4* below, on the basis of the information provided by the 171 participating communities, MMA projects that communities statewide received \$1.0 billion in those five state aid programs, represents a 1.6% difference between projected and actual distributions.

Table 4
State Distributions – Projected vs. Actual

	Projected	Actual	Difference
State Aid for Education	\$ 921,938,345	\$ 942,295,406	-2.2%
Revenue Sharing	67,509,058	66,059,597	2.1%
Homestead Exemption	24,841,070	24,927,065	-0.3%
Local Road Assistance	25,128,371	23,167,349	7.8%
Tree Growth	7,794,689	7,504,643	3.7%
Total	\$ 1,047,211,533	\$ 1,063,954,060	-1.6%

Although the methodology used to project statewide revenue was on target with respect to nearly all categories of state aid, as referenced in the “data disclaimer” section of the report (page 3), the calculation missed the mark with respect to the General Assistance (GA) program.

According to OFPR, in 2014 municipalities statewide received \$12.2 million in reimbursement for the aid provided under the state/municipal GA program. Using the MMA methodology, it is projected that municipalities statewide received only \$4 million in reimbursement; 210% below actual receipts of \$12.2 million. Considering that 84% of total GA reimbursements were distributed to communities with populations greater than 30,000 and that only one-third of the communities in that population group were able to participate in the 2014 survey, those results are not unexpected.

If all communities in the 30,000 and greater population category had been able to participate in the survey, MMA projections would have yielded GA reimbursements of \$13 million statewide, resulting in a margin of error of 5%.

Other Revenue Sources

Table 5
2014 Other Revenue - Population Group and Statewide Projections

Population Group	Federal	Surplus	Reserve or Trust Fund	Total
Over 30,000	\$ 5,333,820	\$ -	\$ -	\$ 5,333,820
10,000 - 30,000	1,418,024	4,945,108	335,924	6,699,056
5,000 - 9,999	4,266,425	11,182,728	7,758,688	23,207,841
3,500 - 4,999	298,875	4,905,852	1,610,992	6,815,719
2,000 - 3,499	1,855,095	9,576,608	1,374,855	12,806,558
1,000 - 1,999	1,872,845	9,604,876	2,610,802	14,088,523
Under 1,000	2,923,425	6,732,547	1,076,284	10,732,256
<i>2014 Total</i>	<i>\$ 17,968,509</i>	<i>\$ 46,947,718</i>	<i>\$ 14,767,545</i>	<i>\$ 79,683,771</i>
<i>% of Total</i>	<i>22.5%</i>	<i>58.9%</i>	<i>18.5%</i>	<i>100.0%</i>

Other Revenue Category Overview. For the purposes of this survey, information was gathered on three “other” source revenues:

1. Federal revenues (e.g., Community Development Block Grants, Homeland Security grants and Federal Management Agency funds, etc.);
2. Appropriations from undesignated surplus; and
3. Reserve or trust fund revenue.

Projections - 2014 State Revenue. As shown in *Table 5* above, it is *projected* that in 2014 municipalities across the state collected nearly \$80 million in revenues from the award of federal government grants, appropriations from undesignated surplus and transfers from reserve/trust funds. Of the total, 60% of other source revenues came from undesignated surplus accounts.

General Administration Expenditures

Table 6
2014 General Administration Expenditures - Population Group and Statewide Projections

Population Group	Employee Benefits	Elected Officers & Boards	Admin Offices	Legal	Government Buildings	Economic Development	Other	Total
Over 30,000	\$ 15,294,345	\$ 72,942	\$ 5,742,195	\$ 266,913	\$ 1,331,334	\$ 15,027,414	\$ 1,253,196	\$ 38,988,339
10,000 - 30,000	65,593,080	325,052	19,260,564	2,129,540	7,596,028	14,212,908	31,783,168	140,900,340
5,000 - 9,999	44,790,383	1,757,506	25,033,359	1,523,507	5,095,829	16,313,040	14,473,219	108,986,843
3,500 - 4,999	6,603,357	823,399	14,776,397	1,013,035	2,131,962	2,339,477	3,535,356	31,222,983
2,000 - 3,499	9,847,846	1,462,211	10,554,602	545,139	6,722,135	748,358	5,349,489	35,229,781
1,000 - 1,999	8,231,036	1,101,419	13,661,744	938,187	2,826,605	1,479,655	4,532,638	32,771,285
Under 1,000	7,467,462	3,147,694	10,730,397	810,717	22,610,538	4,156,540	5,162,768	54,086,117
<i>2014 Total</i>	<i>\$ 157,827,509</i>	<i>\$ 8,690,224</i>	<i>\$ 99,759,259</i>	<i>\$ 7,227,037</i>	<i>\$ 48,314,431</i>	<i>\$ 54,277,392</i>	<i>\$ 66,089,835</i>	<i>\$ 442,185,687</i>
<i>% of Total</i>	<i>35.7%</i>	<i>2.0%</i>	<i>22.6%</i>	<i>1.6%</i>	<i>10.9%</i>	<i>12.3%</i>	<i>14.9%</i>	<i>100.0%</i>

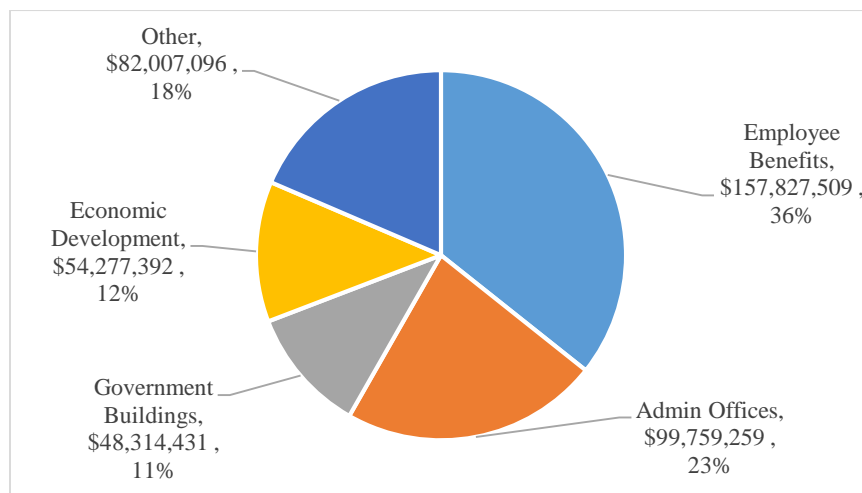
General Administration Expenditures

General Administration Expenditures Category Overview. For the purposes of this survey, information was gathered on seven general administration expenditure categories:

1. Employee benefits (e.g., Social Security, Maine State Retirement System, dental, health, unemployment and workers' compensation, etc.);
2. Elected offices and boards (e.g., councils and boards of selectmen; boards of assessing, appeal, and zoning; and comprehensive planning committees, etc.);
3. Administrative offices (e.g., the office of the manager, assessor, clerk, tax collector, treasurer, finance, planning, economic development, etc.);
4. Legal services;
5. Government buildings;
6. Economic development, including TIF and housing programs;
7. All other "general administration" expenditures not listed above (e.g., local cable programs, professional/association memberships, advertisements, etc.).

Projections - 2014 General Administration Expenditures. As shown in *Table 6* on the previous page and in *Chart 3* below, it is projected in 2014 municipalities spent \$442 million on the administration of municipal "front office" services. The \$158 million spent on employee benefits accounted for the largest expenditure in this category. The nearly \$100 million spent on administrative offices accounted for the second largest general administration expenditure in 2014.

Chart 3
2014 Projected Statewide General Administration Expenditures



Public Safety Expenditures

Table 7
2014 Public Safety Expenditures - Population Group and Statewide Projections

Population Group	Law Enforcement	Fire	EMS	Street Lighting	Other	Capital	Total
Over 30,000	\$ 18,479,943	\$ 17,105,562	\$ -	\$ -	\$ 2,326,962	\$ 947,664	\$ 38,860,131
10,000 - 30,000	47,236,576	36,096,532	1,711,164	2,327,004	6,341,432	4,106,360	97,819,068
5,000 - 9,999	37,220,934	22,360,716	8,692,306	3,248,912	12,719,775	3,712,452	87,955,094
3,500 - 4,999	10,739,250	5,234,882	2,814,293	907,779	5,047,434	1,683,468	26,427,105
2,000 - 3,499	6,520,865	7,043,225	1,512,710	912,012	4,998,714	1,875,048	22,862,575
1,000 - 1,999	3,552,215	6,206,841	2,262,430	881,116	5,670,692	524,814	19,098,108
Under 1,000	5,437,245	8,124,304	1,462,662	862,104	3,824,957	849,445	20,560,718
<i>2014 Total</i>	<i>\$ 129,187,028</i>	<i>\$ 102,172,063</i>	<i>\$ 18,455,565</i>	<i>\$ 9,138,928</i>	<i>\$ 40,929,965</i>	<i>\$ 13,699,251</i>	<i>\$ 313,582,800</i>
<i>% of Total</i>	<i>41.2%</i>	<i>32.6%</i>	<i>5.9%</i>	<i>2.9%</i>	<i>13.1%</i>	<i>4.4%</i>	<i>100.0%</i>

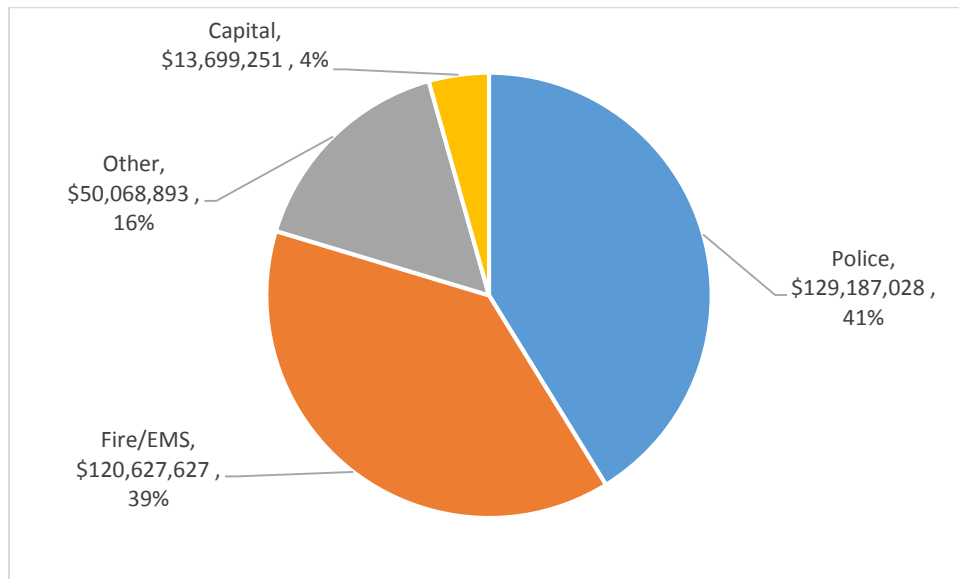
Public Safety Expenditures

Public Safety Expenditures Category Overview. For the purposes of this survey, information was gathered on six public safety expenditure categories:

1. Law enforcement services;
2. Fire services;
3. Emergency medical services;
4. Street lighting;
5. Other expenses (e.g., dispatch, emergency management, etc.); and
6. Capital purchases (e.g. police cruisers, firefighting equipment, etc.).

Projections - 2014 Public Safety Expenditures. As shown in *Table 7* on the previous page and *Chart 4* below it is projected that in 2014 municipalities spent \$314 million providing public safety services, with 41% of the total - \$129 million - used to fund law enforcement services. Nearly \$14 million (4% of the total) was used to fund capital purchases (e.g., police cruisers and fire equipment, etc.).

Chart 4
2014 Projected Statewide Public Safety Expenditures



Public Works Expenditures - Roads

Table 8
2014 Public Works Roads Expenditures - Population Group and Statewide Projections

Population Group	Administration	Roads Winter	Roads All Other	Bridges	Capital	Total
Over 30,000	\$ 1,372,794	\$ -	\$ 8,487,936	\$ -	\$ 2,027,058	\$ 11,887,788
10,000 - 30,000	5,791,072	10,841,268	17,219,388	-	9,350,088	43,201,816
5,000 - 9,999	8,637,413	12,107,634	19,440,585	362,459	15,458,315	56,006,407
3,500 - 4,999	5,155,498	5,574,358	13,388,777	-	7,705,343	31,823,974
2,000 - 3,499	1,657,804	10,987,931	18,240,173	-	4,854,384	35,740,292
1,000 - 1,999	1,815,378	13,389,652	13,651,227	82,128	3,727,016	32,665,402
Under 1,000	681,408	14,921,333	16,350,950	55,226	3,894,405	35,903,323
<i>2014 Total</i>	<i>\$ 25,111,367</i>	<i>\$ 67,822,176</i>	<i>\$ 106,779,036</i>	<i>\$ 499,812</i>	<i>\$ 47,016,609</i>	<i>\$ 247,229,001</i>
<i>% of Total</i>	<i>10.2%</i>	<i>27.4%</i>	<i>43.2%</i>	<i>0.2%</i>	<i>19.0%</i>	<i>100.0%</i>

Public Works Expenditures - Roads

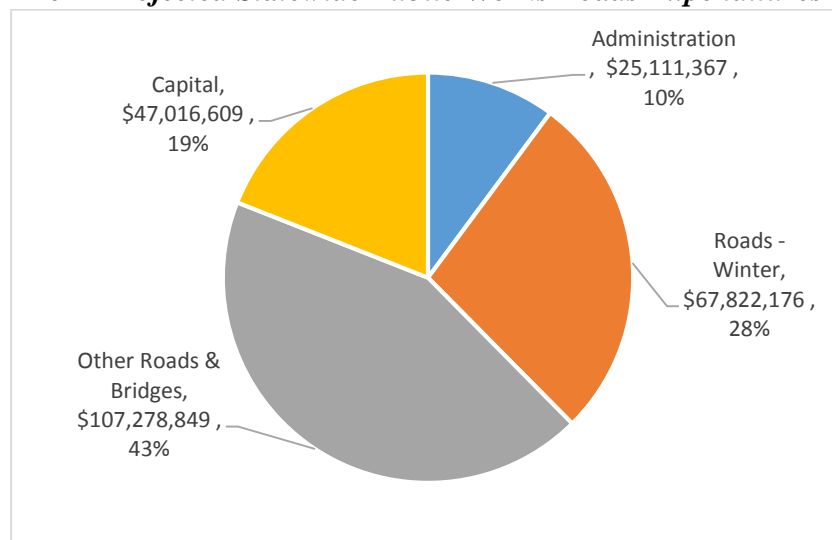
Public Works Road Expenditures Category Overview. For the purposes of this survey, information was gathered on five road related expenditures categories:

1. Administrative costs;
2. Winter road maintenance (e.g., plowing, sanding, etc.);
3. All other road maintenance (e.g., ditching, street sweeping, paving, striping, etc.);
4. Bridges; and
5. Capital improvements to roads and bridges.

Projections - 2014 Public Works Road Expenditures. As shown in *Table 8* on the previous page and *Chart 5* below, it is projected that in 2014 municipalities spent \$247 million to maintain and repair roads and bridges. Over 70% of that total investment was spent on the provision of services (e.g., plowing, sanding, culvert management, etc.), 19% was used to make capital improvements in roads and bridges and 10% of total program funding was used to administer and oversee road maintenance programs. In cases where a community reported both winter and non-winter expenditures in one category, that expenditure is included as part of the “road all other” category.

Funding for local roads and bridges is at times a hot button topic, as questions are routinely raised regarding the "appropriate" use of road-related tax revenue. While some communities may collect more motor vehicle excise taxes and state aid revenue than their local road expenditures may require, as a whole, municipal spending on roads is greater than excise tax revenue and road aid receipts combined. Based on the information provided in this survey, it is projected that in 2014 municipalities collected a total of \$209 million in local motor vehicle excise tax and \$25 million in local road assistance (LRAP) for a total of \$234 million. The \$13 million shortfall was funded with property tax revenue.

Chart 5
2014 Projected Statewide Public Works Roads Expenditures



Public Works Expenditures - All Other

Table 9

2014 Other Public Works Expenditures - Population Group and Statewide Projections

Population Group	Solid Waste & Recycling	Water & Sewer	Capital	Total
Over 30,000	\$ 4,304,373	\$ 24,370,140	\$ 26,709,924	\$ 55,384,437
10,000 - 30,000	13,873,360	1,036,188	-	14,909,548
5,000 - 9,999	20,858,944	5,633,300	417,391	26,909,635
3,500 - 4,999	9,508,103	306,024	131,812	9,945,938
2,000 - 3,499	7,920,963	8,045,682	4,406,204	20,372,849
1,000 - 1,999	10,512,193	27,277,039	692,662	38,481,895
Under 1,000	8,089,854	12,159,121	445,620	20,694,594
2014 Total	\$ 75,067,790	\$ 78,827,494	\$ 32,803,613	\$ 186,698,896
% of Total	40.2%	42.2%	17.6%	100.0%

Other Public Works Expenditures Category Overview. For the purposes of this survey, information was gathered on three other public works expenditure categories:

1. Solid waste and recycling (e.g., waste collection and disposal, etc.);
2. Water and sewer services; and
3. Capital expenditures necessary to provide the services.

Projections - 2014 Other Public Works Expenditures. As shown in Table 9 above, it is projected that in 2014 municipalities spent \$187 million to provide solid waste, recycling, water and sewer services to residents and businesses. Both the provision of waste management services and water/sewer service cost municipalities roughly \$77 million each year.

Codes Enforcement & Human Services Expenditures

Table 10
2014 Codes Enforcement & Human Services Expenditures - Population Group and Statewide Projections

Population Group	Codes Enforcement	General Assistance	Social Service Contributions	Other	Total
Over 30,000	\$ 1,259,007	\$ 2,817,945	\$ -	\$ -	\$ 4,076,952
10,000 - 30,000	2,347,464	2,795,688	861,716	332,820	6,337,688
5,000 - 9,999	2,415,426	1,723,695	1,010,605	36,841	5,186,567
3,500 - 4,999	1,327,277	613,583	473,960	135,422	2,550,242
2,000 - 3,499	1,348,455	801,082	717,360	15,875	2,882,773
1,000 - 1,999	973,664	591,009	476,228	12,070	2,052,972
Under 1,000	1,422,974	329,676	379,472	83,461	2,209,463
<i>2014 Total</i>	<i>\$ 11,094,268</i>	<i>\$ 9,672,677</i>	<i>\$ 3,919,342</i>	<i>\$ 616,489</i>	<i>\$ 25,296,656</i>
<i>% of Total</i>	<i>43.9%</i>	<i>38.2%</i>	<i>15.5%</i>	<i>2.4%</i>	<i>100.0%</i>

Codes Enforcement & Human Services Expenditures Category Overview. For the purposes of this survey, information was gathered on four code enforcement and human services related expenditure categories:

1. Code enforcement (e.g., building, zoning, plumbing, etc.);
2. Administration and the municipal share of direct aid provided under the state/municipal General Assistance program;
3. Contributions made to other social service agencies (e.g., YMCA, food banks, homeless shelter, community groups, etc.); and
4. All other code enforcement and human services expenditures not recorded in the categories listed above

Projections - 2014 Codes Enforcement & Human Services Expenditures. As shown in *Table 10* above, it is projected that in 2014 municipalities spent \$25 million to enforce codes, administer and fund the municipal share of the state/municipal General Assistance (GA) program and support local social service agencies. Please note that in 2014, municipalities statewide actually received \$12 million in GA program reimbursements. For information regarding the projection of statewide spending on GA, please see to the “Data Disclosure” section of this report.

Parks/Recreation & Libraries Expenditures

Table 11
2014 Parks/Recreation & Libraries - Population Group and Statewide Projections

Population Group	Parks & Recreation	Library	Other	Capital	Total
Over 30,000	\$ 3,931,197	\$ 4,430,220	\$ 123,507	\$ 35,361	\$ 8,520,285
10,000 - 30,000	14,670,700	7,811,140	765,772	421,592	23,669,204
5,000 - 9,999	10,659,370	11,164,254	557,414	651,442	23,032,480
3,500 - 4,999	5,233,700	3,166,733	1,129,650	-	9,530,084
2,000 - 3,499	2,100,598	2,439,216	318,645	260,997	5,119,456
1,000 - 1,999	1,356,385	2,030,480	138,933	29,436	3,555,234
Under 1,000	654,507	962,964	309,739	-	1,927,210
<i>2014 Total</i>	38,606,456	32,005,007	3,343,661	1,398,829	75,353,953
<i>% of Total</i>	51.2%	42.5%	4.4%	1.9%	100%

Parks/Recreation & Libraries Expenditures Category Overview. For the purposes of this survey, information was gathered on four parks, recreation and cultural expenditure categories:

1. Parks and recreation programs;
2. Library programs;
3. Other cultural investments, (e.g., parades, festival, community celebrations, etc.); and
4. Related capital investments (e.g., ball parks, playgrounds, etc.).

Projections - 2014 Parks/Recreation & Libraries Expenditures. As shown in *Table 11* above, it is projected that in 2014 municipalities spent \$75 million on parks and recreation programs, libraries, other cultural activities and related capital improvements. Over one half of total expenditures (\$38 million), were used to fund parks and recreation programs and related maintenance activities.

Counties, Schools & Debt Service Expenditures

Table 12
2014 Counties, School and Debt Service - Population Group and Statewide Projections

Population Group	County Assessment	K-12 Education Assessment	Debt Service Municipal	Long Term Debt Service Education
Over 30,000	\$ 6,843,528	\$ 179,484,837	\$ 24,225,744	\$ 16,017,660
10,000 - 30,000	19,765,372	369,178,900	24,601,640	31,996,200
5,000 - 9,999	33,150,685	330,644,686	33,062,385	7,913,528
3,500 - 4,999	19,793,392	163,547,039	3,170,520	1,073,351
2,000 - 3,499	21,933,763	157,533,077	4,851,296	163,800
1,000 - 1,999	23,472,124	185,085,357	11,339,592	84,057
Under 1,000	22,122,088	115,504,850	5,822,322	318,373
<i>2014 Total</i>	\$ 147,080,951	\$ 1,500,978,746	\$ 107,073,498	\$ 57,566,969

Projections - 2014 Counties, Schools & Debt Service Expenditures. As shown in Table 12 above, it is projected that municipalities raised \$147 million in property taxes to pay for county services and \$1.5 billion to pay for the local share of K-12 education. In addition, municipal property taxpayers are projected to have retired \$107 million and \$58 million in municipal and school related debt, respectively.

Based on the information provided in this report, municipalities statewide are projected to have raised \$2.2 billion in property tax revenue. Of the \$2.2 billion in property tax revenue, 7% was collected on behalf of county government, 67% on behalf of school units, and 26% (\$577 million) to help offset the costs of providing all other local government services (e.g., general administration, public safety, road maintenance, code enforcement, parks and recreation, etc.).

Appendix A

Participating Municipalities

Abbot	Charleston	Hodgdon	North Haven	Stoneham
Acton	Charlotte	Hope	Northport	Strong
Albion	Chebeague Island	Islesboro	Oakland	Sumner
Alfred	Chelsea	Jay	Ogunquit	Surry
Alna	Clinton	Jonesboro	Old Orchard Beach	Swan's Island
Amherst	Columbia Falls	Knox	Old Town	Swanville
Andover	Cranberry Isles	Lake View Plt	Orrington	Sweden
Arundel	Crawford	Lee	Palmyra	Trenton
Atkinson	Crystal	Leeds	Paris	Unity
Augusta	Cushing	Lewiston	Poland	Verona Island
Baileyville	Dallas Plt	Limerick	Portage Lake	Vinalhaven
Bancroft	Dayton	Lincoln Plt	Pownal	Waite
Bangor	Dixmont	Lincolnton	Presque Isle	Waldoboro
Baring Plt	Dyer Brook	Livermore Falls	Princeton	Wallagrass
Bath	Eastport	Lovell	Randolph	Warren
Belfast	Eliot	Lubec	Readfield	Washington
Belmont	Ellsworth	Ludlow	Rockland	Weld
Benton	Embden	Madison	Rockport	Wellington
Bethel	Eustis	Magalloway Plt	Rome	Wells
Biddeford	Exeter	Mapleton*	Roxbury	West Bath
Bowdoin	Fairfield	Marshfield	Saint Albans	West Gardiner
Bowerbank	Falmouth	Mattawamkeag	Saint John Plt	West Paris
Bradford	Fort Fairfield	Mechanic Falls	Searsmont	Weston
Bradley	Frankfort	Meddybemps	Sebago	Whitneyville
Bremen	Friendship	Medford	Sedgwick	Winn
Bristol	Frye Island	Medway	Shirley	Winslow
Brooksville	Gardiner	Monmouth	Solon	Winterport
Burnham	Garfield Plt	Morrill	Somerville	Winterville Plt
Canaan	Gorham	Moscow	South Berwick	Wiscasset
Cape Elizabeth	Gouldsboro	Newburgh	South Thomaston	Woolwich
Caratunk	Greene	Newcastle	Southwest Harbor	
Caribou	Guilford	Newport	Standish	
Carroll Plt	Hallowell	Newry	Stetson	
Carthage	Harpswell	Norridgewock	Steuben	
Castine	Hartland	North Berwick	Stockholm	

*The survey submitted for the Town of Mapleton included the fiscal data for the towns of Castle Hill and Chapman.

Projected Statewide Revenue – All Sources

2014 All Revenue - Population Group and Statewide Projections

Population Group	Municipal	State	Federal	Surplus	Reserve or Trust Fund	Total
Over 30,000	\$ 314,734,971	\$ 136,927,725	\$ 5,333,820	\$ -	\$ -	\$ 456,996,516
10,000 - 30,000	628,924,588	233,688,572	1,418,024	4,945,108	335,924	869,312,216
5,000 - 9,999	732,532,098	256,046,396	4,266,425	11,182,728	7,758,688	1,011,786,335
3,500 - 4,999	316,737,094	120,515,182	298,875	4,905,852	1,610,992	444,067,995
2,000 - 3,499	339,097,791	159,195,217	1,855,095	9,576,608	1,374,855	511,099,565
1,000 - 1,999	350,643,607	113,634,404	1,872,845	9,604,876	2,610,802	478,366,534
Under 1,000	263,172,784	62,565,072	2,923,425	6,732,547	1,076,284	336,470,112
<i>2014 Total</i>	<i>\$ 2,945,842,934</i>	<i>\$ 1,082,572,568</i>	<i>\$ 17,968,509</i>	<i>\$ 46,947,718</i>	<i>\$ 14,767,545</i>	<i>\$ 4,108,099,274</i>
<i>% of Total</i>	<i>71.7%</i>	<i>26.4%</i>	<i>0.4%</i>	<i>1.1%</i>	<i>1.0%</i>	<i>100.0%</i>

Projected Statewide Expenditures – All Sources

2014 All Expenditures - Population Group and Statewide Projections

Population Group	General Admin	Public Safety	Public Works	Code/Human Services	Parks/Library	K-12 Education*	County	Debt Service	Total
Over 30,000	\$ 38,988,339	\$ 38,860,131	\$ 67,272,225	\$ 4,076,952	\$ 8,520,285	\$ 297,266,442	\$ 6,843,528	\$ 40,243,404	\$ 502,071,306
10,000 - 30,000	140,900,340	97,819,068	58,111,364	6,337,688	23,669,204	573,965,296	19,765,372	56,597,840	977,166,172
5,000 - 9,999	108,986,843	87,955,094	82,916,042	5,186,567	23,032,480	549,052,473	33,150,685	40,975,913	931,256,097
3,500 - 4,999	31,222,983	26,427,105	41,769,912	2,550,242	9,530,084	263,415,661	19,793,392	4,243,871	398,953,250
2,000 - 3,499	35,229,781	22,862,575	56,113,141	2,882,773	5,119,456	299,272,978	21,933,763	5,015,096	448,429,563
1,000 - 1,999	32,771,285	19,098,108	71,147,296	2,052,972	3,555,234	277,029,781	23,472,124	11,423,649	440,550,449
Under 1,000	54,086,117	20,560,718	56,597,917	2,209,463	1,927,210	162,914,459	22,122,088	6,140,694	326,558,666
<i>2014 Total</i>	\$ 442,185,687	\$ 313,582,800	\$ 433,927,897	\$ 25,296,656	\$ 75,353,953	\$ 2,422,917,091	\$ 147,080,951	\$ 164,640,467	\$ 4,024,985,503
<i>% of Total</i>	11.0%	7.8%	10.8%	0.6%	1.9%	60.2%	3.7%	4.1%	100%

*Includes both state and local expenditures for K-12 education. It is projected that the municipal contribution to K-12 education in 2014 was \$1.5 billion, 61% of the \$2.4 billion state/municipal total.

