



CITY OF BANGOR

Testimony of Joe Perry  
Former City Councilor, City of Bangor

Before the Committee on Taxation  
Revenue Sharing  
April 9, 2019

Senator Chipman, Representative Tipping and members of the Committee on Taxation. My name is Joe Perry and I am a former Bangor City Councilor. I am here today to support full restoration of Revenue Sharing.

The past decade has been difficult for municipalities and the property tax payers. After enduring and surviving the crash of the housing market and the last recession, municipalities were never able to recover. Municipalities realized declines in assessed valuations at the same time there were significant reductions to Municipal Revenue Sharing and State Aid to Education as well as cost shifts to municipalities in road construction programs and General Assistance. These significant shifts and reductions have stunted the economic recovery of our communities. By 2011, more than 50 positions in the City of Bangor were eliminated and wages remained flat, while the needs of the community outpaced our efforts to find and fund solutions. Specifically, the service impacts included increases homelessness, decreases in road funding (90/10 to 50/50), and reductions in public health education, among others.

Today the City finds itself at a crossroads. Unprecedented needs, particularly with mental health, substance abuse, and homelessness are fueling service concerns in the city all the while state aid and assessments have stagnated or declined. The issues cited above are those of statewide concern, yet dealing with them has fallen to the property tax payers within the individual communities. While we appreciate the consideration of an additional .5%, it will only generate an additional \$600,000 for general city operations such as police, fire and public health, which will do little to improve our response to the above issues.

The loss of Revenue Sharing, reductions in other state programs and increases in unfunded mandates, have resulted in significant upward pressure on property taxes over the last several years. Property taxpayers in our community are at a breaking point.

Failure to fully fund programs such as revenue sharing according to state statute will affect the City of Bangor mil rate by over \$1.20 or almost \$3 million. As you know, Maine has elderly populations with many living on a fixed income. What we are hearing is that property taxpayers cannot afford another increase. Yet state service reductions, cost shifts and reductions in state funding have left a small percentage of the resident population in Bangor, dealing with a whole host of social issues that are better solved at the state level.

I am aware that the state finds itself in a challenging place with its finances and I do not envy the choices you have over the coming months. I truly believe that the way out of the fiscal hole is to have more collaboration between the municipalities and the state ~~and partnership~~ partnering around certain ideas. In fact, the best investment in our economy that the state could make would be to not only protect revenue sharing, but to restore it to its statutory requirements to help communities like Bangor continue to invest in programs, people, and development.

Thank you for your time and attention. If there is any information I can provide or anything the City of Bangor can do to collaborate on cost-savings measures, please do not hesitate to reach out.

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Additional demographic information is provided below for information purposes only.

#### Demographic Comparison of Surrounding Communities

Town	Mill Rate	Percentage of				
		Taxable Value*	Exempt Property*	Median Income**	Median Home Value**	Population**
Orono	27.00	489,444,900	49.6%	44,427	188,800	10,914
Bangor	22.95	2,577,440,500	34.4%	40,071	150,100	32,237
Old Town	22.86	427,076,200	32.6%	37,799	123,300	7,594
Brewer	22.50	753,614,684	20.4%	56,354	159,900	9,167
Hampden	19.60	648,141,100	16.8%	87,708	206,000	7,314
Glenburn	18.50	307,445,780	8.8%	68,125	151,900	4,575
Veazie	18.15	301,279,100	8.5%	48,438	151,200	1,960
Holden	16.65	285,519,486	8.9%	51,010	183,100	3,069
Eddington	15.60	171,610,140	7.1%	58,421	151,800	2,137
Orrington	13.90	446,322,800	8.9%	57,127	169,600	3,676
Hermon	11.60	552,137,200	17.4%	70,762	206,300	5,789

\* - Source - Municipal Commitment Books (Exempt includes fully exempt, Homestead, Veterans, Blind and BETE)

\*\* - Source - U.S. Census - 2017 Survey and Estimates