



## CITY OF BANGOR

Testimony of Sarah Nichols,  
Council Chair, City of Bangor

Before the Joint Committee on Appropriations and Financial Affairs and Taxation  
FY 20-21 Budget  
March 20, 2019

Senators Breen and Chipman, Representative Gattine and Tipping and members of the Joint Committee on Appropriations and Financial Affairs and Taxation. My name is Sarah Nichols and I am Chair of the Bangor City Council. I am here today to support a budget that protects and restores Revenue Sharing for municipalities.

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.

Coupled with a variety of unfunded state and federal mandates and the state's failure to live up to the 55% education funding requirement, have resulted in significant upward pressure on property taxes over the last several years. Property taxpayers 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 municipalities and the state and partnership 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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**Statistical Information**  
**Bangor and Surrounding Communities**

<p><b><u>Bangor - Pop: 32,568</u></b> Mil Rate: \$22.95</p> <p>Median resident age: 36.0 years Maine median age: 44.5 years</p> <p>Estimated median household income in 2016: \$39,686</p> <p>Bangor: \$39,686 ME: \$53,079</p> <p>Estimated per capita income in 2016: \$26,603 (it was \$19,295 in 2000)</p> <p>Estimated median house or condo value in 2016: \$147,841 (it was \$83,800 in 2000)</p> <p>Bangor: \$147,841 ME: \$184,700</p> <p>Median gross rent in 2016: \$765. GA Expenditures – 2,042,485</p>	<p><b><u>Hampden - Pop: 4,343</u></b> Mil Rate: \$19.60</p> <p>Median resident age: 45.2 years Maine median age: 44.5 years</p> <p>Estimated median household income in 2016: \$88,063 (it was \$53,333 in 2000)</p> <p>Hampden: \$88,063 ME: \$53,079</p> <p>Estimated per capita income in 2016: \$40,217 (it was \$24,976 in 2000)</p> <p>Estimated median house or condo value in 2016: \$180,971 (it was \$103,000 in 2000)</p> <p>Hampden: \$180,971 ME: \$184,700</p> <p>Median gross rent in 2016: \$764 GA Expenditures – 2,878</p>
<p><b><u>Brewer - Pop: 9,317</u></b> Mil Rate: \$ 22.50</p> <p>Median resident age: 41.6 years Maine median age: 44.5 years</p> <p>Estimated median household income in 2016: \$58,638 (it was \$36,949 in 2000)</p> <p>Brewer: \$58,638 ME: \$53,079</p> <p>Estimated per capita income in 2016: \$31,184 (it was \$20,158 in 2000)</p> <p>Estimated median house or condo value in 2016: \$159,978 (it was \$88,200 in 2000)</p> <p>Brewer: \$159,978 ME: \$184,700</p> <p>Median gross rent in 2016: \$847 GA Expenditures: \$14,456</p>	<p><b><u>Hermon - Pop: 5,416</u></b> Mil Rate: \$11.60</p> <p>Median resident age: 40.4 years Maine median age: 43.0 years</p> <p>Estimated median household income in 2016: \$65,185 (it was \$47,206 in 2000)</p> <p>Hermon: \$65,185 ME: \$53,079</p> <p>Estimated per capita income in 2016: \$29,133 (it was \$19,714 in 2000)</p> <p>Estimated median house or condo value in 2016: \$167,998 (it was \$95,400 in 2000)</p> <p>Hermon: \$167,998 ME: \$184,700</p> <p>GA Expenditures: \$3,254</p>

**Orono - Pop: 9,474**

Mil Rate: \$27.00

Median resident age: 21.6 years

Maine median age: 44.5 years

Estimated median household income in 2016:  
\$42,634

Orono: \$42,634

ME: \$53,079

Estimated per capita income in 2016: \$19,517 (it  
was \$14,252 in 2000)

Estimated median house or condo value in  
2016: \$193,805 (it was \$110,100 in 2000)

Orono: \$193,805

ME: \$184,700

Median gross rent in 2016: \$778

GA Expenditures: \$2,644

**Glenburn - Pop: 4,594**

Mil Rate: \$18.72

Median resident age: 41.2 years

Maine median age: 43.0 years

Estimated median household income in 2016:  
\$57,838 (it was \$41,885 in 2000)

Glenburn: \$57,838

ME: \$53,079

Estimated per capita income in 2016: \$25,926 (it  
was \$17,544 in 2000)

Estimated median house or condo value in 2016:  
\$155,319 (it was \$88,200 in 2000)

Glenburn: \$155,319

ME: \$184,700